

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PANAMA

**COMPREHENSIVE SECURITY PROGRAM
(PROSI)**

(PN-L1003)

LOAN PROPOSAL

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Electronic Links and References	
Basic socioeconomic data	http://www.iadb.org/RES/index.cfm?fuseaction=externallinks.countrydata
Portfolio in execution	http://ops/approvals/pdfs/PNen.pdf
Tentative lending program	http://opsgsl/ABSPRJ/tentativelending.ASP?S=PN&L=EN
Information available in the RE2/SC2 technical files	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM-#734450
Procurement plan/Mean of verification	http://idbdocs.iadb.org/WSDocs/getDocument.aspx?DOCNUM=766972
Execution plan	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM#730855

ABBREVIATIONS

AWP	Annual work plan
CGR	Contraloría General de la República [Office of the Comptroller General of the Republic]
CODIPRO	Comité Directivo del Programa [Program Steering Committee]
CONACULTA	Consejo Nacional para la Cultura y las Artes [National Council for Culture and the Arts]
CONADEC	Comisión Nacional de Análisis de Estadísticas Criminales [National Crime Statistics Analysis Commission]
CSO	Civil society organization
CSP	Citizen security program
DEPI	Dirección de Educación Preventiva Integral [Preventive Comprehensive Education Directorate]
DINAMU	Dirección Nacional de la Mujer [National Women's Directorate]
EOP	End of project
FECE	Fondo de Equidad y Calidad de la Educación [Equity and Quality of Education Fund]
FIS	Fondo de Inversión Social [Social Investment Fund]
GDP	Gross domestic product
IMA	Interagency management agreement
INAC	Instituto Nacional de la Cultura [National Institute of Culture]
INCRIDEFA	Información de Incidentes Criminales, Denuncias y Faltas Administrativas [information on criminal incidents, reported crimes, and administrative misconduct]
INDE	Instituto Nacional del Deporte [National Institute of Sports]
INADEH	Instituto Nacional de Capacitación para el Desarrollo Humano [National Training Institute for Human Development]
MEDUCA	Ministerio de Educación [Ministry of Education]
MEF	Ministerio de Economía y Finanzas [Ministry of Economic Affairs and Finance]
MIDES	Ministerio de Desarrollo Social [Ministry of Social Development]
MINGOB	Ministerio de Gobierno y Justicia [Ministry of the Interior and Justice]
MINJUNMFA	Ministerio de la Juventud, la Mujer, la Niñez y la Familia [Ministry of Youth, Women, Childhood, and the Family]
MINSA	Ministerio de Salud [Ministry of Health]
NGO	Nongovernmental organization
ODSS	Oficina de Desarrollo Social Seguro [Office of Secure Social Development]
OEPV	Oficina Especial de Prevención de la Violencia y Atención Integral de la Población Estudiantil [Special Office for Violence Prevention and Comprehensive Assistance for the Student Population]
OSEGI	Oficina de Seguridad Integral [Comprehensive Security Office]
POA	Plan of action

PROSI	Programa de Seguridad Integral [Comprehensive Security Program]
PTI	Poverty targeted investment
SIAFPA	Sistema de Administración Financiera de Panamá [financial administration system of Panama]
SIEC	Sistema Integrado de Estadísticas Criminales [integrated crime statistics system]
SWOT	Strengths, weaknesses, opportunities, threats
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund

PROJECT SUMMARY

PANAMA COMPREHENSIVE SECURITY PROGRAM (PROSI) (PN-L1003)

Financial Terms and Conditions ¹				
Borrower: Republic of Panama Executing agency: Ministry of the Interior and Justice (MINGOB)			Amortization period:	25 years
			Grace period:	5.5 years
			Disbursement period:	5 years
Source	Amount	%	Interest rate:	Variable
IDB (Ordinary Capital)	US\$22.7 million	90	Inspection and supervision fee:	0%
Local	US\$2.4 million	10	Credit fee:	0.1%
Total	US\$25.1 million	100	Currency:	U.S. dollars from the Single Currency Facility
Project at a Glance				
<p>Project objective: To help improve citizen coexistence and security in the municipalities with the highest rates of violence: Colón, David, Panama City, and San Miguelito, through strategic, comprehensive, interagency, participative actions to prevent juvenile violence. The management capacity of the national and local institutions responsible for security and youth development will be boosted, with a view to reducing youth participation in violence and crime (see paragraphs 2.1 and 2.2).</p> <p>Special contractual conditions precedent to the first disbursement:</p> <p>a. Issue of an executive decree ordering the establishment of the Comprehensive Security Office (OSEGI) and appointment of the personnel necessary for it to operate (see paragraph 3.2).</p> <p>b. Signature of interagency management agreements between the executing agency and the Ministry of Social Development (MIDES), Ministry of Education (MEDUCA), and the municipal governments of Panama City, San Miguelito, David, and Colón and the issuance of ministerial resolutions that order and regulate participation in program execution by the National Police Force and National Crime Statistics Analysis Commission (CONADEC) (see paragraph 3.6).</p> <p>c. Implementation of the Operating Regulations and their annexes pursuant to a ministerial resolution issued by the executing agency (see paragraph 3.11).</p> <p>Special contractual clause: MINGOB undertakes to present to the Bank a plan for the consolidation of OSEGI and its financing (see paragraph 4.8) by the end of year three of the program.</p> <p>Exceptions to Bank policies: None.</p> <p>Project consistent with country strategy: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Project qualifies as: SEQ <input checked="" type="checkbox"/> PTI <input type="checkbox"/> Sector <input type="checkbox"/> Geographic <input checked="" type="checkbox"/> Headcount <input type="checkbox"/></p> <p>Procurement: See paragraph 3.14. Verified by CESI on: 2 December 2005.</p>				

¹ The interest rate, credit fee, and inspection and supervision fee mentioned in this document are established pursuant to document FN-568-3 Rev. and may be changed by the Board of Executive Directors, taking into account the available background information, as well as the respective Finance Department recommendations. In no case will the credit fee exceed 0.75%, or the inspection and supervision fee exceed 1% of the loan amount.*

* With regard to the inspection and supervision fee, in no case will the charge exceed, in a given six-month period, the amount that would result from applying 1% to the loan amount divided by the number of six-month periods included in the original disbursement period.

I. FRAME OF REFERENCE

A. Socioeconomic framework

- 1.1 Panama ranks among the countries of the region with the best economic performance, with average annual growth of 4.5% (1961-2004),¹ which is the fifth best in the region and a high level of investments as a percentage of its GDP (29% in 2001-2003), which exceeds the Latin American average of 18%. This growth has focused on the services sector, mainly concentrating around the Canal (about 75% of GDP), the Colon free zone, the International Banking Center, and the tourism sector. In contrast, Panama presents high levels of inequality, marginalization, and unemployment, which have a heavy impact on citizen insecurity.

B. The sector

- 1.2 Panama has not yet experienced violence of the scope and magnitude of other countries in the region, although there has been a significant increase in insecurity indexes in the last five years. The topic of citizen security has become extremely relevant in the current administration, which has attached high priority to violence prevention and has expressed its interest in promoting citizen security programs (CSPs) and policies in order to keep social inequality, risk factors, and national and international migration to urban areas, particularly Panama City, which could intensify if the project to expand the Canal is approved in the referendum, from leading to violence on an alarming scale as has occurred in other Latin American urban areas.
- 1.3 According to Latinobarómetro (2005), in Panama the perception of insecurity is high: 87% of Panamanians believe that delinquency has increased and 21% report having been the victim of a crime. Also, confidence in the security institutions has declined, the image of the National Police Force has deteriorated, and 46% believe that the justice system fails to punish criminals and that the prison system is inadequate.
- 1.4 The 2005 homicide rate per 100,000 people was moderate compared to the Latin American average (12.9 vs. 30), but it is on the rise. In the last five years, drug-related crime grew by 10.5% a year, crimes against property by 4.6%, robberies by 9.9%, and sex crimes by 3.7%. Over the same period, there was a rise of 4.9% a year in juveniles charged in court. Between 1998 and 2001, youth involvement in crimes grew by 6.3% a year. Crime statistics indicate that most of the victims and perpetrators are youths between the ages of 12 and 29.

¹ Except for 2001-2002 owing to an economic slump.

- 1.5 Panama does not have the same problem with street gangs (*maras*²) as other Central American countries, but the phenomenon of teenage gangs (*pandillas*) has been growing and has become a threat to citizen coexistence in urban areas. According to reports from the Technical Judicial Police Force, there are a total of 70 youth gangs in Panama City, 41 in San Miguelito, 12 in Colón, and 6 in David. No youth gangs have been identified in the rest of the country. They present different degrees of dangerousness and, given the fact that they are growing, now is the time to take preventive and rehabilitative action, before the phenomenon becomes more complicated.
- 1.6 The problem of violence in schools has also grown in recent years. The Ministry of Education (MEDUCA) reports that between 2000 and 2002, fights among students grew by 26.9% a year, alcohol consumption by 10.5%, and, to a lesser extent but with serious implications, there has been a rise in school dropouts, drug use, disrespect for authority, and the possession of knives and guns. The education system has developed prevention projects, but they are isolated and limited. Parents have not been aware of the problem and do not know how to come to grips with it.
- 1.7 Domestic violence is a serious problem in Panama and is one of the causes of juvenile violence, particularly when children are abused. Men account for 74% of the abusers, while most of the victims are women (84%) and children under 19 (58%). According to the records of the National Crime Statistics Analysis Commission (CONADEC), in 2003 the National Police Force and the Technical Judicial Police Force investigated a total of 2,461 cases of domestic violence, including sexual and psychological abuse, rape, and child abuse.³
- 1.8 The characterization of violence in Panama is based on different studies conducted by the country and studies financed by the Bank. In 2002, a study entitled “*La Caracterización y Magnitud de la Violencia en Panamá* [Characterization and extent of violence in Panama] financed by the Bank found that the phenomenon is predominantly urban and that it is concentrated in three provinces: Panama; Colón, and Chiriquí. Reports by the National Police Force in 2004 indicated that 70% of all homicides in the country took place in Panama, 11% in Colón, and 6.5% in Chiriquí. The hardest hit municipalities in these provinces are Panama City, San Miguelito, David, and Colón, where about 40% of the country’s population lives.

² The Central American street gangs (*maras*) are organized groups of youths, with a large number of members and sympathizers. They have cells in different places, commit violent crimes, have rules that govern the group, and in some cases are linked to organized crime. The Panamanian street gangs (*pandillas*) are isolated territorial groups, with smaller numbers, that mainly commit petty crimes.

³ Ministry of Social Development (MIDES) statistics suggest that a larger number of cases go unreported and untreated, which are difficult to quantify because no complaints are laid. A study in the municipality of San Miguelito found that 32% of women are affected by domestic violence.

- 1.9 In the course of designing the program, in 2005 the foregoing analysis was fleshed out with a diagnostic study and surveys (on victimization and habits and attitudes) of youths attending and not attending school,⁴ which show that the heightened perception of insecurity is linked to the presence of street gangs. They highlight the following as causes and risk factors that lead youths into crime or violence and/or to join gangs: dropping out of school, leaving home, and friendship with gang members. One path that leads to gang membership starts with activities related to drugs, alcohol, and sex, which are used by the gangs to attract youths. The program will address these causes and factors through the CSPs (see paragraphs 2.14 to 2.17).
- 1.10 Another study of youth gangs carried out in the course of designing the program conducted interviews with gang members and identified the following typical profile: between the ages of 13 and 25, not in school, unemployed, and victims of domestic violence (most come from broken families and have been abused). The main problems have been identified as: drug consumption and sale, alcohol use, weapons possession, armed robbery, territorial disputes, early sexual activity, and poor living conditions (overcrowding). The young people interviewed said that they valued work, school, technical and vocational training, financial assistance, health care, and close relations with their families. These aspects have been considered in designing the intervention model to be used in the program (see paragraph 2.15).

C. Institutional assessment

- 1.11 In designing the program, an analysis was conducted of the institutional capacity of the public institutions with legal responsibilities for security and violence prevention: The Ministry of the Interior and Justice (MINGOB), the Ministry of Social Development (MIDES), the Ministry of Education (MEDUCA), the National Police Force, and the municipal governments of Panama City, San Miguelito, David, and Colón. The study was based on the Bank's Institutional Capacity Assessment System (ICAS) and a SWOT approach. It highlighted the following aspects.
- 1.12 **The Ministry of the Interior and Justice** has responsibilities related to the protection of lives and property, public security, and national defense. By law, MINGOB has the mandate of preventing crime and rehabilitating offenders. Under the previous administration, a zero tolerance and get tough approach was adopted, but the measures did not have the expected impact. The current administration went back to the strategy of prevention and only uses repression for organized and serious crime. The government has also taken steps to modernize the National

⁴ Rubio, Mauricio, IDB consultant's report. "*La Faceta Ignorada de la Violencia Juvenil. El Caso de Panamá*" [The disregarded facet of juvenile violence. The case of Panama]. December 2005. This study was based on field work (surveys) conducted in the provinces of Panama, Colón, and Chiriquí.

Police Force, focusing on greater efficiency and better equipment and police intelligence.

- 1.13 MINGOB has issued guidelines for defining a security policy but it is still in the process of shaping a comprehensive vision of security and defining the responsibilities and actions incumbent on national and municipal institutions. However, MINGOB does not yet have a body to bear responsibility for security, which is a role assigned to it by law. Therefore, the program will create a Comprehensive Security Office (OSEGI),⁵ which will consolidate policy and act as a core unit in MINGOB for the future creation of an office of the deputy minister for security (see paragraphs 3.1, and 3.3).
- 1.14 **The National Police Force** reports to MINGOB and is responsible for the public order and citizen security. It has made progress in its modernization process but still requires improvements in: strategic planning, human resource selection and training, extension of community policing programs, supervision and internal control of police conduct, and equipment. It has financed the equipment with own resources. The program will provide financing for the other actions linked to crime prevention (see paragraphs 2.9 and 2.14(iii)).
- 1.15 Among the reforms carried out on the prevention level in the field of citizen security, mention should be made of the newly-created National Directorate of Special Services, which includes community affairs, domestic violence response, and gang management units. Under the program, the police force is planning to establish a pilot corps to gain a better understanding of the social problems of communities, families, and youths, and of domestic violence. At present, the force is making efforts for closer community relations, through some specific violence prevention programs: *Niños y Niñas Seguros* [Safe Boys and Girls], *Promotores Policiales para Prevención del Uso Indebido de Drogas* [Police Promoters for the Prevention of Illegal Drug Use] and *Apoyo a las Actividades Preventivas de la Comunidad* [Support for Community Prevention Activities].
- 1.16 **The National Crime Statistics Analysis Commission (CONADEC)** is an agency of MINGOB created in 1991 to handle crime information. It coordinates information from the National Police Force, the Public Prosecutor's Office, and the Forensic Medicine Institute. However, information compilation is not systemized which limits its timely availability for good decision-making and public policy planning. The statistics produced by CONADEC are not sufficient and are not adequately crossed with data from different sources, and therefore do not provide an accurate view of the status of crime and violence. This is the consequence of the lack of information and of processing and analysis capacity. Therefore, the program

⁵ OSEGI was established to help design the program, with a core staff, and will be formalized once the program is approved.

will establish an integrated crime statistics system (SIEC) and a violence observatory (see paragraphs 2.5 to 2.7).

