

MONITORING AND EVALUATION IN DEVELOPMENT FINANCING INSTITUTIONS

Diagnosis and Analysis

Authors

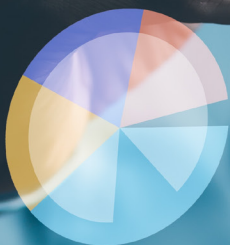
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KPI

KEY PERFORMANCE INDICATOR



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Contents

- 1. Introduction..... 1
- 2. Conceptual Framework and Background3
 - A Simple Conceptual Framework..... 3
 - The 2018 Monitoring and Evaluation Survey4
- 3. The 2024 Survey Results.....7
 - Monitoring and Evaluation Activities 7
 - Characteristics of Monitoring and Evaluation Activities9
 - Target Audience and Objectives of Monitoring and Evaluation Activities 12
 - Capacities and Constraints 14
 - Resources..... 15
 - Main Challenges and Training Needs 16
 - Most Challenging Areas in Monitoring and Evaluation 18
 - Comparative Analysis between 2018 and 2024 Surveys: Selected Results.....20
- 4. Interviews with Financial Institutions 25
 - Functional Organization and Information Flow 25
 - Separation from Accounting and Financial Information..... 25
 - Separation of Monitoring and Evaluation Processes..... 26
 - Interoperability Frictions in Information Systems..... 26
 - Information Use 27
 - Monitoring Information 27
 - Impact Evaluation and Measurement Activities..... 28
- 5. Discussion and Conclusions 29
 - Discussion..... 29
 - Conclusions and Recommendations.....30
- 6. References.....33
- Annex 1. Methodology 35
- Annex 2. Sample Questionnaire for the MEDIF 2024 Survey..... 39



Introduction*

Monitoring and evaluation (M&E) systems are implemented to provide the additional information required for fulfilling public mandates in development finance institutions (DFIs). The logic behind the implementation of these systems can be described as follows: DFIs have different objectives than private financial institutions and, therefore, need additional and differentiated information from that used for managing private financial institutions.

Ideally, information from M&E systems should be geared toward improving resource allocation to increase the effectiveness of interventions and to support accountability. Just as information production is important for private financial institutions to obtain positive outcomes, DFIs should generate information that guides resource allocation toward activities with the highest social return, thus helping to maximize social benefits.

Hence, one of the essential functions that an M&E system must perform is to provide development intelligence (the rough equivalent of certain business intelligence functions in private entities), so as to advise the allocation strategy that maximizes the attainment of public objectives. In an ideal situation, this maximization could be approximated, for example, by computing social rates of return (particularly those that consider the influence of externalities, public goods, and merit goods).

In practice, the M&E systems of DFIs are still, for the most part, in the initial stages of development, with more meaningful progress made in monitoring than in evaluation. In addition, the information generated from monitoring activities is heavily influenced by the information requirements of other institutions (for example, to comply with reporting requirements of concessional funding providers). The information produced and collected for different types of financing is also highly heterogeneous,

* We appreciate the comments and suggestions from our colleagues in the Connectivity, Markets and Finance Division at the IDB. Likewise, the publication has benefited from the input provided by the participants of the MEDIF group (Development Effectiveness Measurement in Development Financial Institutions) coordinated by ALIDE and the IDB.

primarily reporting physical quantities, but without a standard valorization that would allow for homogenizing and comparing returns across interventions.

Nevertheless, the gap between the current state of implementation of M&E systems and the ideal situation should not discourage institutions from improving and fine-tuning these systems. Institutions should leverage the progress made in monitoring to strive toward processes that generate actionable information that is useful for management and resource allocation.

Cognizant of the importance of M&E systems, the Inter-American Development Bank (IDB) conducted a diagnostic survey in 2018 of M&E activities in DFIs. An analysis of the results (Haro and Fernández Díez, 2019) revealed a diverse landscape of implementation and use of M&E processes and identified weaknesses such as the lack of formal procedures and of centralized records of indicators, as well as constraints in technical capacity and in budgetary resources.

This document aims to provide an updated diagnosis and analysis of M&E activities in DFIs in Latin America and the Caribbean (LAC) based on results of a new survey conducted in 2024, which was supplemented with one-on-one interviews with M&E staff from selected institutions. The information gathering included material from various DFIs across several countries and it provides a comprehensive overview of the current situation. In addition, the study identified the progress made and the challenges encountered and proposed recommendations on strengthening M&E systems.

The results of the new survey and the supplementary interviews show a mixed picture. On one hand, there has been meaningful progress in the adoption of monitoring systems compared to 2018. However, on the other hand, most of the evaluation processes are still in the early stages. Additionally, there is a tendency to equate M&E activities with compliance with information requirements (whether arising from regulations or from requirements for receiving funding).

In this context, the main recommendations stemming from the results analysis and the interviews conducted can be summarized as follows: (i) there is a need to strengthen M&E efforts to support the production of development-related information and intelligence to inform management decision making; (ii) it is necessary to address the constraints that hinder the systematic implementation of rigorous analytical reporting (econometric analysis and, as needed, impact evaluations), which include access to quality data, technical capacity building, cooperation with other institutions, and increased budget allocations; and (iii) actions are needed to raise awareness of the importance and usefulness of the information generated from evaluation systems for decision making. This document is organized in five main sections, with this introduction being the first. Section 2 presents a simple conceptual framework and reviews the findings from the 2018 survey. Section 3 discusses key findings from the 2024 survey. Section 4 analyzes the findings from one-on-one interviews. Last, Section 5 provides the conclusions of the study and presents a series of recommendations.



Conceptual Framework and Background

A Simple Conceptual Framework

M&E systems are essential for evaluating the performance of public programs and policies in general and financial sector interventions in particular because they provide important data for both decision making and accountability. These systems offer information on interventions associated with public objectives—information that is nevertheless undersupplied by traditional accounting and financial information systems.

Monitoring is an ongoing process that involves collecting and analyzing data on indicators considered essential to measuring the performance of a program or policy. Monitoring activities are particularly important for DFIs for two main reasons. First, these institutions operate in settings where one intervention impacts multiple direct and indirect stakeholders, whose interests are usually not adequately reflected by conventional accounting and financial records. In contrast to private banks, whose main objective is financial profitability,¹ public development banks must ensure that their programs have a positive impact on the community and contribute to sustainable development (Támola et al., 2023). Second, because DFIs use public resources, the level of scrutiny to which DFIs are subject goes beyond verification of compliance with accounting and financial recordkeeping practices.²

DFIs are witnessing a growing demand for improving the effectiveness of their interventions and for more rigorous impact measurement. Hence, in addition to

¹ Financial indicators commonly used for measuring private bank performance, such as return on assets (ROA, i.e., net income relative to total assets), are tied precisely to the share of a project's private profits captured by or attributable to the financial institution.

² Compared to other non-bank public institutions, development policy banks have a specific financial function that requires monitoring not only the development outcomes but also the financial indicators that prove the viability and sustainability of its programs, driven by a need to balance the social mandate with financial sustainability.

monitoring processes, DFIs have carried out different types of evaluations of a more analytical nature, ranging from process evaluations to impact evaluations. The latter follow rigorous statistical and econometric procedures that allow for making a convincing argument about a causal relationship between an intervention and the results obtained (Gertler et al., 2017). For DFIs, impact evaluations are particularly important because they allow for measuring the long-term impacts of their programs on economic and social development.

Evaluation processes are essential for fine-tuning intervention strategies (decision making) and for rationalizing the use of public funds (accountability). For evaluations, there are also differences between private entities and DFIs. In particular, while the former focus on procedures for measuring the efficiency and private profitability of their products and services, the latter should focus on evaluations that measure the social and economic impact of their products and services.³

M&E activities go hand in hand. Together, they help to provide a more comprehensive view of the effectiveness of public interventions and programs. Ideally, monitoring should provide data that can, in particular, be used to fine-tune actions during the implementation of interventions, while evaluation should provide a more in-depth and comprehensive analysis of program outcomes and impacts. As Haro and Fernández Díez (2019) point out, it is important that monitoring and evaluation activities are integrated in an ongoing cycle of improvement where monitoring data informs evaluations and vice versa, contributing to improving the effectiveness of institutions in general and of interventions in particular.

The 2018 Monitoring and Evaluation Survey

In 2018, the IDB conducted a diagnostic and status survey of M&E activities in DFIs through its Connectivity, Markets and Finance Division (CMF). The survey led to an international workshop titled “Improving Performance Measurement and Evaluation Systems in Public Banks in Latin America” in Morelia, Mexico, in November 2018, organized by the IDB, the Latin American Association of Development Financing Institutions (ALIDE), and Trust Funds for Rural Development (FIRA). At the workshop, the participants agreed to establish a development bank taskforce that focuses on assessing the impact of their lending operations. Haro and Fernández Díez then published the analysis and results discussion in 2019.⁴

³ Other non-financial public institutions may also conduct evaluations, but these are generally not as financially complex as those of DFIs.

⁴ The coordination of activities continued in September 2021 with a webinar titled “Evaluation and Monitoring of the Impact of Development Banking” (organized by ALIDE and the Bank of the Northeast of Brazil), and in August 2023 with another webinar: “Impact Assessment on Development Banking: Towards a Discussion Agenda” (organized by ALIDE and the Bank of the Province of Buenos Aires). The Latin

The main takeaways or conclusions of this first round of surveying, as reported by Haro and Fernández Díez (2019), can be summarized as follows:


- **Importance of M&E systems:** M&E systems have an important role to play in improving the effectiveness and transparency in the use of public resources by **DFIs**.
- **Inadequate implementation:** Despite widespread recognition of the importance of M&E, the survey of institutions identified significant gaps in implementation, such as the lack of formally established procedures or the absence of centralized records of indicators.
- **Capacity constraints:** One of the three main constraints identified was the lack of in-house technical capacity, including the lack of methodological knowledge in M&E, which leads to reliance on external evaluations (particularly for impact evaluations).
- **Resource constraints:** In addition to capacity constraints, the lack of designated and stable budgetary resources also proved to be a major constraint, compounded by the high costs of M&E.
- **Information constraints:** Together with the two previous constraints, lack of timely access to information has been identified as a third obstacle to the effective scaling up of M&E activities.

In addition to the specific conclusions, the survey also made the following recommendations:

- **Technology adoption in M&E activities:** Digitalization of information and the use of advanced technologies, such as big data analysis and satellite information, can significantly improve M&E systems. Public development banks can play a critical role in the adoption of these technologies to reduce risks and improve accuracy in M&E.
- **Regional standardization of indicators:** Another relevant observation is the recommendation to coordinate efforts at the regional level to define a set of standardized indicators by sector. This would facilitate the comparison and analysis of results at the regional level, which would enhance the informative value of M&E activities.
- **Enhancing transparency:** The survey recommends strengthening the public disclosure of M&E reports as a way to enhance accountability and transparency.

Based on these diagnoses, the authors recommended, in the same report, formulating improvement plans tailored to the capacities and needs of each institution

American Network for Development Monitoring, Evaluation, and Measurement was relaunched within the framework of these seminars, with the participation and support of the IDB and other member institutions.



to achieve the expected M&E standards, as well as promoting dialogue and collaboration among banks to share experiences and strengthen their M&E systems. Adoption of these recommendations is now underway with the support and cooperation of the IDB and ALIDE.

