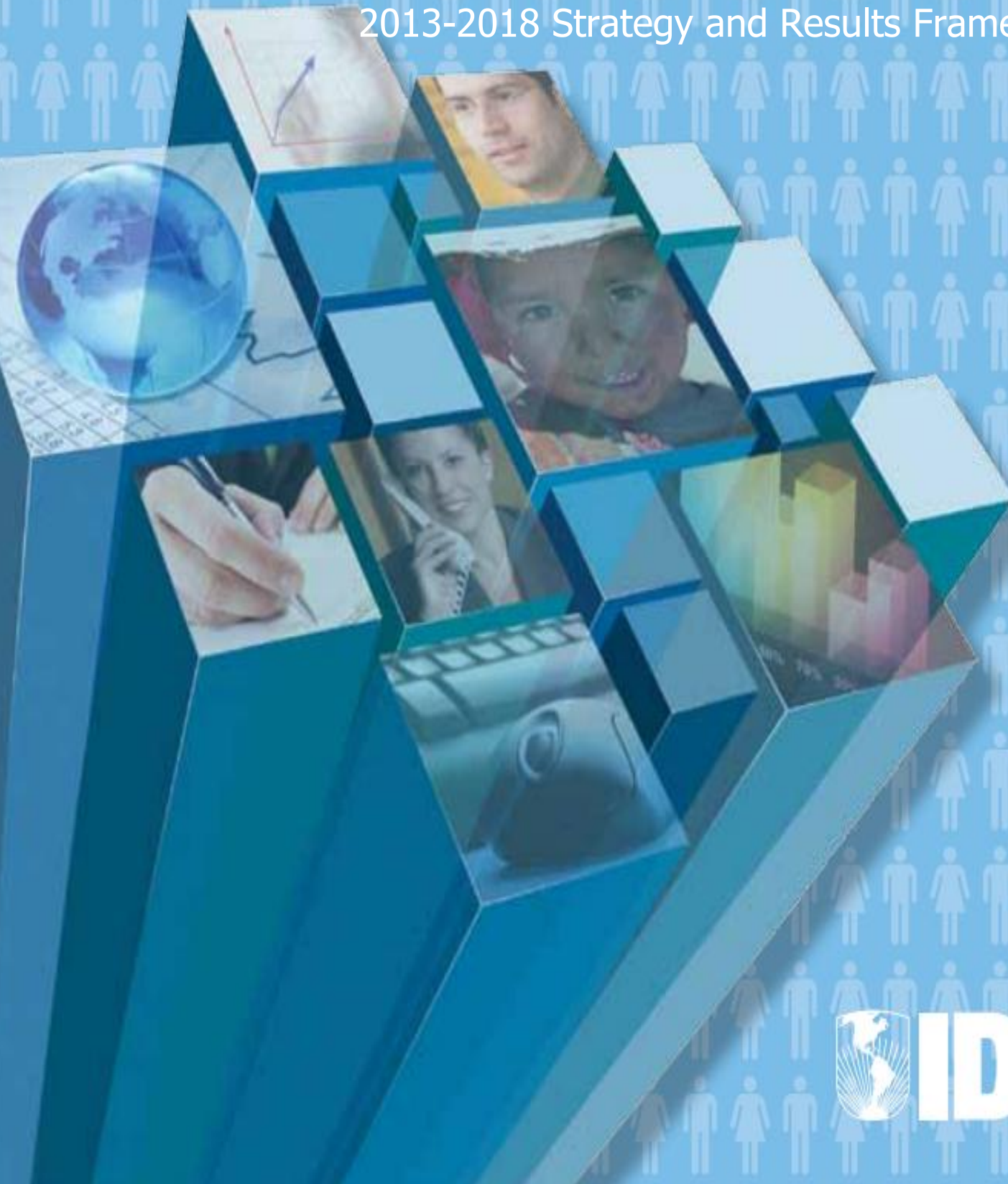


TRANSPARENCY FUND

Inter-American Development Bank

2013-2018 Strategy and Results Framework





Transparency Trust Fund 2013-2018 Strategy and Results Framework

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TRANSPARENCY TRUST FUND

STRATEGIC APPROACH AND RESULTS FRAMEWORK 2013-2018

INTRODUCTION

The IDB signed an agreement with the Royal Ministry of Foreign Affairs of Norway to establish the Anticorruption Activities Trust Fund (now the Transparency Fund)¹ in March 2007, with an initial contribution of approximately US\$ 5 million. Since 2007 the AAF received additional contributions from the IDB in 2011 (US\$1 million), Norway in 2012 and 2013 (US\$7.4 million), and from Canada (US\$9.1 million) and MasterCard (US\$ 0.9 million) in 2014.

Following the signature of the agreement, and until December 2007, the Bank undertook a series of activities aimed at designing the strategic approach of the Fund, which became operational in January 2008. The first phase of the Fund (2008-2012) was focused on strengthening the institutional capacity of countries in Latin America and the Caribbean (LAC) to design and implement access to information and targeted transparency policies. After five years of implementation, the Fund not only obtained tangible results at the country and regional level, but it was also recognized as a source of innovation and a catalytic facility to leverage substantial institutional reforms towards transparency, adding value to the Bank's panoply of instruments.

The Concept Note for the 2013-2018 Strategy (Section I) of the Transparency Fund is structured in four key results pillars: (i) demand based projects; (ii) knowledge generation; (iii) management of the Fund; and (iv) umbrella regional projects. The first three pillars have been part of the Transparency Fund from the beginning. The Fund has been recognized as an agile mechanism to finance stand-alone demand-based projects and to generate and disseminate operationally relevant knowledge. This was possible thanks to the attention dedicated to the technical management of the Fund, which has ensured thematic alignment with Fund objectives, and effective and transparent governance. Umbrella projects are a new addition to the strategic approach of the Fund. They will allow for a common and regional scope of intervention, actively encouraging activities in priority areas.

After a strategic planning process that took place between September 2011 and September 2012, the IDB and the Government of Norway agreed that, during its second phase, the Transparency Fund would develop and implement umbrella projects around the following priority areas: (i) financial integrity; (ii) natural resource management, (iii) control systems, and (iv) open government. These pillars are described in detail in the 2013-2018 Strategy for the Transparency Fund (Section I). In conjunction with the new strategy, the Bank also drafted a Results Framework for the Fund, which is described in Section II of this document

¹ In November 2012, the Fund's name was changed to the Transparency Fund, to highlight its focus on transparency as a tool to promote integrity, improve the quality of public services and increase the efficiency of public expenditures.

Section I

2013-2018 Strategy

1. Guiding principles

The operational experience of the 2008-2012 period (Phase I) shows that the strategic focus of the Transparency Fund (the Fund), which emphasizes transparency and access to information as a tool to prevent and control corruption across sectors, has proven extremely effective, not only as an innovation tool, but as an entry point to significant institutional strengthening. Phase I of the Fund was not established around priority areas but rather on a wide range of activities that fall within the margins of Targeted Transparency (TT) policies.²

Phase II of the Fund will build upon its identified success factors, anchoring its strategy in three guiding principles, applicable both at the internal (Bank related) and external (support to the Region) levels:

Table 1 - Guiding Principles

PRINCIPLES	INTERNAL LEVEL (IDB)	EXTERNAL LEVEL (LAC)
Technical Quality	Ensuring proposal assessment and eligibility criteria Providing overall strategic guidance	Ensuring proposal alignment with the Fund's objectives Providing inputs for technical quality
Focus on Results	New Results Framework (see attached document) Following Annual Operational Plans	Ensuring proposal evaluability Providing execution support
Mainstreaming	Continuing supporting cross-divisional support Facilitating awareness and dissemination activities	Informing IDB-Country dialogue Generating knowledge products to inform design Originating larger IDB operations on transparency / anticorruption

² For more information on the concept of Targeted Transparency policies and key achievements of Phase I of the Fund, see *Open Government and Targeted Transparency. Trends and Challenges for Latin America and the Caribbean*. IDB Publication Code MG-137. More information on results from Phase I can be found in the Annual Reports of the Transparency Fund.