- 1.17 **The Ministry of Social Development (MIDES)** was created in 1997 as the Ministry of Youth, Women, the Child and the Family (MINJUNMFA) and was transformed into its current configuration in 2005. It has powers as the lead agency for the planning, execution, and coordination of government policies and programs for the prevention of violence against youths, women, children, and the family. It is also responsible for assisting youths at social risk, including the members of street gangs, and rehabilitating youths interned in youth detention centers.⁶ MIDES presents institutional weaknesses in strategic planning and the training of human resources in this function. In the area of prevention, MIDES has carried out some specific programs for primary, secondary, and tertiary prevention:⁷ in primary prevention the *Mano Amiga* [Helping Hand], and in secondary *Por una Esperanza* [Fresh Start]. However, the programs suffer from weaknesses in planning, scope (they are short term), and they have no evaluation indicators. In tertiary prevention, assistance is offered through the detention centers, but it is not comprehensive and trained staff and suitable physical spaces for operations are in short supply. The program will support institutional strengthening for MIDES in violence prevention, by building up the Office of Secure Social Development (ODSS) and upgrading existing programs to make them more effective. Support will also be provided for the Tocuemen Detention Center, considering that it holds the largest number of youths (Table I-2) (see paragraphs 2.10, 2.14(v), and 2.15 to 2.17).
- 1.18 In the area of prevention, the **Ministry of Education** is responsible for guaranteeing the right to comprehensive development of children and adolescents attending school. It performs this task through the Preventive Comprehensive Education Directorate (DEPI), the Psychoeducational Services Directorate, the Student Affairs Directorate, the Population Office, and the Human Development Directorate. The directorates have trained, committed human resources. However, they plan and implement programs independently, unnecessarily duplicating efforts and limiting the effectiveness and impact of their actions. Several initiatives have been undertaken to control risk factors for juvenile violence (*Familias Unidas en Prevención*, *Juventud en prevención del uso indebido de drogas*, *Únete a los ganadores*, and *Somos triunfadores*) [Families United for Prevention, Youth against Drug Abuse, Join the Winning Team, and We are Winners], but the only program that has been underway since 2003 is *Jóvenes contra el Delito* [Youth against

⁶ The youth detention centers [*Centros de Cumplimiento*] are designed for young offenders between the ages of 14 and 18.

⁷ (i) Primary prevention for vulnerable children and youths exposed to risk factors that could contribute to their involvement in crime and violence; (ii) secondary prevention for youths at risk because they are gang sympathizers or members, involved in prostitution, or victims of family violence; and (iii) tertiary prevention for youths in detention for having broken the law.

Crime].⁸ It is carried out in coordination with the National Police Force as a pilot project. The program proposes to integrate this and other initiatives mentioned into the program *Juntos por una Comunidad sin Violencia* [Working Together for a Violence-free Community]. Coordination among the directorates to operate the program will also be strengthened (see paragraphs 2.11 and 2.14(i)).

- 1.19 **Municipal governments of Panama City, San Miguelito, Colón and David.** These governments have the responsibility of guaranteeing reasonable civic coexistence. However, the programs they have carried out are incipient and require better strategic planning to have an impact. The present program proposes to strengthen these municipal government so they can implement comprehensive citizen security programs (see paragraphs 2.12 and 2.14(ii)).

D. National budget for citizen security programs

- 1.20 Between 2001 and 2005, national spending on security rose from US\$195 million to US\$235 million (4.1% annual growth), with the budget for preventive actions growing by 5.9%, and the budget for repressive actions by 2.1% over that period.
- 1.21 The budget assigned to citizen security programs (CSPs) in the institutions involved in the program is small when compared to their general budgets. In 2005, about US\$13 million was invested, mainly for operating costs, particularly salaries. US\$1.6 million of that sum was used for investments and US\$11.5 million for operations. The program will lead to a significant increase in investments (infrastructure, the SIEC, and the monitoring and evaluation system) which will allow the CSPs to operate more efficiently. There will also be an increase in recurrent costs of US\$1.2 million a year, on average. MINGOB and the beneficiary institutions will be strengthened to absorb the increase in funds.

⁸ The program *Jóvenes Contra el Delito* is executed by MEDUCA in coordination with Fundación Roberto Boutet Díaz, which acquired rights from Youth Crime Watch of America, who have applied the program successfully.

Table I-1
Spending on CSPs out of the institutional budgets of the beneficiary institutions
2005 (in US\$)

Institution	Institutional budget for prevention and citizen security in 2005			Institutional budget	% assigned to prevention and citizen security	Annual average increase with the loan (PN-L1003)	
	Investment	Recurrent	Total			Investment	Recurrent
MINGOB (includes the National Police Force)	0	3,051,738	3,051,738	221,185,000	1.38	929,914	117,925
MIDES	1,424,600	4,121,100	5,545,700	17,684,000	31.36	509,152	557,412
MEDUCA	0	906,283	906,283	707,312,000	0.13	515,494	-
Panama City mun. govt.	176,100	2,942,100	3,118,200	55,812,300	5.59	364,432	218,000
Colón mun. govt.	49,100	32,000	81,100	7,334,900	1.11	253,291	96,626
San Miguelito mun. govt.	-	432,500	432,500	7,151,700	6.05	385,127	92,226
David mun. govt.	-	8,000	8,000	2,497,400	0.32	246,048	147,630
Total	1,649,800	11,493,721	13,143,521	1,018,977,300	1.29	3,203,457	1,229,818

E. Citizen security programs

- 1.22 In designing the program and the activities to be supported, the existing CSPs were reviewed, studying their strengths and weaknesses.⁹ It was found that they are partial and isolated and have not been formally evaluated. However, they form a good foundation for the preventive interventions proposed by the program.

Table I-2
Analysis of existing CSPs

TYPE OF PREVENTION: PRIMARY (assistance for vulnerable youths)				
Program: Helping Hand (executed January to December 2005)				
Purpose	Institutionalized	Description	Strengths and weaknesses	Coverage
To create community spaces and conditions for social interaction between adolescents attending school that favor tolerant social coexistence, through sports and culture in communities with the highest crime and violence rates in the municipalities of Panama City and San Miguelito.	No. Coordinated by MIDES but with no budget allocation or unit in charge inside the institution. This program was financed by several sources (UNICEF, MIDES, INAC, and Social Investment Fund (FIS).	Two strategic components focusing on: - Sports, carried out through soccer clinics to teach youths the techniques of the game and improve their self-confidence and values (discipline, team work, coexistence, conflict resolution). - Culture, through popular theater groups to support the development of personal skills (security in development) and sensitization to community problems.	Strengths: - The program had strategic partnerships (MEDUCA, INDE, INAC, MINSA, municipal government, and community) which were able to achieve social mobilization with different key players in prevention. - MIDES has drawing power to attract youths and legal powers for crime prevention and assistance for at-risk youths (Law 42 establishing MINJUNMFA). Weaknesses: - Program not institutionalized in MIDES and with no continuity. - Program with partial assistance (sports, culture, and only for adolescents in school), rather than comprehensive assistance which helps to have a greater impact on youths. - Limited coverage. - MIDES managerial capacity very limited owing to the lack of resources and strategic planning. - No evaluation to verify impact.	900 adolescents between the ages of 14 and 17 in the municipalities of Panama City and San Miguelito. Cost (US\$) Annual total 75,000 Annual per student 83.00 Impact indicators, evaluations: None.

⁹ The Project Team performed an analysis of the strengths and weaknesses of different CSPs based on the following criteria: (i) **institutionalization of the program**, to determine whether the institution had a unit responsible for the program to provide continuity and whether it allocated funds to the executing agency; (ii) **coverage**, to determine whether the program is/was being executed in the four beneficiary municipalities, since they have the highest crime and violence rates; (iii) **cost per beneficiary**, to review the program's economic feasibility and sustainability; (iv) **scope**, to review its completeness; and (v) **impact**, to review its effectiveness.

TYPE OF PREVENTION: PRIMARY (assistance for vulnerable youths)				
Program: Youths against Crime				
Purpose	Institutionalized	Description	Strengths and weaknesses	Coverage
To promote peaceful and active prevention of drug use, violence, and crime in and from schools.	Yes. Coordinated by MEDUCA in cooperation with the National Police Force.	Main elements: (i) A prevention model with institutions in charge of education and community surveillance. (ii) A emotional intelligence program. Components: Information on crime, conflict solution, mediation, emotional intelligence, student surveillance, safety on the bus, mentoring, education for crime prevention.	Strengths: Continuity. - Institutionalized in the school system. Weaknesses: Limited coverage. - Not coordinated with other prevention units in MEDUCA.	35,198 students (70% of all public school students in central Panama). Cost (US\$) Total (three years) 225,000 Annual, per student 2.13 Impact indicators None.
TYPE OF PREVENTION: SECONDARY (assistance for youths at risk)				
Program: Por una Esperanza [Fresh Start] (executed March-October 2005)				
Purpose	Institutionalized	Description	Strengths and weaknesses	Coverage
To offer job training and promotion for youths at risk because they are gang members.	No. Coordinated by MIDES but with no budget allocation or unit in charge inside the institution. Financed by several sources (European Community and MIDES).	Components: - Technical training for youths. - Drug use prevention. - Meal subsidy.	Strengths: - MIDES has the drawing power to attract youths and legal powers for crime prevention and assistance for at-risk youths (Law 42 establishing MINJUNMFA). - MIDES has expertise in the area. Weaknesses: - Program not institutionalized in MIDES and with no continuity. - MIDES managerial capacity very limited owing to the lack of resources and strategic planning. - Program with partial assistance, rather than comprehensive assistance which helps to have a greater impact on youths. - Limited coverage. - 90% of the operating costs were spent on pay for technical staff and the rest on activities for youths. - No evaluation to verify impact.	130 youths in gangs in a single high-risk community (San Felipe). Cost (US\$) Annual total 238,350 Annual, per student 1,833 Impact indicators None.
TYPE OF PREVENTION: TERTIARY (assistance for young offenders)				
Program: Assistance at the Tocumen Detention Center, Panama City				
Purpose	Institutionalized	Description	Strengths and weaknesses	Coverage
To offer rehabilitation for youths held at the Tocumen Detention Center to enable them to reintegrate into society after serving their sentences.	Yes. Assistance at this center is institutionalized in MIDES, which assigns a budget to the Interdisciplinary Studies Institute which is in charge of operating the Tocumen Detention Center.	The lines of intervention under the current model include: - Levelling activities for education. However, the education process at the center is not systemized. - Cultural activities. - Sports. - Psychopedagogical and health care.	Strengths: - Rehabilitation program institutionalized in MIDES, with legal powers to assist youths in conflict with the law (Law 42 establishing MINJUNMFA). Weaknesses: - Lack of suitable spaces for rehabilitating young inmates. - Insufficient technical and security staff, duly trained to provide assistance. - Program with partial assistance, rather than comprehensive assistance which helps to have a greater impact on youths. - MIDES managerial capacity very limited owing to the lack of resources and strategic planning. - No evaluation to verify impact.	100 young inmates. Cost (US\$) Annual total 404,850 Annual, per student 4,049 Impact indicators None.

F. The country's sector strategy

1.23 Panama attaches high priority to security, given that insecurity has been growing. It was one of the three main issues in the election campaign for the current government, alongside the fight against corruption, and job promotion. This

translated into the strategy *Objetivos y Metas del Gobierno de Patria Nueva 2004-2009* [objectives and goals of the Patria Nueva government 2004-2009], which includes five pillars: (i) to reduce poverty and improve income distribution; (ii) to develop an economic growth policy for job creation; (iii) to clean up public finances; (iv) to develop human capital; and (v) to reform and modernize the State. The proposed program supports several of these pillars. In the first, the strategy calls for a social protection system which, among other features, includes the promotion of comprehensive citizen security programs to reduce delinquency in poorer communities. The program is compatible with the fourth pillar since it will carry out activities for the personal development of young people, and there are synergies with the fifth pillar for modernization of the State, since the program will improve the efficiency of government institutions, such as MINGOB (responsible for the National Police Force and CONADEC), MIDES, and MEDUCA and will provide municipal strengthening through improvements in municipal management to take on responsibilities related to violence prevention.

- 1.24 The guidelines for Panama's citizen security policy are based on the following considerations: (i) to take on all its responsibilities in the different areas of security, the country has adopted the concept of comprehensive security with a view to underlining its multidimensional, differentiated, harmonious, democratic, and multilateral character; (ii) its multidimensional character responds to the need to develop an approach to the analysis and evaluation of security problems that reports, evaluates, and takes account of the external signs and the real and deep underlying social, economic, political, and cultural causes; (iii) this multidimensional projection underlines the need to work to resolve security problems, particularly crime prevention, with growing stress on social, cultural, and economic policy instruments intended to consolidate the development of democratic institutions and strengthen responsible civic behavior, and human solidarity.

G. The Bank's sector strategy

- 1.25 As established in the country strategy with Panama (document GN-2385-1 of 13 October 2005), the Bank's strategy has two objectives: (i) to boost the economy's competitiveness; and (ii) to develop the country's human and productive capital. In addition, the strategy incorporates efforts to strengthen governance and transparency as a cross-cutting dimension. The proposed program responds to the first objective by avoiding the negative impact of insecurity on investments and tourism. It also responds to the cross-cutting dimension, since it backs the strengthening of several of the institutions that support the country's democratic system, preserve order and legal and citizen security, and promote participation by civil society, and favors the process of decentralization and municipal development.

