



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

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

RE-290

***Oversight Note on the
Additionality of Resources
of the C and D Action Plan***



Officially distributed to the Board of Executive Directors on November 20, 2003

TABLE OF CONTENTS

ACRONYMS

EXECUTIVE SUMMARY	1
I. INTRODUCTION	1
II. PROJECT IDENTIFICATION AND EXECUTION IN COUNTRY OFFICES USING ADMINISTRATIVE RESOURCES	4
III. PROJECT PREPARATION AT HEADQUARTERS USING ADMINISTRATIVE RESOURCES	6
IV. PROJECT IDENTIFICATION AND EXECUTION IN COUNTRY OFFICES USING FSO FUNDS.....	8
V. REGIONAL TRAINING PROGRAM	12

ANNEXES

ANNEX A: TABLES AND GRAPHICS

ACRONYMS

CO	Country Office
FSO	Fund for Special Operations
GDP	Gross Domestic Product
HQ	Headquarters
NTC	National Technical Cooperation
OVE	Office of Evaluation and Oversight
RE	Regional Departments
TC	Technical Cooperation
TRS	Time Recording System

EXECUTIVE SUMMARY

As part of OVE 2003 work program, the Board of Directors requested an oversight study on the “financial additionality” of the C and D Action Plan. This Plan was approved as an earmarked initiative for 1997 and 1998. After a 1999 evaluation of the Plan, the Board approved continuation of this initiative at about the same level of resources but with less reporting requirements.

Responding to the Board’s request, this report addresses the issue of whether the Plan provided financial additionality to C and D borrowing member countries. The concept of additionality has both a substantive meaning and a financial one. Substantively, it refers to the effects of the initiative in increased developmental impact (outcomes) while financially it means increased resources (inputs) provided to the development process. Both concepts assume a “counterfactual” situation in which some base level of either inputs or outcomes is anticipated, against which to compare the actual inputs or outcomes produced with the Plan.

The scope requested for this study does not permit an analysis of how Plan resources were used or the extent of progress in achieving the objectives of the Plan, i.e., to improve the capacity of the C and D borrowing member countries to identify, prepare, and execute Bank-financed projects so that they are able to meet the 35% target of total lending set in the Eighth Replenishment Agreement. The Bank has previously conducted substantive assessments of the progress achieved in meeting Plan objectives¹.

Even the limited task of assessing financial additionality is complicated by the paucity of information, mainly due to the lack of appropriate baselines; the complexity of the Plan (targeting different organizational units and funding sources); limitations of the current Bank budgetary information system; and the lack of mandatory reporting requirements on the Plan after 1999. Based on the limited data available, the study attempts to estimate financial additionality for each of the four subprograms included in the Plan. These include support for:

1. Project identification and execution in country offices (CO) using administrative resources.
2. Project preparation in headquarters (HQ) using administrative resources.
3. Project identification and execution in CO using FSO resources.
4. Training using FSO resources.

The study findings indicate mixed results with regard to financial additionality. Two of the four components of the Plan, indicate plausible additionality but for the most part for a limited period of time. In the case of the first Plan component, supporting project identification and execution for country offices with administrative funds, additional expenditures for C and D countries (in comparison to A and B) could only be demonstrated for the years the Plan was earmarked (1997 and 1998). A similar pattern is observed for the third component that provides Technical Cooperation resources for consulting services in Country Offices; the C and D funding increase during the

¹ See GN-1940-4, GN-1940-5, RE-242, and “Estudio de Impacto del Programa de Entrenamiento”(1/03).

earmarked period is related to the transfer of convertible currency resources from the Regional Cooperation (RTC) program. Financial additionality is also observed for this subprogram in CO in Bahamas, Barbados, Costa Rica, Panama, Suriname, Trinidad & Tobago, Uruguay and Belize, where the Plan enabled their eligibility to access FSO net income convertible currencies.

The second Plan component dealing with additional project preparation work at headquarters may have been responsible for the observed pattern of sustained project preparation work on C and D countries at the same time that project preparation effort was dropping in A and B countries. However, the clear difference in behavior between country groups cannot obviously be attributed to the Plan, since there may be other factors such as the higher number of countries in the C and D group. It is thus impossible to establish financial additionality with a high degree of confidence.

The training component-- aimed at strengthening the human resource base of national institutions responsible for preparing and executing projects--represented a substantive change in the type and nature of training provided. It is plausible that there was an additionality effect, but lacking information to construct a counterfactual, it is not possible to establish that the resources funding this training were over and above those that would have been available to these countries in the absence of the Plan.

The exercise of assessing financial additionality illustrates the difficulties encountered by the absence of baseline information. It may be advisable for future programs earmarked for specific objectives that attention is given ex-ante to the development of information systems that are capable of generating comparable data overtime, thus ensuring the collection of information for monitoring and evaluation.

I. INTRODUCTION

- 1.1 The C and D Action Plan was established in 1997 as a special initiative to help countries in the C and D country groups to meet the 35% target of total lending set in the Eighth Replenishment Agreement². This initiative, however, does not establish a goal in terms of approvals. Instead, it focuses on improving the level of effort applied to the preparation and execution of Bank operations in C and D countries (GN-1940). In approving the Bank's 1997 Administrative Budget, the Board of Executive Directors earmarked funds for this Plan. Designed as a two-year program (1997-98), this initiative seeks to provide additional resources for increasing the capacity of the C and D borrowing member countries to identify, prepare and execute Bank-financed projects.
- 1.2 The proposed financial plan³ for 1997 (GN-1940-3) included four subprograms with different objectives and funding sources summarized in Table 1.1 below.

Table 1.1: C and D Action Plan (in 000's of US\$)

Purpose	Total	Source	
		Administrative budget	FSO net income
Project identification and execution in CO.	2,000	2,000	
Project identification and execution in CO.	2,000		2,000
Project preparation at HQ	2,000	2,000	--
Regional training of national institutions in C and D countries	2,000	--	2,000
Total	8,000	4,000	4,000

- 1.3 According to the proposal, the same amounts and the same sources were planned for 1998.
- 1.4 This earmarked Plan for 1997 and 1998 required reporting mechanisms and the designation of accountable staff members to ensure that the services provided under the auspices of the Action Plan, resulted in additional services to C and D countries, and not simply in replacement of other budgeted resources (Memorandum from Executive Directors to Senior Deputy Manager RE1/RSS, 1/24/1997). In compliance with this mandate the Plan assigned the responsibility for overseeing the administration of activities supporting project identification, preparation, and execution to the Regional Departments (REs) and Country Offices (CO); and the administration of training activities to the Regional Technical Cooperation Division of the Integration and Regional Programs Department (INT/RTC). The Regional Support Services Office of RE1 (ROS)

² Graphs 1 and 2 in Annex A show that the C and D country group only reached the 35% level in 1997 and 2002, but approval levels have remained relatively constant over the period (1994-2002) ranging from 1.4 billion in 2000 to 1.72 billion in 2002.

³ The original plan also included special annual contributions from non-borrowing countries for US\$ 2 million and US\$ 888,000 from borrowing countries that never materialized.

