

## Technical Cooperation Document

### I. Basic project data

▪ Country/Region:	Belize
▪ TC Name:	Leveraging Digital Technology for Improving the Business Climate in Belize
▪ TC Number:	BL-T1110
▪ Team Leader/Members:	SOLIS, GALILEO (IFD/CTI) Team Leader; STEVENSON, CLAUDIA (IFD/CTI) Alternate Team Leader; GRANT, KAYLA SHAREE (IFD/CTI); URQUIJO, LEE (ITE/IPS); TORRICO, BLANCA (IFD/CTI); PILGRIM, VALARIE (IFD/CTI); VASQUEZ, GIAN (CID/CBL); PÉREZ-SEGNI, JUAN CARLOS (LEG/SGO)
▪ Taxonomy:	Client Support
▪ If Operational Support TC, give number and name of Operation Supported by the TC:	N/A
▪ Date of TC Abstract authorization:	April 12 <sup>th</sup> , 2018
▪ Beneficiary:	Belize
▪ Executing Agency:	Inter-American Development Bank, through the Competitiveness and Innovation Division (IFD/CTI)
▪ Source of funding:	IDB through the Compete Caribbean Partnership Facility – CCPF
▪ IDB Funding Requested:	US\$220,000.00
▪ Local counterpart funding, if any:	N/A
▪ Disbursement period:	30 Months
▪ Types of consultants:	Firms and Individual Consultants
▪ Prepared by Unit:	IFD/CTI
▪ Unit of Disbursement Responsibility:	IFD/CTI
▪ Included in Country Strategy (y/n);	Yes
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Productivity and innovation

### II. Objective and Justification

- 2.1 The objective of the Technical Cooperation (TC) is to test a process innovation for reengineering and digitizing the delivery of services that are critical to improving the business climate in Belize.
- 2.2 Belize is a relatively small country with a population of approximately 360,000 persons and a productive structure that relies heavily on tourism and agriculture. The 2014 Private-Sector Assessment Report (PSAR) for Belize estimated that between 2000-2011, Belize's private-sector provided over 92% of national employment, and in 2004-2011 it accounted on average for more than two-thirds of credit and four-fifths of consumption. Available data from the PSAR also suggested that the private sector is dominated by micro, small and medium-sized enterprises (MSMEs), including the tourism sector which accounts for the bulk of employment and value added in the economy. In terms of agricultural output, it is estimated that MSMEs account for over

70% of the main export crops and an even higher percentage of domestic food crops.<sup>1</sup> MSMEs generate over 70% of private-sector employment and incomes and contribute significantly to GDP. Approximately 14% of survey respondents to the 2013 productivity, technology, and innovation (PROTEqIN) survey were firms with majority or all female owners primarily small or medium in size and located in retail (17%), hotel and restaurants (23%), transport (13%), other manufacturing (13%) and the food sectors (9.1%).<sup>2</sup>

- 2.3 In joining with several governments and economists around the world that acknowledge the role economic growth plays in alleviating poverty, the Government of Belize (GOB) has endorsed private sector led growth as a strategy for capitalizing on the private sector's role in investment and job creation. As outlined in the Government of Belize's Horizon 2030 Strategy, the country is seeking to support economic resilience and job creation through development of the small business sector. Under its Growth and Sustainable Development Strategy (GSDS), necessary conditions for achieving optimal national income and investment include attracting foreign investments, improved competitiveness (including among small firms and traditional sectors) and encouraging technological adaptation and innovation. In order to realize such goals, streamlining processes and reforming policies affecting the business climate, are vital. Local firms surveyed by Belize's Economic Development Council<sup>3</sup> (EDC), for instance, perceived a poorly structured regulatory environment as the second highest issue affecting competitiveness.<sup>4</sup> The burden of business regulations and regulatory compliance differ according to the size, location, sector,<sup>5</sup> and ownership structure (especially in relation to women owned firms and male owned firms of the business). Regulatory and administrative burdens appear to be heavier for women because they tend to set up small and micro enterprises.<sup>6</sup> Taking into consideration the unique needs of businesses would support an enabling environment for expansion and for encouraging new and formal business entrants<sup>7</sup>, especially those operating in dynamic, emerging sectors such as in the digital economy. Creating the necessary conditions for the private-sector to grow is a core strategy for improving economic growth prospects and for combating poverty. Evidence from a research exploring the linkages between business regulatory reforms and economic growth in 172 countries during the period 2006 to 2010 found that regulatory reforms are good for economic growth<sup>8</sup>. In response, the EDC submitted a proposal to the Compete

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<sup>1</sup> Metzgen, Y. 2015. "[Private Sector Assessment Report: Belize](#)". Published by Compete Caribbean. Edited by the Economist Intelligence Unit.