2. Strategic Approach

To support permeability of these guiding principles across Fund activities, and to facilitate further reporting on the results achieved in Phase II of the Fund, the Strategic Framework for the 2013-2016 period is structured in four key results pillars: (i) demand based projects; (ii) knowledge generation; (iii) management of the Fund; and (iv) umbrella projects.

Table 2 - Fund Strategic Approach

Principles	Demand-based projects	Knowledge Generation	Management of the Fund	Umbrella Projects
Technical Quality	Technical support provided in early stages to ensure alignment with the Fund-Donor priorities	Case studies for each umbrella project	Continued support to solid eligibility review process	Technical support by the Fund provided in early stages to ensure alignment with the Fund-Donor priorities
Focus on Results	Projects to include results framework and baseline studies to assess results/impact	Continued with mid-term evaluations	The Fund is guided by its results framework, mainstreaming; portfolio monitoring; and knowledge generation	Projects to include results chain in accordance with the results framework
Mainstreaming	Fund to ensure strong country buy-in from countries	Secure high-level coordination with key institutions working on AML, Tax Evasion, Natural Resource Management, and Control and Audit	Fund webpage with results from all thematic and demand-based projects; organization of events	Fund to ensure cross-sector collaboration

Demand-based projects. The Fund has developed a reputation at the regional level, as well as within the Bank as an agile mechanism to finance stand-alone projects. This will continue being

a key objective for the management of the Fund. It is important to clarify that demand from countries does not necessarily have to reflect the priority areas of the Transparency Fund.

Knowledge Generation. The second phase of the Fund will strengthen ongoing efforts to generate and disseminate operationally relevant knowledge. Particularly, the Fund will focus on the generation of evidence based assessments of the cost benefit analysis of transparency reforms through its projects and activities. In addition, it will complement work in specific areas with knowledge activities on frontier issues, particularly to integrate calls for proposals. The Fund will rely on technical assistance to undertake relevant research and will seek to leverage collaborations with external experts by pursuing partnerships with relevant organizations, think tanks and/or universities in prioritized areas. In particular there is a pressing need to partner with well recognized organizations to generate and share evidence-based knowledge on transparency and anticorruption reforms to complement existing macro evidence with project based evidence

Technical Support for the Management of the Fund. The quality control mechanisms and management processes defined and implemented in the 2008-2012 phase have proven critical to the Fund's success. Looking forward, management of the Fund will continue to be a pillar of dedicated attention by the Institutional Capacity of the State Division of the Institutions for Development Department (IFD/ICS), to ensure thematic alignment with Fund objectives; country and regional alignment; proactive portfolio management, monitoring and evaluation of interventions; and awareness, promotion and dissemination of financed activities.

Umbrella Thematic Projects. These are regional interventions that provide a package of support in specific areas or topics. They allow for a common scope of intervention and activities, actively encouraging demand. The key goal is for countries to easily draw support for technical assistance from these umbrella projects, which will be developed following a set of overarching activities ranging from strengthening legal and regulatory reforms and policy decision making; enhancing compliance with international standards; improving the institutional capacity of the state to provide better public services and prevent corruption; and generating and disseminating knowledge.

After a strategic planning process that took place between September 2011 and September 2012, the IDB and the Government of Norway agreed that the priority areas for the Trust Fund's umbrella projects will be defined according to the following questions: (i) is there demand for the area in the region?; (ii) is the area a priority for the IDB?; (iii) is the area a priority for regional and non-regional donors/potential donors?; (iv) does the Fund's strategic approach add value?³

The umbrella projects will leverage initiatives based on a regional approach, helping countries design and implement policies around the following priority areas: (i) financial integrity (including anti-money laundering and tax haven regulations); (ii) natural resource management; (iii) control and audit; and (iv) open government. The areas for these umbrella projects are inter-connected and are of critical importance for the Latin American and Caribbean region.

³ For more information on the strategic planning process of the Transparency Fund's second phase, please refer to <http://events.iadb.org/calendar/eventDetail.aspx?lang=En&id=3154>

3. Priority Areas

Financial Integrity

(i) Anti-Money Laundering

Money Laundering (ML) is a complex phenomenon with negative economic and political consequences that may adversely affect the political and financial stability of a country. The banking and financial sector are among those with higher exposure to these activities. However, ML also contaminates non-financial activities, such as the real estate market, exports and imports, transactions in various commodities, and the practice of professional activities. Although there are no precise figures, “a rough estimate of money laundering in the region appears to be somewhere between 2.5 and 6.3 percent of annual regional GDP.” The IDB actively supports its member countries in the compliance process with the Financial Action Task Force (FATF) Standards on Money Laundering and Terrorist Financing (40 Recommendations on AML/CFT). The IDB is an observer and active participant at the FATF and the FATF-Style Regional Bodies, GAFISUD and GAFI Caribbean.

The overall aim of the Fund’s umbrella project is to support member countries in their efforts to prevent money laundering and terrorist financing, in compliance with the recently adopted 40 Recommendations on AML/CFT. The umbrella project’s specific objectives are to: (i) help countries design and implement a national coordination and cooperation plan, as defined by the 40 Recommendations on AML/CFT; (ii) help countries implement a risk-based approach for AML/CFT; (iii) strengthen legal and regulatory reform in compliance with the 40 Recommendations on AML/CFT; (iv) improve the supervisory capacity of public agencies to detect, prevent and sanction AML/CFT activities; (v) enhance the ability of public agencies responsible for detecting, preventing and sanctioning AML/CFT activities to collect, organize and disseminate information; (vi) enhance the ability of Financial Intelligence Units to collect, organize and disseminate information in order to improve their ability to detect and prevent AML/CFT activities; (vii) increase and disseminate knowledge and best practices on AML/CFT; and (viii) enhance cooperation with other IFI (International Financial Institutions) working on AML/CFT issues.

The umbrella project will integrate, when feasible, its AML/CFT activities with programs aimed at enhancing citizen security, judiciary reform and institutional strengthening, seeking a systemic effect from its assistance. Particular emphasis will be placed on the link between ML and tax evasion, looking for synergies between AML/CFT and improving the transparency, efficiency and fairness of revenue systems.

Key partners for this initiative include the Financial Action Task Force (FATF), GAFISUD, GAFI Caribbean, the International Monetary Fund (IMF); Global Financial Integrity (GFI); the World Bank, the Central American Bank for Economic Integration (CABEI), and the Inter-American Drug Abuse Control Commission of the Organization of American States (OAS/CICAD), among others.

(ii) Tax Havens and Transparency in Tax Systems

Tax transparency and the struggle against harmful tax practices has been part of the international tax agenda for at least the last 15 years. These efforts have gained decisive momentum after the 2008 financial crisis, by curbing the traditional resistance of major financial centers to share bank information. However much technical work remains to be done, especially in the LAC region, which accounted for 46.5% of all jurisdictions with low transparency around the world in 2009.

International efforts to curtail tax havens have evolved into a global initiative aimed at implementing standards in key areas such as improving transparency and exchange of information for tax purposes (the so-called “Global Forum”). This renewed attention is due to the need to increase government revenues and to improve the integrity of the financial system, now in need to justify its legitimacy to obtain public funding (OECD 2010).

The overall aim of the umbrella project on tax havens and transparency in tax systems will be to support Latin American and Caribbean countries in their efforts to tackle tax havens and offshore activities, and to enhance transparency in tax systems. The specific objectives will be to: (i) enhance systems and institutions in order to share information and improve coordination among different countries’ tax agencies; (ii) design simplified, more rational legal frameworks (both fiscal and non-fiscal), fostering compliance with regulations and international standards; and (iii) increase and disseminate knowledge and best practices to detect, prevent and sanction tax havens and offshore activities.

