

Social Inclusion in Action

SOCIAL INCLUSION
TRUST FUND

Annual Report

February 2003 - March 2004



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Message from the Chief of the Social Development Division

It is with great pleasure that I present the first Annual Report for the Social Inclusion Trust Fund, highlighting projects and activities supported by the Fund between February 2003 and March 2004. The Fund is an integral part of the IDB's work on advancing social inclusion in Latin America and the Caribbean, supporting new efforts to address inequality and poverty through recognizing and incorporating the assets and talents of its diverse populations. In addition to providing resources for innovative projects in the areas of organizational strengthening, awareness raising, research and support to Bank operations, the Fund has helped to put a spotlight on the imperative of social inclusion in the region's development and stimulated new efforts and thinking within the Bank.

The Bank's Board recently endorsed the Social Development Strategy and adopted the Action Plan for Combating Social Exclusion due to Race or Ethnic Background both of which recognize the close relationship between exclusion, poverty and inequality and emphasize the need to promote inclusion to fight poverty and inequality. The Fund, therefore, complements the Bank's policy framework on social inclusion in a catalytic way. It serves as a mechanism through which direct assistance, in the form of small grants and technical support, can be used to expand the range of activities in favor of excluded groups.

By targeting traditionally excluded groups such as indigenous peoples, Afro-descendant populations, persons with disabilities, persons living with HIV/AIDS and poor women, the Fund has been instrumental in introducing to the Bank and the region a wider, more comprehensive vision of inclusion. These excluded groups share common features, including invisibility in official statistics, poverty, stigma and discrimination, and lack of voice and power. Fund support has made possible a greater coordination of activities in favor of these groups, sharing lessons learned and forging alliances between groups.

I would like to extend my sincere thanks to the founding Norwegian donors and welcome the British Department for International Development (DFID) as new donors to the Fund. I would also like to thank the Bank's High-level Steering Committee and our dedicated Technical Committee members and regional partners for their support and shared commitment to advancing social inclusion in the region.

Mayra Buvinić

The multi-donor Social Inclusion Trust Fund was established in February 2003 to support small-scale initiatives addressing the social inclusion of five main target groups: indigenous and Afro-descendant populations, persons with disabilities, persons with HIV/AIDS and poor women in Latin America and the Caribbean. The Fund channels its support to excluded groups in three main areas: organizational strengthening and awareness raising, research and dissemination, and support to Bank operations.

Fund Highlights

- In 2003, Fund financing for social inclusion projects in Latin America and the Caribbean amounted to more than US\$1 million and covered every region of the Bank as well as each of the excluded populations targeted by the Fund.
- Overall, 40 percent of the financing approved by the Fund's Technical Committee supported organizational strengthening and awareness raising projects, 36 percent funded research and dissemination activities while 24 percent provided support to Bank operations.
- With respect to the target beneficiaries of the Fund, 33 percent of this financing was dedicated to projects benefiting Afro-descendant groups, 13 percent to projects targeting indigenous peoples, 15 percent to disability projects and 39 percent to cross-cutting projects. Gender concerns were mainstreamed in all projects.
- Demand for Fund financing was very high, with proposals totaling more than twice the total amount of financing available.
- Comprehensive guidelines for projects and special policies were developed in the first year including:
 - Trust Fund Operational Guidelines
 - Research Framework
 - Operational Guidelines for SI Fund Technical Committee
 - Evaluation Procedure for the Technical Committee
 - New Voices Travel Grant Policy
 - NGO Promising Initiatives Award Policy
- Project proposals are evaluated by an inter-departmental Technical Committee and grants are awarded on a competitive basis in accordance with established criteria for social inclusion mechanisms and innovation, technical soundness and financial feasibility, as well as outputs and expected results.
- In addition to small projects, the Fund also provided support to wider IDB social inclusion initiatives including: research and awareness raising projects, a workshop on the Millennium Development Goals, Race and Ethnicity, a social inclusion component during the IDB's Social Development Week and a book on social inclusion.

Within the IDB, the Social Inclusion Trust Fund serves not only as a source of financing for targeted initiatives on social inclusion, but also as a key mechanism that complements and gives added impetus to the Bank's work in favor of excluded groups in the region. In addition to outlining the Fund-supported projects and activities, the Annual Report highlights IDB loans and technical cooperations approved in 2003 in support of the inclusion of traditionally excluded groups, with a total financing amounting to approximately US\$649.5 million.

The multi-donor Social Inclusion Trust Fund was established by the Inter-American Development Bank (IDB) and the Royal Ministry of Foreign Affairs of Norway, the founding donor, in February of 2003, with a three-year working capital of approximately US\$2.1 million. The creation of the Fund marked an important step in advancing the IDB's social inclusion agenda in Latin America and the Caribbean, providing, for the first time, donor funds that were specifically earmarked for promoting social inclusion, as well as an instrument for building capacity and sharing experiences across countries in the region, across excluded populations, and across IDB departments. In 2004, the British Department for International Development (DFID) became the second donor to join the Fund with a commitment to contribute approximately US\$1 million in 2004 and 2005.

Given the region's high levels of poverty and inequality, the Social Inclusion Trust Fund was created with the objective of fostering greater social inclusion of Afro-descendant and indigenous populations, persons with disabilities, persons living with HIV/AIDS and poor women by:

- Supporting the development and implementation of integrated programs and policies to address social inclusion in Latin America and the Caribbean;
- Increasing awareness among governments in the region and promoting dialogue on the importance of increasing the participation and empowerment of excluded groups and attacking the roots of poverty and inequality; and,
- Enhancing the IDB and regional technical capacity to advance social inclusion in its operations, policies and strategies.

The Fund seeks to achieve these objectives by channeling its support in three principal areas:

- Support to Bank Operations
- Research and Dissemination
- Organizational Strengthening and Awareness Raising

The Social Development Division (SDS/SOC) of the IDB has the administrative and technical responsibility for managing the Fund. Its functions include supporting the design and implementation of eligible project proposals

“We have found that diversity is not an obstacle to development, but a tool to achieve economic and political stability, and above all, to construct a more just and democratic society”

Enrique Iglesias
(2001)



I n t r o d u c t i o n

as well as coordinating Bank-wide social inclusion activities. A Technical Committee made up of representatives of each of the Bank's regional operational departments reviews and approves the projects financed by the Fund. As this is the Fund's first year of operation, this Annual Report outlines not only the specific activities financed, but also the development of the Fund and principles governing its operation. The report, therefore, provides an overview of the operational development of the Fund in its first year (Section I), the projects and activities financed in 2003 under the principal categories of Fund operations (Section II), as well as background information on the IDB's counterpart work on social inclusion (Section III), as the framework within which the Fund serves as a key instrument. In addition, this report describes some of the key activities planned for the Fund in 2004 (Section IV).

2003

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|-----------|---|
| February | <ul style="list-style-type: none"> • The Royal Ministry of Foreign Affairs (Norway) and the IDB sign Legal Agreement establishing the Social Inclusion Trust Fund with a 3-year total contribution of approximately US\$2 million. |
| March | <ul style="list-style-type: none"> • Finalization of internal administrative procedures and coordination between departments for the operation of the Fund. • Appointment of Operational Specialist for Fund. |
| April | <ul style="list-style-type: none"> • Preparation of draft Operational Guidelines and Research Framework. |
| May | <ul style="list-style-type: none"> • Consultation with inter-departmental Technical Working Group and with Country Offices on Social Inclusion Operational Guidelines. |
| June | <ul style="list-style-type: none"> • Approval of Guidelines by the Technical Working Group. |
| July | <ul style="list-style-type: none"> • Support to Internal Participatory Thematic Workshop on Social Inclusion. |
| August | <ul style="list-style-type: none"> • Appointment of Technical Advisor to the Fund. • Finalization of Fund's Operational Guidelines, Research Framework and Technical Committee Guidelines. • Establishment of Fund's Intranet Webpage. • Launch of 1st Call for Proposals. |
| September | <ul style="list-style-type: none"> • Support to Project Teams in preparation of project proposals. • Adoption of Guidelines Document, Research Framework, Operational Guidelines by Technical Committee. • Evaluation and Approval of Projects by Fund's Technical Committee (1st Round). • Technical Committee adoption of New Voices Travel Grant Policy and NGO Award Policy. |
| October | <ul style="list-style-type: none"> • Technical advice and support to Project Teams following evaluation of Technical Committee. • Launch of 2nd Call for Proposals. • Support to Project Teams in preparation of project proposals. • Review of selected Bank operations for lessons learned project. |
| November | <ul style="list-style-type: none"> • Social Inclusion Training module within Social Development Week. • Support to Technical Meeting on "Best practices for social and political inclusion of Afro-descendant women in Central America," Panama. |
| December | <ul style="list-style-type: none"> • Evaluation and approval of projects by Fund's Technical Committee (2nd Round). • Committee approval of New Voices Travel Grants policy document. • Launch of Call for Nominations for Travel Grants. • Support to World Bank Global Partnership on Disabilities and Development, Italy. • Preliminary meetings with potential donors. |

2 0 0 3 Y e a r a t a G l a n c e

2004

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|----------|---|
| January | <ul style="list-style-type: none">• Technical advice and support to Project Teams following evaluation of Technical Committee.• Evaluation of nominations for travel grants and selection of grant awardees.• Review and editing of social inclusion book. |
| February | <ul style="list-style-type: none">• DFID signs Memorandum of Understanding for Special Contribution to Fund of approximately US\$588,000.• Award of New Voices Travel Grants for Afro-descendant NGO Workshop (Honduras).• Support to IDB-World Bank Technical Meeting on Disabilities. |
| March | <ul style="list-style-type: none">• IDB-DFID Enlace Agreement approved by Bank's Coordination Committee. Under this Agreement, DFID will make a total contribution of US\$359,000 to the Fund.• Preliminary meetings with potential donors.• Mid-year review of approved projects completed.• Enhancement of Fund's website.• Preparation of Annual Report. |

I. OPERATIONAL AND POLICY DEVELOPMENT OF THE FUND

As 2003 represented the first year of Fund operations, substantial time was devoted to developing the operational procedures, guidelines and policies of the Fund. This section details the specific institutional and operational structure created, the process adopted for proposal review and oversight as well as key policies of the Fund.

