



**Office of Evaluation and Oversight, OVE
Inter-American Development Bank**

1300 New York Ave. N.W., Washington, D.C. 20577

RE-253

*Evaluability of Country
Strategies:
Methodology Note*



Office of Evaluation and Oversight

Officially distributed to the Board of Executive Directors on October 5, 2001.

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EXECUTIVE SUMMARY

Evaluation of the Bank's activities unquestionably serves as a vital instrument for continually improving the institution's impact on the development of countries. While evaluation has focused primarily on loans and investment projects, this type of analysis is limited in terms of the conclusions it yields. Thus, it is worth examining whether the activities, as a whole, have been designed and instituted in a way that effectively addresses the needs of the country. This requires a set of clear objectives and a defined strategy—that is supported by the Bank—for achieving them. In view of the breadth and ambitiousness of the objectives being pursued, which render their evaluation difficult, the present document posits that evaluating strategies—i.e., verifying whether they were implemented and whether they produced the anticipated results—could become crucial in ascertaining whether the Bank's actions have contributed, as expected, to achieving the objectives.

One of the Bank's mandates—reiterated in the Replenishments of Resources and in the policies approved by the Board of Executive Directors—concerns the need to evaluate and reformulate country papers, which are a vital tool in planning Bank activities. There appears to be consensus, however, that the mandate has not been properly implemented. Despite the important role of the Bank's funding in the region, there is a general perception that proper emphasis has not been given to the evaluation process and to country strategy, i.e., on ascertaining whether the Bank's overall actions have contributed to a given set of objectives. It is therefore difficult to know definitively whether the Bank's actions are responding to a predefined strategy and, in turn, whether the strategy involved is consistent with achieving the objectives that have been set.

The present document offers a number of ideas and proposals in this regard. External consulting services having extensive knowledge of the Bank were hired to prepare this report; they met with a number of Directors and Counselors, Advisers, Division Chiefs, and economists who have been involved in one way or another with the programming, strategy formulation, and preparation of country papers. In addition, a significant number of country papers were reviewed, as well as the pertinent bibliography prepared by the Bank and other multilateral agencies. Subsequent to preparation of the first draft, a series of meetings were held with Management to discuss the evaluation findings and the suggestions made herein.

The report's primary objective is to propose a methodology for evaluating country strategies, understood as the set of strategies or ways of doing things in order to achieve preestablished objectives. This task involves examining the strategic concepts contained in country papers (CPs), in the context of the Bank's planning process, with a subsequent discussion of the evaluability of the strategies set forth in the CPs. The first conclusion is that there is a general lack of clarity, precision and explicitness in the ideas presented. Typically, CPs offer numerous objectives—specifying what is to be done—but fail to detail strategic alternatives and options for executing the objectives, shifting this

responsibility, instead, to a group of projects. The present report highlights some of the difficulties of formulating country strategies in Bank documents.

If there is no strategic focus, it would be redundant to say that it is difficult to evaluate country strategies. Thus, in order for the proposed evaluation to be viable, this document proposes reformulating part of the content of CPs, *so* as to include explicit strategies whose results can be evaluated. It is essential to present a results framework, i.e., a set of indicators to measure the scope and impact of the Bank's strategic action. CPs would thus become a kind of 'contract' between the Bank and the country, specifying the strategies (the "country strategy"), what the country expects to achieve through the Bank's contribution, and defining a results framework to evaluate both the strategy and the Bank's specific contribution. Such a reformulation does not involve massive changes or changes in Bank policy. On the contrary, strategic focus is an important part of the mandates (as expressed, for example, in the Eighth Replenishment document) and of the guidelines already approved (document **GN-2020**). Thus, the problem, as discussed in this report, is the lack of incentives for implementing already-established strategies, rather than one of needing to change the institutional status quo.

Once the CPs contain explicit country strategies, translated into a results framework, it will be possible to propose a methodology for evaluating them. This report first lays out the main theoretical obstacles facing such an evaluation (attribution, counterfactuals and indicators), and concludes that although no solution has been found for overcoming these hurdles, it is highly useful to confront them openly at the time the evaluation is conducted. Secondly, this report identifies the criteria that should be used in evaluating country strategies (relevance, effectiveness and efficiency) and points to a set of tools that evaluators should consider using, in addition to their own common sense, in carrying out their work—i.e., CP, portfolio analysis, results framework (indicators), studies, questionnaires and interviews. This evaluation has institutional backing, given that the Bank's policies and mandates have consistently emphasized the importance of preparing and evaluating country strategies.

The development of "evaluable" CPs, with well defined strategies and appropriate results frameworks, will assist not only in evaluating strategies *per se*, it will also make evaluations a crucial element in evaluating country programs and formulating future country strategies.

Both the IDB and the World Bank are preparing evaluations of their financial and nonfinancial operations, covering a ten-year period. The World Bank has produced a *Country Assistance Evaluation* document for more than **30** countries, and although the focus is on the World Bank's overall program, these documents always include reference to, and occasional evaluation of, strategies. The IDB is also preparing *country program evaluations*, though at times with a lack of formal structure and without standardization

¹ The term "contract" is used herein not in its technical, legal sense but rather in its meaning as a statement of wishes; in other words, as a bilateral commitment that is not legally binding but rather links the future actions of both parties to the specific framework defined, which both parties have agreed to in pursuit of identified objectives.

of the processes and contents involved. The two institutions are also preparing reports on the evaluation of specific projects.

In this context, the present document may be viewed as a proposal for improving the evaluability of country papers, with a focus on evaluating the strategy, i.e., the options or alternatives that the Bank has endorsed for dealing with development challenges, as well as the logic underlying given types of activity. Such an evaluation is both distinct from and complementary to specific project and country-program evaluations.

FOREWORD

This paper contains a series of considerations that are intended to enhance the evaluability of strategies formulated in country papers. It is not, and does not aspire to be, a set of guidelines listing specific requirements to be met by country papers.

Evaluability is one of the many and varied elements that the guidelines should contain, and Management has been working for some time on the appropriate definitions and scope in this regard.

As will be explained below, enhancing the evaluability of country papers will entail introducing a series of changes in both content and approach. The proposals made on the following pages address *inter alia* some specific content issues that should be covered in country papers.

These considerations have been drafted with a view to enhancing the evaluability of country papers through evaluation of the strategies they contain and, accordingly, they do not need to be reflected word-for-word—but rather in spirit—in the proposal ultimately submitted by Management.

That being said, a concerted effort along the proposed lines is the only way to ensure a minimum level of CP evaluability and to respond to the mandate from the Board to conduct such an evaluation.