- was charged with the preparation of semi-annual implementation reports to the Board⁴.
- 1.5 Following a 1999 evaluation of this program (RE-242), the Board agreed that the activities established under the Plan should continue (RE-242-5). Hence, the budget line items for this initiative continued throughout 2003 at about the same level of funding.⁵ However, the separate reporting on budgetary execution of the Plan was discontinued, making it difficult to track resources flow for the later period.
 - 1.6 The analysis of financial additionality requires a demonstration that the resources assigned by the Bank with the Plan are allocated at levels over and above those which would have been obtained without the Plan. The simple existence of a budgetary line item labeled “C and D Action Plan” does not ensure financial additionality, since resources which otherwise would have gone to these countries could have been reallocated for other purposes, with the result that Plan resources were simply substituted for those that would otherwise have been provided. Substitution produces no actual change in resource levels despite a clear budgetary allocation. The critical issue for any assessment of financial additionality, therefore, is to establish some base level of resources that would have flowed to C and D countries in the normal course of operations. These base levels (the counterfactual) are hypothetical and can only be established as plausible conjectures based on historical trends or comparison with resource allocations to non-Plan borrowers.
 - 1.7 Management submitted during 1997 and 1998 two progress reports (GN-1940-4, GN-1940-5) summarizing the commitments and uses of the Plan resources. The final evaluation (RE-242) conducted in 1999 attempted to measure substantive additionality (progress towards achieving Plan’s objectives). This evaluation also analyzes financial additionality, but did not develop a counterfactual. The evaluation concluded that in 1997 and 1998 the Plan represented an additional US\$ 2.4 million over the resources assigned by the administrative budget to consulting services for project preparation, while in fact it should have been US\$4 million. The evaluation mentions several factors that contributed to this shortage in the use of the Plan resources, such as the delay in getting this initiative started, lack of precision in the procedures for using these resources, and uncertainties about the criteria to differentiate between project identification and project preparation.
 - 1.8 Demonstrating financial additionality after 1998 is not an easy task since the Board’s recommendation for continuing the Plan did not require specific reporting on the use of these funds. Furthermore, starting in 2001, the Bank mainstreamed Action Plan C and D resources into the administrative budget of the three regional

⁴ GN-1940-4,GN-1940-5.

⁵ See Annex A, Table 1 and Table 3.

departments, eliminating the requirements for separate accounting (GA-188, par. 4.4).

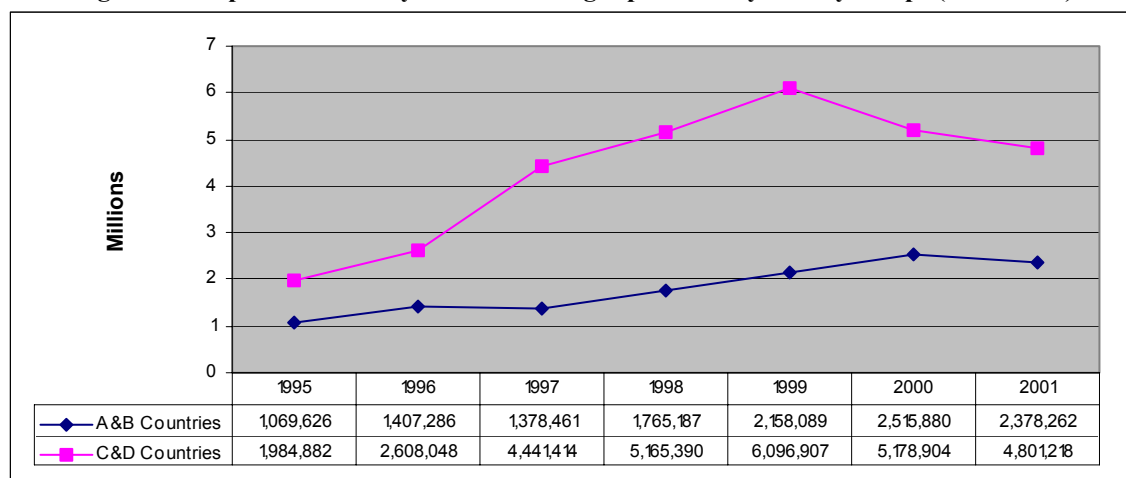
- 1.9 In addition to the lack of specific reporting requirements, the absence of baselines, the complexity of the Plan (targeting different organizational units and different funding sources), and the Bank's practice of having different and uncoordinated databases for ordinary capital and FSO accounts preclude the possibility of analyzing financial additionality for the whole Plan. Instead, the study devised a proxy approach to estimate financial additionality for each of the four subprograms included in the Plan (see Table 1.1):
 - a. Project identification and execution in CO using administrative resources
 - b. Project preparation in HQ using administrative resources
 - c. Project identification and execution in CO using FSO resources
 - d. Regional Training Program using FSO resources
- 1.10 The next sections of this report present the analysis for each subprogram, concluding in a final section that summarizes the study results.

II. PROJECT IDENTIFICATION AND EXECUTION IN COUNTRY OFFICES USING ADMINISTRATIVE RESOURCES

2.1 According to the Plan, Management was to allocate, starting in 1997, the amount of US\$ 2 million of administrative resources per year for consulting services to support project identification and execution in CO⁶ in C and D countries. The Budget and Management Accounting Division (DPP/BMA) collates budgetary and expenditure information for this subprogram. The analysis presented is based on expenditure data through 2001; information for 2002 was not available at the time the study was conducted.

2.2 Figure 2.1 illustrates comparative expenditure trends for consulting services in the Bank's country offices from 1995 to 2001 in A/B and C/D country groups. The data show a marked increase in consulting expenditures in C and D countries, starting in 1997 and in the years immediately following the adoption of the Plan, compared with a much more moderate increase in such expenditures in A and B country offices.

Figure 2.1 Comparison of Country Offices Consulting Expenditures by Country Groups (US\$ millions)



Source: BMA/BUD

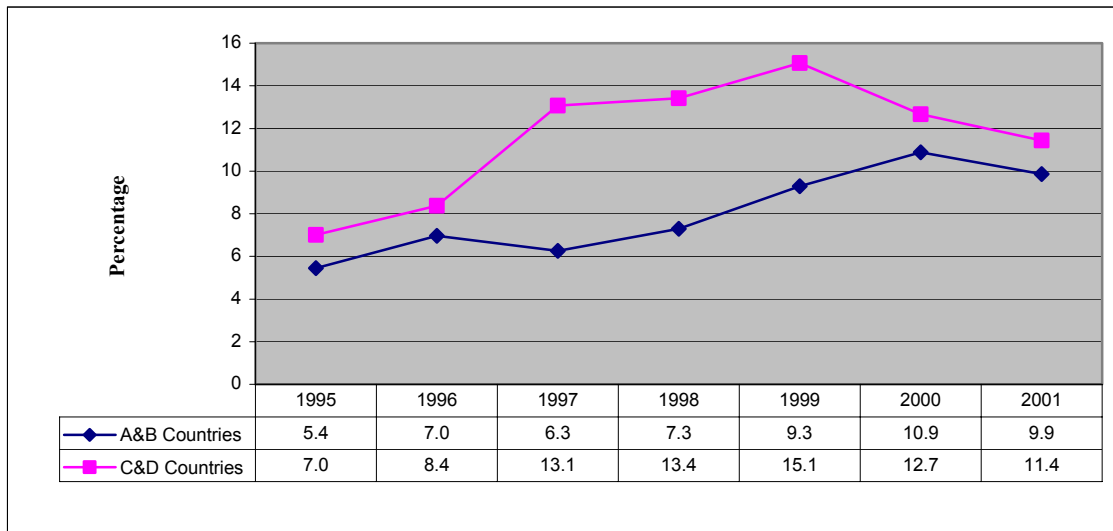
2.3 The data also show, however, a decline in consulting expenditures in C and D countries starting in 2000, the first year when explicit tracking of such expenditures was no longer required under the Plan. The continuation of this trend in 2001 suggests that the overall gains initially encountered may be eroding over time⁷.