Key partners for this initiative include the Global Forum on Transparency and Exchange of Information for Tax Purposes (100+countries), the Organization for Economic Co-operation and Development (OECD), the World Bank, CAPTAC-DR (IMF), and the Inter-American Center of Tax Administrations (CIAT), among others.

Natural Resource Management

The LAC region is the world’s leading source of metals and has the second largest share of the world’s oil and gas reserves. With recent offshore discoveries in Brazil, potentially placing it among the countries with the largest oil reserves, and with Argentina potentially among the third largest provider of shale gas reserves in the world, the region is quickly becoming a key player in the global development of hydrocarbons. However, the dominance of extractive industries in many LAC economies coexists with macroeconomic vulnerability, fragile public local institutions, information asymmetry and conflicting expectations regarding development impacts.

Given the escalating revenues from the recent mineral and hydrocarbon boom in LAC and high commodity prices, these challenges are increasing fueling demand from public sector clients to strengthen the institutional capacity of public sector institutions in order to strengthen transparency and checks and balances throughout the value chain of the extractive industries.

The overall aim of this umbrella project⁴ on natural resource management will be to support member countries in their efforts to enhance transparency and access to information regarding the benefits and impacts of the extractive industries. Specifically, this initiative will help countries and civil society to: (i) develop diagnostics and work plans to implement transparency standards, including the Extractive Industries Transparency Initiative (EITI); (ii) design and implement IT/software to publish and disseminate information on the benefits and impacts of the extractive industries; (iii) support the implementation of public education campaigns; (iv) provide technical and financial resources for the review of legal codes, laws and contracts in the extractive industries, specifically when these legal and regulatory frameworks relate to transparency enhancements; and (v) support knowledge generation and dissemination activities on transparency in the extractive industries.

Key partners for this initiative include the Extractive Industries Transparency Initiative (EITI) Secretariat, the World Bank, the International Monetary Fund (IMF), Revenue Watch International, and Publish What you Pay, among others.

Control Systems

Fiscal governance reforms involve a broader set of institutions beyond the executive. There is renewed interest in horizontal accountability matters, and specifically how control and audit agencies contribute to the governance of the budget and the oversight of public finances. In LAC countries, there is a correlation between the credibility of Supreme Audit Institutions (SAIs) and the quality of governance. Effective control and audit agencies play an important role in reducing waste, improving government performance, and discouraging corruption. Recent financial crisis in developed and developing countries highlight the importance of responsible management of public finances, prudent fiscal policies and robust budget institutions. Fostering fiscal responsibility necessarily requires strengthening control and audit institutions.

Strong and efficient control institutions, both internal and external government audit bodies, are essential for contributing to build and maintain accountable government entities in their mandates to deliver public services and goods efficiently, effectively, transparently and in a responsible manner. Worldwide, control institutions are increasingly becoming more relevant, as their work scope is widening from traditional financial audits to sector and performance audits based on risk analysis.

The overall aim of this umbrella project on audit and control will be to support Latin American and Caribbean countries in their efforts to enhance audit and control practices for a better more open government. The specific objectives will be to: (i) help countries to design and implement risk-based audit tools; (ii) strengthen integrity regulatory frameworks; (iii) develop information-sharing systems for federal and sub-national public sector agencies; (iv) provide support to conduct value for money audits; (v) leverage strategic and south-south policy

⁴ This initiative will benefit from the knowledge generated by the project “Strengthening Governance in the Extractive Industries in LAC” (RG-X1129), jointly led between the Energy Division (INE/ENE) and the Institutional Capacity of the State Division (IFD/ICS).

dialogue on audit and control for better and more open governments; and (vi) generate and disseminate knowledge and applied research products.

Key partners for this initiative include the International Organization of Supreme Audit Institutions (INTOSAI), the Organization of Latin American and Caribbean Supreme Audit Institutions (OLACEFS), the World Bank, the German International Cooperation (GIZ), and the Canadian International Development Agency (CIDA), among others.

Open Government

Open Government (OG) is a new paradigm of state reform and modernization of the state in which the government acts as a platform where multiple stakeholders interact (individuals, businesses, civil society organizations, etc.) with the aim of creating public value, promoting innovation, and improving the management of public resources to facilitate accountability and provide better public services. The lack of adequate implementation of transparency, participation and collaboration strategies, and the lack of use of information and communication technologies (ICT), may imply higher costs and inefficient public services, lack of accountability and integrity risks for governments. Although there is no single indicator to measure comprehensively how countries perform in implementing OG solutions, there are a variety of indicators⁵ closely related to the notion of OG that show that in the LAC region there is room for improvement in several areas that affect the efficiency and integrity of the State.

The overall aim of the Trust Fund's work on open Government, either through country-support or regional technical cooperation, will be to: (i) conduct assessments for and/or design and monitoring of open government policies, strategies and action plans; (ii) help countries to build or strengthen their capacities by implementing innovative open government solutions; (iii) promote south-south and extra-regional cooperation and strategic Bank-regional policy dialogue, through the generation and dissemination of knowledge and good practices.

Specific interventions in the area of OG will include: (i) transparency, access to information and open data policies, (ii) citizen participation in the design, implementation and monitoring of public policies and services, (iii) e-Government solutions for better management, decentralization of public services, access to ICT and affordable connectivity and digital literacy, (iv) transparency and integrity policies in public procurement, budget execution and civil service, (v) implementation of public ethics standards and strengthening the role of parliament. These issues, when appropriate, will cover national and sub-national and sector levels, according to country demand.

Key partners for this initiative include the Open Government Partnership (OGP), the World Bank; the Open Budget Partnership (OBP); Global Integrity; and the Organization for Economic Co-operation and Development (OECD), among others.

⁵ These indicators include: the UNDP's e-government index; TI's corruption perception index; OBP's Open Budget Index; PEFA's assessments, etc.

Section II

Results Framework

1. Introduction

Over the last 2 decades, the number of initiatives focusing on countering corruption and increasing transparency in government activities has increased exponentially, and so has the amount of funding that different donor agencies have allocated to this type of activities. This increase, however, has not been matched by a parallel growth in the availability of evidence documenting effectiveness and impact (McGee and Gaventa 2011; Gaventa and McGee 2013; Johnsrøn, Taxell and Zaum 2012; Rocha Menocal et al. forthcoming).

At a time of growing attention to development effectiveness, the governance sector faces the fundamental challenge of providing evidence that anti-corruption and transparency initiatives deliver results. For the Transparency Fund (TF) and other governance initiatives at the Inter-American Development Bank (IDB) and elsewhere, this is crucial not only to ensure sustainable funding and support for transparency and anticorruption programs over the long term, but also to help practitioners identify the most promising approaches and areas where resources and efforts should be concentrated.

This document presents a Results Framework for the IDB TF. The framework is based on both a review of literature and the experience of 7 years of implementation of the TF. The document is organized as follows:

- Section 1 provides an overview of the state of knowledge on measuring results in anti-corruption and transparency projects; it presents different methodologies and approaches, and also discusses difficulties in applying them to anticorruption and transparency projects.
- Section 2 examines the experience of projects funded by the TF. The structure and strategic framework of the TF present challenges but also opportunities for measuring results, and can help put some measurement problems into perspective.
- Section 3 presents a framework for measuring results under the TF, based on the conclusions drawn from sections 1 and 2.

