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Report No: PAD3900

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
AND
INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT
ON A
PROPOSED LOAN

IN THE AMOUNT OF US$ 200 MILLION

AND TWO PROPOSED CREDITS

IN THE AMOUNTS OF US$ 21 MILLION AND US$ 33.3 MILLION

TO THE

PLURINATIONAL STATE OF BOLIVIA

FOR THE

COVID-19 CRISIS EMERGENCY SOCIAL SAFETY NETS PROJECT

May 6, 2020

Social Protection & Jobs Global Practice
Latin America And Caribbean Region

This document is being made publicly available prior to Board consideration. This does not imply a presumed outcome. This document may be updated following Board consideration and the updated document will be made publicly available in accordance with the Bank's policy on Access to Information.

CURRENCY EQUIVALENTS

(Exchange Rate Effective Apr 28, 2020)

Currency Unit =	Bolivian Bolivianos
Bs. 6.96 =	US$1

FISCAL YEAR
January 1 - December 31

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ABBREVIATIONS AND ACRONYMS

ASFI	Supervision Authority of the Financial System (*Autoridad de la Supervisión del Sistema Financiero*)
BJAP	*Bono Juana Azurduy de Padilla*
BJP	*Bono Juancito Pinto*
BC	*Bono para Ciegos*
BCF	*Bono Canasta Familiar*
BD	*Bono para Discapacitados*
BF	*Bono Familia*
BU	*Bono Universal*
CCT	Conditional Cash Transfer Program
COVID-19	Coronavirus Disease 2019
DGAA	General Directorate of Administrative Issues *(Dirección General de Asuntos Administrativos)*
DGP	General Directorate of Planning (*Dirección General de Planificación)*
ESF	Environmental and Social Framework
FM	Financial Management
GBV	Gender-Based Violence
GESTORA	Public Management Entity of Long-Term Social Security (*Gestora Pública de la Seguridad Social de Largo Plazo*)
GoB	Government of the Plurinational State of Bolivia
GRM	Grievance Redress Mechanism
GRS	Grievance Redress System
GRUS	Group of Development Partners of Bolivia
IBC	Bolivian Institute for the Blind (*Instituto Boliviano de la Ceguera)*
IPP	Indigenous Peoples' Plan
ME	Ministry of Education
MEFP	Ministry of Economy and Public Finance (*Ministerio de Economía y Finanzas Públicas)*
MH	Ministry of Health
MDPEP	Ministry of Productive Development and Plural Economy (*Ministerio de Desarrollo Productivo y Economía Plural)*
PCU	Project Coordination Unit
POM	Project Operational Manual
PPE	Personal Protective Equipment
PPSD	Project Procurement Strategy for Development
PREGIPS	Platform of the Integrated Registry for Social Programs (*Plataforma de Registro Integrado de Programas Sociales)*
RD	*Renta Dignidad*
SEA-SH	Sexual Exploitation and Abuse and Sexual Harassment
SEGIP	Bolivian General Identification Service (*Servicio General de Identificación de Bolivia)*
SEP	Stakeholder Engagement Plan
SIE	Education Information System (*Sistema de Información Educativa)*
SIGEP	Public Management System (*Sistema de Gestión Pública)*
TSE	Supreme Electoral Tribunal *(Tribunal Supremo Electoral)*

VIPFE	Vice Ministry of Public Investment and External Financing (*Viceministerio de Inversión Pública y Financiamiento Externo)*
WB	World Bank
WHO	World Health Organization

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DATASHEET

BASIC INFORMATION

Country(ies)	Project Name		
Bolivia	COVID-19 Crisis Emergency Social Safety Nets Project		
Project ID	Financing Instrument	Environmental and Social Risk Classification	Process
P173984	Investment Project Financing	Moderate	Urgent Need or Capacity Constraints (FCC)

Financing & Implementation Modalities

[ ] Multiphase Programmatic Approach (MPA)	[ ] Contingent Emergency Response Component (CERC)
[ ] Series of Projects (SOP)	[ ] Fragile State(s)
[ ] Disbursement-linked Indicators (DLIs)	[ ] Small State(s)
[ ] Financial Intermediaries (FI)	[ ] Fragile within a non-fragile Country
[ ] Project-Based Guarantee	[ ] Conflict
[ ] Deferred Drawdown	[✓] Responding to Natural or Man-made Disaster
[ ] Alternate Procurement Arrangements (APA)	

Expected Approval Date	Expected Closing Date
14-May-2020	30-Apr-2021

Bank/IFC Collaboration

No

Proposed Development Objective(s)

The objective of the Project is to provide temporary economic support to poor and vulnerable households impacted by the COVID-19 pandemic

Components

Component Name	Cost (US$, millions)
1. Temporary cash transfers to vulnerable households	99.72
2. Support the transitory expansion of the safety net to informal workers	150.93
3. Support the payment system of cash transfers during the COVID-19 emergency and the implementing arrangements of the project	3.10

Organizations

Borrower:	Plurinational State of Bolivia
Implementing Agency:	Ministry of Economy and Public Finance

PROJECT FINANCING DATA (US$, Millions)

SUMMARY

Total Project Cost	254.30
Total Financing	254.30
of which IBRD/IDA	254.30
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Bank for Reconstruction and Development (IBRD)	200.00
International Development Association (IDA)	54.30
IDA Credit	54.30

IDA Resources (in US$, Millions)

	Credit Amount	Grant Amount	Guarantee Amount	Total Amount
Bolivia	54.30	0.00	0.00	54.30
National PBA	33.30	0.00	0.00	33.30

Transitional Support	21.00	0.00	0.00	21.00
Total	**54.30**	**0.00**	**0.00**	**54.30**

Expected Disbursements (in US$, Millions)

WB Fiscal Year	2020	2021
Annual	101.00	153.30
Cumulative	101.00	254.30

INSTITUTIONAL DATA

Practice Area (Lead)

Social Protection & Jobs

Contributing Practice Areas

Poverty and Equity

Climate Change and Disaster Screening

This operation has been screened for short and long-term climate change and disaster risks

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Rating
1. Political and Governance	Moderate
2. Macroeconomic	Moderate
3. Sector Strategies and Policies	Moderate
4. Technical Design of Project or Program	Moderate
5. Institutional Capacity for Implementation and Sustainability	Substantial
6. Fiduciary	Substantial
7. Environment and Social	Moderate
8. Stakeholders	Moderate
9. Other	
10. Overall	Moderate

COMPLIANCE

Policy

Does the project depart from the CPF in content or in other significant respects?

[ ] Yes [✓] No

Does the project require any waivers of Bank policies?

[✓] Yes [ ] No

Have these been approved by Bank management?

[✓] Yes [ ] No

Is approval for any policy waiver sought from the Board?

[ ] Yes [✓] No

Environmental and Social Standards Relevance Given its Context at the Time of Appraisal

E & S Standards	Relevance
Assessment and Management of Environmental and Social Risks and Impacts	Relevant
Stakeholder Engagement and Information Disclosure	Relevant
Labor and Working Conditions	Relevant
Resource Efficiency and Pollution Prevention and Management	Not Currently Relevant
Community Health and Safety	Relevant
Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Relevant
Cultural Heritage	Not Currently Relevant
Financial Intermediaries	Not Currently Relevant

NOTE: For further information regarding the World Bank's due diligence assessment of the Project's potential environmental and social risks and impacts, please refer to the Project's Appraisal Environmental and Social Review Summary (ESRS).

Legal Covenants

Sections and Description
Section I.A.6 of Schedule 2. The Borrower/ Recipient, through MEFP, ME and MDPEP, shall, and shall cause GESTORA to, ensure that the collection, use and processing (including transfers to third parties) of any Personal Data collected under this Project shall be done in accordance with the best international practice, ensuring legitimate, appropriate, and proportionate treatment of such data.

Sections and Description
Section I.C.2 of Schedule 2. The Recipient, through MEFP, shall ensure that the Project is implemented in accordance with the ESCP, in a manner acceptable to the Bank/Association.

Sections and Description
Section II of Schedule 2. The Recipient, through MEFP, shall furnish to the Bank/Association each Project Report not

later than 1 month after the end of each calendar quarter, covering the calendar quarter. Except as may otherwise be explicitly required or permitted under the Loan/Financing Agreement or as may be explicitly requested by the Bank/Association, in sharing any information, report or document related to the activities described in Schedule, the Borrower/Recipient shall ensure that such information, report or document does not include Personal Data.

Conditions

Type	Description
Effectiveness	Article 5.01 (a). The Borrower/Recipient, through MEFP, has prepared and adopted the Project Operational Manual in a manner satisfactory to the Bank/Association.
Effectiveness	Article 5.01 (b). The PCU has been established and staffed as provided under Section I.A.1 of Schedule 2 to the Loan and Financing Agreements and in a manner satisfactory to the Bank/Association.
Effectiveness	Article 5.01 (c) (i) The Borrower/Recipient has established the arrangements; and (ii) GESTORA has issued the ACG Notices in a manner acceptable to the Association, all as provided under Section I.A.5 of Schedule 2 to the Loan and Financing Agreements.
Effectiveness	Article 5.01 (d) The Loan and Financing Agreements have been signed and delivered and all conditions precedent to their effectiveness have been fulfilled.
Disbursement	Retroactive Financing. Section III.B.1 of Schedule 2. No withdrawal shall be made for payments made prior to the Signature Date, except that: withdrawals up to an aggregate amount not to exceed $80,000,000 from the IBRD Loan may be made for payments made prior to this date but on or after April 2, 2020, for Eligible Expenditures; (b) withdrawals up to an aggregate amount not to exceed $8,400,000 from the IDA Non Concessional Credit may be made for payments made prior to this date but on or after April 2, 2020, for Eligible Expenditures; and (c) withdrawals up to an aggregate amount not to exceed $13,320,000 from the IDA Concessional Credit may be made for payments made prior to this date but on or after April 2, 2020, for Eligible Expenditures.

I. STRATEGIC CONTEXT

A. Emergency Context

1. **This Project Appraisal Document (PAD**) supports an emergency response project for the Plurinational State of Bolivia under the emergency provisions set out Section III, Paragraph 12 (Projects in Situations of Urgent Need of Assistance or Capacity Constraints) of the Bank Policy on Investment Project Financing.

2. **An outbreak of the coronavirus disease (COVID-19) caused by the 2019 novel coronavirus (SARS-CoV-2) has been spreading rapidly across the world since December 2019, following diagnosis of the initial cases in Wuhan, Hubei Province, China.** Since the beginning of March 2020, the number of cases outside China has increased thirteenfold and the number of affected countries has tripled. On March 11, 2020, the World Health Organization (WHO) declared a global pandemic as the coronavirus rapidly spread across the world.

3. **Bolivia has not been spared by the outbreak of the coronavirus disease (COVID-19), causing the Government of Bolivia (GoB) to impose stringent social distancing measures.** On March 17, 2020, the GoB declared a national health emergency (*Decreto Supremo 4196/20*). Among the prevention measures adopted, citizens are only allowed to leave their homes one day a week, organized according to the last number of their ID document. Bolivia has reported confirmed cases and deaths in all nine departments of the country. COVID-19 and the measures adopted by the Government are having substantial impacts on the welfare and economy of the country, especially on the poor and vulnerable. The transmission channels for this economic shock include: the direct and indirect costs of illness; the direct and indirect costs of prevention measures; and the economic effects of the broader global downturn.

4. **Mitigation measures, such as social distancing and lockdowns, are integral parts of the response to the pandemic, particularly in countries such as Bolivia where time is needed to strengthen the response capacity of the weak health sector.** In the case of China, these mitigation measures effectively reduced the transmission of COVID-19 outside Hubei province. The case fatality rate outside Hubei was nearly five times lower than that in Hubei and was correlated with the reduction in mobility among residents. Modeling shows that if the government had relaxed social distancing when the epidemic size was still small, the COVID-19 epidemic would have expanded following the much higher baseline expansion curve.

5. **In a country of Bolivia's income level, with some 80 percent of private sector workers in the informal sector, and a majority of the population highly vulnerable to income shocks, an urgent ramping up of social assistance is essential to enable implementation of the lockdown measures.** The impacts of the mitigation measures are affecting typically vulnerable and poor households, as well as large sections of the middle class that operate as self-employed in the informal economy. These segments of the population are highly vulnerable to the loss of income from the impact of COVID-19, and lack access to social protection measures or protection from layoffs. As a result, in the absence of cash transfers, many households will face severe deprivation and find it very difficult to respect the containment measures. For instance, simulations conducted by the World Bank based on the most recent household survey[1] indicate that if earners in sectors potentially more affected by the economic shutdown, such as commerce, manufacturing and informal client-facing services, were to lose just two weeks of income, half of the families in the second quintile would fall to the

[1] 2018 Household Survey conducted by *Intituto Nacional de Estadísticas* de Bolivia.

income level of the first quintile, and more than half of those in quintile 3 would fall under the income threshold of quintile 2.

B. Country Context

6. **The COVID-19 epidemic comes at a time of decelerating growth and deteriorating fiscal accounts**. Between 2004 and 2016, Bolivia's GDP growth averaged 4.9 percent per year, largely due to gas and mining exports and public investment. In that same period, the income of the bottom 40 percent grew at an annualized 7.6 percent, compared to 2.8 percent for the population as a whole; the national poverty rate declined from 63 percent (2002) to 39 percent (2014); and, extreme poverty fell from 39 percent to 17 percent. However, in recent years, the economy was hit by external shocks, in particular, a reduction in gas exports. Growth decelerated from 6.8 percent in 2013 to an estimated 2.2 percent in 2019 and poverty reduction slowed. Although the GoB has cushioned the slowdown since 2015 through higher public expenditures and accommodative monetary and credit policies, this strategy has caused sizable current account and fiscal deficits, estimated at 3.3 and 7.2 percent of GDP respectively in 2019. Social unrest after the contested elections in October 2019 dampened economic activity further in 2019. The COVID-19 shock is already increasing pressure on the fiscal accounts, as record low oil prices and social distancing measures, including a national quarantine, are reducing hydrocarbon and tax revenues.

7. **Impacts may be even greater than estimated, however, due to possible larger and/or more protracted repercussions from COVID-19.** The longer the epidemic and related restrictions last, the larger the contraction of domestic and external demand. This would have a greater impact on the poor and vulnerable. In the absence of protection measures, the materialization of major job losses in affected sectors could lead to increases in national poverty rates, especially if these jobs are not reinstituted after one quarter.

C. Sectoral and Institutional Context

8. **Social assistance programs in Bolivia are not designed to respond to sudden income shocks.** Social assistance programs in Bolivia are comprised of conditional cash transfers, social pensions and disability benefits. The main social assistance programs have not changed for more than a decade: they include a universal social pension (*Renta Dignidad - RD*) and two categorically targeted conditional cash transfers (CCT), the *Bono Juancito Pinto (BJP),* focused on the school-aged population attending public schools and *Bono Juana Azurduy Padilla (BJAP)*, focused on pregnant women and mothers of children below two years old without social health insurance. Bolivia spends about 1.3 percent of GDP on social assistance programs. In the aggregate, social assistance spending is unbalanced towards the elderly, with small amounts going towards the working age population. Annex 2 summarizes key features of the permanent social safety net programs in Bolivia.

9. **The delivery system for social assistance is characterized by institutional fragmentation, multiple beneficiary registries and different cash payment systems.** Bolivia does not have a unique coordinating institution for social assistance. Social safety net programs are implemented by the Ministries of Education and Health, and by the Public Management Entity of Long-Term Social Security (*Gestora Pública de la Seguridad Social de Largo Plazo* or *GESTORA*). Each institution manages its own beneficiary registry, increasing transaction costs for both the Government and beneficiaries, and limiting the effectiveness of social policy and the ability of safety nets to respond to shocks. Payment systems are also fragmented. The BJP and the

Disability Benefit deliver payments in cash via school principals, the Army or personal checks. The BJAP and RD use *SINTESIS,* a private payment platform that enables beneficiaries to cash out the benefits in any bank in the country. *SINTESIS* is connected to more than 50 financial and commercial institutions with more than 1,300 payment sites throughout the country and provides biometric controls to reduce fraud.