⁶ The administrative budget allocation for each country assigned in this subprogram was US\$ 105,263 (GN-1940-3, Annex A, Table 2), enabling CO's to manage resources to enhance project identification and execution.

⁷ Of the 19 countries included in the Plan, there are three country offices that show a reverse pattern.

2.4 In order to control for possible fluctuations in total expenditures⁸, Figure 2.2 presents the percentage of expenditures allocated for consulting services over the total. The pattern observed mimics that already described above for consulting expenditures, except that the percentage allocations show a wider gap starting with the Plan adoption and a narrower gap after 2000. In 1996, C and D country offices allocated a little more than 1 percentage point more of their administrative expenditures to consulting services than did A and B countries. That gap rose to roughly 7 percentage points in 1997 and has returned to around 1 percentage point in 200 and 2001.

Figure 2.2: Percentage of Country Office Consulting Expenditures over Total Expenditures by Country Groups



Source: BMA/BUD

2.5 If a reasonable counterfactual is that consulting expenditures would have grown in C and D countries at the same rate as they grew in A and B countries, then this data demonstrate clear financial additionality for the Plan during the 1997-1999 period, followed by sharply diminishing additionality later on.

⁸ Total expenditures include personnel costs, staff development, pensioner expense, consultants and outside services, business travel, general administrative costs, country initiatives, reimbursements, skills revitalization program, and staff in transition.

III. PROJECT PREPARATION AT HEADQUARTERS USING ADMINISTRATIVE RESOURCES

- 3.1 Under this subprogram, the Plan provides additional funding to support project preparation at HQ. From 1997 through 2001, budgetary resources for this purpose were approved every year for a total amount of US\$ 10 million. The expected regional allocation of these funds and expenditures are summarized in Table 3.1 below.
- 3.2 Determining additionality for this component is particularly difficult since the funds were simply added to the budgets of the three regional departments in proportion to the number of C and D countries in each department. Within departments, funds are neither budgeted for, nor reported on, by individual country, so it is very difficult from budget data to track the application of these funds to project preparation work at headquarters for C and D group countries. The combined allocations over the period are summarized in table 3.1.

Table 3.1: Project Preparation at Headquarters using Administrative Resources (US\$000)

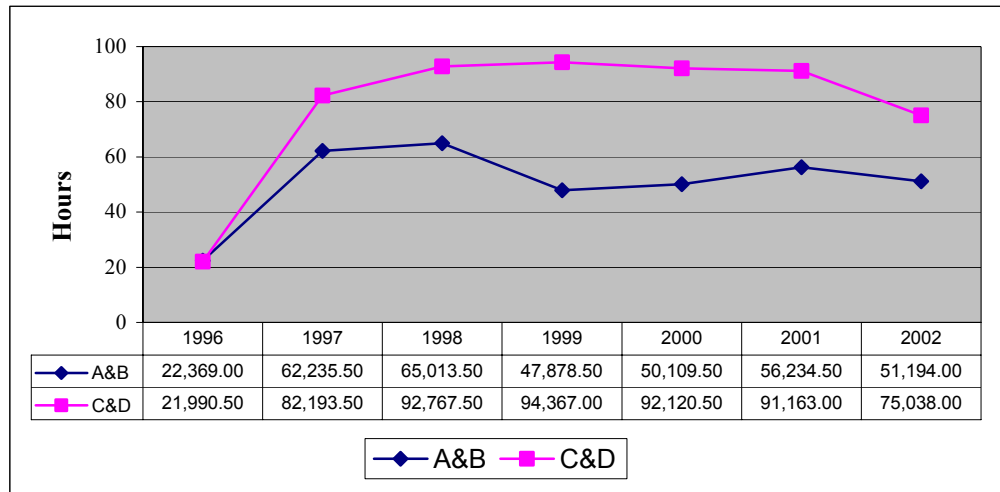
	Expected allocations per year (a)	Expected Allocations 1997-2001 (b)	Estimated Budget 1997-2001 (b)	Expenditures 1997- 2001 (b)
Region I	316	1,578	1,774	1,867
Region II	947	4,736	4,467	4,364
Region III	737	3,684	4,423	3,916
Total	2,000	9,998	10,644	10,147

Source: (a) GN-1943-3, (b) BMA/BUD

- 3.3 The Bank's Time Recording System (TRS) does, however, provide a way of estimating project preparation effort applied to different country groups. Bank staff (and some consultants) report their hours of work by activity and by budget program. Three budget programs (Analysis Missions, Profile 1 and Profile 2) account for 75 percent of the total reported hours on project preparation work, which in turn is approximately 25 percent of the total hours reported by headquarters staff in the regional departments. When this information on reported hours worked is linked to a specific project number, it is possible to determine the country toward which this preparation effort was being directed. Not all project preparation work is reported by country, and not all project preparation work is accounted for by these three programs, but the data provides a best guess approximation of how effort was allocated.
- 3.4 Figure 3.1 shows the hours reported in TRS by headquarters staff for the three budget programs in cases where country identification was possible. 1996 data are

unreliable because the TRS system was just being implemented and many staff hours were not recorded. Starting in 1997, however, the data show a consistent pattern of allocating more hours on preparation for C and D group countries than for A and B group, with both groups showing a fall off in 2002 as the pace of new loan development in the Bank slowed (see Annex, Table 4).