2. Measuring results in anticorruption and transparency projects

Over the last couple of years, scholars have started assessing the evidence of impact of anticorruption and transparency initiatives (McGee and Gaventa 2010; Gaventa and McGee 2013; Johnsrøn, Taxell and Zaum 2012; Rocha Menocal et al. forthcoming). These reviews of evidence largely coincide in pointing to a significant gap in knowledge regarding the impact of such initiatives. Johnsrøn, Taxell and Zaum (2012) review the strength of evidence of

anticorruption interventions in a variety of areas, ranging from anti-corruption agencies to social accountability initiatives. They find that, overall, evidence that these initiatives reduce corruption is lacking, with the exception of some evidence emerging in the area of Public Financial Management (PFM) and Supreme Audit Institutions (SAI). A recent follow up study (Rocha Menocal et al. forthcoming) reaches similar conclusions, and also highlights that in many areas, even when studies have been conducted, evidence of impact is often weak, contradictory, and patchy. Although a few rigorous studies have been produced (see famously Olken 2005), these are often isolated, costly, and difficult to replicate. The amount of evidence on the impact of transparency initiatives is slightly greater than for anticorruption interventions, as documented in various studies (Gaventa and McGee 2013; Dassen et al. 2012; Fung, Graham and Weil 2007). However, Gaventa and McGee (2013) find the quality of such evidence to be overall low, as many initiatives and studies rely “on untested normative assumptions and under-specified relationships between mechanisms and outcomes.”

Importantly, studies agree in pointing out that lack of evidence of positive impact of anti-corruption and transparency initiatives does not mean that there is evidence of no or negative impact; rather, there is simply not enough data and information to reach any meaningful conclusion.

The reasons for this evidence gap have been discussed and documented in various studies (Johnsøn 2012; Johnsøn and Søreide 2013; Gaventa and McGee 2013). The most frequently mentioned factor is the difficulty in measuring corruption. Most often corruption occurs behind closed doors, which makes it hard to collect any information on corruption levels. Similarly to what happens for other types of crimes, law enforcement statistics only provide an incomplete picture of corruption levels. Corruption perception indicators such as TI’s Corruption Perception Index have played a fundamental role in making corruption a high policy priority, but their practical usefulness when it comes to measuring the impact of projects has proven limited. A full discussion of the shortcomings of different indicators of corruption is outside of the scope of this policy document; suffice to say that difficulties in measuring corruption have been extensively documented. A good discussion of the main arguments is available in Arndt and Oman (2006), while a more recent, concise overview is in Johnsøn and Mason (2013). Importantly, while it is difficult to measure corruption, it is even more complex to measure *corruption changes over time*, which is very problematic when it comes to evaluating the performance of anti-corruption interventions using a ‘before and after’ approach.

Other methodological factors further complicate the task of measuring results. Anti-corruption and transparency projects are often applied to one or few units, often very different from each other and thus hard or impossible to compare (e.g. a few ministries within one country, a few countries within a region). This makes it extremely challenging to establish counterfactual scenarios, which are the basis for good impact evaluations (the so-called ‘small-n’ problem, see Johnsøn and Søreide 2013). Furthermore, because corruption thrives on opacity, it is also difficult for researchers and evaluators to clearly establish causality between specific interventions, explain changes in behavior, and measure actual results (“demonstrating causality, attributing impact, and establishing contribution,” McGee and Gaventa, 2013).

These factors have resulted in a series of methodological issues in the design of anti-corruption and transparency interventions, which ultimately make the impact of these projects hard to attribute and evaluate. Because corruption and transparency are hard to quantify, projects often end up including vague, generic, and even harder to quantify objectives, such as ‘improved public integrity’ and ‘increased transparency’. This in turn results in anticorruption projects that are often based on weak or flawed results chains or theories of change (ToC), thus failing to answer the basic question of how exactly a certain anticorruption intervention is expected to create change, and achieve results.

2.1 Results chains and theories of change for anti-corruption and transparency initiatives

For a project to be able to prove impact, it needs to be based on an idea of how and why it will work (Johnsøn, 2012). Results chains and theories of change are two different (albeit related) approaches employed by practitioners of results-based management to build rigorous narratives as to why an initiative will work.

Results chains are simple logical frameworks commonly used in development project design and management to link project activities to outputs, outputs to outcomes, and outcomes to impact; they make it easier to attribute the final impact of an intervention by identifying intermediate steps. Simply put, a results chain is “a depiction of the causal or logical relationships between inputs, activities, outputs, and the outcomes of a given policy, program, or initiative” (CIDA RBM Policy, 2008). Some practitioners use the term “results chain” to refer to the actual cause and effect diagram of a project design, whereas others think of the results chain as a conceptual tool that breaks change down into a series of cause and effect steps or building blocks.

It is important to note that different organizations and authors define results chains in slightly different ways (see table 1, below, adapted from CIDA). For example ‘impact’ can also be defined as ‘ultimate outcome.’ Beyond definitions, what matters is for these exercises to answer key questions, such as what the problem is, what strategy will be implemented to address it, what resources are made available, how change is to be achieved and measured, what the initiative ultimately aims to deliver, and how it will assess its failure or success.

Table 1 – Results chain steps

CIDA (2008)	Johnsøn and Søreide (2013)	Description
Ultimate Outcome	Impact	Change in state for ultimate beneficiaries
Intermediate Outcomes	Outcome	Change in performance, practice, behavior
Immediate Outcomes		Change at the level of capacity, knowledge, skill, ability
Outputs	Output	Products and services stemming from planned project activities
Activities	Activities	Planned project activities
Inputs	Input	Inputs

Tables 2 and 3 below (adapted from Johnsrøn and Sørreide 2013) provide examples of an ideal and flawed results chain, respectively. In the first case, all steps of the chain are clearly identified, so that a precise indicator can be assigned to each. In table 2, on the other hand, some of the steps are vaguely defined ('more transparency'), with the consequence that indicators are hard to identify; or perhaps steps are vaguely defined because indicators are hard to define, which, as noted, is often the case in transparency and anti-corruption projects.

Table 2 - ideal Results Chain

Problem	Input	Activities	Output	Outcome (immediate and intermediate outcome)	Impact (ultimate outcome)
Informal payments in the health sector	Funding to establish a whistleblower system for the internal audit office of the ministry of health	Technical assistance for the design and implementation of the whistleblower system Training of internal audit office staff	Whistleblower system established	Increased ability of the internal control entity of the ministry of health to investigate and sanction cases of informal payments	Decrease of informal payments in the health sector
Indicators					
Surveyed users report a high incidence of informal payments	Funds disbursed; activities conducted	Activities completed	Whistleblower system established	Number of allegations; number of cases investigated	Surveyed users report fewer or smaller informal payments compared to

Example 3 – Flawed Results Chain

Problem	Input	Activities	Output	Outcome (immediate and intermediate outcome)	Impact (ultimate outcome)
Corruption in the concession of tax incentives to private companies	Funding for an online portal to make tax incentives information public	Design and implementation of online portal	Transparency portal for tax incentives	Tax incentive information is published	More transparency and less corruption in tax incentives
Indicators					
Cases reported in the media of corruption in the concession of tax incentives	Disbursements	Portal designed	Portal completed	More information on tax incentives is published	No indicator available

In case 1 the project manager can, if project implementation goes according to plan, highlight that the project has had a positive *impact* by reducing the size and frequency of informal payments. In case 2, on the other hand, the project manager is likely to emphasize *outputs*, for example that the portal has been created, but will likely be unable to present evidence of impact, because some logical links in the results chain are missing, vaguely defined, impossible to measure, or hard to link in a causal relation. Focus on outputs rather than impact is common in governance projects.

The **Theories of Change (ToC)** is the main approach that helps explain *how* a certain initiative should work. Theories of change underpin sound application of results-based management. Compared to results chains, ToC represent a step up, in terms of both quality and complexity, as they provide more insights into *why* a certain initiative is expected to work. The ToC approach often contains a results chain and combines it with other tools that investigating political economy aspects of interventions, such as the analysis of the overall context in which the initiative is implemented, the influence of external factors, and the relationships between stakeholders (Johnsøn 2012). In practice, theories of change for development projects are often developed through more than one document, including risk assessments, activities matrices, and narrative documents providing an overview of contextual factors relevant to the intervention at hand. In example 2, above, a theory of change should additionally be able to explain that the publication of information on tax incentives will lead to decreased corruption *because* certain specific contextual conditions are in place, such as, for example, demand for this type of information, an active civil society with capacity to process it, freedom of the press, and attention paid by policymakers to what is published in the media. Ignoring these factors may lead to a failed project.