Technical Committee

With a view to establishing a transparent and cross-sectoral policy framework, a Technical Committee was created to serve as an inter-departmental body responsible for evaluating and approving activities to be financed by the Social Inclusion Trust Fund. The Technical Committee comprises representatives from each of the three regional operational departments of the IDB and the Social Development Division of the Sustainable Development Department. The Chief of the Social Development Division serves as the chairperson of the Technical Committee and Committee decisions are reached by consensus. The Bank's Technical Cooperation Coordination Unit (RE2/TEC) and the Fund's Technical Advisor serve as non-voting members of the Committee.

Technical Committee Members

Chairperson	Mayra Buvinić
RE1 Representative	Carmen Albertos
	Marcia Arieira (Alternate)
RE2 Representative	Mia Harbitz
RE3 Representative	Kristyna Bishop
	Amanda Glassman (Alternate)
SDS/SOC Representative (rotating)	
Women in Development	Anne-Marie Urban
	Gabriela Vega (Alternate)
Indigenous Peoples	Anne Deruyttere
HIV/AIDS and Disabilities	Ernest Massiah
Race	Jacqueline Mazza
Non-voting Members	
Technical Cooperation Coordination Unit	Maria Bouroncle
SI Trust Fund Technical Advisor	Stacy Richards

Operational and Policy Development

Fund Guidelines and Policies

In the first two quarters of 2003, the key policy and operational documents of the Fund were developed in consultation with the Bank Operational and Policy Departments through the Technical Working Group on Social Inclusion and the Bank's High-Level Steering Committee.

Inter-Departmental Working Group on Social Inclusion

Name	IDB Department
Mayra Buvinić	SDS/SOC, Chairperson
Jacqueline Mazza	SDS/SOC, Coordinator
Carmen Albertos	RE1/SO1
Marcia Arieira	RE1/SO1
Kristyna Bishop	RE3/SO3
Gustavo Cuadra	RE1/SO1
Anne Deruyterre	SDS/IND
Richard Fletcher	DPP/DPP
Amanda Glassman	RE3/SO3
Cintia Guimaraes	HRD/LRN
Mia Harbitz	RE2/SO2
Ernest Massiah	SDS/SOC
José-Antonio Mejía Guerra	SDS/POV
Claire Nelson	SDS/SOC
Heli Nessim	RE2/EN2
Carlos Perafán	SDS/IND
Juliana Pungiluppi	SDS/SOC
Charo Quesada	EXR
María Teresa Traverso	RE1/SO1
Marta Tvardek	HRD/EMD
Héctor Salazar	RE1/SC1
Carlos Viteri	SDS/IND
Benita Vasallo Weber	INT/LIB
Mark Wenner	SDS/RUR

These policy and operational documents govern how the Fund operates as well as the specific policies and initiatives supported by the Fund:

- Operational Guidelines for the Fund - a manual defining the purpose, main project areas and eligibility criteria for activities of the Fund.
- Technical Committee Guidelines - the main principles governing the functioning, evaluation process and decision-making of the Technical Committee.
- Research Framework - the main focal areas for research proposals to the Fund, including the collection and analysis of statistical information, Millennium Development Goals (MDGs) and social exclusion, antidiscrimination policies and actions and lessons learned on the implementation of social inclusion policies.
- Evaluation Procedure for Technical Committee – methodology incorporating a qualitative evaluation and quantitative scoring used by the Committee in evaluating and approving projects for funding.

Policy Initiatives for NGOs

In addition to supporting small projects, technical assistance, and research on social inclusion, the Technical Committee of the Fund approved two special policy initiatives dedicated to promoting capacity-building and recognition of small NGOs serving excluded populations. These are:

New Voices Travel Grant Policy - a mechanism for awarding small grants to representatives of NGOs for excluded groups interested in participating in pre-approved non-IDB sponsored regional or international workshops and conferences.

NGO Promising Initiatives Award Policy – a recognition of innovative ideas for advancing social inclusion at the national and regional levels which will pay tribute to NGOs that have undertaken in the past, and continue to promote noteworthy initiatives aimed at addressing and/or overcoming social exclusion in their community, country and/or region. The award will allow these organizations to expand their efforts at promoting social inclusion and strengthen their organizational capacity.

Project Financing Process

Calls for Proposals. Following the issuance of a Call for Proposals, Bank specialists are required to submit proposals in the form of a technical cooperation brief, in accordance with IDB procedures. Specialists also have the option of submitting a preliminary concept note in order to first ascertain the eligibility of the proposed activity, before developing the proposal. Given the high demand for limited resources, specialists were encouraged to request financing that did not exceed US\$80,000 so that more initiatives could be financed in this first year. Proposals from non-governmental organizations were considered by Bank specialists from the regional department that would be responsible for oversight of the project and submitted to the Fund.

Evaluation. Submissions are first pre-screened by the Fund's Technical Advisor for eligibility and technical soundness and then submitted to the Technical Committee as part of an evaluation package. This takes place approximately two weeks before the Committee's Evaluation Meeting. Proposals are evaluated based on the following criteria:

“Social exclusion doesn't just happen, it has to be made to happen”

Aggleton, Parker and Malawi (2003)



Operational and Policy Development

- **Social Inclusion Mechanisms and Innovation** – the incorporation of innovative social inclusion mechanisms and/or an integrated approach to social inclusion, well-defined target beneficiaries and/or inclusion problem, focus on a group that is considered difficult to reach and possible identification of social inclusion indicators.
- **Technical Soundness and Financial Feasibility** – the viability of full implementation (technical and financial), possible allocation of counterpart funding or in-kind contributions from local partners, response to local demand and/or participation of excluded groups in project design and execution as well as consistency between the project and the Bank's regional and country strategies (or other Bank policy documents), Bank projects and/or pipeline.
- **Outputs and Expected Results** – defined, valuable, realistic outputs or results (measurable, as far as possible), contribution of proposed project to Bank strategy, project and/or pipeline, potential to increase awareness and understanding of social inclusion issues in the region and within the IDB, and potential contribution to future Bank operations or to the Bank's capacity to design and execute social inclusion programs.

One of the greatest challenges for the Committee has been the constraint posed by the limited availability of resources, which forced it to select just a few of the many good proposals that were innovative, technically sound and had the potential to address concrete and urgent needs of excluded groups. It is hoped that additional donor contributions to the Fund will allow for increased commitments by the Fund to an even wider range of innovative social inclusion activities.

Approval. After an individual evaluation by each member of the Technical Committee, projects are approved by consensus based on the quantitative scoring and qualitative evaluation of the Committee. Within one week of the Committee's Evaluation Meeting, Project Team Leaders receive notification of approval, non-approval or need for revision by the Technical Committee Chairperson. If necessary, the Fund's Technical Advisor meets with Project Team Leaders whose proposals were declined for funding to provide further details on the Committee's evaluation of their proposals and advice on strengthening proposals and/or alternate sources of financing.



Monitoring and Evaluation. The Fund's Operations Specialist provides on-going support and follow-up to Project Teams throughout the various stages of project implementation, from project design to project implementation. RE2/TEC also provides financial certification and oversight of compliance with Bank procedures regarding disbursement, contracting consultancy services and procurement issues. A mid-year review of projects approved in September was conducted to assess the progress achieved to date as well as to better understand the challenges faced by Project Teams in implementing social inclusion projects. A second mid-year review will be conducted in June 2004 for projects approved in the second round of proposals (December 2003). Additionally, all Project Team Leaders will submit a completion report to the Fund outlining the results achieved, challenges faced and lessons learned during the implementation of the project. Project teams are expected to provide the Fund with copies of main products (for example, reports, publications, workshop documents, etc.).

Accountability

Bank specialists are kept informed of the activities of the Fund via electronic bulletins and the Fund's intranet website. The Fund's Technical Advisor and Operations Specialists also meet with Project Team Leaders to provide additional support and guidance on the preparation of proposals, the evaluation process and procedures for processing approved technical cooperations. All procedures and guidelines were developed with input from the Bank's Technical Working Group on Social Inclusion and approved and reviewed by the Fund's Technical Committee. The Fund works closely with RE2/TEC to ensure compliance with Bank procedures in the certification and disbursement of funds. An interim Progress Report on the activities of the Fund was sent to the donors in October 2003, outlining the social inclusion projects and activities that had been supported by the Fund to that date.

II. 2003 OVERVIEW PROJECTS AND ACTIVITIES

A. Overview and Analysis of Approved Projects

The Social Inclusion Trust Fund launched its first Call for Proposals in August 2003. Twenty technical cooperation (TC) proposals were submitted by various IDB divisions and country offices, with the total financing requested amounting to US\$1,458,480. Since demand far exceeded available resources, only seven proposals were approved for a total amount of US\$491,000¹.

The second Call for Proposals was issued in October 2003 and another 21 proposals were received, of which eight were approved, resulting in a total financing of US\$419,000 or 36 percent of the financing requested. Overall, the response to the Calls for Proposals from country offices and operational departments to develop social inclusion projects has been very favorable. Proposals covered a wide range of activities addressing social inclusion in areas such as health care, education, data collection and analysis as well as capacity building of local institutions and regional sensitization campaigns. These TCs sought not only to incorporate innovative social inclusion mechanisms, but also to provide support in the principal target areas of the Fund, namely Bank operations, research and dissemination and organizational strengthening and awareness raising. Project Team leaders are expected to ensure gender mainstreaming and consideration in all approved projects. A complete list of the projects financed by the Social Inclusion Trust Fund in 2003 by country is provided on the next page.

“The quality of a society is measured by its capacity to integrate the excluded, an ultimate test of values”

Juan Somavia
(1995)



¹ Because of institutional difficulties in Bolivia, one approved project was later cancelled, bringing the total funding awarded to US\$433,000 or 30 percent of the financing requested.