Figure 3.1: Headquarters Hours on Preparation

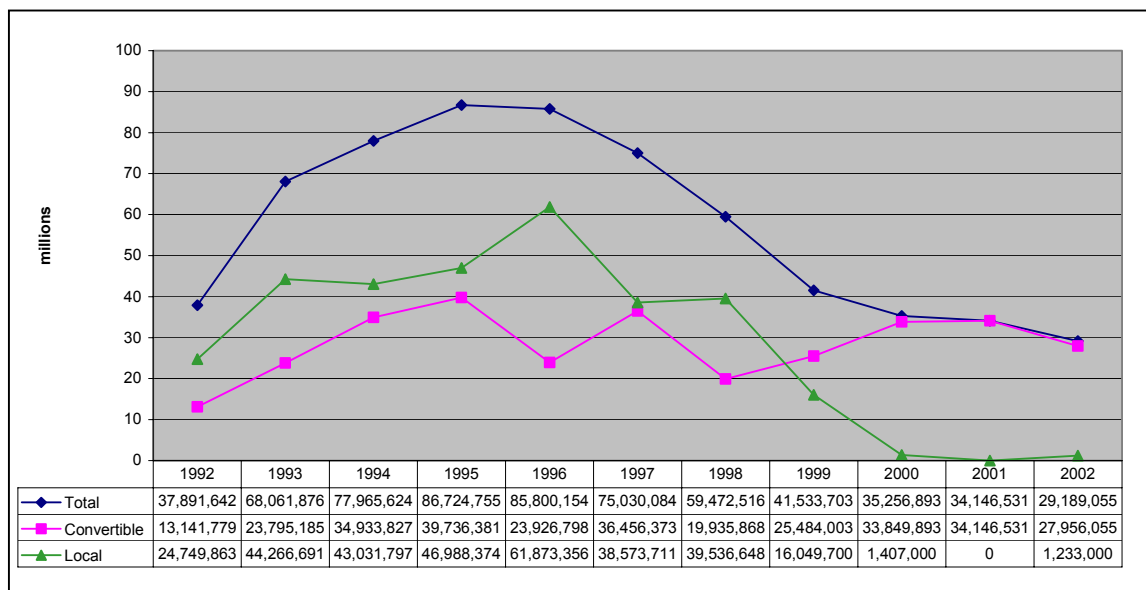


- 3.5 While not conclusive proof of the impact of the C and D Action Plan, this data does suggest that a counterfactual constructed from A and B group resource allocations would have predicted a significant drop in preparation effort in 1999, and then only a modest recovery through 2001, when in fact the actual pattern of effort for C and D countries remained steady over this period.
- 3.6 Having observed a different pattern of effort between the different country groups, a complete assessment of additionality would have to address the question of attribution: Was this difference in observed behavior the result of the C and D Action Plan, or did it come about as a result of other factors and thus would have been observed even without the Plan? Because the data relate to staff hours of effort, and because the Bank’s organization assigns staff to country divisions, the fact that C and D countries are more numerous could easily explain the observed results. Lacking the data to address the attribution question, additionality for this component of the program cannot be firmly established.

IV. PROJECT IDENTIFICATION AND EXECUTION IN COUNTRY OFFICES USING FSO FUNDS

- 4.1 According to the Plan, a budget allocation of FSO resources of US\$ 2 million per year would complement the administrative allocation to support project identification and execution in CO. The distribution of FSO allocations per country (see Annex A, Table 2) follows criteria defined in the original Board document (GN-1940-3). Each CO received its share of resources in the form of National Technical Cooperation (see Annex A, Table 3). The Board approves these FSO resources for each CO as part of the Non-reimbursable and Social Entrepreneurship Program.
- 4.2 Whether these resources were additional to the resources that would otherwise have been made available requires the construction of a plausible counterfactual, which in the case of TC resources is complicated by changes in resource availabilities due to factors entirely external to the C and D Action Plan.
- 4.3 Bank-funded TC comes largely from the net income of the FSO. Historically, FSO has had net income available to support TC in both local and convertible currencies, however changes approved in 1998 have led to the elimination of local currency net income as a source of TC funding. (See Figure 4.1). The elimination of local currency funding primarily affected A and B countries, where most of the local currency assets were concentrated. C and D countries have traditionally derived their TC resources almost entirely from the convertible currency net income of the FSO.

Figure 4.1: FSO TC Approvals

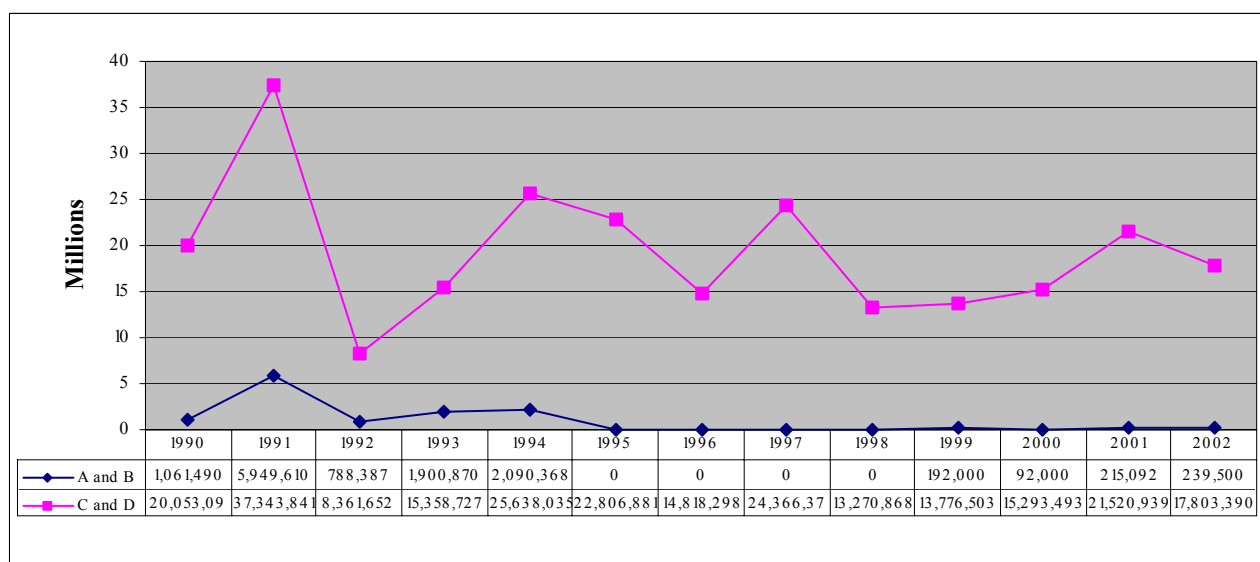


Source: TUS (Technical Cooperation Update System)

- 4.4 Convertible currency available for funding TCs is determined by the convertible currency earnings of the FSO on both outstanding loans and liquidity. As figure

- 4.1 indicates, approved funds in convertible currencies gradually increased to US\$ 40 million in 1995, then continued in an oscillating trend reaching only US\$ 28 million in 2002.
- 4.5 Within this resource envelope, TC funds were allocated into two pools: “regional” and “national”, and the “national” pool was further allocated to individual countries. Constructing a counterfactual thus requires an estimate regarding how the pool of convertible currency TC resources would have been allocated, in the absence of the Plan, between: 1) A and B country national TC; 2) C and D country national TC; and 3) regional TC.
- 4.6 Looking first at the national TC program, Figure 4.2 shows that A and B group countries essentially stopped receiving FSO convertible currency national TC starting in 1995. As a result, the entire supply of available convertible currency national TC resources was allocated to C and D group countries even before the start of the C and D Action Plan. With respect to national TC, therefore, no financial additionality was obtained with respect to these funds as a result of the Plan, since C and D group countries were already receiving as much convertible currency TC funding as was available.

Figure 4.2: Convertible Currency FSO trends for National TC

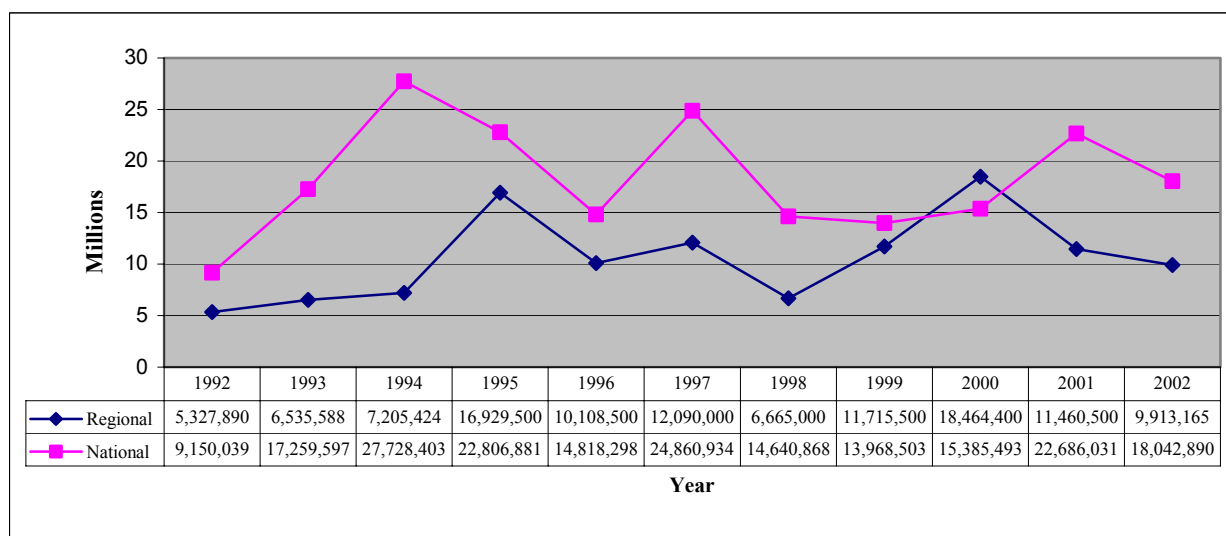


Source: TUS (Technical Cooperation Update System)

