



Approach Paper

Evaluability 2012

Review of Bank Projects





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ABBREVIATIONS AND ACRONYMS

DEF	Development Effectiveness Framework
DEM	Development Effectiveness Matrix
NSG	Non-sovereign-guaranteed
PMR	Progress Monitoring Report
SG	Sovereign-guaranteed

I. INTRODUCTION

- 1.1 The importance of evaluation as a tool to promote learning and improve effectiveness has been extensively recognized in the Bank and reflected in the attention given to evaluability. Since 2009 Management has worked to improve projects' evaluability and to improve the Development Effectiveness Matrix (DEM) to better assess the evaluability of the Bank's portfolio.
- 1.2 In 2011 OVE began using the DEM and the self-evaluation system as a way to assess the evaluability of the Bank's portfolio by validating the DEMs of a sample of projects. The first exercise was used as pilot to set the standards OVE would use and to inform the Board and Management of the new approach. Since the DEM's criteria and process had just been revised in early 2011, OVE also used this pilot exercise to assess the DEM as an evaluability tool.
- 1.3 The main findings of the first validation exercise were that OVE's evaluability scores were similar to Management's scores for sovereign-guaranteed (SG) operations, while OVE was unable to validate the scores of non-sovereign-guaranteed (NSG) projects. OVE recommended a full revision of the NSG DEM, and some refinements in the SG DEM. Management has worked on OVE's recommendations; as a result, a few changes will be implemented in the SG DEM in January 2013, and a new DEM is being developed for NSG projects.
- 1.4 Since the NSG DEM is under development, OVE will wait until the new instrument is implemented to include NSG projects in the evaluability review exercises and be able to describe the evaluability of the Bank's overall portfolio. The new tool is expected to be launched in the second quarter of 2013.

II. EVALUATION QUESTIONS AND APPROACH

- 2.1 OVE has started to validate a sample of DEMs of approved SG projects. This exercise will be used as the main source of information for OVE to report on the evaluability of projects approved in 2012. The exercise will address two questions.
 - A. **How evaluable were the 2012 SG projects according to the new DEM?**
- 2.2 This is the basic question OVE's validation process is expected to address. As in 2011, the DEM of each validated project will be reviewed by an evaluability team (composed of a staff member and a research fellow) with knowledge of the relevant sector, and all teams will be coordinated and overseen by a panel to ensure consistency. Teams will use the SG DEM toolkit of June 2012 to rate project evaluability.

2.3 About one-third of the 2012 SG projects have been selected at random to be validated¹ (see Annex A for list of selected projects). The sample is expected to be representative of the Bank's portfolio as a whole. It will not be possible to make inferences by sector or by instrument for a given year; however, as the validation system continues for a longer time, a multiyear sample should become representative for smaller subsets. OVE will send the draft of each validation to Management for comment before finalizing the evaluation.

B. Does the DEM lead to better project monitoring during implementation?

2.4 As the first tool of the Development Effectiveness Framework (DEF), the DEM is used to ensure that projects are reaching minimum standards to be properly monitored and evaluated. OVE's assessment of the DEM found that it has been an effective tool in capturing the essential dimensions of evaluability, and therefore it should be a good reflection of projects' ability to report on results at completion. An essential part of achieving and reporting on results is monitoring projects during implementation.

2.5 In 2009 the Bank launched the second tool in the DEF, the Progress Monitoring Report (PMR), to be used for all projects to report on implementation progress. Projects' design should include the essential elements for proper monitoring—that is, that teams should be ready to use the PMR once project execution begins. With this in mind, it is important to assess to what extent projects that were approved after the development of the DEM and score well in evaluability are better prepared to be monitored through the PMR.

2.6 To address this question, OVE will analyze a sample of projects in execution that were approved in different years. In fact, of the projects that had less than 10% disbursed as of December 2009 and all projects approved since then, OVE has randomly selected a sample of 81 (20% of the group) and will review the March 2011 and March 2012 PMR cycles, which are the latest cycles that have annual information. The sample will be divided into two groups: (a) projects approved before April 2009 (which did not have a DEM), and (b) projects approved between April 2009 and December 2011 (all of which had a DEM at approval). The analysis will compare the PMRs of projects in these two samples, recognizing that given all the changes in the Bank in recent years—particularly the increasing focus on evaluability and the extensive training that teams have received on the PMR—the temporal analysis will only be indicative.

2.7 In a second step, OVE will analyze the relationship between the quality of PMRs of projects approved after April 2009 and the projects' evaluability scores. This exercise will be complemented by evidence from an analysis of project documentation at design, other monitoring instruments used in the Bank, and interviews with teams responsible for the projects in the sample.

¹ Each project approved had a 1/3 chance of being selected.

