

Approach Paper

Evaluation of the Independent Consultation and Investigation Mechanism (MICI)

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ABBREVIATIONS

Bank or IDB	Inter-American Development Bank
CR	Compliance review
ESG	Environmental Safeguards Unit
IIC or IDB Invest	Inter-American Investment Corporation
MICI	Independent Consultation and Investigation Mechanism
MIF	Multilateral Investment Fund
NSG	Non-sovereign guaranteed operations
OMJ	Opportunities for the Majority
OVE	Office of Evaluation and Oversight
SCF	Structured and Corporate Financing Department
SEG	Environmental, Social and Governance Division
SG	Sovereign guaranteed operations
ToRs	Terms of reference

I. INTRODUCTION

- 1.1 This approach paper defines the objectives, scope, and methodology for the forthcoming evaluation regarding the Independent Consultation and Investigation Mechanism (MICI) by the Office of Evaluation and Oversight (OVE). The MICI was established as a last resort mechanism whereby parties potentially affected by the IDB Group's financial operations could file complaints regarding the Group's alleged noncompliance with its relevant operational policies, primarily as regards environmental and social safeguards.
- 1.2 This evaluation addresses the specific mandates set out in current MICI policies. The MICI policy for IDB operations (documents MI-47-3, MI-47-6) states that it will be subject to an independent review in the time frame and form determined by the Board of Executive Directors, within the first five years of its entry into force (December 2014). In the case of the MICI policy for IDB Invest operations (document CII-MI-1-1) a review was stipulated for within the first three years of its entry into force (January 2016). Against this backdrop, and at the request of the Boards of Executive Directors of the IDB and the IIC, this evaluation was included in OVE's 2019-2020 work program (document RE-532-4).

II. OVERVIEW OF THE MICI AND ITS CURRENT POLICY FRAMEWORK

- 2.1 In the context of the IDB's eighth capital increase, in 1994 the Boards of Governors tasked the Bank with the creation of an independent investigation mechanism with a mandate to **increase the transparency, accountability, and effectiveness of the Bank** (document AB-1704). Consequently, the Independent Investigation Mechanism (IIM) was established in 1994, with responsibility for investigating noncompliance with the Bank's operational policies in response to complaints by affected parties. In 2010, the Board of Executive Directors of the IDB approved a new policy to establish the MICI (policy GN-1830-49), replacing the IIM. The new mechanism would be functionally independent from the Bank's Management and would have expanded dispute resolution and compliance review functions.¹
- 2.2 In 2012, two years after the MICI policy entered into effect and in response to the mandate in the policy, OVE evaluated the MICI pilot stage and identified significant problems in terms of its policy, structure, and operations (document RE-416-1). The policy did not set out the MICI's objectives clearly nor define the role of the Bank's Management in responding to complaints received. There was considerable confusion about the dispute resolution and compliance review functions, as was reflected, for example, in numerous, ambiguous, and overlapping eligibility criteria with duplicated eligibility stages for the same case. Furthermore, the MICI's structure comprised three entities reporting directly and independently to the Board of Executive Directors with no mechanism for coordination between them, limiting the MICI's accountability and operational

¹ As part of the Ninth General Increase in the Resources of the Inter-American Development Bank in 2010 (document AB-2764) actions were defined to respond to the mandate from the Governors of the Bank (document AB-272) to implement the MICI, including putting in place the necessary institutional arrangements and completing its staffing.

- effectiveness.² Moreover, MICI operations were not managed in a totally transparent way and sometimes stagnated unresolved. Against this backdrop, the impact of the few cases completed under the policy was modest for both requesters and for the Bank, in terms of lessons learned. The MICI also lacked a strategy for making its existence known to persons potentially affected by the Bank's operations. Based on the findings of the evaluation, OVE recommended termination of the pilot phase and reformulation of the MICI's policy. In December 2014, the Board of Executive Directors of the Bank approved a new policy and structure for the MICI (document MI-47-3).³
- 2.3 In the context of the merge-out of the IDB Group's private sector windows, since early 2016, the MICI has also been responsible for handling requests concerning operations by the new Inter-American Investment Corporation (IIC), since rebranded as IDB Invest, in the framework of the policy approved in December 2015 (document CII-MI-1-1).⁴ This policy also established that requests concerning operations approved by the IDB private-sector windows (SCF, OMJ) prior to 2016, supervision of which was transferred to the IIC, would be managed under the MICI-IDB policy framework (document MI-47-3 and its updated version document MI-47-6).⁵
- 2.4 The current MICI policy framework provides two functions that requesters can opt for when submitting a request.⁶ The **consultation phase** is a dispute resolution process that provides an opportunity for the parties to address the issues raised in the request in a voluntary, flexible, and collaborative manner. In this phase, the MICI acts as a mediator in the search for an agreement that is satisfactory to the parties.⁷ The **compliance review phase** is an investigative process related to the issues raised in the request to establish whether the IDB Group has failed to comply with any of its relevant operational policies and whether any noncompliance has caused harm to the requesters. In this process, the MICI acts as an investigator subject to the approval of the investigation by the Board of Executive Directors. The main output of an investigation is a report, which is generally accompanied by recommendations for consideration by the Board of Executive Directors. Under the current policy framework, requesters can opt for the

² A project ombudsperson, who led the dispute resolution process, an external five-member compliance review panel (one serving as the chair), and an executive secretary.

³ In February 2015, a transition plan was also approved until the appointment of a new MICI Director. This established an interim governance structure and criteria for the management of requests active at the time of policy approval and those received during the transition period (document MI-48-1).

⁴ This policy was adopted in order to establish an independent mechanism based on the MICI-IDB policy, which would be independent from Management and use the services of the MICI-IDB (document CII/MI-1). This policy replaced that adopted in 2002 by the Board of Executive Directors of the IIC on the creation of the IIC's Independent Investigation Mechanism (policy CII/GN-139-4).