- 4.7 The situation is somewhat different with respect to Regional TC. While A and B group countries ceased to be claimants for FSO convertible currencies in 1995, regional TC continued to have a claim on a portion of the available convertible currency resources. C and D group countries thus received all convertible currency funds except those dedicated to regional TC, and any financial additionality for C and D national TC would have to come from the resources allocated to the Regional TC Program, as established by the Board in GN-1940-3.

4.8 Figure 4.3 shows the funding trends for national and regional TC. From 1997 through 1999 this subprogram received additional resources from the RTC program as required by the Board. Starting in 2000, however, FSO resources for consulting services in country offices were allocated from the National TC Program (GN-2099 par. 1.02) Management has informed OVE that the decision for the shift from RTC to NTC resources was based on the shortage of local currencies that traditionally funded most of the RTC program.

Figure 4.3: Regional and National TC in Convertible Currencies



Source: TUS (Technical Cooperation Update System)

4.9 After 2000, therefore, there is no formal attempt to limit RTC demand for convertible currencies in order to free up resources for this component of the Plan. While it is possible that regional TC was held to levels lower than would otherwise have been the case as a result of the Plan, there is no way to verify that this took place, and therefore there is no solid basis for concluding that the Plan provided financial additionality in this component after 2000. The increase observed in national TC funding after 2000 in Figure 4.3 may have been the result of increased national convertible currency resource availabilities, carryovers and cancellations external to the Plan rather than a continued diversion of resources from regional TC.

4.10 It is worth noting, however, that the Plan has made available FSO non-reimbursable funding to C and D countries that according to OP-402⁹ would not be eligible to receive FSO Net Income Convertible Currencies (Bahamas, Barbados, Costa Rica, Panama, Suriname, Trinidad & Tobago, Uruguay and Belize). Therefore, for these countries, the Plan also provides additional funding

⁹ Nonreimbursable funding (ATN) as a general rule is used for operations for the benefit of Group C or D countries which appear in the Bank's 1993 Annual Report as having a per capita GDP of under US\$ 1,600, with priority to the poorest countries.

to finance: a) studies to support project identification and conceptualization, and b) short-term consultancies to support problem-solving during project execution.

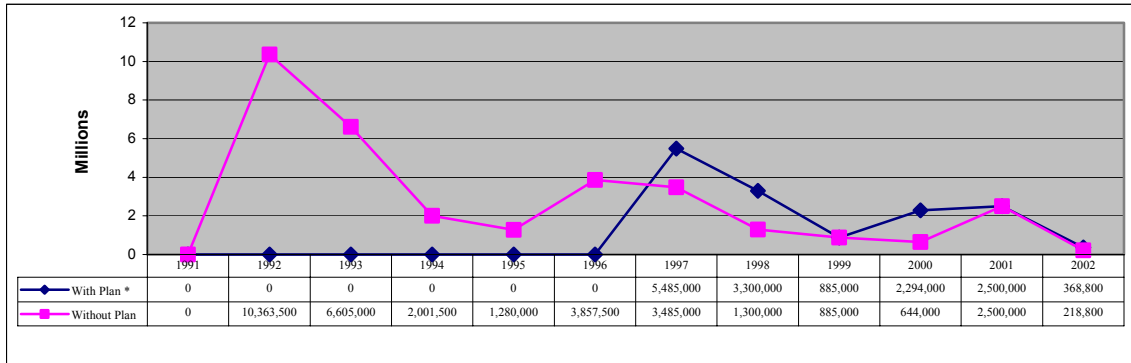
- 4.11 In sum, this subprogram provides financial additionality in two instances: First, following the requirement of the earmarked Plan, the Plan represents additional funding for 1997, 1998, and 1999 where funding for consulting services in CO was allocated from RTC funds. Starting in 2000, resources are allocated from NTC funds and there is no possibility for determining if any RTC resources were used for the Plan. The second instance of financial additionality is observed for those countries that the Plan enabled to obtain access to nonreimbursable TC funding.

V. REGIONAL TRAINING PROGRAM

- 5.1 The Plan also included a regional training initiative designed to strengthen the human resource base of national institutions responsible for preparing and executing projects. This subprogram would be financed with FSO Net Income resources under the Regional Technical Cooperation Program for the amount of US\$ 2 million per year during 1997 and 1998.
- 5.2 In 1999, the Board approved the continuation of this subprogram. With the provision, however, that no further resources would be allocated for this purpose until a training strategy that established a cost-effective, financially sustainable framework for delivering and financing training programs would be developed.
- 5.3 The Training Strategy approved in 2000 has a section on its implementation during the period 2002-2005 (GN-2128-1, Chapter V), which states that other sources, such as loans and PPF operations should be used as alternatives to the use of regional technical cooperation operations to fund the training program. It also states that training on Bank's specific matters (procurement, auditing, etc) will be financed with regional technical cooperation operations or with the administrative budget. A new TC operation approved also in November of 2000 for US\$ 1.35 million aimed at consolidating the advances achieved in the previous training subprogram. This TC document makes explicit that any future training in this area would require a decision regarding the source of additional funding.
- 5.4 The actual budget allocations between 1997 and 2002 reached US\$ 5.8 million, of which US\$ 3.4 has been spent by 2002 (see Annex A, Table 3).
- 5.5 Following the analysis in the previous section, it is difficult to determine whether this program was additional in a financial input sense¹⁰. Training had always been funded as part of the Bank's regional TC program, and officials in C and D group countries had traditionally been the beneficiaries of such training. Figure 5.1 shows the historic trends in RTC approvals (including local and convertible resources) dedicated to training. The very substantial decline over the period is largely a result of the disappearance of local currency funding.

¹⁰ For an assessment of the impact of this training program see report prepared under contract with RTC (Garrone, 2003).

