



Approach Paper

Chile 2011-2013

Country Program Evaluation





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Office of Evaluation and Oversight

1350 New York Avenue, N.W.

Washington, D.C. 20577

www.iadb.org/evaluation

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I. INTRODUCTION

- 1.1 As part of its 2014 annual work plan, the Office of Evaluation and Oversight (OVE) is preparing the evaluation of the country program with Chile for the period 2011-2013. This approach paper defines the scope of that evaluation.
- 1.2 According to the Protocol for Country Program Evaluation (document RE-348-3), the main goal of a country program evaluation (CPE) is “to provide information on Bank performance at the country level that is credible and useful, and that enables the incorporation of lessons and recommendations that can be used to improve the development effectiveness of the Bank’s overall strategy and program of country assistance.”
- 1.3 This CPE therefore seeks to examine the Bank’s relationship with the country from an independent and comprehensive perspective, particularly the relevance and effectiveness of the program, including both financial and nonfinancial products offered by the Bank during the analysis period. This evaluation is expected to serve as input for the new country strategy document being prepared by the Bank.
- 1.4 This CPE is the third OVE evaluation of the Bank’s country program with Chile. Past evaluations covered the periods 1995-2005 (document RE-320) and 2006-2010 (document RE-380-1). This CPE covers the Bank’s program for the period 2011-2013.

II. GENERAL CONTEXT OF THE COUNTRY

- 2.1 Chile has been characterized as having one of the fastest growing economies in Latin America and the Caribbean (LAC). In the period 1991-2012, real GDP grew at an annual average rate of 5.3% (Figure 1), and real GDP per capita tripled over the same period, to US\$18,211 in 2012 (IMF), which is one of the highest in LAC (Figure 2). This strong economic performance can largely be explained by the introduction and consolidation of open trade practices, a stable macroeconomic policy environment, as well as sound institutions and governance, creating an enabling environment for private investment. In recognition of this strong economic performance, Chile was accepted as a full member of the Organization for Economic Cooperation and Development (OECD) in May 2010.

Figure 1: Real GDP Growth (2000-2012)

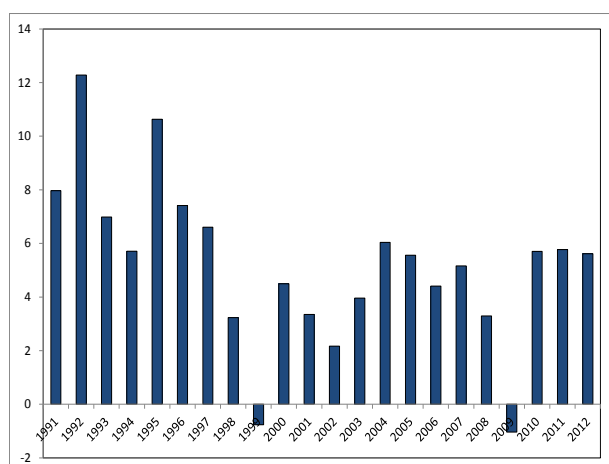
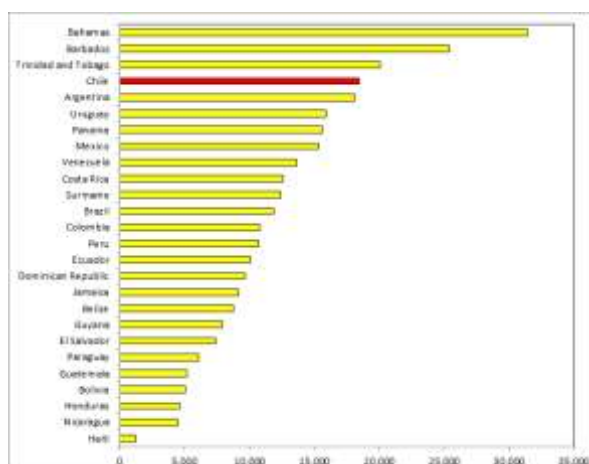


Figure 2: GDP Per Capita (2012)



Source: International Monetary Fund (IMF)

2.2 As a result of a trade liberalization policy based on lower tariffs, reduced trade barriers, and the establishment of bilateral free trade treaties, exports became a main driver of the economy, increasing from an average of 28.6% of GDP in the period 1991-2000, to 37.3% of GDP in 2001-2012. In terms of economic sectors, industry accounts for the largest share of GDP (27.7% in 2012), largely due to the important role of mining in the economy (14.2% of GDP), particularly copper (12.7% of GDP),¹ which is the country's main export.