⁵ The updated version of the MICI-IDB policy (MI-47-6) incorporates a number of changes resulting from the adoption of the MICI policy for IDB Invest (e.g., definitions for operations financed by the Bank, the IDB's preexisting non-sovereign guaranteed portfolio, crossbooked operations).

⁶ The MICI handles requests by any group of two or more people residing in the country in which the operation financed by the IDB Group is being executed. The request may be submitted directly by the group of requesters or by a representative of the group.

⁷ In April 2018, the MICI also established guidelines for the consultation phase (document MI-74, CII/MI-13), which are intended to complement and facilitate the application and operation of MICI-IDB and MICI-IIC policies on the processing of requests in the consultation phase.

consultation phase, compliance review phase, or both. When requesters opt for both phases, the request is processed in sequence, starting with the consultation phase. For each of these phases, and for the initial registration and determination of eligibility of complaints, the MICI policy establishes a set of processes with associated time frames (see Figure I.1., Annex I).

- 2.5 The policy also establishes details of the MICI's governance and organizational structure, and a series of general provisions. The MICI's basic structure comprises a director, who is appointed for a five-year period (with the possibility of a single renewal for an equal period) and reports directly to the Board of Executive Directors, and two coordinators for the consultation phase and compliance review phase respectively, appointed for a five-year period (with no possibility of renewal), who report to the MICI Director. The policy establishes the eligibility criteria for these three posts including a prohibition on working for the IDB Group upon completion of their service, and the respective terms of reference. This basic structure is supported by operations and administrative staff and consultants, including a roster of experts to support consultation and compliance review processes. In terms of general provisions, the policy establishes procedures for the extension of time frames for the processing of requests, the MICI's mandate for an outreach strategy to inform civil society, the requirement to establish a public registry with information on requests and their management, aspects of the budgetary process, among other provisions.
- 2.6 In 2018, OVE conducted an environmental and social safeguards evaluation of the IDB Group, including a review of the MICI's specific contribution to the functioning of the safeguards system (document RE-521-1). In this evaluation, OVE found that the new MICI policy had corrected the main problems affecting the 2010 policy, particularly as regards accountability under the previous structure, the adoption of a single eligibility verification mechanism for the consultation and compliance review phases, and the incorporation of Management responses as part of the processing of requests. OVE also identified certain issues that remain unresolved in the new policy, such as its focus on procedures, without a clear definition of the expected objectives of the MICI and its functioning, and the way in which some of the exclusions are applied.⁸ Moreover, given that the IDB Group's safeguard policies do not refer to the MICI as a mechanism of last resort, the MICI was left disconnected from the general safeguards framework. At the institutional level, the evaluation found that the MICI had begun to help focus the Bank's attention on safeguards, particularly in the areas of information disclosure and consultations, where Management was taking a number of corrective actions. The MICI's institutional impact had been smaller in the case of IDB Invest, possibly due to the smaller number of cases at the time of this evaluation.

⁸ Exclusions such as those concerning specific issues or matters under arbitration or judicial review or relating to the period of 24 months after the operation's final disbursement for submitting a request in the case of guarantees and equity investments. For more details of the exclusions and eligibility criteria for the consultation and compliance review phases, see Boxes I.1 and I.2 (Annex I).

III. PORTFOLIO OF REQUESTS

- 3.1 Between December 2014 and June 2019, the MICI received a total of 68 requests. Ten requests (15%) concerned private sector operations, of which three were operations originated by IDB Invest.⁹ The requests came from 17 countries in the region, with Brazil (17), Argentina (9), and Colombia (8) generating the largest number of requests received (Table I.1, Annex I). Just over a third (25)¹⁰ of the 68 requests received were registered, and 12 of these were ultimately declared eligible and so became **cases** (Figure 3.1).¹¹ In 9 of the 12 cases, the requesters initially opted for the **consultation** phase, while in the three remaining cases they opted directly for the **compliance review** phase. In three cases the requesters chose to transfer their cases from the consultation phase to the compliance review phase before completion of the consultation phase, due to the absence of the conditions needed to carry out the consultation phase.¹² As of June 2019, in five of the six cases in the consultation phase, agreements had been reached between the parties and the MICI was monitoring them.¹³ Meanwhile, in one of the six cases in the compliance review phase, the investigation had been completed.¹⁴ A full list of requests received and their current status as at the end of June 2019 is given in Table II.1 (Annex II). In addition to the requests received under the current policy, there are also seven legacy cases that were declared eligible prior to December 2014 and were at various stages in their respective consultation and compliance review processes (Table II.2, Annex II).

⁹ The other requests involving private sector operations concern one operation from the MIF (now, IDB Lab) and five operations from the IDB's former private sector windows—SCF (4) and OMJ (1).

¹⁰ On receiving a request, the MICI first verifies that it contains the information required by the policy and is not clearly linked to any of the exclusions envisaged in the policy (Table I.1, Annex). If these requirements are met, the MICI issues a notice of registration to move forward with the processing of the request.

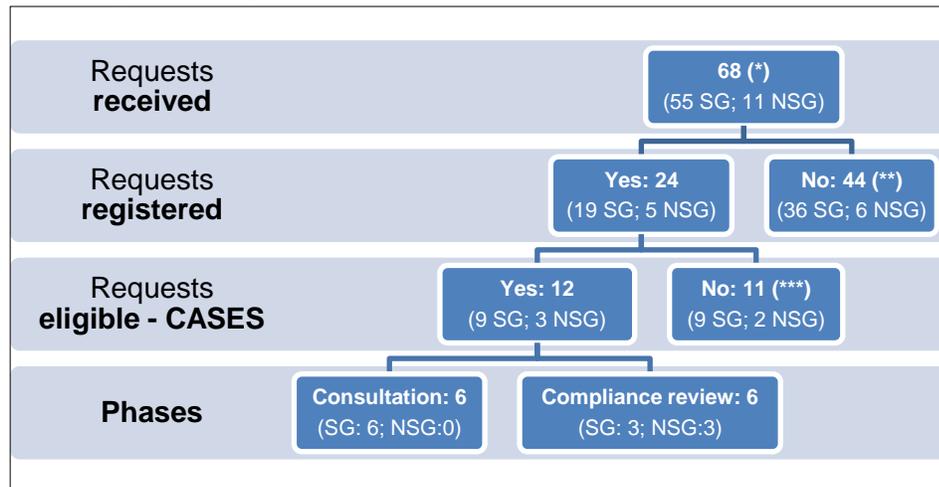
¹¹ The 12 cases eligible under the current policy framework are associated with projects in 10 countries: Colombia (2 cases associated with the same project), Costa Rica (2 cases associated with the same project), Argentina (1), Brazil (1), Chile (1), Ecuador (1), Guatemala (1), Haiti (1), Paraguay (1), and Peru (1).