2 0 0 3 P r o j e c t s a n d A c t i v i t i e s

LIST OF APPROVED PROJECTS BY COUNTRY

COUNTRY	TITLE	AMOUNT (\$US)
Brazil	Support for Participatory Formulation of Public Policies that protect the rights of indigenous peoples	50,000
Brazil	Seminar on Challenges in Higher Education for Indigenous Peoples	15,000
Brazil	Afro-Brazilian Observatory	80,000
Brazil	Strengthening of social inclusion organizations for Afro-descendants, women and persons with disabilities	51,601
Brazil and Spanish-speaking Latin American countries	Training Courses on the Design and Analysis of Household Surveys	80,000
Brazil, Colombia, Guyana, Mexico, Trinidad and Tobago	Race and Ethnic Inequalities in Health and Health Care in Latin America and the Caribbean	70,000
Colombia	Support to the Afro-Colombian community for participation, inclusion and transparency in social investment	70,000
Ecuador	Support for Afro-Ecuadorian Organizational Strengthening	80,000
Ecuador	Census and socio-cultural analysis of indigenous street vendors in Quito	50,000
Mercosur plus Bolivia and Chile	Improving Disability Data in the Southern Cone	48,000
Nicaragua	Development of a Methodology to foster the participation of ethnic groups in the 2005 Census of Nicaragua	43,000
Regional	Design and Development of the IDB Social Inclusion Awareness Campaign	80,000
Regional	Social Exclusion in Education in Latin America and the Caribbean	56,000
Regional	Study on Social Exclusion of institutionalized mentally and physically disabled persons in Latin America and the Caribbean	80,000
TOTAL		853,601

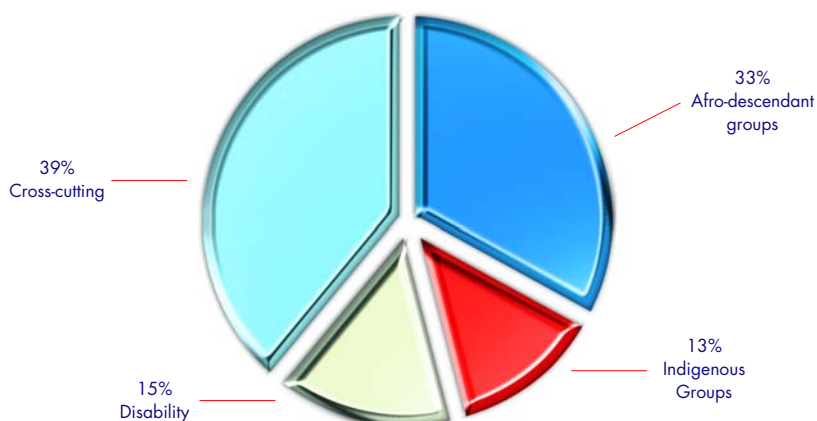
2003 Projects and Activities

A review of the projects approved showed that 40 percent of financing was approved for organizational strengthening and awareness-raising projects, 36 percent for research and dissemination and 24 percent for support to Bank operations. Examples of projects linked to larger IDB and national initiatives include a TC focusing on the participation of ethnic groups in Nicaragua's 2005 census process, in support of a new IDB loan operation to the Census Bureau. Another TC will provide technical support to the Afro-Colombian community as part of an existing development effort in the Pacific Coast of Colombia. A third TC will examine the challenges faced by indigenous groups in higher education in Brazil in support of both Bank and national policies.

Percentage of Total Financing by Main Area



Percentage of Total Financing by Beneficiary Group



From the perspective of the Fund's target beneficiary groups, the project financing distribution (as a percentage of the total financing awarded) is as follows: 33 percent to projects benefiting Afro-descendant groups, 13 percent to projects targeting indigenous groups, 15 percent to disability projects and 39 percent for cross-cutting projects. Of the five approved cross-cutting projects, three will focus on social inclusion of both indigenous and Afro-descendant groups, and two will address

social exclusion as it affects the five target beneficiary groups. All projects will mainstream gender concerns.

2003 Projects and Activities

The implementation of the fourteen approved projects will span the entire region. While eight projects will be executed in South American countries (four in Brazil, one in Colombia, two in Ecuador and one in Bolivia, Chile and the MERCOSUR countries), five will have a regional scope and one will be executed in Central America. In the first year, project proposals from the Central American region were limited, although there was greater coverage of Central America in regional efforts. It is important to point out that the DFID-IDB ENLACE Trust Fund beginning in mid-2004 will serve to complement the projects supported by the Social Inclusion Trust Fund by providing additional project financing in the Bank's Region 2 countries.

In accordance with the Research Framework approved by the Committee, research studies are being conducted in key subject areas such as gathering and analysis of statistical information, social inclusion policies and lessons learned. To date, consultancy services have been commissioned in several of the approved projects and some of the expected outputs include:

- State of the art disability data in the Southern Cone and Bolivia
- Census data on indigenous street vendors in Quito, Ecuador
- Inputs to a policy document to improve the human rights situation of Afro-Colombians as well as their access to housing, credit, labor markets and land
- Analysis of indicators and contextual factors affecting the delivery of quality education (at all levels) to excluded groups
- Analysis of household survey data on health (i.e., type, access, quality) for excluded populations in Brazil, Colombia, Guyana, Mexico and Trinidad and Tobago
- Development of sensitization materials and country-specific messages for a social inclusion awareness campaign



2003 Projects and Activities

In the area of organizational strengthening and awareness raising, the Fund is supporting a project in Ecuador, co-financed with resources from the Bank's Special Operations Fund (FOE), which will allow for training and capacity building activities on strategic planning and human resources management (among others) to a group of 15 Afro-Ecuadorian organizations, as well as three projects benefiting organizations in Brazil that work with Afro-descendants, indigenous groups, persons with disabilities and poor women. Training courses on household surveys and census, with emphasis on race data, are also being organized between May and October 2004, in collaboration with the National Statistics Institute of Mexico (INEGI) and the IDB Household Surveys Program (MECOVI). More detailed information on each approved project is provided in the following section.

B. Project descriptions by Main Areas

A brief description of each of the projects approved for financing by the Fund in 2003 is outlined according to the three principal areas of the Fund: support to Bank operations, research and dissemination, and organizational strengthening and awareness raising. In some cases, projects overlap these categories because the main focus of some projects may, for example, address organizational strengthening and also be linked to an ongoing IDB operation. In such cases, specific Bank operations that are linked to Fund projects are noted in *italics*.

Support to Bank Operations

Development of a Methodology to Foster the Participation of Ethnic Groups in the 2005 Census of Nicaragua (Nicaragua)

SI Fund: US\$43,000

One of the key challenges for social inclusion in Latin America and the Caribbean is the limited knowledge on the size and characteristics of excluded populations captured in national statistics. Statistics on racial and ethnic groups have not been accurately collected in official national censuses or in household surveys, which has contributed over the years to the "invisibility" of Afro-descendant and indigenous groups, among others, in national policies and programs and to their lack of voice and access to basic services. In collaboration with the National Statistics and Census Institute (INEC), this project will focus on establishing mechanisms that ensure the participation of ethnic groups in the entire process of the National Census of Nicaragua in 2005. It will involve the design of a participatory methodology on the organization of consultation workshops with the Afro-descendant and indigenous groups and the development of operational guidelines and training for a Follow-up Committee. The project will complement a broader Bank loan for organizational strengthening of INEC in preparation for the 2005 census in Nicaragua.



2003 Projects and Activities

Support for Afro-Ecuadorian Organizational Strengthening (Ecuador)

SI Fund: US\$80,000

Afro-Ecuadorian NGOs are faced with serious institutional challenges such as the lack of management capability and leadership. In response to the findings of a Bank-funded Diagnostic Study, this project will provide organizational training in the following areas: strategic planning, elaboration of social development project proposals, fundraising and financial management, development cooperation, transparency, conflict resolution and institutional best practices (see feature article box on the next page).



“[Afro-descendant populations in Latin America] suffer from both social and economic exclusion. Special measures are needed to bring equity to their living conditions. Especially important are strategies to enhance their internal capacity to organize and use their own initiatives to achieve their community goals”

Margarita Sanchez
(2004)

ECUADOR

Support to Promising Afro-descendant Groups

In recent years, the Bank's Country Office in Ecuador has taken a notably active role in initiating consultations with Afro-Ecuadorians and has made special efforts to ensure the participation of these groups in the Civil Society Advisory Council (CASC). A Bank-funded diagnostic study on the situation of Afro-Ecuadorians (US\$150,000) was recently conducted with the aim of identifying specific policies on advancing inclusion advocated and supported by the groups themselves. One of the main recommendations of this study was to carry out organizational strengthening activities to develop the management and advocacy skills of Afro-Ecuadorian organizations. To further this work, the Bank's Country Office presented a proposal to the Social Inclusion Trust Fund.

Two innovative features of this operation are: (i) the creation of a Coordination Committee comprising Afro-Ecuadorian leaders and representatives of the government Corporation for Afro-Ecuadorian Development (CODAE) to monitor training activities and ensure coordination with government policies and programs, offering a new opportunity to link excluded groups with a wider range of government efforts and policies; and (ii) project execution by an experienced local organization, with capacity-building as a key internal component. Since IDB Country Offices play such an important role in facilitating local dialogue between governments and civil society, the Trust Fund actively encourages the participation of Country Offices in submitting proposals to the Fund and nominations for travel grants for local NGOs.

Seminar on Challenges in Higher Education for Indigenous Peoples (Brazil)

SI Fund: US\$15,000

Brazil has been a regional leader in enacting affirmative action policies and legislation that seek to protect the rights of its culturally diverse population. By encouraging the participation of indigenous groups in the formulation of a public policy document on higher education in Brazil, this seminar will not only contribute to the debate on affirmative action for the indigenous peoples of Brazil, but also create conditions for the establishment of specific public policies in education that meet the needs and expectations of indigenous organizations. Additionally, specific issues related to the format of the courses to be offered, attendance or semi-attendance modalities and the access of indigenous students will be addressed. This targeted initiative will complement a Bank loan for the Diversity in the University Program in Brazil.

