

# PROJECT INFORMATION DOCUMENT (PID)

## CONCEPT STAGE

Report No.: PIDC382

<b>Project Name</b>	PE Social Inclusion TAL (P131029)
<b>Region</b>	LATIN AMERICA AND CARIBBEAN
<b>Country</b>	Peru
<b>Sector(s)</b>	Other social services (100%)
<b>Lending Instrument</b>	Technical Assistance Loan
<b>Project ID</b>	P131029
<b>Borrower(s)</b>	REPUBLIC OF PERU
<b>Implementing Agency</b>	Ministry of Social Inclusion
<b>Environmental Category</b>	C-Not Required
<b>Date PID Prepared</b>	17-Jul-2012
<b>Estimated Date of Appraisal Completion</b>	00000000
<b>Estimated Date of Board Approval</b>	15-Nov-2012
<b>Concept Review Decision</b>	Track I - The review did authorize the preparation to continue

### I. Introduction and Context

#### Country Context

The Government of Peru (GoP) is highly committed to tackling the country's major challenge of achieving more inclusive growth and reducing social gaps. Peru has realized consistent economic growth over the last decade and weathered the recent crisis well. Poverty has also declined over this period (from 48.7 percent in 2005 to 31.3 percent in 2010) and social indicators, such as chronic malnutrition, have improved (from 28 percent in 2005 to 23.2 in 2010). However, major challenges in reducing inequality remain, with high poverty still persistent in rural areas, reaching 61 percent in the highlands. To address these outstanding challenges and promote socially inclusive growth, the GoP has created a new Ministry of Development and Social Inclusion (Ministerio de Desarrollo e Inclusión Social, MIDIS) to lead the Government's social inclusion strategy, exercise stewardship and coordination of social policies; and implement specific targeted social protection programs. The Government has defined social inclusion as a process through which "all citizens can exercise their rights, access public services and seize economic opportunities."

The proposed project, in the amount of US\$10 million (TBC), has the objective of strengthening the management capacity of MIDIS around social inclusion policy and the performance, result-orientation, and coordination of MIDIS programs. The loan has a specific focus on the rural Conditional Cash Transfers (CCT) Program JUNTOS; the newly created non-contributory pension program Pension 65, and the feeding programs.

The proposed operation will support the country's social inclusion reform program; it is accompanied by a proposed Social Inclusion Development Policy Loan. This TAL and the DPL would be presented simultaneously for approval to the Board. The Social Inclusion DPL supports the first phase of the social inclusion reform program. The DPL is focused on the institutional framework of the new MIDIS, the establishment of foundations for enhancing the inclusiveness and effectiveness of key social programs, and the development of adequate systems for targeting; monitoring and evaluation; and overall coordination. The second phase of the reform program, focused on the consolidation of these reforms, will be supported by a follow-on DPL, which is expected to be presented to Board at the end of Calendar year 2014. The proposed TAL will support the development of the second phase of reforms and as such will provide a bridge of technical support between the two DPL operations. The overall package of support will allow the provision of seamless technical support for the overall social inclusion reform program. A Social inclusion NLTA to support both operations is also under implementation.

After a stagnation that lasted about a quarter of a century, Peru became one of the fastest growing economies in Latin America during the past decade. Growth was strong and broad based, particularly in the second half of 2000s, and averaged 5.6 percent between 2000 and 2010. This performance was the result of prudent macroeconomic policies with a sound fiscal position, high international reserves, declining debt burden and low inflation driven by a credible inflation targeted mechanism that jointly with a favorable external environment created the conditions for strong and sustainable private sector lead growth.

During the 2008-2009 global economic crises, the government was able to deploy a successful set of monetary and fiscal measures that helped mitigate the negative effects of the crisis and set the conditions for a fast recovery. Contra cyclical fiscal and monetary policies served to mitigate the effects of the global crisis and bring the economy back to life rapidly. An Economic Stimulus Plan was launched in 2009, equivalent to 3.4 percent of GDP kept GDP growth on the positive side. On the monetary side, the Central Bank made significant reductions in its policy rate and provided additional liquidity through a set of policy tools equivalent to 9 percent of GDP. Growth recovered rapidly reaching 8.8 percent in 2010.