H. Program design

- 1.26 The problem of violence has multiple causes and therefore requires complementary actions that range from control and repression (short-term shock tactics) to longer term preventive actions. The program focuses on the latter to attack the roots of the problem, complementing the other actions carried out by the government for control and repression.
- 1.27 The program takes a comprehensive and preventive approach, including actions to strengthen the agencies responsible for civic coexistence and citizen security and preventive activities, linking the public sector (national and local governments) and civil society in actions to improve social coexistence in the communities at highest social risk and among the youths of those communities, through violence-prevention programs in schools, the creation of public spaces for social integration, and community and institutional actions. It also includes communications and awareness activities to sensitize both the public and the authorities.
- 1.28 The program was designed taking a comprehensive approach, based on the following aspects: (i) **simultaneous actions**: given the multiple causes of the problem, support will be provided for simultaneous activities and CSPs operated by national and municipal public institutions with community support; (ii) **actions throughout the cycle of violence**, including primary, secondary, and tertiary prevention to close the circle of violence;¹⁰ (iii) **focus on the group most heavily involved and most affected**: with youths between the ages of 12 and 29 being the main victims and victimizers; and (iv) **regional approach**: directed to geographic areas with the highest violence rates.

I. Program strategy

- 1.29 The program is structured into two interrelated, complementary components: (i) institutional strengthening; and (ii) CSPs to assist the population with the highest crime rates. The weaknesses identified in the institutional and situational assessments and violence studies will be addressed, which identify shortcomings in the handling of the citizen security problems owing to: (i) the absence of a policy to identify the responsibilities of the different institutions and establish guidelines for institutional coordination; (ii) institutional weaknesses in the area of security; and (iii) the absence of comprehensive and continuous CSPs to assist the vulnerable, at-risk, and offender populations. The program will strengthen MINGOB

¹⁰ The three levels are: (i) **primary prevention** directed to the vulnerable population, seeking to reduce new cases and acting on causes and risk factors, i.e. before the fact; (ii) **secondary prevention** directed to the at-risk population (teenage gangs, youths with behavioral problems, and the victims of domestic violence); and (iii) **tertiary prevention** aimed at young offenders, intended to limit or reduce second offences and provide opportunities for the reintegration into society of young people involved in crime and violence, and includes comprehensive actions for reeducation, values, training, and psychosocial help for rejoining society.

institutionally by creating OSEGI, developing a policy, implementing the SIEC, implementing a monitoring and evaluation system, and strengthening the beneficiary institutions in carrying out actions related to citizen security (see paragraphs 2.4 to 2.12).

- 1.30 The program will support the materialization of a security policy through actions for institutional strengthening and comprehensive citizen security programs. It will promote coordination between national government institutions, local governments, and civil society, so they can act together to prevent violence. The program will contribute to better governance, in addition to strengthening social control and allowing community demands to form an important input in planning and decision making by municipal governments in processes for the social prevention of delinquency, violence, and crime.

J. Coordination with other donors

- 1.31 When the program was being designed, the actions of other members of the international community and NGOs were reviewed jointly with the Ministry of Economic Affairs and Finance (MEF) and MINGOB, in order to prevent unnecessary duplication of efforts and to define complementary actions to address the problem. NGOs were carrying out some specific activities, particularly the program operated by Fundación Roberto Boutet Diaz, known as Youth against Crime, which acquired rights from Youth Crime Watch of America in the area of violence prevention in schools. Given the effectiveness of Youth against Crime, the program will improve on it through the proposed CSP entitled *Juntos por una comunidad sin violencia* [Working Together for a Violence-free Community] (see paragraph 2.14(ii)). In the area of domestic violence, the program will complement the efforts of the European Community in training the National Police Force. The preventive actions to be supported by the program will take account of the Youth Policy supported by the UNDP and, with respect to the SIEC, it is coordinating with the United States Embassy to establish synergies with the information system on criminal incidents, reported crimes, and administrative misconduct (INCRIDEFA).

- 1.32 The program design received support from Japan and Spain through nonreimbursable technical-cooperation funding (ATN/JF-9327-PN and ATN/FG-9295-PN). The funds were used for the studies presented in the electronic references (files of RES/SC2) and the workshop on the logical framework and the presentation of the diagnostic analysis of juvenile violence.

K. Complementarity with the Bank's portfolio

- 1.33 This program is complemented by other operations financed by the Bank that support institutional strengthening and preventive activities.

- 1.34 In the area of **institutional strengthening**, it is related to the following. (i) The *program for municipal development and decentralization support* (document PN-0143), whose objective is to help strengthen the municipal governments, complements the actions of the program proposed here and will help to boost the capacity of the municipal governments to administer their services more efficiently. The investments proposed under that program (parks and public roads, among others) will also help to reduce the risks associated with violence. (ii) The *program to improve the administration of justice* (document PN-0086), which ended in 2005, will contribute to the execution of the proposed project since it has improved the justice system and the quality, efficiency, and transparency of the legal actions and processes of the public administration, which help to reduce impunity. That program partially developed information systems for the Ministerio Público [Office of the Attorney General], which have important synergies with the SIEC to be developed by the present program.
- 1.35 In the area of **violence prevention**, the program is related to the following. (i) The reformulated *education sector program* (document PN-0069) includes actions for urban zones, with the objective of strengthening learning in basic areas in public schools with high failure and repeater rates and making improvements in the curriculum. This will contribute to the personal development of youths and prevent school dropouts, which are defined as keys for prevention. (ii) The *assistance program for the building of a training and employment system in Panama* (document PN-0125), which includes technical training for unemployed youths and youths in vulnerable situations so that they can join the workforce, will have significant synergies with the proposed program in terms of reducing unemployment rates among at-risk youths. (iii) The *pilot project for urban revitalization and poverty alleviation in Colón* (document PN-0144), which finances housing renewal for the marginal population and support for productive activities, and despite its having been classified as problematic, continues to have the possibility of carrying out actions to improve the living conditions of the poor, creating conditions that complement the program.

L. Lessons learned

- 1.36 The program design has taken account of lessons learned from Bank-financed projects that are in an advanced stage of execution: the project on *support for peaceful coexistence and citizen security in Colombia* (document CO-0213), the *peace and citizen coexistence project for the 17 municipalities in the Sula Valley of Honduras* (document HO-0205), and the *program for citizen safety: crime and violence prevention in Uruguay* (document UR-0118) which has ended. The main lessons for design and execution are the importance of: (i) having comprehensive programs and actions on the national, local, and community levels to achieve an impact with violence-reduction activities (the design of the program has taken this into account—see paragraph 1.27); (ii) having action plans to establish clear actions, costs, and avoid overlapping of programs (the program includes action

plans for each participating institution which define responsibilities and interactions—see paragraph 3.8); (iii) promoting active participation by the institutions involved (several workshops have been held on the program with the joint participation of the beneficiary institutions, and the action plans have defined their activities and coordination mechanisms); (iv) reaching institutional agreements or partnerships (the program has planned for coordination mechanisms, such as the steering committee (CODIPRO) and municipal committees, and the conclusion of interagency management agreements—see paragraph 3.7); (v) transferring successful experiences (the program provides for consulting services to exchange experiences); (vi) establishing coordination plans and mechanisms to facilitate coordination with the executing agency (the program includes the coordination mechanisms mentioned in point iv); (vii) establishing monitoring and evaluation systems in the coordinator, and in the beneficiary institutions (the program provides for this—see paragraphs 3.20 to 3.26); (viii) in the case of evaluations that require comparisons with control groups, establishing them from the outset (the program includes this methodology—see paragraph 3.24); and (ix) providing for strong coordination bodies with qualified technical staff (the program will support MINGOB by strengthening OSEGI—see paragraph 2.4(ii)).

- 1.37 The lessons learned from projects under way in Panama were also studied, particularly the pilot project for urban revitalization and poverty alleviation in Colón (document PN-0144), given its synergy with the program. The main lessons are related to the importance of: (i) performing a good institutional diagnostic assessment to analyze the capacity of the executing agency (the program has done so—see paragraphs 1.11 to 1.19); (ii) establishing the executing unit in a timely fashion (the program established a core unit in the design stage—see paragraph 1.13); and (iii) limiting the number of conditions precedent to the first disbursement (the program only includes three conditions precedent and significant progress has been made toward fulfilling them).

II. THE PROGRAM

A. Objectives

- 2.1 The general objective is to help improve citizen coexistence and security in the municipalities with the highest rates of violence: Colón, David, Panama City, and San Miguelito, through strategic, comprehensive, interagency, participative actions to prevent juvenile violence.
- 2.2 The specific objectives are: (i) to boost the management capacity of the national and local institutions involved in the program to plan and effectively perform its institutional role in the area of citizen security; and (ii) to reduce the rate of participation by young people between the ages of 12 and 29 in violence or crime in the beneficiary municipalities.

B. Program description and structure

1. Institutional strengthening component (US\$6.5 million)

- 2.3 To correct the institutional weaknesses identified in the institutional diagnosis, institutional capacity will be introduced and built up at the Ministry of the Interior and Justice (MINGOB) and the beneficiary institutions to improve their management of citizen security functions and contribute to the sustainability of the activities financed by the program (see paragraphs 1.11 and 1.19). This will permit the institutions to execute the program on the established scale. Their performance will be measured through the institutional strengthening indicators established in the logical framework.

a. Subcomponent to strengthen MINGOB (US\$1.2 million)

- 2.4 MINGOB will be strengthened to consolidate its role as lead agency in public security and coordinator of security actions. The following will be financed:
 - i. The design and consolidation of the comprehensive security policy to support MINGOB in developing a tool that will allow it to take a comprehensive approach to the problem of citizen security and define the institutional players who will participate, their roles, and the coordination mechanisms.
 - ii. The institutionalization of the Comprehensive Security Office (OSEGI), to provide MINGOB with a body able to: (i) coordinate the program and citizen security issues related to the comprehensive security policy and lay the institutional groundwork for a future Office of the Deputy Minister for Security; (ii) monitor the citizen security programs (CSPs); and (iii) coordinate the activities carried out by different institutions and civil

society organizations (CSOs). The subcomponent will include: equipment and strengthening for human resources; training for the staff of OSEGI and the beneficiary institutions; operating manuals for the program's committees; and a feasibility study on building an Office of the Deputy Minister for Security.

- iii. The design and implementation of awareness and communications strategies to sensitize the government institutions responsible for security, CSOs, and the media about the problem of violence and the importance of preventing it, through the establishment of sociocultural patterns, habits, attitudes, and practices that favor a culture of peace and coexistence. The subcomponent will include: the design and implementation of a social communications campaign through the mass media and the promotion of values to bring about changes in attitudes and behaviour; workshops to raise the awareness of the media to promote better handling of information, programming, and publicity related to the issue of violence; creation of a web page on violence in Panama; and strategies for the dissemination of programs and achievements in the area of violence prevention by each of the beneficiary institutions.

b. Subcomponent to strengthen the integrated crime statistics system and implement the violence observatory (US\$2 million)

- 2.5 A violence and crime observatory will be developed and established in MINGOG-CONADEC, which will include an integrated crime statistics system (SIEC) that compiles, consolidates, generates, and presents accurate and reliable information on the status of violence and crime, using the existing infrastructure and functions that the institution is developing. A repository of unified statistical information will also be installed in the institution, which is easy to read and interpret, making it possible to monitor violence and delinquency conditions and facilitate decision making. The observatory will generate timely information on violence maps, periodic crime bulletins, research, and other statistical products that will be accessible over the Internet and in printed format.
- 2.6 The primary sources that generate information and will benefit from the SIEC are: the National Police Force, the Technical Judicial Police Force, the judicial branch, the Office of the Attorney General, the penitentiary system, and MIDES. Work will also be done with MEDUCA, the Ministry of Health, and the four municipalities (Panama City, San Miguelito, David, and Colón) on the periodic provision of statistical information to support planning and programming. Also, all the program beneficiaries will have timely and systematic access to the information they require to carry out their mandates over the Intranet. The United States Embassy also plans to support CONADEC by implementing an information system called INCRIDEFA, which will be integrated with the SIEC database.
- 2.7 The following will be financed: (i) expansion of CONADEC's organizational and work plans to cover the functions of statistics, georeferencing, and data analysis and

capture; (ii) support for the standardization and unification of procedures, rules, formats, and indicators to allow for completeness and the cross-referencing of variables and data generated at the agencies providing input to the system; (iii) a consulting engagement to develop the detailed design of the SIEC and the observatory; (iv) implementation and start up of the SIEC and the observatory, including the development of interfaces for system users and operators by institution, mapping, georeferencing, and also the generation and presentation of reports, and crossing of information with the variables identified and in a disaggregated manner; (v) development and introduction of management systems in the institutions identified as primary sources of information, which includes a unique identifier of files to prevent the duplication of information; (vi) refurbishment of the infrastructure and modernization of the hardware, software, and communications platforms in CONADEC; (vii) interconnection with the beneficiary institutions; (viii) development and introduction of a training plan for operators and users; and (ix) drafting of interagency agreements, resolutions, manuals, and materials.

**c. Subcomponent to support a monitoring and evaluation system
(US\$530,000)**

- 2.8 A single, integrated system for operations monitoring and impact evaluation will be introduced at MINGOB-OSEGI and the beneficiary institutions to verify compliance with the goals and results of the program in terms of impact, which will be based on the logical framework, which includes the indicators in the plans of action (POAs). The following will be financed: (i) a consulting engagement to provide advisory support for the design and implementation of an operations monitoring and evaluation system in OSEGI and in the beneficiary institutions, and training for the employees who will operate it; (ii) annual, midterm, and final surveys of youths attending and not attending school; (iii) the midterm and final evaluations; and (iv) equipment (see paragraphs 3.20 to 3.26).

