

## TC ABSTRACT

### I. Basic Project Data

▪ Country/Region:	REGIONAL/Regional
▪ TC Name:	Strengthening and Use of Country Environmental and Social Safeguard Systems, Phase II
▪ TC Number:	RG-T3173
▪ Team Leader/Members:	RONZA, CRISTIANE (VPS/ESG) Team Leader; ESPINOZA, JOAQUIN ORELIO (VPS/ESG) Alternate Team Leader; CHINARRO VERA, LARA (VPS/ESG); JONES, WILLIAM DAVIS (VPS/ESG); PORTO, STELLA CAVALCANTI DA SILVA (KNL/SDI); CENTENO LAPPAS, MONICA CLARA ANGELICA (LEG/SGO)
▪ Taxonomy:	Research and Dissemination
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	08 Jan 2018
▪ Beneficiary:	Public sector safeguard entities and project executing agencies
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	\$ 500,000.00
▪ Local counterpart funding:	\$ 0.00
▪ Disbursement period:	18 months
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	Environmental Safeguards
▪ Unit of Disbursement Responsibility:	Env & Social Risk
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Institutional capacity and rule of law; Environmental sustainability

### II. Objective and Justification

- 2.1 The overall objective of the project is to strengthen institutions that implement country systems for environmental and social safeguards in LAC countries by improving the knowledge and skills of the public sector by building the institutional capacity of national and subnational governments.
- 2.2 The primary tasks are to (i) conduct assessments related to additional training needs in executing agencies and counterpart agencies implementing country environmental and social safeguard systems, (ii) increase understanding and application of environmental and social safeguards, in alignment with international good-practice standards, through expanded specialized technical training of government officials and consultant service providers through on-line and in-person deliveries; (iii) promote the exchange of knowledge and good-practice experiences through collaborative learning, south-south cooperation, communities of practice, documentation and dissemination; and (iv) advance the use of country systems to ensure environmental and social safeguards are met.
- 2.3 The near-term political economy of LAC is likely to spur demand for increased efficiency and effectiveness in the implementation of environmental and social regulation. The introduction of new lending instruments, such as lending based on results, implies the need for innovative approaches to implementing safeguards in Bank operations and by client countries. Multilateral development banks, including the

IDB, and country regulatory authorities are under pressure to streamline approval processes, while still incentivizing environmental and social stewardship.

### III. Description of Activities and Outputs

- 3.1 Component 1: Assessments (US\$60,000). This component will (i) support further assessments to determine additional training needs of executing agencies, environmental and social licensing and enforcement agencies in LAC, which will serve as basis for future programming; (ii) Building on the methodology developed in the previous TC, we will assess the potential to operationalize environmental and social country systems in the context of Loans Based on Results (LBR) under policy directive B. 16. LBR is an increasingly used lending modality and ESG needs further analysis to determine how best to incorporate country systems into the process and how to report these activities to the Board under GN-2538.
- 3.2 Component 2: Training in Environmental and Social Safeguards (US\$360,000). This component will develop and deliver online courses on environmental and social safeguards to build capacity that contributes and closes the gaps with international good practices allowing possible use of country systems in Bank-financed operations. These topics are not otherwise addressed through K&L courses and market research has shown that they are not adequately addressed from other sources. Additional sessions of courses developed under RG-T2556 will be offered and courses will be translated into Spanish and Portuguese as necessary to reach the target audience throughout LAC. Additional topics for new courses will be determined through the institutional analysis conducted in Component 1 and through surveys and discussions with stakeholders in the Community of Practice in Component 3 and at Regional Policy Dialogues. They will be tailor-made to respond to particular needs that will result in increased institutional capacity throughout the LAC region. Execution will include subject matter experts, instructional designers, translators and virtual classroom technicians and will continue to be managed through the Institute for Economic and Social Development (INDES) learning platform. The course texts and videos will also be available outside the course structure for the general public.
- 3.3 Component 3: South-South Collaborative Learning (US\$80,000). This component will support virtual Communities of Practice for Environmental and Social Risk Management as a mechanism for regional communication and sharing of good practices between countries and as a platform for active coordination and technical dialogue with development partners. It will also support in-country activities geared to provide in-person training on topics/audiences not conducive to on-line courses, analyze policy alternatives, diagnose common issues, and develop, generate and disseminate client-based knowledge among Bank safeguard stakeholders. The outputs of these exercises will subsequently be made available to the broader safeguard community through publications, webinars, short courses and discussions in communities of practice. Training courses will be delivered in a “train-the-trainer” format so agencies can sustainably repeat courses for their own staff.
- 3.4 **Component I: Assessments.** Improved understand of training needs of national agencies, refine a methodology for using country systems and consult with stakeholders on a five-year strategy to strengthen and use country systems. (GN-2538).
- 3.5 **Component II: Training in Environmental and Social Safeguards.** Online training to individuals on environmental and social safeguards.
- 3.6 **Component III: South-South Collaborative Learning.** South-south collaboration to generate and disseminate client-based knowledge among Bank safeguard stakeholders.

### IV. Budget

### Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Assessments	\$ 60,000.00	\$ 0.00	\$ 60,000.00
Training in Environmental and Social Safeguards	\$ 360,000.00	\$ 0.00	\$ 360,000.00
South-South Collaborative Learning	\$ 80,000.00	\$ 0.00	\$ 80,000.00

#### **V. Executing Agency and Execution Structure**

- 5.1 The IDB through the Environmental and Social Safeguards Unit (VPS/ESG) will be responsible for the execution and supervision of the project.
- 5.2 VPS/ESG is best suited for executing this operation given the continuity with the recently completed RG-T2556, the size and scope of the individual interventions and their complementarity using country safeguard systems in Bank operations. Since the project seeks to develop an approach that is consistent with the Strategy for Strengthening and Using Country Systems and the Updated Institutional Strategy, Bank specialists are in the best position to ensure this.

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

- 6.1 Risks identified for this project: (i) Clients may not prioritize the Bank's intervention to review and support improvement of the country safeguard systems and (ii) unforeseen shifts in policies and priorities may occur that would delay the overall project timing and sequencing. ESG will mitigate these challenges through: (i) close engagement with relevant country agencies, and close dialogue with country representatives and sector specialists to ensure the interventions respond to country needs, programs and capacity; and (ii) continuous dialogue with VPS, VPC and country environmental and social agencies and development partner agencies to ensure interventions are prioritized and scaled according to evolving needs.

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

- 7.1 The ESG classification for this operation is "C".