I. BACKGROUND

- 1.1 As part of its ongoing dialogue with and support for the countries of the region, the Inter-American Development Bank (IDB) began to produce country papers (CPs) pursuant to the mandates emanating from the Eighth Replenishment and the institution's administrative reorganization in 1994. These documents, in a sense, replaced the previous country program papers (CPPs) while increasing their importance in the Bank's planning process. Operational regions are responsible for preparing CPs. Until mid-2000, the Bank's Board of Executive Directors had, in most cases, approved two CPs per country during the last six years.
- 1.2 The structure of CPs has been subject to various criticisms and has undergone a series of changes. In 1998, the Bank's Management analyzed the planning process and provided the Board with proposed guidelines for restructuring CPs (document **GN-2020**).² Though this document has served as a guide for preparing CPs since that time, it has not been formally approved by the **Board**.³ A version of the document, dated June 1999, can nevertheless be found on the Intranet (PR-201) and currently serves as a reference in preparing CPs.
- 1.3 In regard to evaluating strategies, the Evaluation Office (OVE) prepared two working documents in 1996: 1996 Country Paper Evaluability Exercise (WP-11/96) and Evaluability Guidelines for the Formulation of IDB Operational Strategies and Policies (WP-12/96). These documents employ a questionnaire-type methodology for evaluating CPs and for evaluating groups of countries.
- 1.4 As part of the institutional strategy: the Board has recently expressed the need for reformulating CPs, as well as for evaluating them. This request translates into a broader requirement that goes beyond the document itself, pointing to the need for a general analysis of the planning process, and in particular, for the formulation and evaluation of country strategies in the region.
- 1.5 This report examines the extent to which the Bank's country strategies, as set forth in the country papers, are evaluable, and proposes an appropriate evaluation methodology. This task must begin with an analysis of the planning process and formulation of strategies that enrich and shape a CP. Once there is an understanding of this framework, changes can be proposed for improving the evaluability of country strategies.
- 1.6 It was regarded as necessary, as part of the analysis, to present for consideration by the Bank's working group, responsible for the reformulation of CPs, a number

² See the minutes of the 14 September 1998 meeting of the Programming Committee of the Board.

³ In the progress report on implementation of the institutional strategy, Management had committed to completing the review of the Country Paper Guidelines during the first half of 2001 (document GN-2077-6, page 5, point 2.12).

⁴ See Recommendation 4 (Strengthen country focus in operations) and Recommendation 5 (Enrich country programming) in the institutional strategy paper (document GN-2077-1).

of guidelines clarifying what an evaluable CP should encompass. These are presented in Chapter III, while Annex I identifies a number of indicators as examples for future evaluations.

- 1.7 The methodology employed in preparing this report is based on interviews and on an examination of relevant documents. Those providing consulting services interviewed numerous Directors and Counselors, as well as advisors, division chiefs and economists involved in one way or another with planning, formulating strategies and preparing country papers. In addition to reviewing a large number of CPs, a bibliography on these issues, prepared by the Bank and other multilateral organizations, has been reviewed (See Annex II).

II. THE COUNTRY PAPER AS A STRATEGIC AND PLANNING DOCUMENT

- 2.1 Under the Eighth Replenishment, the country paper is a vital element within the planning process that defines the Bank's support and contributions in the countries. Document **GN-2020** prescribes the structure of the CP, including five principles, aimed at facilitating institutional decision making. These are: (i) to function as a strategic element in the Bank's corporate intervention in the country; (ii) to provide a frame of reference for dialogue with country officials regarding operations and policy; (iii) to present its content succinctly; (iv) to provide for a simple and efficient process for preparing CPs; and (v) to include a planning cycle that reflects a long-term perspective.
- 2.2 Based on a reading of various Bank documents, the CP should play an important role in the planning process. Planning should begin with an assessment and analysis of the political, social and economic situation in the country in question, extracting from this the priorities that, in turn, serve as the Bank's basis for dialogue with the country. This dialogue also must take into account not only the points of view of the Bank and of the country's officials, but the actions of other multilateral or foreign funding organizations as well. The CP should summarize this dialogue, singling out the objectives and strategies of importance to the country, in terms of the Bank's participation, in order to develop a work program encompassing the range of instruments that the Bank makes available to its member countries.
- 2.3 Fulfilling this mandate is far from simple, and its complexity clearly creates difficulties in conducting evaluations. Moreover, it is not easy to harmonize the Bank's traditional planning activities with the objectives of a CP; thus, it may also affect the planning cycle. One example is the planning mission which, theoretically, should be carried out in the process of preparing the CP—i.e., when there is agreement on objectives and strategies but specific projects have not yet been defined. In practice, however, this harmonization has not been achieved.

A. Current state of affairs

- 2.4** Upon reviewing various CPs and speaking with relevant staff members, the initial impression is that, under current conditions, it is virtually impossible to evaluate the Bank's strategies. The primary reason is rather simple: CPs do not, in practice, define explicit strategies, i.e., they do not examine or determine the best alternatives for achieving specific objectives.⁵
- 2.5** There are, however, implicit strategies. In some cases, the strategy in a particular sector can be deduced from reading the CP and by analyzing the type of operation proposed. This is not always true, however, and an examination of CPs indicates that they generally lack the technical discussion necessary to support these "pseudo-strategies".
- 2.6** On the other hand, there is an abundance of objectives—albeit to the point of confusion. It is common to refer, for example, to the reduction of poverty or the modernization of the state as a "strategic guideline." Similarly, in apparent attempts to be more specific, phrases such as "increase in the quality of education" or "increased tax pressure" are used. These could be considered specific objectives, but they do not define a strategy. What generally follows such remarks in the CPs is a list and brief description of operations proposed for the coming two to three years.
- 2.7** In addition to the absence of strategies, which is a crucial issue, the most common criticisms/comments on CPs are that: (i) objectives are too general, replicating the agreements in the Eighth Replenishment without adding anything new; (ii) there is no clear strategic focus, and innumerable objectives or areas of action are proposed, while providing a rationale for practically any type of intervention; (iii) sectoral evaluations lack depth; (iv) the document seems to have been written to justify a preconceived set of projects; (v) there is a lack of emphasis on the importance of nonfinancial products; and (vi) the benchmarks used are either difficult to evaluate or are not directly related to the Bank's intervention.

B. Factors that hinder the development of country strategies

- 2.8** Since our objective is to evaluate country strategies, it is appropriate to briefly mention the apparent reasons for the absence of strategies in CPs, which makes them difficult to evaluate.

1. The negotiation process

- 2.9** Pursuant to a decision by the Board, CPs must be approved by the countries. After the Bank's Management approves the CP, it is sent to the country for comment. The mutually acceptable version is sent to the Board's Programming Committee.

⁵ Though the concept of "strategy" may have many connotations at the Bank, this document focuses on country strategies, i.e., the set of ideas and arguments that justify specific actions through which the Bank supports a country in pursuing defined objectives.

- 2.10 In practice, the content of many CPs changes substantially between approval by Management and the final version sent to the Board. On some occasions, the country is not in agreement and the process has run aground, thus reflecting the fact that the CP, while it may address the country's needs, fails to address the needs of the government.
- 2.11 The issue is even more complicated, because in many cases it is, quite normally, the Bank's very planning process that is subject to political negotiation. The problem is that, at times, decisions regarding a list of projects are made before having access to background studies that would shed light on the issues and help determine whether the operations in question are consistent with the country's priorities and can truly benefit from Bank financing.
- 2.12 This is in line with the perception of some Directors, who believe that CPs, rather than presenting strategies, simply provide justification for a pipeline already agreed upon, and that the objectives set forth in CPs are overly general and lack focus.
- 2.13 The Bank, of course, cannot impose its reasoning. Thus, because of the nature of the document, when there is a conflict in ideas, it is difficult to produce a document of relevance and substance. The proposal presented below would, in some ways, reduce the friction involved in this process.