In particular, these institutions promoted the establishment of the Taskforce for Development Measurement in Development Finance Institutions (MEDIF, for its name in Spanish), whose specific objective is to promote the development of measurement capacities (as well as M&E activities) among public development banks in LAC. This report presents the results of the second round of surveying of financial institutions, which is one of the activities carried out by the MEDIF.



The 2024 Survey Results

This section presents the main results of the 2024 survey on M&E activities in DFIs, conducted on 32 institutions across 15 countries.⁵ The survey consists of three sections. The first section collects information on the organizational structure, information systems, and systematization of M&E activities. The second section explores the objectives and scope of M&E systems. Finally, the third section gathers information on the capacities and resources allocated to these activities.

Monitoring and Evaluation Activities

When analyzing monitoring and evaluation activities, it is important to distinguish between the two concepts because the former is usually more common and prevalent than the latter.

Figure 1 shows the adoption of systematic M&E processes. Of the DFIs surveyed, 81 percent have systematic monitoring processes for some or all of their programs (28 percent and 53 percent, respectively). The remaining institutions (except one) are considering putting in place such processes. This situation stands in contrast to the state of adoption of systematic evaluation processes (including impact evaluation with causal attribution). Only 38 percent of the institutions surveyed evaluate some or all of their programs (19 percent evaluate all programs and 19 percent evaluate some). Nevertheless, the situation shows promise, with 45 percent of institutions reporting that they are in the process of adopting systematic evaluation procedures, although 16 percent (five institutions) report having no plans of doing so.

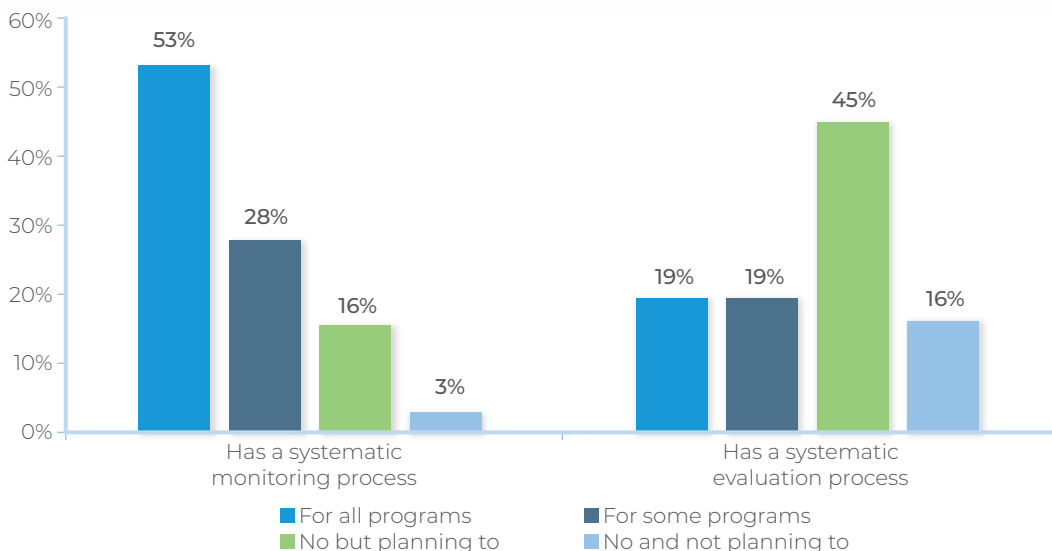
The difference in the implementation of monitoring activities compared to evaluation activities is also evident between the different types of institutions. Figure 2 shows that monitoring activities happen at essentially the same frequency levels (80–82 percent) across first- and second-tier banks and banks that function as both.

⁵ More details on the data collection process, including the full survey questionnaire, are presented in the annexes.

However, a notable difference emerges in their evaluation activities. Banks with first-tier operations only conduct evaluations least frequently (20 percent). Of banks that focus on second-tier operations, 33 percent conduct evaluations. Banks with

Figure 1

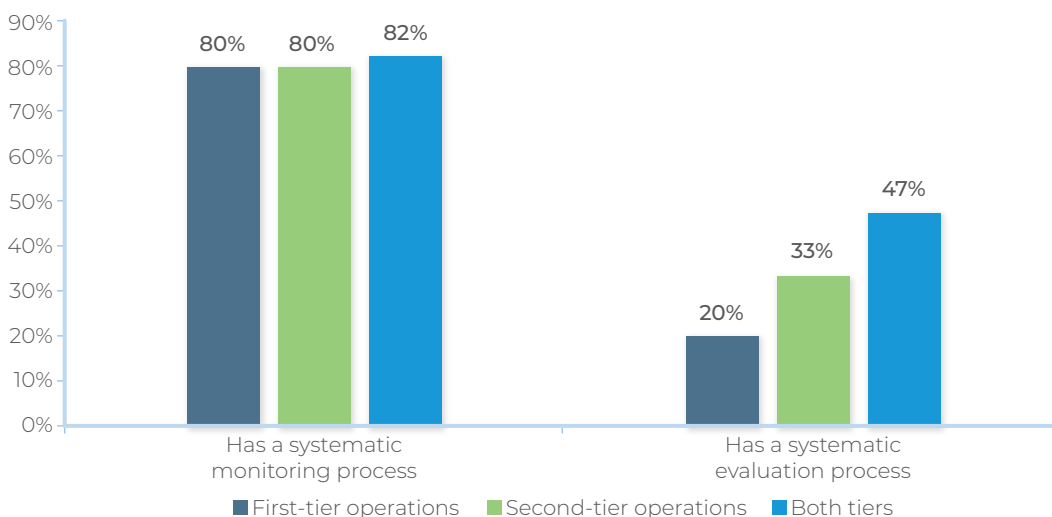
ADOPTION OF SYSTEMATIC MONITORING AND EVALUATION PROCESSES



Source: Authors' elaboration based on results of the 2024 survey of M&E activities in DFIs.
Note: Percentages calculated based on 32 valid responses.

Figure 2

ADOPTION OF SYSTEMATIC MONITORING AND EVALUATION PROCESSES BY TYPE OF INSTITUTION



Source: Authors' elaboration based on results of the 2024 survey of M&E activities in DFIs.

equal emphasis on first- and second-tier operations are the most likely to carry out evaluations, with 47 percent.

Characteristics of Monitoring and Evaluation Activities

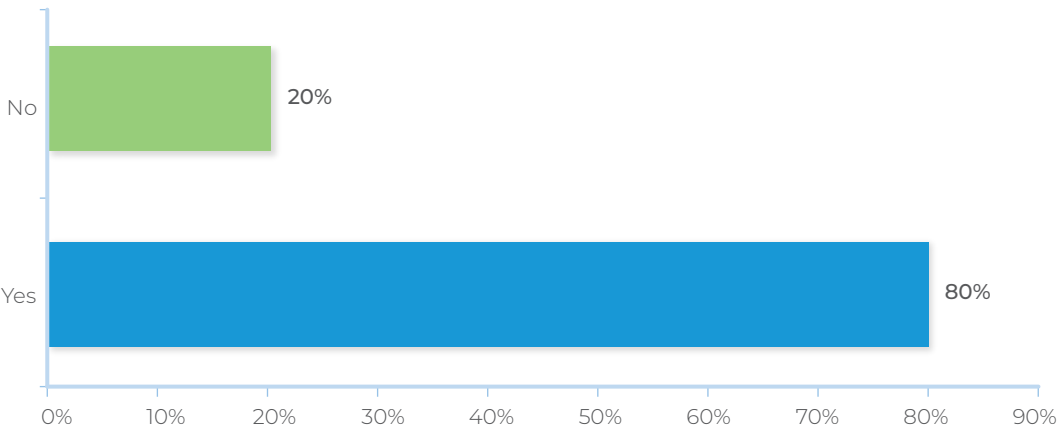
Given the growing frequency with which DFIs claim to conduct M&E activities, it is important to monitor indicators associated with the effective use of M&E results. Section 4 of this report discusses effective use, regarding which we have observed specific M&E policies and manuals as a first step in that direction. As shown in Figure 3, 80 percent of the institutions claim to have such policies or manuals.

Figure 4 shows how the existence of M&E policies or manuals correlates with having a formal record of monitoring indicators. Some 78 percent of institutions with M&E policies have a formal record of monitoring indicators, compared to 33 percent of those without M&E policies or manuals.

Consistent with the results above and with the fact that evaluations happen less frequently than monitoring, Figure 5 shows the findings on M&E report production (beyond having a record for indicators). Of DFIs with M&E policies, 61 percent produce these reports formally, compared to 33 percent of DFIs without M&E policies.

These results suggest that the formulation of M&E policies is associated with more formal tracking of indicators and production of M&E reports. These findings point to at least three observations. First, adopting proactive policies is important for the effective use of the outcomes of M&E activities. Second, having such policies

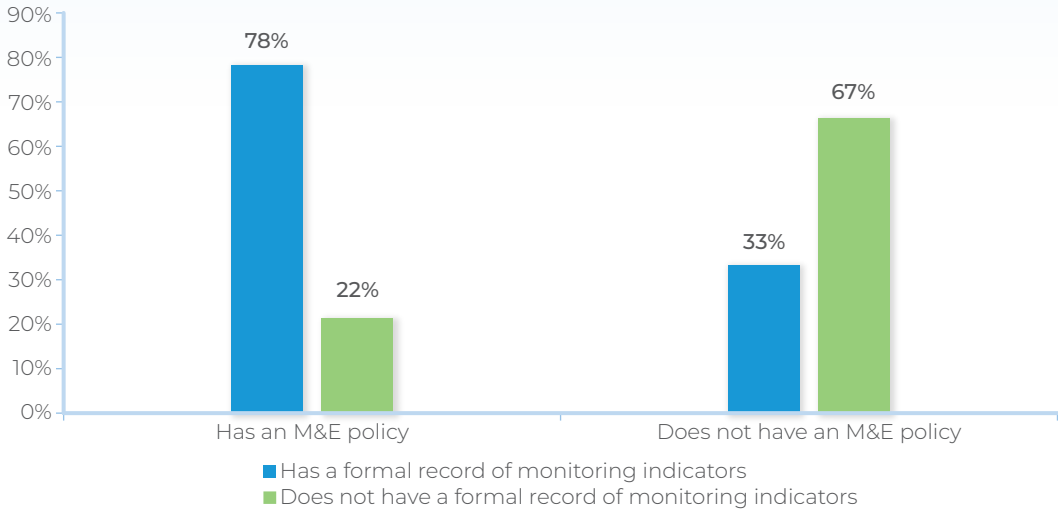
■ **Figure 3**
EXISTENCE OF A MONITORING AND EVALUATION POLICY OR MANUAL



Source: Authors' elaboration based on results of the 2024 survey of M&E activities in DFIs.
Note: Numbers shown include DFIs with M&E policies or manuals.