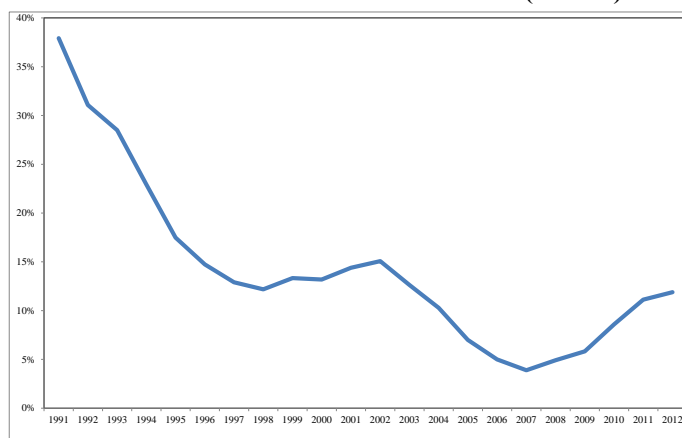
2.3 In the fiscal area, the central government public debt has decreased considerably (Figure 3). Important progress in terms of fiscal policy was made in 2000 with the introduction of a structural surplus target, a measure supplemented in 2006 with the adoption of the Fiscal Responsibility Law, which channels fiscal surpluses into two sovereign investment funds: (i) the Fondo de Estabilización Económica y Social [Economic and Social Stabilization Fund] (FEES), to finance potential fiscal deficits and pay down the public debt, thereby reducing the volatility of fiscal expenditure;² and (ii) the Fondo de Reserva de Pensiones [Pensions Reserve Fund] (FRP), to finance future pension contingencies as a result of the new demographic

¹ Other important sectors in terms of their contribution to GDP are business services (14.5%), personal services (12%), manufacturing industry (11.2%), trade (9.9%), construction (8.3%), and financial services (5.6%). Source: Banco Central de Chile.

² The FEES was created in March 2007 with an initial contribution of US\$2.58 billion, US\$2.563 billion of which was from the previous Fondo de Estabilización de los Ingresos del Cobre [Copper Revenues Stabilization Fund]. As of December 2012, the market value of the FEES was US\$14.997 billion. Source: Ministry of Finance.

scenario characterized by a longer life expectancy and increase in the elderly population.³

Figure 3: Central Government Public Debt 1991-2012 (%GDP)



Source: Ministry of Finance

- 2.4 In the social area, the country's strong economic performance, along with the introduction of specific social policies, led to significantly lower poverty rates. Between 1990 and 2011, poverty fell from 38.4% to 14.4%, and extreme poverty from 12.8% to 2.8% (Table 1, Annex). Nevertheless, Chile has not been able to reduce its income inequality. Between 1990 and 2011, the Gini coefficient declined from 0.56 to 0.52, and is currently one of the highest in LAC. Furthermore, in 2011 the per capita income of the wealthiest 20% of the population was 10.9 times higher than the per capita income of the poorest 20%, which represents moderate progress compared to 1990 (13 times higher) (Table 2, Annex).⁴
- 2.5 In March 2010 the administration of president Sebastián Piñera of the "Coalición por el Cambio" coalition of center-right parties took office, following four successive administrations of the "Concertación" coalition of center-left parties. The administration's main priority upon taking office was emergency and reconstruction work in the wake of the earthquake and subsequent tsunami that hit Chile on 27 February 2010. In October 2010 the administration presented its program, with the principal objectives of achieving developed country status by 2018 (in terms of per capita income), eliminating extreme poverty by 2014, and eliminating poverty by 2018.
- 2.6 The program identifies the main obstacle to achieving developed country status as the decline in economic strength over the last decade, primarily

³ As of December 2012, the market value of the FRP was US\$5.883 billion. Source: Ministry of Finance.

⁴ UNDP based on the National Socioeconomic Characterization Survey (CASEN).

due to the economy's declining productivity. This assessment also identifies a series of wellbeing dimensions on which the country lags far behind the developed countries, such as years of schooling and education quality, access to and quality of healthcare services, and income distribution. The program also highlights the low level of job creation, high unemployment rates affecting the low-income population, and the low labor participation rate for individuals with less education, primarily women.

- 2.7 To meet the objectives set, the government plan calls for a work agenda aimed at regaining the capacity for growth, raising productivity, and creating jobs (Table 1). This plan has three areas of major focus: (i) increase the capacity to invest in the economy; (ii) more and better jobs; (iii) improve competitiveness.