2. The project approval “culture,” and incentives within the Bank

- 2.14 The mechanics of the Bank have created incentives for approving as many operations as possible. There is no doubt as to the Bank's response capacity or the importance that this funding has gained recently in the countries of the region. For this very reason, it is vital to strengthen the process of evaluating the results and the impact of the Bank's intervention—an activity currently part of OVE's work program.
- 2.15 Traditionally, the emphasis has been on the number of loans approved, rather than on their quality, level of execution or **impact**.⁶ This “culture of approval” is reflected in the CPs. The importance given to lists of projects is not complemented by corresponding analytical assessments and substantiation. Nor is due emphasis placed on nonfinancial products, such as sectoral studies and precise, practical recommendations regarding the portfolio. Moreover, Bank policy mentions that the processing of an operation is simpler (short procedure with the Board of Executive Directors) when it has been included in the CP, thus giving an additional incentive for including a long list of operations.

⁶ This statement was common in the interviews. Nevertheless, the Bank has taken a number of steps to alleviate the problem. Country Offices have greater resources and responsibilities, though, in practice, there continues to be a noticeable dependence on headquarters. Also, the recent placement of the Office of Evaluation and Oversight (OVE) directly under the Board of Executive Directors is a step in the right direction.

- 2.16** The Bank’s organizational structure also supports this procedure. Since the CP represents the overall strategic response of the Bank, individual divisions always have an incentive for ensuring that their points of view are reflected in the CP. This conflicts with the mandate for brevity and focus in CPs (see document GN-2020), though it will always be difficult to prove that a particular sector should not be given priority, especially in the case of countries with countless needs.
- 2.17** These “pressures” may also arise within the operational region responsible for preparing the CP. Because the explicit or tacit “evaluation” of functional divisions within the regions depends on the number of projects approved, there is an incentive to include as many operations as possible in the CP.

11L. PROBLEMS IN EVALUATING COUNTRY STRATEGIES

A. A new country paper

- 3.1** The country paper is ultimately a reflection of the ongoing dialogue between the Bank and the country, and it should therefore contain the analyses, considerations, and agreements reached with regard to objectives, development strategy, and the Bank’s action and expected outcomes. The CP should reflect the country’s expectations vis-à-vis the Bank’s work, the targets set, and the joint objectives being pursued. For CPs to be truly evaluable, however, the focus needs to be placed on evaluating the strategies defined therein for achieving the objectives and targets, i.e., *how* to achieve them, and for this purpose it is necessary to have (as will be indicated below) a set of indicators that are geared to these strategies, targets, and objectives.
- 3.2** When shaping this dialogue and formalizing it in the country paper (without intending for this report to be a detailed list of necessary CP actions or content’), it would be very useful for the Bank to take as its starting point the key political and macroeconomic issues, together with the main development challenges and bottlenecks at the sector or general level that hinder development. It is not enough, for instance, to point out that poverty is a problem or to describe recent trends in poverty; rather, the causes of poverty need to be clearly identified and typified, etc.
- 3.3** It would also be useful to analyze two issues that are essential in justifying the Bank’s actions. First, there should be a summary of the evaluation of the previous strategy. And second, there needs to be an analysis of the current portfolio—an important asset that should be exploited, not only in order to learn from mistakes, but to increase the efficiency of the Bank’s activities by evaluating the possibility

⁷ These paragraphs reflect a logical reasoning that would facilitate conceptualization of the strategies and their subsequent evaluation; they do not imply that the final version of the CP would have to include each of the steps indicated. The latter point is a matter to be addressed by Management.

of reformulating operations already in the execution phase *so* as not to overload the work program.

- 3.4 The next step would be to work on the body of the CP: the strategies.⁸ The first task is to identify the objectives of the Bank's action in order to determine if the available activities (e.g., loans, technical assistance, grants, studies, etc.) are able to help attain these objectives, and how these corporate interventions are expected to reinforce each other. For this, it is necessary to consider options that, from the Bank's viewpoint, could help to attain them. These considerations **are** a starting point for defining the strategies.
- 3.5 At the same time, account must be taken of the country's own strategies and policies, which can be gleaned from national development plans or similar documents, including the campaign platforms of incoming administrations.
- 3.6 Comparing the Bank's position with the country's will identify the areas of convergence in terms of general and specific objectives, existing options for pursuing them, and the role envisaged for the Bank's contribution. This would be the framework for the dialogue with the authorities, i.e., a dialogue not just on objectives but also on the various ways of attaining them.
- 3.7 Once agreement has been reached with the country as to the objectives and the best way to attain them, work would begin on designing the specific strategy for each objective. This would mean justifying the option selected as well as the actions to be taken. After defining the specific strategies (which are to complement and reinforce each other), a results (indicators) framework should be devised that would show *aposteriori* if the strategies were the right ones, if they had been implemented properly, and generally if the overall action of the Bank had helped to attain the objectives. Upon grouping and harmonizing the strategies and their respective results frameworks as defined for each objective, the *country strategy* would emerge. Where disagreements exist, the Bank's position would need to be stated and justified, and studies and dialogue would need to continue, acknowledging that a consensus had not been achieved.'

⁸ The concept of *strategy* was defined earlier in terms of *how* to attain a defined objective. However, the word *strategy* also implies a plurality of actors, inasmuch as the government has its strategies (set forth basically in "development plans"), the Bank has its sector strategies, and then there are the country strategies being discussed here. **For** purposes of clarity, *country strategy* as used herein refers to the strategy agreed upon by the government and the Bank, which should contain a series of specific (sector) strategies that complement and reinforce each other in the pursuit of specific objectives.

⁹ In operational terms, the Bank could produce (as necessary) another document—a sort of limited-circulation issues paper—that would be used **for** dialogue with the country. The paper would mention the points **of** divergence and the rationale for each position. The dialogue document would be used as a reference **for** building a consensus. This way, the **CP** would reflect only the areas **of** agreement, mentioning divergences only if it was deemed appropriate and making reference to the dialogue document. Moreover, a consensus-based **CP** would be easier to publish, helping to make the Bank's contribution more transparent.