Figure 5.1: RTC Training: Comparison with and without C and D Action Plan (Local and Convertible Currencies)

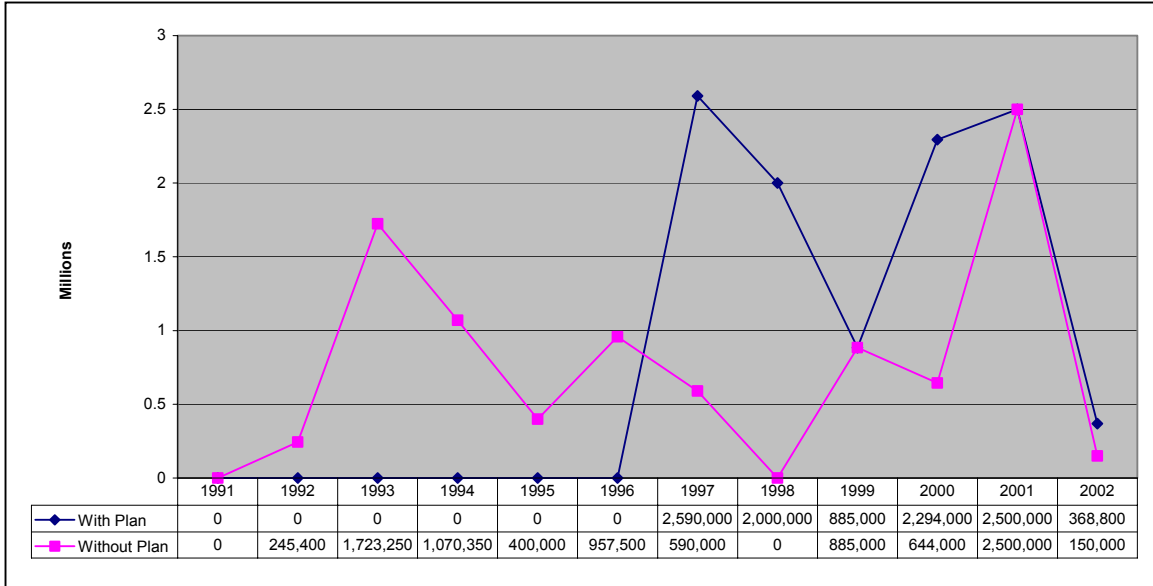


Source: TUS (Technical Cooperation Update System)

* With Plan: amounts include both Plan resources and other RTC resources.

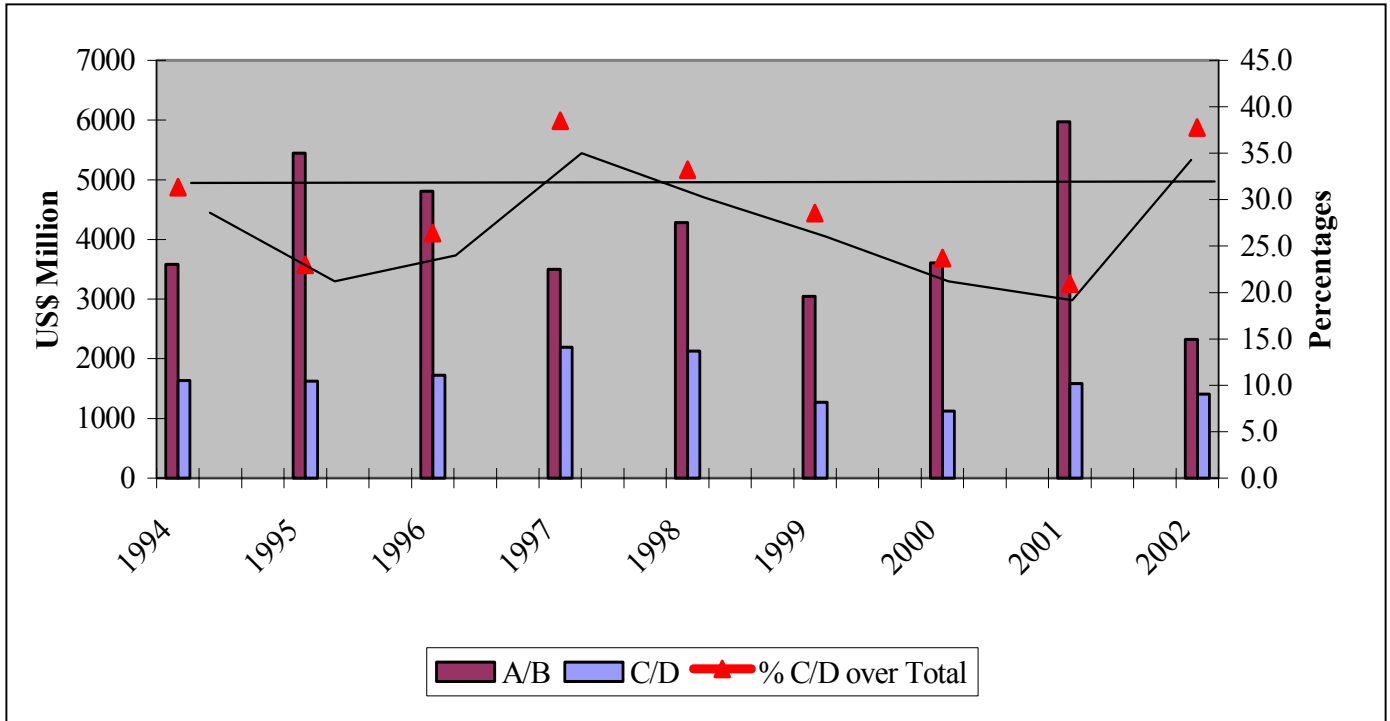
- 5.6 Training allocation trends for the decade are represented by two lines: the first one shows the evolution of funding without the Plan, and the second one, starting in 1997, represents training allocations with the Plan. The area between the two lines is thus the value of training earmarked specifically for the Plan.
- 5.7 If one assumes that C and D countries would have received no RTC funded training in the absence of the plan, then the entire Plan training program is additional. If one assumes that, as was the historical pattern, C and D countries would have received some RTC training even without the Plan, then the financial additionality associated with the plan is reduced.
- 5.8 Figure 5.2 presents an alternative comparison using only convertible resources which maybe a more appropriate point of reference since this type of resource funds most of the training in C and D countries. On the average, the difference in funding before and after 1997 is approximately a million dollars. Lacking any means to construct a counterfactual, this evaluation is unable to determine the extent to which the resources provided under this Plan component were additional to the training resources that would have been available to these countries in the absence of the Plan.

Figure 5.2: RTC Training: Comparison with and without C and D Action Plan (Convertible Currencies)



Source: INT/REG

Graph 1: 1994 - 2002 Approved Loans by Country Groups Excluding Private Sector and Emergency Loans