¹² **MICI-BID-PR-2016-0101**: Downtown Redevelopment, Modernization of Metropolitan Public Transport, and of Government Offices Project (loan PR-L1044), Request II; **MICI-CII-CO-2018-0133**: Ituango Hydroelectric Project (loan CO-11794-04); and **MICI-BID-CO-2018-0133**: Support for Structuring the Ituango Hydroelectric Project (loan CO-T1250). The two cases concerning the Ituango Hydroelectric Project derive from the same request referring to one operation financed by the IDB and a second financed by IDB Invest, so they were registered separately.

¹³ **MICI-BID-AR-2019-0144** (Argentina), **MICI-BID-CR-2017-0125** (Costa Rica), **MICI-BID-EC-2018-0131** (Ecuador), **MICI-BID-HA-2017-0114** (Haiti) and **MICI-PE-2015-0094** (Peru).

¹⁴ **MICI-BID-PR-2016-0101** (Paraguay).

Figure 3.1 Requests received between December 2014 and June 2019



Notes: Information as of June 2019.

(*): Two requests received that were not registered were not associated with any IDB Group operations (MICI-AU-2015-0095 and MICI-BID-CO-2016-0103); (**): One request associated with an SG operation was still in the eligibility determination process (MICI-BID-AR-2019-0148; MICI-BID-AR-2019-0150).

Source: OVE based on information from the MICI Public Registry.

IV. OBJECTIVES, SCOPE, AND QUESTIONS OF THE EVALUATION

A. Objectives and scope of the evaluation

- 4.1 The evaluation seeks to inform the Boards of Executive Directors of the IDB and and the IIC about the effectiveness of the implementation of the new MICI policy framework and the extent to which these policies have allowed the MICI to fulfill its mandate to increase the transparency, accountability, and effectiveness of the IDB Group.
- 4.2 Considering that the objectives established in current MICI policies are mainly focused on the process level (Table 4.1), OVE will use, as the basis for its analysis, the MICI's mandate to increase the transparency, accountability, and effectiveness of the IDB Group, as established in the context of the eighth capital increase (document AB-1704) and cited in various MICI documents.¹⁵ Moreover, current MICI policies incorporate a series of "guiding principles" for the functioning of the mechanism, including elements of **independence, objectivity, impartiality, efficiency, and effectiveness**. OVE will take these principles (as well as the principle of **accessibility** that derives from the policy) as evaluation criteria to guide the evaluation questions relating to the functioning of the mechanism (section B).¹⁶

¹⁵ OVE also considered this overarching objective of the mechanism as a reference for its 2012 evaluation of the MICI.

¹⁶ Annex III presents the **evaluation matrix**, setting out the evaluation questions and subquestions or criteria that OVE will consider in its analysis in more detail.

Table 4.1. Mandate, objectives, and guiding principles of the MICI

Mandate**
To increase the transparency, accountability, and effectiveness of the IDB Group
Objectives*
<ul style="list-style-type: none"> a. Provide an independent mechanism and process to investigate allegations by Requesters of harm produced by one of the IDB Group institution's failure to comply with its relevant operational policies in IDB Group-financed operations; b. Provide information to the Board regarding such investigations; and c. Be a last-resort mechanism for addressing the concerns of requesters, after reasonable attempts to bring such allegations to the attention of Management have been made.
Guiding principles*
<ul style="list-style-type: none"> a. Be functionally independent from Management. b. Efficiently and effectively address requests. c. Be objective, impartial, and transparent. d. Work in a cost-effective manner and avoid duplication with other independent offices of the IDB Group. e. Reflect the highest professional and technical standards of the IDB Group.

Source: (*) MICI Policy for the IDB (documents MI-47-3, MI-47-6), and for IDB Invest (document CII-MI-1-1), (**) Eighth Capital Increase of the IDB (document AB-1704).

- 4.3 The evaluation will take as its starting point the OVE evaluation of the MICI completed in 2012 and the recent findings of the environmental and social safeguards evaluation from 2018. This evaluation will: (i) examine in more depth the MICI policies and guidelines developed; (ii) place particular emphasis on the analysis of issues relating to the effective implementation of the policies (including the main challenges in terms of implementation and results or impacts of the cases managed) and the functioning of the MICI according to the principles and guidelines established in its policy.¹⁷ In this context, an important area of focus will be the systematic analysis of the requests received and eligible cases in order to determine if they have been managed in an objective, impartial, transparent, and efficient way, what the main results or effects were (for requesters, specific projects about which complaints are made, and the IDB Group in terms of relevant lessons to guide how it manages the environmental and social sustainability of its operations). Against this backdrop, in view of the time elapsed since the approval of the current MICI policy framework, and the fact that most of the cases eligible in this framework are still in progress, this evaluation will be formative in nature.¹⁸

¹⁷ In parallel, the Office of the Executive Auditor (AUG) will carry out an internal audit on the MICI's administrative and budgetary processes in 2019. OVE and AUG are coordinating the scope and activities of these two tasks.

¹⁸ Unlike a summative evaluation, a formative evaluation examines the way in which an initiative in progress is being implemented, with a view to producing guidance on implementation and suggestions for improvement. A formative evaluation focuses mainly on processes and outputs, as well as reviewing any direct effects or impacts achieved so far.