The past decade has generated remarkable results, but the benefits from the strong growth have not been distributed evenly. Peru changed its path from stagnation to one of strong and sustainable growth. This has benefited the population, but not all at the same pace. While welfare has improved, the need for a more inclusive growth agenda that shares the growth more evenly is clear in the mandate of the population.

The effects of strong growth on employment and incomes have yielded an important decline in poverty rates. Urban employment in formal firms has grown steadily between 2001 and 2008, and bounced back quickly after the crisis. Between 2005 and 2010, poverty declined by 28 percentage points, from nearly 50 percent of population to just over 30 percent.

But even though about four million people exited poverty between 2004 and 2010, disparities across the country still remain high, particularly between rural and urban areas. While the share of the population living below the poverty line stood at 31 percent in 2010, it neared 61 percent in the highlands. Despite the fact that strong economic growth has improved employment conditions, employment creation, earnings and labor productivity have been distributed unevenly, and some

segments of the labor force, particularly young people, continue to experience difficulties tapping new employment opportunities.

Peru continues to face deeply seated inequalities. Inequality slightly fell in the past decade, consistent with a proportionally higher increase in consumption among the poor. Using comparable data for 2004-2010, Peru's Gini coefficient for income inequality fell from 0.48 to 0.45. However, this reduction in inequality remains small given the magnitude of the welfare gaps in Peru. The differences in poverty rates between rural and urban areas are striking: in 2011, 61 percent of rural population lived below the poverty line, as contrasted with 20 percent in the urban areas, according to the new methodology. There are also significant geographical differences in poverty rates.

One important source of gaps in income and wealth is the different opportunities Peruvians have throughout their lives: at birth, not all Peruvians have the same opportunities to receive proper health care and nutrition; as children, opportunities to access quality education and appropriate orientation and stimuli; as young people opportunities for quality postsecondary education; or as adults, chances to get credit, access to good jobs. These opportunities in Peru vary systematically—according where each Peruvian was born, the social background of her parents, or her gender or race. In this sense, ensuring that such exogenous circumstances should be completely irrelevant is at the core of the concept of equality of opportunity, a goal that Peru explicitly aspires to achieve.

The levels and recent changes in opportunities measured by the Human Opportunities Index (HOI) indicate that in some dimensions Peru is faring very well, at least compared to its neighbors in Latin America and the Caribbean. For example, HOIs based on school attendance and starting primary school on time exceed regional averages. Access to electricity, adequate sanitation and telephone expanded and became more equal.

However, despite improvements, Peru ranks dismally low among other Latin American countries in these basic social infrastructure services. And as with poverty, there is an urban-rural divide: the location of residence (urban or rural) is one of the most important circumstances affecting the likelihood that a child enjoys access to key goods and services. When calculated separately, HOIs are lower for children in rural areas compared to urban children in virtually every category. This indicates that not only is the rural-urban divide a key circumstance itself in defining a child's opportunities, but that it also accentuates the importance of other circumstances such as ethnicity, gender and socioeconomic background.

### **Sectoral and Institutional Context**

Peru social protection programs historically comprised a contributory social security system that provides workers with income security in old age, a range of social assistance programs (feeding and CCT programs) intended to provide income support to the poorest populations and employment support programs such as temporary employment programs and the social fund (FONCODES) to provide employment and productive earning opportunities for the poor.

Traditionally, the social protection policy agenda in Peru was marked by limited and fragmented spending for anti-poverty strategies and social assistance programs. These programs have been characterized by covering a large portion of the population through very small benefits. Expenditure on social assistance continues to be among the lowest in Latin America, despite the sustained increase over the last decade, amounting to 0.77 percent of GDP in 2010.

Peru's social protection programs have been characterized by their heterogeneity in terms of goals, types of target populations, programs institutional cultures, criteria for targeting and eligibility rules, and coverage levels.

a. Food assistance programs constituted a large proportion of the social protection programs in Peru for many years. In 2006, there were 27 food assistance programs that represented 40 percent of total expenditure in social assistance (0.3 percent of GDP). In 2009, as a result of the fusion of these programs, food assistance programs were reduced to five, still representing 0.3 percent of GDP. Even though the coverage of these programs is significant, targeting of their beneficiaries still needed to be improved.

