

TC Document

I. Basic Information for TC

▪ Country/Region:	Regional
▪ TC Name:	Promoting Knowledge and Capacity Building through the Regional Policy Dialogue
▪ TC Number:	RG-T2950
▪ Team Leader/Members:	Marina Bassi, Team Leader (VPS/VPS), Anna Nill (KNL/KNL), all Networks' coordinators (CSD, ESG, IFD, INE, INT, RES, SCL), Margie-Lyz Jaime Ramirez (LEG/SGO), Nelson Escobar (SRE/PFA)
▪ Taxonomy:	Research & Dissemination
▪ Date of TC Abstract authorization:	February 22, 2017
▪ Beneficiary:	All LAC countries members of the IDB
▪ Executing Agency:	The Bank through VPS/VPS and VPS Divisions
▪ Donors providing funding:	ICS - Institutional Capacity Strengthening Thematic Fund
▪ IDB Funding Requested:	US\$1,800,000
▪ Disbursement period:	18 months
▪ Required start date:	March 30, 2017
▪ Types of consultants:	Firms and individual consultants
▪ Prepared by Unit:	VPS/VPS
▪ Unit of Disbursement Responsibility:	VPS/VPS
▪ TC Included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Institutions and rule of law

II. Objectives and Justification of the TC

- 2.1 The Regional Policy Dialogue (RPD) has been operating since the year 2000 as a program aimed at strengthening the Inter-American Development Bank's (IDB) technical dialogue with LAC sector senior government officials. The main activity of the RPD is to hold regular meetings by each of its networks, with the purpose of exchanging experiences, sharing lessons learned, identifying common solutions to their most pressing development issues, and contributing to strengthening the institutional capital in LAC.
- 2.2 The general objective of the RPD is to promote a high-level policy dialogue between borrowing member countries and Bank officials to identify innovative practices, strengthen institutional capacity, share experiences (both from the region and from the rest of the world), and improve the quality of reform strategies. At the same time, the RPD provides the opportunity for the Bank to receive direct feedback about countries' public policy priorities, which subsequently informs Bank's future operational program.
- 2.3 The RPD operates through eighteen¹ policy dialogue networks aligned with the Bank's main work areas: (1) citizen security; (2) climate change; (3) disaster risk management; (4) education; (5) energy; (6) environmental and social safeguards;

¹ In 2016, a network on Housing and Urban Development Network was created.

(7) financial institutions; (8) fiscal and municipal management; (9) gender equality and diversity; (10) housing and urban development; (11) innovation, science and technology; (12) labor markets and social security; (13) macroeconomic policy and finance; (14) open government; (15) social protection and health; (16) trade and integration; (17) transportation; and (18) water and sanitation.

- 2.4 The RPD networks are coordinated by the Vice-Presidency of Sectors and Knowledge (VPS) Divisions and comprised of high level policymakers from borrowing member countries. The meetings organized by the networks include not only government officials but also key stakeholders in the sector involved in policy making, who could contribute with sector knowledge and experience.
- 2.5 The interest and continuing demand for new RPD networks indicate that the initiative is perceived as valuable both by LAC high-level policymakers and by VPS Divisions. In particular, constant high country participation, overall high satisfaction rates, and continuous positive feedback from country officials and other external participants show the RPD is considered a useful instrument for the region. Moreover, stronger dissemination efforts over the past few years seem to have resulted in greater visibility within and outside the Bank about the relevance of the RPD activities (see paragraph 3.4).
- 2.6 The value added of this TC is related to: (i) promoting high level policy dialogue and knowledge sharing among senior policymakers from the borrowing member countries; (ii) fostering discussions between policymakers, Bank Staff and international experts on key development issues on policy-oriented knowledge, analytical work and tools for the design, reformulation, and adoption of sound policies; and (iii) providing a space for the dissemination and dialogue with the countries about the Bank's operational and knowledge program.
- 2.7 Over the past 17 years, RPD networks have contributed to strengthening institutional capacity in LAC, to generate south-south cooperation, and to build strategic alliances between key stakeholders in important sectors in the region. The RPD has helped raise awareness and demand on key development issues for which not enough knowledge is available. For instance, the 2016 Central American meeting organized by the Innovation, Science and Technology Network presented to the policymakers a new type of instrument to promote innovation: technology extension programs. Although several Central American countries have innovation programs in place to support companies, policymakers were able to learn how these technology extension programs can be designed to more effectively introduce technology to companies. These programs are government-funded and their main aim is not to develop new technology but rather to expand the diffusion and adoption of already existing technology, and to contribute to increasing the absorptive capacity of targeted firms. Technology extension services usually comprise an assessment of the state of the firm's operation, followed by the proposal of an improvement plan and assistance in its implementation. As a result, Panama and El Salvador have requested the Bank's support to organize a seminar in their countries to work with companies to disseminate information about the usefulness of this instrument, in order to design a technology extension program than can satisfy all the needs of the companies in each country.²