- 3.8** This would, in itself, reduce the range of interventions, while being compatible with the Bank's analysis and with the priorities of the government in office. This methodology would also help distill ideas and supporting elements of the Bank, *so* as to avoid falling into current generalities that lead to the Bank's offering support to all sectors under almost any conditions. Furthermore, the process of negotiating the **CP** with governments would be much more expeditious, since the document would only include agreed approaches, in terms of what needs to be accomplished and how.
- 3.9** The **CP** would therefore reflect an agreement on strategies agreed upon with the country to be supported by the Bank in the coming years. However, in order for the agreement to be realistic and susceptible to monitoring, it must be translated into a results framework, *i.e.*, a set of indicators for the period involved, including targets and milestones that facilitate evaluation and make it possible to measure the strategy's success in achieving the specified objectives. In the final analysis, the **CP's** results framework would be the heart of the document—*i.e.*, the summarized version with set priorities and agreed-upon expectations in terms of the Bank's support over the coming years.
- 3.10** The development of these strategies would thus need to be accompanied by a set of clearly differentiated indicators:
- i. One group would deal with changes in macro variables related to general and specific objectives (**GDP** growth, poverty level, tax burden, etc.).
 - ii. A second group would measure the relevance, effectiveness and efficiency of the strategies—a difficult but not impossible task. These indicators would serve as the basis for the proposed results framework.
 - iii. There would also need to be a group of general indicators on the proposed interventions (number of studies carried out, spending in a given sector).
 - iv. Lastly, a number of specific indicators on portfolio performance (percentage of disbursements, period for fulfillment of conditions precedent, etc.) and on the performance of financial indicators (exposure) also need to be considered in deciding what instruments to use once the strategy has been defined.
- 3.11** When selecting the indicators, it should be borne in mind that only those indicators capable of identifying tangible change over a reasonable period of time should be included. Naturally, the process should take other factors into account as well, such as the ability to establish milestones for the period covered by the **CP** in order to measure the impact of the strategies adopted and, if necessary, adjust or reformulate the strategy.

- 3.12 The CP would thus be a kind of contract¹⁰ wherein both parties—the country and the Bank—state their intentions, set targets, establish strategies, define indicators, and agree on instruments for pursuing the identified objectives. This meeting of minds or contract would establish the framework under which the parties would carry out future activities and it would contain the tools needed for evaluation and the factual data required for analyzing adjustments and the timeliness of selecting the options included.
- 3.13 Viewing the CP as an agreement or contract means that, since it is the result of a meeting of minds, it can also be modified or adjusted by the parties. For instance, the impact of events that were unforeseeable at the CP’s time of drafting could be adjusted for through a process of negotiation, thus eliminating rigidity in the consensus-based action framework and preventing exogenous shocks from turning the CP into an out-dated document.
- 3.14 Such an approach means that the current CP needs to undergo a change in content more so than in format. The format presented in document **GN-2020** could be suitable, although it would be necessary to underscore the need to focus on defining a framework of results and strategies, and differentiate them from the objectives.
- 3.15 **A hypothetical case** may help to clarify this proposal. Suppose that, based on the required evaluation, it were determined that the general objective was to increase the population’s standard of living, with the conclusion that education was a priority for the country, with the further determination that the essential problem was to increase the quality of basic education. *So* far, a group of objectives has been defined, based on an appropriate evaluation and careful analysis.” It is at this point that the process of developing a strategy should begin, i.e., determining how to meet the objective of increasing the quality of education. There could be various alternatives, some of which could be considered contradictory or incompatible given the scarcity of resources; others could be considered complementary. [For instance: (i) decentralizing education, in order to provide schools with the power to make administrative decisions and make communities accountable; (ii) implementing a voucher system to strengthen demand; (iii) strengthening control by the Ministry; (iv) increasing teachers’ salaries, etc.]
- 3.16 In this example, once the rationale had been presented for the appropriate alternative or alternatives, it/they would be compared with the one supported by the government. If there is consensus, the strategy would then be fleshed out, including the appropriate type of intervention to include in the CP (loan, study, etc.). In terms of indicators, a uniform test, based on a representative sample, could be selected to measure educational quality. In terms of strategy, a

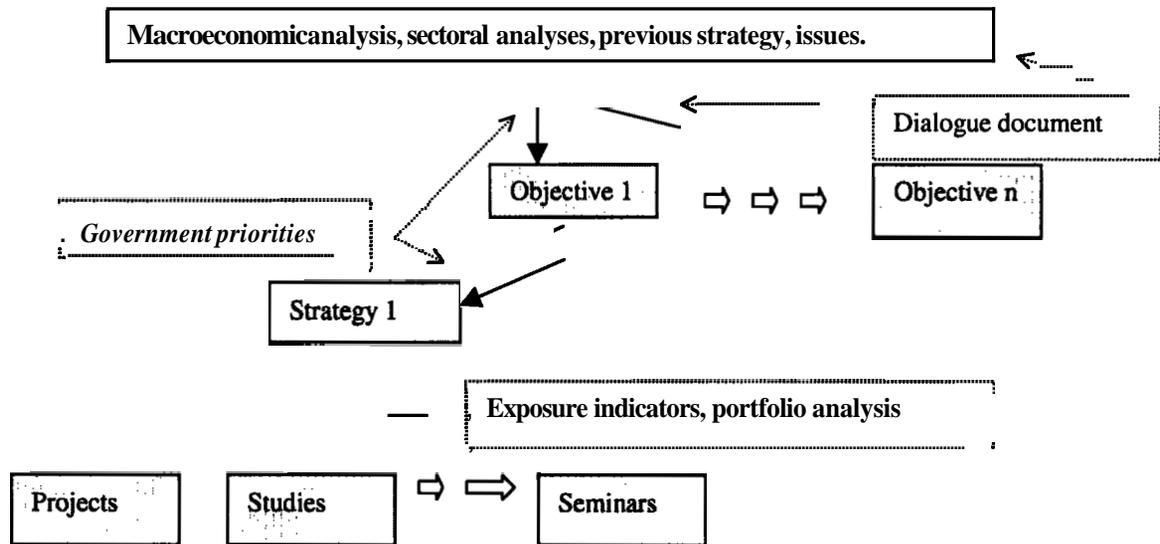
¹⁰ The term “contract” is used herein not in its technical, legal sense but rather in its meaning as a statement of wishes; in other words, as a bilateral commitment that is not legally binding but rather links the future actions of both parties to the specific framework defined, which both parties have agreed to in pursuit of identified objectives.

¹¹ In current CPs, it is normally at this point that discussion ends and the list of projects begins.

determination would be made of the number of decentralized schools, for example (if that were the alternative chosen) or of changes in teachers' salaries, if that were the alternative chosen. **As** mentioned above, these indicators would form the body of the results framework. Lastly, depending on the maturity of the project at the time the CP is approved, specific indicators could be mentioned (the passage of a law, the conducting of a study, etc.).

3.17 *In sum*, once the objectives are identified, the Bank would define—on the basis of economic and sector studies and the knowledge produced by ongoing dialogue with the country—the best-suited alternative for attaining them, and would compare that alternative with the country's alternative. If there is consensus, the Bank's support would then begin to be delineated through the various instruments, defining an appropriate and consensus-based results framework, i.e., the strategy would be developed. Taking into consideration the country's financial exposure, the corporate instruments to be used (projects, studies, etc.) would be identified. Consideration would be given to the Bank's comparative advantages, portfolio performance, the activities of other funding institutions, and government investment programs. Having determined the instruments to be used, it would also be necessary to indicate how these corporate interventions would reinforce each other. The final result of this process would be a list of interventions, unlike what appears to be the current process, in which it is the initial point of reference for defining objectives.

