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***OVE's Proposed 2020-2021 Work  
Program and 2020 Budget. Final  
version***

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***Office of Evaluation and Oversight, OVE***

Inter-American Development Bank  
Inter-American Investment Corporation  
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## OVE'S PROPOSED 2020-2021 WORK PROGRAM AND 2020 BUDGET

### I. INTRODUCTION

- 1.1 The Office of Evaluation and Oversight (OVE) is an independent office of the Inter-American Development Bank (IDB), reporting directly to IDB's Board of Executive Directors. Since 2016 OVE serves the same function for the Inter-American Investment Corporation (IDB Invest), reporting directly to IDB Invest's Board of Executive Directors. OVE seeks to provide accurate, constructive, and evidence-based information on the performance and development effectiveness of the activities of the IDB Group (IDBG).
- 1.2 On this report OVE documents the status of the current year's work and presents the work plan and related budget for the coming year, it also includes an indicative list of evaluations for the following year. The work program and budget document covers evaluation activities carried out by OVE for both IDB and IDB Invest. Most OVE evaluations address activities of both IDB and IDB Invest, although a few focus on only one of the two organizations.

#### A. OVE's evaluation products

- 1.3 OVE's evaluations are grouped into four broad categories: project evaluations, country program evaluations, sector and thematic evaluations, and corporate evaluations. These complementary categories provide a unique perspective on the IDBG's performance and development effectiveness that contributes to achieving the institutional strategy.
- 1.4 **Project evaluations** support most other evaluation work, particularly at the country, sector, and thematic levels. For an accurate picture of IDBG's results it is necessary to have a clear understanding of the performance – the relevance, effectiveness, efficiency, and sustainability – of the projects IDBG supports. The Development Effectiveness Framework underpins the project evaluation architecture: it provides a system for self-reporting of project results – since 2014 for sovereign-guaranteed (SG) projects through Project Completion Reports (PCRs) and since 2015 for non-sovereign-guaranteed (NSG, or private sector) projects through Expanded Supervision Reports (XSRs). OVE validates all PCRs and XSRs prepared by Management and reports annually on the results of the validation. Validated ratings are used in the IDBG's annual Development Effectiveness Overview report.
- 1.5 OVE also periodically undertakes independent evaluations of IDB projects, often grouping several similar projects together, to draw lessons from the various experiences. These comparative evaluations vary in scope and design, depending on the aim of the evaluation. OVE also reviews the design and performance of Bank Group projects as part of country program evaluations, as noted below.
- 1.6 **Country program evaluations (CPEs)** provide an analysis of the relevance and effectiveness of IDBG's support to an individual borrowing country over four to five years. This reporting period usually corresponds to the time covered by the most recent Country Strategy, and the CPE analyzes that strategy along with the

content, efficiency, and effectiveness of the Bank Group’s program (including the entire range of SG and NSG lending and technical cooperation of both IDB and IDB Invest). Each CPE involves extensive collection and review of information and data, field visits, and discussions with Management and country counterparts. Taken together, OVE’s CPEs provide a comprehensive picture of the Bank’s work in all borrowing member countries.

- 1.7 **Sector and thematic evaluations** tend to have a broader scope, often building on the groundwork laid by project and country program evaluations. They provide in-depth analysis of IDBG’s engagement and lessons of experience in a substantive area, as well as advice on future strategic directions.
- 1.8 **Corporate evaluations** focus on the IDBG’s structure, policies, tools, and internal processes and assess how they affect the development effectiveness of the IDBG’s work, with the aim of strengthening the institution’s performance.
- 1.9 In addition to preparing its own evaluations of IDBG programs, OVE has a mandate to support **evaluation capacity development** in Latin America and the Caribbean (LAC) countries. OVE devotes relatively modest resources to this area of work, as described further below, but seeks to achieve significant results through focused efforts and strong partnerships with other donors and LAC institutions.

**B. Implementation of OVE’s work program in 2019**

- 1.10 Table 1.1 shows OVE’s work program for 2019. Even though major changes have happened in OVE during 2019 and 11 positions need to be filled, OVE delivered its 2019 work program with only minor adjustments.