10. **To respond to the COVID-19 crisis, the GoB has taken swift action to soften the impact of the restrictions on economic activity.** The government has created three new temporary cash transfer programs (*Bono Familia*, *Bono Canasta Familiar* and *Bono Universal*) that together provide economic support for households impacted by the COVID-19 pandemic (see Table 1). Like most countries, Bolivia has adopted a broad targeting approach that combines scaling up existing programs and creating new temporary programs and worries more about errors of exclusion (excluding households in need of assistance) than errors of inclusion (including those who do not need it). A recent survey of measures adopted around the world shows that 150 countries introduced temporary income support measures via the vertical and horizontal expansion of social safety nets.[2] In countries like Bolivia, where safety nets tend to be "static" (categorically targeted rather than means tested), the creation of new programs that are clearly labelled as temporary is critical to provide broad and immediate assistance without creating the expectation of prolonged support among the population that in normal circumstances are less in need.

11. **The GoB created the temporary cash transfer program Bono Familia (BF) on March 18, 2020 (*Decreto Supremo 4197/20*) to cover the extra spending on health, transport, and/or food that will occur as a consequence of the COVID-19 pandemic**. BF covers children who would normally receive the *BJP* conditional cash transfer, with the addition of students in pre-primary in public schools, as well as students in private schools and special education facilities. Families will receive a single payment of Bs500 (approximately US$72) for each eligible child. An estimated 3.12 million children are eligible for the BF, for a total cost of approximately US$224 million. The GoB started disbursing the BF to beneficiaries on April 16 through the *SINTESIS* payment platform.[3]

12. **On March 25, 2020, the GoB created a second temporary cash transfer program called Bono Canasta Familiar (BCF) (*Decreto Supremo* 4200/20) intended to mitigate the effect of the reduction of families' income due the COVID-19 crisis.** Eligible beneficiaries will receive a single payment of Bs400 (approximately US$57). An estimated 1.2 million individuals are eligible, amounting to a total cost of approximately US$69 million. Simulations conducted by the World Bank team using 2018 household survey data and applying the eligibility rules described above suggest that the BCF should cover an additional 27 percent of the poor over the BF. Eligible beneficiaries for the BCF are current recipients of the RD who do not receive a contributory pension and are current registered beneficiaries of BJAP, BD or BC. Eligibility to receive the BCF is subject to two restrictions: (i) the individual is not a formal worker; and, (ii) the benefit is limited to one BCF per

[2] Ugo Gentilini (World Bank), Mohamed Almenfi (World Bank), Ian Orton (ILO), and Pamela Dale (UNICEF), 2020. "Social Protection and Jobs Responses to COVID-19: A Real-Time Review of Country Measures".

[3] Initially, BF included only families with children in pre-primary and primary education enrolled for the 2020 school year in public schools. A first amendment dated on March 21, 2020 put the BF under responsibility of the Ministry of Education (ME) (*Decreto Supremo* 4199/20). A second amendment dated April 1, 2020 extended BF to families with children in alternative and special education public schools (*Decreto Supremo* 4205/20). A third amendment dated on April 8, 2020 extended BF to families with children in secondary education in public schools (*Decreto Supremo* 4210/20). A fourth amendment dated April 14, 2020 extended BF to families with children in pre-primary, primary and secondary in private schools (*Decreto Supremo* 4215/20). Finally, a fifth amendment dated on April 20, 2020 restricted BF to Bolivians with residency in the country for the last two years.

household. The GoB started disbursing the BCF to beneficiaries on April 3 through the *SINTESIS* payment platform.[4]

13. **Concerned by the fact that many vulnerable and affected households were still falling through the cracks of the social assistance systems, the GoB created a third temporary cash transfer program called *Bono Universal (BU)* (*Decreto Supremo* 4215/20 of April 14, 2020) to reach households not covered by BF or BCF.** The initial decree was subsequently amended by *Decreto Supremo* 4222/20 dated April 20, 2020, and *Decreto Supremo* 4223/20 dated April 20, 2020, to restrict the BU to Bolivians residing in the country for the last two years and to clarify the institutional arrangements of the BU. The Ministry of Economy and Public Finance (MEFP) is the implementing agency of BU. Eligible beneficiaries are all Bolivians, aged 18-59 years, that have been national residents for more than two years and that are: (i) not formal workers in the public or private sector; (ii) not receiving pensions (including elderly and people with disabilities); (iii) not eligible for BCF; and, (iv) not a direct recipient of BF (either the parent or student of adult age). Enforcement for these restrictions will rely on the registries of BF, BCF, formal workers, and pensioners. Eligible individuals for BU are to receive a single payment of Bs500 (approximately US$72). An estimated 2.67 million individuals are eligible for the BU, amounting to a total cost of approximately US$192 million. The GoB expects to start disbursing the bono in May through the SINTESIS payment platform.

14. **The combination of all three transfers will ensure all households in the bottom 60 percent of the population receive some social assistance.** Simulations conducted by the World Bank team using 2018 household survey data suggest that the combination of BU and the other two transfers will extend coverage of the COVID-19 temporary economic support package to all households in the bottom three quintiles of the income distribution.

[4] The initial decree was amended by *Decreto Supremo* 4210/20 dated April 8, 2020, and Decreto *Supremo* 4222/20 dated April 20, 2020, and *Decreto Supremo* 4223/20 dated April 20, 2020, to improve the institutional arrangements of the BCF program. Eligibility criteria for BCF were introduced by the joint Resolution from Ministry of Economy and Public Finance (MEFP by its Spanish acronym) and the Ministry of Productive Development and Plural Economy (MDPEP), the two implementing agencies of BCF.

Table 1: Summary of temporary cash transfer programs

Program	Eligibility Criteria	Direct Beneficiaries	Amount of temporary support		Total Cost	
			Bs	US$	Bs m	US$ m
Bono Familia (BF)	Children enrolled in public or private schools for 2020 in pre-primary, primary and secondary education (regular and special system of education)	3,117,667	500	72	1,559	224
Bono Canasta Familiar (BCF)	Current beneficiaries of social assistance programs who are not formal worker	1,195,132	400	57	478	69
Bono Universal (BU)	Bolivian between 18 to 59 years old with more than 2 years of residency who are: (i) not formal workers in the public or private sector; (ii) not receiving pensions (including elderly and disability); (iii) not eligible for BCF; and, (iv) not a parent of a child eligible for BF.	2,672,450	500	72	1,336	192
	Total	**6,985,249**			**3,373**	**485**

15. **Donors and International Financiers' actions.** In addition to this project, the GoB has sought international financing and donations from multilateral and bilateral donors to support the emergency response. The World Bank is coordinating closely with donors in country to ensure complementary support, particularly through the Group of Development Partners of Bolivia (GRUS), which the World Bank is currently chairing.

D. Relevance to Higher Level Objectives

16. **The project will contribute to the first pillar of the World Bank Group (WBG) Country Partnership Framework (CPF)[5], and of the WBG Performance and Learning Review (PLR)[6] of the CPF for the Plurinational State of Bolivia for the Period FY2016-2020.** The first pillar of the CPF and PLR is to promote broad-based and inclusive growth. The project will specifically contribute to Objective 2 "Increase Access to Selected Quality Basic Services for the Poorest Communities" by expanding temporary safety net coverage beyond categorical groups, to cover the informal unemployed, among others.

17. **The project is aligned with the World Bank Group's strategic priorities, particularly the WBG's mission to end extreme poverty and boost shared prosperity.** By providing temporary income support, which is expected to reduce the likelihood of long-term damages to livelihoods, human capital or assets, it aims to reduce COVID-19 increases in extreme poverty and inequality. In addition, by supporting the development of

[5] Country Partnership Framework (CPF) for the Plurinational State of Bolivia for the Period FY2016-2020 (Report No. 82173-BO) dated November 4, 2015.
[6] Performance and Learning Review (PLR) of the CPF for the Plurinational State of Bolivia for the Period FY2016-2020 (Report No. 125068-BO) dated May 31, 2018

a temporary safety net scheme and targeting poor and vulnerable households, who are also disproportionately exposed to observed climate risks, the project is in line with the World Bank's climate change commitments.[7]

18. **Finally, by supporting the GoB's National Plan to respond to COVID-19, the project is aligned with the World Bank's own response to COVID-19.** The National Plan focuses on strengthening the Government's capacity for early detection of COVID-19 cases in hospitals, and airports among other public places; increasing the capacity for patient isolation and treatment; expanding epidemiological surveillance and active monitoring of people exposed to infected patients; and, conducting communication campaigns to promote prevention and mitigation of the outbreak. As explained earlier, however, the effectiveness of these measures depends to a large extent on the effective implementation of the lock down. The World Bank already supports the main pillars of this plan through the restructuring of the existing Bolivia Health Service Delivery Network Project (P164453) to finance critical inputs and activities to improve early detection of COVID-19 cases, mitigate and control the outbreak, treat patients and protect healthy workers. The proposed project goes beyond immediate health support and addresses the economic consequences of the COVID-19 pandemic by providing temporary cash transfers, which supports households' ability to practice social distancing and thus prevent further loss of human capital.

II. PROJECT DESCRIPTION

A. Project Development Objective

PDO Statement

19. **The objective of the Project is to provide temporary economic support to poor and vulnerable households impacted by the COVID-19 pandemic**.

20. The Project Development Objective will be tracked via the following PDO Indicators:

- Direct beneficiaries of existing social assistance programs receiving temporary economic support financed by the project
- Percentage of direct beneficiaries of existing social assistance programs receiving temporary economic support financed by the project
- Direct beneficiaries of temporary economic support financed by the project, who are not beneficiaries of existing social assistance programs
- Percentage of direct beneficiaries of temporary economic support financed by the project
- Direct beneficiaries of temporary economic support financed by the project[8]
- Direct beneficiaries of temporary economic support financed by the project – FEMALE [9]

[7] Despite limited data, it is assumed that the poor and vulnerable, who are being targeted by this cash transfer program, may also be vulnerable to natural disasters and climate change impacts and therefore benefit from the economic support of the project in multiple ways. Some evidence for this is provided by the 2017 WB analysis referenced earlier, that the poor have fewer means to cope with the impact of disasters.
[8] This indicator is included in the Result Framework as a core indicator: Beneficiaries of social safety net programs.
[9] This indicator is included in the Result Framework as a core indicator: Beneficiaries of social safety net programs – FEMALE.

21. **Together, these PDO Indicators track the vertical and horizontal expansion of the social safety net, which is the recommended social protection approach to react to a broad-based shock.** Vertical expansion entails increasing the amounts of assistance that beneficiaries receive (as captured by the first two indicators), while horizontal expansion entails increasing the number of beneficiaries (as measured by the third and fourth indicators). As such, the indicators distinguish between those who already benefitted from existing social assistance programs and are now receiving increased benefits thanks to the new program, and those who are new beneficiaries of social safety nets. The baseline for the PDO indicators is zero because none of these additional programs existed prior to the COVID-19 crisis. The results chain section explains that the ultimate outcome of the project is to temporarily mitigate the loss of income of households affected by the COVID-19 pandemic via cash transfers. Since there is no reliable measure available in the short run to track the magnitude of the income loss at the beneficiary level that the transfers would mitigate, the PDO and PDO indicators track the closest measurable outputs, the number of households receiving the cash transfers. The economic analysis includes simulations to show the mitigation impacts of the cash transfers under different assumptions of income shocks in the population. The PDO Indicators will be measured at project level to clearly identify the project attribution.

B. Project Components

22. **The proposed project supports the ability of the population to abide by the stringent quarantine measures that are a central part of the GoB's response to the COVID-19 pandemic.** This will be done through three components: (i) temporary cash transfers to vulnerable households; (ii) support to the temporary expansion of the safety net to informal workers; and, (iii) support to the payment system for cash transfers and to project implementation.

23. **Component 1. Temporary cash transfers to vulnerable households (US$99.72 million).** This component aims to address the significant impacts of COVID-19 on the income of poor and vulnerable households thereby reducing financial barriers to health-seeking behavior, such as social-distancing. It will finance temporary payments to beneficiaries of existing safety nets programs. This component includes two subcomponents.

24. ***Subcomponent 1.1. Temporary cash transfers to vulnerable households with children enrolled in schools (US$ 74.72 million).*** This subcomponent contributes to the GoB's strategy to provide resources to families with children between 3 to 18 years old to cover the extra spending on health, transport, and/or food that will occur because of the COVID-19 pandemic through the implementation of the ***Bono Familia*** **(BF)**. The implementing agency of this subcomponent is the Ministry of Education (ME), with the support from *GESTORA* and in coordination with the Project Coordination Unit (PCU) of the MEFP.

25. ***Subcomponent 1.2. Temporary cash transfer to vulnerable households with pregnant women, children below 2 years old, or disabled and elderly individuals (US$25 million).*** This subcomponent will contribute to the GoB's strategy of partially compensating the loss of income among vulnerable households that are not eligible for BF, through the implementation of the ***Bono Canasta Familiar (BCF)***. This subcomponent has two implementing agencies. Part A of Subcomponent 1.2 will support those BCF eligible beneficiaries who were in the beneficiary registry of BJAP, BD and BC. For Part A of the subcomponent, the implementing agency is the PCU. The PCU will rely on the National Agency of Electronic Government and

Technology of Information (AGETIC) for applying the eligibility criteria through database cross-checks and *GESTORA* for the payments delivery. Part B of Subcomponent 1.2 will support those BCF eligible beneficiaries who were in the beneficiary registry of RD. MDPEP will be the implementing agency supported by *GESTORA* for the definition of the beneficiary list and payment delivery.

26. **Component 2. Support to the transitory expansion of the safety net to informal workers (US$150.93 million).** This component supports the effort of the GoB to extend the safety net to households with informal workers not eligible for BF and BCF, through the implementation of the ***Bono Universal (BU)***. The implementing agency of this component is the PCU, with AGETIC responsible for applying the eligibility criteria through database cross-checks and *GESTORA* in charge of payments delivery.

27. **Component 3. Support to the payment system for cash transfers during the COVID-19 emergency and the project implementation arrangements (US$3.1 million).** In addition to supporting the financial audit of the project, this component supports the expansion of payments through the banking system to all beneficiaries of emergency cash transfers during the COVID-19 emergency. The GoB will use *SINTESIS* for the three temporary cash transfer programs, BF, BCF and BU. The decision to use *SINTESIS* was based on an adequate fiduciary assessment of the firm, the fact that it is currently used for two existing social assistance programs (BJAP and RD), as well as its unique ability to reach across the banking sector. Additionally, the GoB, through the Central Bank and the Financial Institutions Agency, requested (through *Decreto Supremo* 4200/20) that all financial institutions in Bolivia connect to the *SINTESIS* payment platform in order to expand the number of payment sites, thereby reducing the risk of crowds forming at payment sites during payment days, and minimizing the areas in the country without a close-by payment site. The GoB also negotiated with the payment platform provider a significant reduction (40 percent) of the normal transfer fee. The implementing agency of this component is the PCU of MEFP. The component will also finance non-consulting and consulting services to guarantee an efficient and transparent delivery of the temporary cash transfer programs.

28. **Project Cost and Financing.** The proposed project will be financed through an IBRD loan of US$200 million, an IDA Non-Concessional Credit of $21 million and IDA Concessional Credit of $33.3 million, for a total amount of US$ 254.3 million, including retroactive financing of up to 40 percent. Of the total Bank financing, 98.6 percent will support expenditures of BF, BCF and BU. The Bank's contribution to the overall Program cost to support the three temporary COVID-19 response transfer programs is 52.2 percent (Table 2).

Table 2: Project Costs

	Program Direct Beneficiaries	Unit cost	Total Cost		Counterpart Financing	WB Financing	Retroactive financing %
	N.	Blv	Blv M	US$ M	US$ M	US$ M	
C 1.1 Bono Familia (BF)	3,117,667	500.00	1,558.83	223.97	149.25	74.72	100%
C 1.2 Bono Canasta Familiar (BCF)	1,195,132	400.00	478.05	68.69	43.69	25.00	100%
C. 2 Bono Universal (BU)	2,672,450	500.00	1,336.23	191.99	41.06	150.93	
C. 3 Transfer Fee	6,985,249	2.98	20.82	2.99	-	3.065	65%
C 3 Audit						0.035	
Front End Fee (.25% IBRD + IDA Transitional)					-	0.5525	
Total			**3,394**	**487.6**	**234.0**	**254.3**	**40%**

(*) The GoB requested to include a higher allocation of WB financing for the transfer fee (US$3.065 million) than in the column of the

total cost of this table (US$2.99 M), because the amount of beneficiaries for the BU is based on estimates from the household survey, and could be higher.