² For more results from this and other networks, please refer to the following documents IDBDOCS 37533025 (RG-T1832), IDBDOCS 37533010 (RG-T2017), IDBDOCS 38658024 and 39387699 (RG-T2252), IDBDOCS 39387693 and 40135804 (RG-T2436), and IDBDOCS 40135796 (RG-T2557), as well as results already reported in Convergence for RG-T2732.

- 2.8 This TC builds on the outcomes and outputs achieved under previous TCs financed by the Institutional Capacity Strengthening Thematic Fund (ICSF). Previous operations RG-T1832, RG-T2017, RG-T2252, RG-T2436, and RG-T2557 have been completely executed and fully disbursed. RG-T2732, which execution period ends in September 2017, is still disbursing for meetings that took place during the last quarter of 2016, as well as final versions of knowledge products that will be published in the upcoming months. The pending products and activities are expected to be completed before the end of the execution date.
- 2.9 With several years of operation, the RPD networks are constantly learning through the organization and execution of their dialogues and incorporating these lessons³ and good practices in their work plans. Among the main lessons learned over the past years are the following: (i) the dialogue is enriched and strategic alliances are encouraged when other key stakeholders in addition to high level officials are invited, including representatives from the private sector, civil society, academia, or other international organizations; (ii) country officials highly appreciate applicability and local context, thus network activities are increasingly focusing on specific case studies and first-hand experiences, including good practices from countries outside the region⁴, as well as the implementation of practical tools, all of which have improved the quality of the dialogue; (iii) promoting informal activities, such as field trips⁵ and group dynamics within RPD meetings, when relevant, have proven to be successful in promoting the exchange of ideas and experiences among participants and can increase the quality of discussion; (iv) coordination among networks with common areas of work is beneficial to promote multi-sectorial work and take advantage of the synergies among them; and (v) the use of an effective communication and dissemination strategy before and during each RPD meeting has proven to be highly effective to bring important background information on scope and format of the event to attract the right audience and to ensure active participation.
- 2.10 As a result of previous years' experience, networks are implementing innovative practices, such as dynamic group discussions (as opposed to lecture-style presentations) and actual hands-on experience on what other countries are doing; as well as preparing more focused meeting content and agenda to ensure an in-depth analysis of specific issues and alternative policy solutions. Also, some networks

³ These lessons learned are based on feedback from RPD's participants (through satisfaction surveys after each meeting), network coordinators (through regular exchanges with RPD Secretariat and annual summary reports), as well as the main findings from past external assessments (2011 and 2014, see IDBDOCS36965267 and IDBDOCS39616178).

⁴ For instance, the Climate Change Network organized an RPD meeting in which they included the participation of Peoples' Bank of China, sharing China's experience on green financing.

⁵ Last year, six networks organized field trips to relevant sites, including study tours during both meetings organized by the CTI network that showcased key infrastructure and programs both in Costa Rica and Uruguay to support innovation; in Washington, D.C., the Social Protection and Health Network organized visits to two state-of-the-art early childhood development centers to expose LAC policymakers to their innovative practices; in Medellin, Colombia the Gender Equality and Diversity Network organized as part of its RPD meeting field trips to local successful violence against women prevention programs; in Argentina, the Citizen Security Network organized three field visits to learn about the cutting-edge experience of the Ministry of Security related to urban security, including a visit to a social prevention of violence program in Villa 31, a visit to the police's criminal investigations unit, and a visit to a federal penitentiary center with the objective to learn about the social rehabilitation programs implemented by the Ministry of Justice; and finally, the Labor Markets and Social Security Network organized a study tour to Year Up –an impact evaluated program that provides low-income youth with training, mentoring, and insertion into entry level roles in prominent U.S. companies– to provide LAC policymakers first-hand experience on how this type of program is managed and the impact on the community it can have.

implemented strategic communication plans that include blog posts, newsletters, and other material that have contributed to more active participation and involvement during RPD meetings. These strategies have also allowed the dissemination of analytical products produced by the Bank among key stakeholders in the region.