B. Questions of the evaluation

- 4.4 The overall question the evaluation seeks to answer is: **To what extent do the current policy, organizational structure, processes, and functioning of the MICI enable it to fulfill its mandate to increase the transparency, accountability, and effectiveness of the IDB Group?**
- 4.5 The evaluation will seek to answer the following **specific questions**:
1. To what extent does the current MICI policy framework facilitate fulfillment of its mandate and what are the main challenges regarding its implementation?
 2. How does the current MICI policy framework compare with that of other independent accountability mechanisms at other multilateral development banks?
 3. To what extent is the current framework of MICI policies, guidelines, and processes internally consistent and complementary?
 4. How well defined are current institutional arrangements and processes, and to what extent do they facilitate the effective functioning of the MICI?
 5. To what extent has the functioning of the MICI, in terms of the definition of its work plan, management of resources, and handling of requests, been independent from IDB Group Management?
 6. What factors facilitate or limit the accessibility of the MICI to parties potentially affected by IDB Group operations?
 7. To what extent are requests received by the MICI handled in an objective, impartial, transparent, and efficient way?
 8. What results or effects have the cases managed by the MICI had for requesters, projects about which complaints have been made, and the IDB Group in terms of lessons to guide how it manages the environmental and social sustainability of its operations?

V. EVALUATION METHODOLOGY

- 5.1 OVE will answer the evaluation questions using a combination of complementary methods. These methods comprise a review of documents such as policies and guidelines, an analysis of processes and associated time frames, interviews and surveys, and desk and on-site analysis of requests and eligible cases. The main methods that will be used are described in more detail below. The evaluation matrix is provided in Annex III.
- 5.2 **Analysis of the MICI policy framework.** In order to report on how appropriate the current MICI policies are for IDB and IDB Invest, OVE will conduct an analysis including the content of the two policies and guidelines, with a view to establishing their consistency, and their main strengths and weaknesses. This analysis will take as its starting point OVE's 2012 evaluation of the MICI and the recent findings on the MICI's contribution to the safeguards system. It will also explore the extent to which the main issues detected in those evaluations have been addressed.

- 5.3 **Analysis of the MICI's main organizational arrangements.** In order to determine the extent to which the MICI's internal capacity facilitates the effective application of the policy, OVE will analyze the MICI's new governance and organizational structure. OVE will also examine the budgetary resources assigned to the MICI for the performance of its functions, and its human resources.
- 5.4 **Analysis of processes and associated time frames for the processing of requests.** To understand the extent to which the processes defined for handling requests (registration, eligibility, consultation and compliance review phases, and monitoring) support the MICI's efficient and effective functioning, OVE will analyze aspects such as the suitability of these processes defined in the framework of the policies and guidelines, including the clear definition of activities, roles and responsibilities of the various actors involved (e.g., requesters, the MICI, Management, and the Boards of Executive Directors of the IDB Group), times associated, consistency between the various stages, and support systems for request registration. OVE will analyze the times associated with processing requests and the reasons for possible extensions.
- 5.5 **Comparative analysis with other independent accountability mechanisms.** In order to offer a comparative perspective, OVE will also examine the policies of other independent accountability mechanisms at other multilateral development banks,¹⁹ including aspects of their functions (e.g., dispute resolution and investigation), governance, and organizational structure, with particular emphasis on those that have updated their policy frameworks in recent years or are currently in the process of doing so. The desk review of policies will be supported by interviews with staff of these mechanisms.
- 5.6 **Analysis of the portfolio of requests.** OVE will compile and consolidate general information on the portfolio of requests since the MICI was established in order to analyze general trends in the requests received and declared eligible, general characteristics of requesters, and the content of their complaints, as well as of the projects that their requests concern.
- 5.7 **Desk review of requests.** OVE will perform a desk review of all the requests received between December 2014 (approval date of the current policy) and June 2019²⁰ in order to determine whether requests have been handled in a transparent, objective, impartial, and efficient way, and if they have had any results or effects, whether for requesters, specific projects, or at the overall IDB Group level through lessons learned. OVE will contact requesters and IDB Group clients in order to get their perspective on the complaint handling process, either by telephone or during country visits (see Section 5.9), while always remaining mindful of the confidentiality of certain requests. In this regard, the analysis of requests is not

¹⁹ OVE plans to include the following multilateral development banks in its analysis: the World Bank, the International Finance Corporation (IFC), the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), the Asian Development Bank (ADB), the Asian Infrastructure Investment Bank (AIIB), and the African Development Bank (AfDB).

²⁰ For legacy cases, i.e. cases that were declared eligible prior to the approval of the current MICI policy (December 2014) but were still open at the time of its approval, OVE's analysis will consider those cases that: (i) were at the start of the consultation or compliance review phase and so were mainly handled under the current policies; or (ii) are associated with projects for which new requests were received under the current policy.

- intended to validate the findings of the investigations nor is it meant to establish whether the IDB Group has failed to comply with any of its relevant operational policies or if requesters have suffered harm as a consequence. The desk review will use standardized questions to ensure that the different requests are evaluated consistently. It will also be supported by interviews with MICI and IDB Group staff involved in the handling of requests and associated operations.
- 5.8 The analysis will include a review of the specific documentation generated during the registration, eligibility, consultation, and/or compliance review processes, such as: notification of receipt of request and registration, eligibility memorandum, recommendation for the compliance review and associated terms of reference, investigative reports, action plans developed in response to investigation recommendations and progress reports, consultation process evaluation reports, monitoring reports on agreements reached, and Management responses at the various stages. The analysis will also include a review of the documentation associated with the preparation and implementation of the projects giving rise to complaints that are relevant to putting requests and the operations these requests concern into context.
- 5.9 **Field studies of eligible cases and requests.** OVE will also conduct studies in the field on some of the eligible cases. These studies will be based on preliminary desk reviews of the requests and will take a closer look at how cases have been managed in the field, including the perspectives on issues of access to the mechanism and on the handling of requests held by the various parties involved in eligible cases (e.g., requesters and/or representatives, IDB Group staff, government officials, IDB operations and executing unit personnel, or IDB Invest clients, and civil society organizations), and the possible effects and results of the cases for requesters and for the design and implementation of the projects being analyzed. In this regard, as in the case of the desk review of requests, the purpose of the field studies is not to validate the findings of the investigations, nor to establish whether the IDB Group has failed to comply with any of its relevant operational policies, or if requesters have suffered harm as a consequence. OVE plans to visit approximately five countries that have at least one eligible case and have moved forward with their consultation or compliance review processes at the time of the visit.²¹ OVE will select a varied group of: (i) open and closed cases; (ii) cases in the consultation phase and in the compliance review phase; (iii) cases associated with public and private sector projects. During its country visits, OVE will also interview requesters associated with ineligible or unregistered requests to find out about their experience of the processes involved in the handling of requests submitted to the MICI.
- 5.10 **Interviews and surveys.** The analysis of policies, processes, and requests will be supported by surveys and structured and semistructured interviews in order to get the perspective of key stakeholders on the handling of specific requests, and in relation to the functioning of the MICI in general, including: (i) MICI staff; (ii) staff from the IDB Group safeguards units (ESG and SEG); (iii) IDB Group managers