<sup>2</sup> Under technical cooperation RG-T3126 (Project Development support – Assistance to More Vulnerable Countries and Optimizing Pace of Program Implementation) project within Compete Caribbean has selected three research proposal that will improve understanding of the major contributors to the observed gender gap in firm productivity in the Caribbean that will greatly contribute to sample size determination under this project and, in general, support a more gender responsive approach to the design, execution, monitoring and evaluation of private sector development initiatives.

<sup>3</sup> The EDC is a public/private advisory body launched by the Rt. Honorable Dean Oliver Barrow in 2011.

<sup>4</sup> Complementarily, the PROTEqIN survey collects data on a representative sample of private sector firms that indicate their greatest obstacles to doing business to be access to finance; crime, theft, and disorder; corruption; and tax rates. Yet a major first step for accessing finance is for firms become formal through registration, a key process in the business climate.

<sup>5</sup> World Bank. "[Leveraging Technology to Support Business Registration Reform: Insights from Recent Country Experience](#)". 2011.

<sup>6</sup> OECD. 1998. "Women Entrepreneurs in Small and Medium Enterprises".

<sup>7</sup> New business density decreased from a high of 4.61 in 2006 to 3.86 in 2016. (World Bank Databank)

<sup>8</sup> Haidar, J. 2012. "The Impact of Business Regulatory Reforms on Economic Growth". Available at [https://scholar.harvard.edu/files/haidar/files/jjie\\_0.pdf](https://scholar.harvard.edu/files/haidar/files/jjie_0.pdf) This study found that each business regulatory reform, on average, is associated to a 0.15% increase in growth rate of GDP.

Caribbean's call for Business Climate and Innovation Reform projects. In the proposal, the EDC proposed building on their past efforts in addressing reform for improving the business and investment climate by digitizing select business processes<sup>9</sup> (see ¶2.8).

- 2.4 Much remains to do in improving the investment and business climate to support the role of other actors in the start-up and innovation ecosystem for enhancing productivity, competitiveness, and growth of the private sector. Inefficiency in the provision of government services adds to the costs and time of doing business and can impact production and competitiveness. Reengineering and simplifying the processes within the current regulatory framework and with consideration to upcoming legal reforms can tackle inefficiencies and reduce the cost of operations and of doing business in Belize. Building on the efforts of the EDC and taking into stock business climate reform efforts led by other regional and international agencies in the country, this project ultimately aims to develop a pilot for a suite of technology that results in increased efficiency in business processes. The pilot will design a replicable template targeting one doing business process<sup>10</sup> (i.e. starting a business<sup>11</sup> or dealing with construction permits) to act as a demonstration effect to encourage replication of the template in other business processes, including the participation and integration among other actors, key to improving the business and investment environment.
- 2.5 Essential to efforts to increase efficiency is reengineering and simplifying the processes within the current regulatory framework and with consideration to upcoming legal reforms. Technology then complements and enhances the streamlining process.<sup>12</sup> Digital technology, such as application programming interface (API), can facilitate end users' access and interface between government entities, remove the need for lengthy travel and submission of paper documents, and improve intra-agency communication thereby reducing the time taken for approval when multiple, and often siloed, agencies are involved. APIs, generally known as Web Services or Web APIs, support open data initiatives via dynamic and secure sharing of content and data between entities, approved users, and applications. The United States' National Weather Service, for instance, uses APIs to provide access to weather data utilized by developers in their apps. The United States' Federal Aviation Administration is

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<sup>9</sup> As a result of Compete Caribbean's call for proposals for Business Innovation and Climate Reform projects, CCP Caribbean beneficiary countries submitted vetted proposals to the CCP (reviews were collected by Belize's Private-Public Desk at the Office of the Prime Minister which was then forwarded to CCP). The CCP then scored and selected for funding consideration the top proposal from each country. The EDC's proposal for "Digitizing the Doing Business Processes" was the first selected in Belize for funding consideration. Within the proposal, the EDC proposed three main areas for digitizing based on their previous reform effort work with the institutions: namely starting a business, registering a property, and dealing with construction permits.