Support to the Afro-Colombian Community on Issues Related to Participation, Transparency and Inclusion (Colombia)

SI Fund: US\$70,000

Technical support will be provided to the Unit of Ethnic Groups in the Ministry of Government and Afro-descendant organizations for the formulation of a CONPES document (in consultation with the Afro-

2003 Projects and Activities

Colombian community), the organization of a dialogue between the President and the Afro-Colombian community to discuss their socioeconomic situation and the development of a risk map that identifies ways of securing public investment and ensuring transparency in the execution of development projects in the Pacific Zone. This grant is placed in the context of a larger series of Bank efforts to support the emerging Afro-Colombian community in confronting development challenges on the Pacific Coast in the midst of civil conflict (see feature article box).

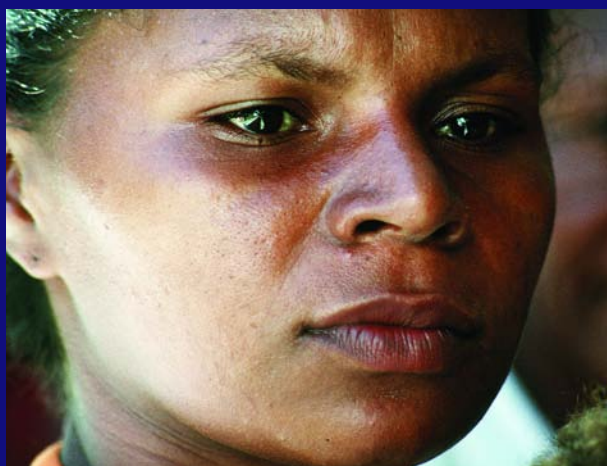
COLOMBIA

Afro-Colombians Chart New Course for Social Inclusion

Afro-Colombian leaders have initiated new efforts to overcome passive attitudes and take on new civic responsibilities in building social capital and social cohesion. This proactive attitude has led Afro-Colombians to begin defining a common agenda and consolidating networks with their counterparts in the region and the world, including strengthening ties with members of the US Congressional Black Caucus, who have shared lessons on advocacy and encouraged Afro-Colombians to create their own Black Caucus.

Following the first "Institutional Conference of Afro-Colombians" organized with IDB support in Cartagena in August 2003, and attended by President Álvaro Uribe Vélez as well as representatives of key ministries and government agencies and management representatives from international organizations such as the IDB, the World Bank and USAID, there were several accomplishments for the Afro-Colombian community including: (i) the official creation of the Afro-Colombian Black Caucus, (ii) official commitments from the President to issue a policy document (CONPES) calling for investments in key areas related to the socio-economic development of Afro-Colombians and establish a community council (consejo comunitario), headed by the President, to thoroughly discuss the CONPES and other issues related to Afro-Colombian exclusion with representatives of key ministries.

These commitments presented an opportunity to continue organizational strengthening efforts by encouraging Afro-Colombians to propose solutions to their problems via the CONPES policy document and the council with the President, increase coordination between the Unit for Ethnic Groups (DNE) within the Ministry of Government, the Ministry of Finance, and the Planning Department (DNP), responsible for the CONPES and establish mechanisms for improving the use of funds from an IDB loan for the sustainable development of the Pacific Coast of Colombia.



Since the approval of this project by the Fund in December 2003, the IDB project team has been working closely with the Ministry of Government to define strategies for better coordination with staff of the DNP. The aim is to ensure that, above all, the policy document mandates that funds be allocated to support specific programs for Afro-Colombians. Consultancy services are being commissioned in key areas such as land access and titling, human rights, productive activities and housing. With regard to the Community Council component, special efforts are needed to ensure not only a large representation of Afro-Colombians at the meeting with President Uribe, but also that they agree on and present a common development agenda that would enable them to advocate more effectively, with one voice.

The Social Inclusion Trust Fund project provides a series of opportunities to advance the social inclusion of the second largest Afro-descendent population in the region: the preparation of CONPES will serve as an institutional strengthening exercise for the DNE. Enhancing collaboration between the DNE and DNP in the context of the CONPES is a first step to facilitating future inter-institutional coordination. Additionally, the meeting with President Uribe will encourage better coordination between Afro-Colombian organizations, themselves, and give significant visibility to the plight of Afro-Colombians. Overall, rich lessons could be drawn for increasing the capacity of the Bank and the region to promote social inclusion.

RESEARCH AND DISSEMINATION

Social Exclusion in Education in Latin America and the Caribbean (Regional)

SI Fund: US\$56,000

While reforms in the education sector in Latin America and the Caribbean have sought to increase enrollment numbers, the benefits of such expansion and reform have not been equitably distributed throughout societies. This study will provide a quantitative and qualitative accounting and profiling of social exclusion in education in the region. More specifically, the study will produce a state-of-the-art inventory of indicators and contextual factors intervening in the delivery of a quality education at all levels to socially excluded groups, particularly ethnic and racial populations and the poor. Detailed analyses of the education profile these populations exhibit, relative to other populations, will be included, as well as their access to a quality education, the levels of attainment they achieve and the extent to which specific targeting mechanisms are effective in mitigating structural inequities in opportunity.

It is expected that the results of this study will provide not only a more detailed understanding of the causes and consequences of social



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exclusion in education but also monitor the progress of Bank projects during implementation and provide baseline data against which specific interventions can be evaluated. It also is expected that the results will inform the preparation of the Consolidated Strategy for Education and contribute to the creation and use of better indicators and data in decisions relating to education loans at all stages of the project cycle.

Improving Disability Data in the Southern Cone (Argentina, Bolivia, Brazil, Chile Paraguay, Uruguay)

SI Fund: US\$48,000

Given the absence of data on disabilities in the region and the fact that without accurate data disaggregated by poverty, gender, labor market participation and educational status, it is difficult to strengthen advocacy efforts, policy and programs, this project will collect and compare disability data from the 2000/01 censuses and establish a benchmark for disability prevalence, thereby allowing for comparisons to be made between disability and other indicators of social development such as poverty, gender, education, etc. Additionally, sub-regional networks of researchers on disability data will be established in order to develop a common definition of disability and new instruments to collect data.



A common methodology and instruments on disability data would serve to move countries in the direction of a more functional definition of disabilities and facilitate comparisons within and between countries. The project will also support separate subregional meetings for heads of national statistical institutes from Mercosur countries, Bolivia and Chile to review disability data from the 2000/01 censuses and other data sources. The information obtained will provide baseline data for the design of Bank operations and will shape the Bank's existing and future pipeline by identifying the challenges that affect persons with disabilities.

Census and Socio-cultural Analysis of Indigenous Street Vendors in Quito (Ecuador)

SI Fund: US\$50,000

The economic crisis in Ecuador has led to an influx of migrants to the capital city, Quito, in search of job opportunities. However, indigenous migrants have been faced with a very competitive job market, made even more difficult by discrimination against indigenous people and have had no recourse but to turn to the informal sector. A census and socio-cultural analysis of the living and working conditions of indigenous street vendors in Quito will be conducted under this Trust Fund TC in order to assist the municipality with the design of appropriate solutions that involve the direct participation of the target beneficiaries. Project activities will include consultation workshops with members of indigenous groups, the Association of Street Vendors and the municipal authorities, design of the census with the criteria of the indigenous street vendors and the municipality, training workshops for persons on conducting the surveys and processing information as well as workshops on the results of the census and the socio-cultural evaluation.



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Study on Social Exclusion of Institutionalized Mentally and Physically Disabled Persons in Latin America and the Caribbean (Regional)

SI Fund: US\$80,000

Physically and mentally dependent disabled persons in asylums and similar institutions often experience extreme exclusion from mainstream society. This study will include a survey of establishments in up to seven countries in the region (initially, Argentina, Chile, Ecuador, Jamaica, Panama, Puerto Rico and Uruguay) and will analyze the physical conditions and basic operation of selected establishments as well as the quality of treatment and attention received by patients, with emphasis on the correlation with variables such as gender, race, ethnicity, age and the type or degree of disability. Additionally, it will seek to identify priority corrective initiatives as well as policy recommendations for implementation and financing with the aim of promoting the social inclusion of these groups. The results of the study will be disseminated and incorporated into dialogues on Bank programs with the respective countries as well as sensitization programs in the region.

Race and Ethnic Inequalities in Health and Health Care in Latin America and the Caribbean (Brazil, Colombia, Guyana, México, Trinidad and Tobago)

SI Fund: US\$70,000

While the health sector in Latin America and the Caribbean has received significant attention from national governments and international development agencies, the challenges faced by indigenous peoples and communities of African descent have not been adequately addressed. Not only do these groups have lower incomes and household consumption patterns, but they also have more limited access to health services and poorer health outcomes than the rest of the population. This study will, therefore, seek to identify constraints and barriers that impede the achievement of satisfactory health levels among indigenous and Afro-descendant groups in the region. It is anticipated that this project will contribute to the improvement of the design of health projects aimed at reducing inequalities related to race and ethnicity.



ORGANIZATIONAL STRENGTHENING AND AWARENESS RAISING

Strengthening of Social Inclusion Organizations for Afro-descendants, Women and Persons with Disabilities (Brazil)

SI Fund: US\$51,601

Investing in the strengthening of civil society organizations, particularly those dedicated to excluded groups, will facilitate the transfer of knowledge and skills that will enable greater participation and

advocacy, better collaboration with government agencies and a more equal distribution of resources and services. This project will support training courses for civil society organizations working with Afro-descendants, women and persons with disabilities. The courses will be organized by the Association of Support to Joint Training Program (Asociación de Apoyo al Programa de Capacitación Solidaria - AAPCS) in the areas of management, project development, monitoring and evaluation. Social inclusion will be addressed in a transversal manner throughout the course, by analyzing the specificities of targeted excluded groups, their situation of poverty, the challenges of social inclusion as well as the correlation between poverty, gender and race, with a view to incorporating a social inclusion focus into future projects and activities. The courses will be offered in metropolitan regions with high poverty levels and large concentrations of Afro-descendants and persons living with HIV/AIDS.