²¹ For consultation phase cases, those cases in which the evaluation stage was completed and the MICI concluded that favorable conditions existed to move forward with a consultation phase process will be considered. Meanwhile, for compliance review cases, those that already have a recommendation and terms of reference for the investigation will be considered.

and project team leaders; (iv) IDB Group Executive Directors; (v) IDB Invest clients; (vi) government officials and staff of executing agencies for IDB operations; (vii) staff of other IDB Group units that have received requests referred by the MICI (e.g., Office of Institutional Integrity, Office of Ethics); (viii) staff of other independent accountability mechanisms; and (ix) civil society organizations. OVE will conduct surveys in the case of IDB Group project team leaders and civil society organizations to obtain their viewpoint and general impression of aspects of the MICI's policy and functioning, including issues relating to the level of knowledge of the mechanism, its functions, accessibility, and perception of its impact at the project and institutional levels.

VI. EVALUATION TEAM AND TIMELINE

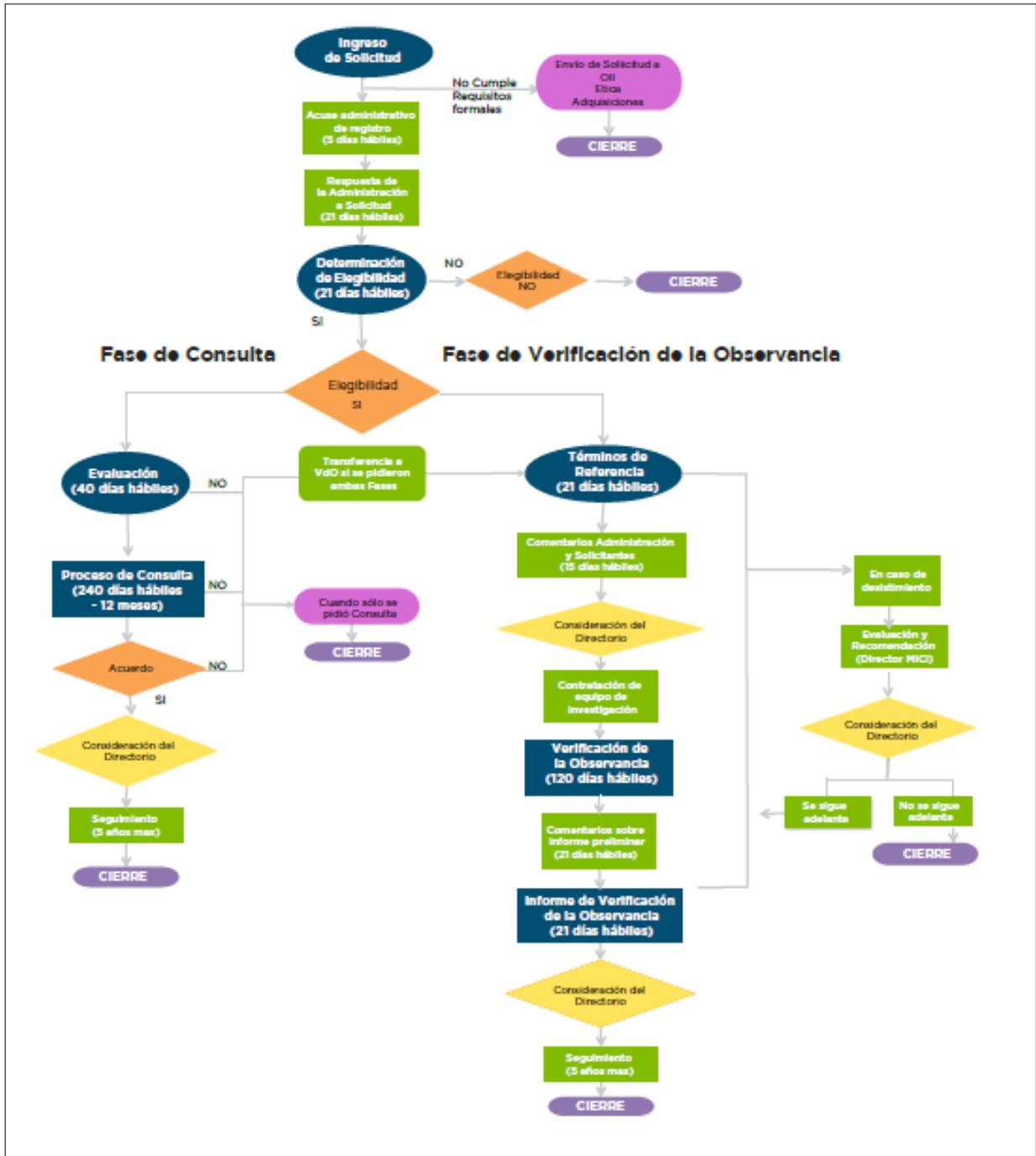
- 6.1 **Evaluation team:** The evaluation team comprises José Ignacio Sémbler (team leader), Ana María Linares, Monika Huppi, Clara Schettino, Viola Belohrad, Nathaniel Russel, and Thais Soares. The team will also be supported by external specialist consultants. The work will be carried out under the supervision of the OVE Director, Ivory Yong-Prötzel.
- 6.2 **Timeline.** The draft report is expected to be ready for review in January 2020, for presentation to the Board of Executive Directors in the first quarter of 2020. The expected timeline is shown in Table 6.1 below.