**d. Subcomponent to strengthen the National Police Force
(US\$1.5 million)**

- 2.9 The process of modernizing the National Police Force in preventive aspects will be supported to make its internal management and supervision more effective and boost its capacity for community policing, by strengthening the directorates of Human Resources and Planning, Education, Inspector General and Professional Responsibility, Citizen Security, and Special Services. Improvements in the process of human resource selection and management, training in police schools, internal supervision of compliance with the rules and directives that regulate police conduct, training in community assistance and in executing the CSPs on the local level, and training in using the SIEC will be included (see paragraph 2.6). The following will be financed: (i) consulting services to advise on the operating system for the Office of the Inspector General, the design of a human resource policy, review of the

academic curriculum for police training, and the comprehensive policing model; (ii) training for human resources in violence prevention, including assistance and prevention for at-risk youths, and domestic violence prevention and response; (iii) technological equipment for the Office of the Inspector General and Professional Responsibility and for the complaints reporting offices, the citizen communications center, the youth gangs unit, and domestic violence response centers; and (iv) equipment and training for the SIEC.

e. Subcomponent to strengthen MIDES (US\$333,000)

- 2.10 The Office of Secure Social Development (ODSS) recently created under a ministerial resolution, will be strengthened. This unit is composed of personnel from the National Women's Directorate, the National Child and Youth Directorate, and the Interdisciplinary Studies Institute, to deal with security issues in primary, secondary, and tertiary prevention. The following will be financed: (i) strengthening for violence prevention management at the ODSS (consulting services in strategic planning, systemization, and organization of the ODSS); (ii) a training plan for the ODSS's human resources and specialized staff in projects, planning and monitoring, and impact evaluation; (iii) equipment and logistical support for the ODSS to supervise prevention activities; (iv) consulting services to strengthen the leadership function of MIDES in primary prevention (development and consolidation of a counselling and guidance system for youths at social risk), advisory services for supervising the municipalities in their interventions to promote sports and culture, and training for officials from the beneficiary institutions (including the police and the Ministry of Health as a supporting body), in the prevention, detection, and handling of cases of domestic violence; (v) improvement in the assistance model and training for personnel to strengthen management in secondary prevention (comprehensive strategy for youths who are gang members); and (vi) improvement in the assistance model, equipment, and training for personnel to strengthen management in tertiary prevention (youths in conflict with the law who are interned at the Tocumen Detention Center).

f. Subcomponent to strengthen MEDUCA (US\$348,000)

- 2.11 A Special Office for Violence Prevention and Comprehensive Assistance for the Student Population (OEPV) will be established and strengthened, through the coordination and integration of the directorates of Comprehensive Preventive Education (DEPI), Psychoeducational Services, Student Affairs, Human Development, and the Population Office. The special office has the mandate of expanding interventions to prevent violence, involving the academic community, and laying the groundwork for incorporating those interventions into the curriculum. The following will be financed: (i) systemization of OEPV's organization; (ii) preparation of cross-cutting lines in juvenile violence prevention under the program Working Together for a Violence-free Community for inclusion in the curriculum; (iii) training plans to improve the management of prevention

projects, creation of mediation groups, and training for multiplier agents; (iv) implementation of the program Working Together for a Violence-free Community in the program schools; and (v) equipment and logistical support for supervision of the CSPs.

g. Subcomponent to strengthen the municipal governments of Panama City, David, San Miguelito, and Colón (US\$657,000)

- 2.12 The municipal governments will be strengthened to respond to community demands for better citizen coexistence. Specifically, strengthening will be provided for: the Social Management Office and Planning Directorate in Panama City; the Social Development and Planning Directorate in Colón, the Social Development Directorate in David; and the Directorate of Social Development and the Institutional Projects and Goals Unit in San Miguelito. The following will be financed: (i) training for officials in the management and execution of CSPs, the design and start up of the municipal committees, and the planning of activities for the positive use of free time by youths (sports and cultural activities); and (ii) equipment and logistical support for supervision and control of prevention activities and their integration into the SIEC.

2. Citizen security programs component (US\$15.9 million)

- 2.13 This component, which is the backbone of the program, will intervene on the three levels of violence prevention—primary, secondary, and tertiary (see footnote to paragraph 1.28). The actions will be carried out in coordination between MINGOB, the beneficiary municipal governments, MIDES, MEDUCA, and the National Police Force. Support will be provided by local communities and CSOs, stressing participation by young people. The proposed interventions seek to address the causes and risk factors mentioned in paragraph 1.9, in order to reduce participation by young people between the ages of 12 and 29 in violence or crime in the beneficiary municipalities.

a. Primary prevention subcomponent (US\$11.2 million)

- 2.14 This subcomponent is intended to prevent violence through CSPs executed by the beneficiary institutions, aimed at more than 400,000 beneficiaries among the target population (vulnerable youths in school and not in school) and the communities where they live. The following interventions will be financed.

- i. **Extracurricular activities for vulnerable youths in school (US\$2.2 million).** The program Working Together for a Violence-free Community will be financed, which strengthens and extends the program Youths against Crime (Table I-2) which was effective on the pilot level. The program is being carried out by MEDUCA and the National Police Force in some public schools and is directed to vulnerable adolescents on the junior

(12 to 15 years) and senior (16 to 18 years) high school levels. The proposed initiative will increase coverage of the beneficiary population, incorporating teachers and parents. It includes initiatives to strengthen the attitudes and values of young people for peaceful coexistence in schools, through extracurricular activities (personal development, recreational, sports, and cultural activities) to positively channel the free time and energy of the students (Table II-1).

The proposal will help to lay the groundwork for including violence prevention in future as a cross-cutting dimension in the school curriculum. The following will be financed **for students**: (i) training for student leaders and mediators; (ii) mediation and conciliation strategies; (iii) programs to promote moral and civic values; (iv) programs to build self-confidence to resist alcohol, tobacco, and drug use; (v) sexual education programs; (vi) personal development activities (sports and cultural); (vii) equipment and materials for extracurricular activities; and (viii) production and distribution of educational and information materials. **For teachers, guidance counsellors, principals, and supervisors**: consulting services for training and sensitization in special teaching methods, arbitration, mediation, and conciliation. **For parents**: (i) education to reduce child abuse; (ii) education in alternative techniques for discipline and peaceful conflict resolution; (iii) education in secure sexuality and the prevention of drug addiction; and (iv) the production of educational materials.

- ii. **Assistance for vulnerable youths in high-risk zones (US\$8.1 million).** To assist the young and vulnerable population in high-risk zones in the beneficiary municipalities, complementing the actions targeted to youths in school, sports, recreational, and cultural activities will be included to promote the positive use of free time by young people. These actions will be developed through a plan that includes the establishment of sports and cultural committees, promoting community participation, particularly by youths. The sports committees, with advice from the National Institute of Sports (INDE) in municipalities where it is required, will establish teams in different sports and organize tournaments, with participation by youths, parents, and the community. The cultural committees, with advice from the National Institute of Culture (INAC), will organize theater and dance festivals, concerts, exhibitions, and other cultural activities of interest to young people, which will be organized at cultural and youth education centers, with support from the municipal governments and MIDES. The plan includes the refurbishment of areas for social integration to be supplied by the municipalities, which, together with the community, will take charge of the operating and maintenance costs of the installations, to permit access and optimum use. The following will be financed: (i) the construction or rehabilitation of infrastructure for sports (soccer fields, multiuse and sports complexes), social integration (parks), and culture (cultural and youth education centers and

libraries); (ii) equipment and materials for sports and cultural activities; and (iii) training for mentors, promoters, trainers, and referees.

- iii. **Assistance for communities in high-risk zones through National Police Force CSPs (US\$225,000).** To improve the environment for citizen security in the high-risk communities in the beneficiary municipalities, the police will be supported in improving the effectiveness of their response and assistance capacity and their community relations. To that end, the CSPs executed by the National Police Force on the local level will be expanded and improved. The following will be financed: (i) consulting services for the review, improvement, and implementation of CSPs in the beneficiary communities; and (ii) training for the four comprehensive police units in community policing aspects, and services and assistance for the victims of domestic violence.
- iv. **Assistance for youths with behavioral problems (US\$237,000).** Assistance will be provided through the youth counselling and guidance centers, whose operation will be advised on by MIDES and which will be the responsibility of the municipalities where they are established. These centers will be operated by a team of specialists (psychologist, physician, and social workers) to provide guidance for youths and their families, including psychological and medical treatment. The following will be financed: (i) the construction or rehabilitation of infrastructure; (ii) equipment; and (iii) operation of the centers.
- v. **Strengthening of the domestic violence prevention and response system (US\$435,000).** To prevent domestic violence in the beneficiary municipalities and help to counteract its influence as one of the possible causes of juvenile violence, the program will support institutional and local actions to respond to the problem, including interventions to address gender violence, child abuse in the home, and/or assist the victims of domestic violence. This activity will be supervised and coordinated by MIDES, and the municipal governments will participate as the protagonists in the local interventions. The following will be financed: (i) consulting services for the creation and/or strengthening of local networks for the prevention of domestic violence, with participation by the community, local governments, the National Police Force, and MIDES; (ii) education on domestic violence and abuse and child sexual abuse for the members of the local networks; (iii) education for community legal outreach workers to provide legal advice and preventive education in communities; (iv) training to create local capacity in domestic violence self-help groups; (v) information campaign for the detection of and timely response to domestic violence; and (vi) assistance for the victims of domestic violence at the municipal centers managed by the National Police Force (see paragraph 2.14(iii)).

b. Secondary prevention subcomponent (US\$1.2 million)

- 2.15 This subcomponent targets some 1,000 beneficiaries in the high-risk population (young gang members) with a comprehensive assistance program institutionalized in MIDES based on the Fresh Start program. The CSP includes three intervention phases: **motivation**, which includes activities to attract youths (recreational, sports, cultural, and spiritual) and legal assistance; **personal growth**, which includes the promotion of social skills (self-confidence, conflict resolution, treatment and recovery from drug addiction, sexual health), family assistance (children and spouses), return to school, and technical and vocational training; and **social integration**, which includes counselling services for finding work. This intervention will be supported by NGOs and will be coordinated and supervised by MIDES. The following will be financed: (i) systemization of the interventions for at-risk youths; (ii) sports, cultural, and recreational activities; (iii) a diagnostic analysis of youth problems; (iv) workshops on individual, collective, and civil rights, mediation and conflict resolution, social skills, volunteering, civic and moral values, community organizations, prevention of illegal drug use, reproductive and sexual health, and spiritual activities; (v) specialized treatment to cure drug addiction; (vi) subsidies for meals and transportation during training for youths who receive grants from the National Training Institute for Human Development (INADEH); (vii) employment counselling; (viii) rehabilitation and equipping of a pilot drop-in center for young gang members in the municipality of San Miguelito (which has the highest concentration of gangs); and (ix) the human resources who will assist the youths.
- 2.16 The physical space of the pilot drop-in center for gang members will be provided by the municipality of San Miguelito and the center will be operated and supervised by MIDES. MIDES and the municipality will sign an agreement which, among other things, will establish how the center will be maintained, supervised, operated, and administered for optimum use.

c. Tertiary prevention subcomponent (US\$3.5 million)

- 2.17 **Assistance for youths being held at the Tocumen Detention Center.** This subcomponent is directed to young offenders who are being held at the Tocumen Detention Center, which is administered by MIDES Interdisciplinary Studies Institute. The program will improve the process of rehabilitation and education for an average of 100 young inmates a year, between the ages of 14 and 18.¹¹ The goal is to reintegrate these youths into society, through a comprehensive assistance strategy. The methodology is educational, based on an entrepreneurial mentality

¹¹ These youths require very specialized assistance which, by law, must be carried out in closed spaces. The higher cost of this assistance corresponds to infrastructure (US\$2.2 million) which, with adequate maintenance, will have a useful life of about 20 years and can be used by a large number of youths over that time, since the average detention period is two years.

and a comprehensive approach to personal development. The model establishes the following areas of intervention: (i) school leveling based on age, formal and vocational workshops to train youths as entrepreneurs or to rejoin the workforce; (ii) health care related to general medicine (detoxication, destigmatization, and psychological treatment); and (iii) recreational and sports activities. The following will be financed: (i) consulting services to improve the comprehensive rehabilitation program; (ii) consulting services to train the center's technical and security staff; (iii) rehabilitation of infrastructure; and (iv) materials and equipment to operate the center.

C. Summary of the CSPs proposed by the program

- 2.18 The main CSPs that will be supported by the program include the positive elements identified in the analysis presented in Table I-2. They have been complemented to correct the weaknesses identified and to contribute to achieving the program's objective. They include elements from other positive experiences in CSPs in the country and the region. These CSPs expand the coverage and scope of actions to improve assistance. Efficiency has also been improved in terms of unit costs.

Table II-1
Types of prevention

TYPE OF PREVENTION: PRIMARY (assistance for vulnerable youths)					
Program: Working Together for a Violence-free Community					
Purpose	Coverage	Value added by PN-L1003 (innovative elements)	Impact indicators	Sustainability	Total (5 years)
To strengthen attitudes and values in youths for peaceful coexistence in schools, through extracurricular activities that include training in mediation and conciliation strategies, development of personal skills, and promotion of recreational, sports, and cultural activities.	100% of students in the 65 public schools in the four municipalities (97,700 students):	Involvement of the educational community (teachers, parents, and students). Centers for conflict mediation led by youths. Coverage will be expanded in public schools. Monitoring and evaluation system.	The following indicators will be monitored at the public schools and other educational levels where the CSP is implemented: - Decrease in the most frequent misbehavior at school: fights, alcohol and drug consumption, theft, skipping school, possession of knives; - Increase in the number of disputes settled through peaceful means; - Increase in handling of disputes at schools in the target municipalities - Decrease in the dropout rate; - Reduction in the annual repeater rate.	Will contribute to ensuring that violence prevention is included as a crosscutting dimension in the school curriculum. The operating cost will be paid by each school from its budget allocation from the Equity and Quality of Education Fund (FESE), if the evaluations indicate that the program has had positive results.	2,230,000
	Panama City, 32 public schools, 50,292 students				Annual per student (US\$)
	San Miguelito, 13 public schools, 18,955 students				5.00
	David, 9 schools, 11,394 students				
	Colón, 11 schools, 17,075 students				