Graph 2: 1994 - 2002 Loans by Country Groups Excluding Emergency Loans

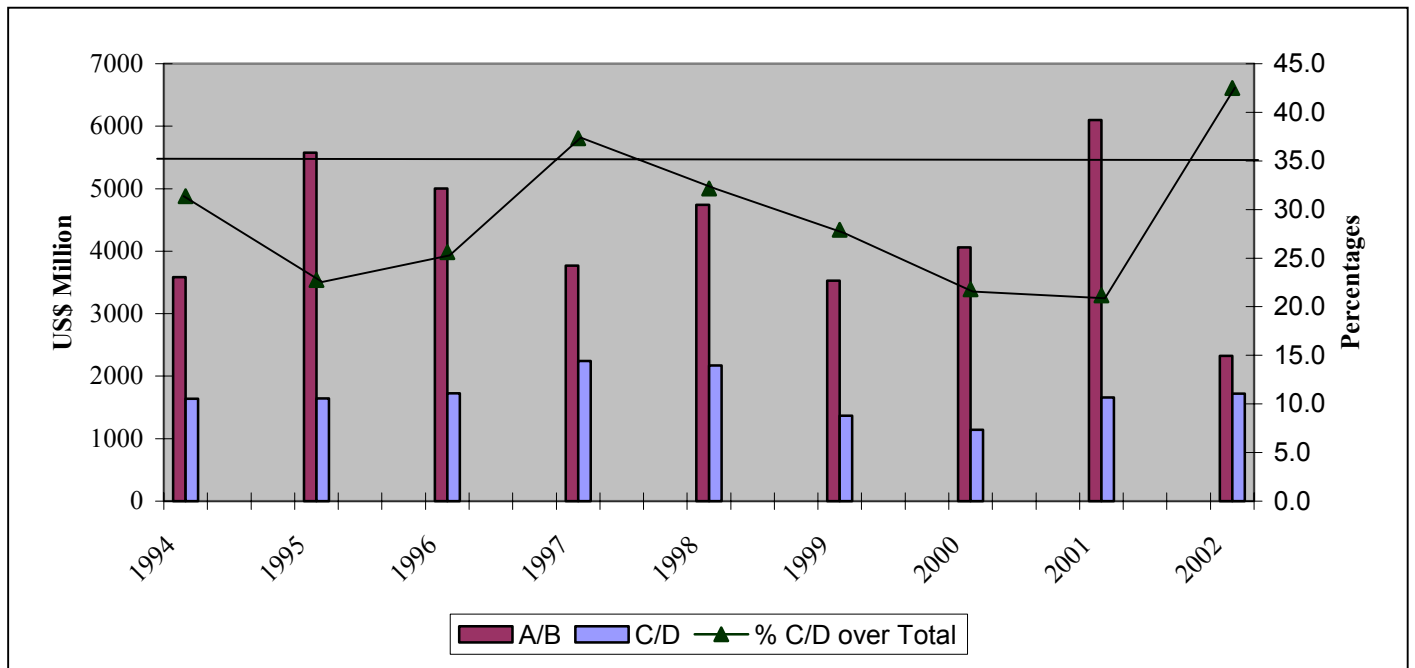


Table 1: C and D Action Plan summary of Administrative Budget allocations and Expenditures

(US \$ 000)						
Program	Region	Budget Allocation Estimates		Total		
		A	B	Expenditures	Balance*	% Disbursed
		1997-2001	1997-2001	1997-2001	1997-2001	1997-2001
Project Identification and Executions in Co.	RE 1	1,817	1,579	1,613	204	88.8
	RE 2	4,648	4,737	4,103	545	88.3
	RE 3	3,156	3,684	3,518	-362	111.5
	Subtotal	9,621	10,000	9,234	387	96.0
Project Preparation at HQs.	RE 1	1,774	1,579	1,867	-93	105.2
	RE 2	4,467	4,737	4,364	103	97.7
	RE 3	4,423	3,684	3,916	507	88.5
	Subtotal	10,664	10,000	10,147	517	95.2
Total	20,285	20,000	19,381	904	95.5	

A. Budget estimates equal expenditures in cases where budget allocations were not provided.

B. Planned budget allocations as defined in (GN-1940-3) for all regions.

Balance equals budget allocations in column A - Expenditures.

Source: BMA/BUD, Account 569: 20, 22, 26.

Table 2: Special Fund for Project Identification and Execution for Country Offices Sourced of Funds for 1997 and 1998 (US\$)

Country	Base Amount			Share Allocation		
	Administrative Budget	FSO Net Income	Total	Factor	FSO Net Income	Total
Haiti	105,263	14,737	120,000	14.23	244,756	364,756
Nicaragua	105,263	14,737	120,000	8.41	144,652	264,652
Honduras	105,263	14,737	120,000	7.51	129,172	249,172
Guyana	105,263	14,737	120,000	4.79	82,388	202,388
Bolivia	105,263	14,737	120,000	6.97	119,884	239,884
Suriname	105,263	14,737	120,000	3.68	63,296	183,296
Guatemala	105,263	14,737	120,000	6.06	104,232	224,232
Dom. Rep.	105,263	14,737	120,000	5.49	94,428	214,428
El Salvador	105,263	14,737	120,000	9.57	164,604	284,604
Ecuador	105,263	14,737	120,000	8.52	146,544	266,544
Paraguay	105,263	14,737	120,000	3.88	66,736	186,736
Jamaica	105,263	14,737	120,000	2.48	42,656	162,656
Costa Rica	105,263	14,737	120,000	7.06	121,432	241,432
Belize	105,263	14,737	120,000	1.14	19,608	139,608
Panama	105,263	14,737	120,000	3.89	66,908	186,908
Uruguay	105,263	14,737	120,000	2.29	39,388	159,388
Trin. & Tob.	105,263	14,737	120,000	2.55	43,860	163,860
Barbados	105,263	14,737	120,000	1.04	17,888	137,888
Bahamas	105,263	14,737	120,000	0.44	7,568	127,568
Total, 1997	2,000,000	280,000	2,280,000	100.00	1,720,000	4,000,000
Total, 1998	2,000,000	280,000	2,280,000		1,720,000	4,000,000
Total, 2 years	4,000,000	560,000	4,560,000		3,440,000	8,000,000

Source: GN-1940-3

Table 3 - C & D Action Plan: FSO Resources (US\$million)