<sup>10</sup> A consultancy will conduct further research on two or three business processes and utilize a participatory approach in selecting the process to pilot. See "[The Case for Leveraging Digital Technologies for Improving the Business Climate in Belize](#)" for more information on current systems in place, the gaps, and considerations for the proposed API solution.

<sup>11</sup> The starting a business process includes several steps which includes, but is not limited to, registering a business. Specifically, the starting a business process refers to the processes utilized and defined by the World Bank's Doing Business report. The World Bank's case study assumptions limit the analysis to limited liability companies with characteristics such as 5 owners, 10-50 employees, etc. Given the focus on MSME inclusion, the TC proposes taking into consideration other business types other than that defined by the World Bank. CITO, for instance, has conducted a flow diagram for the registration of a business at the Companies' Registry (one step in the starting a business process) that takes into consideration the manual and electronic processes for MSMEs.

<sup>12</sup> World Bank. 2013. "Reforming Business Registration: A Toolkit for Practitioners". Available at <https://openknowledge.worldbank.org/bitstream/handle/10986/17634/840140WP0Box380usiness0Registration.pdf;sequence=1>

another entity that provides travel websites and mobile apps with live airport status and delay information through its Airport Service API.<sup>13</sup> APIs have various levels of security for sharing data between approved entities resulting in benefits such as integration between previously siloed government entities, automation that promotes time savings, and efficiency yielding reduction in costs.<sup>14</sup> Considerations for legal reform then come into play.

- 2.6 Belize's ranking on E-Government indicators has been deteriorating over the years. In 2016, Belize ranked 122 out of 193 countries in terms of E-Government and ranked 138 in terms of E-Participation<sup>15</sup>. The project thus supports the country's E-Governance Strategy which is being led by Belize's Central Information Technology Office (CITO). CITO is undertaking efforts to modernize the delivery of public services to improve efficiency and effective delivery of public services based on citizen needs through the use of ICTs. Amendments to the Electronic Transaction Act<sup>16</sup> was passed in 2017 to extend the application of the act to certain negotiable instruments that are payment instruments. The Evidence Act was also amended to allow for certain electronic means to be acknowledged as evidence. A Data Protection Act, Belize Electronic Evidence Act and Belize funds transfer have been drafted with plans to pass in 2018 as a part of the E- Governance Strategy. This project will assess and consider additional necessary reforms in line with the Government of Belize's E-Governance Strategy.
- 2.7 A country's ICT infrastructure, computer and internet literacy, internet penetration rate, and ICT enabled legal framework, affect the adoption of digital technologies. According to the World Bank's DataBank, approximately 41.59% of Belize's population uses the internet, 25.6% of households have internet access, and 32% of households access the internet with a computer. 48.9 out of 100 inhabitants have mobile-cellular telephone subscriptions with 30.21 having mobile-broadband subscriptions. There are thus concerns of a growing digital gap between Belize and leading OECD countries that have fully embraced the digital era. Government can play a role preparing and guiding its citizens' access and use of digital technologies. Belize's 2011 Information Communication Technology (ICT) National Strategy presents a vision for "accelerated development and improved quality of life for all Belizeans through universal access and widespread usage of ICT" and outlines a strategy for bridging the digital divide, developing the local ICT industry, and modernizing the public sector using ICT.
- 2.8 **Institutional Framework.** The Government of Belize launched a public-private advisory body in 2011 called the Economic Development Council (EDC). The mandate of the EDC, as outlined by the EDC Act No. 28 of 2017, is to promote a better understanding of business climate issues, foster improvement in the business environment by making recommendations to the Prime Minister and relevant Government Ministries, and to facilitate the implementation of reforms, thereby encouraging development and economic growth. The public-private dialogue efforts of the EDC have led to securing the commitment of key stakeholders and driving successful reform measures. As the second lowest ranked indicator for Belize on the

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<sup>13</sup> See <https://www.digitalgov.gov/2013/04/30/apis-in-government/> for more information

<sup>14</sup> Ibid.

<sup>15</sup> The United Nations issues [E-Government surveys](#) which ranks governments based on an overall E-Government Development Index and an E-Participation Index.