3.18 The logic of this proposed scheme is simplified in the following diagram:



B. The inherent problems of evaluating country strategies

3.19 To assess the impact of the Bank's action, it is useful to evaluate the strategies as well as the objectives. The advantage of evaluating the strategies lies in the fact that the Bank has greater control over how it supports countries in achieving their

objectives than it has in achieving those objectives *per se*. Thus, the results framework, emanating from the agreed strategies, is an extremely important tool for verifying whether the overall actions of the Bank are on track.

- 3.20** Nevertheless, after defining explicit strategies in the country papers, we face the problems typical of nearly all types of evaluation.
- 3.21** Evaluating a strategy is not a trivial matter, and multilateral institutions and organizations have not managed to find complete solutions. Evaluating strategies involves dealing with three basic problems—all difficult to solve and common to almost all types of evaluation; moreover, they must be addressed by evaluators whose ability to deal with and solve them depends to a great extent on the quality and nature of the final product. These problems are:
- a. Attribution: It is extremely difficult to assess whether the results achieved, or the impact observed, is due to the Bank's choice of intervention strategy. Not only are there generally exogenous factors, but there **are** also other national and foreign institutions supporting the same objective if not the same strategy in a given sector, making it difficult to attribute results to a given entity. Attribution is relatively simple when a specific project is evaluated, but more complicated in the case of strategies or objectives.
 - b. Counterfactuals: Due primarily to lack of information, it is difficult to answer the question "What would have happened if the Bank had chosen another strategy?" At times, alternatives that do not truly solve the problem are chosen, as with the use of long-range growth models, econometric models, inter-country comparisons, and ad hoc assumptions.
 - c. Appropriate indicators: The problem of defining quantitative indicators for evaluating strategy remains to be solved. It is generally difficult to discern whether or not the results reflect a strategic choice; thus, it is difficult to develop indicators for the success or failure of a strategy. It is much simpler to define project indicators (number of schools or housing units built, number of loans approved, etc.) or indicators of objectives (changes in the poverty line, growth of the agricultural sector, etc.)
- 3.22** In addition to the above-mentioned problems, it is difficult to ascertain, in a relatively short time period, whether the chosen strategy has borne fruit. The need for evaluation results is generally incompatible with the time frames of the strategies defined. This problem may be partially solved, however, by introducing milestones to mark progress toward the defined goal.
- 3.23** Review of a considerable number of country papers confirms the importance of the problems cited. The indicators column generally includes indicators for objectives, and sometimes for projects. In some cases, these can be easily calculated and measured, with an evaluation yielding important and interesting

results. However, they do not answer the most important question, namely, whether the best possible strategy was adopted.

C. Some answers

- 3.24 The Bank has made progress in solving these problems. The document *1996 Country Paper Evaluability Exercise (WP-11/96)* sets forth a methodology for evaluating CPs, based on a questionnaire or profile containing 25 questions with four alternatives for answering each, plus a column to define indicators by question. The questions relate to the following areas: strategic goal and operational objectives, focus of the strategy, development challenges, the consultation process, risks, links and lessons learned. Finally, there are two qualitative questions relating to areas of possible improvement and comments worthy of note.
- 3.25 An analysis of the questionnaire and responses in the evaluation of six countries indicates that the problems have not been entirely resolved. There are no direct questions on the strategy adopted, or on their appropriateness or justification. The questionnaire appears to have problems similar to those found in CPs: it focuses on general objectives and specific projects. The indicators column was rarely completed, and final comments, while useful for improving the document, are not designed to evaluate strategy.
- 3.26 Another type of evaluation that the Bank conducts relates to country programs. In this case, the focus is rather general, since it attempts to deal with the results of various Bank activities over a relatively long period of time. Though strategy evaluation would have to be taken into account in this type of analysis, in practice it is not considered—due, we suspect, to the fact that strategies are lacking. Thus, the evaluation focuses on the impact of certain Bank programs and projects (“the Bank collaborated successfully with tax administration reform in country X”), rather than on analyzing approved strategies in CPs. (Was the fiscal problem due to inefficient tax administration, or was the central issue, for example, inflexibility in the budget process?).
- 3.27 The World Bank also has a methodology for evaluating its country strategies. It produces a *Country Assistance Evaluation (CAE)* for each country, when possible doing so several months prior to preparing the *Country Assistance Strategy (CAS)*—the equivalent of a CP. A review of some of these documents shows that the World Bank also has failed to resolve the intrinsic evaluation problems. The focus of these documents is not specifically strategy evaluation, but rather an evaluation of the World Bank program in the country—generally choosing, for evaluation, specific projects deemed to be of particular importance.
- 3.28 However, CAEs directly address the three problems mentioned in section III.B, and while they do not entirely resolve them, they at least attempt solutions, thus representing an important step. CAEs also provide strategy evaluation based on standard criteria: relevance, effectiveness, efficiency, institutional development

and sustainability. Finally, the World Bank's Evaluation Office is developing a questionnaire-based algorithm for strategy evaluation.

IV. A PROPOSAL FOR CHANGE

4.1 This brief analysis makes it clear that two areas must be addressed in order to obtain a product that will be useful in increasing the effectiveness and efficiency of the Bank's contribution. There needs to be a change in the content of country papers; at the same time, a method must be defined to evaluate strategies, i.e., to determine whether the expected results have been **achieved**.¹²

A. Criteria for country strategy evaluation

4.2 If the content of the CP is to have well-defined areas, and a results framework that facilitates the task of evaluation, the first question is: what does it seek to evaluate? The CP should have five elements capable of being evaluated: objectives, strategy (subsectoral, sectoral, etc.), portfolio performance, financial performance, and financial and nonfinancial products.

4.3 With regard to CPs, the most important element is to evaluate country strategies with an eye to determining whether the proposed objectives were attained. Objectives are almost always general and involve the medium or long term. Operations, in turn, generally have their own evaluation mechanisms, which the Bank has been using and improving on in recent years.

4.4 In our judgment, however, country strategies—which should provide crucial input in the planning, evaluation and monitoring (lessons learned) process—have not been duly evaluated, perhaps due to the fact that such strategies are lacking, as mentioned above.

4.5 The common practice for evaluating strategies includes analysis based on a series of reference points or instruments. Those most often used **are:**

a. **Relevance:** Analyze whether the strategies have been implemented and are consistent with country objectives and Bank policy. This generally involves a basic macroeconomic analysis, and requires determining whether the initial evaluations were accurate and whether the strategy was consistent with that analysis. Analyzing relevance implies strong prior technical work or studies, as well as knowledge of the activities and strategies of the countries and of other funding institutions.

b. **Effectiveness:** Analyze whether the strategies have produced the anticipated results through implementation of the proposed programs and activities. In

¹² It should be recalled, however, that these suggestions are not intended as *guidelines* for CP preparation: Management—in the exercise of its functions—is preparing these instructions. The present suggestions are intended solely to enhance the evaluability of CPs by targeting them to the strategies selected for pursuing identified objectives.

order to measure effectiveness, there must be access to precise information on portfolio performance and on nonfinancial products, as well as specific project evaluations. If conditions allow, econometric techniques should also be used to verify the extent to which activities intrinsic to the strategy affect the fulfillment of objectives. Analysis, using this criterion, is a basic input for evaluating country programs.