b. The JUNTOS CCT program targets the poorest districts in the rural highlands, aiming at protecting consumption and human capital of households in extreme poverty by transferring S/.200 (US\$75.5) every two months to households with children, in exchange for the fulfillment of certain health and education conditions. The program was part of the Government's commitment to modernize and correct the exclusion of the vulnerable population from the social protection network. In recent years, the program has gained considerable importance and is established as a pillar of the social protection system. It is currently the second largest social program in the country, with a budget of 607 million soles in 2010 (or approximately 0.18 percent of GDP), covering over 420 thousand households in 638 districts in the poorest 14 regions of Peru.

c. FONCODES was created in 1991 to finance small scale public investment projects. The goal of this social fund program was to increase employment, mitigate poverty and improve access to social services. In general terms, this program was created to benefit the most excluded rural communities identified in the poverty maps. However, over time its relevance has diminished significantly as a result of declines in budget allocation.

d. The temporary employment programs constituted an important aspect of Peru's social policy. Trabaja Peru (former Construyendo Peru/A Trabajar Urbano), is a temporary employment program that provides an alternative model of resource transfer to impoverished populations. This program provides the opportunity of temporary employment to unskilled labor that is hired in exchange of a salary below the minimum wage rate. In 2009, this program had a public budget allocation of 104 million soles, which only represented 0.03 percent of GDP.

e. Peru's old age income protection system has a long tradition of contributory programs, with benefits closely linked to previous work history offering protection to less than 20 percent of the labor force and 25 percent of the elderly. In August 2010, the Government launched the "pilot" program Gratitud to provide a basic monthly income (S/.100 or US\$37.7) to elderly older than 75 and living in extreme poverty. In October 2011 Gratitud was replaced by a new program, Pension 65, that provides a larger benefit (S/.125 or US\$47.2) to those older than 65 and living in extreme poverty. MIDIS is in charge of the program, which is implemented in coordination with the team responsible for the SISFOH targeting strategy as well as local authorities to identify and register beneficiaries.

#### Framework for Policy Coordination and Administration

Recent efforts have promoted more coherence and coordination of programs. In recent years, the implementation of important social reforms has improved the coherence of various social programs and contributed to the coordination of their goals. The national strategy CRECER, led by the Presidencia de Consejo de Ministros, and the implementation of the Performance-Based Budget (PBB) initiative by the Ministry of Economy and Finance contributed to building a framework for more coordinated social protection interventions.

Crecer is a national strategy that was created as an inter-institutional coordination platform of the main social programs that targeted, directly or indirectly, the reduction of infant malnutrition.

Performance-Based Budgeting is an instrument that enables budget programming aimed to increase the efficiency and effectiveness in public expenditure, with an emphasis in social sector outcomes like child nutrition and maternal and infant health. This instrument broke the institutional budgetary inertia by assigning budgetary resources as a function of improved results in social indicators rather than on the basis of historical allocation. These initiatives have, to some extent, improved the targeting and coordination of social programs and have contributed to a more coherent social policy framework. However, these initiatives placed great emphasis on national-level planning and budgeting, with limited local experiences, underestimating the institutional and management difficulties faced by regional and local governments in the process.

The different programs lack a common framework to build a coherent social policy reform. The various actors engaged in social policy have worked largely in isolation. Programs' objectives are typically defined by the responsible actors without taking a coordinated approach to achieving higher-level, national goals; as a consequence policy designs are independent from each other. The large social protection programs in the country have maintained independent information systems, independent beneficiary registries and independent operations. Likewise, results-based budgeting has been led by MEF and conducted with little influence on the actual implementation of programs. Similarly, regional governments, who bear significant responsibility for programs' implementation, have had limited influence on programs' design and budgeting.

Most programs do not have a solid monitoring and evaluation (M&E) framework and process evaluations, nor they have benefitted or planned rigorous impact evaluations to measure impacts (with the exception of JUNTOS). There are also difficulties of database administration for program management; and data from administrative records are not systematically processed and analyzed. Also, the country does not have a unique registry for the beneficiaries of the social protection system. The strengthening of SISFOH's targeting system and its recent "adoption" by MIDIS aims at reducing the inclusion errors of social programs and at promoting a complete system characterized by regular update, as will be discussed in subsequent sections.