C. Project Beneficiaries

29. **The project is expected to finance approximately 3.6 million direct beneficiaries out of the total of nearly 7 million eligible for the three temporary cash transfer programs.** More than a half of the direct beneficiaries are women (51 percent). Simulations, further explained in the economic analysis, suggest that 96 percent of the population will benefit directly or indirectly (via other household members) from the temporary cash transfer programs.[10] Under Component 1, the project will reach 1.47 million direct beneficiaries of BF and BCF out of the total 4.3 million eligible for the programs. By design, BF reaches relatively younger and larger households, while BFC reaches smaller households with older individuals (mostly recipients of RD). It is estimated that Component 2 will reach 2.1 million direct beneficiaries out of the total 2.67 million eligible for the program. BU uses administrative registries to exclude formal workers, pensioners, and the beneficiaries of BF and BCF. The broad coverage of the three temporary cash transfer programs is consistent with the design of emergency social safety nets. [11]

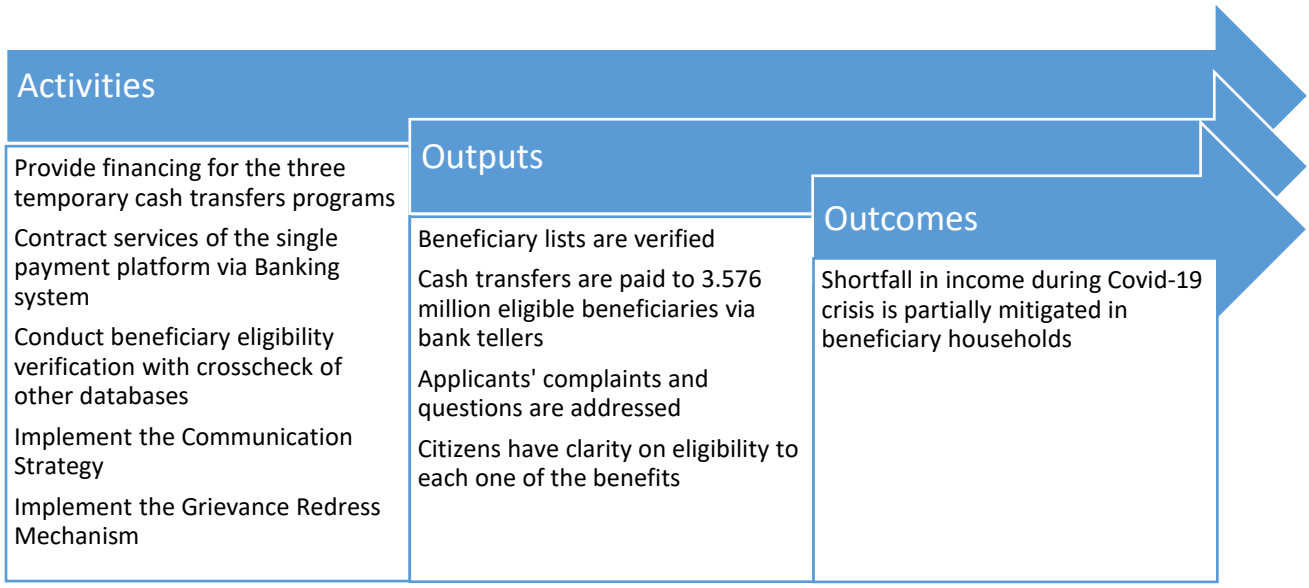
D. Results Chain

30. **By focusing on the rapid delivery of temporary cash transfers to a broad set of the population likely to be affected by the COVID-19 economic shock, this project seeks to mitigate, in part, the short-term socioeconomic losses faced by households and enable the poor and vulnerable to comply with social distancing measures**. The project will provide financial resources to implement temporary cash transfers nationally, as well as expand the use of an efficient payment system in a way that minimizes the risk of crowd forming. The temporary income support should help households weather the shock and reduce the likelihood of long-term damages to human capital or assets. However, it is important to note that the amount of money provided in these cash transfers would cover basic consumption needs for a limited time and will not be enough to mitigate the impact of an extended crisis. The timely implementation of the listed activities under the results chain is critical to reach the expected outcomes (See Figure 1). As many of the activities are new for several of the institutions involved, there are several critical assumptions underlying the outcomes, including: the availability of primary information on ID numbers to build the beneficiary registry of BU, the capacity of AGETIC to conduct database cross-checks for eligibility verification, good coordination between institutions, and robust communication about eligibility.

[10] Since Bolivia does not have an administrative registry of households (only of individuals), simulations based on the latest household survey are the best tool to estimate the distribution of these direct beneficiaries in the population and household coverage of the programs (see Economic Analysis).

[11] A temporary cash transfer with the objective of protecting the middle class at risk of falling into poverty may have a higher than usual level of inclusion error, especially in the context of a country where high informality rates (80 percent of the private sector employed labor force) preclude the quick identification of families that have lost their regular source of income. In emergency contexts, the typical tradeoff of social assistance between reaching only the intended beneficiaries (with exclusion error) or reaching as many of the intended beneficiaries as possible (with inclusion error) is pronounced, because there is limited time to put in place additional income verification methods, such as in-person visits.

Figure 1: Result Chain



E. Rationale for Bank Involvement

31. **The Bank has a comparative advantage to support social safety net responses to COVID-19 globally and in Bolivia. In the area of social protection, the Bank has extensive experience in assisting countries to address both natural disasters and economic crises, including the 2008 financial crisis.** The Bank is heavily involved in supporting countries around the world to address the COVID-19 pandemic by advising and financing activities, including both health and social protection.

32. **The Bank is also well-positioned to support Bolivia's crisis response as it has been working in social protection programs in the country for many years**. Bank-financed operations have sought to improve employment outcomes for youth, as well as strengthen the conditional cash transfer scheme ("Investing in Children and Youth Project" (P101084)). The "Improving Employability and Income of Disadvantaged Youth Project" (P143995) used an online registration platform to collect applications and target new beneficiaries. The Bank recently carried out analytical work to assess the national registry and share international experience on social registries. As a result, the Bank is familiar with the design and the delivery systems of social protection programs in Bolivia, including information systems, payment mechanisms, and institutional arrangements.

33. **The WB also has analytical expertise on the design of benefits**. For instance, simulations conducted with household surveys provided information that led to improvements in the eligibility rules for the BU, and to establish which government registries should be used to reduce leakage to the groups likely to be least affected by the crisis. Lastly, the WB is providing inputs and advice to strengthen the planned communication strategy and the grievance redress mechanisms now in place.

34. **Finally, the Bank can also facilitate the institutionalization of the technical gains from this operation and could help GoB harness this experience to improve the structure and performance of the national social protection system**, including making it more adaptive to future shocks, should the GoB request this support.

F. Lessons Learned and Reflected in the Project Design

35. **The project design reflects lessons learned, primarily from the response of other countries in previous crisis situations**.

a) Experience from the 2008 financial crisis and the global response to previous trans-national epidemiological emergencies shows that actions should protect the most vulnerable from immediate harm and prevent further global economic crisis. Social protection systems can act as critical counter-cyclical fiscal tools to provide this economic response and mitigate the effects of an economic downturn.

b) The cash transfers, which partly replace lost income, help preserve human capital through two channels. First, the emergency transfers play a well-documented role of preventing behaviors that harm human capital, e.g. undernourishment, withdrawing children from school, and/or underspending on health. Second, and specific to COVID-19, the transfers help make quarantines more viable by reducing the financial cost of the physical distancing measures, thereby increasing the likelihood they will be respected and reducing health risks to society.

c) Crises make targeting difficult as household circumstances change rapidly. Traditional approaches to beneficiary selection need to be re-evaluated or supplemented to ensure coverage and access for those most vulnerable to covariate shocks. Incorporating measures of vulnerability to covariate shocks can further enhance the ability to identify and reach the households most vulnerable to shocks.

d) In order to cover individuals made “newly poor” as a result of the economic shutdown, particularly informal sector workers, the project is supporting a temporary program designed to mitigate the consequences for this group of households. While ideally the emergency response would have relied principally on the expansion of existing social protection programs, in Bolivia, the rigid design of these programs where targeting is categorical (e.g. age groups or life cycle stages), the creation of temporary social protection programs is warranted to reach a broader share of the population with temporary social transfers, including informal workers and segments of the middle class who are also heavily impacted by the crisis. As such, both the vertical and horizontal expansions proposed through the government’s temporary transfer programs are reasonable.

e) When balancing the trade-off between a timely versus a well-targeted shock response, speed is more important in the midst of a crisis. The literature on the topic is unequivocal: timeliness is usually more important than full targeting accuracy, especially in the first phase of assistance. Specifically, inclusion errors can and should be tolerated in the short-term, especially as they help reduce social tensions.

f) Emergency responses can be mounted more quickly if based on existing programs and/or their

delivery systems. Otherwise, experience shows that it takes substantial time to design a program from scratch and even longer to make sure that operational processes function well. International evidence from a variety of countries shows that the speed of response is crucial for preventing serious harm to households, particularly children.

g) The experience of countries like Pakistan demonstrate that an effective emergency response can be mounted using the national identification system to identify beneficiaries and to extend the reach of the assistance.

h) A key factor affecting the disbursement of funds to affected households is the existence of effective safety net payment systems. Given that *SINTESIS* is a well-tested payment system for the existing social protection programs, it was advisable to use the same platform for the temporary transfers through this COVID-19 response program.

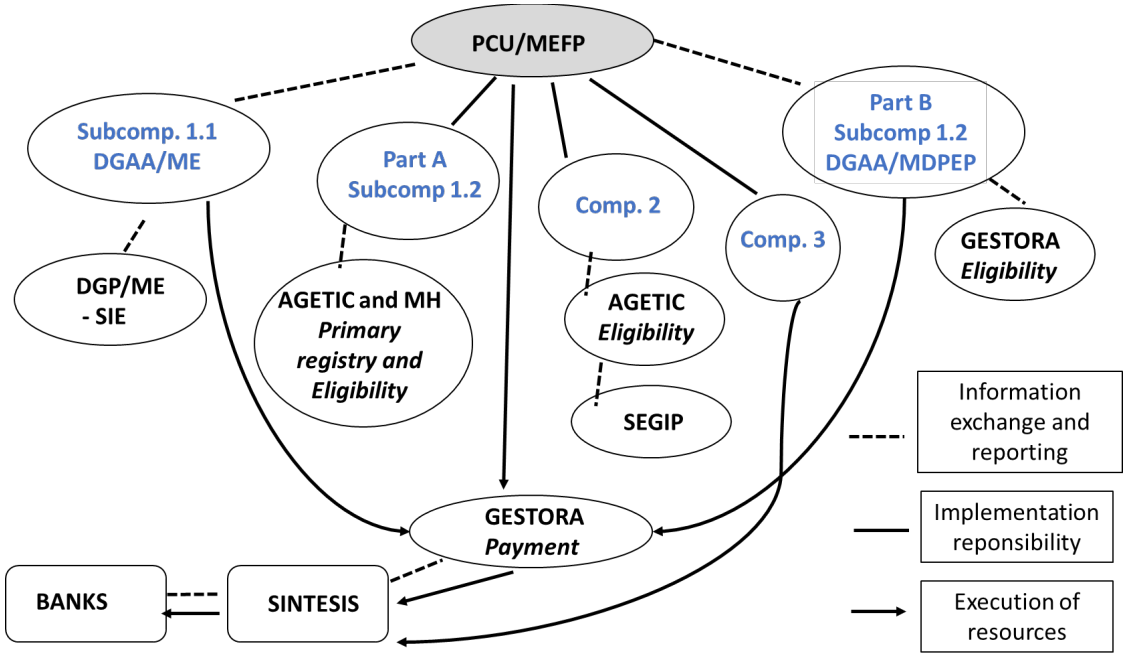
III. IMPLEMENTATION ARRANGEMENTS

A. Institutional and Implementation Arrangements

36. **The Project will be implemented through three implementing agencies under the general coordination of the MEFP, which will be the responsible unit and the Bank's main government counterpart during project implementation.** (For details see Annex 1, section I).

37. **A Project Coordination Unit (PCU) under the MEFP will be responsible for the administrative and financial issues of the Project, and for the implementation of Part A of Subcomponent 1.2 and for Components 2 and 3**. The following are some of the PCU's main functions in relation to the Project: (i) coordinate and monitor the Project's administrative and financial aspects as a whole and serve as the Bank's counterpart for such issues; (ii) support and monitor the implementing agencies in the registration of budgets and for the attainment of intermediate and PDO Indicators; (iii) consolidate and elaborate Project reports for the Bank, including the financial aspects of the Project; (iv) coordinate all supervision missions with the Bank, the Vice Ministry of Public Investment and External Financing (VIPFE by its Spanish acronym) and the implementing agencies involved in the Project; (v) identify issues that might require special attention from the Government or the Bank during the implementation of the Project; and (vi) ensure compliance with the operational manuals in coordination with the implementing agencies.

Figure 2: Implementation Arrangements Chart



38. **The ME will implement Subcomponent 1.1 through its *Dirección General de Asuntos Administrativos (DGAA)*, with support from its *Dirección General de Planificación (DGP)* and *GESTORA*, and in coordination with the PCU.** All administrative and financial aspects of Subcomponent 1.1 will be managed directly by the DGAA. The DGP, which manages the enrollment list of children in schools through the *Sistema de Información Educativo (SIE),* supports ME's DGAA in the development of the *Bono Familia (BF)* beneficiary list. The DGAA will be supported by *GESTORA* which will channel resources for payment through *SINTESIS*. The DGAA will provide monthly reports to the PCU on subcomponent implementation. The project will reimburse the GoB based on reports of payments prepared by the DGAA, in accordance with the Project Operational Manual.

39. **The MEFP will implement Part A of Subcomponent 1.2 through the PCU, with the support of AGETIC and *GESTORA*.** Administrative and financial aspects of Part A of Subcomponent 1.2 will be managed directly by the PCU. Part A of Subcomponent 1.2 will support those BCF eligible beneficiaries who were in the beneficiary registry of one of the three pre-existing programs, the BJAP, BD and BC, all of which are managed by MH. AGETIC will support the PCU in the definition of the list of beneficiaries. AGETIC will receive the original beneficiary registries of BJAP, BC and BD from MH and will apply eligibility criteria through database cross-checks. *GESTORA* will support the PCU to deliver the payments. The project will reimburse the GoB based on reports of payments prepared by the PCU, in accordance with the Project Operational Manual.

40. **The Ministry of Productive Development and Plural Economy (MDPEP) will implement Part B of Subcomponent 1.2 through its DGAA, with the support of GESTORA and in coordination with the PCU.** Part B of Subcomponent 1.2 will support the delivery of BCF to eligible beneficiaries in the beneficiary registry of the RD, which is usually managed by *GESTORA*. The DGAA of the MDPEP will be supported by *GESTORA* in the definition of the list of beneficiaries, and in the delivery of the payments. MDPEP's DGAA will provide monthly

reports to the PCU on the implementation of this subcomponent. The project will reimburse the GoB based on payment reports prepared by the MDPEP's DGAA in accordance with the Project Operational Manual.

41. **The Ministry of Economy and Public Finance (MEFP) will implement Component 2 through the PCU, with the support of AGETIC and GESTORA.** All administrative and financial aspects of the Component 2 will be managed directly by the PCU. AGETIC will support the PCU in the definition of the list of beneficiaries of the BU. AGETIC will receive the database from *Servicio General de Identificación de Bolivia (SEGIP),* which issues ID numbers/cards as a primary registry. AGETIC will apply the BU eligibility criteria through database cross-checks (for details, see Annex 1). *GESTORA* will support the PCU to deliver the payments. The project will reimburse the GoB based on payment reports prepared by the PCU, in accordance with the Project Operational Manual.