- c. Efficiency: Analyze whether the most efficient strategic methodology and tools have been used, in terms of cost to the Bank and to the country. In order to measure efficiency, there must be access to information on the costs involved in preparing and monitoring projects and nonfinancial products. Ideally, there would also be access to similar information for other countries and other multilateral organizations.

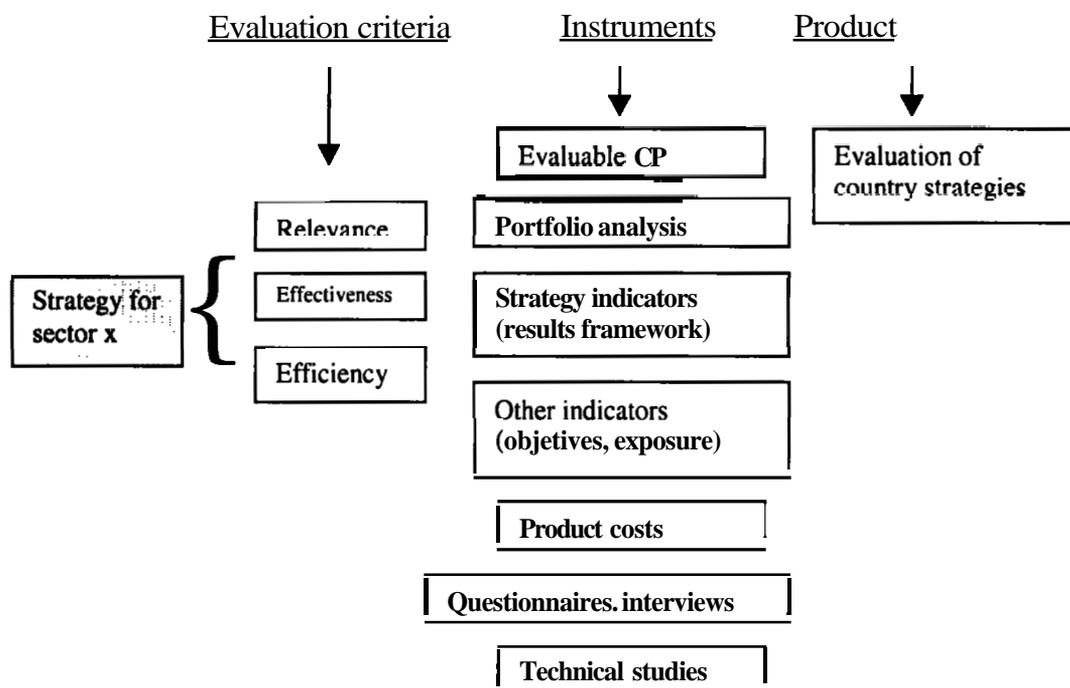
- 4.6 This type of analysis is highly useful. It addresses the three questions essential to a strategic evaluation: whether the strategy was carried out, what its impact was, and whether it was implemented at the least possible cost. The results framework, which should be included in the CP, would facilitate the evaluation.

B. A methodology for evaluating country strategies

- 4.7 The bank needs to formalize a method for evaluating country strategies, i.e., for establishing criteria to be used in regard to evaluations, timeliness, participating agents, etc. The evaluations could be in the form of a specific document or could comprise a self-contained section of the country program evaluations.
- 4.8 First, the primary input for an evaluation should be the country paper, which in turn should contain elements that make it evaluable (i.e., it must have a results framework). This involves changing the content of the CP—a decision relating more to policy than to a change in procedure—including a detailed discussion of the alternatives available at that time to achieve the objectives, reasoned support for the strategy chosen, and a results framework based on a set of indicators for objectives, strategies, programs, portfolio, and financial exposure.
- 4.9 Second, the Bank must have the proper tools at hand, with the supporting information necessary to produce a proper evaluation. One particularly important tool is the analysis of the Bank's portfolio. Projects implemented in recent years constitute an asset that should be fully exploited; comparing these to real-life situations can aid in anticipating the problems, successes and failures of future proposals. A serious portfolio analysis is a valuable tool in evaluating strategies, since it would provide input for distinguishing between project problems and strategy problems.
- 4.10 In addition to the CP, the Bank must foster the development of nonfinancial products on an ongoing basis. There needs to be a series of continuously updated studies and analyses (produced in-house or outsourced) to support the strategies. This information would be highly useful for evaluators, particularly in measuring

the relevance of strategies, i.e., to determine whether the strategies were implemented, whether they were appropriate, and whether they addressed the country's priorities. An analysis of the indicators is also important for this type of evaluation (see Annex I).

- 4.11** In terms of effectiveness, there is a need for specific information on project execution (including Project *Completion Reports*) and nonfinancial products; at the same time, it is necessary to develop methodologies (using econometrics, for example) to determine impact, i.e., whether the results of specific activities encompassed by the strategy contributed to achieving the objectives.
- 4.12** Measuring efficiency requires information on the cost of programs and nonfinancial products that have been implemented, as well as a point of reference that can be used for all evaluations. In this regard, the Bank should improve its database of project and study costs in all countries, and should unify it with the World Bank's database.
- 4.13** The preparation of questionnaires is also an important element of analysis, and their contents need to be revised to focus on three points of reference: relevance, effectiveness and efficiency. This goal would also be reinforced by conducting interviews, which should include, at a minimum, headquarters staff, country office staff and government officials.
- 4.14** It is also important to carry out analysis by objective, examining the strategy or strategies related to a given objective, using the methodology described. Subsequently, the information should be compiled and the action, as a whole, should be evaluated, since it is possible for activities connected with a given strategy to impact several objectives. Some of the tools may, of course, prove more appropriate for specific evaluation (strategy indicators, for example), while others might be more suitable for overall evaluations (exposure indicators, for example).
- 4.15** The following figure shows the specifics proposed for evaluating strategies (subsectoral, sectoral, etc.) agreed upon for each of the objectives:



4.16 This would produce an evaluation with a pronounced qualitative component, based on macroeconomic analysis, a review of relevant studies, and an analysis of interviews, but with a strong quantitative support component—gleaned from established indicators and from questionnaires.

C. Viability of the proposal

4.17 The proposal presented here would aid in evaluating the results of sectoral strategies contained in CPs. Nevertheless, in view of the problems described in section 2. B., its implementation may entail such massive changes within the Bank as to render it unviable.

4.18 The changes required to implement the proposal would be major, but feasible. Most importantly, the various agents (Board of Executive Directors, Management and governments) must be persuaded of the importance of having clear and explicit strategies, and of the need and utility of determining whether the anticipated results have been achieved. Interestingly, the instruments and mandate already exist, though the latter is not being fulfilled. Both the Bank’s Eighth Replenishment and the guidelines for preparing country papers (GN-2020) mention the need for country strategies that justify Bank actions designed to achieve given objectives. Once the strategies have been explicitly set forth, evaluating CPs would flow naturally and would be relatively easy to institute.