TYPE OF PREVENTION: PRIMARY (assistance for vulnerable youths)					
Program: Secure youth					
Purpose	Coverage	Value added by PN-L1003 (innovative elements)	Impact indicators	Sustainability	Total (5 years) (US\$) Infrastructure + promotion of sports and culture
To prevent juvenile violence through two lines of intervention: (i) sports; and (ii) culture, to promote the positive use of free time by young people and their personal development	448,958 youths from high-risk zones in the municipalities of:	Line of intervention: Sports To forestall situational violence through the rehabilitation of physical spaces for sports (soccer fields, multiuse, and sports facilities). To promote discipline and team work among youths through training in sports and the establishment of teams. To promote the integration of high-risk communities by establishing teams and organizing tournaments to encourage coexistence between districts and neighborhoods, particularly among youths.	Changes in the following parameters will be measured in communities in the target municipalities: - Reduction in the incidence of youths involved in crimes and/or violent acts. - Reduction in the perception of insecurity in the streets. - Increase in the positive use of free time by youths. - Increase in the use of the sports and cultural facilities provided by the program.	Interagency agreements will be signed by the municipalities and the National Council for Culture and the Arts (CONACULTA) and the National Institute of Sports (INDE) to carry out cultural events and tournaments. The municipalities will pay the cost of maintaining the sports and cultural infrastructure provided by the program, as established in the interagency agreements. Joint activities by the municipalities and communities will be promoted for good use of the installations and their maintenance. Activities will be carried out with the private sector and CSOs to obtain support for maintaining the installations.	8,079,000
	Panama City, 231,417 youths				Only the cost of activities to promote sports and cultural activities for youths (US\$)
					2,718,000
	San Miguelito, 91,802 youths	Line of intervention: Culture To promote the positive use of free time through cultural education for youths in different artistic fields (dance, music, painting, theater, etc.). To rehabilitate and/or construct physical spaces for cultural activities (cultural centers and libraries). To promote the integration of high-risk communities through exhibitions and cultural festivals.			Annual per youth, only including the cost of promotion of sports & cultural activities (US\$)
	Colón, 46,373 youths				
David, 76,366 youths		1.20			

TYPE OF PREVENTION: PRIMARY (assistance for vulnerable youths)					
Program: System to prevent and respond to domestic violence					
Purpose	Coverage	Value added by PN-L1003 (innovative elements)	Impact indicators	Sustainability	Total (5 years)
To promote the establishment and/or strengthening of local networks and self-help groups for better citizen coexistence and prevent domestic violence, including participation by government institutions, the beneficiary municipalities, and NGOs.	16,121 participants in local networks, training, and self-help groups in the four beneficiary municipalities.	Intervention models (local networks and self-help groups that promote coordinated participation by the citizenry). The volunteers who will participate in this CSP will gain organizational experience, with the transfer of methodologies, knowledge, information, and community strengthening.	In communities of the beneficiary municipalities: Reduction in the number of repeat victims of domestic violence. Increase in the rate of early detection and timely treatment of cases of domestic violence.	MIDES through DINAMU will assign a budget item to keep this system for the prevention and treatment of domestic violence operating.	435,000
					Annual per beneficiary (US\$) 5.00

TYPE OF PREVENTION: SECONDARY (assistance for at-risk youths)					
Program: Comprehensive strategy for at-risk youths (Por una Esperanza [Fresh Start])					
Purpose	Coverage	Value added by PN-L1003 (innovative elements)	Impact indicators	Sustainability	Total (5 years) Total (5)
To contribute to the prevention of violence and delinquency among at-risk youths between the ages of 12 and 29 who live in high-risk communities in the beneficiary municipalities, by implementing a comprehensive strategy for social integration.	Total : 1,026 youths:	Comprehensive program for the social reintegration of youths at risk, in three phases: (i) motivation, activities to attract youths (recreational, sports, cultural, and spiritual); (ii) development of personal skills (education, job training, psychological and health care); (iii) employment (promotion of activities for their entry into the workforce, including job fairs and private sector partnerships). Technical personnel trained to operate. Monitoring and evaluation system..	The impact evaluation will be done in communities of the municipalities where the program is implemented, using the following indicators: Increase in the number of gang members reintegrated into society	MIDES will assign funds to continue operating this program.	1,133,000
	Panama City, 417 youths (San Felipe, el Chorrillo, Santa Ana, Curundú, and Calidonia)				Annual per youth (US\$)
	Colón, 180 youths				221
	San Miguelito, 375 youths				
	David 54, youths				

TYPE OF PREVENTION: TERTIARY (assistance for youths who have broken the law)					
Program: Reintegration program for youths at the Tocumen Detention Center					
Purpose	Coverage	Value added by PN-L1003 (innovative elements)	Impact indicators	Sustainability	Total (5 years) (US\$) Infrastructure + assistance model
To reintegrate young people into society through a comprehensive reintegration model.	100 youths (100% of youths in detention centers)	Activities now underway at the center will be expanded with a comprehensive care program for youths there, including: remedial education, better therapeutic care (detoxification, higher self-esteem to say no to drugs, alcohol, smoking), vocational guidance and technical training, better health care, spiritual care (course in values, ethics, meditation and reading), and recreational programs (sports and culture). An ongoing training program will be established for the first time with the center's technical and security staff. Sufficient physical space will be provided for programs at the center. Monitoring and evaluation system.	Improvements are expected in the following indicators: Decrease in the number of youths readmitted to the center. Greater participation of family members or caregivers of youths at the center who are supporting the youth's rehabilitation.	MIDES will allocate resources to continue this program.	3,488,000
					Assistance model (US\$)
					1,215,000
					Annual per youth including only the assistance model (US\$)
					2,430

1. Cost and financing

- 2.19 The scale of the program was based on an institutional capacity assessment and a prioritized inventory of comprehensive CSPs.

Table II-2
Program cost and financing (US\$)

Budget PN-L1003	IDB contribution	Local contribution	Total	
			Amount	%
1. Institutional strengthening component	6,515,000	2,400,000	8,915,000	35.5
1.1 Institutional strengthening for MINGOB	1,197,000	2,115,000	3,312,000	13.2
1.1.1 Formulation and implementation of the public security policy	44,000	-	44,000	0.2
1.1.2 Creation and operation of OSEGI	1,153,000	1,525,000	2,678,000	10.7
1.1.3 Study for the potential creation of an Office of the Deputy Minister for Security	-	90,000	90,000	0.4
1.1.4 Awareness and social communications strategy	-	500,000	500,000	2.0
1.2 Strengthening for the development of the integrated crime statistics system (SIEC) and implementation of the violence observatory	2,000,000	-	2,000,000	8.0
1.3 Formulation and implementation of the monitoring and impact evaluation system (includes the midterm and final evaluations)	530,000	-	530,000	2.1
1.4 Institutional strengthening for the National Police Force	1,450,000	-	1,450,000	5.8
1.5 Institutional strengthening for MIDES	333,000	285,000	618,000	2.5
1.6 Institutional strengthening for MEDUCA	348,000	-	348,000	1.4
1.7 Institutional strengthening for the municipalities of Panama City, David, San Miguelito, and Colón	657,000	-	657,000	2.6
2. Citizen security programs component	15,900,000	0	15,900,000	63.3
2.1 Primary prevention	11,206,000	-	11,206,000	44.6
2.1.1 Assistance for youths in school (Working Together for a Violence-free Community program in public schools)	2,230,000	-	2,230,000	8.9
2.1.2 Assistance for vulnerable youths in high-risk zones (promotion of the positive use of free time through infrastructure and sports and cultural activities)	8,079,000	-	8,079,000	32.2
2.1.2.1 Sports and cultural infrastructure	5,361,000	-	5,361,000	21.4
2.1.2.2 Promotion of sports and cultural activities	2,718,000	-	2,718,000	10.8
2.1.3 Assistance for the community in high-risk zones through preventive programs by the National Police Force	225,000	-	225,000	0.9
2.1.4 Assistance for youths with behavioral problems (youth counselling and guidance centers)	237,000	-	237,000	0.9
2.1.5 Strengthening of the domestic abuse prevention and response system	435,000	-	435,000	1.7
2.2 Secondary prevention	1,207,000	-	1,207,000	4.8
2.2.1 Assistance for gang members (Fresh Start program)	1,134,000	-	1,134,000	4.5
2.2.2 Drop-in center for gang members in San Miguelito	73,000	-	73,000	0.3
2.3 Tertiary prevention	3,487,500	-	3,487,500	13.9
2.3.1 Strengthening of the model for comprehensive assistance for inmates in detention centers	1,214,500	-	1,214,500	-
2.3.2 Rehabilitation and upgrading of the Tocumen Detention Center	2,273,000	-	2,273,000	9.1
Subtotal	22,415,500	2,400,000	24,815,500	98.9
Contingencies	184,500	-	184,500	0.7
External audits	100,000	-	100,000	0.4
Total	22,700,000	2,400,000	25,100,000	100.0

III. PROGRAM EXECUTION

A. Borrower and executing agency

- 3.1 The borrower will be the Republic of Panama, acting through the Ministry of Economic Affairs and Finance (MEF). The executing agency will be the Ministry of the Interior and Justice (MINGOB), acting through its Comprehensive Security Office (OSEGI). Some of its functions will be to: (i) ensure adequate coordination with the beneficiary institutions for program execution; (ii) coordinate, facilitate, and supervise program development; (iii) administer the program's financial resources; (iv) act as the borrower's counterpart with the IDB; and (v) be responsible for complying with the contractual clauses of the loan. MINGOB, through OSEGI, will implement the security policy, the SIEC, the evaluation and monitoring system, and the awareness and communications strategy (see paragraphs 2.4 to 2.8).
- 3.2 *As a condition precedent to the first disbursement, an executive decree will be issued ordering that OSEGI be established and that the personnel necessary for it to operate be appointed.*
- 3.3 OSEGI will have an executive director and technical staff contracted by competition on the basis of the profiles established in the Operating Regulations, to be paid for by the program. It will have an internal structure with three areas: (i) **technical area**, responsible for coordinating the actions and the CSPs of the beneficiary institutions, monitoring the POAs, the annual work plans (AWPs), and the interagency agreements, coordinating the monitoring of program operations and impact, and promoting with the technical coordinators of the beneficiary institutions, the corrective measures needed to maintain the original timetables or to update them; (ii) **administrative and financial area**, responsible for the program procurement management; legal, administrative, information technology, financial, and accounting functions and for record-keeping; and (iii) **monitoring and evaluation area**, responsible for monitoring operations and evaluating program impact in terms of targets and outcomes, including tracking the indicators established in the POAs.
- 3.4 OSEGI will be supported by technical coordinators assigned full time in each beneficiary institution, who will have specific functions related to the program, and receive support from the internal structure of their institution. They will be responsible for: (i) facilitating and participating in the program activities that are the responsibility of MINGOB (see paragraph 3.1); (ii) monitoring the POAs and preparing monthly reports on targets met and outcomes achieved; (iii) preparing terms of reference and technical specifications for contracts and procurements; (iv) participating in the procurement processes, the evaluations of bids, and the selection processes; and (v) monitoring the impact of their activities.

- 3.5 The beneficiaries are national and local institutions (MEDUCA, MIDES, CONADEC, the National Police Force, and the municipal governments of Panama City, Colón, San Miguelito, and David) that will technically execute one or several program subcomponents and activities, and their participation will be regulated through interagency management agreements (IMAs).¹² The IMAs will only be established with the beneficiary institutions that are not part of MINGOB. Participation by the agencies that report to MINGOB (CONADEC and the National Police Force) will be established in ministerial resolutions that regulate their involvement in the program. The above is spelled out in the Operating Regulations.
- 3.6 *As a condition precedent to the first disbursement, interagency management agreements will be signed between the executing agency and MIDES, MEDUCA, and the municipalities of Panama City, Colón, David, and San Miguelito, and ministerial resolutions will be issued to regulate participation in the program by the National Police Force and CONADEC.*

B. Coordination plan

- 3.7 Coordination will be carried out through the following two committees, and the details are set forth in the Operating Regulations.¹³
- a. The **program steering committee** (CODIPRO) will be responsible for strategic direction and decision making. It will be chaired by the minister of MINGOB, and OSEGI will act as its technical secretariat. It will be composed of the heads of the beneficiary institutions and will meet semiannually or when convoked. It will receive support from a technical committee composed of the executive director of OSEGI and the technical coordinators of the beneficiary institutions. The technical committee will coordinate institutional and interagency activities: evaluation of the AWP and the POAs, evaluation of the procurement plans and semiannual progress reports, and all other coordination issues; and
 - b. The **municipal committees** will act as support bodies for coordinating the technical actions for monitoring the municipal POAs and AWP in their jurisdictions. They will be chaired by the mayors or their delegates and composed of representatives of the beneficiary institutions, the support bodies, representatives of pertinent civil society organizations (districts, local community associations, foundations, local representatives) and

¹² The agreements between the executing agency and the institutions defining the responsibilities of each of the parties (borrower, executing agency, and beneficiary institutions) will be included in the Operating Regulations. The plans of action for each of the beneficiary institutions that were prepared when the operation was being designed will also be included.

¹³ Draft Operating Regulations prepared when the program was being designed (see electronic references).

representatives of youth groups. They will coordinate the technical actions on the municipal government level (see electronic reference).

C. Plan of action (POA)

- 3.8 This is the instrument that defines activities, costs, goal indicators, outputs, and detailed outcomes, execution schedules, and the disbursement plan for each beneficiary institution. It facilitates coordination by OSEGI to achieve the program objective, monitoring the beneficiary institutions, and developing the AWP. The POAs will be included in the IMAs and will be reviewed annually during the administration missions so they can be updated, if necessary.

D. Annual work plan (AWP)

- 3.9 This is a plan of investments and detailed costs that will be prepared for each year of execution, based on the original POA of each participating institution. Program activities will be based on AWP to be prepared by OSEGI for each year of execution, with the support of the beneficiary institutions. The AWP will be reviewed during the administration missions. The AWP for the first 18 months of the program is included in the electronic references at the beginning of this proposal.

E. Operating Regulations

- 3.10 The purpose of the Operating Regulations is to regulate the conceptual framework, the execution mechanism, and the levels of responsibility of the program participants. The regulations are flexible and changes in them will be subject to approval by MINGOB and CODIPRO and will require the Bank's nonobjection.
- 3.11 *As a condition precedent to the first disbursement, the Operating Regulations must have entered into effect pursuant to a ministerial resolution issued by the executing agency.*

F. Budget mechanism

- 3.12 The budget for the program will be incorporated into the government's general budget as a single, differentiated budget program of MINGOB, under the following mechanism:
- a. The MEF's Directorate General of the Treasury will receive the disbursements of loan proceeds made by the Bank exclusively for the program. The loan disbursements will be transferred from this central bank account to the program's bank account to be opened at the Banco Nacional de Panamá and administered by MINGOB. Transfers of funds from the treasury's account to the program account will take from 1 to 4 days.