42. **Finally, MEFP will implement Component 3 through the PCU**. Component 3 supports the expansion of payments through the banking system to all beneficiaries of emergency cash transfers, as well as the implementing arrangements of the project. MEFP, with the support of *GESTORA*, signed a contract with *SINTESIS* to serve as the payment system platform for the three new temporary cash transfer programs. The PCU will also be responsible for contracting the financial audit of the project. The project will reimburse the GoB based on justification of payments of the contracts with SINTESIS and with the financial auditor.

B. Results Monitoring and Evaluation Arrangements

43. **Monitoring of results will be done through the administrative and financial reports produced by the implementing agencies: ME, MEFP and MDPEP**. The PCU will be responsible for consolidating the sectoral reports and producing a consolidated version for monitoring purposes. Due to the relatively short period of implementation, only one final monitoring report is expected. The project will not have an impact evaluation. Future impact assessment will depend on whether the household survey will be undertaken in 2020, which may not be the case due to COVID-19; and, if conducted, it remains to be determined whether it will include information on the receipt of the three temporary cash transfer programs. However, an ex-ante impact analysis was carried out via simulations using the latest household survey, as part of the economic analysis included in Section IV.A.

44. **Large volumes of personal data, personally identifiable information and sensitive data could potentially be collected and used in connection with the management of the COVID-19 outbreak under circumstances where measures to ensure the legitimate, appropriate and proportionate use and processing of that data may not feature in national law or data governance regulations, or be routinely collected and managed in health information systems.** In order to guard against abuse of that data, the Project will incorporate best international practices for dealing with such data. Such measures may include, by way of example, data minimization (collecting only data that is necessary for the purpose), data accuracy (correct or erase data that are not necessary or are inaccurate), use limitations (data are only used for legitimate and related purposes), data retention (retain data only as long as necessary), informing data subjects of use and processing of data, and allowing data subjects the opportunity to correct their personal information. In practical terms, the operation will ensure that these principles apply through assessments of existing or development of new data governance mechanisms and data standards for emergency and routine healthcare, data sharing protocols, rules or regulations, revision of relevant regulations, training, sharing of global experience, unique identifiers for health system clients, strengthening of health information systems, etc.

C. Sustainability

45. **This project may have important long-term positive impacts on Bolivia's social protection system.** The design and implementation of the temporary cash transfer package during the COVID-19 pandemic is an important experience for the Social Protection System, as it demonstrates ways the system can be adaptive to shocks and use databases cross-checks to verify eligibility, in addition to improving efficiency in delivery through the use of a unique payment platform. After the conclusion of the COVID-19 pandemic, Bolivia's social assistance programs will have acquired the capacity to conduct cross-checks for better targeting its benefits and could continue relying on a single payment platform for all programs. This would generate a significant improvement in accountability and effectiveness. Additionally, the strategy developed to cope with the COVID-19 pandemic may well represent the beginning of an adaptative social protection system for Bolivia.

IV. PROJECT APPRAISAL SUMMARY

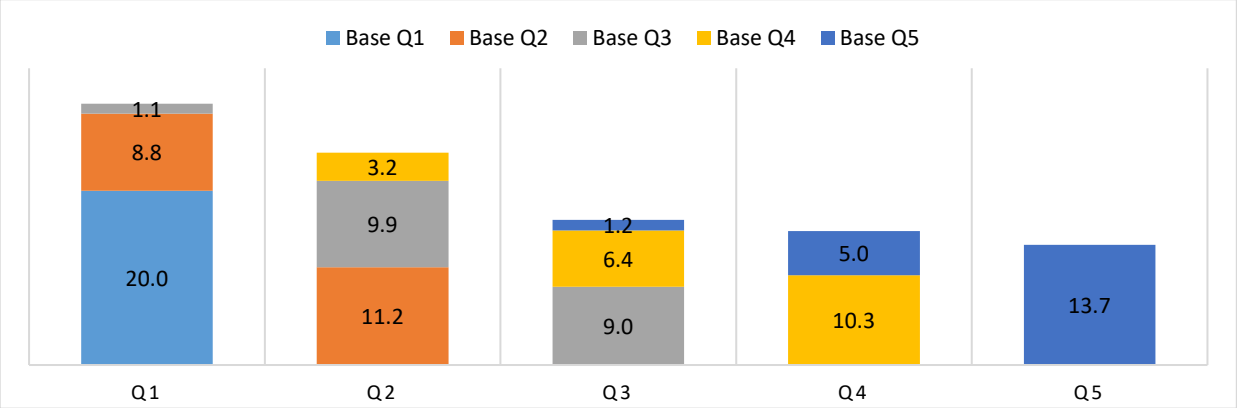
A. Technical, Economic and Financial Analysis (if applicable)

Technical Analysis

46. **The economic downturn due to COVID-19 is expected to affect industry and services the most, with informal, self-employed workers and workers in small firms especially vulnerable to the shock.** The slowdown will impact the economy through at least two channels. First, an external shock driven by low oil prices that will reduce the value of gas exports is having multiplier effects in the economy mainly through reduced public sector investment. Non-gas exports are also expected to decline. Second, and most importantly, strict quarantine and social distancing measures are expected to have negative impacts on individuals' labor income and firms' revenues. In turn, these two channels are also expected to negatively affect private consumption. Because of the nature of the shock and related social distancing measures, urban areas will be hit harder than rural areas, at least in the immediate term.

47. **The magnitude of the COVID-19 economic shock on household welfare is not known**. However, household survey information indicates that many families in the second, third and even fourth quintiles of the income distribution are at risk of falling into poverty if they were to lose, for instance, the equivalent of two weeks of income. Keeping the cut-offs by quintile of the pre-shock income distribution, Figure 3 shows how the shock would increase the percentage of people living under quintile 1 economic conditions from 20 percent to 29.9 percent. This increase is driven by households that were in quintiles 2 and 3 in the pre-shock distribution but whose incomes would fall into quintile 1 after the shock. After this income loss, 49.5 percent of the population that was living under quintile 3 conditions would now become part of the bottom 40 percent. This simulation does not consider other coping mechanisms like assets-sales or drawing on savings, and it is not an attempt to estimate the actual shock magnitude of COVID-19, but rather a test of how sensitive households are to this type of income loss.

Figure 3: Vulnerability simulation. Movement of the households across income quintiles if they were to suffer an economic shock of two weeks of earnings lost



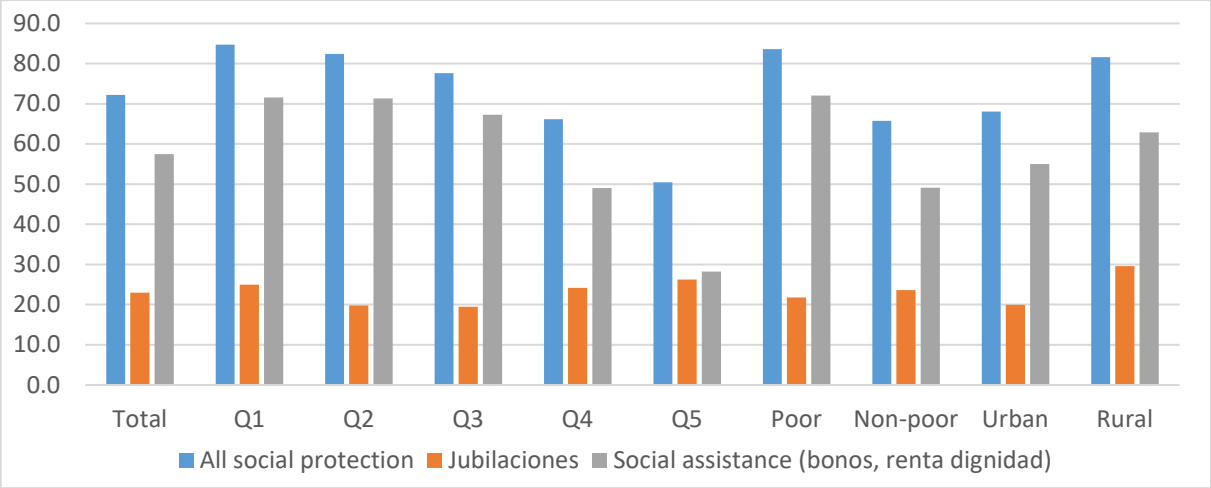
Source: World Bank team elaboration, based on 2018 household survey data

48. **Social protection plays a critical role in protecting human capital in times of crisis, and as a result, has been widely deployed globally to respond to the COVID-19 crisis.** International experience demonstrates the critical role played by social safety nets to increase resilience during disasters or crises. Safety net programs have well-documented, positive impacts on poor households' capacity to cope once a shock hits, supporting food security and providing alternatives to negative coping mechanisms. Especially when expanded temporarily, social transfers help household to reduce the negative impact on human capital and enable them to bounce back more quickly into the labor force. However, the effectiveness of social transfers depends on the size and duration of the shock and the generosity of the transfer.

49. **Bolivia has a broad-reaching set of categorically targeted social safety nets, that are being leveraged to respond to large-scale shocks, such as COVID-19.** The BF and BCF under Component 1 rely on "vertical expansion", which is the temporary increase of the value or duration of a social protection intervention to meet the additional needs of existing beneficiaries. For such vertical expansions to be relevant, the program(s) must have good coverage of the disaster-affected area (in this case the entire country) and of the neediest households. Both these conditions are met for the programs covered under Component 1. Existing social safety nets programs in Bolivia are "rigid" due to the lack of an interface system with the population that can allow for a quick update of the beneficiary registry.[12] At the same time, in this situation they have the advantage of having very broad coverage (Figure 4).

[12] Baddini, C. (2019). Advisory and Technical Assistance to Bolivia. Inventory of Existing Social Programs and their linkage with PREGIPS. World Bank.

Figure 4: Coverage of pre-existing social protection programs across income groups in 2018



Source: World Bank team elaboration, based on 2018 household survey data

50. **Vertical expansions generally do not reach shock-affected non-beneficiary households that may be in equal or greater need of assistance.** The ability to at least temporarily reach additional households that may be equally in need of support to their coping capacity but may not be regular beneficiaries of SP programs is critical for shock-responsive social protection. This can be achieved through dedicated emergency programs, which is the focus of Component 2. In order to expand horizontally and cover the "newly poor" as a result of the economic shutdown, particularly informal sector workers, the project also supports a temporary program designed to mitigate the consequences for this group of households. Beneficiary eligibility criteria that include measures of vulnerability to covariate shocks, as are incorporated in Component 2, can further sensitize a safety net program to covariate shocks and increase its impact on reliance building.

51. **Supporting the short-term income shortfall is important and has long run positive effects to prevent human capital disinvestment and depletion.** Expanding social safety nets horizontally and vertically has during recent years become a commonplace method to respond to shocks, including both epidemics (e.g., Ebola crisis) and natural disasters (e.g., Cyclone Winston in Fiji 2016, Earthquake in Nepal 2015). A key advantage of cash transfers is that they allow flexibility in household spending needs. The emergency transfers play the well-documented role of preserving behaviors important to human capital preservation through its positive impacts on nutrition, health and education.[13] Furthermore, cash transfers can help generate local market activity, restart livelihoods and there is evidence that it can give women more decision-making power over resources. After Cyclone Winston hit Fiji in 2016, the country expanded its social safety net vertically. An impact assessment analyzing the impact of the top-up cash transfers found that households which received top-up transfers were more likely to recover quickly from the aftermath of the cyclone.[14]

[13] Gore, R. and Patel, M. 2006. Cash transfers in emergencies: A review drawing upon the tsunami and other experience. Social Policy and Economic Analysis, UNICEF, East Asia and the Pacific Regional Office, Bangkok.
[14] Mansur, A., J. Doyle, J. Gerome, and O. Ivaschenko. 2017. Social protection and humanitarian assistance nexus for disaster response: Lessons learnt from Fiji's Tropical Cyclone Winston. SPL discussion paper no. 1701. Washington, D.C.: World Bank Group.

52. **In the context of the COVID-19 crisis, the temporary cash transfers preserve human capital in additional ways.** A second positive transmission channel of the three temporary cash transfers specific to COVID-19 is that the transfers help make quarantines more viable, increasing the willingness for people to stay home temporarily. This helps reduce health risks to the workforce.

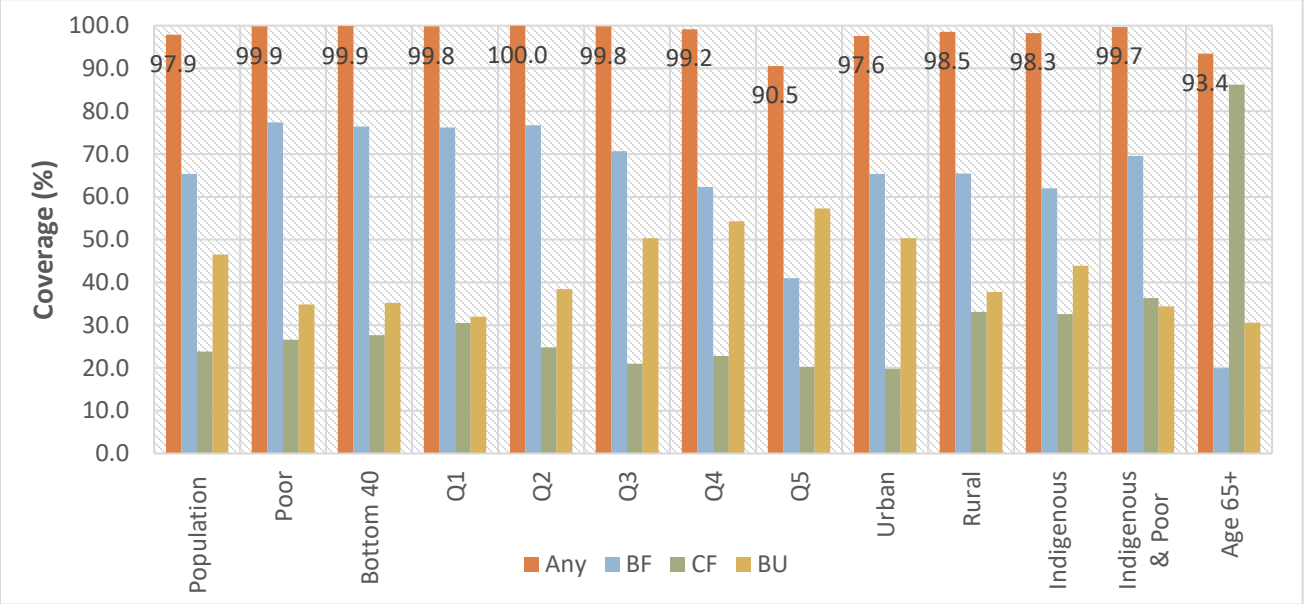
53. **The approach to target broadly and quickly scale up social safety nets in the COVID-19 pandemic has been adopted in more than 150 countries**. A recent survey of measures shows that temporary income support for broad swaths of the population via the expansion of the social safety net is now a widely utilized measure across the world, in high, middle, and low-income countries, to mitigate the effects of COVID-19.[15]

Economic Analysis

54. **Simulations conducted by the World Bank team indicate that the temporary cash transfer measures planned by the GoB would reach virtually all the poor and the vulnerable.** Simulations were carried out based on the 2018 Household Survey[16], which identifies the beneficiaries of all major existing social safety nets that will be used to deliver the BF and BCF, as well as the criteria used to screen for eligibility of the BU. Together, the three programs are expected to reach 3.3 million households and their 11.1 million members (comprising both direct recipients and indirect beneficiaries, who are other household members), or an estimated 97.9 percent of the population. First, the BF is expected to cover 65.3 percent of the population, with higher coverage among the poor and lower income quintiles (around 76 percent). Second, the BCF is expected to cover 23.9 percent of the population, by design mostly reaching the elderly (86.2 percent of the population 65 years or older), but also pregnant women, mothers of children below 2 years old, and people with disabilities accessing subsidies. Finally, the BU will cover 46.5 percent of the population. It is expected to close the coverage gap of the other two programs among the bottom 40 percent, in addition to covering 54.3 and 57.3 percent of the 4th and 5th quintiles of the income distribution, respectively.[17] Together, the three programs are expected to cover all the poor population, 98.3 percent of indigenous population and almost all the workers that may be affected by the economic downturn (99.1 percent of the self-employed and small-firm workers in industry and services) (Figure 5).