Box 1: Goals of the Government Program

Growth

- Achieve average GDP growth of 6% in the period 2010-2013
- Increase investment from the current 21.4% to 28% of GDP by 2014
- Increase investment in R&D from the current 0.4% to 0.6% of GDP by 2013, and 0.8% by 2018
- Create 100,000 new businesses in the period 2010-2013

Employment

- Create an average of 200,000 new jobs per year in the period 2010-2014
- Train 5 million workers in the period 2010-2013

Source: "Chile País Desarrollado: Más Oportunidades y Mejores Empleos" [Chile, A Developed Country: More Opportunities and Better Jobs]. Ministry of Finance, Chile.

III. GENERAL OVERVIEW OF THE BANK'S PROGRAM (2011-2013)

A. Country strategy

- 3.1 Considering that both the public sector and the private sector in Chile have access to capital markets on conditions competitive with the financial terms offered by the IDB, the current country strategy for the period 2011-2014 (document GN-2642-1), approved in December 2011, identified technical assistance as the "*key to its relationship with the country*." The Bank was to focus its participation primarily on: (a) supporting priority areas as defined in the country strategy through "umbrella programs;"⁵ and (b) boosting the transfer of experience from Chile to other countries in the IDB Group. Accordingly, the Bank sought to shift its role in the country

⁵ Comprehensive, multi-component programs aimed at avoiding scattered, very small technical cooperation operations (document GN-2642-1).

from provider of loan financing to provider of knowledge by leveraging technical cooperation operations and selective loans.

- 3.2 In particular, nonreimbursable technical cooperation operations were to focus on identifying loan operations, pilot programs, and evaluations that: (i) *help to boost economic productivity*; (ii) *contribute to convergence towards OECD standards*; and (iii) *help to support South-South cooperation*. Specifically, the country strategy identified seven strategic cooperation areas:⁶ (a) labor markets, (b) climate change, (c) transportation and road safety, (d) innovation, science, and technology, (e) public sector management, (f) trade and integration, and (g) citizen security. According to the country strategy, the main objective of the selected sectors is to foster increased economic productivity and contribute to Chile's convergence towards OECD standards. The strategic objectives associated with each of the Bank's targeted sectors are described below (Table 1).

Table 1: IDB Strategic Objectives at the Sector Level (document GN-2642-1)

| Sector | Strategic objectives |
|---|---|
| Labor markets | Improve the quality and relevance of publicly funded training programs |
| | Improve labor market regulatory policy |
| Climate change | Support implementation of the agenda for climate change adaptation and mitigation at the national level |
| Transportation and road safety | Improve the public transit service in Santiago |
| | Enhance road safety |
| Innovation, science, and technology | Foster business innovation |
| | Stiffen the protection of intellectual property |
| | Digital development: access and use of information and communication technologies (ICTs) for productivity |
| Public sector management | Improve management in the central government |
| | Improve the instruments for fostering productivity |
| | Improve the business climate |
| Trade and integration | Promote and diversify the country's range of exports |
| | Facilitate trade and customs procedures |
| Citizen security | Enhance citizen security |
| Government financial management and procurement | Adjust and improve the country's public financial management system for use in Bank-financed operations |
| | Adjust and improve the country's public procurement system for use in Bank-financed operations |

Source: Country strategy (document GN-2642-1)

⁶ In addition to these sectors, the strategy planned to further deepen dialogue with the government in the following sectors: **social welfare**, **indigenous peoples**, and **education**. According to the strategy, once the diagnostic assessments of these sectors had been completed, and assuming mutual agreement, the advisability of updating the strategy would be studied (document GN-2642-1).

- 3.3 The strategy entailed an **estimated lending framework** for sovereign guaranteed loan approvals for a total amount of US\$120 million in the period 2011-2014, or US\$30 million per year. Sovereign guaranteed disbursements would total US\$124 million, and net capital flows would be US\$8.3 million. Management also formulated three country program documents (CPDs) between 2011 and 2013 as part of the Bank's operational program,⁷ which called for the approval of US\$92.3 million for sovereign guaranteed loans and US\$437 million for non-sovereign guaranteed loans (Table 2).

Table 2: Lending Framework (Country Strategy and CPDs)

| Sovereign guaranteed loans | | | | |
|--|------|------|------|------|
| | 2011 | 2012 | 2013 | 2014 |
| Country strategy | 9.8 | 20 | 70 | 20 |
| Country program documents (CPDs) | 84.3 | 8 | - | n/a |
| Non-sovereign guaranteed loans (SCF and OMJ) | | | | |
| | 2011 | 2012 | 2013 | 2014 |
| Country program documents (CPDs) | 92 | - | 345 | n/a |

Source: Country strategy (document GN-2642-1) and country program documents (2011, 2012, 2010)