■ Figure 4

EXISTENCE OF FORMAL RECORDS OF MONITORING INDICATORS AMONG INSTITUTIONS WITH AND WITHOUT MONITORING AND EVALUATION POLICIES OR MANUALS

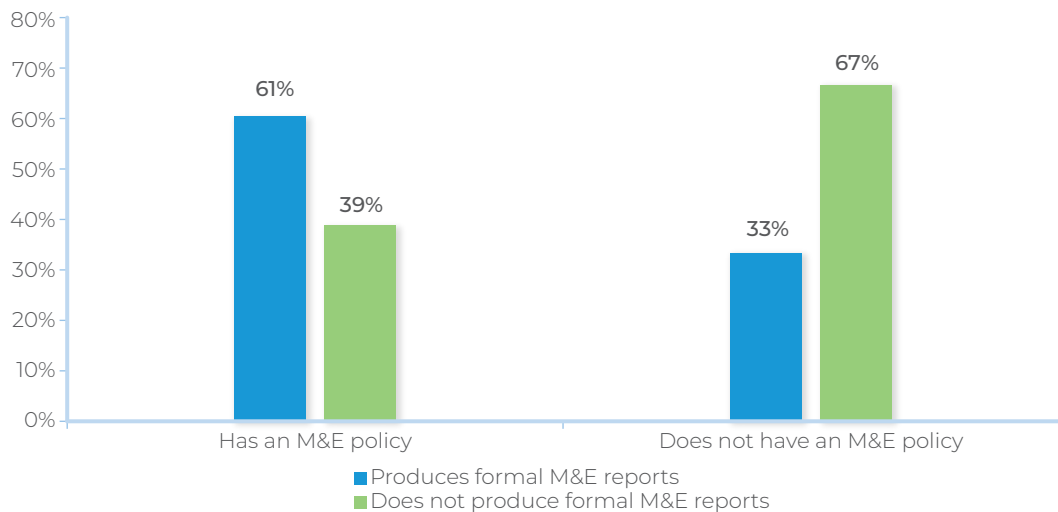


Source: Authors' elaboration based on results of the 2024 survey of M&E activities in DFIs.

Note: Numbers include institutions that claim to have a formal record of monitoring indicators among those with and without M&E policies or manuals.

■ Figure 5

PRODUCTION OF MONITORING AND EVALUATION REPORTS AMONG INSTITUTIONS WITH MONITORING AND EVALUATION POLICIES OR MANUALS



Source: Authors' elaboration based on results of the 2024 survey of M&E activities in DFIs.

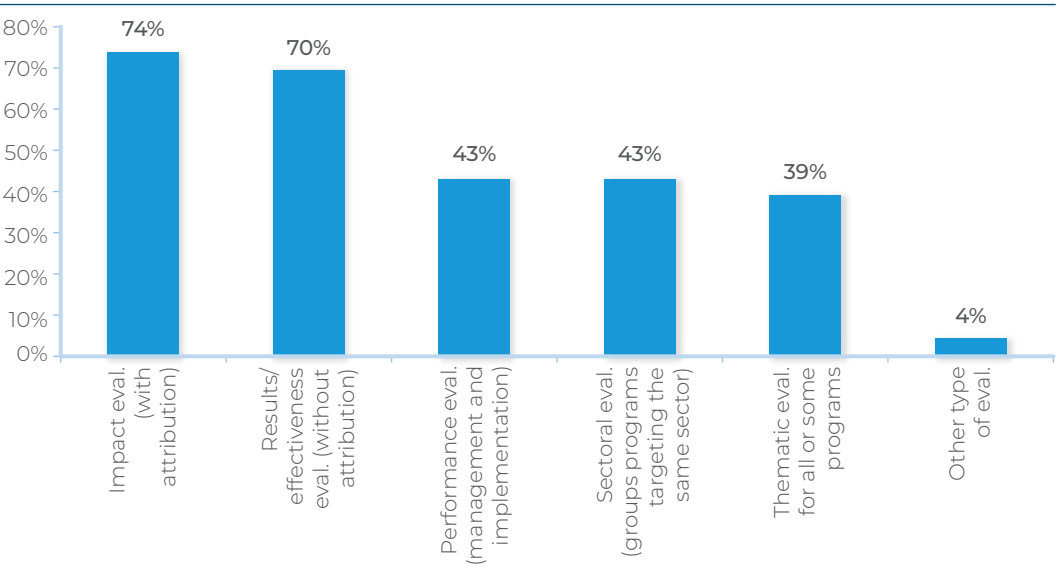
Note: Institutions that claim to produce formal M&E reports among those with and without M&E policies or manuals.

does not guarantee thorough implementation of all the outcomes obtained, as suggested by the percentage of institutions with formal records of indicators or reports among those with M&E policies and manuals. Third, there is still considerable room for improvement in the formal production of M&E reports.

Figure 6 presents a typology of the different types of evaluations conducted by DFIs. Notably, 74 percent of the institutions surveyed claim to carry out impact evaluations (i.e., evaluations that apply methodologies conventionally considered appropriate for identifying causations). However, one should bear in mind that only 19 percent report having systematic evaluation processes for all of their programs, and another 19 percent for some of their programs (Figure 1).⁶ In other words, most of the responses reflect sporadic rather than systematic evaluation processes. This distinction is important for determining the real value of impact evaluation processes on decision making and accountability (Figures 7 and 8).

After impact evaluations, the next most common evaluations conducted are results or effectiveness evaluations (70 percent), followed by performance evaluations (43 percent), sectoral evaluations (43 percent), and thematic evaluations (39 percent).

Figure 6
TYPES OF EVALUATIONS CONDUCTED

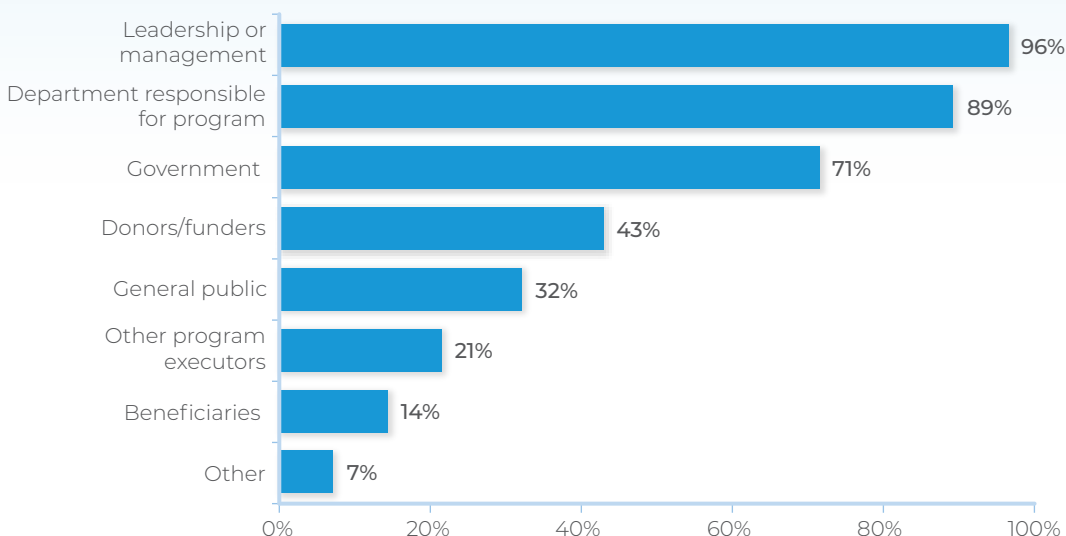


Source: Authors' elaboration based on results of the 2024 survey of M&E activities in DFIs.
Note: Respondents may have reported more than one type of evaluation (hence the percentages do not add up to 100).

⁶ Notably, although all the programs are covered, this does not mean that all operations are evaluated. Additionally, reports on evaluation processes also include procedures without causal attribution.

■ Figure 7

TARGET AUDIENCE OF MONITORING AND EVALUATION REPORTS



Source: Authors' elaboration based on results of the 2024 survey of M&E activities in DFIs.

Note: Because M&E reports may have more than one target audience, the percentages do not add up to 100.

Target Audience and Objectives of Monitoring and Evaluation Activities

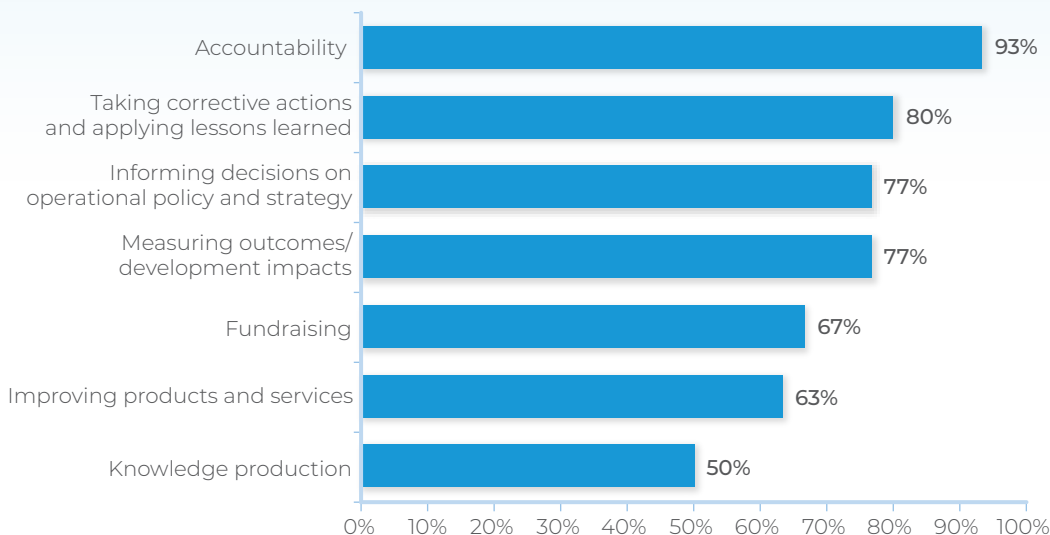
The objectives and target audience of M&E activities are key factors that determine the importance of these activities within institutions, which impacts both the amounts of resources allocated for their implementation and the demands they place on other activities.

Figure 7 shows the target audience of the M&E reports of the institutions surveyed. In almost all cases, these reports are intended for bank management or presidency, followed by the departments responsible for the programs subject to monitoring and evaluation in 89 percent of the cases. This is a positive sign because one of the main objectives of M&E activities should be to improve resource management and allocation. In this regard, the main target audience seems to agree with this objective. However, as shown in Figure 8, informing decision making does not seem to be the main objective of these reports (and, as discussed in Section 4, decision making seems to be rather inelastic to the information contained in these reports).

The third-highest target audience of these reports is the government. In this case, the priority assigned aligns not only with the objective of improving management (assuming that these reports influence broader policy decisions), but also with the purpose of ensuring accountability to the highest levels of authorities of the functional hierarchy. At a lower level of priority as a target audience are donors or

■ Figure 8

OBJECTIVES OF MONITORING AND EVALUATION ACTIVITIES



Source: Authors' elaboration based on results of the 2024 survey of M&E activities in DFIs.
Note: Because M&E reports may have more than one objective, the percentages do not add up to 100.


funders (43 percent), followed by the general public (32 percent), possibly mainly for accountability purposes.