**Table 1.1. OVE’s work program 2019**

Evaluation	Original delivery date	Actual or expected delivery date
<b>Country Program Evaluations</b>		
CPE Colombia 2015-2018 ( <a href="#">RE-529-3 / CII/RE-44-3</a> )	Q1 2019	Delivered in Q1 2019
CPE Costa Rica 2015-2018 ( <a href="#">RE-535-4 / CII/RE-49-4</a> )	Q1 2019	Delivered in Q2 2019
CPE Brazil 2015-2018 ( <a href="#">RE-534-1 / CII/RE-48-1</a> )	Q1 2019	Delivered in Q2 2019
CPE Mexico 2013-2018 ( <a href="#">RE-536-1 / CII/RE-50-1</a> )	Q2 2019	Delivered in Q2 2019
CPE El Salvador 2015-2019	Q3 2019	To be delivered in Q1 2020
CPE Panamá 2015-2019	Q3 2019	To be delivered in Q1 2020
CPE Argentina 2016-2019	Q2 2020	To be delivered in Q2 2020 – mission and, therefore, final report postponed at the request of Management
CPE Trinidad and Tobago 2016-2020	Q4 2019	Postponed at the request of Management: Country Strategy extended until 12/2020 and new strategy planned for 10/21
CPE Belize 2013-2021	Q3 2019	Postponed at the request of Management: Country Strategy extended until 12/21
CPE Bolivia 2016-2020	Q3 2020	To be delivered in Q2 2020

Evaluation	Original delivery date	Actual or expected delivery date
CPE Uruguay 2016-2020	Not in the 2019 WP	To be delivered in Q2 2020 – brought forward at the request of Management
<b>Corporate and Project Evaluations</b>		
Evaluation of the Independent Consultation and Investigation Mechanism (MICI)	Q4 2019	To be delivered in Q1 2020
Evaluation of the adequacy of IDB's financial and nonfinancial instruments	Q1 2020	To be delivered in Q1 2020
Validations PCRs and XSRs	Q4 2019	Delivered in Q4 2019
Follow up implementation of OVE Recommendations (ReTs)	Q2 2019	Delivered in Q3 2019 – first time covering a full calendar year and presenting as a stand-alone report
<b>Sector and Thematic Evaluations</b>		
Transparency and Integrity	Q4 2019	To be delivered in Q3 2020, with a larger scope than initially foreseen
<b>Others</b>		
OVE Annual Report 2018 ( <a href="#">RE-537 / CII/RE-51</a> )	Q1 2019	Delivered in Q1 2019
Implementation of Recommendations from the Independent Review Panel's Final Report:		
a) Evaluation Policy Framework IDB Group ( <a href="#">RE-538-5 / CII/RE-52-5</a> )		Approved by the Boards in July 2019
b) Update on the Implementation of Recommendations ( <a href="#">RE-531-3</a> )	Q1 2019	Delivered in Q1 2019
c) Update on the Implementation of Recommendations	Q4 2019	To be delivered in Q4 2019
Office of Evaluation and Oversight: Summary of Activities for the IDB Group. January – July 2019	Q3 2019	To be delivered in Q4 2019
Update of Country Program Evaluations Protocol	Q3 2019	See paragraph 2.21

1.11 Following good practice and exercising its oversight responsibility, in 2017 the Board of Directors commissioned an external review of the performance of the evaluation function from an external Independent Review Panel (IRP). The panel's report was presented to the Board in 2018. During 2019, in coordination with Management and the Board, OVE has continued working on the implementation of the recommendations made by the IRP and endorsed by the Board. These recommendations included the elaboration of an evaluation policy; the rationalization and documentation of OVE's strategic, evaluation, and administrative processes; the improvement of its organizational structure; and a more systematic consultation process for the elaboration of the work plan.