Many anti-corruption and transparency interventions are based on ‘grand theories’, for instance on the general idea that more transparency reduces corruption, by reducing the incentives for corrupt behavior and increasing the costs (Gaventa and McGee 2013). While these ‘grand theories’ are useful as a general framework, their practical usefulness is limited when it comes to understanding specifically how transparency and anti-corruption initiatives are expected to work and deliver results in specific programs (Johnsøn 2012). The ToC approach helps address this problem. A rigorous, well-designed ToC (see for example Box 1), should help ensure that the anti-corruption intervention at hand clearly identifies contextual conditions and different causal links and can ultimately demonstrate impact.

Box 1 - How to design a Theory of Change for anticorruption interventions

Below is a short of a 5-step methodology for conducting a Theory of Change for anticorruption interventions, adapted from Johnsøn (2012).

Step 1. Preparatory analysis - Review the general literature on “what works” in the specific area of anticorruption, to inform project design. Do existing experiences apply to or tell us something about the specific project and context at hand? Identify stakeholders and incentives structures that may hinder or aid implementation. Consider conducting interviews to test assumptions and identify discrepancies between design and reality.

Step 2. Mapping - Reconstruct the logic of the intervention by identifying ‘causal pathways’ of change. The ultimate objective is to create a results chain for the project. Results chains for ToC purposes need to be specific in defining goals and establishing causal chains. At this stage, it could help to construct the results chain starting with the intended goal, to then identify outcomes, outputs and inputs.

Step 3. Reality check – Test both the internal and external logic of the program. 1) Retrace the results chain forward, going from inputs to activities, from activities to outputs, from outputs to outcomes, and from outcomes to impact. Ask critical questions at each step (e.g. are inputs sufficient for intended activities?). 2) Consider if the results chain holds when external factors are taken into account: which contextual factors may prevent the initiative from achieving its goals?

Step 4. Build the theory of change - Analyze preconditions and inconsistencies in the program logic:

- 1) Identify the links in the results chain where causality depends upon specific preconditions. Identify the preconditions (e.g.: what resources are needed? Who must show political will?). Distinguish between preconditions that are within the responsibility of the program and those that are not. The first should be addressed as part of the program design. The latter should at least be monitored, so if conditions change the program can be adjusted.
- 2) Identify a plausible pathway to achieve the desired objective. Propose interventions to remove obstacles and help ensure preconditions are in place. This process is often trial and error, and pilots may help fine-tune the program.

Step 5. Validate the theory of change. Test the ToC logic by another round of backward-and-forward mapping and validate the preconditions identified. Invite relevant stakeholders to comment. This process can be useful to both design and re-design a program.

3. The Experience of the TF in Measuring Results: Challenges and Opportunities

Section 1 suggests that an ideal anticorruption or transparency program should be based on a rigorous theory of change, or at least a carefully designed results chain; it should include clear indicators for every step of the input-output-outcome-impact chain; and it should be able to ultimately demonstrate impact, rather than focus on outputs.

As noted above, however, this is particularly difficult to do for anti-corruption projects (Johnsøn 2012). The section above has addressed in some details possible obstacles stemming from the specific nature of anticorruption and transparency projects, such as the difficulties in measuring corruption and its change over time. The following section discusses both limitations and opportunities related specifically to the Transparency Trust Fund, based on its institutional framework and on the trajectory of implementation of TF-funded projects.

3.1 Objective and architecture of the TF

To understand how the considerations made in sections 1 and 2 apply to the TF, it is essential to understand what the fund's objective is. According to both the founding document and Operational Guidelines of the TF, the ultimate goal of the fund is to “[...] strengthen the institutional capacity of the Bank's borrowing member countries to prevent and control corruption”. In other words, the fund's objective is not to reduce corruption or increase transparency in member countries, but rather to increase the capacity of institutions in those countries to do so. Thus, the TF's performance has to be measured against this objective. Just

like measuring corruption, measuring the capacity of institutions to prevent and control corruption, as well as how this capacity changes over time, is a complex task. The following section provides some insights as to how the TF has dealt with this challenge.

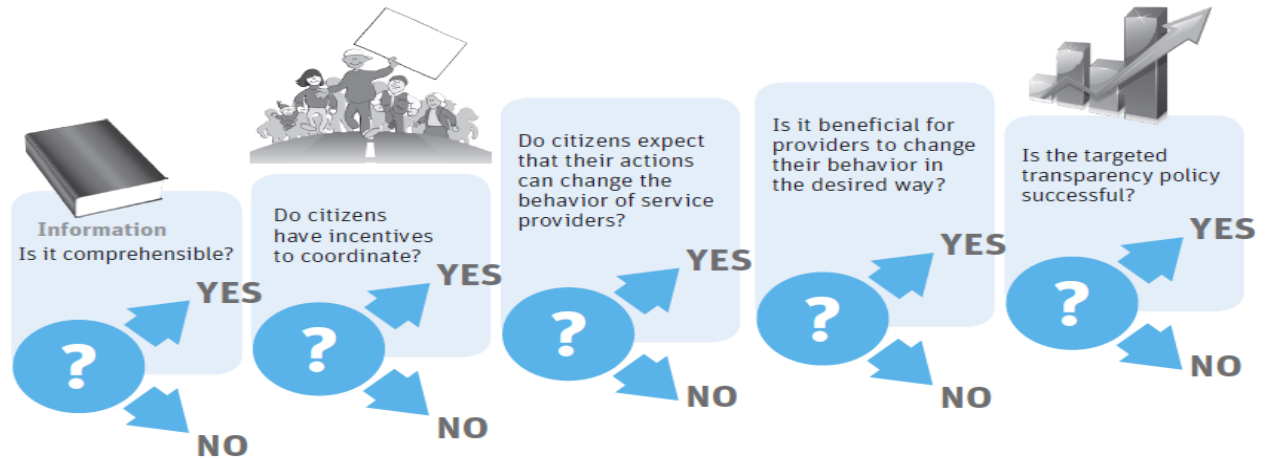
Since its inception, the TF was designed as an agile mechanism, capable of responding to evolving demands from countries for small, stand-alone transparency and anti-corruption projects, and promoting knowledge and innovation in this area. Traditionally, the fund has financed mostly non-reimbursable Technical Cooperations (TC), although in some instances it has also supported transparency or anticorruption components within larger Loan operations. Over its 7 years of existence, the fund has financed, among other things, 17 technical cooperation projects (12 projects in 11 countries and five regional projects).

Typically, IDB's TC are short in lifespan and small in amount. For instance, the average TF-funded operation is about US\$483,000 (the figure is lower for country-specific TC, as this tally includes regional projects). This can be problematic when it comes to measuring impact. First, the time investment and cost of designing a detailed ToC, collecting baseline indicators, or conducting inception surveys can be relatively high or prohibitive, vis-a-vis the average size of TCs funded under the TF. Second, and perhaps more important, the desired impacts of anticorruption and transparency projects are typically long term ones, requiring behavioral and structural changes that can only happen over several years (Johnsøn 2012). Any contribution of short term TC programs, such as those funded by the TF, to the achievement of broad country-level goals (e.g. a reduction in levels of corruption) is unlikely to be seen during the lifespan of the project. This is both a challenge and an opportunity for the TF. On the one hand, it makes it harder to prove the ultimate, long-term impact of activities supported by the fund. On the other hand, it has encouraged projects supported by the TF to focus more on more clearly defined and achievable short-term results.