Figure 8 shows the breakdown of responses regarding the objectives of M&E reporting. Among the two most common objectives of M&E systems, accountability outweighs decision making. Indeed, accountability is the most-cited objective for M&E reports (93 percent). Considering the breakdown shown in Figure 7, accountability would be primarily to leadership or management and to the government. Accountability can also include measuring the outcomes and development impact (77 percent), as well as knowledge production (50 percent).

The next three most popular responses represent different objectives regarding resource management and allocation: in particular, taking corrective actions and applying lessons learned (80 percent), and informing decision making on operational policy and strategy (77 percent).

Interestingly, just over 6 out of 10 institutions consider one of the objectives of M&E reports to be facilitating fundraising. This could be largely related to the conditions for securing external financing and the commitments to meet sustainable development objectives. This may also be related to the growing demand of private markets for environmental and social safeguards activities, which are required for accessing more favorable financing conditions.

In summary, the main target audiences for M&E reports are internal management or government, with the primary objective being accountability, followed



closely by resource management. Another relevant target audience is donors and funders, for the objective of seeking funding.

Capacities and Constraints

The capacities and constraints of each institution are essential factors in determining the scope of M&E activities and their effective integration into the organization, especially in terms of decision making and accountability.

One of the first indicators of M&E capacity is the existence of a dedicated unit. Figure 9 shows that 70 percent of the institutions surveyed have an M&E unit of varying size. This is an encouraging finding, as it is expected that the percentage will approach 100 percent over the short and medium term.

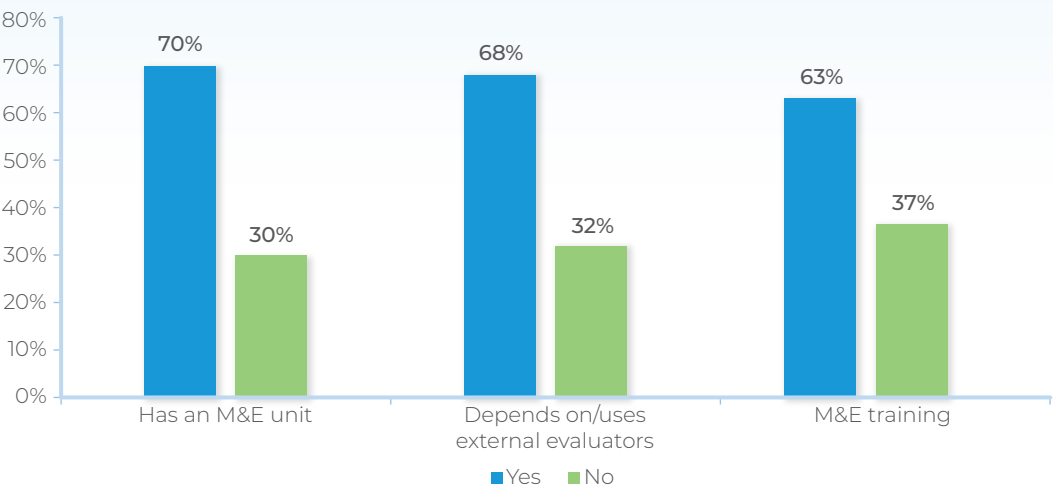
However, the existence of a dedicated M&E unit is not necessarily a reflection of effective capacity. Of this 70 percent, half of the institutions reported having 4–10 employees in their M&E unit, and 22 percent reported having more than 10 employees. While these figures might suggest considerable human resource allocation, the number of employees alone is not sufficient for determining adequacy or efficiency. It is necessary to assess the ideal size of an M&E unit based on the particular characteristics of each institution, such as the organizational structure, the sector in which it operates, the volume of its operations, the resources at its disposal, and the monitoring or evaluation strategies in place, among other factors.

In particular, with regards to evaluation activities, Figure 9 shows that only 32 percent of the institutions surveyed conduct evaluations on their own—that is, by their own staff. The remaining 68 percent rely completely on external evaluations or work with private vendors or assessors from other institutions. Among the institutions that hire external evaluators, 66 percent do full-scale outsourcing, while 34 percent work in partnerships (data not included in the figure). This suggests relatively limited in-house capacity for conducting evaluations independently. Finally, 37 percent of institutions report not having had nor currently having training programs in place, whether internal or external. This lack of training may represent a significant constraint. Most recognize that M&E activities require specific expertise and continuity in both implementation and training. They agree that a specialized unit helps to target and prioritize resources on institutional objectives, as well as to unify, standardize, and consolidate information.

However, having an internal structure—either through establishing a technical unit or department within the institution or through adopting another arrangement adapted to its needs—must also be accompanied by the involvement of the various departments and divisions, and they should do more than just participate in program M&E, but also play a part in planning, training, and management of informa-

■ Figure 9

MONITORING AND EVALUATION CAPACITY



Source: Authors' elaboration based on results of the 2024 survey of M&E activities in DFIs.

tion systems. In this regard, 60 percent report having procedures to integrate M&E into the organizational culture for decision making, resource allocation, accountability, and formalization of processes. However, only 30 percent of these (6 out of 18) report doing so across all levels of the organization.

Among those who report having no procedures for integrating M&E into the organizational culture (12 organizations), 40 percent identified it as a significant obstacle to their M&E tasks, which affects the integration thereof into their routine operations. To institutionalize M&E, both at the program level and within a formal system in the institutions, in addition to establishing clear guidelines for information, methodologies, and the use of results, it is essential to integrate these elements into the organizational strategy. It is also crucial to have in place the minimum institutional arrangements necessary to ensure their proper functioning.

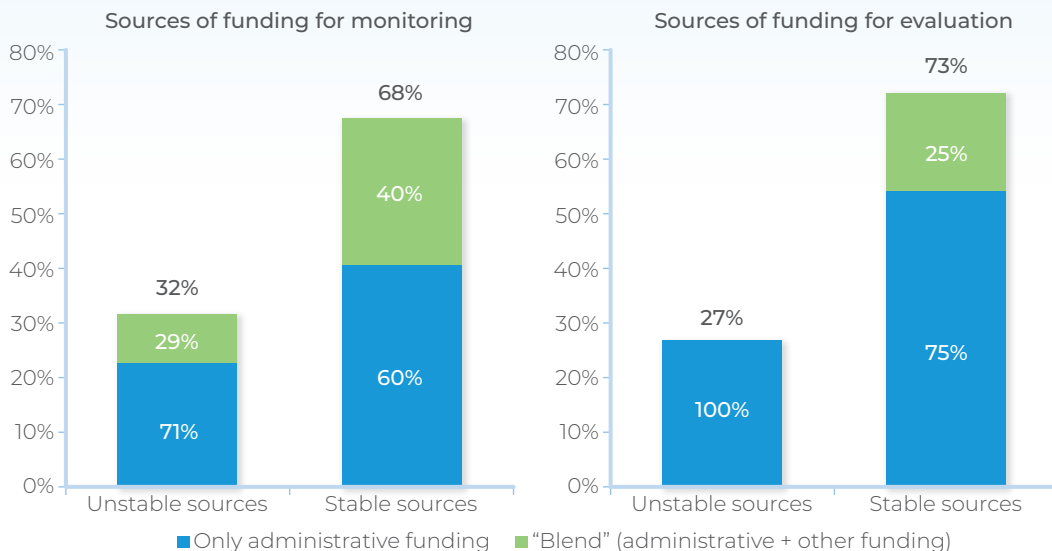
In summary, the institutions surveyed lack real in-house capacity development for conducting evaluations.

Resources

A key factor in the effective implementation of systematic M&E processes is having adequate resources to cover all the associated costs. Figure 10 shows the sources of funding and their stability, broken down by whether the funding is used for monitoring or evaluation.

■ Figure 10

FUNDING SOURCES AND STABILITY



Source: Authors' elaboration based on results of the 2024 survey of M&E activities in DFIs.

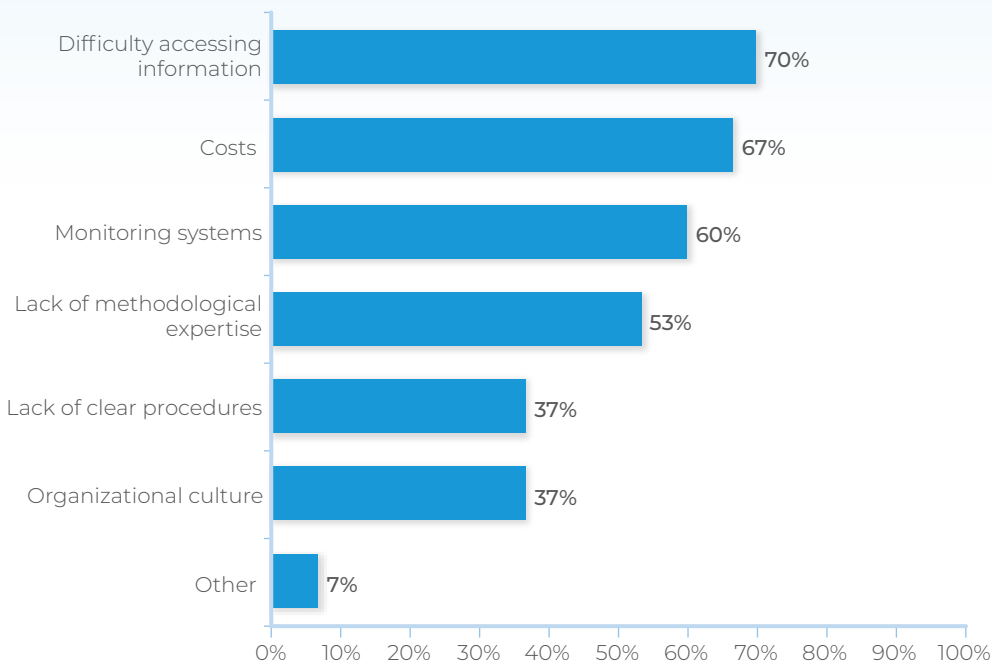
Of the resources allocated to evaluation, 73 percent comes from stable sources of funding; of this, 75 percent are purely administrative funds. For monitoring, 68 percent is financed from stable sources, of which 60 percent comes from purely administrative sources. Overall, around 70 percent of the M&E funding comes from stable sources. Between 60 percent and 75 percent of the institutions surveyed finance their M&E activities with administrative funds, while others use a blend of different sources.

Main Challenges and Training Needs

While one can draw conclusions from the data above on capacities and constraints, there are also specific questions on these topics in the survey. The responses provide valuable information for determining areas where policy support could be most effective in strengthening M&E.

Figure 11 shows results regarding the main challenges in M&E reported by the DFIs. The biggest obstacle is the difficulty accessing information (70 percent), a common problem in M&E processes, albeit particularly salient in the financial sector given the confidentiality regulations to which most of the data sources are subject. The second biggest obstacle reported is the high costs associated with M&E, which was considered a major challenge (67 percent).

■ **Figure 11**
MAIN CHALLENGES IN MONITORING AND EVALUATION



Source: Authors' elaboration based on results of the 2024 survey of M&E activities in DFIs.