- b. MINGOB, through OSEGI, will keep two bank accounts in the program's name, one exclusively for the local counterpart and one exclusively for the loan proceeds, following the rules of the treasury system governed by the MEF's Directorate General of the Treasury. MINGOB, through OSEGI, will be the sole institution responsible for committing, ordering, paying, and justifying expenditures made out of the program budget.
- 3.13 For the purposes of financial administration of PROSI and control by the Office of the Comptroller General (CGR), OSEGI will manage and register the program's budget and make the corresponding payments using the institutional models in the financial administration system of Panama (SIAFPA), and establishing a system for SIAFPA-PROSI. Ex ante fiscal control, which is the responsibility of the CGR, will be performed on site by an employee seconded to MINGOB (OSEGI) for the purpose of exercising timely control.

G. Procurement

- 3.14 Procurement of goods and related services and the contracting of works and consulting services for the program will be carried out in accordance with Bank policies and procedures (document GN-2349-6 for works and goods and document GN-2350-6 for consulting services). The procurement plan for the first 18 months is included in the electronic references at the beginning of this proposal. The methods presented in the following tables will be followed for procurements.

Table III-1
Procurement of works, goods, and services

Procurement method	Thresholds	Comment
International competitive bidding (ICB) for <u>goods</u>	≥ US\$250,000	Prior review
National competitive bidding (NCB) for <u>goods</u>	> 50,000 and < 250,000	Prior review
ICB for <u>works</u>	≥ US\$3,000,000	Prior review
NCB or limited bidding with national publicity for <u>works</u>	> 250,000 and < 3,000,000	Prior review
ICB for <u>nonconsulting services</u>	≥ US\$250,000	Prior review
NCB for <u>nonconsulting services</u>	> 50,000 and < 250,000	Prior review
Price shopping for <u>goods</u>	< US\$50,000	Prior review
Price shopping for <u>works</u>	< US\$250,000	Prior review
Direct contracting—works (as an exception and in accordance with Bank policies)	< US\$25,000	Prior review
Direct contracting—goods (as an exception and in accordance with Bank policies)	< US\$5,000	Prior review
Direct contracting—nonconsulting services (as an exception and in accordance with Bank policies)	< US\$5,000	Prior review

Table III-2
Procurement of consulting services

Selection method	Thresholds	Comment
Limited bidding with international publicity	≥ US\$200,000	Prior review
Limited bidding with national publicity	≥ US\$100,000 and < US\$200,000	Prior review
Direct contracting (as an exception and in accordance with Bank policies)	< US\$100,000	Prior review

H. Execution period and disbursement schedule

- 3.15 The execution period will be five years after the loan contract becomes effective. The estimated disbursement schedule is presented below.

Table III-3
Disbursement schedule
(US\$ equivalent)

Source	Year 1	Year 2	Year 3	Year 4	Year 5	Total
IDB loan	5,448,000	7,037,000	5,675,000	2,724,000	1,816,000	22,700,000
IDB % disbursement	24%	31%	25%	12%	8%	100%
GoPN resources	480,000	528,000	624,000	384,000	384,000	2,400,000
GoPN % disbursement	20%	22%	26%	16%	16%	100%
Total	5,928,000	7,565,000	6,299,000	3,108,000	2,200,000	25,100,000

I. Special disbursement to begin program activities

- 3.16 Before complying with the special conditions precedent to the first disbursement but after the loan contract comes into effect and the borrower has complied with the general conditions established in clause 4.01 of the contract, the Bank may disburse up to the equivalent of US\$920,000 from the loan, in a process agreed on with the government. The activities to be financed with the advance disbursement are: (i) contracting the executive director of the program and the coordinators for the technical, financial administration, and monitoring and evaluation areas; (ii) specific consulting services required by OSEGI; (iii) a consulting engagement to provide advisory support on the design and implementation of the monitoring and evaluation system in OSEGI and the beneficiary institutions; (iv) implementation of the monitoring and evaluation system in OSEGI and the beneficiary institutions; (v) procurement of computer equipment and furniture for the coordination units of the beneficiary institutions; (vi) consulting services to prepare the final designs and technical specifications for the cultural and sports infrastructure and counselling and drop-in centers in the participating municipalities and the Tocumen Detention Center; (vii) consulting services and launch of the communications campaign for the citizen security program; and (viii) consulting

services for starting up the MIDES plan of action (the special disbursement is broken down by item in the electronic references).

J. Recognition of expenditures against the local counterpart

- 3.17 Up to US\$450,000 in expenditures for wages, equipment, office supplies, basic services, transportation, communications, and document printing services will be recognized against the local counterpart contribution, subject to proper supporting documentation.

K. Revolving fund

- 3.18 For program disbursements, a revolving fund will be established of up to 5% of the financing which, given the level of disbursements for the initiatives supported by the program, can be increased to 10% under an agreement between the Bank and the executing agency. According to the country's regulations, an ex ante modality will be used for disbursement requests. OSEGI will present semiannual reports on the status of the revolving fund within 60 days after the close of each six-month period.

L. Poverty targeting

- 3.19 This operation qualifies as a program that promotes social equity as described in the key objectives for Bank activities established in the Report on the Eighth General Increase in Resources (document AB-1704). It also qualifies as a poverty targeted investment under the geographic classification, since most of the benefits (over 50%) are targeted to the low-income population in the marginal areas of the municipalities of David, Colón, Panama City, and San Miguelito.

M. Monitoring and impact evaluation

- 3.20 To verify compliance with the goals and impact indicators (including the risk and economic evaluation indicators—see paragraphs 4.5 and 4.13), an operations monitoring and impact evaluation system will be implemented in OSEGI, which will serve as the foundation for early warnings about compliance with the development objectives and allow the annual reviews and midterm and final evaluations to be performed. The system will be fed by the beneficiary institutions, where system modules for their specific subcomponents and activities will be implemented, as established in the indicators contained in the POAs for each institution.¹⁴ OSEGI will be responsible for coordinating the annual reviews and evaluations, to which end it will prepare the terms of reference for the studies to be

¹⁴ The POAs for each institution include logical frameworks that define impact evaluation indicators for each type of intervention directed to the program's target population.

conducted and will supervise the consultants (see the flow for the monitoring and evaluation system in the electronic references).

- 3.21 OSEGI will perform operational monitoring of the goals and risk indicators established in the logical framework and the AWP, tracking the baseline¹⁵ to be established during the program design, for the purpose of preparing semiannual progress reports for the IDB. It will also coordinate the monitoring of institution-building activities and the CSPs, based on the indicators established in the logical framework. The following will be used: midterm and final surveys on the victimization of youths attending and not attending school and reports on progress in program activities prepared by the beneficiary institutions. OSEGI will compile the results from both systems, which will be used as the basis for the midterm and final program evaluations to be prepared by an external firm.
- 3.22 Risk indicators have been established for monitoring interagency coordination between the executing agency and the beneficiary institutions, taking account of the main mechanisms established by the program (installment and operation of committees, execution of the AWP and the POA). Also, indicators have been established to monitor progress in institutional strengthening of the beneficiary institutions, particularly reinforcement of human resources, training, and support for better management (see the logical framework in Annex I).
- 3.23 The midterm evaluation is chiefly expected to cover the institution-building activities. Progress is expected in the management of program-related activities in MINGOB and in the beneficiary institutions, and a security policy is expected to be designed. Also, the midterm impact of some of the intermediate CSP activities will be reviewed. The final evaluation will measure the impact indicators established by the program (see paragraph 4.12).
- 3.24 In establishing the baseline and the midterm and final impact evaluations, a comparator group (communities in the municipality of Arraiján) outside the intervention areas that will not receive the program's benefits will be used in order to isolate program interventions. It will be compared at the time each of the measurements are made to monitor the program with the group of communities where the interventions will take place. The comparator municipality presents socioeconomic characteristics and crime and violence rates similar to those of the beneficiary municipalities.
- 3.25 OSEGI will be supported by a consulting engagement to provide advisory support on the design and implementation of the system and have a specialist in monitoring and evaluation (see paragraph 2.8). The Bank will carry out annual administration

¹⁵ The baseline is being established using surveys on victimization, habits, attitudes, and values of youths attending and not attending school in the beneficiary municipalities and in Arraiján, as a comparator municipality.

missions to perform technical reviews of the program and support the midterm review of performance. The POAs, the AWP, the results of the impact monitoring, and the midterm evaluation will be used as the basis.

- 3.26 OSEGI will compile and systemize all the information from the program evaluations (midterm and final) to permit the Bank, with OSEGI's support, to prepare the Project Completion Report. Also, the Bank's Office of Evaluation and Oversight (OVE) may use the information to perform an ex post evaluation of the direct effects and impacts of the program, as established in the policy guidelines (document GN-2252-5).

N. External auditing

- 3.27 An external financial and operational audit will be performed each year, which will include monitoring the risk indicators for the program mentioned in the logical framework. The audits will be performed by an independent firm of auditors acceptable to the Bank, following its policies and procedures, and will be presented within 120 days after the close of the fiscal year. The final audit will be presented within 120 days after the final disbursement. It will be financial and operational and will be financed with loan proceeds. The external audits will be based on the Bank's terms of reference (documents AF-100, AF-200, AF-300, and AF-400).

IV. FEASIBILITY AND RISKS

A. Institutional feasibility

- 4.1 The program is being coordinated by MINGOB, which has the legal power and institutional responsibility to prevent crime. MINGOB has taken up its role as program coordinator by creating OSEGI and has assigned part of its human resources to that office. OSEGI will be complemented with qualified staff, based on the functions established in the Operating Regulations, to strengthen its responsibilities as a ministry in the area of citizen security. OSEGI will institutionalize the area of citizen security in MINGOB's organizational structure and may be transformed in future into the Office of the Deputy Minister for Security. Its organizational structure and functions are presented in the Operating Regulations.
- 4.2 MINGOB also has CONADEC to manage the SIEC and the violence observatory. CONADEC will act as the platform for interagency coordination between the Office of the Attorney General, the Technical Judicial Police Force, and the National Police Force, which will facilitate the systemization of statistics on crime and violence. The National Police Force reports to the ministry and is following the same line of violence prevention, which is reflected in the different units for prevention it has established, which will be strengthened under the program so they can expand their CSPs.
- 4.3 The existence of technical coordinators in MIDES, MEDUCA, the National Police Force, CONADEC, and the municipal governments of Panama City, Colón, David, and San Miguelito (see paragraph 3.4) has facilitated program design and led to a sense of ownership of the programs in the respective institutions and ties of coordination that will be strengthened with the mechanisms proposed by the program.
- 4.4 The creation of the intra- and interagency coordination committees will permit integrated execution of the program and collegial decision making to facilitate execution (see paragraph 3.7).

B. Economic feasibility

- 4.5 The program's economic feasibility was studied through a cost-benefit analysis, considering the global efficiency of the program for the national economy and the benefits of the main CSPs in primary, secondary, and tertiary violence prevention.
 - a. Looking at the program as a whole, a comparison of the situation with and without the program made it possible to identify a wide array of medium- and long-term economic benefits: savings in costs in the judicial system; savings

in costs in the police system; increase in the productivity of the economy as a result of the increase in the number of youths who abandon a life of crime and join the workforce; a reduction in the costs of crime for society and the economy; and an increase in the value of the areas where the CSPs will be executed as a result of the reduction in crime and the improvement in the social integration infrastructure.

On account of the limited statistical information available, a conservative strategy was followed that only measured the benefits associated with: (i) the increase in efficiency of the security sector from the savings of costs in the penitentiary system; and (ii) the increase in productivity for the economy associated with the improvement in the levels of citizen coexistence and security. The latter comes from the number of youths who, as a result of the program, chose to abandon a life of crime and rejoin the workplace or the education system. As for costs, all the program costs were included. The result of the economic analysis, even when only considering a 10% reduction in the growth trend in the prison population between the ages of 18 and 29, gives an internal rate of return of 13.7%.¹⁶

- b. On the level of primary prevention, MEDUCA's CSP Working Together for a Violence-free Community was evaluated considering the impact of this program on the educational environment in the 65 beneficiary schools. According to international experience and in the opinion of specialists in psychoeducational projects, this program will have an impact on better school performance by youths, which will lead to a reduction in current dropout and repeater rates. The economic benefit, which was measured by comparing the situation with and without the project, was the increase in productivity associated with a larger number of youths remaining in the school system and subsequently entering the workforce with a higher level of education. The benefits were measured conservatively, including a reduction of 5% in the dropout and repeater rates, while all the costs of the program were considered as well as the operating costs to sustain the program for 15 years after the project ends. The analysis produced an internal rate of return of 12.8%.¹⁷
- c. The CSP Fresh Start was evaluated on the level of secondary prevention. In this case all the project costs were considered and only the economic benefits associated with the increase in productivity represented by a percentage of the project beneficiaries who will enter the labor market, abandoning their gang

¹⁶ In the logical framework, the benefits of the increase in the efficiency in security through savings in the costs of the security system and the increase in productivity from abandoning a life of crime, which will improve citizen coexistence and security, are measured using the indicator for reduction in the flow of youths between the ages of 18 and 29 entering the penitentiary system.

¹⁷ In the program Working Together for a Violence-free Community, the incremental benefit of productivity is measured in the logical framework by the indicator for the reduction of repeater and dropout rates.

activities, were included. In the event that at least 35% of the 1,026 beneficiary youths enter the workforce, the economic returns for this project will be 13%.¹⁸

In the case of the tertiary prevention component, the CSP for assistance at the Tocumen Detention Center was evaluated. For this analysis, the total costs of this project (US\$3.5 million) were considered and two categories of beneficiaries were included: (i) young inmates at the center who complete their rehabilitation and do not reoffend; and (ii) young inmates at the center who are reoffenders and who, without a suitable model for assistance and rehabilitation, could end up being imprisoned in the penitentiary system. The analysis considered that the Tocumen center has the capacity for 100 inmates and that the average detention period is two years. The annual average in-and-out flow was assumed to be 50 youths. On the basis of information from the 2003 census and a study of the Panamanian penitentiary system,¹⁹ it was assumed that 30% of all inmates (100) will reoffend. The economic benefits for each of the categories of inmates were: (i) for youths who do not reoffend, the benefit is the increase in productivity as a consequence of the training they will receive at the center in the situation with the project; and (ii) in the case of reoffenders but who, with adequate treatment, would not reoffend again, two types of economic benefits were considered: (i) the increase in productivity; and (ii) the savings in operating costs in the penitentiary system since they have abandoned a life of crime to join the workforce. The analysis yields an internal rate of return of 13.26%.²⁰

C. Financial feasibility

- 4.6 A fiscal impact analysis was performed to ensure the sustainability of the main actions after the program has ended. The budget requirements to sustain the operation with respect to recurrent costs will be covered through a stepped plan for absorbing those costs into the national budget. It has been agreed with the government that the financing of recurrent costs will be absorbed by it gradually during the execution period, reaching 100% by year six, as follows:

Table IV-1
Proposal for financing recurrent costs

Source	Year 1	Year 2	Year 3	Year 4	Year 5	Total
IDB Loan	100%	80%	60%	50%	30%	0%
Local counterpart	0%	20%	40%	50%	70%	100%

¹⁸ In the Fresh Start program, the benefit from the increase in productivity is measured by the indicator for youths entering the workforce.