3.2 Targeted Transparency

This approach is perfectly illustrated by the concept of Targeted Transparency, which has been one of the guiding principles of the TF since its inception (Fung, Graham and Weil 2007; Dassen et al. 2012). Targeted Transparency policies are those aimed at translating a broadly defined policy objective ("more transparency"), into specific, simple and efficient mechanisms that facilitate access to and use of information for specific groups of users and in specific sectors. Targeted Transparency policies are designed to answer important questions such as those mentioned above when describing the ToC approach: who should have accessed to a certain type of information, and why? What type of information is made available and in what format? What type of behavioral change is expected from the users of that information? (See figure 1, below).

Figure 1 – Value chain of Targeted Transparency Project (from Dassen et al. 2012)



Reliance on the Targeted Transparency approach has helped the TF steer clear of some of the risks inherent to anti-corruption and transparency programs that have been highlighted in the previous section, such as vaguely defined goals.

Table 4 - Brazil's ODP project in light of the Targeted Transparency approach

Elements of Targeted Transparency policies	Brazil's ODP
Identification of a precise policy purpose.	Prevention and monitoring of corruption in federal government public expenditure.
Identification and study of the discloser that presents shortcomings in terms of providing access to information, and assessment of the intermediary groups that play a role in demand and distribution of information.	Interventions are structured on the basis of the dynamics, capacities, and incentives that each sector or federal government ministry might have to prevent and monitor corruption in public expenditure.
Definition of policy scope, which generally entails political negotiations and decision making according to the scale of the intervention.	The scope of the interventions conducted by the ODP is limited to analyzing procurement and acquisition of goods and services by specific federal government public sector ministries.
Definition of the structure and the means of disclosing information: the structure of information requires a qualitative and a quantitative specification; likewise, the frequency of information disclosure must be established, alongside the means by which it is transmitted.	The data that give rise to recommendations (qualitative information) are presented via an official letter. The CGU has also created a web interface, so that civil servants can gain access to quantitative information upon which to base their recommendations (graphs, statistics, sources, etc.). The frequency of disclosure depends on each individual case.
Policy compliance capacity: the agencies that scrutinize and monitor compliance with access to information policies must be identified.	The CGU has institutionalized the use of the ODP and required that the information provided to public managers be monitored within the framework of the audits to which the federal government public sector ministries are subject.

An example of a Targeted Transparency project supported by the TF is the project “Support for Public Expenditure Monitoring to Fight Corruption” (BR-T1146). The general objective of the program was to increase transparency in the use of public resources in Brazil. Among the project’s objective was improving government management related to prevention, detection and combating of corruption through support to the development and expansion of the Public Expenditure Observatory, including through the adoption of IT tools. Key results included strengthening the capacity of the Brazilian Public Expenditure Observatory (ODP for its acronym in Portuguese), enabling it, for example, to detect abnormalities in an unemployment program in 89,000 cases that resulted in savings for the government of US\$99 million. Table 4, above, illustrates how this project fits the parameters of Targeted Transparency policies, as defined in Fung, Graham and Weil (2007).

3.3 Outputs and outcomes matter

Examples such as that of Brazil’s CGU show that, while it would be desirable for anticorruption and transparency interventions to be able to ultimately demonstrate impact, outputs and outcomes are sometimes just as important. Consider the examples below, illustrating intermediate outputs and outcomes achieved by TF-funded projects:

- According to a survey, the capacity of Ecuadorians to understand the information related to the oil sector increased by over 50% following a TF-funded TC.
- The Fund financed the design and implementation of a software visualization tool (MapaRegalias) in Colombia which provides complete traceability throughout the royalties’ cycle, from the source of resources to the implementation of public investment projects financed with royalties. The MapaRegalías site has had 87,000 visits between Sept. 2013 and Feb. 2014.
- The Fund financed activities to remove Paraguay from the so-called “gray list” of countries by the Financial Action Task Force (FATF). Paraguay was removed from the gray list in 2012, having since reinforced substantively its institutional framework to prevent and control money laundering.
- A TF-funded project revealed several instances of allocation of subsidies without any transparency in Argentina, leading to reforms in procedures for the allocation of subsidies to the agricultural sector.
- Public awareness increased on the Access to Information Law and the possible access to public information through the “Open Government” portal in El Salvador. In just 4 months, the site had 2,200 visits per week; representing an increase of 500% according to historic registries.
- An extensive review and proposal of legislative and regulatory reform in Trinidad and Tobago led to increased information disclosure regarding oil and gas’ fiscal revenues in the country, in alignment with its commitments under the EITI.

These examples suggest two important points underpinning the TF results framework:

- 1) That outputs, immediate and intermediate outcome can be just as important as ultimate outcomes (impact).
- 2) That transparency can have an 'intangible' sometimes even transformational value in itself, beyond the challenge of projecting and measuring its ultimate impact.

3.4 The TF as a knowledge tool

Since its creation, the TF has been intended as a knowledge and innovation tool, and its resources have also been used to support the generation of knowledge stemming from the implementation of TF-funded projects. This is particularly important when considering the Results Framework for the fund. As noted in the introduction, the governance sector is at a critical juncture: generating knowledge on impact of activities is essential not only to ensure steady funding, but also to identify the most promising and innovative approaches and sectors, to focus and channel resources more efficiently. The experience of the TF is that the generation of knowledge can become an asset in the effort to build stronger ToCs.

Take the case of a recent paper authored by Donato Masciandaro, and funded by the TF under its Financial Integrity pillar (Masciandaro2013). The paper analyzes the effects of listing and de-listing of countries by the Financial Action Task Force (FATF) on banking inflows. The FATF annually updates a list of 'Non-Cooperative Countries and Jurisdictions' (informally known as the FATF blacklist), which it considers to be failing to address gaps in their anti-money laundering system, based on a series of recommendations issued by the FATF itself. The TF, through its Financial Integrity pillar, funds small TC aimed at helping Latin American and Caribbean countries in their efforts to comply with the FATF. One of the rationales behind this line of funding is that countries' failure to comply with the FATF could result in blacklisting, and the reputational cost of blacklisting (stigma effect) in turn result in decreased capital inflows, with negative developmental impact. The paper by Masciandaro, by applying this theoretical framework to Paraguay, which in 2010 was put by the FATF on a list of countries with AML deficiencies, empirically validates the stigma effect. The paper shows that, under certain circumstances, FATF blacklisting reduces capital inflows into a country. This validates the rationale for TF's funding in this area and it provides a strong evidence base, which can be used to design stronger results chains and ToC for future projects in this area.

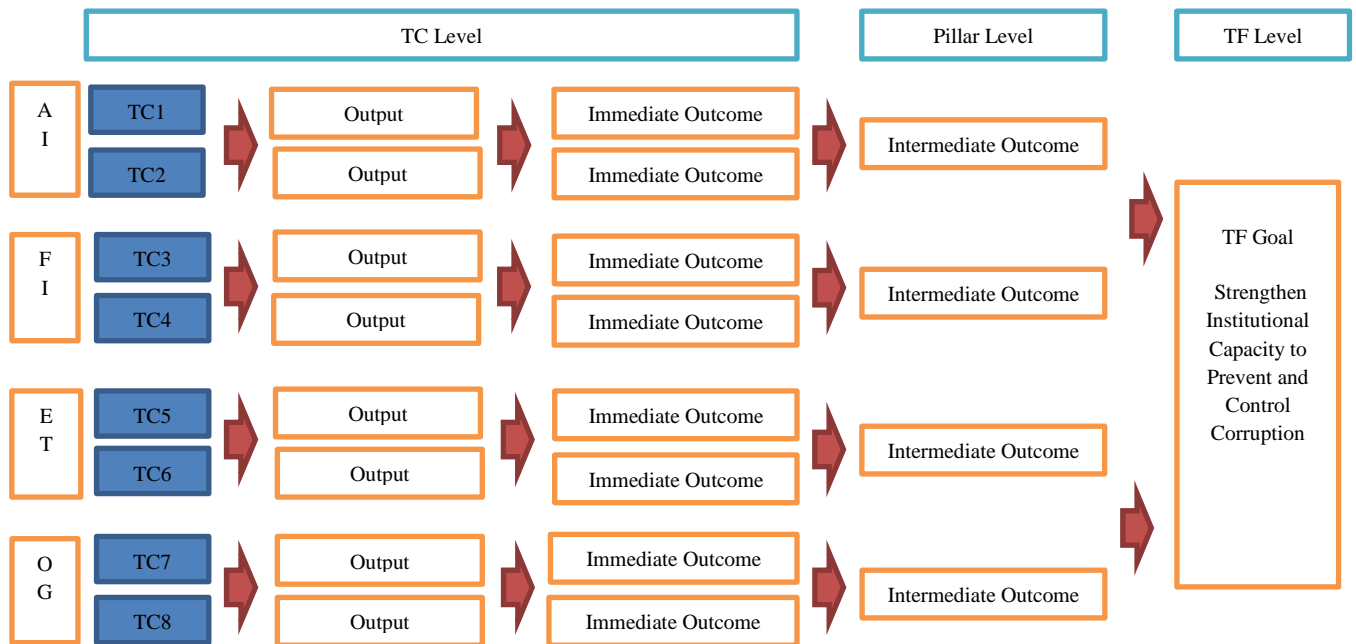
4. The Results Framework of the IDB Transparency Trust Fund