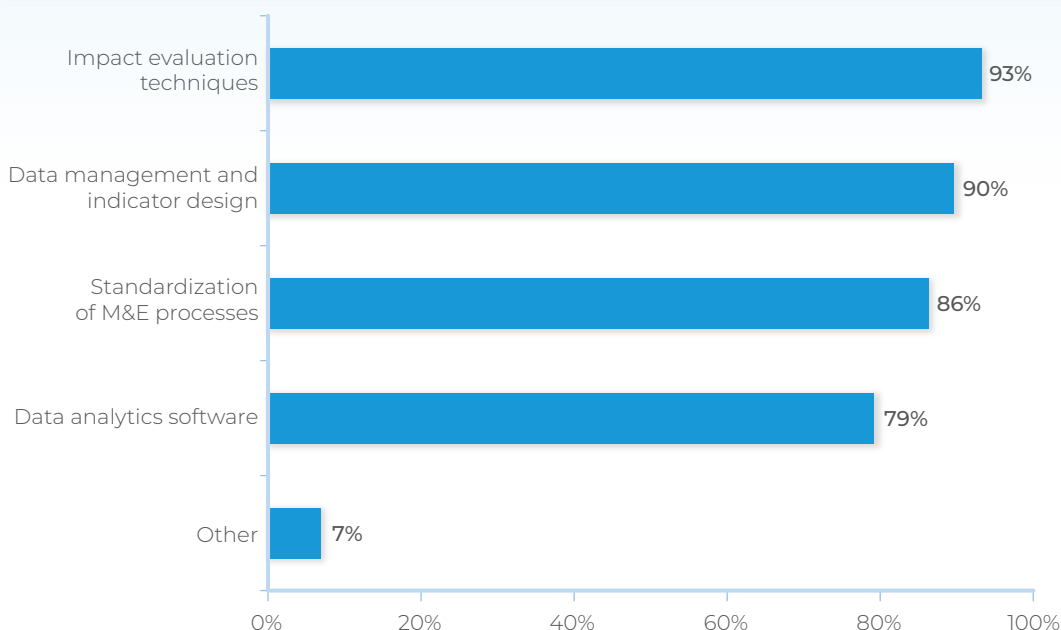
The second group of challenges involve information systems for monitoring (60 percent), which is related to difficulties in accessing information, followed by lack of methodological expertise (53 percent).

Last, there were internal and organizational constraints. In particular, 37 percent of institutions identified a lack of clear M&E procedures as a major challenge, as well as a lack of organizational culture for introducing said procedures.

When considered as a whole, the first four challenges paint a complex picture for scaling up M&E activities in a cost-effective manner. Overcoming these challenges requires, first of all, significant efforts in training on M&E techniques and methodologies. Building on that, institutions can develop effective strategies to address issues in monitoring systems and in information access. In addition, strengthening training could help reduce average costs by allowing each institution to identify and adopt the most appropriate methodology and by scaling up M&E activities.

Figure 12 shows that the main challenges identified are the same areas in which the institutions reported needing more training. Some 93 percent report a need for more training on impact evaluation techniques, 90 percent on data management and indicator design, and 86 percent on standardization of processes for

Figure 12
MAIN TRAINING NEEDS



Source: Authors' elaboration based on results of the 2024 survey of M&E activities in DFIs.

M&E activities. Last but not least, 79 percent report a need for training on the use of data analytics software. These results reflect a real need of DFIs for evaluation and data management techniques tailored to M&E activities.

Most Challenging Areas in Monitoring and Evaluation

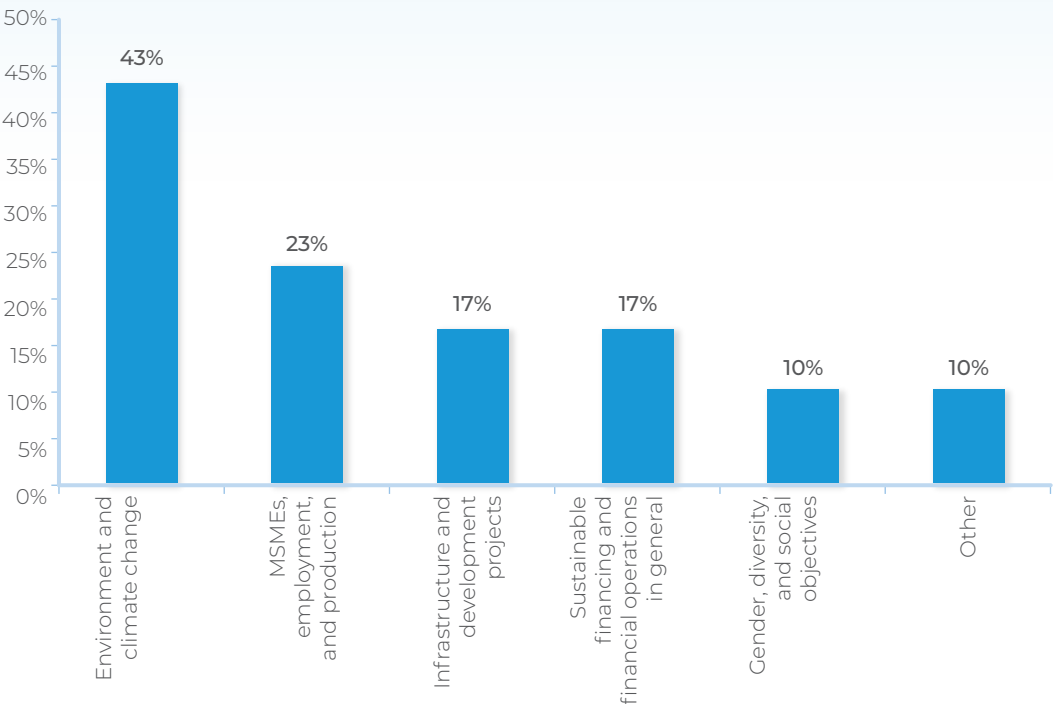
Among the difficulties DFIs face in terms of M&E activities in general, several areas and programs prove to be particularly challenging (Figure 13). The most-cited area within M&E is environment and climate change (43 percent). MSMEs, employment, and production (23 percent) come second. Difficulties with these areas may be associated with the supplementary and complementary role played by DFIs in productive financing, as they are often required to act in a countercyclical manner and focus on segments underserved by the private sector.

In third and fourth place are infrastructure and development projects (17 percent), and sustainable financing and financial operations in general (17 percent). In fifth place is gender, diversity, and social objectives (10 percent).

The past few years have seen growth in portfolios with innovative approaches such as climate portfolios, also known as green portfolios. Challenges in measuring

■ Figure 13

MOST CHALLENGING AREAS IN M&E



Source: Authors' elaboration based on results of the 2024 survey of M&E activities in DFIs.

the returns on these portfolios have come to the fore given the lack of reliable indicators that reflect tangible environmental or social benefits. This may affect the perceived importance of maintaining consistent growth of these portfolios. Measuring returns, both in ex ante projections and ex post verification to gauge the expected and/or actual returns, has proven to be a challenge for institutions. This is particularly complicated when the number or type of projects to be financed in a given sector is not known in advance, which affects the ability to estimate key variables directly related to the aforementioned returns, such as the capacity of clean energy installed or the amount of energy or water saved.

On the other hand, an essential function of these DFIs is to facilitate access to credit for micro, small, and medium-sized enterprises (MSMEs), enabling them to invest, grow, and create jobs. However, generally speaking, data collection to measure the effects of these interventions on the final beneficiaries is complex. In many cases, these operations involve an indirect financing structure (through second-tier lines), which separates the funding originator from the beneficiary. On the other hand, there are restrictions on access to quality secondary information and challenges in applying appropriate analytical methodologies, which complicates the M&E process.

Comparative Analysis between 2018 and 2024 Surveys: Selected Results

This subsection presents selected results of a comparative analysis using information from the surveys conducted in 2018 and 2024, respectively. The authors carried out the comparison using data from institutions that responded to both surveys. Although the subset includes only a small sample of 11 institutions, this comparative exercise provides several insights into the recent development of M&E in the region.

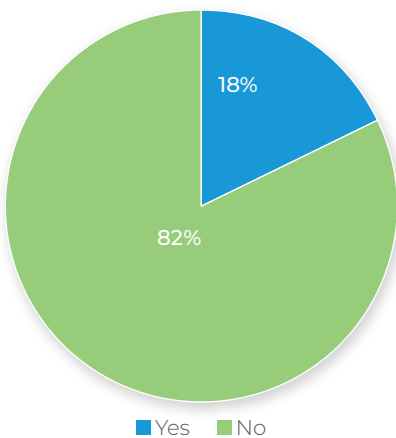
Figure 14 shows changes in the implementation of formal M&E policies or manuals. The institutions that participated in both surveys have shown considerable progress in this area. In 2018, only 18 percent reported having M&E policies or manuals in place, while 80 percent did so in 2024.

Figure 15 shows significant progress in another area, which is the implementation of a centralized internal information system to serve as a record of program monitoring indicators.

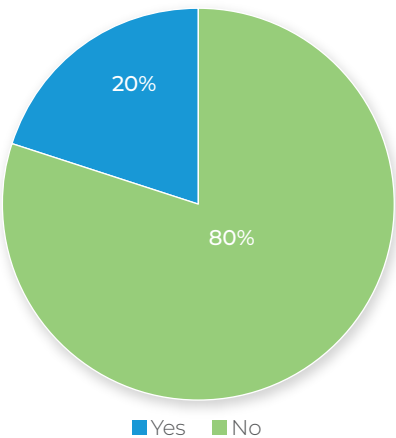
Figure 16 shows the increased use of standardized procedures. The increase is more notable in monitoring of indicators, which includes requesting information and designing, tracking, and evaluating operational outcomes. Regarding development impact evaluations, currently 8 of the 11 institutions report having standardized pro-

Figure 14
EXISTENCE OF FORMAL POLICIES OR MANUALS FOR MONITORING AND EVALUATION

2018 Survey Question 4: Does your institution have a policy and/or procedures manual that includes formally established technical standards and working methodologies for M&E?



2024 Survey Question 7: Does your institution have a policy and/or procedures manual that includes formally established technical standards and working methodologies for M&E?

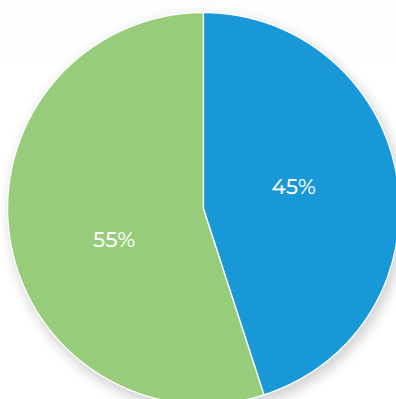


Source: Authors' elaboration based on results of the 2018 and 2024 surveys of M&E activities in DFIs.

Figure 15

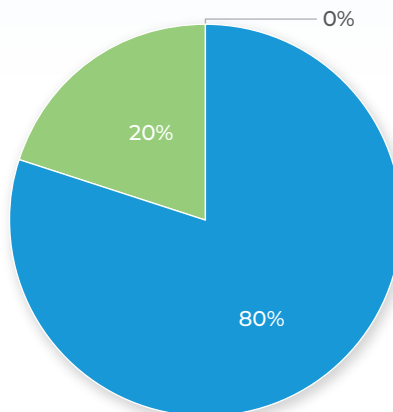
CENTRALIZED RECORD OF PROGRAM MONITORING INFORMATION

2018 Survey Question 6: Does your institution have a central internal information system that records monitoring indicators of its programs?