Training Courses on the Design and Analysis of Household Surveys (Spanish-speaking Latin American Countries and Brazil)

SI Trust Fund: US\$80,000

In recent years, some achievements have been made in the field of census data on racial and ethnic populations. For instance, in the round of censuses of 2000 most of the countries in the region (Argentina, Bolivia, Brazil, Chile, Costa Rica, Ecuador, Guatemala, Honduras, Mexico, Panama, Paraguay, and Venezuela) included questions to identify individuals by race and ethnicity. However, in some countries, these data are still not being fully exploited and most NGOs lack the skills for analyzing such data thereby limiting their contribution to the development of targeted policies. These training courses will serve to enhance the skills of NGOs working with indigenous and Afro-descendant populations through the organization of regional training courses on the data production cycle using race and ethnicity data, with emphasis on the analysis of the data. Transferring these skills to NGOs will not only help them to better understand the information that is being generated but also allow them to produce more accurate estimations and competently work with disaggregated statistics so that the realities of Afro-descendant and indigenous groups are not hidden in national averages.

“The quest for social inclusion is long and requires not only a new mentality within governments, which should materialize in more inclusive policies, but also a greater consciousness within excluded groups regarding their responsibilities and duties”

Nina Pacari Vega
(2004)

Afro-Brazilian Observatory (Brazil)

SI Fund: US\$80,000

Better-organized and more detailed information on the situation of Afro-Brazilians will help civil society organizations define a stronger and more sequenced priority action agenda to advance social inclusion. This project will support the consolidation of the Afro-Brazilian Observatory as a leading organization for the commissioning of studies and dissemination of data and information on social exclusion.

Some of the main activities will include the acquisition of data bases from the demographic censuses, the creation of a web portal, research studies on the situation of the Afro-descendant population in Brazil, training on the production and use of social indicators as well as organizational strengthening in the areas of management, monitoring and evaluation.



Support for Participatory Formulation of Public Policies that Protect the Rights of Indigenous Peoples (Brazil)

SI Fund: US\$50,000

The new government of Brazil has stated its commitment to a representative national indigenous policy that protects the rights of indigenous peoples. Equally important, however, is the capacity of indigenous NGOs to strengthen their local, regional and national representation and better serve their constituents in the formulation and implementation of public policies. This project will provide institutional strengthening support to the Co-ordination Body for Indigenous Organizations of the Brazilian Amazon (COIAB) in its work on developing public policies affecting indigenous peoples in areas such as education, health, environment and agricultural development. Some of the main activities will include consultation workshops in the Amazon region aimed at elaborating a proposal for an indigenous policy, supporting its role in lobbying for the promotion of the Indigenous Peoples Statute and coordinating a joint campaign with other indigenous NGOs for the reform of the Constitutional Amendment Proposal.



Design and Development of the IDB Social Inclusion Awareness Campaign (Regional)

SI Fund: US\$80,000

This public awareness project will serve to sensitize policymakers in Latin America and the Caribbean and the general public to the complex issues surrounding social inclusion as well as the urgent need for action. It

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will involve the strategic design of a campaign (based on an analysis of the myriad challenges in advancing social inclusion in various countries) and the development of audio-visual and media material on social inclusion and an evaluation document. Increased awareness and more accessible information on social inclusion is intended as a first and important step in the mobilization of different sectors of society (i.e., media, policy leaders, NGOs, etc.), strengthened political will and cultural changes in overcoming discrimination and marginalization of racial and ethnic groups in Latin America and the Caribbean.

ADDITIONAL FUND INITIATIVES ON SOCIAL INCLUSION

In addition to the projects under these three main areas, the Social Development Division, in its capacity as administrator of the Fund, has initiated specific activities with the aim of bringing issues such as inequality, poverty and social exclusion to the forefront of dialogues with policymakers and civil society organizations in the region. Increased sensitization, through dissemination of research findings, discussions and sharing of experiences and lessons learned will serve to garner broad support, at all levels, for developing strategies to transform the structural barriers that have perpetuated social exclusion and also to foster enhanced collaboration with regional partners.

New Voices Travel Grants

SI Fund: US\$15,000

The New Voices Travel Grant policy serves as a mechanism to support the participation of leaders/representatives of excluded populations who represent “new voices”, to non-IDB sponsored events of regional significance. The term “new voices” refers to NGO leaders who have not received previous IDB funding to travel, or who do not typically participate in events organized by multilateral organizations. In this way, the Fund contributes, with very little resources, to a wider range of initiatives and regional actors and supports the increased participation of excluded groups in regional and international conferences/workshops.

“It is not clear that attitudes can be changed in the short run. Laws against incitement to racial hatred assume that racism is an ideology. But racism and xenophobia are embedded in institutions as well. Hence, insisting on non-discriminatory behavior and equal treatment is imperative”

Hilary Silver
(2004)



In January 2004, travel grants were awarded to NGO representatives from Colombia, Ecuador, Guatemala, Panama and Peru to attend the IAC Workshop on Leadership and Socio-economic Development for Communities of African Descent in Latin America and the Caribbean in La Ceiba, Honduras on February 1-4, 2004. The objective of this workshop was to present cases of good practices in local economic development in Afro-descendant communities in Latin America and the Caribbean and to conduct training on implementing local development partnerships. Other participants included representatives from over 100 NGOs in Latin America and the Caribbean and multilateral agencies.

The MDGs, Race and Ethnicity Workshop

SI Fund: US\$8,566

While the Millennium Development Goals (MDGs) have received prominent attention at the international level, the way in which the achievement of such goals might affect – or even worsen – existing disparities between racial and ethnic groups and white populations has received little analysis and attention. To explore this concern, a workshop was organized by the Inter-American Dialogue/Inter-Agency Consultation on Race (IAC) in October 2003 with a view to enhancing inter-agency cooperation and information exchange as a first step in coordinating actions and analysis on the race and ethnicity implications of the MDGs. Representatives of the IDB, the World Bank, PAHO, UNDP, the Inter-American Foundation, and research institutes participated in this workshop as part of a wider effort to give greater visibility and attention to the racial and ethnic dimension of poverty in Latin America and the Caribbean.

Lessons Learned on Social Inclusion

SI Fund: US\$44,740

In keeping with the Fund's objective of increasing the Bank's technical capacity to promote social inclusion in Bank programs and project work and in support of the Bank's Action Plan on Social Inclusion, a lessons learned research initiative is being undertaken with the aim of analyzing ways in which IDB projects addressed social inclusion and highlighting lessons learned for future social inclusion IDB projects.

Consultancy services were commissioned to conduct interviews with key Bank staff and counterparts in the

“Social exclusion analysis draws attention to the existence in many societies of certain social groups that experience multiple and self-reinforcing exclusion, with persistent disadvantages transferred from generation to generation”

Peter Oakley
(2001)

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region in order to identify specific lessons from the participation perspective. Lessons from these six projects will be included in a larger lessons learned report, which is being prepared for 2004.

The preceding section highlighted the wide range of activities undertaken in an effort to promote social inclusion in Latin America and the Caribbean. During its first year, the Fund served to provide an added impetus to small-scale social inclusion initiatives within the Bank's broader portfolio.

III. THE IDB AND SOCIAL INCLUSION: COUNTERPART ACTIVITIES

Background

The IDB's work on social inclusion is conceptually anchored in its Social Development Strategy and Action Plan for Combating Social Exclusion due to Race or Ethnic Background. While the strategy provides a comprehensive framework for the Bank's response to the overarching goals of sustainable economic growth and poverty reduction, the Action Plan governs more specifically the Bank's activities aimed at advancing the inclusion of racial and ethnic groups in particular.

The Action Plan is the product of a series of meetings of the IDB Inter-Departmental Technical Working Group on Social Inclusion as well as the High-Level Steering Group on Social Inclusion chaired by the IDB Executive Vice-President. With the aim of building a foundation for sustained social inclusion in the region, the Action Plan concentrates on three priority areas: (i) capacity-building in the Bank and the region; (ii) knowledge-building and research to better understand how social inclusion can be addressed; and, (iii) an expanded project pipeline that tests new approaches to social inclusion. Currently, Bank activities are oriented to expanding on the Action Plan to widen the social inclusion agenda towards the integration of gender, race, ethnicity, HIV/AIDS and disability in Bank policies, operations and projects.

As part of its commitment to the Social Inclusion Trust Fund, the Bank has actively undertaken social inclusion operations and activities in conjunction with those of the Fund, with the aim of providing complementary support and achieving greater momentum in advancing social inclusion in the region.

Bank Operations

Building on the Social Inclusion Trust Fund, the IDB approved 21 operations in 2003 (12 loans and 9 technical cooperations) that the Bank's regional managers have indicated will address or incorporate elements of social inclusion. This financing totaled over US\$645 million in loans and US\$3.6 million in technical cooperation financing, in addition to the over US\$1 million in Social Inclusion Trust Fund TCs linked to this portfolio. Technical cooperation financing typically more directly targets one of the five target populations of the Fund; loan financing may be more indirect in impact, that is, it may have activities or elements of social inclusion within a larger set of objectives.

Annex I provides a list of the 2003 IDB loans and TCs, which represent a combination of operations with both direct and indirect impact. For example, the US\$75 million Housing Sector Loan to Peru (PE-0218) targets low-income beneficiaries. Of particular note for the social inclusion focus, is a program to promote community-based tourism in Chile around indigenous areas of Chiloé and Palena (CH-0172, US\$15 million) and a US\$20 million loan for Guatemala (GU-172) entitled Fight Against AIDS that specifically targets persons living with HIV/AIDS. For the 2004-5 period, the Bank is working on an initial pipeline that includes over US\$1 billion in loans. This includes a US\$500 million



The IDB and Social Inclusion

rural water and sanitation project in indigenous areas in Mexico (ME-0212) and US\$133 million transport loan to Curitiba region of Brazil (BR-0375) that includes efforts to improve access for the disabled. Additionally, Annex II provides an estimate of IDB staff time devoted to social inclusion operations and technical cooperations.