The following Results Framework for the TF is based on the sections above. The framework is organized as follows: first it describes the fund's approach to measuring results in individual Technical Cooperations. For the reasons discussed above it is expected that **the results of individual TCs will be at the level of immediate outcomes**. In turn, individual Technical Cooperations feed into the results framework for each of the TF's four main pillars: Accountability Institutions (AI), Financial Integrity (FI), Extractives Transparency (ET) and Open Government (OG), (see tables in Annexes 1-4 for additional details). **For the fund's 4 pillars, it is expected that results will be achieved at the level of intermediate outcomes.**

Finally, the outcomes for the four pillars are formulated so as to contribute to the final goal of the TF: to strengthen the institutional capacity of the Bank’s borrowing member countries to prevent and control corruption. This framework is summarized visually in figure 2, below. This type of framework is known in results-based management as a nesting model, that is, a logical framework in which an outcome at a lower level contributes to achieving an impact at a higher level.

The purpose of this approach is for Technical Cooperations approved under the fund to be fully transparent as to what they intend to achieve (that is, not promise impact, when they are delivering outputs), while at the same time recognizing the intrinsic value of outputs and outcomes.

Figure 2 - Results Framework for the TF - Overview



4.1 Results at the level of the individual intervention (Technical Cooperation) level

Under this Results Framework, applicants for funding under the TF will be requested to **include as part of their proposals (project abstract), a simple results chain such as the one provided below**. Applicants will be encouraged to include indicators for each step of the chain. It is important to underscore that, while results for the individual TC are measured at the Immediate Outcome level, applicants are also required to identify what Pillar level Outcome the individual TC is expected to contribute to. The different Pillar-level Intermediate outcomes are described in Annexes 1-4.

The TF’s technical team will review application in considerations of the fact that in some cases it may be very difficult or impossible to include indicators. However, the technical team also plans to develop a guidance document to assist applicants in the formulation of indicators.⁶⁶

Problem	Input	Output	Immediate Outcome	Intermediate Outcome
TC Level				Pillar Level
Indicator				

The results chains included in individual TCs feed into the overall Results Framework, as illustrated in the flowchart above and in the tables reproduced in Annexes 1-4, below.

4.2 Results at the Pillar Level

Within the TF’s 4 pillars it is expected that results will be achieved at the intermediate outcome level. Individual Technical Cooperations under each pillar are expected to contribute to the intermediate outcome for the pillar, as shown in Figure 2 and in Annexes 1-4 (for more details on each individual pillar refer to Section I). In turn, outcomes under each pillar are expected to contribute to the TF’s overall goal, to increase institutional capacity of the IDB’s borrowing member countries to prevent and control corruption.

The Annexes should be interpreted keeping in mind the following parameters

- 1) The overall timeframe for this phase of the TF is set at 5 years (2014-2018).
- 2) Specific indicators for the achievement of outputs cannot be formulated at this stage, and can only be integrated once the specific operations are designed and approved and on a case-by-case basis.
- 3) The output indicators for numbers of countries are based on estimated country demand. The TF is demand-based, and demand from countries may change over time and be reallocated within pillars.

⁶⁶ This document will include guidance on how to incorporate gender-sensitive indicators into anticorruption and transparency projects.

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ANNEX I – Results Framework for Pillar 1 - Accountability Institutions

Goal of the pillar: Support Latin American and Caribbean countries in their efforts to enhance control systems* and practices

Area	Activities	Outputs	Immediate Outcomes	Intermediate outcomes
	Project Level			Pillar Level
Diagnostics and Metrics	Develop diagnostics on internal audit and control processes, including definition of management models and metrics	Diagnostics conducted <u>Indicator:</u> Diagnostics implemented in 2 countries	Staff of control systems better understand the challenges of audit and control activities and their performance <u>Indicator:</u> TBD	Improved compliance with international auditing standards (e.g. ISSAIs) <u>Indicator:</u> At least 80% of the countries in which the TF has provided support have improved or are in the process of improving their level of compliance with international auditing standards (e.g. ISSAIs) <u>References:</u> IDB, ‘Strategy for the Strengthening and Use of Country Systems – Expected Results, 2018’; BID “Transparencia y Confianza en el Sector Publico 2002-2012”
Regulatory Reform	Assessments of regulatory frameworks for control systems; benchmarking with international standards	Assessments conducted; loopholes and gaps identified <u>Indicator:</u> assessments conducted in 3 countries	Improvements of control systems’ regulatory frameworks <u>Indicator:</u> TBD	
	Technical assistance to undertake regulatory reforms for more efficient and modern control systems (e.g. audit and control policies, manuals, norms and mechanisms)	Technical assistance provided <u>Indicator:</u> Technical assistance provided in 3 countries		
Institutional Strengthening and capacity building	Definition, implementation and dissemination of innovative (e.g. based on risk, focused on results and implemented with transparency) national and subnational strategic plans for control systems	Strategic plans designed and disseminated <u>Indicator:</u> plans designed and disseminated in 4 countries	Improvements in control systems, including monitoring and evaluation systems, use of ICT, adoption of performance audits, implementation of participatory audits, and transparency measures <u>Indicator:</u> TBD	
	Design and implementation of innovative, ICT-based audit tools and techniques for better audit management (e.g. Computer-Assisted Audit Techniques – CAAT)	Tools and techniques designed and implemented <u>Indicator:</u> Tools and techniques designed and implemented in 3 countries		
	Technical assistance and training for the design and implementation of tools for innovative audit management (e.g. performance audits, audits of information systems, and environmental audits)	Technical assistance delivered <u>Indicator:</u> Technical assistance delivered in 3 countries		
	Design and implementation of (i) communication and dissemination	Communication and dissemination strategies designed and implemented; websites improved		

	strategies; (ii) websites of control systems	<u>Indicator:</u> Activities conducted in 3 countries		
	Design and implementation of applications for transparency, access to information, and participation in the audit process.	Applications designed and implemented <u>Indicator:</u> applications designed and implemented in 2 countries		
Knowledge Creation and Dissemination	Organization/sponsoring national/international workshops and one regional meeting of SAI to exchange best practices Production of technical notes on IDB's assistance on strengthening national control systems	Workshops Organized; technical notes produced <u>Indicator:</u> TBD	Increased awareness and visibility of control systems in the region <u>Indicator:</u> TBD	

* "Control Systems" are intended by the Inter-American Development Bank as including entities and mechanisms of both internal and external control, including, but not limited to Supreme Audit Institutions (SAIs), local audit institutions, internal audit bodies, and the legislative power in the exercise of its oversight function.

