

**INTEGRATED SAFEGUARDS DATA SHEET  
CONCEPT STAGE**

Report No.: AC888

**Date ISDS Prepared/Updated: June 10, 2004**

**I. BASIC INFORMATION**

**A. Basic Project Data**

Country: Colombia	Project ID: P088857
Project Name: COLOMBIA- TECHNICAL ASSISTANCE LOAN to support the Second Programmatic Labor Reform and Social Structural Adjustment Loan	Task Team Leader: Vicente Paqueo, LCSHS
Estimated Appraisal Date: July 21, 2004	Estimated Board Date: October 14, 2004
Managing Unit: LCSHS-DPT	Lending Instrument: Specific Investment Loan
Sector: Other social services (45%);Health (30%);Primary education (15%);Secondary education (10%)	Theme: Social risk coping (P);Other social protection and risk management (P);Education for all (P);Social risk reduction (P);Education for the knowledge economy (S)
Safeguard Policies Specialists in the task team:	
Loan/Credit amount (\$m.): IBRD: 2.0	
Other financing amounts by source:	(\$m)

**B. Project Objectives [from section 2 of PCN]**

The TAL would support the government efforts to implement wide-ranging and profound social reforms. In this context, its main development objectives include the improvement of: (a) the MSP's capacity to develop and implement a working social protection network to protect the poor and vulnerable, (b) the capacity of the Ministry of Education (MEN) to better implement new decentralization reforms, and (c) the Department of National Planning's (DNP) capacity for monitoring and evaluation of social programs.

Bank support would allow the different implementing agencies to reinforce their institutions by developing better regulatory decrees and other regulations, design information systems and tools, and improve targeting and outcomes of the country's key social assistance, health and education programs.

These technical tools, while developed to some extent by external consultants and experts, are expected to strengthen mainstream institutional capacity specifically of the MSP and MEN by the assimilation of the new instruments developed by the TAL. For instance, with TAL support, MEN will evaluate how accurate is the enrollment data provided by State Secretaries of Education to calculate education transfers from the central government. Currently, state Secretaries of Education have an incentive to overstate enrollment to receive more resources from the central government. This assessment will provide auditing methodologies that the MEN can incorporate to tackle and detect information problems early on in the process and take corrective actions. The technical support to the MSP would help it tackle the coordination of large programs such as SENA, ICBF and *Cajas de Compensación Familiar* by establishing working agreements and mechanism based on the new division of responsibilities in which the MSP assumes policy making, coordination and supervision roles (not previously existing), and by developing the information systems and channels to achieve such coordination. The MSP will develop mechanisms for verification by analyzing databases of beneficiaries of programs to ensure that all are following targeting criteria established by such Ministry. Also, the TAL would permit DNP's Public Policy Evaluation Unit (formerly SINERGIA) to undertake more key evaluation studies and learn from them, develop better monitoring and evaluation instruments, and institutionalize impact evaluation.

The TAL will help the GOC address some intersectoral issues between the MSP and the MEN. For example, it would provide assistance to help clarify regulatory Decrees and implementation of the new roles in technical training provided in the recent CONPES document on the National Skills Formation System and the new role of SENA. In this framework, the MSP assumes the role of policy making and certifies training programs (previously made by SENA) and the MEN oversees technical aspects of training. SENA will be charged with providing specified training under certain conditions and regulations.

The performance of the project would be measured by the completion rate of planned studies, information systems, surveys, issuance of needed regulations/decrees/policy documents to advance the reforms, and the rate of adoption of the new institutional mechanisms and instruments financed under the TAL operation.

### **C. Project Description [from section 3 of PCN]**

The loan of \$2.0 million is proposed. This would be used to finance the following main components. The distribution of this amount among the three components is still under discussion with GOC. MSP, however, is expected to get the lion share, considering that most of the reforms to be implemented are under its responsibility.

**Component 1: Assistance for MSP.** This component would provide technical assistance to MSP to ensure timely, sustained, and effective implementation of health, labor, training and social assistance reforms. Specifically, it would finance the hiring of consultants who would work with the DNP, MEN, and MSP to (a) develop the implementation strategies, action plans and instruments needed to implement reforms of ICBF (Institute for Child and Family Welfare), SENA (National Training Institute), the *Cajas de Compensación Familiar* (workers' family

assistance program) and others; (b) undertake diagnostic studies and development of alternative institutional and organizational arrangements for the training and social protection programs, including early child education, programs for adolescent and unskilled youth and for the elderly with no formal social assistance; (c) develop a system of output-based indicators for following up progress in the achievement of agreed social protection system targets; and (d) establishment of an impact evaluation system for the main social protection programs under the MSP and development of key household surveys for said purpose.

This component would enable the new MSP to advance: (a) institutional and technical capacity to design and implement a better social protection system, (b) design and implementation of an effective monitoring system for programs and agencies under its jurisdiction, and (c) design and implementation of an effective impact evaluation system for major programs and institutions under the MSP. The Social Protection System, as envisioned by the MSP, has four key areas that this component will cover: (i) labor market policies (e.g., training, active labor market policies such as wage subsidies, and social assistance to the unemployed); (ii) social assistance to special vulnerable groups such as young children, adolescents and elderly poor; (iii) health sector insurance for the poor; and (iv) micro/credit programs. Coordination of all these programs is an enormous institutional challenge for the MSP, as most of these programs are run by separate semi/autonomous agencies like ICBF, SENA and the *Cajas de Compensación Familiar*.