[15] Ugo Gentilini, et. al., 2020
[16] Encuesta de Hogares 2018, Instituto Nacional de Estadística (INE).
[17] By design, the share of households covered by BU increases with the wealth of the quintiles since households covered by other programs (whose coverage decreases with income) are not eligible for BU.

Figure 5: Coverage of Temporary Cash Transfers across relevant subgroups of populations

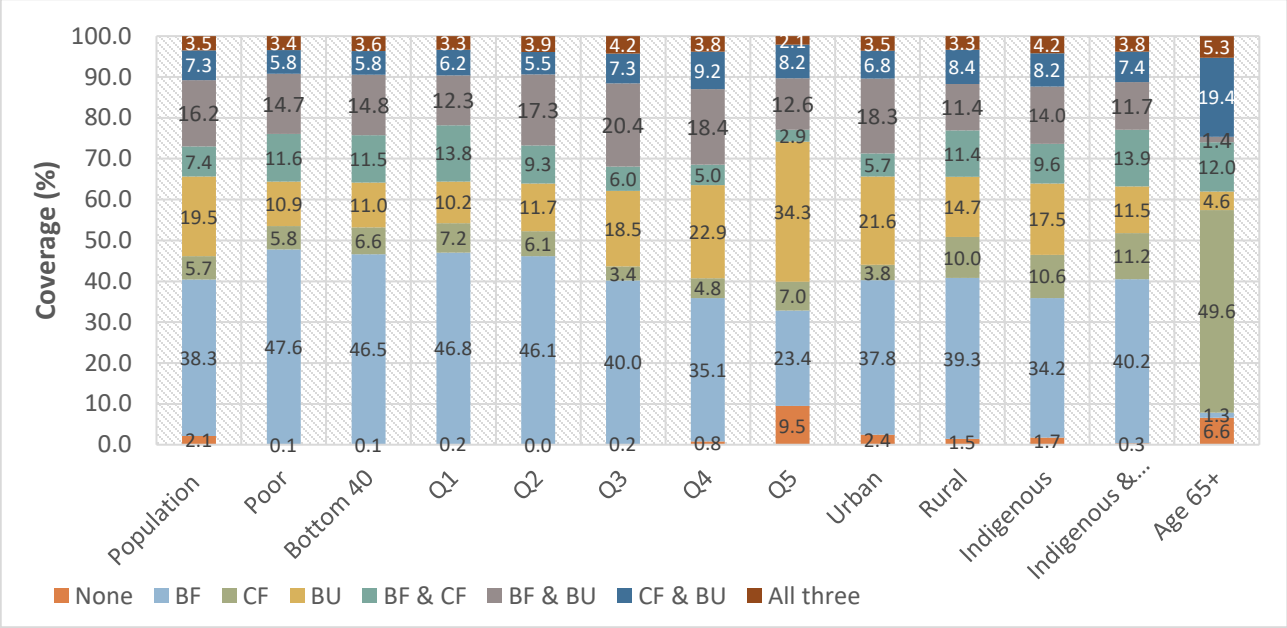


Source: World Bank team elaboration, based on 2018 household survey data

55. **The limitations of administrative registry information on household composition, and the high rate of informal employment in the economy, explain the significant "leakage" of the temporary benefits to the top quintiles**. There is no record of household composition that could prevent multiple eligible beneficiaries living together from receiving more than one transfer. Estimates suggest that 31 percent of the population will receive two transfers, while 3.5 percent will receive all three transfers (Figure 6). Moreover, as many non-poor households have adult members that are not receiving formal labor income, the *Bono Universal* will also benefit many households in the upper income quintiles. Under a scenario of perfect implementation, 90.5 percent of the households in the top quintile could benefit from at least one of the programs (Figure 5). In a context where reaching any potentially vulnerable worker is more important than targeting accuracy, excluding wealthier households is not possible without denying support to large swaths of the vulnerable middle class.[18]

[18] Bolivia's poverty line varies across geographic location and ranges from 567.6 to 894.9 bolivianos per capita per month. We use the poverty line applied for the median individual in Bolivia for this calculation (830 Bolivianos).

Figure 6: Programs' overlap



Source: World Bank team elaboration, based on 2018 household survey data

56. **The transfers should partially offset the effects of the shock, but their mitigating impact is closely related to the duration of the crisis**. Figures 7 and 8 below show simulations of the impact of the benefits on household income, assuming certain losses from the crisis. If the crisis results in losses of labor income among self-employed workers and workers in small firms in industries and services (a group considered to be highly, but not exclusively, affected) of two weeks in a month, 1.7 million people (14.6 percent of the population) would fall into poverty in that period of time. The three transfers can partially mitigate this impact, allowing 1 million people to temporarily stay out of poverty and limiting the number of people who would fall into poverty without benefiting from a transfer to only 2,000. But a shock of longer duration, for example, one equivalent to three weeks of lost labor income would push 1.2 million people into poverty for whom the transfer was not large enough. Thus, the transfers, although important to partially compensate for the shocks, are in fact limited in size when compared to longer shocks.

57. **The three temporary transfers are more generous than the largest existing social assistance programs.** In 2019, BJP offered Bs 200 (approximately US$30) to qualifying students during the year. In the case of BJAP, a total of Bs 1,820 (approximately US$262) in total is provided over 33 months (the nine months of pregnancy and the two first years of the child's life). RD is the most generous of the existing transfer programs, providing Bs 350 (approximately US$ 50) per month to elderly individuals with no other pensions. Thus, while the temporary transfers may not compensate the full income of households, nor are they intended to do so, they offer an important coping mechanism to weather the shock. (Please see Annex 2 for more details about the main characteristics of existing social assistance programs)

58. **As the combination of the three benefits covers almost the entire population, the disaggregation of beneficiaries by gender follows closely the overall population distribution**. Slightly more than half of all direct and indirect beneficiaries are women (51% in BF, 52% in BCF and 51% in BU). In the case of *Bono Canasta*

Familiar, one of the preexisting social safety nets being used for delivery was exclusively targeted to women: the BJA targets mothers of young children and/or pregnant women. The BJP targets school-age children, but either parent or legal tutor can collect the benefit. Combined, the three programs will benefit 3.6 million women.

Figure 7: Impacts of transfers on potential income shock

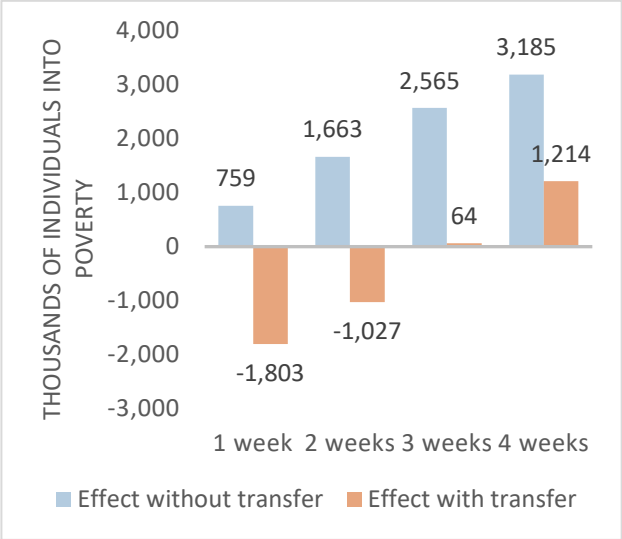
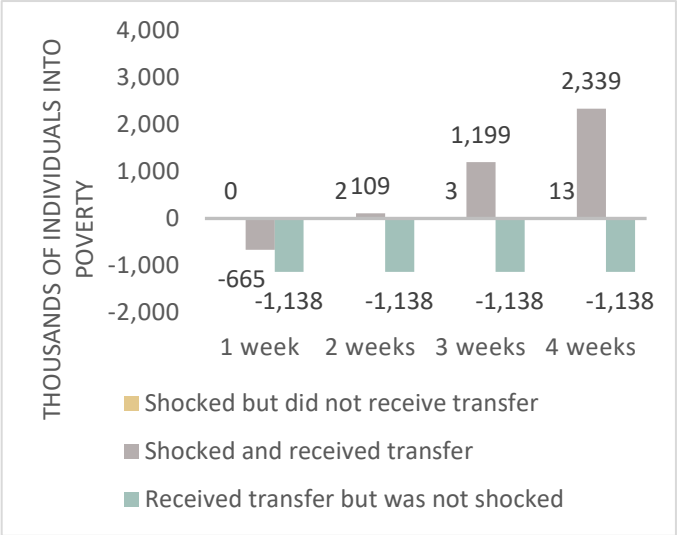


Figure 8: Decomposition of the effect with transfer



Source: World Bank team elaboration, based on 2018 household survey data

B. Fiduciary

59. **The overall fiduciary risk is "Substantial."**

Financial Management

60. **A Financial Management (FM) Assessment was carried out in order to evaluate the adequacy of FM arrangements for the implementation of this project.** [19] The FM assessment included the three implementing agencies and PCU, as well as GESTORA and SINTESIS. Section II of Annex 1 explains in detail the results and identified risk of the FM Assessment of the project. On the financial management side, the main factors driving the proposed risk are the following:

a) The PCU within the MEFP is not yet in place. In order to be fully operational, it will have to recruit specialized staff with experience managing WB funds or externally funded projects;

b) Although some operational rules, processes and systems exist, they need to be reinforced in order to provide adequate internal controls between two the systems (SIGEP and SINTESIS platforms) that are critical for the generation of project financial information and their respective reconciliations;

[19] In accordance with Financial Management Manual for World Bank Investment Project Financing (February 10, 2017) and OP/BP 10.00.

c) Possible distortions in the targeting of cash transfer programs to include or exclude certain populations may lead to mistrust and/or hardship, and transfers could be diverted prior to reaching the intended beneficiaries.

61. **The identified risks will be mitigated through the following measures**: (i) the project will be disbursed only through reimbursements which reduces the risk of misusing the funds; (ii) the Borrower will prepare and finalize the FM section and disbursements sections of the Project Operational Manual that will have to include internal controls and procedures to ensure funds are adequately reconciliated and expenditures documented to the Bank confirming that they are eligible; (iii) SINTESIS, which is a private entity, will channel most of the project payments. Based on the assessment performed, it is considered that it operates under an adequate internal control environment; (iv) the Bank and Borrower will provide training as necessary to the staff of the PCU, including online FM training on WB's systems and procedures; (v) the project FM monitoring will be done through financial reports that will be prepared by the PCU, including the number of transfers that have been adequately paid and are subject for project reimbursement. These reports will be subject to an annual external audit by an auditor acceptable to the Bank; (vi) the Government must ensure that the budget process is completed to secure funding for project execution, and, (vii) the Bank will conduct a supervision per quarter, in order to assess the adequacy of FM arrangements.

62. **The Project will be implemented through three separate implementing agencies, the ME, MEFP and MDPEP, under the general coordination of the MEFP.** The PCU to be established under MEFP will be responsible for all the administrative and financial management tasks. The PCU will have at least one person responsible for Financial Management and an Accountant who will have the following responsibilities: (i) budget formulation and monitoring; (ii) cash flow management (including processing payments and submitting loan withdrawal applications to the Bank); (iii) maintenance of accounting records; (iv) administration of the underlying information systems; (v) preparation of year-end financial reports; and, (vi) arranging the external audit. The PCU has no experience in implementing World Bank-financed projects. Detailed Financial Management arrangements, including PCU staffing, budgeting, internal controls, accounting and financial reporting, flow of funds and disbursement, and external audit, are included in Annex 1, Section II.

Procurement

63. **The planned procurement processes are limited to: (i) non-consultant services for the payment platform (*SINTESIS*), and (ii) consultant services for external auditing**. The Borrower has prepared a draft streamlined project procurement strategy for development (PPSD). A procurement plan for the first three months has been agreed with the Borrower and will be updated during implementation.

64. **Procurement for the project will be carried out in accordance with the World Bank's Procurement Regulations for IPF Borrowers for Goods, Works, Non-Consulting and Consulting Services**, dated July 1, 2016 (and revised in November 2017 and August 2018). The Project will be subject to the World Bank's Anticorruption Guidelines, dated October 15, 2006, revised in January 2011, and July 1, 2016. The Project will use the Systematic Tracking of Exchanges in Procurement (STEP) to plan, record and track procurement transactions.

65. **Procurement by the Borrower will be carried out by the Project Coordination Unit (PCU) under the MEFP**. The procurement approach prioritizes fast-track emergency procurement for the services needed. Key measures to fast track procurement include: (i) use of simple and fast procurement and selection methods fit for an emergency including direct contracting, as appropriate; and (ii) streamlined competitive procedures with shorter bidding time, as well as minimal or no prior review for emergency procurement. Streamlined procedures for approval of emergency procurement have been agreed for implementation to expedite decision making and approvals by the Borrower.

66. **Advance Procurement and Retroactive Financing:** The Borrower may advance with procurement under the above procurement arrangements and may seek the Bank's approval of advance contracting and the recognition of retroactive financing within the parameters set forth in the Loan Agreement.

67. **The major risks to procurement are:** (i) lack of experience on procurement in projects financed by the Bank; and, (ii) governance-related issues common in emergency situations. These risks will be mitigated by: (i) immediate designation of a Procurement Specialist with solid experience in public procurement; (ii) designation of an experienced responsible for the contract management for non-consultant services of a payment platform acceptable for the Bank; and (iii) support on Procurement by the Bank.

C. Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

D. Environmental and Social

68. **This Project has a moderate Environmental and Social Risk Classification.** In the context of the new Environmental and Social Framework (ESF), the following Environmental and Social Standards (ESSs) are deemed relevant:

a) **ESS1 (Assessment and Management of Environmental and Social Risks and Impacts).** This Project has been prepared under the emergency provisions set out in Section III, Paragraph 12 (Projects in Situations of Urgent Need of Assistance or Capacity Constraints) of the Bank Policy on Investment Project Financing. Considering that the Bank is planning to support the expansion of the social safety nets to mitigate the impacts of the COVID-19 pandemic, the Project's technical design has been informed by a social and economic assessment based on the latest household survey from 2018, extrapolating results for 2020. This analysis ensures inclusion of the majority of vulnerable and disadvantaged populations, such as indigenous populations, reaching more than 90 percent of the total population in the country. The team organized five virtual workshops with the authorities to progressively present the situation analysis, different scenarios, and their impacts. The analysis also served the purpose of informing the stakeholder engagement strategy to properly inform each specific group, as shown in the Stakeholder Engagement Plan (SEP). This information serves as the Social

Assessment of the Project and will be synthetized and disclosed within 30 days after effectiveness.

b) **ESS2 (Labor and working conditions).** The GoB through the Supervision Authority of the Financial System (*Autoridad de Supervisión del Sistema Financiero-(ASFI*), *CIRCULAR LETTER/ASFI/DNP/CC-2521/20202*, will ensure that commercial banks' workers have access to protection and sanitation devices, such as face masks and antibacterial gel. It is important to note that the project does not foresee hiring any direct workers. The PCU consists of accredited civil servants working in MEFP, and all administrative and delivery functions of the cash transfers will be conducted by civil servants in the designated implementing agencies. Labor management procedures will be developed within 30 days of project effectiveness. These will detail the aspects of ESS2 that apply to civil servants (especially Occupational Health & Safety (OHS), like the use of personal protective equipment (PPE) for workers, will be described as well as social distancing norms at distribution centers following World Health Organization's guidelines) and in the case that any direct or contracted workers (hired through a third party) are hired. They will include a grievance and redress mechanism (GRM) specifically for project workers to raise any issues. Neither child labor nor forced labor will be supported under this Project.

c) **ESS4 (Community Health and Safety).** The Project will mainly use the existing payment platform for the long-standing social safety net programs called *SINTESIS* that delivers payments through bank tellers in 85 percent of the financial institutions in the country. Measures in place to prevent or minimize the spread of COVID-19 will be implemented. These include measures to reduce large lines and crowds by, for example, phasing the payment day across weeks, allowing payment only on a specific day of the week based on the last digit of the recipient's ID, and by increasing by almost 40 percent the number of financial institutions involved in the normal payment of safety nets programs to reduce crowding. This will be communicated widely to the public through the SEP and as part of project design. The SEP also considers messaging to reinforce preventive behavior, specific issues for Indigenous population, and messaging on Gender-Based Violence (GBV) and Sexual Exploitation and Abuse and Sexual Harassment (SEA-SH). Military forces will not be employed in this program.

d) **ESS7 (Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities)** About 48 percent of Bolivia's population comprises Indigenous Peoples (5.58 million). The Project will deliver benefits to indigenous peoples living in the *Amazonia*, *Chiquitania*, *Oriente-Llanos*, *Tropico*, *Valles, Altiplano* and *Chaco* eco regions where indigenous communities are located. It is important to note that the household survey analysis reveals that indigenous people are no less likely than the poor and vulnerable to receive any of the existing social safety net programs. 79 percent of the self-declared indigenous already live in a social safety net recipient household, including 88 percent of those who are indigenous and poor. And the simulations produced based on the Household Survey 2018 projected for 2020 indicate that after the implementation of the *Bono Universal*, the coverage rate of indigenous should increase to 98 percent. Since the Program supported by the Project will cover most of indigenous populations in the country and most substantive issues are already covered in the social-technical analysis conducted, the team does not see the need to integrate this information into an IPPF or IPP. Indigenous Populations are well integrated in the eligibility criteria and the SEP will ensure that language, literacy and cultural adaptation are included in the Communication Strategy of the SEP and the GRM processes.

e) **ESS10 (Stakeholder Engagement and Information Disclosure).** Given the nature of the Project and the different target groups and the number of beneficiaries that need to be reached all over the country, a robust SEP has been developed. The Borrower has prepared a preliminary SEP that will accompany the project's implementation The SEP was disclosed by the Government on April 28, 2020 and by the World Bank on April 29, 2020. It includes different mechanisms to inform and reach the various target groups and to follow the Public Consultations and Stakeholder Engagement World Bank Guidelines for WB-supported operations when there are constraints on conducting public meetings (March 20, 2020). The SEP will be updated within 30 days of Project effectiveness. The SEP was prepared in consultation with relevant government entities involved in the Project using already existing communication channels with different beneficiaries' groups from former safety nets programs in the country. The SEP includes a GRM based on the existing mechanisms of the BJAP, BJP, RD, BD and BC. The SEP includes different mechanisms to ensure the information and the GRM is accessible to indigenous people and other vulnerable or marginalized people. Anonymous grievance will be also collected and addressed. Guidance to address consultations under the COVID-19 constraints are referred in the SEP for issues related to the SEP, GRM and LMP.