III. TASK TEAM AND TIMELINE

- 3.1 The team leader for this task is Anna Crespo. A broad group of OVE staff and research fellows are expected to participate in the validation exercises. The timetable for the exercise is shown below.

Table 3.1 Exercise timetable

<i>Activity/Product</i>	<i>Date</i>
Finalization of Approach Paper	February 2012
Draft for internal review	March 2012
Draft for Management review and comment	April 2012
Distribution of final report to Board	May 2012

ANNEX A. PROJECTS SELECTED FOR VALIDATION

Project Number	Name	Type	Sector	Eval Score
AR-L1068	Program for Rural Development and Family Agriculture, PRODAF	ESP	RND	9.8
AR-L1127	Program for Strengthen. Provincial. Inst & Fiscal Mng. Stage II (PROFIP II)	ESP	ICS	7.9
AR-L1136	Development Programme's Norte Grande provinces: W&S Infrastructure	GOM	WSA	8.5
AR-L1149	Multisectorial Preinvestment Program IV (CCLIP)	CLP	FMM	7.2
BO-L1064	Grow Well to Live Well Early Childhood Development Program	ESP	SPH	8.9
BO-L1071	Productive Communitarian Secondary Education	ESP	EDU	8.4
BR-L1187	PROCIDADES - Novo Hamburgo	GCR	FMM	8.7
BR-L1190	PROCIDADES - Recife	GCR	FMM	8.1
BR-L1272	Blumenau's Sustainable Urban Mobility Program (BID-Blumenau Program)	ESP	TSP	9.3
BR-L1287	Social Inclusion and Opportunities for Youth in Rio de Janeiro	ESP	SPH	8.5
BR-L1299	Program to Strengthen the Social Assistance System	ESP	SPH	8.8
BR-L1303	CEEE Generation and Transmission Project	ESP	ENE	9.3
BR-L1314	Mauês Integrated Sanitation Program - PROSAIMAUÉS	ESP	WSA	8.5
BR-L1336	Santa Catarina Logistics Infrastructure Program	GOM	TSP	9.1
BR-L1337	Fiscal stability consolidation program for the development of the State of Bahia	PBL	FMM	8.5
CH-L1064	Program to Support SENCE's Effectiveness	ESP	LMK	9.8
CO-L1093	Support Program to Quality Education Plan for Prosperity	ESP	EDU	8.7
CO-L1105	Rural Water Supply and Wastewater Management Program	ESP	WSA	8.4
CR-L1043	Innovation and Human Capital for Competitiveness Program	ESP	CTI	9.5
CR-L1049	Power Sector Dev. Program 2012-2016 (Reventazon Hydroelectric Project)	CLP	ENE	9.0
EC-L1107	Program to Support Integrated Early Childhood Development	ESP	SPH	9.1
EC-L1111	Quito Metropolitan Urban Transport System	ESP	TSP	9.3
EC-L1113	Social Housing National Program - Stage 2	ESP	FMM	7.6
ES-L1063	Overall support to the effectiveness of labor and social security policies	ESP	LMK	9.5
GU-L1064	Fiscal Consolidation Program for Guatemala	HIB	FMM	7.6
HA-L1068	Northern Economic Pole Business Accelerator Program	ESP	CMF	7.9
HA-L1073	Institutional Transformation and Modernization Program of the Energy Sector II	PBP	ENE	9.1
HA-L1077	Increasing Access to Quality Education in Haiti	ESP	EDU	9.3
HO-L1071	Support to the Social Protection Network Program	ESP	SPH	9.1
HO-L1072	Mother and Child Hospital Network Strengthening Program	ESP	SPH	9.3
ME-L1103	Global Credit Program for Development of Mortgage Markets IV	CLP	CMF	7.4
ME-L1120	Financing Low Carbon Strategies in Forest Landscapes	GCR	CMF	8.5
ME-L1121	CTF-IADB "ECOCASA" Program	CLP	CMF	7.7
NI-L1052	Support to the Transportation Sector II Program	GOM	TSP	8.7
NI-L1059	Program to accompany the implementation of the National Policy for children in	ESP	SPH	9.1
NI-L1063	National Sustainable Electrification and Renewable Energy Program III	ESP	ENE	8.9
PE-L1068	Innovation Project for Competitiveness	ESP	CTI	9.3
PE-L1092	Project for the Dev. of Solid Waste Management Systems in Priority Areas	ESP	WSA	8.4
PE-L1121	Development of a New Sustainable Energy Matrix Program IV	PBP	ENE	9
SU-L1019	Second Basic Education Improvement Program (2nd BEIP)	PFM	EDU	9.9
TT-L1026	Multi-Phase Wastewater Rehabilitation Program- Phase I	PFM	WSA	9.1

Note: About one-third of the 2012 SG projects were selected at random to be validated, as each project approved had a one- third chance of being selected.