■ Yes ■ No

2024 Survey Question 9: Does your institution have a central internal information system that records monitoring indicators of its programs?



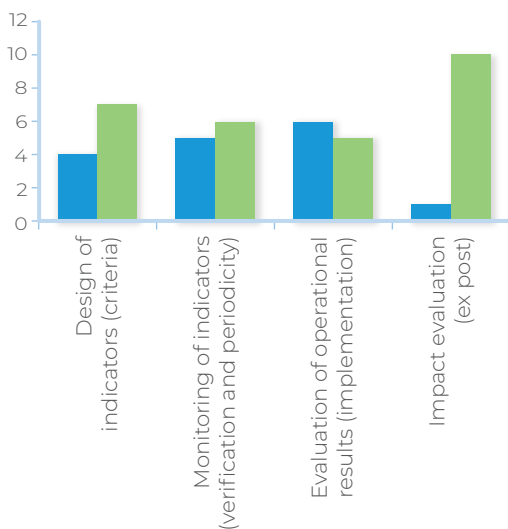
■ Yes ■ No but recorded informally ■ Not recorded

Source: Authors' elaboration based on results of the 2018 and 2024 surveys of M&E activities in DFIs.

Figure 16

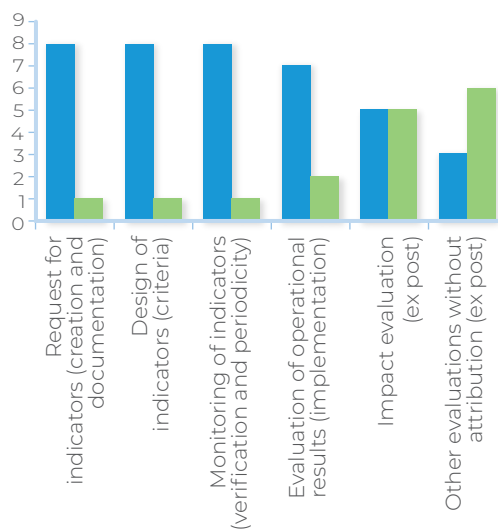
ADOPTION OF STANDARDIZED PROCEDURES

2018 Survey Question 10: Indicate if your institution currently has a standardized procedure for the following activities:



■ Yes ■ No

2024 Survey Question 12: Indicate if your institution currently has a standardized procedure for the following activities:



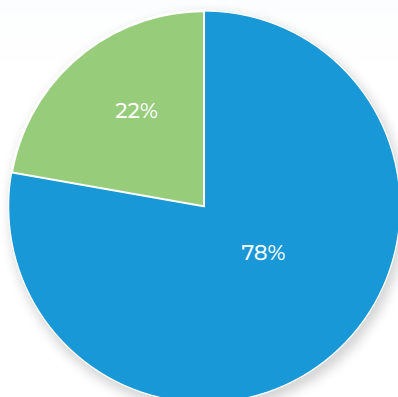
■ Yes ■ No

Source: Authors' elaboration based on results of the 2018 and 2024 surveys of M&E activities in DFIs.

■ Figure 17

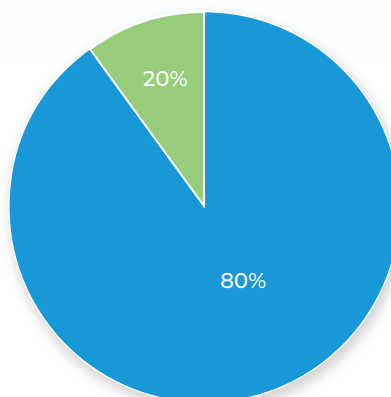
REGULAR REPORTING OF MONITORING AND EVALUATION ACTIVITIES

2018 Survey Question 13: Regarding reporting and the use of information, does your institution make periodic reports on its M&E activities?



■ Yes ■ No

2024 Survey Question 15: Regarding reporting and the use of information, does your institution make periodic reports on its M&E activities?



■ Yes ■ No

Source: Authors' elaboration based on results of the 2018 and 2024 surveys of M&E activities in DFIs.

cesses in place to conduct ex post evaluation of results in addition to evaluating ongoing performance, whereas only one reported doing so in 2018.

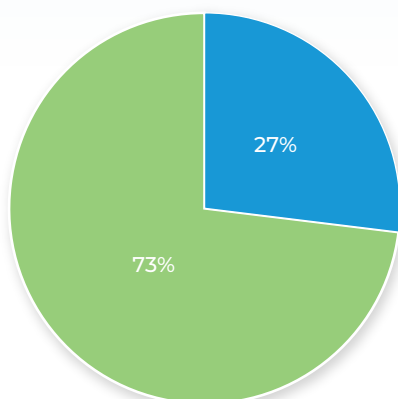
Figure 17 suggests progress in the regular reporting of M&E activities, a key practice to ensure that M&E results contribute to the tracking and verification of the attainment of objectives.

Regarding resource allocation, the share of institutions with an M&E unit has registered a notable increase, from 45 percent in 2018 to 70 percent in 2024. Moreover, in 2024 all the institutions surveyed consider it necessary to have an M&E unit, compared to 67 percent in 2018. Last, significant progress is also observed in the availability of stable resources for M&E (Figure 18).

■ Figure 18

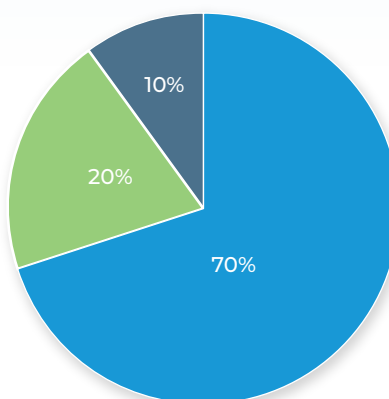
STABLE RESOURCES DESIGNATED FOR MONITORING AND EVALUATION ACTIVITIES

2018 Survey Question 22: Are there stable resources dedicated to M&E activities in your institution?



■ Yes ■ No

2024 Survey Question 24: Are there stable resources dedicated to M&E activities in your institution?



■ Yes ■ No ■ Not sure

Source: Authors' elaboration based on results of the 2018 and 2024 surveys of M&E activities in DFIs.



Interviews with Financial Institutions

In addition to using standardized questionnaires, information collection for the purposes of the 2024 survey also involved conducting one-on-one interviews with a subset of participating institutions. Based on analysis of the information collected through the survey, the authors defined the profile of the institutions to be selected for further interviews in a way that would reflect the diversity of approaches to the implementation of systematic M&E processes.⁷ The interviews helped examine in greater detail the implementation, use, and rationale of M&E processes, providing useful information for interpreting the results and understanding their context.


Functional Organization and Information Flow

A clear takeaway from the interviews, which is also consistent with the results of the standardized questionnaire, is the dissociation that exists between monitoring and evaluation activities, and also between these and traditional accounting and financial information systems.

Separation from Accounting and Financial Information

A striking feature of the organization of M&E information systems is the underutilization of accounting and financial information generated by traditional DFI information systems. This underutilization is not due to regulatory restrictions (internal or external), nor do information system interoperability frictions seem to be a significant factor (although such frictions do exist in varying degrees depending on the

⁷ The institutions interviewed are kept anonymous for confidentiality reasons.



institution in question). This gap may be surprising given the typically supplementary and complementary role of DFIs in funding. However, there was no rigorous econometric analysis to quantify the financial additionality of DFIs, including the effective pass-through of concessional terms to final beneficiaries.

Separation of Monitoring and Evaluation Processes

Another issue of interest is the separation between monitoring and evaluation processes, which happens on two levels.

On one hand is the functional separation of information collection and tracking, particularly during the implementation of the corresponding line of credit or programs. In this framework, the units responsible for said financing are usually in charge of generating the monitoring information tailored to the characteristics of the lines. The rationale of this procedure is defined by the specialization of each line and executing unit with regards to the range of information relevant to its monitoring activities.


Additionally, this disconnect is observed in practice in the separation of information. Particularly, information and the information collection process do not lend themselves to evaluation. Moreover, the information requirements for evaluation, particularly attributive evaluation, are difficult to implement in the monitoring stages.

This separation may have resulted from a combination of certain incentives and constraints. On one hand, despite the potential of M&E systems, decision makers are still relatively inelastic to the information produced by such systems. In other words, they do not use M&E systems in an agile and timely manner for decision making. As efficiency is of the essence in internal management (to reduce internal costs and frictions) and in business relations (to minimize the transaction costs borne by intermediaries and final beneficiaries), these internal priorities may clash with incentives for requesting information. Together, these factors may explain the information segmentation observed. Nevertheless, it is important to highlight that DFIs have an opportunity here to make progress in their roadmap and to improve their measurement capabilities.

Interoperability Frictions in Information Systems

As mentioned above, the separation between monitoring and evaluation processes, particularly in terms of data collection and use, also has to do with interoperability issues in information systems. In light of the aforementioned challenges, these issues can be an important factor that determine the behaviors observed.

Naturally, information systems tend to become fragmented over time, requiring ongoing updates that entail budgetary and operational costs. The natural cost



containment pressures, coupled with the relative inelasticity to the information produced by evaluations, may result in the persistent frictions identified in the interviews with the institutions.⁸

Information Use

In general, monitoring processes are more developed than evaluation processes. In particular, impact evaluations (causal attribution analysis) seem to have limited influence on decision making. M&E systems, for the most part, seem to be at a stage where they primarily play a role in verifying compliance with predetermined objectives assigned to DFIs. The management and definition of objectives tend to be relatively inelastic to the information generated by evaluation processes.

Monitoring Information

The collection and production of monitoring information tends to be decentralized to the executing units. Technical issues are delegated to specialized units, but the executing units are usually responsible for defining the monitoring variables. The information profile of each line of credit varies according to its specific needs. For example, the information collected for financial inclusion lines differs from that gathered for energy efficiency or infrastructure projects.

The information collected through monitoring can be valuable to management, but the degree to which implementation adapts to new information varies substantially. The main role that management seems to assign to this information is tracking for reporting purposes.

The variables used in monitoring are largely determined by the funders, especially when they are international organizations and/or when concessional conditions are granted with the expectation of transfer to the final beneficiaries, at least in part.⁹ “Green” lines and, more recently, those that collect gender-disaggregated information, provide pragmatic cases in determining the variables used in monitoring.

Collecting information for monitoring is associated with higher transaction costs, which has business impacts and limits the scale of data collection. Hence, collection largely responds to external demands of funder-driven monitoring.

⁸ This type of friction can be particularly significant in the use of traditional credit information, which tends to rely on non-digital sources. Although these sources usually have digital copies, the information contained therein is typically not entered into structured databases.

⁹ Verifying pass-through of concessional conditions to final beneficiaries presents a highly complex statistical and econometric challenge that, based on the information obtained, is not being addressed systematically by any of the DFIs surveyed.



Impact Evaluation and Measurement Activities

Evaluation activities can be categorized into the preparation of analytical reports without causal attribution and impact evaluations (analyses with causal attribution). Among the former, process and outcome evaluations are very common.¹⁰ In addition to producing analytical reports, analytical methodologies can be used in various other ways to provide information for management, such as in cost-effectiveness analyses, descriptive analyses, and even opinion surveys.