<sup>16</sup> For more information, <http://www.nationalassembly.gov.bz/wp-content/uploads/2017/04/Act-No.-10-of-2017-Electronic-Transactions-Amendment-Act-2017.pdf>

World Bank's Doing Business Indicators,<sup>17 18</sup> the EDC is leading reform efforts in the *Doing Business* process. For instance, an on-going consultancy is assessing the annual rental value methodology used to determine the value of a trade license with the goal to increase transparency and uniformity in how these values are determined by respective municipalities. The prior is an important step within the Starting a Business process. The EDC has also led an initiative that successfully saw a new reform (Belize Building Act Amendment, 2017) passed in July 2017 that clarified the role and jurisdiction of the Central Building Authority and the local Building Units housed within the nine municipalities across Belize. This reform is a critical success factor for the dealing with construction permit process.

- 2.9 **Synergies.** In addition to building on the synergies from the work of the EDC, this TC also builds on IDB efforts for promoting private sector growth in Belize such as BL-T1087 which seeks to identify new areas of opportunity, such as Business Process Outsourcing, in Belize's free zones. It supports IDB projects such as BL-T1101 which seeks to build capacity in expenditure management in the public sector through a public sector investment programme (PSIP) and may have complementarity in promoting open data sharing through API technology under BL-T1103 which will be supporting the country in conducting its 2020 population and housing census and BL-T1092 which seeks to strengthen and increase the use of the National Statistical System and, in particular, proposes the development data sharing protocols between members.
- 2.10 **Strategic Alignment.** This TC is consistent with the Update to the Institutional Strategy (UIS) 2010-2020 (AB-3008) as it is strategically aligned with the development challenges of (i) productivity and innovation and specifically addresses the special needs of small and vulnerable countries in fostering development through the private sector. The project supports the 2013-2017 IDB Country Strategy for Belize in terms of improving public expenditure efficiency and effectiveness and promoting private sector development. Businesses operating within the country strategy's four main areas (education, tourism, transport, and trade and tax policy) would potentially be impacted by the success of the pilot project in easing the business environment. The project is aligned with the priorities defined in the Innovation, Science and Technology Sector Framework Document (GN-2791-3). The project is also aligned with the priorities of the "Proposal for the Establishment of the Compete Caribbean Partnership Facility" (GN-2851). In addition, the IDB strongly supports initiatives assisting governments and firms in the region to enter and become competitive in the digital economy.

### III. Description of Activities and Outputs

- 3.1 **Component 1: Design and Piloting of Technological Solution to Streamline Business Processes (US\$150,000).** This component will finance the design, piloting, and deployment of a mobile-friendly feasible integration solution that incorporates digital technology, such as API technology, for integrating and improving data sharing among government agencies involved in the selected business process and which responds to the needs and preferences of end users (which include the staff at institutions that provide the business climate related services and those who utilize

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<sup>17</sup> In the starting a business indicator, Belize ranks 161 out of 190 economies with a DTF of 73.24. Starting a business for a limited liability company (of at least five shareholders) requires 9 procedures, takes 43 days, and costs 34.6% of income per capita.

<sup>18</sup> The most challenging indicator, according to the World Bank's Doing Business Indicator, is obtaining credit.

those service, such as entrepreneurs and businesses). Prior to designing the technological solution, the consulting firm is expected to: (a) develop regulatory process mappings for at least two to three doing business processes (i.e. starting a business and obtaining construction permits); (b) assess process flow efficiency for these two to three business processes; (c) conduct a needs assessment amongst potential users;<sup>19</sup> and (d) in discussion with the IDB and the EDC, select one business process and make recommendations for: (i) business process reengineering and simplification in terms of immediate changes within the current regulatory environment and within the current technological framework that can lead to quick wins; and (ii) the introduction of appropriate digital technology that can bring processes more in line with current best practices. The project team will provide the consultancy with guidance in determining the sample size and make-up, given that business regulatory burdens differ according to the size, ownership (women-owned and men-owned), location, and sector of the business.