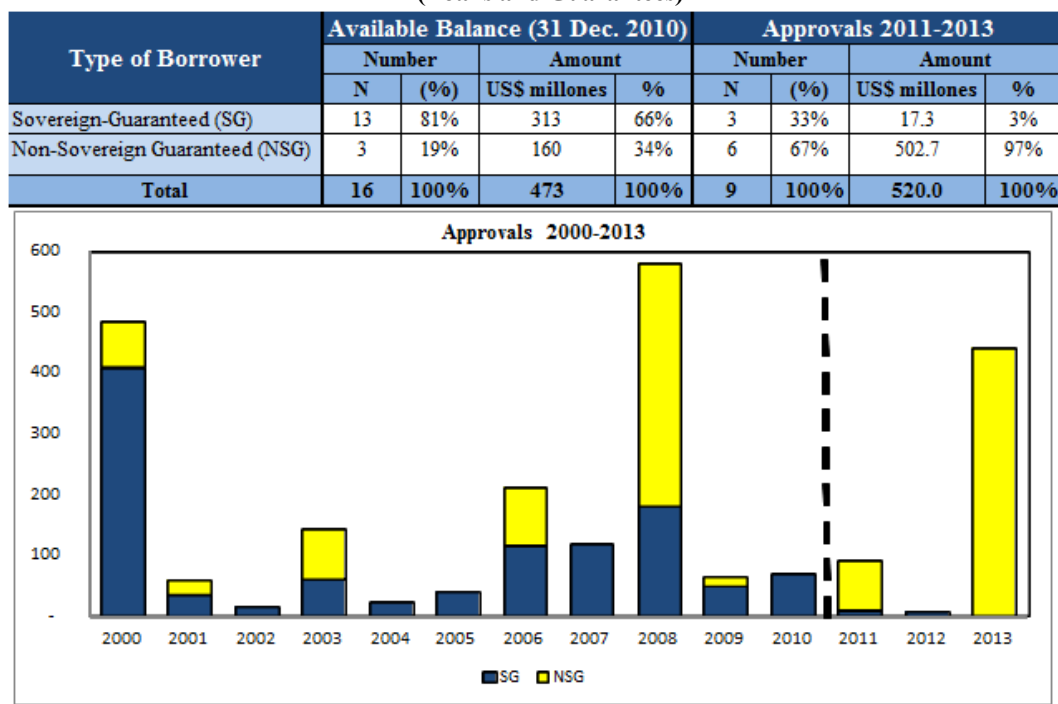
B. Implemented program

- 3.4 The **loan portfolio** in Chile stands at US\$993 million (25 operations), which covers all loans and guarantees approved between 2011 and 2013, as well as the projects active at the beginning of the evaluation period. Between 2011 and 2013, a total amount of US\$520 million was approved (9 operations), primarily in energy (42.4%), trade (39.9%), and financial markets (9.6%) (Table 3, Annex), corresponding mainly to non-sovereign guaranteed operations (97%) (Figure 4). **Non-sovereign guaranteed (NSG) approvals** (Structured and Corporate Financing Department (SCF)) totaled US\$502.7 million (four loans and two Trade Finance Facilitation Program (TFFP) operations), primarily in energy (44%, two loans for US\$220.7 million) and trade (40%, two TFFPs for US\$200 million). The Opportunities for the Majority Sector (OMJ) did not approve any loans during the evaluation period. **Sovereign guaranteed (SG) approvals** included three loans in the trade, labor market, and modernization of the State sectors for a total of US\$17.3 million, which, to date, is less than the amount included in the financial scenarios described in the strategy and CPDs (2011-2013). The portfolio also includes 16 previously approved

⁷ Documents GN-2617, GN-2661-2, and GN-2696 for 2011, 2012, and 2013, respectively.

operations (13 loans and three guarantees), which in early 2011 had an undisbursed balance of US\$473 million.⁸

Figure 4: Undisbursed Balances and Approvals by Type of Borrower (Loans and Guarantees)



Note: These amounts were originally approved as of 10 December 2013, and therefore in 2008 included the loan for Transantiago (CH-L1052), which was subsequently cancelled and paid off in 2009.