### The Government's Social Inclusion Policy

Growth with Social Inclusion: the New Governments agenda. President Humala took office in July 28, 2011 with the goal of maintaining high growth rates and improving equity through an extended social inclusion agenda. The Government is highly committed to achieving more inclusive growth, recognizing that an important proportion of the population does not have access to basic and adequate services, particularly in rural areas. To close the main gaps, the Government's program announced a "growth with social inclusion" plan aimed to: (i) providing equal access to basic services, employment and social security, (ii) reducing extreme poverty with emphasis on rural poverty, (iii) preventing social conflicts by restoring the credibility of public institutions, and (iv) improving the surveillance of environmental risks. The efforts of the new government are oriented at creating an institutional framework that fosters greater inclusion, improves efficiency of social programs and enhances mechanisms for better access to basic services. These efforts are expected to enable a more coherent and effective social protection system. In order to implement the social inclusion reform, on October 20, 2011 MIDIS was created.

MIDIS has the mandate to design, coordinate, guide and implement policies and strategies to reduce

poverty and vulnerability by serving steering and implementation functions. On the steering front, through the vice-ministry of Policy and Social Assessment (Vice-Ministerio de Políticas y Evaluación Social) MIDIS aims at implementing a National System for Social Development and Inclusion (SINADIS), and at promoting closer coordination among the universal social sectors (health and education), productive opportunities, and regional/local government actions in priority rural areas. On the implementation front, through the vice-ministry of Social Benefits (Vice-Ministerio de Prestaciones Sociales) it has the responsibility for coordinating five targeted social programs: (i) the national Food Assistance Programs, feeding programs, (ii) the Social Funds, FONCODES, (iii) the early child development programs, Wawa Wasi, now Cuna Mas; (iv) the Conditional Cash Transfer Program JUNTOS, and (v) the Non-contributory pension program, Pension 65.

The convening power attributed to MIDIS intends to facilitate the linkages and flows of the policy cycle for evidence-based decision-making. MIDIS represents a purposeful effort to consolidate these various efforts under a common agenda to promote social inclusion in the country. The coordinating role of MIDIS allows for more direct communication of information from the bottom-up, from programs to policies. This generates a more informed design and implementation of programs based on the realities on the ground. At the same time, it promotes greater supervision of the programs in terms of their broader policy goals. Finally, the results-based management approach, initiated with the results-based budgeting agenda of MEF, will be well complemented by the operational role of MIDIS as all of the MIDIS programs become result-based budgeting programs.

### **Relationship to CAS**

This proposed operation is fully consistent with the Bank's Country Partnership Strategy (CPS) Peru for FY12-FY16 that was approved by the Board in November 2011. The CPS calls for supporting the Government's plan of "growth with social inclusion to overcome social gaps and boost productivity." In particular, the technical assistance supported by this operation aligns with the First Strategic Objective of Increased "Access and Quality of Social Services for the Poor," and specifically with the first Result Area of "a more inclusive and effective social protection system." This operation also contributes to the fourth strategic objective of the CPS, "Improved Public Sector Performance for Greater Inclusion," since it supports the set-up of key quality control and monitoring systems in the area of social policy. A key example is the design of an effective national monitoring and evaluation system for social policy. The operation also supports integration between social programs, central and regional actors, hence strengthening "sub-national management capacity," which is a major result area of this fourth Strategic Objective.

## **II. Proposed Development Objective(s)**

### **Proposed Development Objective(s) (From PCN)**

The development objective of the proposed project is to improve the effectiveness of the social inclusion policy in Peru. This will be achieved by supporting the necessary reforms to strengthen the management capacity of MIDIS to oversee the social inclusion policy and effectively coordinate and enhance the performance of the five MIDIS programs. The operation will finance technical assistance needed to support the policy reforms that will be included/supported by the SI DPL II to be prepared in 2014. The SI DPL II would be a follow-on operation to the SI DPL I that will be presented to the Board with this proposed project. The outcome indicators proposed for the TAL are:

- a. Mechanisms of monitoring and evaluation are incorporated under SINADIS;
- b. Families eligible of more than one MIDIS program are beneficiaries of those programs;
- c. MIDIS programs are regularly using quality performance standards with respect to service provision.