- 3.2 With respect to the introduction of appropriate digital technology for the selected business process, the consulting firm will then: (a) conduct a detailed needs assessment of: (i) a sample of potential users across the country, including ensuring the inclusion of women owned businesses and small business owners located in rural areas with limited connectivity; (ii) the needs of managers and staff within key institutions; and (iii) the existing technological capabilities and equipment within key institutions, including technological gaps between institutions; (b) define the functional specifications of the integration solution and how it will operate in terms of what data can be shared, who can access the data, and resource requirements (such as cloud-based storage solutions); (c) develop an implementation plan; (d) design a mobile friendly, feasible integration solution which includes a front end user interface that responds to the needs and preferences of users, embed security features (identification, authentication, and authorization) to encrypt and protect data, develop protocols for data sharing which take into consideration legal restrictions to data sharing, and provide built-in analytics that collect data on usage and other metrics useful for decision making; (e) pilot the design amongst a sample of end users and incorporate feedback of the pilot into the design; (f) develop a manual and training material followed by the delivery of training workshops to staff, ensuring capabilities are built amongst female staff as well; (g) deploy the minimum viable technological solution, including provision of support after deployment; and (h) develop a sustainability strategy for maintenance of the technological solution, including identifying potential revenue sources to cover costs, skills required for maintenance (i.e. trained local IT staff), and timelines for proposed scheduled maintenance. The firm will also be expected to work closely with the EDC and CITO in ensuring alignment with the Government's E-Strategy and national development plans.
- 3.3 **Component 2: Legislative Review and Drafting (\$25,000).** This component will finance a consultancy to conduct legislative reviews, recommend necessary and feasible legal reforms, and draft relevant enabling legislation, regulations or policies that is gender sensitive in its design and will support improvements in the business environment in line with the proposed technological solution under Component 1. The EDC will champion reform efforts under this component.
- 3.4 **Component 3: Communication and Knowledge Dissemination (US\$20,000).** Crucial to the uptake by end users, is a strong communication strategy from the point

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<sup>19</sup> Including women, youth, and small business owners located in rural areas with limited connectivity.

of project design, through to execution, and to closure. As such, this component will finance a consultancy to develop and implement a campaign strategy to manage stakeholder expectations, guide change management, communicate project benefits to both internal and external users, and educate users on how to use the technology. Special emphasis will be placed on gender sensitive communication strategies and consideration for users with limited digital capacity. Partnerships with organizations and associations will be developed to design and implement a kiosk pilot that will target women owned and men owned businesses in a selected rural area<sup>20</sup> in accessing and using the technology. Feedback from the pilot will be utilized to inform decision making for adapting or scaling up the pilot to other rural areas. Supporting this consultancy, will be an awareness event, press releases, social media outreach, a discussion paper capturing lessons learned, and a kiosk pilot. Specifically, the discussion paper will capture the lessons of the pilot and propose strategies for applying the lessons learned to other business climate related processes such as requesting and receiving a building permit.

- 3.5 **Component 4: Coordination and Monitoring (US\$25,000).** This component will finance an IT Project Manager to monitor the project and its outputs, lead technical discussions with the consultancies, maintain constant dialogue with key stakeholders, certify implementation of Component 1 recommendations, and document lessons learned. The consultant will work closely with the EDC, CITO and the hired consultancies with potential for CITO to absorb the consultant at the project's end.

#### IV. Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Design and Piloting of Technological Solution to Streamline Business Processes	\$ 150,000.00	\$ 0.00	\$ 150,000.00
Legislative Review and Drafting	\$25,000.00	\$0.00	\$25,000.00
Communication and Knowledge Dissemination	\$ 20,000.00	\$0.00	\$ 20,000.00
Coordination and Monitoring	\$25,000.00	\$0.00	\$25,000.00
<b>TOTAL</b>	<b>\$220,000.00</b>	<b>\$0.00</b>	<b>\$220,000.00</b>

#### V. Executing agency and Execution Structure

- 5.1 The Compete Caribbean Partnership Facility (CCPF), approved under GN-2851, was jointly designed with donors to be a Bank Executed Program, through the CCPF's Facility Coordination Unit (FCU) established in COF Barbados. The Bank has demonstrated its ability to coordinate and motivate action across diverse stakeholders at both the national and regional levels. The execution of this TC will be carried out by the Bank through the Competitiveness and Innovation Division (IFD/CTI) in coordination with FCU. The FCU reports to the IFD Manager and supports executing, monitoring, and evaluating projects including preparation of Bank progress reports.

<sup>20</sup> The geographic area and sector for the small pilot will be decided in consultation with partners, such as the SBDC and Department of Cooperatives, and with consideration to gender make-up and level of digital capabilities.

Project output indicators will be monitored following the Monitoring and Evaluation (M&E) framework of the CCPF.