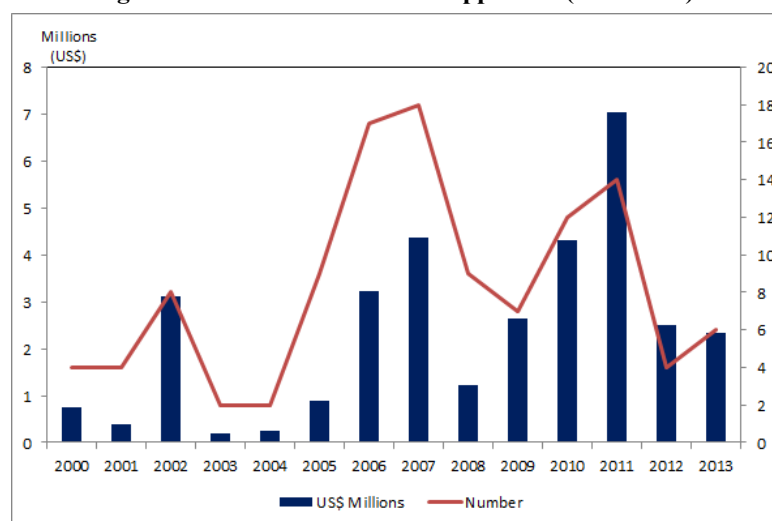
Source: PISTA, OVEDA

3.5 In the evaluation period (2011-2013), 25 **nonreimbursable technical cooperation (TC) operations** for US\$12.1 million were also approved, with the approved funds concentrated primarily in energy (37%), social investment (23.9%), and reform and modernization of the State (12.1%) (Table 3, Annex). Notably, most of the TC operations approved during the period were in the area of “*client support*” (64%), whereas 33% were for “*operational support*,” and 17% were for “*research and dissemination*” (Table 4, Annex). In addition, as of December 2010 there were 15 active TC operations with an undisbursed balance of US\$4.3 million. **Other**

⁸ As of 31 December 2010, the SG active portfolio consisted of 13 loans spread over eight sectors, with an undisbursed loan balance of US\$313 million, principally in water and sanitation (51%), urban development (25%), and reform and modernization of the State (13%). It also had three active NSG operations for US\$160 million, principally in the transportation sector (94%) (Table 5, Annex).

approvals during the evaluation period included two **nonreimbursable investment** operations (US\$5.1 million) in energy.

Figure 5: Nonreimbursable TC Approvals (2000-2013)



Note: These amounts were originally approved as of 10 December 2013.

Source: OVEDA

IV. EVALUATION SCOPE AND QUESTIONS

- 4.1 This CPE will evaluate the **Bank program during the period 2011-2013**. Thus, it will examine the set of operations active during the period 2011-2013, i.e., operations approved during 2011-2013, along with those approved previously but with undisbursed resources at the start of 2011. The types of operations to be evaluated include: SG loans, NSG loans and guarantees (SCF and OMJ), TC operations, and nonreimbursable investment operations.
 - 4.2 Although this evaluation will use the standard evaluation framework for CPEs and will analyze the **relevance, effectiveness, and sustainability** of the Bank's program, it will specifically examine the relevance and effectiveness of the Bank as a provider and broker of knowledge in Chile, as well as the implications for how the Bank can add value in a medium-high income country like Chile, which does not need mainly lending resources from the Bank.
- A. Relevance**
- 4.3 *Relevance* refers to the degree of congruence between (i) the design and objectives of the Bank strategy and program of assistance with (ii) the needs of the country and with the government's development plans and priorities.

4.4 The fundamental question the CPE will seek to answer is whether the Bank's program was effectively structured to generate knowledge and find development solutions to help Chile address its main development challenges and position the Bank as a provider and broker of knowledge in the country. Specifically, the CPE seeks to answer the following questions:

- Were the strategic objectives set in the country strategy consistent with Chile's development priorities and with the Bank's desired role as a knowledge broker?
- To what extent did the country strategy, including its results matrix, provide an effective framework for a country program based on the creation and transfer of knowledge?
- To what extent was the implemented program (including TCs) consistent with the strategic priorities established in the country strategy and properly focused on helping to achieve the main objectives of boosting economic productivity, converging towards OECD standards, and positioning the Bank as a knowledge broker?
- To what extent were the TCs and loan operations (SG and NSG) strategically used to provide knowledge and find new solutions to deal with fundamental development constraints that Chile must address in order to boost economic productivity and converge towards OECD standards?
- To what extent were the TCs and loan operations (SG and NSG) designed to play a catalytic role?
- Were the TCs used strategically to position the Bank as a knowledge broker between Chile and other countries in the region?

B. Implementation and effectiveness

4.5 *Effectiveness* refers to the extent to which the assistance instruments achieved the objectives set. To assess effectiveness, the CPE will include an analysis of the factors that affected the *implementation* of the program. On this dimension, the CPE seeks to answer the following questions:

- What factors explain the substantial difference between the *sovereign guaranteed* lending framework included in the country strategy and the actual approvals as of 2013?
- To what extent has the programmatic commitment made by the Bank (including the use of performance-driven loans and TC umbrella programs) progressed and what factors explain the success/failure of implementation?