REGION COUNTRY	TC #	1997		1998		1999		2000		2001		2002		TOTAL	
		Approved	Disbursed *	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed
REGION 1															
Bolivia	ATN/SF-5535-BO	0.135		0.135	0.133	0.135	0.070	0.135	0.209	0.135	0.168	0.135	0.114	0.808	0.693
Paraguay	ATN/SF-5536-PR	0.081		0.081	0.130	0.081	0.103	0.081	0.009	0.081	0.009	0.081	0.085	0.489	0.335
Uruguay	ATN/SF-5537-UR	0.054		0.054	0.026	0.054	0.010	0.054	0.017	0.054	0.106	0.054	0.036	0.325	0.195
	SUB TOTAL	0.270		0.270	0.288	0.270	0.183	0.270	0.234	0.270	0.283	0.270	0.236	1.621	1.223
REGION 2															
Belize	ATN/SF-5538-BL	0.034		0.034	0.033	0.034		0.034	0.036	0.034	0.060	0.034	0.037	0.206	0.166
Costa Rica	ATN/SF-5539-CR	0.136		0.136	0.095	0.136	0.140	0.136	0.042	0.136	0.032	0.136	0.105	0.817	0.413
República Dominicana	ATN/SF-5540-DR	0.109		0.109	0.099	0.109	0.153	0.109	0.131	0.109	0.076	0.109	0.142	0.655	0.601
El Salvador	ATN/SF-5541-ES	0.179		0.179	0.263	0.179	0.109	0.179	0.227	0.179	0.173	0.179	0.197	1.076	0.970
Guatemala	ATN/SF-5542-GU	0.119		0.119	0.206	0.119	0.097	0.119	0.067	0.119	0.140	0.119	0.103	0.714	0.613
Haití	ATN/SF-5543-HA	0.259		0.259	0.394	0.259	0.219	0.259	0.178	0.259	0.369	0.259	0.258	1.557	1.418
Honduras	ATN/SF-5544-HO	0.144		0.144	0.071	0.144	0.079	0.144	0.139	0.144	0.146	0.144	0.229	0.863	0.663
Nicaragua	ATN/SF-5545-NI	0.159		0.159	0.000	0.159	0.254	0.159	0.304	0.159	0.153	0.159	0.209	0.956	0.921
Panamá	ATN/SF-5546-PN	0.082		0.082	0.073	0.082	0.043	0.082	0.090	0.082	0.100	0.082	0.121	0.490	0.427
	SUB TOTAL	1.222		1.222	1.234	1.222	1.094	1.222	1.213	1.222	1.249	1.222	1.402	7.335	6.192
REGION 3															
Bahamas	ATN/SF-5547-BH	0.022		0.022	0.012	0.022	0.043	0.022		0.022	0.022	0.022	0.007	0.134	0.084
Barbados	ATN/SF-5548-BA	0.033		0.033		0.033		0.033		0.033	0.029	0.033	0.068	0.196	0.097
Ecuador	ATN/SF-5549-EC	0.161		0.161		0.161	0.206	0.161	0.289	0.161	0.181	0.161	0.193	0.968	0.869
Guyana	ATN/SF-5550-GY	0.097		0.097	0.054	0.097	0.108	0.097	0.030	0.097	0.168	0.097	0.071	0.583	0.431
Jamaica	ATN/SF-5551-JA	0.057		0.057	0.048	0.057	0.091	0.057	0.033	0.057	0.067	0.057	0.067	0.344	0.306
Surinam	ATN/SF-5552-SU	0.078		0.078	0.146	0.078	0.028	0.078	0.135	0.078	0.020	0.078	0.082	0.468	0.412
Trinidad y Tobago	ATN/SF-5553-TT	0.059		0.059	0.035	0.059	0.024	0.059	0.084	0.059	0.046	0.059	0.037	0.352	0.227
	SUB TOTAL	0.507		0.507	0.296	0.507	0.500	0.507	0.571	0.507	0.533	0.507	0.524	3.044	2.424
	TOTAL	2.000		2.000	1.819	2.000	1.777	2.000	2.018	2.000	2.065	2.000	2.161	12.000	9.839
REGIONAL	ATN/SF-5681-RG	2.000												2.000	0.000
	ATN/SF-6252-RG			2.000	0.031		1.761		0.116		0.092			2.000	2.000
	ATN/SF-6852-RG							0.150	0.109		0.024		0.015	0.150	0.148
	ATN/SF-6870-RG							0.150	0.141		0.009			0.150	0.149
	ATN/SF-7226-RG							1.350					1.062	1.350	1.062
	ATN/SF-8153-RG											0.150		0.150	0.000
	TOTAL	2.000	0.000	2.000	0.031	0.000	1.761	1.650	0.365	0.000	0.124	0.150	1.078	5.800	3.360

* LMS data did not provide disbursement information for 1997

~ 2003 data is pending on Board approval

Table 4: IDB LOANS 1994 - 2002 - EXCLUDING EMERGENCY LOANS(Amounts in US\$ million)

Country Group	1994			1995			1996			1997			1998			1999			2000			2001			2002		
	No.	Approved	%	No.	Approved	%	No.	Approved	%	No.	Approved	%	No.	Approved	%	No.	Approved	%	No.	Approved	%	No.	Approved	%	No.	Approved	%
A and B		3,583.5			5,576.4			5,004.7			3,529.8			4,739.6			3,530.7			4,060.7			6,101.1			2,327.3	
Regional A/B		0.0			0.0			0.0			240.0			0.0			0.0			0.0			0.0			0.0	
Subtotal A/B	18	3,583.5	69	29	5,576.4	77	34	5,004.7	74	38	3,769.8	63	37	4,739.6	68	31	3,530.7	72	32	4,100.7	78	30	6,175.1	79	21	2,327.3	57
C and D		1,638.1			1,642.9			1,686.5			1,894.3			2,247.8			1,367.0			1,142.2			1,587.8			1,700.7	
Regional C/D		0.0			0.0			0.0			350.5			0.0			0.0			0.0			71.8			0.0	
Regional Carib.		0.0			0.0			37.0			0.0			0.0			0.0			0.0			0.0			20.0	
Subtotal C/D	31	1,638.1	31	38	1,642.9	23	40	1,723.5	26	42	2,244.8	37	55	2,247.8	32	42	1,367.0	28	48	1,142.2	22	51	1,659.6	21	55	1,720.7	43
	49	5,221.6		67	7,219.3		74	6,728.2		80	6,014.6		92	6,987.4		73	4,897.7		80	5,242.9		80	7,834.7		76	4,048.0	

Annual Approval 94-02

REFERENCES

AB-1704	Proposal for the eight general increase of the InterAmerican development Bank	August, 1994
GN-1940	Training program for Group C and D countries. A strategy for the IDB. Final version	July, 1996
	Memorandum from Executive Directors to Senior Deputy Manager RE1/RSS, 1/24/97	January, 1997
GN-1940-3	Training program for Group C and D countries. A strategy for the IDB. Final version	March, 1997
GN-1973	Nonreimbursable technical-cooperation and small-projects program	May, 1997
GN-1940-4	Action Plan for C and D countries. Progress Report	August, 1997
GN-2009	Nonreimbursable technical-cooperation and small-projects program	March, 1998
GN-1940-5	Action Plan for C and D countries. Progress Report	July, 1998
GN-2023	Report on Bank actions to support C and D group countries	July, 1998
GN-2060-2	Nonreimbursable technical cooperation and social entrepreneurship program. Revised version	May, 1999
RE-242	Evaluation Report: Action Plan for Group C and D Countries	November, 1999
RE-242-5	New version of the Report by the chairman of the Policy and Evaluation Committee on the Evaluation Report: Action Plan for Group C and D countries	November, 1999
GN-2099	Nonreimbursable technical-cooperation and small-projects program	March, 2000
GA-188	2001-2003 Management and Budget Report-Program and Budget issues paper	August, 2000
GN-2128-1	Training program for Group C and D countries. A strategy for the IDB. Final version	January, 2001
GN-2151	2001 no reimbursable technical-cooperation program	April, 2001
Estudio de Impacto del Programa de Entrenamiento, Guillermo Garrone, Enero 2003		

PERSONS INTERVIEWED

Pablo Adams	Representative, COF/SU
David Atkinson	Representative, COF, ME
Sandra Bartels	Projects Specialist, RE2
Maria Del Mar Cole	Staffing and Budget Officer, RE2
Juan Manuel Corredor	Chief, INT/RTC
Dora Currea	Representative, COF/CEC
Marco Ferroni	Principal, Evaluation Office
Robert Free	Chief, Program and Adm. Services, RE3
Martha Ganoza Hoffmann	Staffing and Budget Officer, RE1
Alfredo Garcia	Senior Policy Programmer, DPP/SPO
Enrique Gochicoa	Irmu Coordinator, ITS/ITC
Jeremy Gould	Representative, COF/CPN
Raul Jauregui	Hq. Finance and Accounting Specialist, ROS/DAU
Patricia Nalvarte	Operational Specialist, ROS/PMP
Gustavo Nevares	Operational and Technology Services, RE3
Martha Preece	Housing and Urban Dev. Specialist, RE2
Itsvan Pribilovicks	Chief, DPP-BMA
Mireya Rossi	Sr. Budget Officer, DPP-BUD
Helge Semb	Representative, COF/HO
Martin Stabile	Representative, COF/CUR
Peter Zoll	Sr. Policy and Programming Services, DPP/SPO