#### **Key Results (From PCN)**

##### **Components**

###### **C1: Quality Improvement in MIDIS Programs**

###### **Proposed results:**

Improvement in quality of MIDIS

Programs as shown by users satisfactionmechanisms

###### **ProposedIndicators:**

User satisfaction mechanism is piloted in at least one MIDIS program

###### **C2: Improving management of knowledge and information**

###### **Proposed results:**

The planned Information System for MIDIS is created and implemented

###### **Proposed Indicators:**

The five MIDIS programs share a common information system

###### **C3: Strengthening the result orientation and monitoring and evaluation capacity of MIDIS**

###### **Proposed results:**

M&E mechanisms are established under SINADIS

###### **Proposed Indicators:**

A monitoring dashboard for social policy is developed to monitor key social indicators

SINADIS implements a process-based assessment tool

###### **C4: Strengthening human resource capacity**

###### **Proposed results:**

MIDIS introduces results-oriented human resource management practices

Regional and local governments improve their capacity to implemented actions around prioritized results for social inclusion

###### **Proposed Indicators:**

The five MIDIS programs share a common training program for their staff

### **III. Preliminary Description**

#### **Concept Description**

The project will support four key components and areas of work of the new Ministry of Development and Social Inclusion:

Component 1: Improving the Quality of MIDIS Programs. This component will finance technical assistance to design and pilot a series of activities aimed at improving the quality control of programs. It will continue supporting Policy Area 2 of the Second Social Inclusion DPL on Enhancing the inclusiveness and effectiveness of key social programs. Specifically, this component will include:

Sub-component 1.1: Development of Users' Participation and Satisfaction Mechanisms. This sub-

component would finance technical assistance for the development of user satisfaction mechanisms, such as scorecards, to collect users' feedback that systematically informs the quality control system of the programs. These mechanisms will support dissemination of service quality standards to users and then collect their informed-feedback based on the perception of their experience. They would also include the establishment of a complaints collection and resolution system. This subcomponent would also finance communication mechanisms to enhance the involvement and participation of feeding program's staff in the fulfillment of the program's new goals and quality standards.

Sub-component 1.2: Strengthening Payment system. This sub-component would support the design of a new payment system for JUNTOS and one for Pension 65 that promote the use of financial instruments in areas where they are available and the identification of innovative solutions in other areas (including the design and implementation of pilots). It will also support the implementation of a new differentiated payment system at national level for JUNTOS, based on the results of an ongoing pilot.

Sub-component 1.3: Overall elderly income protection policy. Development of a strategic approach, including other government agencies in the discussion, towards solutions for middle aged individuals.

Component 2: Strengthening knowledge and information management of MIDIS. This component will finance technical assistance to strengthen the information system that would allow the collection, processing and production of multi-sectoral information to support the decision making process of actors participating in the strategies within SINADIS. This component will continue supporting the three Policy Areas of the second Social Inclusion DPL with special emphasis on Policy Area 3 (Social Inclusion Policy Reform by MIDIS—approaches and systems). The component will include:

Subcomponent 2.1. Developing an Information Strategy for Social Policy – This sub-component would finance technical assistance to determine availability, reliability and frequency of data to facilitate effective decision-making. Based on rapid diagnostics of supply and demand of information, a strategy will be developed to address the information gaps identified. The strategy will focus both on the consolidation of information related to MIDIS programs as well as social policy through SINADIS. The strategy will be supplemented with technical assistance to improve the quality of administrative records, which proves critical to the functioning of an M&E system.

Subcomponent 2.2. Support to MIDIS Targeting System and Beneficiary Registry – This sub-component would support:

- A. Strengthening of SISFOH targeting system, including: evaluation of robustness of index and its adequacy for social programs; testing alternatives; development of auditing protocols for quality standard, security and confidentiality; implementation of general household census in 9 regions in 2013; implementation of an institutional strengthening strategy for the 406 districts without local targeting units (Unidades Locales de Focalización);
- B. Unique beneficiary registry: setting the basis for the development and timely update of the unique beneficiary registry for MIDIS programs.

Subcomponent 2.3. SINADIS Integrated Information Platform – This sub-component would finance the design of an integrated multi-sectoral information platform for decision-making under the

framework of SINADIS. It would integrate specific interfaces of the main planning and budgeting administrative systems in the Peruvian state (such as SIAF, SIGA, and SNIP) as well as other relevant information systems (such as the MIDIS M&E system, Unique Beneficiary Registry, cadastral systems, INEI Open data initiative and other social programs' systems). The design of the platform would be preceded by a rapid assessment of the functioning and main bottlenecks of the planning, budgeting and implementation systems (SIAF and SIGA). The platform would require the development of information technology that (in real-time) collects, articulates and analyzes information on planning, budgeting and implementation of social policies operating under SINADIS.