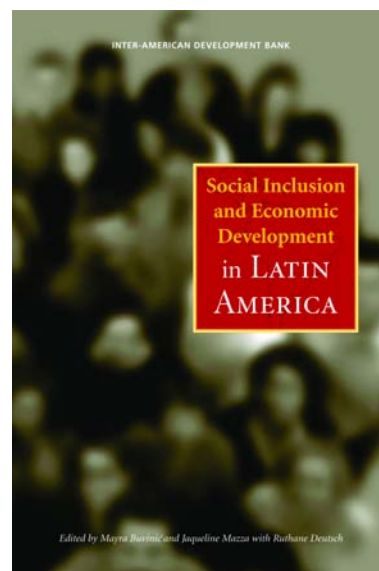
IDB Research, Analysis and Outreach

Other main counterpart accomplishments by the Bank are in the areas of institutional coordination and inter-agency collaboration, project development, research and technical assistance, outreach and capacity-building and include:

- Data, Indicators and Surveys on Ethnic/Racial Populations. Advancement of MECOVI program, "Todos Contamos II" conference, Lima, Peru (September 2002);
- IDB participation within the Inter-agency Consultation on Race and Ethnicity (IAC), a group of multilateral institutions, including the World Bank, PAHO, the Ford Foundation and the Inter-American Foundation, collaborating on race and development and the Inter-agency Working Group on Indigenous Issues;
- Best Practice/Impact Evaluation Research – e.g. bilingual intercultural primary education for indigenous people;
- Organization of Policy and Social Dialogues on a wide range of social inclusion topics, including antidiscrimination legislation, the role of IDB country offices in social inclusion;
- Inter-American Institute for Social Development (INDES) training courses for indigenous and Afro-descendant leaders on social management and the incorporation of social inclusion in the INDES social management course;
- Incorporation of social inclusion into key country papers to develop more strategic focus for social inclusion in programming and planning for the Bank;
- Internal training on social inclusion to Bank staff on integrating gender, race, ethnicity, HIV/AIDS and disability into projects and operations (see below);
- Publications and working papers on key issues in areas such as disabilities, health, indigenous peoples and social inclusion; and,
- Support to the First Institutional Afro-Colombian Conference, Cartagena, Colombia (July 31- August 2, 2003)

Special Initiative: Social Inclusion Book

A book on social inclusion has been published, incorporating the papers prepared for the 2001 dialogue on race and ethnicity and the follow-up 2003 dialogue between Europe and Latin America and the Caribbean, with the aim of sharing of experiences and lessons and stimulating increased action throughout Latin America and the Caribbean. The book presents research on the nature of social inclusion in the region, its practice in Latin America and the Caribbean, as well as lessons from the European experience. The book, which will be also be published in English, Spanish and Portuguese, comprises eighteen chapters grouped into four sections:



The IDB and Social Inclusion

- Understanding Social Inclusion
- Perspectives from Europe
- Labor Markets and Human Capital
- Learning through Experiences in Latin America and the Caribbean

Special Initiative: Social Inclusion Training

A particular emphasis for the IDB in 2003 focused on new tools and training for IDB staff on social inclusion. A workshop entitled “Participatory Thematic Workshop on Social Inclusion in the Project Cycle” was organized in July 2003 with the aim of bringing together IDB social development specialists to define key messages and exchange ideas on social inclusion that could be incorporated into future learning events. The training session comprised two main activities: a short lecture on the teaching of soft skills entitled “The Power of Play in Training for



Ethics and Diversity” and workshop exercises examining the causes and effects of social exclusion as well as strategies for incorporating social inclusion into the IDB project cycle and country strategies. In November 2003, additional staff training exercises were conducted to a larger cross-section of IDB specialists within the framework of the IDB’s Social Development Week, which entailed several discussions and presentations by Bank specialists and international experts on social inclusion, mechanisms for achieving social development and development effectiveness.

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IV. UPCOMING TRUST FUND EVENTS AND ACTIVITIES

In addition to approving new projects with the 2004 contributions of the Norwegian government and DFID to the Fund, the following research, outreach and awareness-raising activities are planned:

IDB Indigenous Strategy and Policy

A special DFID contribution of US\$588,000 to the Fund will support the preparation of a participatory indigenous strategy and policy to guide the Bank's work with indigenous populations. Main activities will seek to engage indigenous organizations and their representatives in a meaningful consultation process so as to ensure their direct input into the drafting of the strategy and its future implementation plan as well as to provide technical expertise on reviewing lessons learned from past experiences that involved indigenous peoples in strategies and projects of the IDB and other development institutions.



Advancing Economic and Rights-based Development

This special contribution from DFID to the Fund will also support an inter-agency collaboration toward research and dialogues on the rights-based approach to development. Working with ECLAC, the World Bank, and DFID, the initiative will support framework studies on the major issues surrounding the application of rights-based approaches to the design of social and economic development policies in the region. The first seminar, to be held in Santiago, will present an overall theoretical framework for the rights-based approach and international cases. The second seminar, to be held in Washington, D.C., will expand on agreements and understandings from the previous seminar but will emphasize, in a more targeted fashion, experiences within Latin America and the Caribbean and the ways in which such an approach could be implemented in the region. These seminars will form part of a comprehensive three-conference series for 2004-2005 outlined in the following section.



Expanding the Dialogue on Inclusion and Rights: a Three-part Conference Series

To build and interconnect learning on inclusion, discrimination and rights, SDS/SOC will organize three seminars with partial support from the Trust Fund. These conferences will seek to engage regional development institutions and the Latin American and Caribbean community in discussions on how social inclusion could enhance and improve the design and implementation of inclusive development policy. Additionally, the Bank will enlist policymakers and development officials in a series of dialogues, using new research studies applicable to the region, bringing to the fore both the conceptual and practical dimensions of antidiscrimination legislation, affirmative action, and rights-based approaches to development.

The conference series is planned as follows:

1. Anti-discrimination: Legal and Institutional Frameworks (Mexico, Fall 2004) – focusing on the

Upcoming Events and Activities

relationship between anti-discrimination policy development and its enforcement, and the challenges related to its application in specific sectors, for example, health, labor markets, education, and insurance, and among specific groups such as women, Afro-descendants and indigenous people. This event will be financed by the IDB Fund for Special Operations.

2. Affirmative Action (Brazil, Late Fall 2004) – the aim is to contribute to the search for solutions to the problem of social exclusion through the avenue of affirmative action. Conference presentations will highlight the lessons learned from regional affirmative action programs across a variety of sectors (including education, labor market participation, access to and use of the media, and political participation) and the experiences of affirmative action programs in Europe and the United States as well as other countries (for example, South Africa). Additionally, the conference will emphasize the need for broad policy changes in key public and private sectors (for example, the justice system, the insurance sector, and the banking system). The Fund is contemplating a contribution to this conference.



3. Rights-based Development (Chile, Fall 2004/Washington Spring 2005) – focusing on engaging leading social and economic policymakers from the region in ways in which the rights-based development framework could be applied in a regional policy context and presenting specific Latin American and Caribbean cases, such as, for example, in rights-based local development, empowerment/institutional strengthening, affirmative action programs, and health (including HIV/AIDS) and education, among others. As described on the previous page, these seminars would be financed by a DFID special contribution to the Fund.

MDGs, Race and Ethnicity - Latin American and Caribbean Case Studies

In 2004, case studies will be conducted in three Latin American and Caribbean countries to examine the potential impact of achieving the MDGs on indigenous and Afro-descendant groups. The case studies will analyze poverty indicators as well as race and ethnicity data for the respective countries with a view to highlighting the need to include a race and ethnicity focus in poverty reduction strategies in order to reduce inequality and foster greater social inclusion of indigenous and Afro-descendant groups. A case study of Brazil has been contracted, and case studies are contemplated for the Central American and Andean regions.

In an effort to disseminate the studies, a dialogue on the MDGs, race and ethnicity will be organized to bring attention to the case studies and to other analytical research on ways of achieving the MDG goals while ensuring that inequality gaps and the quality of life of the poor are not worsened. This dialogue will, therefore, highlight the importance of incorporating a racial and ethnic perspective in the implementation of the MDGs to policy makers, technical specialists, and civil society leaders in Latin America and the Caribbean.

U p c o m i n g E v e n t s a n d A c t i v i t i e s

Promising NGO Initiatives Award

By recognizing exemplary, innovative social inclusion practices and projects, the Trust Fund will give increased visibility to social inclusion efforts and experiences at the grassroots level. The intention with this award to three to six NGOs is to highlight innovative practices and expose multilateral institutions and a wider range of NGOs to the experiences and lessons learned by local and regional NGOs and sensitize the governments of the region to the social inclusion efforts of grassroots organizations. Following a Call for Nominations and selection process, a Promising Initiatives Award Ceremony will be planned as a 2004 Trust Fund event in order to showcase and promote the innovative approaches undertaken by NGOs in addressing the problem of social exclusion.

IDB-DFID ENLACE Program

In addition to contributing to the Social Inclusion Trust Fund, the British Department for International Development (DFID) has supported the creation of a DFID-IDB ENLACE Program in Central America aimed at promoting participatory poverty reduction strategies in Central America, with a particular emphasis on groups living in extreme poverty and activities aimed at combating social exclusion. The ENLACE program is managed by the Bank's Regional Operations Department 2 and will begin in 2004. The two Funds will work in a coordinated fashion to maximize advances on social inclusion in the region.