**Component 2: Assistance to MEN.** The project would support: (a) a study of the current process of collecting and verifying enrollment and other data used to calculate the amount of education transfers to territories to detect flaws in the process; (b) based on said study, development of more adequate system for data audits, safeguard procedures and penalty schemes against fraud and manipulation; (c) review and dissemination of country and international experiences regarding the use of “contracts” and other innovative schemes for the delivery primary and secondary education services; (d) development of policies and implementation strategies to ensure that the decentralization reform actually leads to school empowerment and motivation for quality improvements; and (e) developing and pilot-testing ways of tracking public education and health expenditures financed by transfers under Law 715 to their beneficiaries. This would be undertaken in coordination with the evaluation of Law 715. The MEN and DNP would examine the impact of the new allocation scheme on patterns of resource utilization, education outputs of territorial entities and utilization of the teaching force (see Component 3).

This component would improve MEN’s capacity to better implement the education reform provision of Law 715. Under the new decentralization law, resources are transferred from the central to state and municipal levels largely on the basis of enrollment. While the allocation scheme under Law 715 is a sound approach to improve efficiency and equity across territorial entities and to promote rationalization of the teaching force, it requires good auditing and control systems to minimize fraud and manipulation and ensure the veracity of the information. Moreover, for decentralization to have an impact on school performance, it is important for the territorial entities to put in place measures that empower and motivate schools, parents, and civil society to improve its quality and efficiency.

**Component 3: Assistance to DNP.** The TAL would support the effort of DNP’s Public Policy Evaluation Unit to develop a culture of evaluation and citizens’ monitoring and feedback regarding key public policies and programs to promote transparency and social accountability. To this effect, the project would support, in conjunction with other activities, the following: (a) an evaluation study of the general participation system (revenue sharing) including the adequacy of the instrument and formula used, the impact on the socio/economic variables financed with that spending, equity of spending, among other things (this will be undertaken jointly with MEN and MSP); (b) development of a detailed implementation program for the periodic evaluation of selected social programs, such as SENA’s impact on employment, wages and productivity among trainees and firms; and (c) detailed implementation design and institutionalization of the *Cómo Vamos?* social control system, based on the successful experience of Bogotá.

The Public Policy Evaluation Unit has already made significant progress in establishing a system to monitor progress against set targets for most central government institutions and programs covered in the National Development Plan. It also has taken steps towards the institutionalization of a system for impact evaluation of major social programs, starting with the impact evaluation of the Red de Apoyo Social (RAS) programs and the forging of a consensus in GOC to include in the Organic Budget Law a requirement for periodic impact evaluation of major programs. This component would further advance the establishment of a culture of impact evaluation and citizens’ monitoring/feedback.

**D. Project location (if known)**

*[Guideline: If the location is not yet identified, please indicate if there are alternative locations under consideration or how the location is to be determined during project preparation]*

**E. Borrower’s Institutional Capacity for Safeguard Policies [from PCN]**

*[Guideline: Based on past experience and other available information]*

**II. SAFEGUARD POLICIES THAT MIGHT APPLY**

<b>Applicable?</b>	<b>Safeguard Policy</b> If Applicable, How Might It Apply?
[ ]	<a href="#"><u>Environmental Assessment (OP/BP 4.01)</u></a>
[ ]	<a href="#"><u>Natural Habitats (OP/BP 4.04)</u></a>
[ ]	<a href="#"><u>Pest Management (OP 4.09)</u></a>
[ ]	<a href="#"><u>Involuntary Resettlement (OP/BP 4.12)</u></a>
[ ]	<a href="#"><u>Indigenous Peoples (OD 4.20)</u></a>
[ ]	<a href="#"><u>Forests (OP/BP 4.36)</u></a>

<input type="checkbox"/>	<a href="#">Safety of Dams (OP/BP 4.37)</a>
<input type="checkbox"/>	<a href="#">Cultural Property (draft OP 4.11 - OPN 11.03)</a>
<input type="checkbox"/>	<a href="#">Projects in Disputed Areas (OP/BP/GP 7.60)*</a>
<input type="checkbox"/>	<a href="#">Projects on International Waterways (OP/BP/GP 7.50)</a>

**Environmental Assessment Category:**

A  B  C  FI  TBD (to be determined)

If TBD, explain determinants of classification and give steps that will be taken to determine that EA category (mandatory):

**III. SAFEGUARD PREPARATION PLAN**

- A. Target date for the Quality Enhancement Review (QER), at which time the PAD-stage ISDS would be prepared.
- B. For simple projects that will not require a QER, the target date for preparing the PAD-stage ISDS
- C. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing<sup>1</sup> should be specified in the PAD-stage ISDS.

**IV. APPROVALS**

<i>Signed and submitted by:</i>		
<b>Task Team Leader:</b>	<b>Vicente Paqueo</b>	<b>Date</b>
<i>Approved by:</i>		
<b>Regional Safeguards Coordinator:</b>	<b>Name</b>	<b>Date</b>
<b>Comments</b>		
<b>Sector Manager:</b>	<b>Name</b>	<b>Date</b>
<b>Comments</b>		

\* *By supporting the proposed project, the Bank does not intend to prejudice the final determination of the parties' claims on the disputed areas*

<sup>1</sup> Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in-country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.