Subcomponent 2.4. Strengthening the Management Information Systems (MIS) of the feeding programs, JUNTOS and Pension 65:

- A. The feeding programs' MIS – This sub-component would assess and redesign the feeding programs' management information system with the objective of improving the quality of information and the establishment of transparency mechanisms with special focus on the program's food purchasing-delivery chain. To this end, the assessment will identify obstacles in the delivery of timely, relevant and reliable reports to inform quality control and decision making processes. It will also identify and propose mechanisms to improve transparency and the credibility of the program;
- B. Pension 65's MIS – This sub-component would finance the development of an information system for Pension 65 to operate in coordination with the MIDIS systems;
- C. JUNTOS' MIS – This sub-component would finance technical assistance for the development of a methodology to articulate JUNTOS' information with data from health and education sectors. The development of this technological interface would support the verification of compliance with co-responsibilities.

Component 3: Strengthening the result orientation and monitoring and evaluation capacity of MIDIS. This component would provide support to the development and implementation of the planned National System of Monitoring and Evaluation for Social Policy, known as Evidencia, which would be a key component of the SINADIS Integrated Information Platform. The system, led by MIDIS, would seek to improve the performance of social programs and policies by providing opportune information and rigorous evidence, capacity building on M&E among SINADIS stakeholders, and greater transparency to promote effective public management and decision-making. This component will continue supporting the three Policy Areas of the second Social Inclusion DPL with special emphasis on Policy Area 3 (Social Inclusion Policy Reform by MIDIS—approaches and systems). The project will support:

Sub-component 3.1. Monitoring of Target Groups and Programs: This sub-component will finance the conceptual and operational development of tools and instruments to collect data and analyze indicators on key MIDIS programs and social policies operating within SINADIS, and facilitate decision-making and transparency. Specifically, it would support:

- A. Monitoring of target populations: Monitoring systems will be improved in order to follow the characteristics and responses of actual and potential beneficiaries in different stages of programs' implementation (registration, participation and performance). Technical assistance will focus on the development of methodological protocols and operational guidelines to strengthen the monitoring of these stages to improve implementation, management and, as a consequence increase the effectiveness MI DIS.
- B. Monitoring dashboard will be developed as a user-friendly instrument to allow for the

collection and manipulation of data related to indicators of key social policies. The dashboard will focus initially on ministerial and regional interventions operating within the SINADIS framework, which follow a results-based budgeting approach. This will involve both the conceptual and technological development of the tool, which builds on and scales up the dashboard established for MIDIS programs developed under the NLTA/IDF. In addition to the instrument itself, the technical assistance will support the mechanisms for analysis and use of the information produced.

C. Creation of an "Elderly Observatory" to promote a better understanding of needs and characteristics of the elderly in Peru.

D. Mapping for Social Policy Results will be reinforced and improved to generate interactive maps and other on-line tools to facilitate the decision-making processes for the social policy through a geographical approach based on the mapping for results approach and the design and implementation of a pilot for "On Track" initiative.

**Sub-component 3.2. Evaluation of Social Policy and Programs:** MIDIS seeks to institutionalize a range of evaluation methodologies and guidelines, taking into account the call to respond to different performance information needs of a variety of stakeholders, as well as the need to generate useful and feasible evidence-based recommendations. In addition, in order to ensure the implementation of the recommendations, adequate incentives and mechanisms will be developed to facilitate the application of evidence produced through M&E. Technical assistance will support the following activities:

A. Evaluation Planning and Use: As part of its steering role, MIDIS will strengthen the institutional mechanisms for the definition of an agenda of evaluation among the interventions operating within the framework of SINADIS, as well as the design and implementation of mechanisms to promote greater use and application of evaluation findings.

B. Methodological Tools and Protocols for Implementation of Evaluation: As part of its implementing role, MIDIS will establish technical tools to facilitate the quality, consistency and regularity of evaluations. This will include the development and dissemination of standards regarding process, results and impact evaluations, in addition to systematic reviews and meta-analysis. Also, it includes the design and dissemination of methodological tools to formulate recommendations based on evidence and protocols to use the evidence in the decision-making processes for social policy.