¹⁹ Toro, Danilo. *El Sistema Penitenciario Panameño* [the Panamanian penitentiary system]. Panama, 2003.

²⁰ At the Tocumen center, the benefit of increased productivity is measured in the logical framework by the indicator for the reduction in the number of reoffending and nonreoffending youths, as a result of their entering the workforce.

- 4.7 Based on the fiscal impact analysis, it was estimated that the recurrent costs after completion of the program will be in the order of US\$2.8 million a year, on average. During the program, the loan will cover US\$1.2 million a year on average. This represents a marginal increase in comparison with total spending by the central government (less than 0.1%), which has a great deal of leeway for financing an increase of this size out of the new revenues generated by the recent tax reform.
- 4.8 *To this end, by the end of the third year of execution, MINGOB undertakes to present to the Bank a plan for the consolidation of OSEGI and its financing.*

D. Environmental impact

- 4.9 Given the nature of the activities to be financed under the program, no negative environmental impacts are anticipated. In accordance with CESI's recommendation to reduce environmental impacts or risks to the minimum, in the case of small infrastructure works proposed for Bank financing, it will be ensured during execution that the Bank's environmental guidelines for construction and the country's environmental legislation are complied with.

E. Benefits and beneficiaries

- 4.10 The social impact will be highly positive, since it will contribute to the welfare of the population of the beneficiary municipalities, particularly youths, helping to change their habits, attitudes, and values, and providing them with opportunities for development and social inclusion. Also, the program will have a significant impact on strengthening the governmental institutions and organizations involved in social prevention on the community level. Comprehensive actions will be introduced, defined on the basis of acceptance and ownership by the entities involved and institutional feasibility for social rehabilitation and inclusion.
- 4.11 The main beneficiaries of the program will be youngsters and youths between the ages of 12 and 29, which are considered vulnerable years, at risk or in conflict with the law, in the beneficiary municipalities. The institutions responsible for citizen security and child and youth development will also benefit from institutional strengthening.

Table IV-2

Target population per beneficiary municipality in the vulnerable sectors	Panama City	Colon	David	San Miguelito	Total
% of the target population per municipality compared to the total population of that municipality	33%	27%	60%	31%	
Total population of youths between the ages of 12 and 29	231,417	46,373	79,366	91,802	448,958
Population of youths between the ages of 12 and 17	114,190	16,929	46,722	33,063	210,904
Population of youths between the ages of 18 and 29	117,227	29,444	32,644	58,739	238,054

F. Expected outcomes

- 4.12 The expected outcomes are: (i) a reduction in crime rates among youths between the ages of 12 and 29 in the beneficiary municipalities; (ii) an improvement in violence prevention management by the executing agency and the beneficiary institutions; (iii) an improvement in information systems and crime statistics production; and (iv) an improvement in public confidence in national and local institutions.

G. Risks

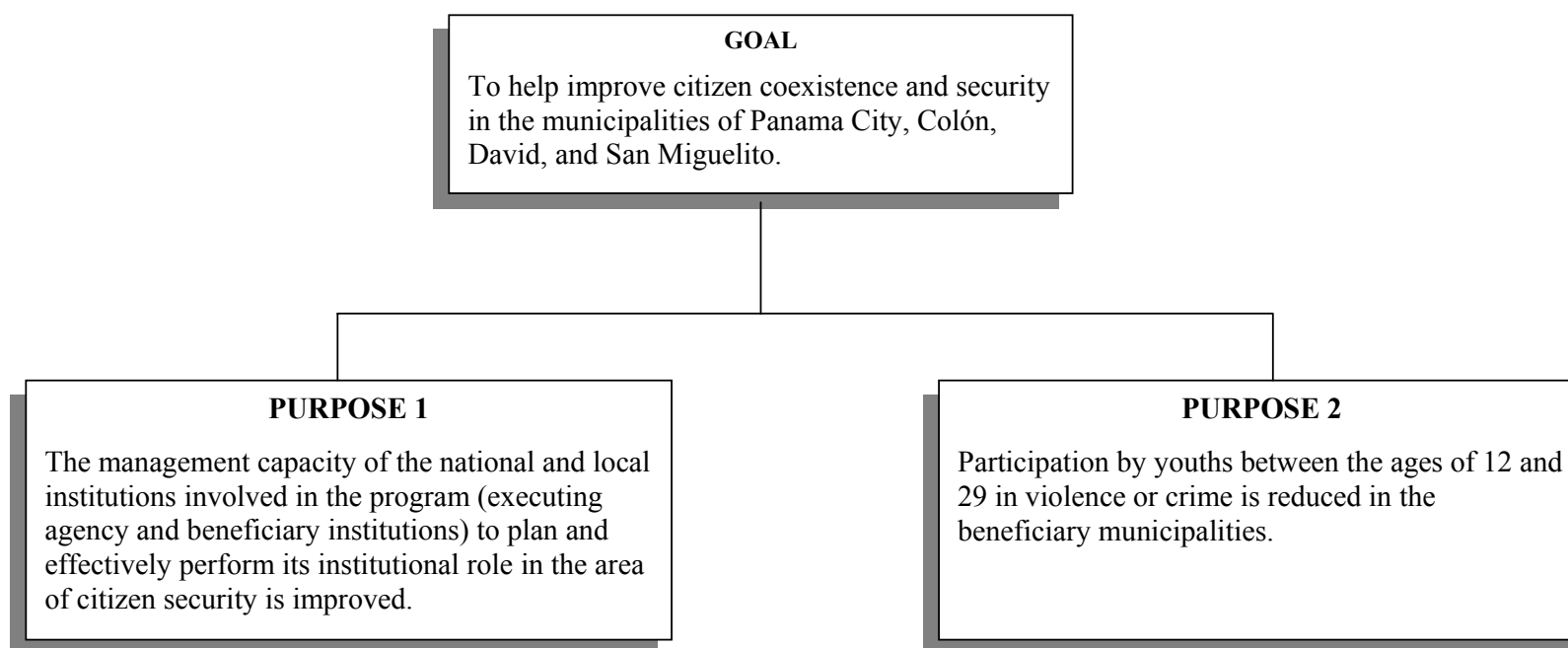
- 4.13 For program execution, potential risks that could affect its operation and actions to mitigate them have been taken into account. The logical framework includes indicators to monitor the potential risks, including the risks of interagency coordination and progress in institutional strengthening (see paragraph 3.22).
- 4.14 **Capacity of MINGOB in the area of citizen security.** The ministry's structure will be strengthened with the creation of OSEGI, which will have staff specializing in security and qualified administrative and financial staff to be selected on the basis of the profiles established in the program's Operating Regulations. The logical framework includes indicators to measure institutional strengthening in MINGOB and in the beneficiary institutions.
- 4.15 **Coordination.** Since several institutions will participate in the operation, close coordination is necessary. Accordingly, it is proposed to have a single executing agency, MINGOB, which will take charge of coordinating program execution and the activities of the beneficiary institutions. The following coordination mechanisms will also be used: interagency committees (on the national and local levels) and the interagency management agreements (IMAs), which will include the POAs. The IMAs will be established in the Operating Regulations which will define the roles of the participants and the coordination process. The counterpart team in MINGOB has worked in close cooperation with the beneficiary institutions during program design and several workshops and working meetings have been held to generate a sense of ownership and commitment to the program. As a result of this sense of ownership, each of the beneficiary institutions has technical coordinators and work teams devoted to the program, and activities have begun in the municipalities with the communities. The logical framework contains indicators to measure the effectiveness of coordination.
- 4.16 **Sustainability of the installations financed.** The program includes measures to ensure the good operation and maintenance of the physical installations financed. The following has been planned to cover these requirements: (i) budget allocations from the beneficiary institutions, particularly the municipal governments, to maintain the infrastructure in each of them (an annual estimated 5% of the value of the infrastructure under the responsibility of the respective beneficiary institution)

(the formal commitments will be established in the IMAs between MINGOB and the institutions); (ii) promotional activities for the care and good use of the installations, and participation by the municipalities and communities in maintenance to create a sense of ownership among the beneficiaries; and (iii) activities to elicit support from the private sector and CSOs.

COMPREHENSIVE CITIZEN SECURITY PROGRAM (PROSI)

(PN-L1003)

DIAGRAM OF OBJECTIVES



**COMPREHENSIVE CITIZEN SECURITY PROGRAM (PROSI)
(PN-L1003)**

LOGICAL FRAMEWORK

Narrative summary	Performance indicators¹	Means of verification	Main assumptions
GOAL			
To help improve citizen coexistence and security in the municipalities of Panama city, Colón, David, and San Miguelito.	The index for the perception of insecurity ² in the municipalities involved falls by 5 points by end-of-project (EOP). ³	Final evaluation (survey)	
PURPOSE 1			
The management capacity of the national and local institutions involved in the program (executing agency and beneficiary institutions) to plan and effectively perform its institutional role in the area of citizen security is improved.	<p>100% of the beneficiary institutions are receiving crime analysis and data quarterly by EOP.</p> <p>The index for public satisfaction with the beneficiary institutions⁵ increases by at least four points, calculated through surveys of the members of the municipal security committees that represent the public⁶ by EOP.</p> <p>Inconsistencies in the receipt of data on crime by the information sources (National Police Force, Technical Judicial Police Force and Forensic Medicine Institute) are reduced by 90% by EOP.</p>	<p>Final evaluation (OSEGI report⁴ through the CONADEC report)</p> <p>Midterm and final evaluations (survey)</p> <p>Final evaluation. (OSEGI report based on the CONADEC report)</p>	<p>The social cabinet considers the program to be a government policy.</p> <p>The national and municipal authorities maintain the political will to continue with the institutional reform program to the benefit of the prevention of social violence.</p> <p>Coordination and synergy exists between the institutions and the program interventions in juvenile prevention.</p>

¹ The values for the final and partial goals for the baseline indicators will be verified and adjusted depending on the results obtained in establishing the baseline.

² For more details on how the index is calculated, see the appendix to this Annex (indicator 1).

³ End of project (EOP).

⁴ The Ministry of the Interior and Justice (MINGOB)/Citizen Security Office (OSEGI), through its technical division, will keep a record of the program indicators.

⁵ For more details on how the index is calculated, see the appendix to this Annex (indicator 2).

⁶ The municipal security committees that represent the public draw their membership from NGOs, local leaders, youths, the church, local foundations, and others.

Narrative summary	Performance indicators ¹	Means of verification	Main assumptions
PURPOSE 1 COMPONENTS			
MINGOB and the beneficiary institutions are strengthened.			
1. Comprehensive public security policy designed.	Comprehensive public security policy document prepared by MINGOB, by month 30 of the program.	Midterm evaluation. (OSEGI report)	
* 2. CODIPRO established and operating as a coordination mechanism.	CODIPRO established one year after the program begins. 100% of strategic decisions and the AWP are coordinated by CODIPRO one year after the program begins.	Midterm evaluation (resolution published in the Official Gazette) Midterm evaluation (OSEGI report on the semiannual meetings of CODIPRO)	
3. Feasibility study for establishing a deputy ministry of security in MINGOB.	Political, technical, and economic feasibility study on the deputy ministry of security prepared one year after the program begins at the latest.	Midterm evaluation (feasibility study on the deputy ministry of security)	
4. Violence observatory established in the National Crime Statistics Commission (MINGOB-CONADEC), producing reports and analyses of the status of violence.	Violence observatory producing statistics and analyses on violence and delinquency and georeferenced maps every month by year four of the program.	Final evaluation (studies produced by the observatory)	
5. Social awareness strategy for violence prevention implemented.	Strategy prepared and 50% of the activities in the awareness and communications plan carried out, by month 30 of the program.	Midterm evaluation (OSEGI report)	
6. Monitoring and impact evaluation systems implemented in MINGOB, the National Police Force, MIDES, MEDUCA, and the beneficiary municipalities.	Monitoring and evaluation system operating and providing information on progress in the indicators one year after the program begins.	Midterm evaluation (OSEGI report)	
7. Support provided for modernization of the National Police Force.	Human resource recruitment system improved (system for selection and basic and ongoing training of personnel improved and operating under the Education Directorate) by EOP.	Final evaluation (OSEGI report based on the National Police Force report)	

Narrative summary	Performance indicators ¹	Means of verification	Main assumptions
<p>8. Security offices in MIDES, MEDUCA, National Police Force, and the municipal governments equipped and carrying out the interventions supported by the program.</p> <p>9. Personnel assigned to the program by the beneficiary institutions trained in planning and violence prevention.</p> <p>* 9. Municipal committees established by the program for the prevention of violence in each of the municipalities involved are operating for control of program activities.</p>	<p>Internal system for supervision of police conduct operating under the Directorate of Inspections and Internal Affairs by EOP.</p> <p>100% of police trained to improve the quality of CSPs, by month 30 of the program.</p> <p>Personnel assigned 100% of time to program activities and providing follow-up on the POAs one year after the program begins.</p> <p>100% of personnel assigned to the beneficiary institutions trained, by month 30 of the program.</p> <p>At least four meetings held each year once the program begins.</p>	<p>Final evaluation (OSEGI report based on the National Police Force report)</p> <p>Midterm evaluation (OSEGI report based on the National Police Force report)</p> <p>Midterm evaluation (OSEGI report)</p> <p>Midterm evaluation (OSEGI report)</p> <p>Midterm evaluation (OSEGI report based on the minutes of the meetings)</p>	
PURPOSE 2			
<p>Participation by youths between the ages of 12 and 29 in violence or crime is reduced in the beneficiary municipalities.</p>	<p>General</p> <p>A 10% reduction in the homicide rate per 100,000 people committed by youths between the ages of 12-29 by three years after EOP.</p> <p>The growth trend in the prison population between the ages of 18-29 from the beneficiary municipalities is reduced by 6% by EOP (assumption of the cost-benefit evaluation study).</p>	<p>Official statistics from CONADEC</p> <p>Final evaluation (OSEGI report)</p>	<p>The management capacity of the national and local institutions involved in the program is improved in accordance with purpose 1.</p> <p>The private sector participates actively in coordination with the public sector (national and local government institutions).</p> <p>Sense of ownership by civil society of program activities.</p> <p>Youths participate in program activities.</p>

Narrative summary	Performance indicators ¹	Means of verification	Main assumptions
	<p>Primary intervention</p> <p>Positive use of free time⁷ by youths in the municipalities involved increases by 5 points, by month 30 of the program.</p> <p>Increase of 50% in the number of youths who use the sports and cultural spaces built or rehabilitated by the program in the beneficiary municipalities, by month 30 of the program.</p> <p>60% of the conflicts reported in the schools where the program Working Together for a Violence-free Community is being implemented are resolved by mediation and arbitration units, by month 30 of the program.</p> <p>The conflict management index⁸ rises by 5 points in the schools in the program, by month 30 of the program.</p> <p>Reported cases of student violence in the schools where the program Working Together for a Violence-free Community is implemented are reduced by 10% compared to the initial analysis, by month 30 of the program.</p> <p>The annual dropout rate for youths in junior and senior high school in the schools where the program Working Together for a Violence-free Community is implemented is reduced by 5% by EOP (assumption of the cost-benefit study).</p>	<p>Midterm evaluation (OSEGI report)</p> <p>Midterm evaluation (survey)</p> <p>Midterm evaluation (OSEGI report based on MEDUCA report)</p> <p>Midterm evaluation (OSEGI report based on MEDUCA report)</p> <p>Midterm evaluation (OSEGI report based on MEDUCA)</p> <p>Midterm evaluation (OSEGI report based on MEDUCA report)</p>	

⁷ For more details on how the index is calculated, see the appendix to this Annex (indicator 3).