- To what extent have the strategic objectives set in the country strategy been achieved?
 - What specific contributions did the Bank make to help Chile *boost economic productivity* and *converge towards OECD standards* in the areas supported by the Bank's program?
 - How did the *Bank's program in Chile* actually support *South-South cooperation* and help to transfer knowledge from Chile to other countries in the region?
 - To what extent have the strategic objectives at the sector level (Table 1) been achieved?
- To what extent did the TCs and loan operations generate innovative knowledge that was disseminated and used by others besides the direct beneficiaries? To what extent did the TCs and loan operations have a demonstration effect?
- In general, to what extent was the Bank an effective provider of knowledge in Chile, and what factors explain its success/failure?
- What lessons emerge regarding the Bank's future role in Chile?

C. Sustainability

4.6 *Sustainability* refers to the likelihood that the results of Bank assistance will be sustained after the conclusion of the program. On this dimension, the CPE seeks to answer the following question:

- What evidence is there to show that the results obtained through the Bank's program are sustainable?

V. METHODOLOGY

- 5.1 To answer these questions, the evaluation will use an integrated set of methods. The main evaluation tools and sources of information are described in Annex II.
- 5.2 To analyze the country's main development challenges, government priorities, and context of the period, the evaluation will review a set of national economic and social data and documents such as the government plan ("Chile, A Developed Country: More Opportunities and Better Jobs"), national plans at the sector level, and other relevant diagnostic studies at the country or sector level conducted by the government, the Bank, and other organizations (e.g., OECD, IMF, World Bank).
- 5.3 The analysis of the implemented program's relevance will focus on its alignment with the priorities of the government plan, the strategic objectives, and the extent to which the operations were designed to produce

new sources of information and knowledge, or play a catalytic role. For the implementation and effectiveness of the program, the evaluation will analyze the Bank's contribution to meeting the strategic objectives, as well as progress on the objectives at the operation level. In particular, the evaluation will focus on the extent to which the portfolio being evaluated produced new knowledge that informed dialogue and sector policies produced results that were replicated by the country.

- 5.4 The standard review of the loan portfolio (relevance, effectiveness, and sustainability of each project) will be supplemented by a focus on knowledge creation and the introduction of new, replicable solutions. Accordingly, the review of the loan portfolio will be supplemented by a systematic evaluation of the **Bank's TC program in Chile**. To that end, the evaluation team will develop an **evaluation template** focused on key questions regarding the relevance, implementation, results, and sustainability of TC operations. The results of the TCs will be evaluated based on evidence of their effects on: national policies or programs, institutional development, the Bank's operations and policy dialogue, and if relevant knowledge was shared in the country and the region. If relevant, the TCs will be grouped around thematic areas and evaluated as a cluster.
- 5.5 The analysis of documentation and data will be supplemented with interviews of various players involved in the design and implementation of the Bank's program at both the strategic and operational level, including:
- Bank staff involved in the design and implementation of the country strategy and Bank program operations.
 - Authorities responsible for sector policies from either the current or previous administrations, familiar with the strategic relationship with the IDB in the various sectors where it operates.
 - Staff of the executing agencies for Bank projects.
 - Staff of other multilateral and bilateral agencies active in the country.
 - Other sector specialists, representatives of academia or think tanks.

VI. EVALUATION TEAM AND TIMELINE

- 6.1 **Evaluation team.** The evaluation team consists of Monika Huppi, José Ignacio Sémbler, Alayna Tetreault-Rooney, Maria de los Angeles Aulet, and international and local consultants.

6.2 **Timeline.** The evaluation timeline is as follows:

| Activity | Date |
|---|---------------|
| Mission | 13-24 January |
| Deliver draft CPE for review to Management/Government | 24 April 2014 |
| Receive comments from Government/ Management | 23 May 2014 |
| Deliver CPE to SEC | 3 June 2014 |
| Discuss CPE in Board of Executive Directors | June 2014 |

FIGURES AND TABLES

Table 1: Change in Poverty Rates (2000-2011)

| Year | Poverty | Extreme poverty |
|------|---------|-----------------|
| 1990 | 38.4 | 12.8 |
| 1996 | 23.1 | 5.8 |
| 2000 | 20.5 | 5.7 |
| 2003 | 18.7 | 4.7 |
| 2006 | 13.7 | 3.2 |
| 2009 | 15.1 | 3.7 |
| 2011 | 14.4 | 2.8 |

Source: UNDP based on the National Socioeconomic Characterization Survey (CASEN)

Table 2: Changes in Inequality Indicators (2000-2011)

| Year | Gini coefficient | Q5/Q1 | P90/P10 |
|------|------------------|-------|---------|
| 1990 | 0.56 | 13 | 27.1 |
| 1996 | 0.56 | 13.6 | 28.7 |
| 2000 | 0.58 | 13.3 | 29.5 |
| 2003 | 0.56 | 12.8 | 27.3 |
| 2006 | 0.53 | 11.5 | 23.9 |
| 2009 | 0.53 | 11.9 | 25.9 |
| 2011 | 0.52 | 10.9 | 22.6 |

Note: Includes per capita income per household.