Table 6.1. Timeline of activities

Activity	Date
Approach paper	August 2019
Visits to countries for field studies of eligible cases and requests	September – November 2019
Draft evaluation for review	January 2020
Presentation to the Board of Executive Directors	First quarter of 2020

FIGURES, TABLES, AND BOXES

Figure I.1. Flowchart of Request Processing



Source: MICI Policies for the IDB and IDB Invest.

Box I.1. List of Exclusions

- a. Considerations of ethics or fraud, specific actions by IDB Group employees, nonoperational matters such as internal finance or administration, complaints of corrupt practices, and procurement decisions or processes. When receiving Requests regarding these issues, the MICI Director will forward them to the relevant IDB Group office and record the referral in the Public Registry;
- b. Any Request that is anonymous, or on its face is without substance;
- c. Particular issues or matters that have already been reviewed by the MICI, unless justified by new evidence or circumstances not available at the time of the initial Request;
- d. Issues or matters raised in a request that are under arbitral or judicial review in an IDB Group member country. If, after determination of eligibility, the MICI becomes aware of the existence of arbitral or judicial proceedings, the MICI Director will be responsible for assessing the implications and submitting a recommendation on whether or not to move forward with the process to the Board for consideration by Short Procedure;
- e. Requests related to operations that have not yet been approved by the Board, the President, (or the Donors Committee). When receiving Requests related to this exclusion, the MICI Director will forward the Request to Management, and record the referral in the Public Registry. During the operation's preparation, Management will take the Request into account and inform the MICI Director of its response. In the event that the operation is subsequently submitted for consideration, the project document will include a summary of the Request, with Management's response and any action taken in regard to it;
- f. Requests that are filed more than 24 months after the last disbursement of the relevant IDB Group-Financed Operation.

Source: MICI Policies for the IDB and IDB Invest.

Box I.2. Eligibility criteria

- a. The Request is filed by two or more persons who believe that they have been or may be affected and who reside in the country where the IDB Group-Financed Operation is implemented. If the Request is filed by a representative, the identity of the Requesters on whose behalf the Request is filed will be indicated and written proof of representation will be attached.
- b. The Request clearly identifies a IDB Group-financed Operation that has been approved by the Board, the President, or the Donors Committee.
- c. The Request describes the Harm that could result from potential noncompliance with one or more Relevant Operational Policies.
- d. The Request describes the efforts that the Requesters have made to address the issues in the Request with Management and includes a description of the results of those efforts, or an explanation of why contacting Management was not possible.
- e. None of the exclusions set forth in paragraph 19 of this Policy apply.

Source: MICI Policies for the IDB and IDB Invest.

Table I.1. Requests received, by country (December 2014 – June 2019)

Country	Requests received	Requests registered	Requests eligible	Consultation phase	Compliance review phase
Argentina	9	5	1 (a)	1	-
Bahamas	-	-	-	-	-
Barbados	1	-	-	-	-
Belize	-	-	-	-	-
Bolivia	1	-	-	-	-
Brazil	17	4	1	1	-
Chile	5	3	1	-	1
Colombia	8	4	2	-	2 (b)
Costa Rica	5	3	2	1	1
Dominican Republic	-	-	-	-	-
Ecuador	3	1	1	1	-
El Salvador	1	-	-	-	-
Guatemala	2	1	1	-	1
Guyana	1	-	-	-	-
Haiti	2	1	1	1	-
Honduras	1	-	-	-	-
Jamaica	-	-	-	-	-
Mexico	1	-	-	-	-
Nicaragua	-	-	-	-	-
Panama	-	-	-	-	-
Paraguay	4	1	1	-	1 (c)
Peru	5	2	1	1	-
Suriname	1	-	-	-	-
Trinidad and Tobago	-	-	-	-	-
Uruguay	-	-	-	-	-
Venezuela	-	-	-	-	-
No data	1	-	-	-	-
Total	68	25	12	6	6

Notes: Data as of June 2019.

(a) There are currently two registered requests in the eligibility process (MICI-BID-AR-2019-0148: Reconquista River Basin Environmental Sanitation Program – Request III; and MICI-BID-AR-2019-0150: Comprehensive Improvement Project for the General Roca Railroad: Plaza Constitución – La Plata Branch Line).

(b) Includes two cases associated with a single request concerning the Ituango hydroelectric project, financed by IDB Invest (loan CO-11794-04) and the IDB (loan CO-T1250). As the necessary conditions for the consultation phase did not exist, the requesters chose to transfer their requests to the compliance review phase.

(c) Corresponds to a case that the requesters chose to transfer from the consultation phase to the compliance review phase as the conditions for a consultation phase did not exist (MICI-BID-PR-2016-0101: Downtown Redevelopment, Modernization of Metropolitan Public Transport, and of Government Offices Project – Request II).

Source: OVE, based on information in the MICI Public Registry.