4.19 It would appear, therefore, that what is needed involves not so much a radical change as a “Management decision”. The working group reviewing the content of CPs would have to reinforce the strategic concept and importance of strategy indicators. The Board, in turn, would need to endorse these initiatives and place

more importance on strategy evaluation. The countries would thus benefit from this type of evaluation, while deriving from it more and better information regarding the impact of the Bank's activities on the achievement of its governance objectives.

- 4.20** Finally, the importance of having someone specifically responsible for the planning process in each operational region should be emphasized. Within the Bank's current structure, the country division would have to assume the leading role and primary responsibility for planning. In the operational regions, the function of preparing projects and of developing strategies must be separated, in order to avoid ill-advised incentives and to foster a conception of the CP that ensures evaluable results.

INDICATORS

The extent to which CPs **are** evaluable will depend on the degree to which precise and measurable indicators are used.

Before submitting this document, however, it must be pointed out that indicators in themselves are not sufficient to produce decisive conclusions, and must always be analyzed in context. An indicator is designed to measure a situation that reflects circumstances at the time the indicator was designed—not necessarily the same circumstances that prevail at the time the measurement is made. Furthermore, not only can an indicator tell a partial and biased story, it also assumes that nothing else is changing (*ceteris paribus*). For these reasons, we emphasize that indicators should be considered merely to be instruments to facilitate evaluation, not as determinative or decisive elements in reaching a judgment.

In the case of strategy evaluation, there must be a set of indicators for the following areas: objectives, strategy, Bank participation, portfolio performance and financial exposure. It is vital to differentiate clearly between these different categories, since a review of various country papers reveals considerable confusion, particularly between objectives and strategy.

The first three groups of indicators (objectives, strategy and Bank participation) form a nucleus, consisting of the objective (the *what* being sought), the corresponding strategy (the *how*), and the Bank's participation (financial and nonfinancial products).

Portfolio and exposure indicators—which, in some form, are present in CPs—are more general, and are applicable to all countries or groups of countries. For this reason, they will not be dealt with directly in this annex. For example, for portfolios, calculations are commonly made of the percentage of approved amounts disbursed, and the average number of years for the disbursement of each loan; these are generally compared with average percentages for the Bank. In terms of exposure, comparisons are made by examining the ratio of debt service with the Bank to total public debt, or the ratio of the country portfolio to the Bank's total portfolio, which in turn are compared with benchmarks.

This annex offers examples of indicators for the first group (or nucleus), in which the strategies to be evaluated are defined. In particular, emphasis will be placed on defining indicators for objectives and strategies, since indicators for Bank participation should be presented or proposed in the context of the corresponding projects or activities.

The strategies presented in various country papers—adapted for explanatory purposes—have been used as a reference. A number of examples are presented, including sectors from each operational division of the Bank's operational regions. Only the first of these examples, however, will be given in detail, in the hope that it will aid in understanding the subsequent examples.

It should be pointed out that this exercise is only an example—an attempt to clarify ideas, since the specific individuals involved will be responsible for defining their own indicators.

Example 1: Education

Objective: To work with the government in its efforts to increase the quality and coverage of education.

Clearly, this is a fairly general objective, and one common to most country papers. The example was based on the Colombia CP. Naturally, it can be expected that there will be a technical treatment that explains the nature of the problem and provides a rationale for the strategy. At this level of generality—suitable for dealing with an objective—certain indicators can be defined:

- Net learning rate (primary, secondary and tertiary)
- Gross learning rate (primary, secondary and tertiary)
- Illiteracy rate
- Repetition rate (for each grade)
- Percentage passing the SABER test (national standardized test)
- World Bank ranking, based on mathematics tests

These indicators could be useful in measuring the two concepts contained in the objective—coverage (first two indicators) and quality (four remaining indicators). However, to increase the usefulness of these indicators and aid in their interpretation, it is proposed that the following additional information be included for each:

1. Current or most recent value of the indicator
- ii. Benchmark or target value of the indicator
- iii. Time period in which the benchmark is to be achieved
- iv. Probability (high, medium, low) of achieving the benchmark
- v. Frequency for calculating the indicator
- vi. Additional comments or means of verification

Thus, the indicators for the chosen objective would be presented in matrix form, as an annex to the CP (the content here is fictitious).

| Objective: To work with the government in its efforts to increase the quality and coverage of education | | | | | | |
|--|-----------------------|------------------|-------------|--------------------|------------------|---|
| <i>Indicator</i> | <i>Current figure</i> | <i>Benchmark</i> | <i>Time</i> | <i>Probability</i> | <i>Frequency</i> | <i>Comments/ Verification</i> |
| Net primary rate | 60% | 80% | 4 years | High | Annual | This indicator is calculated annually by the National Planning Department (NPD) |
| | | | | | | |
| World Bank ranking | # 50 | # 40 | 5 years | Medium | Annual | This indicator is calculated annually by the World Bank |
| ... | | | | | | |

Strategy

The objective to be pursued could theoretically be supported by means of a number of different strategies. In the case of Colombia, studies at the time indicated that the appropriate strategy was:

Support for the process of educational decentralization, instituting an organizational model focused on the school, reforming the system of public funding so that the student is the beneficiary, with transfers based on the number of pupils served, implementing evaluation mechanisms based on achievement.

This statement effectively defines *how* to achieve or support fulfillment of the objective. Alternatively, one could, for example, have chosen the strategy of increasing the number of professors and their salaries, under the assumption that this would promote smaller class size (increasing quality) or would make it possible to bring more students into the system (if excess demand were responsible for the coverage problem).

The selected strategy could then employ the following indicators (of products and of results), which would form the basis for the results framework and would be presented in a matrix with the elements mentioned above:

- Autonomous spending by schools (including transfers of unearmarked funds), in comparison with total spending;
- Percentage or number of schools that have autonomy in hiring teachers (formalized by means of a contract between the school and the central government);
- Legal reform of the education law (considered essential to facilitate decentralization);

- Spending on educational inputs by schools (studies showed a direct relation between spending on inputs and results on SABER tests); and
- Results of tests taken by professors.

The matrix, then, could be as follows:

| Strategy: Support for the process of educational decentralization, instituting an organizational model focused on the school, reforming the system of public funding so that the student is the beneficiary, with transfers based on the number of pupils served, implementing evaluation mechanisms based on achievement. | | | | | | |
|---|-----------------------|------------------|-------------|--------------------|------------------|--|
| <i>Indicator</i> | <i>Current figure</i> | <i>Benchmark</i> | <i>Time</i> | <i>Probability</i> | <i>Frequency</i> | <i>Comments/Verification</i> |
| Own spending/total average spending in schools | 10% | 40% | 4 years | Medium | Monthly | NPD provides information |
| Percentage or number of schools with autonomy in hiring teachers | 0 % | 30% | 4 years | Medium | Monthly | No legal change required for autonomous contracts |
| the education law Legal reform of | applicable Not | Not applicable | 1 year | Low | Not applicable | A legislative bill exists. Congress could reject it. |
| ... | | | | | | |

Benchmarks would be the responsibility of the government (for example, as part of the government plan), and the government could be expected to support the strategy.