- 2.11 This TC operation is directly aligned with one of the cross-cutting themes identified as institutions and rule of law of the Update to the Institutional Strategy (UIS) 2010-2020 (AB-3008). As stated in the UIS Document, weak institutions limit the capacity of the public sector and civil service to deliver services, fight corruption, and enforce the rule of law. The UIS Document also states that “effective institutional frameworks need to be in place to establish and maintain a healthy business climate, provide quality and ample services to citizens, and promote overall efficient, fruitful, and transparent interactions with governments.” This TC aims at strengthening the capacity of states by promoting dialogue and cooperation among LAC policymakers and international experts. In addition, as the previous TC operations that financed the RPD activities over the past six years, this operation is aligned with the main objective of the Institutional Capacity Strengthening Fund (ICSF), which is to support the efforts of countries within LAC to enhance their institutions, as a contributing factor to a country’s economic development.

III. Description of activities/components and budget

- 3.1 **Component I: Meetings.** The main component of this TC will finance the planning, organizing, and holding of 18 regional and 8 sub-regional meetings, as described in the networks’ annual workplans, to discuss issues identified as key development challenges for the LAC countries. The main participants in RPD meetings are the key stakeholders directly involved in the design and implementation of policymaking. It also involves representatives from civil society and the private sector, academia, and former policymakers. The meetings will mostly take place in Washington, D.C. or in the Region, convened by the RPD’s network coordinators. Network coordinators will notify the Board’s Executive Directors when government officials of their respective countries confirm participation to an RPD meeting in D.C. When designing the meetings, particularly those held in the region, network coordinators will ensure close collaboration with VPC Departments and Country Offices. The meetings’ agendas, minutes, and supporting documents will be posted in the RDP webpage (<http://www.iadb.org/rpd>). When relevant, invitations will be extended to experts and officials from other regions, as well as from international organizations, think tanks and universities, to enrich the dialogue by contributing knowledge, innovative practices, and relevant experiences. The following [link](#) provides a description of planned activities by network.
- 3.2 **Component II: Knowledge Products.** The second component will include the preparation of 15 knowledge products, to be used as inputs in the meetings, including 2 working papers, 3 technical notes, 4 discussion papers, and 6 reports. The topics and contents of these knowledge products are selected based on participants’ insights from previous year’s meetings, and per VPS Divisions’ priority areas. The publications will be published in accordance to the Bank’s “Procedures for the Publication of knowledge products” (AM-331) and will be disseminated through the RPD webpage.
- 3.3 **Component III: Coordination and Dissemination.** The third component includes the coordination and dissemination of activities and results of this TC. In 2016, the RPD Secretariat continued with its dissemination efforts by creating several products, including six periodic calendars with upcoming RPD meetings that were internally

disseminated to inform the Board of Executive Directors and High Level Management, and a virtual infographic to showcase the results produced by each network over the past five years, which will be disseminated in March 2017 among key internal and external audiences. In addition, some of the networks have been active in creating their own virtual and interactive space to exchange information and ideas, particularly through Communities of Practices (CoPs), as well as the use of blogs, videos, and electronic newsletters. Under this TC, for example, the Environmental and Social Safeguards Network will consolidate two CoPs to promote the ongoing exchange of information and collaboration among LAC policymakers and IDB Staff.

- 3.4 As part of its dissemination efforts, the RPD Secretariat also planned, in collaboration with KNL, an internal workshop for network coordinators, in order to promote direct exchange of good practices and lessons learned between networks. This exchange allowed networks to learn about the most innovative practices within each network, and helped review what had worked, what not, and why. The workshop was very well received by network coordinators and in their feedback they all agreed that they would benefit from periodical lessons learned exchanges. Thus, in 2017, the RPD Secretariat plans to organize another internal workshop for network coordinators to continue to promote the exchange of good practices and lessons learned among them.
- 3.5 The RPD Secretariat also plans to continue with its broader dissemination efforts in 2017. In particular, the RPD Secretariat will continue with the distribution of periodic calendars with information on upcoming RPD meetings to be distributed internally. Other planned activities under this component are blog posts and newsletters produced by the RPD networks as part of their dissemination strategies.
- 3.6 Technical expertise for the design and execution of network activities will be the responsibility of the Network Coordinators from VPS' Divisions (see execution in Section IV). Previous lessons learned from network meetings have been considered in the planned activities and expected outcomes. For a detailed list of objectives, deliverables and expected results by network, please visit the following [link](#).