69. **While the project is not expected to do harm, it is expected that it will face implementation challenges.** First, MEFP has not previously worked with the World Bank, although it has worked with other international organizations. Thus, support will be needed to ensure that environmental and social standards are applied effectively.

70. **Climate co-benefits.** The project has been screened for climate co-benefits. It is not expected to have positive impacts on climate change mitigation. However, the project is introducing innovations that will allow leveraging the existing network of safety nets for future emergency responses, including potential climate and natural disasters. In particular, the capacity developed under this project to use banks to pay beneficiaries quickly and in any geographic location could be redeployed in cases where the disaster is geographically limited, for instance floods to which Bolivia is prone. Unique identification numbers already exist, and this can be connected with other public registries to target families who could be the potential recipient of emergency assistance in case of a future climate-related environmental shock. The project is thereby strengthening the adaptive capacity of the government to respond to future climate impacts.

71. **Citizens' Engagement.** The SEP discusses the specific circumstances under which the project was prepared, and the efforts made by the counterparts to inform the public about the final design of the transfers and to seek feedback. Recently, the Government has established live broadcast television programs with the MEFP and other sectoral authorities during which citizens can make queries, claims or complaints. The project will monitor the performance of the grievance and redress mechanism through the indicator: "Percentage of inquiries or grievances that are submitted to the grievance redress mechanism that are addressed during the course of the project" that is included in the Results Framework.

72. **Grievance and Redress Mechanism.** The Government is implementing a COVID-19 Preparedness and Response Plan, which includes protocols and mechanisms to provide timely information and space for dialogue, and to mobilize resources. The SEP also discusses how, as part of the communications strategy, the Government is operating free lines of communication and websites nationwide for inquiries, complaints and claims related to delivery of the transfers. These combined mechanisms constitute the main GRM in the context of the COVID-19. These lines are available in the following entities of the government: MEFP, ME, MH, Bolivian

Institute for the Blind (IBC), *GESTORA* and ASFI. Online response times are immediate. The webpage of the COVID-19 Preparedness and Response Plan has a live chat and contact details for information and for citizen feedback and complaints, as well as online assistance for early diagnostic and quarantining advice. The team will do further follow-up on the functioning of the GRM system during implementation to verify the tracking of unresolved cases.

V. GRIEVANCE REDRESS SERVICES

73. **Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS)**. The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

VI. KEY RISKS

74. **The overall risk rating for the project is Moderate.** Key risks rated Substantial include Institutional Capacity for Implementation and Fiduciary. These risks and their associated mitigation measures are discussed below:

a) **Institutional capacity for implementation risk rating: Substantial.** Unlike BF and BCF, the beneficiaries of BU are not current beneficiaries of a social safety net program. The proper operation of the BU will require coordination between MEFP, SEGIP and AGETIC. SEGIP must provide the ID number of Bolivians between 18 and 59 years old to MEFP. MEFP in turn will cross-check the information with other public registries (Pension Authority, social insurance, BF and BCF) to build the final list of eligible beneficiaries for BU. The institutional arrangements to allow for the use of personal identification information will be part of the implementation regulation of the BU, which is being finalized. In order to mitigate the risk stemming from the operational design of the BU and the high level of coordination required, the Bank will support the finalization of the implementation regulation for the BU, which will form part of the Project Operational Manual (POM). The POM is an effectiveness condition of the project.

b) **Fiduciary risk rating: Substantial.** A Financial Management Assessment was carried out to evaluate the adequacy of the FM arrangements, identify the main risk factors and propose mitigation measures. The main factors that support the rating are: (i) complexity of the project given that it implies multiple transactions targeted to a large section of the population spread across the country; (ii) the PCU under

MEFP will be created by effectiveness and the MEFP has to designate qualified staff; (iii) existing operational rules for emergency cash transfers need to be reinforced in order to provide adequate internal controls; and (iv) loan or credit disbursements could face potential delays due to a long approval process in the Congress. Despite the mitigation measures listed in paragraph 61, the remaining risk is Substantial.

VII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Bolivia

COVID-19 Crisis Emergency Social Safety Nets Project

Project Development Objectives(s)

The objective of the Project is to provide temporary economic support to poor and vulnerable households impacted by the COVID-19 pandemic

Project Development Objective Indicators

Indicator Name	DLI	Baseline	End Target
To provide temporary economic support to poor and vulnerable households impacted by COVID-19			
Direct beneficiaries of existing social assistance programs receiving temporary economic support financed by the project (Number)		0.00	1,285,134.00
Percentage of direct beneficiaries of existing social assistance programs receiving temporary economic support financed by the project (Percentage)		0.00	32.50
Direct beneficiaries of temporary economic support financed by the project, who are not beneficiaries of existing social assistance programs (Number)		0.00	2,290,880.00
Percentage of direct beneficiaries of temporary economic support financed by the project (Percentage)		0.00	51.00
Beneficiaries of social safety net programs (CRI, Number)		0.00	3,576,013.00
Beneficiaries of social safety net programs - Female (CRI, Number)		0.00	1,827,291.00

Intermediate Results Indicators by Components

Indicator Name	DLI	Baseline	End Target
Component 1. Temporary cash transfers to vulnerable households			
Direct Beneficiaries of Bono Canasta Familiar financed by the project (Number)		0.00	435,000.00
Direct Beneficiaries of Bono Canasta Familiar financed by the project (FEMALE) (Number)		0.00	225,379.00
Direct Beneficiaries of Bono Familia financed by the project (Number)		0.00	1,040,102.00
Direct beneficiaries of Bono Familia financed by the project (FEMALE) (Number)		0.00	534,677.00
Component 2: Support the transitory expansion of the safety net to informal workers			
Direct Beneficiaries of Bono Universal financed by the project (Number)		0.00	2,100,911.00
Direct Beneficiaries of Bono Universal financed by the project (FEMALE) (Number)		0.00	1,079,998.00
Component 3. Support the payment system and the implementing arrangements			
Payment platform to deliver the payments of the temporary economic support contracted (Yes/No)		No	Yes
Percentage of inquiries or grievances that are submitted to the grievance redress mechanism that are addressed during the course of the project. (Percentage)		0.00	75.00

Monitoring & Evaluation Plan: PDO Indicators					
Indicator Name	**Definition/Description**	**Frequency**	**Datasource**	**Methodology for Data Collection**	**Responsibility for Data Collection**
Direct beneficiaries of existing social assistance programs receiving temporary economic support financed by the project	All direct beneficiaries of the pre-existing social safety net programs (BJAP, BJP, RD, BD and BC) who receive BF and BCF financed by the project.	Monthly	MEFP	Baseline: The baseline of this indicator is zero because the emergency cash transfer programs are new. Target: Direct beneficiaries of existing social assistance programs that will be covered by the emergency economic support financed by the project based on the eligibility and restrictions of BF, BCF Monitor: Number of direct beneficiaries of BF and BCF paid and financed by the project who are beneficiaries of pre-existing social assistance programs.	PCU
Percentage of direct beneficiaries of existing social assistance programs receiving temporary economic support financed by the project	The ratio between the number of beneficiaries who receive temporary economic support financed by the project , and the number of	Monthly	MEFP	Baseline: The baseline of this indicator is zero because the emergency cash transfer programs are new.	MEF

	beneficiaries of the pre-existing social assistance programs (BJA, BJP, RD, BC, BD)			Target: percentage of direct beneficiaries of existing social assistance programs that will be covered by the emergency economic support financed by the project based on the eligibility and restrictions of BF, BCF Monitor: Number of direct beneficiaries of BF and BCF paid and financed by the project who are beneficiaries of pre-existing social assistance programs, divided by the number of beneficiaries of pre-existing social assistance programs.	
Direct beneficiaries of temporary economic support financed by the project, who are not beneficiaries of existing social assistance programs	Direct beneficiaries of the temporary economic support financed by the project, who are not beneficiaries of pre-existing social assistance programs.	Monthly	MEFP	Baseline: The baseline of this indicator is zero because the emergency cash transfer programs are new. Target: Direct beneficiaries of existing social assistance programs that will be	PCU

				covered by the emergency economic support financed by the project based on the eligibility and restrictions of BF, BCF and BU Monitor: Number of direct beneficiaries of BF, BCF and BU paid and financed by the project, who are not beneficiaries of the pre-existing of social assistance programs.	
Percentage of direct beneficiaries of temporary economic support financed by the project	Number of direct beneficiaries of temporary economic support financed by the project , over the total number of beneficiaries of temporary economic support	Monthly	MEFP	Number of direct beneficiaries of BF, BCF and BU reimbursed by the Project, over the the number of direct beneficiaries of BF, BCF and BU.	PCU
Beneficiaries of social safety net programs		Monthly	PCU	Definition: Number of direct beneficiaries of temporary economic support financed by the project Monitoring: Number of direct beneficiaries of temporary economic	PCU

				support financed by the project who are paid	
Beneficiaries of social safety net programs - Female		Monthly	PCU	Definition: Number of direct beneficiaries of temporary economic support financed by the project who are female. In the case of BF, the project will count as beneficiaries who are paid and are eligibile because they are parents or legal guardians of famale students. In the case of BCF and BU, the project will count the female beneficiaries who are paid and financed by the project. Monitoring: Number of direct female beneficiaries of temporary economic support financed by the project who are paid	PCU

Monitoring & Evaluation Plan: Intermediate Results Indicators					
Indicator Name	**Definition/Description**	**Frequency**	**Datasource**	**Methodology for Data Collection**	**Responsibility for Data Collection**
Direct Beneficiaries of Bono Canasta Familiar financed by the project	Number of direct beneficiaries of BCF	Monthly	PCU	Monitoring: Number of direct beneficiaries of BCF who are paid and reimbursed by the project Baseline: the baseline is zero since BCF is a new program	MEF
Direct Beneficiaries of Bono Canasta Familiar financed by the project (FEMALE)	Number of female direct beneficiaries of BCF who are financed by the project and paid	Monthly	PCU	Monitoring: Number of female direct beneficiaries of BCF who are paid and reimbursed by the project Baseline: the baseline is zero since BCF is a new program	PCU
Direct Beneficiaries of Bono Familia financed by the project	Number of direct beneficiaries of Bono Familia who are paid and financed by the project	Monthly	PCU	Definition: Number of direct beneficiaries of BF who are paid and reimbursed by the project who are parents or legal guardian of female students Baseline: the baseline is zero since BF is a new	PCU

				program	
Direct beneficiaries of Bono Familia financed by the project (FEMALE)	Number of beneficiaries of Bono Familia paid and reimbursed by the project	Monthly	PCU	Definition: number of recipients of BF who are paid and are eligible because they are parents or legal guardians of female students. Monitoring: Number of direct female beneficiaries of BF financed by the project who are paid Baseline: the baseline is zero since this is a new program	PCU
Direct Beneficiaries of Bono Universal financed by the project	Number of direct recipients that collect the benefit	Every two months the indicator will be updated	Daily reports on benefit collection at bank tellers by the payment platform	Admin. data	MEF, via payment plaform.
Direct Beneficiaries of Bono Universal financed by the project (FEMALE)	Number of direct beneficiaries of BU who are financed by the project and paid.	Monthly	MEF	Baseline: The baseline of this indicator is zero because the BU is a new program.	PCU

				Monitor: Number of female direct beneficiaries of BU paid and financed by the project	
Payment platform to deliver the payments of the temporary economic support contracted	Hiring of payment platform that will allow payment of all benefits via any bank teller in Bolivia and reconcile payment information.	Once	MEF		Contract
Percentage of inquiries or grievances that are submitted to the grievance redress mechanism that are addressed during the course of the project.	Number of inquiries or grievances that are submitted to the grievance redress mechanism and that are addressed during the course of the project.	Every month	Ministry of Commnicatio n and Ministry of Economy and Finance. Contact center receiving online and call-center inquiries.	Log of requsts produced by the mInistry of communication	ministry of communication

ANNEX 1: Implementation Arrangements and Support Plan

I. INSTITUTIONAL AND IMPLEMENTATION ARRANGEMENTS

1. **The Project will be implemented through three implementing agencies under the general coordination of the Ministry of Economy and Public Finance (MEFP), which will be the Bank's main Government counterpart during project implementation**.

2. **A Project Coordination Unit (PCU) under the MEFP will be responsible for the administrative and financial issues of the Project, and for the implementation of Part A of Subcomponent 1.2 and Components 2 and 3**. The following are the PCU's main functions in relation to the Project: (i) coordinate and monitor the Project's administrative and financial aspects as a whole, and serve as the Bank's counterpart for such issues; (ii) support and monitor the implementing agencies in the registration of budgets and on the attainment of intermediate and PDO indicators; (iii) consolidate and elaborate Project reports to be delivered to the Bank, including financial, procurement and administrative matters of the Project; (iv) coordinate all supervision missions with the Bank, VIPFE and the implementing agencies involved in the Project; (v) identify issues that might require special attention from the Government or the Bank during the implementation of the Project; and, (vi) ensure the compliance with the Project Operational Manual in coordination with the implementing agencies.