Analysis of these indicators makes it possible to evaluate the relevance of the strategy chosen, i.e., whether, during the years in question, educational services were actually decentralized. By placing the information from these indicators side by side with the indicators for the objective, a clear sense of the effectiveness of the strategy could be obtained.

Bank participation

In this case, the Bank would support the strategy through two credit operations and a series of studies and seminars. In addition to typical project indicators, the Bank's activities should be compared directly with the strategy and objectives described. In particular, it is important to note the relation between the strategy and each of the Bank's activities. Thus, the indicators of Bank participation would correspond directly to strategy indicators (here, again, the content is fictitious).

| <i>IDB Activity</i> | <i>Starting date</i> | <i>Specific indicators</i> | <i>Benchmark (time)</i> | <i>Related strategic indicator</i> | <i>Other participants</i> | <i>Comments/ Verification</i> |
|--|-----------------------------|---|--|--|---------------------------------------|---|
| Sectoral loan (CO-000) | Nov. 1998 | Passage of law | Not applicable | Reform of education law | JMF includes it in stand-by agreement | There is moderate risk that the Congress will not pass it |
| Educational management loan (CO-000) | July 1999 | <ul style="list-style-type: none"> - Number of schools signing contract (autonomy) with government in department X - Ratio of own spending to total spending by schools | <ul style="list-style-type: none"> - The target of the loan is 50 schools in department X in 4 years - Should surpass 70% in the 50 schools targeted by the loan | <ul style="list-style-type: none"> - Number of schools with autonomy in hiring teachers (indicator 2) - Own spending/ total average spending (indicator 1) | No | |
| Study on efficiency of public education spending | Dec. 2000 | Study carried out in six months | Not applicable | Not applicable | Cofinanced with Colombian government | Useful in evaluating effectiveness of the strategy |
| ... | | | | | | |

By definition, there will be numerous cases in which indicators at the product level are similar to strategy indicators. The combined analysis of these indicators could be used to evaluate Bank attribution, by comparing them with the benchmarks in the strategy indicators matrix. Studies, in turn, will always be useful in evaluating the relevance and effectiveness of the strategy, **as** well as possible counterfactual scenarios.

In evaluating the efficiency of the Bank's participation in implementing strategies, it is also necessary to prepare cost indicators (dollars per capita, and time used in preparing projects or studies) and to compare them with Bank averages and with figures from other multilateral institutions. These indicators would be common to all strategies, though their benchmarks (dollars per capita, and time) should be sorted by type of activity (social project, infrastructure project, technical cooperation, private sector, study, etc.).

Example 2: Agriculture

| Objective: To develop agricultural activities, improving the income of campesinos | | | | | | |
|---|----------------------------|------------------------------------|-------------------------|--|---------------------------|--|
| <i>Indicator</i> | <i>Current figure</i> | <i>Benchmark</i> | <i>Time</i> | <i>Probability</i> | <i>Frequency</i> | <i>Comments/Verification</i> |
| Growth of agricultural GDP | 1% per year | 3%-5% per year | Starting in 2002 | High | Quarterly | Data provided by Institute of Statistics |
| Average income of campesinos | US\$20 per month | US\$40 per month | Starting in 2002 | Medium | Quarterly | Data provided by Institute of Statistics |
| Growth of agricultural exports | 1% per year | 3%-5% per year | Starting in 2002 | Medium | Quarterly | Data provided by Institute of Statistics |
| ... | | | | | | |
| Strategy: To support rural land ownership and establish a credit market | | | | | | |
| <i>Indicator</i> | <i>Current figure</i> | <i>Benchmark</i> | <i>Time</i> | <i>Probability</i> | <i>Frequency</i> | <i>Comments/Verification</i> |
| Production on legally owned land | 1,000 MT | 10,000 MT | 2 years | High | Biannual | Standardize the calculation of production |
| Hectares of land without legal owner | 500,000 | 100,000 | 3 years | High | Monthly | A monitoring system needs to be created |
| Number of families without title to property | 100,000 | 10,000 | 3 years | High | Monthly | A monitoring system needs to be created |
| Number of loans for agriculture | 20,000 per year | 30,000-50,000 per year | 3 years | Medium | Monthly | An econometric study to determine the relation between agricultural productivity and the number of loans |
| Interest rate on agricultural loans | 5 points below market rate | Maximum 2 points below market rate | 1 year | High | Monthly | |
| ... | | | | | | |
| <i>IDB Activity</i> | <i>Starting date</i> | <i>Specific indicators</i> | <i>Benchmark (time)</i> | <i>Related strategic indicator</i> | <i>Other participants</i> | <i>Comments Verification</i> |
| Rural titling loan | X | Number of regularized titles | 40,000 | Number of families without title to property | | |
| Loan to second-tier bank | X | Number of loans granted | 5,000 per year | Number of loans for agriculture | | |
| Study on cost of agricultural credit | X | Completion of study | 6 months | Interest rate for agricultural credits | | |

Example 3: Transportation sector

| Objective: To increase the productivity of the economy by improving transportation infrastructure | | | | | | |
|---|-----------------------|------------------------------------|-------------------------|---|---------------------------|--|
| <i>Indicator</i> | <i>Current figure</i> | <i>Benchmark</i> | <i>Time</i> | <i>Probability</i> | <i>Frequency</i> | <i>Comments/Verification</i> |
| Road system in square kilometers | 500,000 | 700,000 | 4 years | High | Monthly | Data provided by Ministry of Transportation |
| Percentage of paved secondary roads | 30% | 80% | 5 years | High | Monthly | Data provided by Ministry of Transportation |
| Cost of unloading in port X per cubic foot | US\$500 | US\$400 | 1 year | Medium | Monthly | This data must be collected. Coordinate with government. |
| ... | | | | | | |
| Strategy: To increase and rehabilitate primary roads, decentralize secondary and tertiary ones, and promote highway and port concession | | | | | | |
| <i>Indicator</i> | <i>Current figure</i> | <i>Benchmark</i> | <i>Time</i> | <i>Probability</i> | <i>Frequency</i> | <i>Comments/Verification</i> |
| Departmental GDP – A, B, and C | US\$2 billion | US\$2.5 billion | 3 years | High | Quarterly | |
| Increase in primary road network, in square kilometers | 500,000 | 700,000 | 4 years | High | Monthly | |
| Number of departments with responsibility for secondary roads | 1 | 16 | 2 years | High | Monthly | |
| Number of port concessions granted | 0 | 5 | 3 years | Medium | Monthly | |
| ... | | | | | | |
| <i>IDB Activity</i> | <i>Starting date</i> | <i>Specific indicators</i> | <i>Benchmark (time)</i> | <i>Related strategic indicator</i> | <i>Other participants</i> | <i>Comments/Verification</i> |
| Road loan | X | Square kilometers constructed | 40,000 | Increase in primary network | | |
| TC concessions | X | Number of port concessions granted | 5 | Number of port concessions granted | | |
| Study on costs of decentralizing secondary and tertiary road network | X | Study completed | 8 months | Number of departments with responsibility for secondary roads | | |
| ... | | | | | | |

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