C. Impact Evaluation of Coordination among MIDIS Programs: In order to assess the effects of the coordinating and convening role of MIDIS, large impact evaluations will be conducted to determine the impacts on beneficiaries of multi-MIDIS programs in a single territory.

D. Process Evaluation of the effective coordination of Social Policy – This sub-component would finance the evaluation of the articulated planning, budgeting and implementation processes of social policies operating within the framework of SINADIS.

**Component 4: Strengthening human resource capacity of MIDIS programs and social policy stakeholders.** This component will finance the development and implementation of a plan of continuous capacity building and training for the technical and professional teams of the institutions participating in the MIDIS multi-sectoral strategies. The component would also support the reorganization of human resources in JUNTOS and the feeding programs promoting coordination between different programs at local level. This component will continue supporting the three Policy Areas of the second DPL with special emphasis on Policy Area 3 (Social Inclusion Policy Reform by MIDIS- approaches and systems). Specifically, it will include three sub-components:

**Sub-component 4.1 – Development of Targeted Continuous Training –** This subcomponent would

finance the development of capacity-building programs for MIDIS staff and sub-national government technical teams leading social policy planning, budgeting and implementation at the local level. Technical assistance will support:

A. Strengthening capacity of MIDIS staff: This tool would fill the gap with respect to the educational and training needs of MIDIS staff, by designing a modular curriculum to cater the training needs of different actors, making a platform for education and training available and accessible to staff (through distance, classroom, and on-line learning), and organize a common training program for all MIDIS staff.

B. Strengthening regional and local government capacity: Design a program (plan and methodology) to identify capacity-building needs and conduct continuous training for the management of social policies and programs. The program would be an integral part of the implementation of SINADIS and its objective of strengthening the management capacity of technical teams in regional and local governments of social policies and programs.

**Sub-component 4.2 – New Role for the JUNTOS’ Promoters** – This subcomponent would finance the technical assistance needed for the development of a component of family counseling, which includes redefining the role of the local promoter of the program (gestor local) who would play a key role in connecting families with local opportunities of benefits and services.

**Sub-component 4.3 – Capacity-building and Certification Program of Professionals for Local Government Management Strengthening** – This sub-component would support the design of the program, continuous course modules and management of the certification and registry of qualified local professionals for regional and local government coaching. The program would be an integral part of the implementation of SINADIS and its objective of strengthening the management capacity in regional and local governments of social policies and programs. This would operate via the creation of a private network of MIDIS-certified local professionals that could be hired by sub-national governments as consultants (in a mixed arrangement) to provide coaching and personalized technical assistance on case-specific management issues. A pre-selection process would take place through a national evaluation (conducted by a private party), and selected professionals would qualify to the course conducted by qualified public and private universities.

#### **IV. Safeguard Policies that might apply**

Safeguard Policies Triggered by the Project	Yes	No	TBD
Environmental Assessment OP/BP 4.01		x	
Natural Habitats OP/BP 4.04		x	
Forests OP/BP 4.36		x	
Pest Management OP 4.09		x	
Physical Cultural Resources OP/BP 4.11		x	
Indigenous Peoples OP/BP 4.10	x		
Involuntary Resettlement OP/BP 4.12		x	
Safety of Dams OP/BP 4.37		x	
Projects on International Waterways OP/BP 7.50		x	
Projects in Disputed Areas OP/BP 7.60		x	

**V. Tentative financing**

<b>Financing Source</b>	<b>Amount</b>
Borrower	0.00
International Bank for Reconstruction and Development	10.00
Total	10.00

**VI. Contact point****World Bank**

Contact: Alessandra Marini  
Title: Senior Economist  
Tel: 458-1632  
Email: amarini@worldbank.org

**Borrower/Client/Recipient**

Name: REPUBLIC OF PERU  
Contact: Luis Miguel Castilla Rubio  
Title: Minister of Economy and Finance  
Tel: 4274664  
Email: lcastilla@mef.gob.pe

**Implementing Agencies**

Name: Ministry of Social Inclusion  
Contact: Ms. Aida Amezaga  
Title: Coordinator UCPS  
Tel: 311-5958  
Email: aamezaga@mef.gob.pe

**VII. For more information contact:**

The InfoShop  
The World Bank  
1818 H Street, NW  
Washington, D.C. 20433  
Telephone: (202) 458-4500  
Fax: (202) 522-1500  
Web: <http://www.worldbank.org/infoshop>