⁸ For more details on how the index is calculated, see the appendix to this Annex (indicator 4).

Narrative summary	Performance indicators ¹	Means of verification	Main assumptions
	<p>The annual repeater rate for youths in junior and senior high school in the schools where the program Working Together for a Violence-free Community is implemented is reduced by 5% by EOP (assumption of the cost-benefit study). There is a three-point reduction in the sympathy⁹ felt by youths towards teenage gangs in the beneficiary municipalities, by month 30 of the program.</p> <p>There is a 20% increase in early detection and timely response to cases of domestic violence each year, by month 30 of the program.</p>	<p>Midterm evaluation (OSEGI report based on MEDUCA report)</p> <p>Midterm and final evaluation (survey)</p> <p>Midterm evaluation (records of cases dealt with satisfactorily in the four municipalities)</p>	
	<p>Secondary intervention</p> <p>An increase of 25% in the number of gang members who are reintegrated into society, by month 30 of the program (assumption of the cost-benefit study). Second offenses against victims of domestic violence fall by 15%, by month 30 of the program (20% by EOP).</p>	<p>Midterm and final evaluations (OSEGI report based on MIDES report)</p> <p>Midterm and final evaluations (OSEGI report based on MIDES report)</p>	
	<p>Tertiary intervention</p> <p>Reduction of 75% in second offences by youths interned in the Tocumen Detention Center by EOP (assumption of the cost-benefit study).</p>	<p>Final evaluation (MIDES records)</p>	

⁹ For more details on how the index is calculated, see the appendix to this Annex (indicator 5).

Narrative summary	Performance indicators ¹	Means of verification	Main assumptions
	30% of families or guardians of youths in the Tocumen Detention Center participate in the program for rehabilitation and family assistance by year 3 of the program.	Final evaluation (MIDES records)	
PURPOSE 2 COMPONENTS			
1. Students in the schools that benefit from the program Working Together for a Violence-free Community are trained in risk factor prevention programs (drugs, alcohol, etc.), personal development, and the positive use of free time.	100% of students are trained in risk factor prevention programs (drugs, alcohol, etc.), personal development, and the positive use of free time by year 3 of the program.	Annual evaluation (OSEGI report based on MEDUCA report and municipal reports)	<p>MEDUCA is committed to program activities.</p> <p>MIDES is committed.</p> <p>The municipalities are committed.</p> <p>SCOs and communities support violence prevention activities.</p>
2. Teachers and parents from the schools that benefit from the program Working Together for a Violence-free Community are sensitized to the importance of their participation to prevent juvenile violence.	100% of teachers and parents have participated in sensitization activities about the importance of their participation to prevent juvenile violence by year 3 of the program.	Annual evaluation (OSEGI report based on MEDUCA report and municipal reports)	
3. Infrastructure is constructed for sports activities.	Two sports complexes, 90 sports fields built or rehabilitated, 10 infoplazas installed and equipped, 10 parks equipped, 5 swimming pools, 4 libraries constructed by EOP.	Final evaluation (OSEGI report based on the municipal reports)	
4. Infrastructure is constructed for cultural activities.	Six cultural centers constructed, outsourced, and operating by EOP.	Final evaluation (OSEGI report based on the municipal reports)	
5. Sports and cultural events for youths are sustainable.	90% of the sports and cultural events programmed in the AWP of each municipality are held annually, by month 30 of the program.	Midterm evaluation (OSEGI report based on the municipal reports)	
6. Guidance centers for vulnerable and at-risk youths installed and operating.	Three guidance centers built by the end of 2006.	Final evaluation (OSEGI report based on the municipal reports and MIDES report)	

Narrative summary	Performance indicators ¹	Means of verification	Main assumptions
<p>7. System for prevention and comprehensive treatment of domestic violence implemented.</p> <p>8. The CSP Fresh Start (secondary prevention for gang members) strengthened and implemented.</p> <p>9. Physical installations at the Tocumen Detention Center for youths in conflict with the law adequate for providing services and the new rehabilitation model implemented.</p>	<p>System operated in coordination by the municipalities, with the supervision of MIDES, MINSA, and the National Police Force, by month 30 of the program.</p> <p>50% of the beneficiary gang members participate in program activities, by month 30 of the program.</p> <p>100% of youths interned at the Tocumen center benefit from the rehabilitation programs by EOP.</p>	<p>Midterm evaluation (OSEGI report based on the municipal reports and MIDES reports)</p> <p>Midterm evaluation (OSEGI report based on MIDES report)</p> <p>Final evaluation (OSEGI report base on MIDES report)</p>	

Table 1
Indexes to evaluate the impact of the
comprehensive security program
(PN-L1003)

Performance indicators	Form of calculation
1. The index for the perception of insecurity in the program municipalities falls by 5 points by end of program.	<p>Measures the change in the perception of insecurity in the program municipalities in comparison with the perception of insecurity in a similar municipality that will not be involved.</p> <p>The index is constructed with eight variables that include common urban problems: (i) damage to property, (ii) presence of gangs, (iii) drug trafficking, (iv) street fights, (v) physical aggression in the streets, (vi) gunshots, (vii) the feeling of insecurity in the streets and (viii) the feeling of insecurity at home.</p> <p>The person surveyed ranks the seriousness of the problem on a scale of 1 to 3. In the statistical computation of the data, the points are added for a final result that can range from 8 to 24.</p> <p>Ratings over 16 are above the midpoint on the scale and signify a high perception of insecurity; ratings below 16 indicate relatively low perceptions of insecurity</p> <p>SOURCE: Survey of youths who attend and do not attend school.</p>
2. The index for public satisfaction with the beneficiary institutions increases by at least four points, calculated through surveys of the members of the municipal security committees ¹⁰ by end of program.	<p>To verify the extent of community satisfaction with the institutions participating in the program, the municipal security committees will be consulted, since they form a representative sample of the population. They are considered opinion leaders with sufficient knowledge to objectively evaluate each of the aspects taken into consideration.</p> <p>For each beneficiary institution participating in the program, four questions have been designed to characterize their actions and assistance for the public,¹¹ according to the intervention model developed.</p> <p>Each question has four options ranging from highest to lowest, so that a minimum of 4 and a maximum of 16 points can be obtained. The midpoint on the scale is 8 points. Ratings below the midpoint indicate a moderate degree of satisfaction, ratings close to 16 indicate a higher degree of satisfaction with the institution evaluated.</p> <p>SOURCE: Self-reported survey of members of the municipal committees.</p>
3. The index for the positive use of free time by youths in the municipalities involved increases by 5 points, by month 30 of the program.	<p>Measures the change in the way that youths use their free time, based on seven variables: (i) playing sports, (ii) reading, (iii) playing music, (iv) doing homework, (v) engaging in artistic activities, (vi) talking with relatives, and (vii) talking with friends.</p> <p>Higher points are assigned as more time is spent on each activity. The possible range of responses is between 7 and 35.</p> <p>Ratings over 14 indicate positive use of time; lower ratings indicate that youths use their free time on other activities that are not desirable.</p> <p>SOURCE: Survey of youths who attend and do not attend school.</p>

¹⁰ The municipal committees that represent the public draw their membership from NGOs, local leaders, youths, the church, local foundations, and others.

¹¹ For more details about the questions, see Table 2 below.

Performance indicators	Form of calculation
<p>4. The conflict management index rises by 5 points in the schools in the program, by month 30 of the program.</p>	<p>Measures changes in the way that youths, parents, and teachers deal with conflicts.</p> <p>The index is built with three variables (questions) that contain several options for negative and positive behavior in resolving conflicts. They include the reactions of youths, parents, and teachers to conflicts among youths.</p> <p>The person surveyed chooses the option that best describes their reaction and the reactions of their parents and teachers. The options range from a violent reaction to a peaceful resolution, which scores higher points. Points range from 3 to 22.</p> <p>Ratings over 11 are above the midpoint in the scale and indicate adequate conflict management; ratings below the midpoint indicate inadequate conflict management.</p> <p>SOURCE: Survey of youths who attend and do not attend school.</p>
<p>5. There is a three-point reduction in the sympathy felt by youths towards teenage gangs in the beneficiary municipalities, by month 30 of the program.</p>	<p>Measures the change in attitude among youths with regard to the sympathy they feel for teenage gangs.</p> <p>This index is built with three variables on a numerical scale: whether gangs are seen as harmful to the neighborhood, the sympathy felt for them, and the possibility that the youths might join a gang.</p> <p>When the points assigned to each of the three variables are added, the possible range lies between 3 and 15 points.</p> <p>Ratings over 6 indicate a high degree of sympathy toward teenage gangs; lower ratings indicate less sympathy.</p> <p>SOURCE: Survey of youths who attend and do not attend school.</p>

Table 2
Questions for evaluating the activities and assistance provided for the public by each of the program's beneficiary institutions

MIDES
<p>1. MIDES has established clear guidelines and policies for attacking problem areas in the citizen security programs in your municipality.</p> <ul style="list-style-type: none"> • Strongly agree • Agree • Disagree • Strongly disagree
<p>2. MIDES has promoted participation by all sectors in establishing the security guidelines and policies in the citizen security programs in your municipality.</p> <ul style="list-style-type: none"> • Strongly agree • Agree • Disagree • Strongly disagree
<p>3. MIDES has efficiently coordinated the actions of the institutions involved in the citizen security programs in your municipality.</p> <ul style="list-style-type: none"> • Strongly agree • Agree • Disagree • Strongly disagree
<p>4. Are you satisfied with MIDES actions in the citizen security programs in your municipality?</p> <ul style="list-style-type: none"> • Very satisfied • Satisfied • Dissatisfied • Very dissatisfied
CONADEC
<p>1. Does your office receive quarterly information from CONADEC?</p> <ul style="list-style-type: none"> • Always • Mostly • Sporadically • Never
<p>2. Is the information you receive from CONADEC timely?</p> <ul style="list-style-type: none"> • Very timely • Timely • Untimely • Very untimely
<p>3. Is the information you receive from CONADEC useful for decision making?</p> <ul style="list-style-type: none"> • Very useful • Useful • Not useful • Not useful at all
<p>4. In the event that your office has had to ask CONADEC for specific information, has it been accessible?</p> <ul style="list-style-type: none"> • Always • Almost always • Sometimes • Never
NATIONAL POLICE FORCE (NPF)
<p>1. Has the NPF been more courteous toward the community?</p> <ul style="list-style-type: none"> • Definitely yes • Possibly yes • Possibly no • Definitely no

2. Does the NPF keep the public informed about its achievements and results?
<ul style="list-style-type: none"> • Definitely yes • Possibly yes • Possibly no • Definitely no
3. Has the NPF improved its community relations and contacts?
<ul style="list-style-type: none"> • Definitely yes • Possibly yes • Possibly no • Definitely no
4. Do you have confidence in the NPF ?
<ul style="list-style-type: none"> • A great deal • Some • Little • None
MUNICIPALITIES
1. Do you think that the municipality is carrying out the sports events efficiently?
<ul style="list-style-type: none"> • Definitely yes • Possibly yes • Possibly no • Definitely no
2. How would you rate the municipalities' management and maintenance of sports and cultural spaces?
<ul style="list-style-type: none"> • Excellent • Good • Poor • Very poor
3. Do you think that the municipalities have been efficient in establishing the municipal security committees?
<ul style="list-style-type: none"> • Very efficient • Efficient • Inefficient • Very inefficient
4. Are you satisfied with the performance of the municipalities as it relates to the work being done in the citizen security programs in your municipality?
<ul style="list-style-type: none"> • Very satisfied • Satisfied • Dissatisfied • Very dissatisfied

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

AM
07/10/06

PROPOSED RESOLUTION DE-__/_

Panama. Loan ____/OC-PN to the Republic of Panama
Comprehensive Security Program (PROSI)

The Board of Executive Directors

RESOLVES:

That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such contract or contracts as may be necessary with the Republic of Panama, as Borrower, for the purpose of granting it a financing to cooperate in the execution of a comprehensive security program (PROSI). Such financing will be for the amount of up to US\$22,700,000, from the resources of the Single Currency Facility of the Bank's Ordinary Capital, and will be subject to the Financial Terms and Conditions and the Special Contractual Conditions of the Project Summary of the Loan Proposal.

(Adopted on ____ 2006)

LEG/OPR/RGII/IDBDOCS#766383
PN-L1003