As the Fund transitions into its second year of operation, a meeting will be organized in June 2004, with the Norwegian and British donors to the Fund to review the activities outlined in this Annual Report and discuss the priorities for the Fund for the next financial year. The Social Development Division will also be intensifying its efforts in promoting this umbrella concept of social inclusion that targets Afro-descendant and indigenous groups, persons with disabilities, persons living with HIV/AIDS and poor women with the aim of increasing the resources of the Fund through additional donor contributions and broadening the range of innovative initiatives that foster greater participation and empowerment of excluded groups as well as more equitable growth in Latin America and the Caribbean.

SUMMARY OF FINANCIAL INFORMATION

February, 2003 – February, 2004

SOCIAL INCLUSION TRUST FUND

Total Donor Contributions & Replenishments	Amount (\$US)
February 2003 Norwegian Regular Contribution - 1st tranche	685,688
December 2003 Norwegian Regular Contribution - 2nd tranche	730,194
2003 Interest Income	2,863
2003 IDB Administrative Fee	(70,803)
Total Available Funds 2003	1,347,942
Balance Sheet	
Total Available Funds	1,347,942
Total Disbursements/Commitments	1,306,601
Fund Balance	41,341

STATEMENT OF EXPENSES

Regional Support to Operations, Org. Strengthening & Awareness-raising

Methodology to foment the participation of ethnic groups in the 2005 census	43,000
Training Courses on the Design & Analysis of Household Surveys	80,000
Afro-Brazilian Observatory	80,000
Support to Afro-Colombian Community on issues related to participation, transparency and inclusion	70,000
Seminar on Challenges in Higher Education for Indigenous Peoples	15,000
Strengthening of social inclusion organizations for Afro-descendants, women and persons with disabilities	50,000
Support for the strengthening of Afro-Ecuadorian organizations	80,000
Support for Participatory Formulation of Public Policies that protect the rights of indigenous peoples	50,000
Design and Development of the IDB Social Inclusion Awareness Campaign	80,000
Support for incorporating social inclusion in the activities of the Ministry (cancelled) for Small Farming, Indigenous, Agro-Fishery Issues	(58,000)

Research & Technical Support

Race and Ethnic Inequality in Health and Health Care	70,000
Census and Socio-cultural analysis of indigenous street vendors	50,000
Social Exclusion in Education in Latin America and the Caribbean	56,000
Improving Disability Data in the Southern Cone	48,000
Study on Social Exclusion of institutionalized mentally and physically disabled persons in Latin America and the Caribbean	80,000
Lessons Learned on Social Inclusion	88,000
MDGs, Race & Ethnicity Conference and New Voices Travel Grants	85,000
Technical and Advisory Support to the Fund	78,000
LAC Case Study Research	52,000
Social Inclusion Trust Fund: Operational Development	112,000
Seminar and Outreach Activities	38,000

Total 1,306,601

2003 IDB Social Inclusion Operations

ANNEX I

REGION	TYPE	GROUP	SI MECHANISM	PROJECT NUMBER	NAME OF PROJECT	TOTAL PROJECT COST	TOTAL IDB FINANCING	OBJECTIVES
RE1	Loan	Ind	Includes components (promotes bilingual and multicultural curriculum)	BO-0178	Education Reform II (Reforma Educativa II)	41,200,000	36,000,000	To consolidate the curricula reform process for mandatory primary education. This is the second phase of the Education Reform Program in Bolivia.
RE1	Loan	Afr-Ind	Includes activities (gender and socio-cultural appropriate approaches)	BR-0373	Culture and Citizenship for Social Inclusion (Cultura y Ciudadanía para Inclusión Social: Fábrica de Cultura)	30,000,000	20,000,000	To promote equal access and the participation of young boys and girls at social risk in the municipality of São Paulo to quality artistic and cultural activities which would contribute to their overall development and social inclusion. The Program comprises 3 components: (1) support to artistic and cultural projects; (2) infrastructure and equipment and (3) institutional strengthening that includes follow-up and evaluation, training and communication.
RE1	Loan	Ind	Includes activities (promotion and dissemination activities addressing indigenous and women)	BO-0179	Support for Rural Production Program (Programa de Apoyo Productivo Rural)	15,000,000	13,500,000	To contribute to improving the quality of life and the reduction of poverty levels if rural communities through the provision of new opportunities and income and capacity building of planning and coordination in the public sector and civil society.
RE1	Loan	Ind	Targeted	CH-0172	Community-based Tourism Development (Chiloe and Palena) (Desarrollo Turismo de Base Comunitaria - Chiloé y Palena)	15,000,000	10,500,000	To increase opportunities for better paid employment and preserve the area's historical, cultural and natural heritage. With the aim of increasing the area's tourism earnings, the Program will comprise 5 components: (1) monitoring of the quality of the environment (2) community training and small business ventures (3) improved tourist attractions (4) infrastructure and (5) cultural and natural development

2003 IDB Social Inclusion Operations

<u>REGION</u>	<u>TYPE</u>	<u>GROUP</u>	<u>SI MECHANISM</u>	<u>PROJECT NUMBER</u>	<u>NAME OF PROJECT</u>	<u>TOTAL PROJECT COST</u>	<u>TOTAL IDB FINANCING</u>	<u>OBJECTIVES</u>
RE1	Loan	Ind	Includes activities under subcomponents	CH-0174	Rural Electrification Program	57,200,000	40,000,000	To define and implement an investment program for rural electrification for network extension projects and out-of network (self-generation). To strengthen the strategy for sectoral programming and the formulation, design, implementation, follow-up and evaluation process, of rural electrification projects.
RE1	Loan	Ind	Includes activities	PR-0124	Basic and Pre-school Education	260,000,000	23,400,000	To improve the integral education of children under 6 years, broadening its coverage with quality and equity criteria, strengthening institutional management and the participation of the family and community. Some main components are: (1) Support to policy formulation (2) Support to the human resource training (3) Improvement of pre-school education and (4) Support to informal basic education
RE2	Loan	HIV	Targeted	GU-172	Fight Against AIDS		20,000,000	To support comprehensive interventions for prevention and attention to persons living with HIV/AIDS in conjunction with the implementation of a donor program from the Global Fund for AIDS, Malaria and Tuberculosis for which the government has requested approximately US\$40 million.
RE2	Loan	Sector		PN-0152	Sustainable Management of Coastal Areas		5,000,000	To support the Maritime Authority of Panama

2003 IDB Social Inclusion Operations

<u>REGION</u>	<u>TYPE</u>	<u>GROUP</u>	<u>SI MECHANISM</u>	<u>PROJECT NUMBER</u>	<u>NAME OF PROJECT</u>	<u>TOTAL PROJECT COST</u>	<u>TOTAL IDB FINANCING</u>	<u>OBJECTIVES</u>
RE2	Loan	Sector		GU-150	Investment Program for Potable Water and Sanitation	55,600,000	50,000,000	To increase the use of potable water and sanitation services in rural areas so that it is consistent with the objectives of the government for managing the sector. To support autonomous water committees or other legally established committees, community organizations or small businesses created to provide these services. The Program will finance the capital cost of water and sanitation projects.
RE3	Loan	Ind		EC-0216	Social Sector Program	200,000,000	200,000,000	To provide support to the government of Ecuador in introducing reforms in the social sector aimed at consolidating the social protection network for the poorest or the poor, achieving adequate levels of social spending and improving efficiency.
RE3	Loan	Ind	Indirect impact through improvements in rural zones	SU-0023	Basic Education Improvement Project	14,000,000	12,500,000	To improve primary education through the provision of teaching materials in schools, the modernization of teaching content and methods and reforms in the school administration in order to give schools more autonomy.
RE3	Loan	Sector		PE-0218	Support to the Housing Sector	75,000,000	60,000,000	To support the transformation of the housing sector, a program recently undertaken by the government of Peru. This process will initiate different government interventions in the sector and encourage the participation of the private sector in the production and financing of houses for low-income groups.

2003 IDB Social Inclusion Operations

<u>REGION</u>	<u>TYPE</u>	<u>GROUP</u>	<u>SI MECHANISM</u>	<u>PROJECT NUMBER</u>	<u>NAME OF PROJECT</u>	<u>TOTAL PROJECT COST</u>	<u>TOTAL IDB FINANCING</u>	<u>OBJECTIVES</u>
RE3	Loan	Sector		TT-0057	Public Sector Reform Program	6,300,000	5,000,000	To support the government of Trinidad and Tobago in improving the composition of its public spending as well as the efficiency and effectiveness of the public sector, thereby freeing up resources for productive investment (physical and human) and improving service delivery.
RE3	Loan	Sector		CO-0241	Social Housing Program	275,000,000	150,000,000	To support the government of Colombia in improving the provision of social housing in urban areas of the country by financing and improving the urban social housing subsidy system and strengthening institutions in the housing sector.
<u>TOTAL LOANS</u>							<u>645,900,000</u>	

2003 IDB Social Inclusion Operations

<u>REGION</u>	<u>TYPE</u>	<u>GROUP</u>	<u>SI MECHANISM</u>	<u>PROJECT NUMBER</u>	<u>NAME OF PROJECT</u>	<u>TOTAL PROJECT COST</u>	<u>TOTAL IDB FINANCING</u>	<u>OBJECTIVES</u>
RE1	TC	Other vulnerable		TC 0001023 ATN-JC-8198-BO	Modernization of Public Transport in La Paz	900,000	750,000	To conduct the preparatory technical studies required for the modernization of the public transport system in the metropolitan area of La Paz, giving priority to a mass transport system that will be coherent with urban development and environmental management plans, with the aim of improving the quality of life of the population.
RE1	TC	Afr-Ind		TC 0303027 ATN/JF-8327-BR	Support to the Program on Culture and Citizenship for Social Inclusion	562,600	450,080	To support the preparation of the Program on Culture and Citizenship for Social Inclusion (PCCSI) as a means of increasing the levels of efficiency and effectiveness in the social programs of the State Secretariat for Culture in São Paulo.
RE1	TC	Other vulnerable		TC 0201026	Program for the Promotion of Family-grown Agricultural Exports		1,000,000	To address the needs for technical assistance to the family rural producers, helping them to introduce their production in organic and natural products markets. The program will benefit small rural producers.
RE1	TC	Other vulnerable		TC 0106031	Strengthening of Networks of Civil Society Organizations through Information Technology		520,000	To allow civil society organization and community members to participate in the benefits associated to the use of the information technology. The program will work with social groups in high poverty areas, providing them with useful and reliable information to incorporate new knowledge in their environment, and to make a better use of public services.