- 5.2 The execution and disbursement period will be 30 months and the UDR will be IFD. The activities to be executed are included in the Procurement Plan (Annex III) and will be contracted in accordance with Bank policies as follows: (a) AM-650 for Individual consultants; (b) GN-2765-1 and Guidelines OP-1155-4 for Consulting Firms for services of an intellectual nature; and (c) GN-2303-20 for logistics and other related services.

## **VI. Project Risks and Issues**

- 6.1 Several risks are involved in streamlining business processes, designing legal reform and implementing digital technology aimed at easing regulatory burden on businesses. A major risk prior to designing the technological solution, is the gap between entities in terms of their technological capabilities and available equipment, including the potential impact of bandwidth availability and power outages. The consulting firm will assess and provide cost-effective minimum viable recommendations which take the prior into consideration, including options for external cloud-based servers.
- 6.2 Another major risk is political commitment to implementing the procedural recommendations and technological solution developed under this TC and the timing that legislative review and drafting may take. Both CITO and the EDC (which operates out of the Department of Public/Private-Sector Dialogue in the Office of the Prime Minister and maintains a close relationship to the private-sector as well as with government ministries, departments and agencies at a senior-level) are vital political champions to mitigating against this risk. The EDC has conducted preparatory work in sensitizing the agencies involved in the proposed reform efforts and has maintained strategic dialogue with these agencies who, as evidenced by their implementation of focused reform projects, have demonstrated their commitment. Furthermore, the technological solutions will be piloted before full deployment in order to identify bottlenecks requiring immediate attention. The technological solution will also be designed within the current regulatory framework to mitigate against the risk of slow moving reform. Simultaneously then, the design of the solution will be such that it can be adapted upon the implementation of reform(s).
- 6.3 This TC focuses on business climate related processes, yet the pilot developed under this TC can undergo further iterations and be scaled up to other government processes. To ensure the country has the capacity to further iterate on the pilot, training will be provided, especially to IT experts within CITO and with a view to ensuring capabilities are built amongst women as well. Furthermore, the IT Project Manager hired under this TC, given his/her close work with all consultancies under the project, local counterparts and stakeholders and the IDB, will develop important tacit knowledge and skills. Because of the valuable knowledge to be acquired by the execution of this project, CITO is willing to absorb the IT Project Manager at the project's end. This absorption is important to ensure continuity of the project after IDB funding has ended<sup>21</sup> and the preservation of tacit knowledge. Furthermore, continuity

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<sup>21</sup> Discussions are currently taking place with the Caribbean Development Bank for potentially contributing funding to the objective of this technical cooperation. Despite the prior, the EDC is enshrined into law to carry out reform mandate. The EDC has programmed funding specifically for continuing reform efforts and has budgeted financing to cover the second year of the Program Manager under this TC. Furthermore, CITO is executing its E-Government workplan which specifically addresses "Improved Government

will include having CITO developers shadow the Project development team to learn the skills and to develop in-house capacity.

- 6.4 Another key element to sustainability, is cultural acceptance of the technology being proposed. A strong emphasis is being placed on understanding user needs across a wide section of the economy and communication with all users involved throughout the project cycle to promote the benefits of the proposed digital technology, educating users on how to use the technology, educating on data privacy concerns, and addressing how to reach users, such as those in rural areas that have barriers to access due to infrastructure and/or internet costs but may have options such as tapping into mobile broadband for internet access or support from local community associations to utilize the technology. At the project's design stage, interviews have been conducted with a sample of key end users. During implementation, users will continue to be consulted to assess and incorporate their needs and preferences. At the end of the project, a forum will communicate project results, promote user uptake, and determine appetite for further reform efforts.
- 6.5 The IT Project Manager will have technical background in information technologies and shall ensure the project is completed on time and within budget, manage stakeholder communications, and mitigate against the expansion of scope requiring additional resources. Another key mitigation factor is the intent to sensitize managers within the selected institutions to change management that guides staff in becoming comfortable, competent, and confident in employing the technological innovation as part of their routine work.

## **VII. Environmental and Social Classification**

- 7.1 Given the nature of the project, there are no associated environmental or social risks. Based on the Environment and Safeguards Compliance Policy (OP-703) this operation is classified as "C", meaning that no environmental assessment studies or consultations are required for this category (see [Safeguard Policy Filter](#) and [Safeguard Screening Form](#)).

### **REQUIRED ANNEXES:**

- Annex I: [Request from Client](#)
- Annex II: [Results Matrix](#)
- Annex III: [Terms of Reference](#)
- Annex IV: [Procurement Plan](#)