ANNEX II. PORTFOLIO OF REQUESTS

Table II.1. Requests received (December 2014 – June 2019)

Country	Borrower	Operation	Case number	Year of request	Phase	Status - June 2019	
Argentina	SG	Solid Waste Management in Tourist Municipios	MICI-AR-2015-0084	2014	Not registered	Closed	
	NSG/SCF	Plaza Logística	MICI-BID-AR-2019-0143	2019	Not registered	Closed	
	SG	Norte Grande Provinces Development Program: Water and Sanitation Infrastructure	MICI-BID-AR-2016-0104	2016	Not eligible	Closed	
	SG		MICI-AR-2016-0097	2016	Not eligible	Closed	
	SG	Productive and Tourism Infrastructure Program for the Province of Río Negro	MICI-BID-AR-2019-0144	2019	Consultation	Consultation process	Open
	SG	Reconquista River Basin Environmental Sanitation Program	MICI-BID-AR-2018-0130	2018	Not registered	Closed	
	SG		MICI-BID-AR-2019-0148	2019	In determination of eligibility process	Open	
	SG		MICI-BID-AR-2019-0147	2019	Not registered	Closed	
	SG	Comprehensive Improvement Project for the General Roca Railroad: Plaza Constitución - La Plata Branch Line	MICI-BID-AR-2019-0150	2019	In determination of eligibility process	Open	
Barbados	SG	Coastal Risk Assessment and Management Program	MICI-BID-BA-2019-0140	2019	Not registered	Closed	
Bolivia	SG	Program to Support Preinvestment for Development	MICI-BID-BO-2018-0135	2018	Not registered	Closed	
Brazil	NSG/MIF	Alternative Microinsurance Platform in Brazil (MIF)	MICI-BID-BR-2016-0108	2016	Not registered	Closed	
	SG	São José dos Campos Urban Structuring Program	MICI-BID-BR-2017-0128	2017	Not registered	Closed	
	SG		MICI-BID-BR-2018-0132	2018	Not registered	Closed	
	SG		MICI-BID-BR-2019-0142	2019	Consultation	Evaluation	Open
	SG	Project Viva Cidade 2 – Environmental and Urban Revitalization of the Municipality of Joinville	MICI-BID-BR-2019-0149	2019	Not registered	Closed	
	SG	Blumenau Sustainable Mobility Program	MICI-BR-2015-0093	2015	Not eligible	Closed	
	SG	Strategic Program for Transportation Infrastructure and Logistics in Paraná	MICI-BID-BR-2018-0138	2018	Not registered	Closed	
	SG	Tietê Várzea Program	MICI-BID-BR-2016-0111	2016	Not registered	Closed	
	SG		MICI-BID-BR-2016-0107	2016	Not registered	Closed	
	SG		MICI-BID-BR-2016-0106	2016	Not eligible	Closed	
	SG		MICI-BID-BR-2017-0123	2017	Not registered	Closed	
	SG		MICI-BID-BR-2017-0119	2017	Not registered	Closed	
	SG	Mario Covas Rodoanel - Northern Section	MICI-BID-BR-2017-0118	2017	Not eligible	Closed	
	SG		MICI-BR-2015-0090	2015	Not registered	Closed	
	SG		MICI-BR-2015-0088	2015	Not registered	Closed	
SG	MICI-BID-BR-2016-0109		2016	Not registered	Closed		
SG	MICI-BID-BR-2016-0105		2016	Not registered	Closed		
SG	MICI-BID-BR-2016-0105		2016	Not registered	Closed		
Chile	NSG/SCF	Santiago-Valparaiso-Viña del Mar Toll Road Guarantee	MICI-BID-CH-2016-0102	2016	Not eligible	Closed	
	SG	Sustainable Energy Program	MICI-BID-CH-2018-0129	2018	Not registered	Closed	
	NSG/SCF	Alto Maipo Hydroelectric Power Project	MICI-BID-CH-2017-0121	2017	Not registered	Closed	
	NSG/SCF		MICI-BID-CH-2017-0115	2017	Compliance Review	Investigation in progress	Open
	NSG/SCF		MICI-BID-CH-2019-0141	2019	Not eligible	Closed	

Country	Borrower	Operation	Case number	Year of request	Phase	Status - June 2019	
Colombia	N/A	Expansion of the Salitre - Cortijo Water Treatment Plant	MICI-BID-CO-2016-0103	2016	Not registered	Closed	
	SG	Support for Structuring the Ituango Hydroelectric Project	MICI-BID-CO-2018-0133	2018	Compliance review (transferred from consultation)	Recommendation for a CR and preparation of ToRs	Open
	NSG/ IDB Invest	Ituango Hydropower Project	MICI-CII-CO-2018-0133	2018	Compliance review (transferred from consultation)	Recommendation for a CR and preparation of ToRs	Open
	NSG/OMJ	Bayport Colombia: Financial Inclusion for BOP Public Employees	MICI-CO-2015-0091	2015	Not eligible		Closed
	SG	Porce III Hydroelectric Power Plant	MICI-CO-2015-0096	2015	Not eligible		Closed
	NSG/SCF	Perimetral Oriental de Bogotá Public Private Partnership	MICI-BID-CO-2017-0120	2017	Not registered		Closed
	SG	Program for the Institutional Strengthening of the Office of the Comptroller General of the Republic	MICI-BID-CO-2018-0137	2018	Not registered		Closed
	SG	Strategic Public Transportation Systems (SPTS) Program	MICI-CO-2015-0085	2015	Not registered		Closed
Costa Rica	SG	Reventazón Hydroelectric Project	MICI-BID-CR-2016-0112	2016	Not eligible		Closed
	SG		MICI-BID-CR-2016-0110	2016	Compliance Review	Investigation not approved by the Board of Executive Directors	Closed
	SG		MICI-BID-CR-2017-0127	2017	Not registered		Closed
	SG		MICI-BID-CR-2017-0125	2017	Consultation	Monitoring of agreement	Open
	SG		MICI-BID-CR-2017-0116	2017	Not registered		Closed
Ecuador	SG	Cultural Heritage Protection and Restoration	MICI-BID-EC-2017-0124	2017	Not registered		Closed
	SG	Program for the Reconstruction of Electricity Infrastructure in Areas Affected by the Earthquake in Ecuador	MICI-BID-EC-2018-0131	2018	Consultation	Monitoring of agreement	Open
	SG		MICI-BID-EC-2019-0145	2019	Not registered		Closed
El Salvador	SG	Program to Support Production Development for International Integration	MICI-ES-2015-0092	2015	Not registered		Closed
Guatemala	SG	Establishing a Cadastral Registry and Strengthening Legal Certainty in Protected Areas	MICI-BID-GU-2017-0126	2017	Not registered		Closed
	NSG/ IDB Invest	Generadora San Mateo S.A. and Generadora San Andrés S.A.	MICI-CII-GU-2018-0136	2018	Compliance Review	Recommendation for CR and ToR	Open
Guyana	SG	Power Utility Upgrade Program	MICI-BID-GY-2019-0146	2019	Not registered		Closed
Haiti	SG	Infrastructure Program	MICI-BID-HA-2017-0114	2017	Consultation	Monitoring of agreement	Open
	SG		MICI-HA-2015-0089	2015	Not registered		Closed
Honduras	SG	Multiphase Program for Road Rehabilitation of Sections of the PPP Tourism Corridor – Phase I	MICI-BID-HO-2017-0117	2017	Not registered		Closed
Mexico	NSG/ IDB Invest	Grupo Corporativo Papelera S.A. de C.V.	MICI-CII-ME-2017-0122	2017	Not registered		Closed
Paraguay	SG	Multiphase Power Transmission Program	MICI-PR-2015-0086	2015	Not registered		Closed
	SG	Housing and Rehabilitation Program for Bañado Sur in Asunción (Tacumbú Neighborhood)	MICI-BID-PR-2018-0139	2018	Not registered		Closed