ANNEX II – Results Framework for Pillar 2 - Transparency in the extractive industries

Goal of the pillar: Support member countries in their efforts to enhance transparency and in the extractive industries

Area	Activities	Outputs	Immediate Outcomes	Intermediate Outcomes	
	Project Level			Pillar Level	
Transparency and access to Information	Technical assistance to produce diagnostics and/or baselines on countries' compliance with transparency standards in the extractive sector	Diagnostics and/or baselines produced <u>Indicator:</u> diagnostics and/or baselines produced in 2 countries	Improvement in the level of transparency in countries' extractive industries <u>Indicator:</u> TBD	Increased involvement among countries in the region in the EITI and other extractives governance and transparency initiatives <u>Indicator:</u> at least 70% of the countries in which the TF has provided support are increasingly involved in the EITI and other extractives governance and transparency initiatives	
	Technical assistance to design IT systems to improve transparency and management of royalties	IT systems designed and produced Indicator: IT systems designed and produced in 3 countries			
	Support to EITI Scoping studies	EITI scoping studies conducted <u>Indicator:</u> EITI scoping studies conducted in 2 countries			
	Technical support to EITI implementation	Technical support provided <u>Indicator:</u> Technical support provided in 2 countries			
Local Revenue Management Capacity	Diagnostics on revenue management capacity in resource-rich countries	Diagnostics conducted <u>Indicator:</u> diagnostics conducted in 4 countries	Improved mechanisms and processes for revenue management at the local level <u>Indicator:</u> TBD		
	Regional roadmap to develop capacity building and training programs for extractives revenue management	Roadmap developed <u>Indicator:</u> roadmap developed			
Legal and Regulatory framework	Scoping studies on areas for legal and regulatory reform and/or capacity assessments	Studies and/or capacity assessments conducted <u>Indicator:</u> study conducted in 2 countries	Improved legal and regulatory frameworks for transparency and access to information in extractives transparency <u>Indicator:</u> TBD		
	Capacity building programs for government and civil society on extractives transparency frameworks	Programs completed <u>Indicator:</u> programs completed in 2 countries			
	Technical Assistance to implement changes to transparency and access to information regulation	Technical assistance provided <u>Indicator:</u> technical assistance provided in 1 country			

Knowledge Generation and Dissemination	Regional workshops and knowledge products on EITI implementation and other extractives transparency issues	Workshops conducted; publications produced <u>Indicator:</u> 2 workshops conducted; 2 publications produced	Increased awareness and visibility of extractives transparency in the region Indicator: TBD	
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ANNEX III – Results Framework for Pillar 3 – Financial Integrity

Goal of the pillar: Support member countries in their efforts to prevent money laundering and terrorist financing, in compliance with the recently adopted 40 Recommendations on AML/CFT.

Area	Activities	Outputs	Immediate outcomes	Intermediate outcomes
Project Level				Pillar Level
Anti-Money Laundering	AML risk and threat assessments	Assessments conducted <u>Indicator:</u> assessments conducted in 3 countries	Stronger capacity of supervisory institutions and greater compliance with FATF Recommendations	Improved country compliance with FATF standards <u>Indicator:</u> At least 70% of the countries in which the TF has provided support have improved their record of compliance with the FATF 40+9 Recommendations The peer-review process and reports produced by FATF and affiliated bodies can be used as a proxy
	Technical assistance to propose amendments to laws, statutes and regulations in compliance with the FATF Standards	Technical assistance provided <u>Indicator:</u> technical assistance provided in 1 country		
	Assessments to identify gaps in key AML policies and strategies	Gap assessments conducted <u>Indicator:</u> gap assessments conducted in 2 countries	<u>Indicator:</u> TBD	
	Technical assistance for the design and implementation of systems and processes to collect, organize and disseminate financial information	Systems designed and implemented <u>Indicator:</u> systems designed and implemented in 2 countries	Improved ICT solutions for financial information management <u>Indicator:</u> TBD	
	Mock-trial learning module for judges and prosecutors, to enhance their capacity to manage money laundering cases	Learning module designed and implemented <u>Indicator:</u> 1 learning module produced	Countries increase their knowledge and expertise in preventing and sanctioning ML/TF <u>Indicator:</u> TBD	
Transparency in Tax Systems	Assessments on countries’ institutional capacity to curtail tax havens and offshore activities	Assessments conducted <u>Indicator:</u> assessments conducted	Improved understanding of the challenges of tax havens among government officials <u>Indicator:</u> TBD	Reference: IDB, “Approval Document for RG-T2224”
	Technical assistance to help countries share information and improve the coordination between their tax agencies	Assistance provided <u>Indicator:</u> assistance provided in 4 countries	Enhanced mechanisms and policies for the exchange of tax information between government agencies <u>Indicator:</u> TBD	

Knowledge Creation and Dissemination	Organization or sponsoring of regional workshops to exchange best practices on AML and tax transparency	Workshop conducted <u>Indicator:</u> 2 regional workshops conducted	Increased awareness and visibility of the relevance of this area at the regional level <u>Indicator:</u> TBD	
	Papers and technical notes addressing specific AML and tax challenges in the region	Publications produced <u>Indicator:</u> 4 publications produced		

ANNEX IV – Results Framework for Pillar 4 – Open Government

Goal of the pillar: help countries build or strengthen their capacities to implement innovative open government solutions

Area	Activities	Outputs	Immediate outcomes	Intermediate outcomes
	Project level			Pillar Level
Open government assessments, strategies and action plans	Support to countries in drafting open government assessments, strategies and action plans	Assessments, strategies and/or action plans completed <u>Indicator:</u> assessments, strategies and/or action plans completed in 4 countries	Improved open government strategies and action plans; <u>Indicator:</u> TBD	Countries making progress on their open government action plans (including OGP action plans) <u>Indicator:</u> 80% of the countries in which the TF has provided support are increasing progress on national and international open government action plans, strategies and initiatives (e.g., OGP action plans, national open government action plans) <u>Sources:</u> Reports by the OGP independent Reporting Mechanism (IRM); MESICIC reports
	Monitoring of and/or reporting on open government assessments, strategies and action plans	Monitoring conducted and/or reporting completed <u>Indicator:</u> monitoring conducted and/or reporting completed		
Open government institutional strengthening	Design, re-design and implementation of open data, open government, and/or transparency portals	Portals designed and/or implemented <u>Indicator:</u> portals designed and/or implemented in 3 countries	Enhanced capacity to implement open government and integrity policies, mechanisms and tools <u>Indicator:</u> TBD	
	Technical support in the implementation of transparency, access to information and open data laws and policies, at the national, subnational and sector level	Technical support provided <u>Indicator:</u> technical support provided in 5 countries		
	Design and implementation of administrative processes and ICT tools for the transparent and efficient delivery of public services (including judiciary, social services, parliaments)	Processes and/or tools designed and implemented <u>Indicator:</u> processes and/or tools designed and implemented in 3 countries		
	Support to countries in the design and implementation of electronic payments systems and related IT infrastructure (e.g. broadband)	Support provided <u>Indicator:</u> support provided in 3 countries		

	Support to the implementation of integrity and accountability systems (conflict of interest, financial disclosure, whistleblowing, procurement, budget cycle)	Support provided <u>Indicator:</u> support provided in 3 countries	
	Support to the design and implementation of policies, ICT tools and mechanisms for civil society participation and co-creation (e.g. social audits, hackatons, innovation labs)	Technical support provided <u>Indicator:</u> support provided in 3 countries	
Knowledge Creation and Dissemination	Organization and/or sponsoring of events (international and national) and elaboration of knowledge and dissemination products on open government, including lessons learned from TF-supported operations and south-south cooperation.	Events organized; knowledge products completed <u>Indicator:</u> TBD	Increased knowledge about open government among key stakeholders (governments, civil society, private sector) <u>Indicators:</u> TBD