Source: UNDP, based on the National Socioeconomic Characterization Survey (CASEN)

Table 3: Loan Approvals (SG and NSG) by Sector (2011-2013)

| Sector | Number | Number (%) | Original amount approved (US\$ millions) | Amount (%) |
|---------------------------------------|----------|-------------|--|-------------|
| Energy | 2 | 22.2% | 220.7 | 42.4% |
| Trade | 3 | 33.3% | 207.6 | 39.9% |
| Financial Markets | 1 | 11.1% | 50.0 | 9.6% |
| Agriculture and Rural Development | 1 | 11.1% | 32.0 | 6.2% |
| Social Investments | 1 | 11.1% | 7.5 | 1.4% |
| Reform and Modernization of the State | 1 | 11.1% | 225% | 0.4% |
| Total | 9 | 100% | 520 | 100% |

Notes: Includes amounts originally approved (SG and NSG) as of 10 December 2013.

Source: OVEDA

Table 4: Active Portfolio of Loans and Guarantees (SG and NSG) by Sector (31 December 2010)

| Sector | Number | Number (%) | Available balance (US\$ millions) | Balance (%) |
|--|-----------|-------------|-----------------------------------|-------------|
| Water and Sanitation | 2 | 14.3% | 160.0 | 51.1% |
| Trade | 1 | 7.1% | 0.3 | 0.1% |
| Urban Development and Housing | 3 | 21.4% | 76.8 | 24.5% |
| Private Enterprise and SME Development | 1 | 7.1% | 4.4 | 1.4% |
| Social Investments | 2 | 14.3% | 9.6 | 3.1% |
| Environment and Natural Disasters | 1 | 7.1% | 10.0 | 3.2% |
| Reform and Modernization of the State | 3 | 21.4% | 41.9 | 13.4% |
| Transportation | 1 | 7.1% | 10.0 | 3.2% |
| Total sovereign guaranteed (SG) | 14 | 100% | 313 | 100% |
| Transportation (2 guarantees) | 2 | 66.7% | 150.0 | 83% |
| Financial Markets (1 guarantee) | 1 | 33.3% | 10.0 | 17% |
| Total non-sovereign guaranteed | 3 | 100% | 174 | 100% |

Source: PISTA

Table 5: Nonreimbursable TC Approvals by Sector (2011-2013)

| Sector | Number | Number (%) | Original amount approved (US\$ millions) | Original amount approved (%) |
|--|-----------|-------------|--|------------------------------|
| Energy | 5 | 20.0% | 4.47 | 37.0% |
| Social Investments | 6 | 24.0% | 2.88 | 23.9% |
| Reform and Modernization of the State | 4 | 16.0% | 1.46 | 12.1% |
| Environment and Natural Disasters | 2 | 8.0% | 1.42 | 11.8% |
| Education | 3 | 12.0% | 0.96 | 7.9% |
| Science and Technology | 2 | 8.0% | 0.38 | 3.2% |
| Private Enterprise and SME Development | 2 | 8.0% | 0.27 | 2.2% |
| Trade | 1 | 4.0% | 0.25 | 2.1% |
| Total | 25 | 100% | 12.1 | 100% |

Notes: Includes amounts originally approved (SG and NSG) as of 10 December 2013.

Source: OVEDA

Table 6: Nonreimbursable TC Approvals by Type (2011-2013)

| Type | Number | Number (%) | Original amount approved (US\$ millions) | Original amount approved (%) |
|---------------------------------|-----------|-------------|--|------------------------------|
| Client Support (CS) | 16 | 64.0% | 5.98 | 49.5% |
| Operational Support (OS) | 5 | 20.0% | 4.05 | 33.5% |
| Research and Dissemination (RD) | 4 | 16.0% | 2.06 | 17.0% |
| Total | 25 | 100% | 12.1 | 100% |

Notes: Includes amounts originally approved as of 10 December 2013.