Indicative Budget* (US\$)

Component	IDB / ICSF Funding
Component 1. Meetings	1,350,000
Hiring consultants to organize logistics for meetings	300,000
Travel and per diem for participants (approx. 20 to 50 external participants per meeting)**	700,000
Other expenses (materials, interpretation services, catering)	350,000
Component 2. Knowledge Products	350,000
Consultants	300,000
Editing and printing	50,000
Component 3. Coordination and Dissemination	100,000
Coordination and dissemination of TC results	80,000
External assessment	20,000
GRAND TOTAL	1,800,000

* For a more detailed breakdown of each network's planned budget, please review the networks Annual Work Plan, available under the link <https://idbg.sharepoint.com/sites/VPS/RPD/Pages/Work-Plans.aspx>.

** The RPD will fund, when agreed by network coordinators, the participation of high level policymakers, as well as of invited experts. Preference will be given to C&D countries. IDB Staff expenses are not eligible for financing under this TC operation.

- 3.7 To monitor the relevance and quality of the dialogue, the RPD has been using surveys questionnaires over the past few years. All the external participants, particularly country officials, are asked to fill a survey after each meeting. As part of its monitoring efforts, the RPD Secretariat also requires each network to send an Annual Summary Report to report qualitative results. Finally, since 2016, the RPD Secretariat also conducts an annual follow-up survey to all external participants from previous year's RPD meetings, to analyze participants' opinion on quality and relevance of RPD activities and products. The results from these annual surveys help analyze the effect of RPD activities in the medium-term, by comparing responses from participants after several months of the meetings and whether the knowledge shared during the meetings was in fact useful or applied.
- 3.8 This TC will also finance an external assessment of the last five years of the RPD to identify areas of improvement. The objective of this external diagnostic will be two-fold: (i) to assess the relevance, effectiveness, and results of the RPD initiative and explore potential areas of improvement of the mechanism; and (ii) explore more effective ways to capture and disseminate RPD activities and achieved results. The scope of the diagnostic will cover at least the following: (i) review of the functioning of the RPD and its networks; (ii) review of the quality, relevance, and dissemination of products (meetings and publications); (iii) an aggregate and cross-network analysis of achieved results (Regional Public Good, lending operations, technical cooperation, south-south collaboration); and (iv) recommendations to improve the functioning of the RPD networks.

IV. Executing agency and execution structure

- 4.1 The Bank, through VPS/VPS and VPS' Divisions (CSD/CCS, CSD/HUD, CSD/RND, IFD/ICS, IDF/CMF, IFD/CTI, IFD/FMM, INE/ENE, INE/TSP, INE/WSA, INT/INT, RES/RES, SCL/EDU, SCL/GDI, SCL/LMK, SCL/SPH, and VPS/ESG) where the RPD networks are located, will execute this TC. The Bank will be the executing agency given the high complexity in coordinating the RPD, including the involvement of 18 different VPS sectors and 26 LAC countries.
- 4.2 Based on the lessons learned from previous executed TCs (RG-T1832, RG-T2017, RG-T2252, RG-T2436, RG-T2557, and RG-T2732), and given the number of RPD networks and the complexity of the decentralized use of resources, the RPD Secretariat proposes an executing mechanism that involves the creation of one umbrella TC that will include one operation per VPS Department and within each operation the creation of a sub-operation per network under the corresponding VPS Department. The proposed executing mechanism ensures that transfers between sub-operations are feasible, if needed. Once the network activities have concluded and all related expenses have been processed, any unused funds could be reallocated to finance pending activities of other networks. Each network will present the RPD Secretariat a completion report with all generated deliverables and achieved outcomes. For a more detailed description of the proposed executing mechanism see the following [link](#).
- 4.3 Procurement. The operation will contract: (i) individual consultants in accordance with the guidelines set out in the AM-650; and (ii) consulting firm services of an intellectual nature only, in accordance with GN-2765-1 and related Operational Guidelines (OP-1155-4).

V. Major issues

- 5.1 A possible risk is low engagement and participation of high-level officials. This risk has been mitigated since 2010 following OVE's recommendations (RE-316-1) to cover travel and per-diem expenses of government officials, as well as through effective communication of encouragement from the network coordinators.

VI. Exceptions to Bank policy

- 6.1 There are no exceptions to Bank policy foreseen under this TC.

VII. Environmental and Social Strategy

- 7.1 There are no environmental, social risks or impacts associated with this program. The TC is classified as "C" (see [Safeguard Screening Form](#) and [Safeguard Policy Filter Report](#)).

Required Annexes:

- Annex I: [Results Matrix](#)
- Annex II: [Terms of Reference](#)
- Annex III: [Procurement Plan](#)