These analyses are generally conducted by specialized units with various functional positions depending on the size of the DFI. In general, these units have relatively little influence on the determination of variables used in monitoring. Additionally, in most cases, the evaluation units have limited options when it comes to systematic implementation of impact evaluations. The main determinants of these constraints are lack of data access, poor data quality, budget implications of implementation, and, in many cases, lack of human resources. Aside from these factors, there is another significant constraint, which is the lack of management demand for these analyses.

When discussing the perceived usefulness of the reports, we have to first distinguish between attributive and non-attributive reports. Management usually requires more of the latter. In general, analytical reports without causal attribution are considered a more sophisticated type of monitoring reports, which use metrics to measure the attainment of predefined objectives. Management demand for analytical reports with causal attribution (impact evaluations) is significantly lower. Consistent with this lower demand, attributive reports tend to have little influence on decision making.

¹⁰ There is still a lot of confusion among the leadership/management of financial institutions regarding the differences between attributive and non-attributive evaluations.



Discussion and Conclusions


This section presents a broad discussion of the results of the surveys and the one-on-one interviews, followed by conclusions.

Discussion

Considered individually, the 2024 survey results show promising progress in the adoption of M&E procedures among DFIs in the region. This progress is particularly notable in monitoring activities, with 81 percent of DFIs implementing systematic processes for some or all of their programs. This development contrasts with the implementation of systematic evaluations, which happens at only 39 percent of the DFIs. This difference has carried over from the 2018 survey and is also evident in the one-on-one interviews with selected institutions.

With regard to the type of information and analysis produced and their usefulness, monitoring activities seem to be more in demand by DFI management and presidency than evaluation activities. The difference is more pronounced when distinguishing between evaluations with causal contribution and other analytical reports, such as process or outcome evaluations.

With regards to the target audience and purposes of the reports, both the survey results and the interviews suggest that the information in these reports is primarily intended for an internal audience, followed by the funders. The main purpose of the reports is accountability. Additionally, the institutions surveyed report using the information produced to carry out corrective actions or to apply the lessons learned. The one-on-one interviews partially confirm this claim, suggesting that the reports mainly serve a monitoring purpose and inform potential adjustment to better attain the predefined objectives related to physical amounts (use of proceeds consistent



with predefined purposes or by type of beneficiary) and not social values (social additionality and externalities). Hence, the information collected through monitoring is the type primarily used, followed by information contained in non-attributive analytical reports. Impact evaluations are in low demand and their results seem to have little influence on management and the formulation of long-term strategies. A broad assessment could conclude that M&E systems are being used primarily to report information for regulatory compliance.

Regarding constraints, the results of the interviews are consistent with the data obtained from the surveys. The main constraints include difficulties in access to and the quality of information, followed by costs and system issues—issues that would be considered severe if these systems are required for generating analytical reports and conducting impact evaluations. Additionally, these problems are compounded by a lack of methodological expertise and the absence of an organizational culture that values this information.


Conclusions and Recommendations

Through analyzing the survey data and information collected through the interviews, we can arrive at two observations.

First, there has been clear progress in the implementation of M&E processes among DFIs in LAC, mainly driven by the growth in monitoring activities, which are closely linked to the reporting requirements for environmental and social safeguards. In terms of evaluation, causal attribution analyses are still lagging behind, due to a combination of factors both on the supply (challenges in data access, high costs, undercapacity) and the demand side (lack of interest and understanding by management). The most frequent requests made to the evaluation units, related to management and strategy formulation, are mostly for analytical reports without causal attribution, which can basically be considered monitoring reports.

Second, with the exception of more advanced cases, the M&E systems in the DFIs are generally at a stage where they are being used to produce information for reports based on predetermined requirements.

With progress in M&E system development, it is important for DFIs to move toward development intelligence and address information-related issues that are beyond the reach of private entities. Ideally, the production of information and intelligence should help identify areas where DFI interventions can strike the right balance between risk and return from a social standpoint. Progress in this area requires ongoing efforts. In light of the above, the authors make the following recommendations:

- 
1. M&E processes can focus on generating information and intelligence that contribute to maximizing social returns beyond merely ensuring regulatory compliance and producing reports on the attainment of objectives. The authors recommend further development of M&E systems, strengthening the analytical functions in particular and moving toward development intelligence. If the objective of DFIs is, fundamentally, to provide complementary financing to supplement that of private financial institutions—justified because of financial frictions, externalities, public goods, and merit goods—then DFIs should focus on generating information and analysis aimed at identifying complementary allocations with higher risk-adjusted social returns.
 2. It is necessary to address the supply-side constraints on econometric studies, including impact evaluations. Major obstacles to be tackled include: (i) systematic access to quality information (it is critical to improve the processes of gathering information directly from beneficiaries and accessing pre-existing sources of public and private administrative information); (ii) investing in training in-house technical staff, not only in evaluation techniques, but also in management capability; (iii) promoting cooperation agreements with other financial institutions (public and private), academic institutions, and public agencies to reduce costs and expand economies of scale; and (iv) increase budget allocations to evaluation activities.

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ANNEX 1

Methodology


The authors used the survey technique, which allowed for quick and efficient information collection. The survey design was a core part of the analysis because the results largely depend on the relevance of the questions, the type or format used, and the phrasing and order of questions. To structure the survey in an orderly manner, and to reference the survey on M&E system diagnosis conducted in 2018, the authors designed the questionnaire by grouping the questions into three categories:

- Section I: Organizational structure, information systems, and M&E systematization
- Section II: Objective and scope of the existing M&E system
- Section III: Capacity and resources

Given the practical approach of the survey, the authors opted for a questionnaire design based on closed or multiple-choice questions (i.e., those that ask respondents to choose between predefined options). However, in some cases respondents can provide more details through open-ended responses to questions that include “Other” as one of the response options. This format was also consistent with the one used in the 2018 survey.

The survey replicated the questions from the 2018 version as much as possible to facilitate result comparison (even if only partially) and to identify progress in the topics addressed in both surveys. Nevertheless, the 2024 survey was tweaked and improved in certain ways for quality enhancement in light of the previous experience. The new survey consisted of 26 questions, compared to 22 in the 2018 survey. Based on best practices, the optimal number of questions is between 20 and 30, which would require around 15 minutes to complete.

In addition, following a thorough review of the 2018 survey, the 2024 edition restructured some questions and their response options to avoid repetition and introduce filters. These allowed respondents to move on to specific questions about




monitoring or evaluation-related items only when applicable, thus streamlining both the response and the subsequent analysis.

During the survey design, the authors conducted a pilot test to ensure proper functioning and avoid potential implementation issues. A sample of ALIDE member institutions participated in the pilot and provided feedback on a draft version of the questionnaire. The objective was to ensure that the instructions and questions are clear to the respondents and to minimize ambiguity so as to avoid miscomprehension and to facilitate responses. At least three financial institutions in the region participated and provided valuable feedback on improving the questionnaire.

The survey also included a glossary of terms with standardized definitions and concepts to help respondents answer the questions correctly. This was especially important given the lack of standardization in the understanding of monitoring or evaluation activities among the institutions, which is associated with the lack of clarity on the scope of these activities, the difference between performance results and development outcomes, and other discrepancies that could influence the responses and, consequently, the results of the analysis. The 2024 survey made adjustments in order to create a database to better understand the profile of the participating institutions. It addressed a larger population of institutions for analysis than 2018, with various types and areas of activity.

The authors used a simple sampling method to collect responses, relying on a list of all the DFIs in the ALIDE network, either as members or partners, which represents a relatively small pool with a full-fledged database. However, the sampling was not strictly random. While all institutions were equally likely to be selected for the sample, the IDB and ALIDE made choices based on the collaboration and interest of the institutions in participating in the evaluation taskforce. This collaborative framework led to more reliable responses from the institutions themselves. Of the 67 entities listed in the ALIDE database, 40 were invited to participate between December 2023 and March 2024; 32 responses were received, achieving an 80 percent participation rate. The sample includes institutions of varying structures, sizes, and sectors operating in 14 different countries (Argentina, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Honduras, Mexico, Paraguay, Peru, and Uruguay) as well as at the regional level.

The following institutions participated in the survey: Banco Nacional de Fomento; Fondo Mivivienda S.A.; Sistema de Banca para el Desarrollo; Banco Nacional de Obras y Servicios Públicos (Banobras); Banco de Desarrollo de El Salvador (Bandesal); Sociedad Hipotecaria Federal; Banco do Nordeste do Brasil; Banco de Desarrollo Empresarial; Banco de la Provincia de Buenos Aires; Agencia Financiera de Desarrollo (AFD); Banco Nacional de Desarrollo Económico y Social (BNDES); Banco Regional de Desenvolvimento do Extremo Sul; Banco Hondureño para la Producción y la Vivienda; Banco de Inversión y Comercio Exterior (BICE); Banco de la



República Oriental del Uruguay; Banco Nacional de Costa Rica; Banco de Desarrollo Productivo; Instituto Nacional de Desarrollo Agropecuario; Corporación Financiera Nacional; Instituto de Financiamiento, Promoción y Desarrollo de Caldas; Instituto Financiero para el Desarrollo del Valle del Cauca (Infivalle); Fondo Nacional para el Financiamiento del Sector Agropecuario; Bancóldex; Banco de Financiamiento Territorial; Instituto Centroamericano de Integración Económica; Corporación Financiera de Desarrollo; Instituto de Desarrollo Agropecuario; Banco Hipotecario del Uruguay; Banco de Desarrollo Agropecuario; Corporación de Fomento de la Producción; and Banco de Desarrollo Territorial.

ANNEX 2

Sample Questionnaire for the MEDIF 2024 Survey¹¹

SURVEY

Analysis of M&E Systems in Public Development Financing Institutions in Latin America and the Caribbean

The objective of this analysis is to identify and document the current capacities and needs of institutions that provide financing and/or technical assistance for development as part of public policy, in order to adequately monitor the performance of their programs. Based on the results, it will seek to promote dialogue and the construction of bases that allow these institutions to have the tools to consolidate their monitoring and evaluation (M&E) systems. On behalf of the Latin American Association of Development Financing Institutions (ALIDE), we kindly ask you to assist us by responding to this questionnaire.

General Instructions

Filling out the questionnaire

- The information you provide should refer only to the institution in which you operate.
- If you fill in the questionnaire by hand, write clearly and legibly. In case of errors, please draw a horizontal line through the wrong data and write the correct information above it.

¹¹ MEDIF is the Taskforce for Development Measurement in Development Finance Institutions.

- Accompanying the questionnaire is a glossary of terms and concepts, which we recommend reviewing before completing the survey.

Returning the questionnaire

The completed questionnaire should be sent via email to isa.haro@outlook.com with the subject “Questionnaire Analysis of M&E Systems - [name of institution]”. You can attach the scanned document as a PDF or the Excel file with your responses. Please copy Enrique Nieto (IDB), enriquen@iadb.org, and Javier Rodríguez (ALIDE), jrodri-guez@alide.org, in your return email.