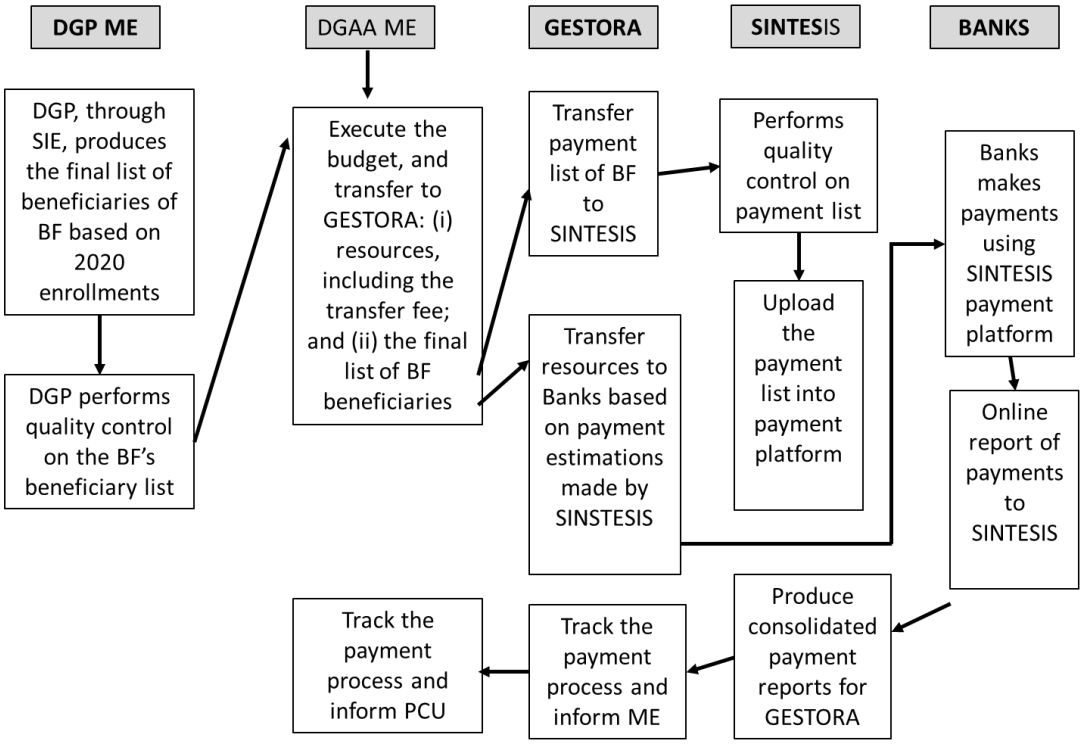
3. **The institutional arrangements involving the three implementing agencies are considered appropriate for the following reasons**: (i) the inter-institutional and implementation arrangements proposed for the project under the coordination of MEFP mirrors the same arrangements that each implementing agency is already utilizing for the long-standing cash transfer programs; and, (ii) MEFP is in charge of the coordination of the technical and legal aspects of the new temporary cash transfer programs in response to the COVID-19 pandemic supported by the project. Two features that reduce the complexity of the proposed project are that: (i) project proceeds will only be disbursed through reimbursements; and, (ii) no designated account will be open.

Implementation arrangements for Subcomponent 1.1 - Emergency cash transfer to vulnerable households with children enrolled in schools (Bono Familia - BF)

4. **The Ministry of Education (ME) will implement Subcomponent 1.1 through the *Dirección General de Asuntos Administrativos (DGAA)* of ME, with support from the *Dirección General de Planificación (DGP)* of ME and from the *Gestora Pública de la Seguridad Social de Largo Plazo (GESTORA), a* state owned enterprise for the management of long-term pensions, and in coordination with the PCU of MEFP.** The DGAA is part of the administrative organization of the ME. All administrative and financial aspects of Subcomponent 1.1 will be managed directly by the DGAA. The DGP of ME, which manages the enrollment list of children in schools through the *Sistema de Información Educativo (SIE)* will support DGAA in the elaboration of the list of beneficiaries for the Bono Familia (BF). The eligibility criteria and procedures already being used to build the list of beneficiaries of BF will be included in the Project Operational Manual. The DGAA will be supported by *GESTORA* for the disbursement of payments through the private payment platform *SINTESIS*. The diagram with the flow of information and funds for Subcomponent 1.1 presented in Figure 1.1 (below) includes budget

execution by ME through its DGAA, a transfer of resources to *GESTORA*, and the management of a revolving fund between *GESTORA* and the designated banks based on estimations provided by *SISTESIS*. *SINTESIS*, through *GESTORA*, will provide DGAA a weekly report of payments. DGAA will provide monthly reports to the project's PCU on the implementation of the subcomponent. The project will reimburse the GoB based on the reports of payments prepared by DGAA, in accordance with the Project Operational Manual.

Figure 1.1. Flow of information and funds of Subcomponent 1.1 (Bono Familia - BF)

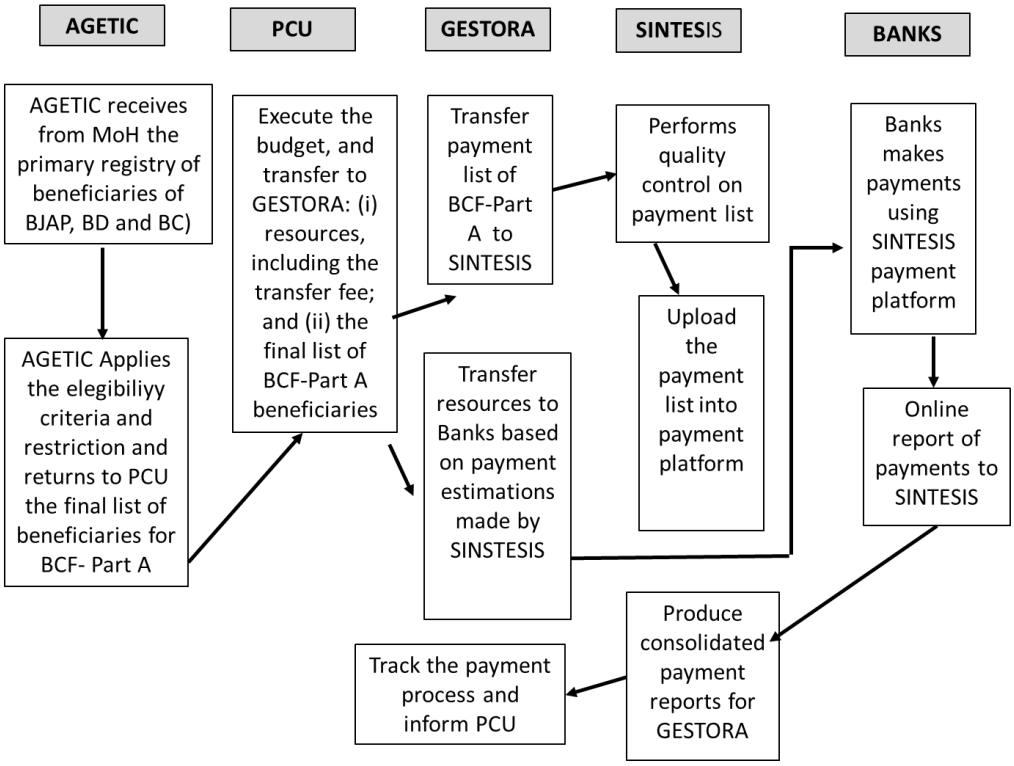


Implementation arrangements for Part A of Subcomponent 1.2 – Temporary cash transfer to pregnant women, mothers with children below 2 years old and disabled (Bono Canasta Familiar – BCF Part A)

5. **The Ministry of Economy and Public Finance (MEFP) will implement Part A of Subcomponent 1.2 through the project's PCU, with the support of the National Agency of Electronic Government and Technology of Information (AGETIC) and *GESTORA***. All administrative and financial aspects of Part A of Subcomponent 1.2 will be managed directly by the PCU. Part A of Subcomponent 1.2 will support those BCF eligible beneficiaries who were already in the beneficiary registry of the three pre-existing programs, the BJAP, BD and BC, which are managed by the Ministry of Health (MH). AGETIC will receive the original beneficiary registries of BJAP, BC and BD from MH and will apply the eligibility criteria through database cross-checks. AGETIC will then provide the PCU with the list of beneficiaries of the BCF Part A. The eligibility criteria and procedures used to build the beneficiary list of BCF Part A will be included in the Project Operational Manual. The PCU will transfer the final list of BCF- Part A beneficiaries to *GESTORA,* which will perform quality controls on the payment lists and then forward them to the private payment platform, *SINTESIS* for final pay-out to beneficiaries through the pool of designated banks. The flow of funds includes the execution of the budget by

the PCU, a transfer of resources to from the PCU to *GESTORA*, and the management of a revolving fund between *GESTORA* and designated banks based on the payment estimations provided by *SINTESIS*. *SINTESIS*, through *GESTORA*, will provide a weekly report of payments to the PCU. The project will reimburse the GoB based on the reports of payments prepared by the PCU, in accordance with the Project Operational Manual. Figure 1.2 shows the flows of information and funds of Part A of Subcomponent 1.2**.**

Figure 1.2. Flow of information and funds of Part A of Subcomponent 1.2 (Bono Canasta Familiar – BCF Part A)

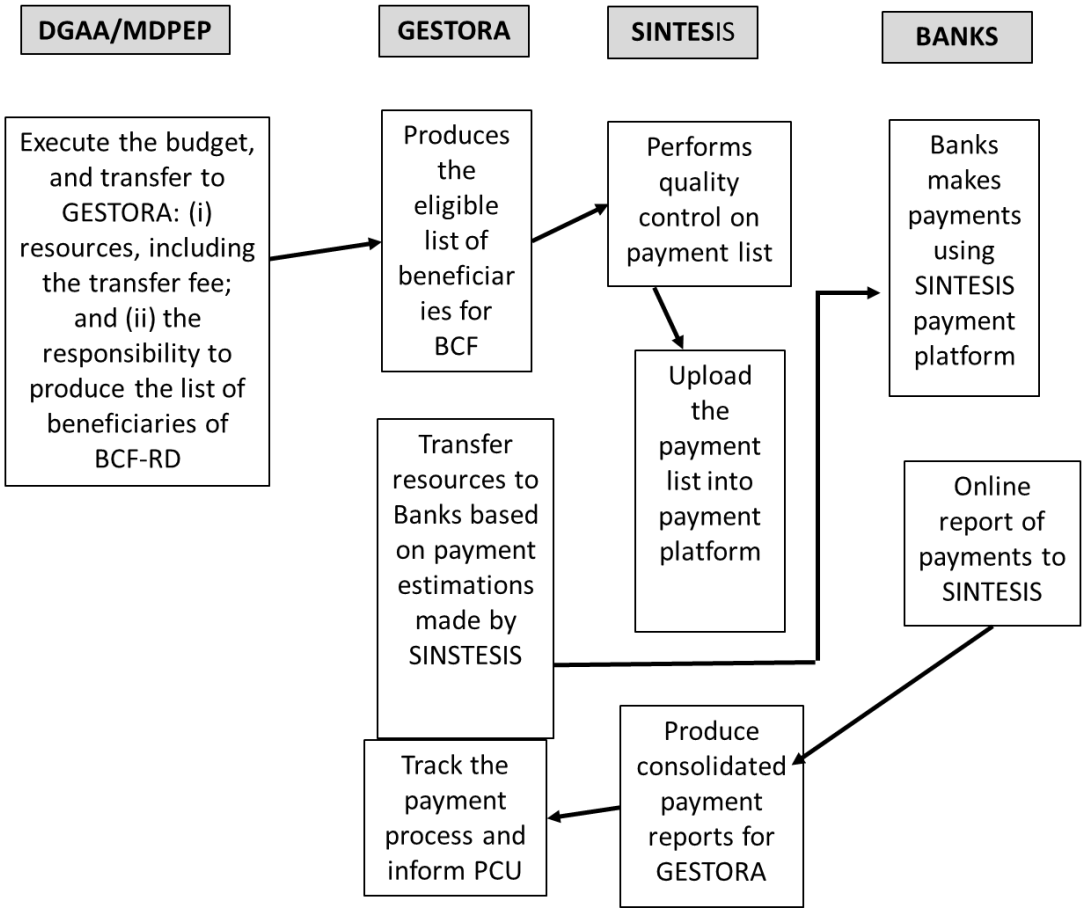


Implementation arrangements for Part B of Subcomponent 1.2 – Temporary cash transfer to elderly (Bono Canasta Familiar – BCF Part B)

6. **The Ministry of Productive Development and Plural Economy (MDPEP) will implement Part B of Subcomponent 1.2 through the *Dirección General de Asuntos Administrativos (DGAA)* of MDPEP with the support of *GESTORA,* and in coordination with the PCU.** Part B of Subcomponent 1.2 will support those BCF eligible beneficiaries who were in the beneficiary registry of RD, a program managed by *GESTORA*. The DGAA of MDPEP will be supported by *GESTORA* for the definition of the list of beneficiaries and for organizing the final payment to beneficiaries through the designated banks. The eligibility criteria and procedures that will be used to build the list of beneficiaries of BCF Part B will be included in the Project Operational Manual. The flow of funds includes budget execution by MDPEP through its DGAA, a transfer of resources from DGAA to

GESTORA, and the management of a revolving fund between *GESTORA* and designated banks based on the estimations provided by *SINTESIS*. *SINTESIS*, through *GESTORA*, will provide a weekly report of payments to the DGAA of the MDPEP. The DGAA will provide monthly reports to the PCU on the subcomponent's implementation. The project will reimburse the GoB based on the reports of payments prepared by the DGAA of the MDPEP, in accordance with the Project Operational Manual. Figure 1.3 shows the flows of information and funds for Part B of Subcomponent 1.2.

Figure 1.3. Flow of information and funds of Part B of Subcomponent 1.2 (Bono Canasta Familiar – BCF)

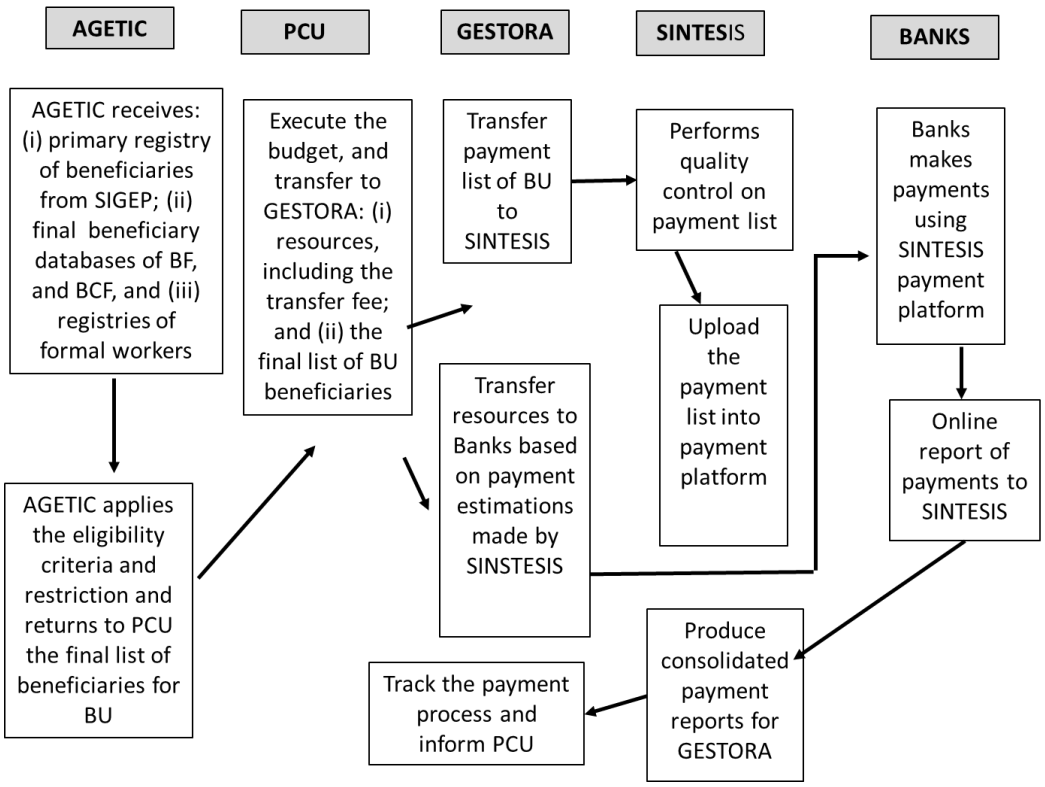


Implementation arrangements for Component 2 - Support the transitory expansion of the safety net to informal workers (Bono Universal – BU)

7. **MEFP will implement Component 2 through the PCU, with the support from AGETIC and GESTORA.** All administrative and financial aspects of the Component 2 will be managed directly by the PCU. AGETIC will support the PCU in the definition of the list of beneficiaries of the BU. AGETIC will receive the database from *Servicio General de Identificación de Bolivia* (SEGIP) which issues ID numbers/cards as a primary registry. AGETIC, will apply the eligibility criteria of BU through database cross-checks. From the ID database of all Bolivians between 18 and 59 years of age, AGETIC will cross-check that with the databases of BF and BCF,

public and of private sector workers. The eligibility criteria and procedures that will be used to build the beneficiary list of the BU will be included in the Project Operational Manual. The PCU will transfer the funds to GESTORA, which will then transfer the final list of payments to SINTESIS for pay-out to beneficiaries through the designated banks. The flow of funds follows the same scheme of Part A of Subcomponent 1.2. The project will reimburse the GoB based on reports of payments prepared by the PCU, in accordance with the Project Operational Manual. Figure 1.4 shows the flows of information and funds for Component 2.