Country	Borrower	Operation	Case number	Year of request	Phase	Status - June 2019	
	SG	Downtown Redevelopment, Modernization of Metropolitan Public Transport, and Government Offices	MICI-BID-PR-2016-0101	2016	Compliance review (transferred from consultation)	Preparation of a plan of action by Management	Open
	SG		MICI-PR-2016-0099	2016	Not registered		Closed
Peru	SG	Adaptation to Climate Change of the Fishery Sector and Marine-coastal Ecosystem of Peru	MICI-BID-PE-2017-0113	2016	Not registered		Closed
	SG	Support for Disaster Risk Management Policy	MICI-PE-2016-0100	2016	Not registered		Closed
	SG		MICI-PE-2016-0098	2016	Not registered		Closed
	SG	Rural Land Cadastre, Titling, and Registration Project in Peru – Third Phase (PTRT-3)	MICI-PE-2015-0094	2015	Consultation	Monitoring of agreement	Open
	SG	Regularization of Isolated Indigenous Peoples Reservations	MICI-BID-PE-2018-0134	2018	Not eligible		Closed
Suriname	SG	Support to Improve Sustainability of the Electricity Service	MICI-SU-2015-0087	2015	Not registered		Closed
N/D	N/D	Request unrelated to any operation	MICI-AU-2015-0095	2015	Not registered		Closed

Source: OVE, based on information in the MICI Public Registry. Information as of June 2019.

Table II.2. Legacy cases

Country	Borrower	Operation	Case number	Year of request	Phase	Status - December 2014	Status - June 2019
Argentina	SG	Multiphase Program for the Development of Production Support Infrastructure in Entre Ríos – Phase 1	MICI-AR-2010-004	2010	Consultation	Monitoring of agreement	Closed
Bolivia	SG	La Paz Storm Drainage Program II	MICI-BO-2014-079	2014	Compliance Review	Preparation of ToR	Closed
Brazil	SG	Low-Income Neighborhood Improvement Program "Habitar Brasil"	MICI-BR-2011-019	2011	Consultation	Monitoring of agreement	Open
	SG	São José dos Campos Urban Structuring Program	MICI-BR-2011-020	2011	Compliance review (transferred from consultation)	In consultation process	Closed
Colombia	NSG/SCF	El Dorado International Airport	MICI-CO-2011-023	2011	Compliance Review	Preparation of ToR	Closed
Mexico	NSG/SCF	Mareña Renovables Wind Project	MICI-ME-2012-053	2012	Compliance Review	Investigation in progress	Closed
Panama	NSG/SCF	Panama Canal Expansion Program	MICI-PN-2011-031	2011	Compliance Review	Investigation in progress	Closed

Source: OVE, based on information in the MICI Public Registry. Information as of June 2019.

Questions and Evaluation Criteria	Methods of Evaluation							
	Analysis of policy documents	Analysis of organizational arrangements	Analysis of processes and associated time frames for the processing of requests	Comparative analysis with other independent accountability mechanisms	Analysis of the portfolio of requests	Desk review of requests	Case studies in the field	Surveys and interviews
<ul style="list-style-type: none"> (Impartiality) <p>7.2 To what extent has the MICI taken into account the viewpoint of all the parties involved during the handling of requests?</p> <p>7.3 To what extent have request registration and eligibility criteria been applied consistently in accordance with the provisions of the policy?</p>								
<ul style="list-style-type: none"> (Transparency) <p>7.4 To what extent do the parties involved in requests processed by the MICI know about and keep up to date with the mechanism's actions?</p> <p>7.5 To what extent is information about requests, including their progress and results, made publicly available in a timely manner?</p>								
<ul style="list-style-type: none"> (Efficiency) <p>7.6 What times were associated with the processing of requests?</p> <p>7.7 What were the main reasons for extensions to the time to process requests?</p> <p>7.8 What costs were associated with the processing of requests?</p> <p>7.9 To what extent does the MICI work in coordination with other IDB Group units with accountability roles?</p>								
<p>8. What results or effects have the cases managed by the MICI had for requesters, projects about which complaints have been made, and the IDB Group in terms of lessons to guide how it manages the environmental and social sustainability of its operations?</p>								
<ul style="list-style-type: none"> (Effectiveness – At the requester level) <p>8.1 To what extent have MICI cases helped address requesters' concerns?</p>								
<ul style="list-style-type: none"> (Effectiveness – At the project level) <p>8.2 What specific impact have MICI cases had on the implementation of the projects giving rise to complaints?</p>								
<ul style="list-style-type: none"> (Effectiveness – At the IDB Group level) <p>8.3 To what extent has the MICI helped generate relevant lessons to guide how the IDB Group manages the environmental and social sustainability of its operations?</p>								

Source: OVE.