2003 IDB Social Inclusion Operations

REGION	TYPE	GROUP	SI MECHANISM	PROJECT NUMBER	NAME OF PROJECT	TOTAL PROJECT COST	TOTAL IDB FINANCING	OBJECTIVES
RE2	TC	Afr		TC 0301052	Best practices for the social and political inclusion of Afro-descendant women		90,000	To make visible to policy-makers the very specific constraints faced by Afro-descendant women in Central America and the need for explicit attention to the situation of this group in order to achieve equitable growth. Secondly, the TC intends to explore how to most effectively address the constraints faced by Afro-descendant women in program and policy design within the Central American context.
RE2	TC	Sector		TC 0011010	Support to the National Program for Integrated Coastal Management		150,000	To design a program for strengthening the institutional capacity of the AMP and in particular, the DGRMC in order to coordinate the National Program for Integrated Coastal Management.
RE3	TC	Ind	Targeted	TC 0011050 ATN/JF-8209-CO	Coordination of Indigenous Jurisdiction and the National Judicial System	930,000	650,000	To lay the foundation for the coordination between indigenous judicial systems and the National Judicial System. To establish an adequate regulatory framework for improving the quality of justice service through the consolidation of the indigenous judicial systems and the identification of concrete needs for more effective application of indigenous justice as well as provide support to the CSJ.
RE3	TC	Afr	Targeted	TC 0108020 (FOE)	Support for Afro-Ecuadorian Organizational Strengthening	175,000	70,000	To contribute to organizational and institutional strengthening for Afro-Ecuadorian organizations by targeted actions and interventions in areas such as leadership and lobbying skills, participation and organizational structure and management.
<u>TOTAL TC</u>							<u>3,680,080</u>	
				Loans	14	645,000,000		
				TC	8	3,680,080		
				Total	22	649,580,080		

ANNEX II

IDB IN-KIND CONTRIBUTIONS 2003

Social Inclusion Policy Coordination and Support

Staff Time

SI Fund Technical Committee

SDS

Administrative Support

Estimated Contribution

21 staff months

81 staff months

12 staff months

IDB Social Inclusion Projects³

Staff Time

Regional Operating Departments

Loans

Technical Cooperation

Estimated Contribution

206 staff months

17 staff months

Remunerated Staff Cost

Regional Operating Departments

Loans

Technical Cooperations

US\$3,537,100

US\$230,626

³ This is the estimated staff time and cost reported for preparing each of the IDB operations listed in Annex I. This estimation is based on data collected by the Bank's Strategic Planning and Budget Department on professional staff time reported via the IDB TRS (time management) system. Administrative staff time and travel costs associated with these operations are additional.

ANNEX III

Minister of Education, Trinidad & Tobago

Port of Spain, Trinidad
March 24, 2004

Dr. Mayra Buvinic
Division Chief
The Social Development Division
The Inter-American Development Bank
1300 New York Avenue NW
Washington DC 20577
USA

Dear Dr. Buvinic,

I congratulate the Social Inclusion Trust Fund of the Inter-American Development Bank for its conscientious work in advancing social inclusion during its first year of operation. I also wish to commend the donors to the Fund for their generosity and commitment to this issue. Financing sources specifically dedicated to the very important goal of social inclusion are uncommon. Consequently, the Fund plays a unique and pivotal role in supporting innovative initiatives that could have a broader impact on social development projects in Latin America and the Caribbean.

Like the other countries in the region, Trinidad and Tobago is deeply committed to eradicating poverty and promoting social equity. In fact, these goals constitute two of the main pillars of the Trinidad and Tobago government's Vision 2020 Plan for elevating the quality of life for all citizens, ensuring equal access to quality services and building a more inclusive and cohesive society.

I am particularly pleased that Trinidad and Tobago will benefit from specific projects financed by the Fund in areas such as increased data and information on disability issues, the quality of and access to education and health services as well as general public awareness of social inclusion. I am confident that the activities supported by the Social Inclusion Trust Fund will ultimately contribute to enhanced policy and action in favour of a more equitable development approach and a better quality of life for all.

Sincerely,

Hazel Manning
Minister of Education

Ministry of the Interior, Colombia

Santa Fe de Bogotá,
May 17, 2004

Mayra Buvinic
Division Chief
Social Development Division
The Inter-American Development Bank
Washington DC

Dear Mayra,

I wish to extend sincere thanks to the Social Inclusion Trust Fund, managed by the Social Development Division of the IDB for its support to efforts aimed at promoting social inclusion in Colombia. I am particularly thankful for the technical support given to our Unit of Ethnic Groups in the Ministry of Government and Justice in the preparation of a policy document to address key issues concerning Afro-Colombians. The support of the Social Inclusion Trust Fund is pivotal to ensure a large representation of Afro-Colombians in the dialogue between members of my team and this community.

I am also pleased that Norway and the United Kingdom have generously contributed to the Social Inclusion Trust Fund and are supporting the social inclusion agenda in Latin America and the Caribbean. Given the current fiscal constraints faced by our country and region, as well as the difficulties facing the vast majority of Afro-Colombians, such support from the international community for the advancement of excluded groups, is particularly opportune.

In our efforts to promote democratic security in Colombia, we are cognizant of the urgent need to continue working towards overcoming inequity, exclusion and marginalization. We strongly support more inclusive approaches that call for a more comprehensive analysis of poverty and an expansion of opportunities that benefit all individuals and groups.

Yours truly,

Martha Luz Chaverra
Coordinator of Afro-descendant Issues
Unit for Ethnic Groups

National Council for the Prevention of Discrimination (CONAPRED), Mexico

Mexico City
March 26, 2004

Mrs. Mayra Buvinic
Chief – Social Development Division
Inter-American Development Bank

Dear Mayra:

I wish to express my strong support for the Social Inclusion Trust Fund, established in February, 2003, thanks to the support of the government of Norway and the British Department for International Development (DFID). I am very pleased to know that for the first time, the region will benefit from this type of initiative that would contribute to inclusion and vindication processes for groups that have been traditionally excluded because of characteristics such as ethnicity, race, disability and illness, among others.

This type of cooperation is key for advancing the fight against discrimination in Latin America and the Caribbean since it enables excluded groups to become more strongly organized so that they can have a greater influence on political processes and the protection of human rights. Discriminatory practices and patterns can only be changed through inclusive and compensatory policies that allow excluded groups to acquire develop human capital and contribute to the development process. Only in this way can we work towards a culture of tolerance and respect for diversity, based on true equality and social cohesion.

In the hope that there will be continued strengthening of alliances for a region without discrimination, I wish to reiterate the assurances of my highest consideration.

Sincerely,

Gilberto Rincón Gallardo
President
National Council for the Prevention of Discrimination (CONAPRED)
Mexico

NGO recipient of New Voices Travel Grant, Ecuador Ecuadorian Center for Development and Alternative Studies (CEDEAL)

Quito, Ecuador
February 11, 2004
Mrs. Mayra Buvinic
Mrs. Marcela Peñaloza

I wish to extend warm greetings to you both. I did not want more days to go without sending a note expressing my heartfelt thanks for having given me the opportunity to participate in the Training Workshop on Leadership and Socio-economic Development for Afro-descendant communities in Latin America and the Caribbean.

This event was a great experience and a valuable learning opportunity for the work that we are developing with Afro-descendant organizations and communities here in Ecuador.

At the end of this month, we will be having an information workshop on our participation in and content received from the event in Honduras to be attended by women who belong to the Afro-Ecuadorian Collective of Alto and Bajo Borbón, with the objective of disseminating information and motivating them to continue working towards their objectives, especially given the experiences and networks that exist at the regional level, experiences with which we are unfamiliar in this area.

The support of the IDB for this process is of great importance for the development of the Afro-descendant people and the many organizations that represent them. With respect to our specific work, using the information and knowledge gained in the Workshop, we will work hard so that the organizations that we support will be able to undertake their own participation initiatives and will have the opportunity to bring their own experiences to the table at different events in the future.

In Honduras, I had the opportunity to meet Jacqueline Mazza, with whom I exchanged ideas on the actions that we are carrying out and I mentioned that there may be opportunities for contacts and future actions with other organizations, especially possible exchanges with Colombia and regional processes with Afro-descendant women who live on the border region of Chocó. We will continue developing this possibility and will keep you posted on the progress made.

Another action that I considered important is the exchange with a friend of the Movement, Mrs. Mae Montaña who is at present the Minister of the Embassy of Ecuador in Washington on the possibility of working on establishing a university-level scholarship fund as well as an Institute for Afro-Ecuadorian Studies in Esmeraldas. On this issue, I also spoke with participants from Brazil and Panama in order to exchange ideas on experiences that exist in these two countries.

The opportunity that the IDB has given our organization is of significant importance for future activities and for this, I thank you and hope to be able to keep in touch.

Regards,

Patricia Gálvez Z.
Ecuadorian Center for Development and Alternative Studies
(Centro Ecuatoriano de Desarrollo y Estudios Alternativos - CEDEAL)

ACKNOWLEDGEMENTS

The Annual Report for the Social Inclusion Trust Fund was prepared by Stacy Richards-Kennedy, Chief Technical Advisor to the Fund. Sincere thanks are extended to Jacqueline Mazza, Juliana Pungiluppi and Marcela Peñaloza for their invaluable contributions. Special thanks also go to Graciela Testa and Ana Filonov for their assistance with editing and proofreading and to Eduardo Ramirez and Joe Garcia for the cover design, layout and publication of the report.



INTER-AMERICAN DEVELOPMENT BANK
The Social Inclusion Trust Fund
Social Programs Division
Sustainable Development Department
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