Source: GCM, OVEDA reports

EVALUATION MATRIX

| Evaluation questions | Sources of information | Method used to gather information | Type of analysis |
|--|---|--|--|
| Relevance | | | |
| Were the strategic objectives set in the country strategy consistent with Chile's development priorities and with the Bank's desired role as a knowledge broker? | Country strategy, CPDs, government program, national plans at the sector level, diagnostic studies by the OECD, World Bank, IDB | Review of documents | Mapping of strategic objectives against the main development challenges and priorities of the government program |
| To what extent did the country strategy, including its results matrix, provide an effective framework for a country program based on the creation and transfer of knowledge? | Country strategy, IDB team, counterparts | Review of documents Interviews with IDB team and counterparts | Analysis of the country strategy (areas and strategic objectives, results matrix) |
| To what extent was the implemented program (including TCs) consistent with the strategic priorities established in the country strategy and properly focused on helping to achieve the main objectives of boosting economic productivity, converging towards the OECD standards, and positioning the Bank as a knowledge broker? | Country strategy, CPDs, loan documents and TC profiles | Review of documents | Mapping of project and TC objectives against the strategy objectives and objectives of the government program. |
| To what extent were the TCs and loan operations (SG and NSG) strategically used to provide knowledge and find new solutions to deal with the fundamental development constraints that Chile must address in order to boost economic productivity and converge towards OECD standards? | Loan and TC documents, IDB team, counterparts | Review of documents Interviews with IDB team and counterparts | Analysis of the portfolio (design of projects and TCs) with respect to innovation and knowledge creation Analysis of criteria for selecting TCs |
| To what extent were the TCs and loan operations (SG and NSG) designed to play a catalytic role? | Loan and TC documents, IDB team, counterparts | Review of documents Interviews with IDB team and counterparts | Analysis of the portfolio (design of projects and TCs) with respect to innovation and knowledge creation |

| | | | |
|---|--|--|---|
| Were the TCs used strategically to position the Bank as a knowledge broker between Chile and other countries in the region | Loan and TC documents, IDB team, counterparts | Review of documents Interviews with IDB team and counterparts | Analysis of the portfolio (design of projects and TCs) with respect to innovation and the creation of knowledge Analysis of system for selecting TCs |
| Effectiveness | | | |
| What factors explain the substantial difference between the sovereign guaranteed lending framework included in the country strategy and the actual approvals as of 2013? | CPDs, loan and TC documents, general information at the operation level from Bank information systems such as OPS, OVEDA, Finance Data Mart, FIN LMS Portfolio review reports | Review of documents Quantitative analysis of the portfolio Interviews with IDB team and counterparts | Analysis of the approved portfolio Analysis of canceled operations Analysis of interview results |
| To what extent has the programmatic commitment made by the Bank (including the use of performance-driven loans and TC umbrella programs) progressed and what factors explain the success/failure of implementation? | PMRs, PCRs, portfolio review reports, TC outputs, IDB team, counterparts | Review of documents Interviews with IDB team and counterparts | Analysis of evaluation templates and interview results |
| What specific contributions did the Bank make to help Chile boost economic productivity and converge towards OECD standards in the areas supported by the Bank's program? | PMRs, PCRs, TC outputs, IDB team, counterparts | Review of documents Interviews Production of evaluation templates | Analysis of evaluation templates based on results tied to strategic objectives |
| How did the Bank's program in Chile actually support South-South cooperation and help to transfer knowledge from Chile to other countries in the region? | Loan and TC documents, PMRs, PCRs, TC outputs, IDB team, counterparts | Review of documents Interviews Production of evaluation templates for projects and TCs | Analysis of evaluation templates with focus on design and results in knowledge transfer |
| To what extent have the strategic objectives at the sector level been achieved? | PMRs, PCRs, TC outputs, IDB team, counterparts | Review of documents Interviews Production of evaluation templates | Analysis of evaluation templates based on results tied to sector objectives |

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| <p>To what extent did the TCs and loan operations generate innovative knowledge that was disseminated and used by others besides the direct beneficiaries?</p> <p>To what extent did the TCs and loan operations have a demonstration effect?</p> | <p>PMRs, PCRs, evaluation reports on TC impact and experiences, knowledge products produced by TCs</p> | <p>Review of documents</p> <p>Interviews with IDB team and counterparts</p> | <p>Analysis of TC and project evaluation templates</p> |
| <p>In general, to what extent was the Bank an effective provider of knowledge in Chile, and what factors explain its success/failure?</p> | | <p>Review of documents</p> <p>Interviews with IDB team and counterparts</p> | <p>Analysis of TC and project evaluation templates and interview results</p> |
| <p>What lessons emerge regarding the Bank's future role in Chile?</p> | | <p>Interviews</p> <p>Evaluation templates</p> | <p>Summary of findings and evaluation results</p> <p>Summary of interviews</p> |
| Sustainability | | | |
| <p>What evidence is there to show that the results obtained through the Bank's program are sustainable?</p> | <p>PMRs, PCRs, TC monitoring /results reports, IDB team, counterparts</p> | <p>Review of documents</p> <p>Interviews with IDB team and counterparts</p> | <p>Analysis of TC and project evaluation templates based on sustainability</p> |