SECTION I: ORGANIZATIONAL STRUCTURE, INFORMATION SYSTEMS, SYSTEMATIZATION OF M&E

1. Your institution has an explicit legal mandate or statutory mandate that substantially differentiates it in its objectives from a private financial institution:
 - ___ Explicit legal mandate substantially differentiated from the actions of a private financial institution.
 - ___ Explicit statutory mandate substantially differentiated from the actions of a private financial institution.
 - ___ There is no explicit legal or statutory mandate that induces conduct substantially different from the actions of a private financial institution.
2. Your institution must meet the same legal and regulatory requirements as a private financial institution:
 - ___ Yes.
 - ___ Yes, with minor exceptions.
 - ___ Yes, with substantial exceptions.
 - ___ No, the legal and regulatory requirements are substantially different from those of private financial institutions.
3. Do you consider that compliance with legal and regulatory requirements imposed by the regulator: *(indicate values from 1 to 5, where 1 = not affected at all and 5 = substantially affected)*

	Value (1 to 5)
Limits how effectively your institution can meet its public goals	
Induces your institution to try to match or exceed the Key Performance Indicators (KPIs) of private financial institutions	

4. The operation of your institution includes:

- ☐ First- and second-tier operations, both of which are equally important.
- ☐ First- and second-tier operations, with focus on first-tier business.
- ☐ First- and second-tier operations, with focus on second-tier business.
- ☐ Second-tier operations only.
- ☐ First-tier operations only.

5. Do you consider that your institution has a systematized process of MONITORING?

- ☐ Yes, for all our programs.
- ☐ Yes, for some of our programs. Approximately _____ % of the total is monitored.
- ☐ Indicate the criteria for conducting monitoring (e.g., strategic planning of the institution, government requirements, donor or funder, volume of operation, etc.): _____
- ☐ No, but we are currently in the process of implementing a formal monitoring system.
- ☐ No, we do not carry out any monitoring and do not envision doing so in the short term.

6. Do you consider that your institution has a systematized process of IMPACT EVALUATION?

- ☐ Yes, for all our programs.
- ☐ Yes, for some of our programs. Approximately _____ % of the total is evaluated.
- ☐ Indicate the criteria for conducting evaluation (e.g., strategic planning of the institution, government requirements, donor or funder, volume of operation, etc.): _____
- ☐ No, but we are currently in the process of implementing a formal evaluation system.
- ☐ No, we do not perform evaluations and do not envision doing so in the short term.

If you marked the last option for questions 5 and 6, this is the end of the survey. OTHERWISE, CONTINUE TO COMPLETE SECTIONS II AND III.

SECTION II: OBJECTIVE AND SCOPE OF THE EXISTING M&E SYSTEM IN YOUR INSTITUTION

7. Does your institution have a policy and/or procedures manual that includes formally established technical standards and working methodologies for M&E?
 ___ Yes. Indicate whether for monitoring (_____) and/or evaluation (_____)
 ___ No
8. Identify those responsible for each of the following activities within your institution: *(mark the corresponding box with "X")*

	Management	Human Resources Department	Areas in charge of respective programs	Area specialized in M&E, if exists	We do not perform this activity
Monitor program goals and targets					
Assess program results and impacts					
Report on program results					
Train staff					
Supervise/decide on internal processes					
Allocate budgets to internal processes					

9. Does your institution have a central internal information system that records monitoring indicators of its programs?
 ___ Yes. Please indicate whether for all (_____) or some (_____) programs.
 ___ No, but they are registered informally. Specify (e.g., in files of staff in charge of programs or others): _____
 ___ They are not registered.

10. Do you have a central record of completed, planned, or ongoing impact evaluations or monitoring reports?

- ☐ Yes. Please indicate whether for all (_____) or some (_____) programs.
- ☐ No, but they are registered informally. Specify (e.g., in files of staff in charge of programs or others): _____.
- ☐ They are not registered.

11. How are impact evaluations funded in your institution? (*mark the corresponding box with "X"; you can mark more than one*)

	Monitoring	Impact evaluation
With funds from programs being evaluated, included in program components		
With internal administrative budget		
With grant or technical cooperation resources, which are not necessarily part of the program being evaluated		
With resources allocated by the government, additional to the internal administrative budget		
Other. Specify: _____		

12. Indicate if your institution currently has a standardized procedure for the following activities: (*mark the corresponding box with "X"*)

	Yes	No
Request for indicators (creation and documentation)		
Design of indicators (criteria)		
Monitoring of indicators (verification and periodicity)		
Evaluation of operational results (implementation)		
Impact evaluation (ex post)		
Other evaluations without attribution (ex post)		

13. With regard to impact evaluation performed for your programs: (*if your institution does not conduct impact evaluation, skip to question 14*)

A. Who carries out impact evaluations?

- ☐ External evaluators (subcontractors, interns, or independent service providers)
- ☐ Ourselves, with internal staff exclusively
- ☐ Ourselves, in collaboration with the agencies that originated/funded the program and/or other implementers (provider institutions)

- ☐ ___ Ourselves, in collaboration with the beneficiary institutions and/or relevant actors in the beneficiary country (receiving institutions)
- ☐ ___ Ourselves, in coordination with external evaluators and public/private entities working through agreements

B. From a technical point of view, what types of impact evaluations or other evaluations without attribution do you perform, do you intend to perform, or have you performed? *(you can mark more than one)*

- ☐ ___ Results/effectiveness without attribution: those seeking to determine the achievement of program development objectives/results, at the end of implementation
- ☐ ___ Impact: those seeking to determine the development effect (positive or negative) on the final beneficiary attributable to the program, a reasonable period after implementation. Indicate which methodologies you have used (DiD, RCT, IV, matching, discontinuous regression, PSM, etc.): _____
- ☐ ___ Execution: those evaluating the management and implementation of the program at the operational level, during or at the end of the execution.
- ☐ ___ Thematic: with focus on a specific theme (e.g., gender, environment) for all or a sample of programs
- ☐ ___ Sectoral: grouping programs or activities serving the same sector
- ☐ ___ Other. Specify: _____

14. With regard to monitoring indicators established for your programs: *(if your institution does not monitor using indicators, skip to question 15)*

A. Based on what information are the indicators constructed? *(you can mark more than one)*

- ☐ ___ Information collected and verified directly from programs (beneficiaries), prepared by your own institution
- ☐ ___ Secondary sources (government reports, sectoral agencies, statistical offices, etc.), from other institutions
- ☐ ___ Information provided by the originator and/or program implementers
- ☐ ___ Information from second-tier financial institutions (intermediaries)
- ☐ ___ Information prepared and analyzed by consultants via products contracted for this purpose
- ☐ ___ Other. Specify _____

B. Who collects and analyzes indicator information?

- ☐ ___ Ourselves, through the manager of each program

- ☐ Ourselves, through a specialized area that monitors the indicators of all our programs
- ☐ Outsourced external specialists

C. In general, the monitoring activities you perform:

- ☐ Are similar to those of private financial institutions.
- ☐ Are similar to those carried out by private financial institutions, but also include other dimensions aligned with the objectives of our institution.
- ☐ Are different from those carried out by private financial institutions and are mainly focused on dimensions aligned with the objectives of our institution.

15. Regarding reporting and the use of information, does your institution make periodic reports on its M&E activities?

- ☐ Yes. Indicate whether for Monitoring (_____) and/or Evaluation (_____)
- ☐ No (*if your answer is "NO," skip to question 17*)

16. To whom are these reports addressed or with whom are they shared? (*you can mark more than one*)

- ☐ General public. Indicate through what channel (e.g., website, social networks, radio and television, written press, etc.): _____
- ☐ Donors/funders
- ☐ Beneficiaries
- ☐ Government
- ☐ Directorate/management of your institution
- ☐ Areas responsible for the program at your institution
- ☐ Other implementers of the program
- ☐ Other. Specify: _____

17. In general, it can be said that M&E activities that your institution has been carrying out contribute mainly to: (*you can mark more than one*)

- ☐ Facilitate applications for new operations with multilateral or bilateral organizations, donors, etc.
- ☐ Be accountable to the government, beneficiaries, donors, funders, management, etc.
- ☐ Better respond to the needs of our customers.
- ☐ Gain knowledge of the results/impacts of development.
- ☐ Guide your institution's operational policy and strategy decisions.
- ☐ Incorporate corrective actions and lessons learned.
- ☐ Produce knowledge material, publications, etc.



SECTION III: CAPACITY AND RESOURCES

18. Aproximately how long has your institution been doing M&E?
- ☐ Very recently (less than 1 year)
 - ☐ Recently (between 1 and 3 years)
 - ☐ More than 3 years
19. Is there a specific unit to monitor and/or evaluate programs within your institution?
- ☐ Yes. Please indicate the number of staff in this unit: _____
 - ☐ No
20. In your opinion, is it necessary to have a specific unit to monitor and/or evaluate programs?
- ☐ Yes
 - ☐ No
 - ☐ Why?: _____
21. What do you think are the main challenges or difficulties that your institution faces related to the practice of M&E activities? (*you can mark more than one*)
- ☐ Difficulty accessing information in time and form.
 - ☐ Lack of methodological knowledge and training.
 - ☐ Cost of the activities.
 - ☐ Limited access to tools (internal or national systems) that allow adequate monitoring of indicators, evidence, beneficiaries, intermediaries, etc.
 - ☐ Lack of organizational culture, M&E is not considered an essential element of our work.
 - ☐ Lack of a clear and harmonized process for all programs.
 - ☐ Other. Specify: _____
22. Are there any sectors or types of projects within your institution for which you feel the challenges of performing M&E activities are greater?
- ☐ Yes. Indicate which (e.g., environment and green funding, gender and diversity): _____
 - ☐ No
23. Does your institution conduct or has it conducted M&E trainings for program executing areas? (*you can mark more than one*)
- ☐ Yes, they are conducted by the M&E unit.
 - ☐ Yes, they are conducted by an internal area of the institution other than M&E (human resources or similar).
 - ☐ Yes, they are conducted by an external subcontracted company.

- ☐ Yes, we have participated in workshops or trainings of international organizations or experts from outside our institution.
- ☐ No, we haven't had training.

24. Are there stable resources dedicated to M&E activities in your institution?

- ☐ Yes
- ☐ No
- ☐ I don't know

25. Are there procedures in your institution to integrate M&E into the organizational culture for decision making, resource allocation, accountability, and process formalization?

- ☐ Yes, at all levels of the institution (directorate, management, operational, and administrative personnel).
- ☐ Yes, but not at all levels of the institution.
- ☐ No, but it does not affect the M&E activity we currently do.
- ☐ No, and this makes it very difficult to integrate these activities into the operation of the institution.

26. Would you like ALIDE to promote M&E trainings specialized in a particular subject area? *(you can mark more than one)*

- ☐ Data management and construction of development indicators.
- ☐ Standardization of processes for M&E activities.
- ☐ Information technology (software) available for data analysis.
- ☐ Impact evaluation techniques and recurring models by program typology.
- ☐ Other. Specify: _____

RESPONDENT DATA
Name of the institution:
Country where it operates:
Name of respondent(s) and job title(s):
E-mail:

Thank you for supporting this IDB-ALIDE initiative. Your collaboration will help us contribute to the strengthening of M&E systems in the region and to the process of improving the efficiency, effectiveness, and transparency of the management of your programs.