Figure 1.4. Flow of information and funds of Component 2 (Bono Universal – BU)



Implementation arrangements for Component 3

8. **The MEFP will implement Component 3 through the PCU.** Component 3 supports the expansion of payments through the banking system to all the beneficiaries of the three new temporary cash transfers for the COVID-19 emergency and the implementing arrangements of the project. The PCU, with the support of *GESTORA*, already signed a contract with *SINTESIS* for the use of its established payment system platform for the three temporary cash transfer programs. The PCU will also be responsible for contracting the Financial Audit of the Project. This Component will reimburse the GoB based on justification of payments of the contracts with *SINTESIS* and with the Financial Auditor.

II. FINANCIAL MANAGEMENT AND DISBURSEMENT ARRANGEMENTS

9. **A Financial Management (FM) Assessment was carried out[20] by the Bank in order to evaluate the adequacy of FM arrangements for the implementation of the proposed COVID-19 Crisis Emergency Social Safety Net Project.** The overall fiduciary risk is "Substantial." On the financial management side, the main factors driving the risk rating are the following:

a) The Project Coordination Unit (PCU) within MEFP is not in place yet. In order to be fully operational, specialized staff with experience managing WB funds or externally funded projects will have to be recruited;
b) Although some operational rules, processes and systems exist, they need to be reinforced in order to provide adequate internal controls in two critical systems (SIGEP and SINTESIS platforms) for the generation of project financial information and their respective reconciliations; and
c) The possibility of distortions occurring in the targeting of cash transfer programs to include or exclude certain populations that could lead to mistrust and/or hardship, and the possibility that transfers could be diverted prior to reaching the intended beneficiaries.

10. **The identified risks will be mitigated through the following measures**: (i) the project will be disbursed only through **reimbursements** of verified expenditures. The Bank will request information on the Single Treasury Account to ensure that there are adequate and periodic reconciliations of the "*Libretas Bancarias*"; (ii) the Borrower will prepare and finalize the FM and disbursement sections of the Project Operational Manual that will include internal controls and procedures to ensure funds are adequately reconciliated and expenditures documented to the Bank confirming that they are eligible; (iii) SINTESIS, which is a private entity, will channel most of the project payments. Based on the assessment performed, it is considered that it operates under an adequate internal control environment; (iv) the Bank and Borrower will provide training as necessary to the staff of the PCU, including online FM training on WB's systems and procedures; (v) the project FM monitoring will be done through financial reports that will be prepared by the PCU and include a specific section on key indicators to ensure that the transfers have been adequately paid and reconciliated. These reports will be subject to an annual external audit by an auditor acceptable to the Bank; (vi) the Government must ensure that the budget process is completed to secure funding for project execution; and, (vii) the Bank will conduct supervision mission per quarter, in order to assess the adequacy of FM arrangements.

11. **The PCU will undertake responsibility for all the administrative and financial management tasks of the Project.** The PCU will have a least one person responsible for Financial Management and an Accountant who will have the following tasks: (i) budget formulation and monitoring; (ii) cash flow management (including processing payments and submitting loan withdrawal applications to the Bank); (iii) the maintenance of accounting records; (iv) the administration of underlying information systems; (v) the preparation of year-end financial reports; and, (vi) arranging the external audit. The PCU has no experience in implementing World Bank-financed projects, although they have experience in implementing externally financed projects.

12. **Staffing.** As noted above, the PCU would include two main positions with respect to FM: (i) a Financial Manager and, (ii) an Accountant. Their qualifications and experience need to be adequate to undertake all the FM tasks related to the project. Additional FM staffing could be foreseen to support project implementation

[20] In accordance with Financial Management Manual for World Bank Investment Project Financing (February 10, 2017) and OP/BP 10.00.

and offer an adequate segregation of duties considering that the PCU will keep the overall responsibility for requesting project disbursements from the Bank, preparing the consolidated financial reports and coordinating the project audit.

13. **Budgeting.** The Budget's Legal Framework in Bolivia (*Directrices Presupuestarias*) mandates the preparation of the annual budget with due consideration to the sectors, policies, goals, and strategies laid out in the five-year Economic and Social Development Plan 2016–2020 (*Plan de Desarrollo Económico y Social, PDES*). Based on this framework, the project's budget formulation and execution will be integrated into each of the Co-implementing Agencies annual budget and monitored through the National Financial Management System. Each of the Co-implementing Agencies have incorporated and registered in their assigned institutional budgets sufficient funds to develop this Program and will be executing it in the corresponding budget lines.

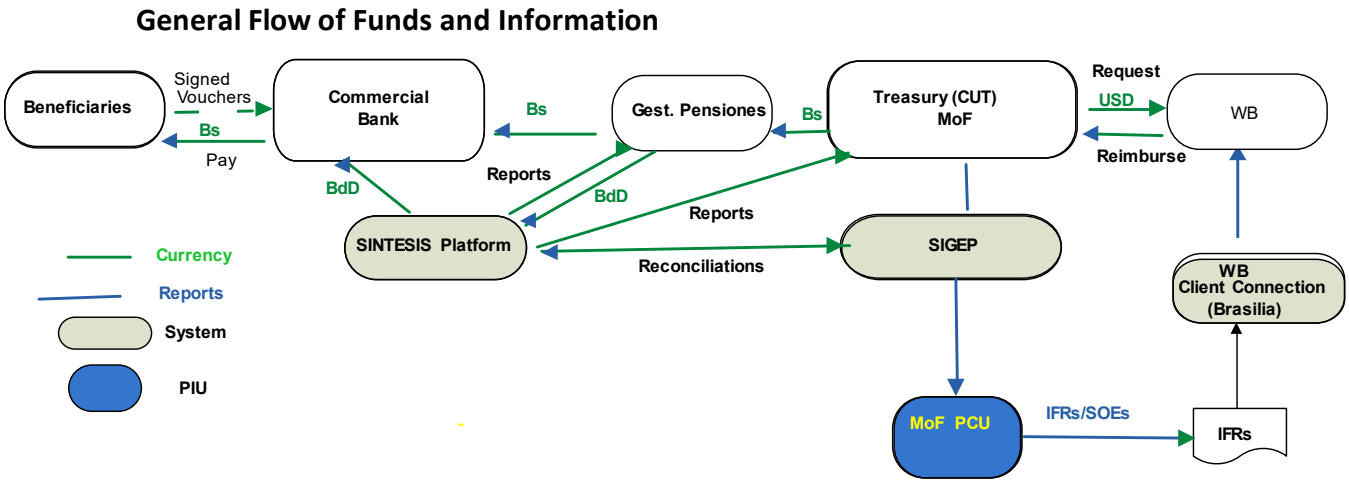
14. **Internal Controls.** The internal control framework for the central government in Bolivia is laid out in Law 1178 of July 1990. It contains a basic set of rules for processing and recording transactions, which are disseminated to the relevant staff. Moreover, expenditures are subject to budget controls incorporated into the SIGEP system, which limits commitment to actual cash availability and approved budget allocations. Considering that the Project will take advantage of the Governmental procedures and mechanisms that are already in place for cash transfers including information systems, payment mechanisms, and institutional arrangements, as a result of the FM assessment it is considered that while there is a risk of fraud and corruption as in any other government program, this risk is to some extent addressed through the mitigating measures defined as part of the assessment. The PCU will follow institutional internal control measures and procedures that are in place in MEFP. In addition, project-specific financial management arrangements will be documented in the project's Operational Manual to ensure administrative and financial control over the project, which will cover: (i) roles and responsibilities of the FM staff; (ii) internal controls including procedures to process and consolidate financial information and the required process to document SOES; (iii) the content and format of the interim Financial Reports (IFRs) and financial statements; and, (iv) auditing arrangements.

15. **Accounting and Financial Reporting.** Project budgeting and accounting will be managed through Bolivia's integrated Public Management System (SIGEP) following government accounting policies and practices. Thus, project budget execution is subject to internal controls and approvals built in that system. Under the proposed project, the use of SIGEP would be complemented with the system *VISUAL*, or other in-house information system acceptable to the Bank, which allows for the recording of project expenditures in Bolivianos and US$ dollars classified by project component/cost category and also the issuance of project financial and disbursements reports. The PCU will prepare semiannual Interim Financial Reports (IFRs) to be submitted to the Bank within 45 days after the end of the semester. The IFRs will contain at least: (i) a statement of sources and uses of funds (with expenditures classified by component) and a cash balance; (ii) a statement of budget execution for each component and subcomponent; and, (iii) reconciliation of the Treasury Account.

16. **Flow of Funds - Disbursement.** Due to the emergency crisis the Bolivian Government has received a credit from the Central Bank of Bolivia to pre-finance all the temporary cash transfers. Therefore, it has been agreed that the only disbursement method to be used to withdraw funds for cash transfers under the proposed project will be reimbursement to the TSA account (CUT). It will apply for retroactive and current expenditures accordingly. Funds reimbursed will follow World Bank disbursement policies and procedures as described in the Disbursement and Financial Information Letter (DFIL) and Disbursement Guidelines. Eligible

expenditures incurred using the reimbursement method will be documented using Statements of Expenditures (SOEs). Expenditures will be documented and verified using a customized report designed for this purpose and additional supporting reconciled documentation will be annexed to the customized reports. Retroactive financing of up to 40 percent of the total loan and credit amount would apply for this project. The flow of funds and information is illustrated in the Figure 2.1.

Figure 2.1. General Flow of Funds and Information



17. Cash transfers to project beneficiaries would be made through a payment platform connected to financial entities, provided by the service provider SINTESIS S.A. Reports on cash transfers made by each financial institution will be available online on a daily basis. With this daily information, *GESTORA* determines the amount to be disbursed to each financial entity predictively based on the history, from their bank accounts. Financial entities issue a "Libreta" to register the amount they have received and record all transactions they have made during each day. When the financial entity cashiers process a payment, they ask for the beneficiary ID, and enter it into SINTESIS online system to find out how much they must pay each specific individual. This is differentiated by type of cash transfer, and not only the beneficiary, but also the cashier who processes the payment are identified. Once each payment is processed, the system is blocked for that specific beneficiary.

18. **Reports and Reconciliation.** At the end of each day, each cashier issues a report from the *SINTESIS* system and makes a reconciliation. Their supervisor can draw up a report by cashier and by payment agency, and the financial entity's national office issues a report from the *SINTESIS* system which must reconciliate with the reporting from the respective agencies and cashiers. Each financial entity has three closing cycles of reconciliation between funds and documentation. That information feeds the treasury system. At the end of the day, the operational and accounting closing is done and all information, in a detailed file with all the day's transactions, is delivered to *GESTORA.*

19. **External Audit Arrangements**. A single audit report will be required covering the entire implementation period. The Project audit shall be conducted following acceptable auditing standards and by an auditor acceptable to the Bank. The project one-time audited financial statements will be submitted to the

Bank not later than six months after the end of the reporting period. The audit costs will be financed by Component 3 of the Project. Audited financial statements will be disclosed on MEFP's website, and the World Bank will make them available to the public in accordance with the Bank's Policy on Access to Information.

20. The relatively complex institutional arrangements involving three implementing agencies are considered appropriate because they all will be under the umbrella of the MEFP coordination and there are specific legal arrangements for transferring resources to individuals and to establish responsibilities. Additionally, each implementing agency has already been used for managing long-standing cash transfers. Also, in the implementation arrangements section and according to the technical assessment, the definition of the eligibility of the database of the cash transfers is adequate.

III. IMPLEMENTATION SUPPORT PLAN AND RESOURCE REQUIREMENTS

21. **This implementation support plan describes how the World Bank will assist the government with the implementation of the risk mitigation measures and provide the technical advice necessary to help the borrower achieve the PDO.** The World Bank task team will work closely with the PCU and key stakeholders to ensure project success and full compliance with WBG policies and procedures.

22. **In addition to implementation support visits[21] and ongoing engagement, the World Bank will carefully monitor the progress in the implementation of the and in the achievement of results through formal and informal reporting channels**. Formal reporting channels include World Bank Implementation and regular results monitoring and implementation progress reports prepared by the PCU every three months. Informal channels include interaction with direct beneficiaries of the project, reports from local media, and international assessments.

23. **FM implementation support will include on-site and off-site supervisions.** On site missions will be carried out at least every six month and later calibrated following assessed risks and project performance. In case of lack of physical access once implementation begins, virtual FM implementation support monitoring will be conducted using ICT tools. Off-site implementation support will comprise desk reviews of interim financial reports and audited financial statements.

24. **Project procurement implementation support will also include on-site and off-site supervisions.** On site mission will be carried out at least every three months.

25. **M&E.** The World Bank will review the progress on the Results Framework submitted quarterly by the PCU as part of the implementation support. The World Bank team will discuss the progress and deviations with PCU to identify any areas where additional support from the World Bank is required.

26. Tables 3.1 and 3.2 below detail the key focus areas of the implementation support activities for the project's implementation. These have been determined based on discussions with the government and an understanding of the priority activities to be implemented. Future updates will be based on progress of project activities.

[21] Implementation support will be carried out virtually in the event that the COVID-19 pandemic measures and restrictions (such as suspension of travel) in place are not lifted for the duration of project implementation.

Table 3.1. Implementation Support Plan

Time	Focus	Skills Needed
First six months	Support preparation and implementation of activities	Project Task Management World Bank specialists, ESA and operations support consultant, legal, FM and PCR specialists
6-12 months	Support implementation of activities	Project Task Management World Bank specialists, ESA

Table 3.2. Skill Mix Required

Skills Needed	Number of Staff Weeks	Number of Trips
Task Team leaders	12	1
Procurement Specialist	2	0
FM Specialist	2	0
Legal	1	0
Operations Support	3	0
Safeguards Specialist(s)	2	0

ANNEX 2: Details of Existing Social Safety Nets Programs

Name of CF program	Type of program	Year of creation	Target group and eligibility criteria	Number of Direct beneficiaries	Coverage of bottom 40% of population (direct and indirect beneficiaries)	Managing institution	Size of transfer
Bono Juana Azurduy Padilla (BJAP)	Conditional Cash Transfer	2009	Pregnant women and mothers of children below 2 years old without social health insurance (self declared without cross-checking)	216,619 (2019)	57%	Ministry of Health (MH)	**Approximately Bs 55 per month.** *The total support is Bs 1,820 (US$263) for 33 months. Each prental checkups, birth delivery and child health checkups has its value*
Bono Juancito Pinto (BJP)	Conditional Cash Transfer	2006	Students in primary and secondary in public schools, including the special education subsystem. Conditionallity: Enrollment and 80% of attendance.	2.2 million (2018) (TBC)	53%	Ministry of Education (ME)	**Bs200 per year (USD$ 29),** paid at the end of the school year
Bono de discapacidad (BD)	Cash Transfer	2018	Individuals with severe to very serious disabilities who cannot enter the labor market (based on assessment of disability)	82,623 (2020)		Ministry of Health	**Bs250 per month** (*US$36)*
Bono para ciegos (BC)	Cash Transfer		Paid to individuals with visual disabilities	6,275 (2020)		Bolivian Blind Institute under the MH	**Bs6800 per year** (*US$980)*
Renta Dignidad (RD)	Universal Social Pension	2008	Bolivians who are 60 or older and reside in Bolivia. Beneficiary must be registered in the Base de Datos de beneficiarios de la Renta Dignidad (BDRD).	1,083,198 (201	38%	GESTORA	**Bs2,400 per year** *(US$ 343). If the elderly receives another pension, the amount is only 75% or Bs1,800 (US$ 257).*