1.12 The IDB Group's recently approved Evaluation Policy Framework (2019) reaffirmed OVE's mandate to disseminate its evaluation work for learning, accountability, and transparency, and to support the creation and strengthening of effective monitoring and evaluation (M&E) systems and capacity in the LAC region. Under this mandate, OVE continues its outreach and dissemination efforts – both online and through publications and events – to make evaluations available to IDBG's stakeholders in ways that foster their use.

- 1.13 OVE continues to support the CLEAR Initiative (Centers for Learning on Evaluation and Results, <http://www.theclearinitiative.org/>) through two centers selected through a competitive process: the Centro de Investigación y Docencia Económicas (CIDE) in Mexico, and the Getulio Vargas Foundation in Brazil. As part of a global program bringing together academic institutions and donor partners, the two CLEAR centers focus on strengthening local M&E capacities through training, technical assistance, and research, generating evaluation expertise and disseminating evaluation knowledge for LAC. Acting on a CIDE proposal, in June 2019 the CLEAR Initiative launched the first global evaluation week, convening M&E knowledge events around the world to raise awareness and foster knowledge-sharing globally. In that context, OVE organized a panel in Ecuador to exchange experiences about evaluation systems in public institutions, with participants from Costa Rica, Colombia, and Peru. In 2019, a new CLEAR strategy is being prepared to enhance the reach and sustainability of the CLEAR Initiative.
- 1.14 To promote knowledge-sharing within OVE and with the rest of the Bank, OVE holds internal presentations twice a month. In addition, in collaboration with the Bank’s Executive Director for Germany and KIC, OVE organized an event to present to the Bank the experience of the German Evaluation Institute for Development, and launched the book “Information and Communication Technologies for Development Evaluation”<sup>1</sup> to help foster dialogue and exchange of knowledge on innovative solutions for evidence-driven development.

## **II. OVE’S PROPOSED WORK PROGRAM FOR 2020 AND 2021**

### **A. Context**

- 2.1 Following the Board-endorsed recommendation by the IRP, OVE has carried out a more systematic consultation process to elaborate its work program 2020-2021 proposal. From July through September, OVE held interviews with the Bank’s Senior Management and several representatives of the Board of Directors to receive their suggestions and complement OVE’s own assessment carried out in June.
- 2.2 Stakeholders interviewed unanimously agreed that OVE’s work program for the next two years should contribute to the strategic discussions around the big issues the IDB Group is facing. While the Bank is celebrating its 60<sup>th</sup> anniversary, the Region is facing rapid change and multilateral banks are encountering a new international context. Amidst all this, a new President is expected to join the IDB Group in the fall of 2020.
- 2.3 This section presents the proposal for OVE’s 2020-2021 work program following a first discussion with the PEC in October 2019 (see Table 2.1). The selection of topics for evaluation in this proposal takes into account their strategic and

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<sup>1</sup> The book, the latest [issue](#) of Routledge Studies in Development Economics, was edited by Oscar Garcia, Director, and Prashanth Kotturi, Evaluation Analyst, of the Independent Office of Evaluation of the International Fund for Agricultural Development. It presents important contributions made by a team of expert practitioners as the result of an international conference on this topic that IFAD hosted in 2017.

operational interest for the IDB Group, their timeliness, and OVE's mandate. It also considers OVE's available resources, with the provision set out in paragraph 2.21 – that a pilot to test a streamlined approach to CPEs will be rolled out in 2020, and resources freed up will become available for other types of evaluations.

## **B. Proposed corporate evaluations**

- 2.4 **Independent Consultation and Investigation Mechanism (MICI).** This evaluation was included in the work plan for 2019-2020, to take place five years after MICI's revised policy was adopted and as provided in that policy. Desk work and missions are being carried out during in 2019, and the evaluation will be delivered to the Board during the first quarter of 2020.
- 2.5 **IDB Governance.** During the discussion held to prepare OVE's work plan, several members of the Board of Directors indicated an interest in an evaluation focused on the extent to which the IDB's current institutional arrangements are conducive to good governance, strategy formulation and implementation, and oversight. A similar interest was expressed during the preparation of last year's OVE work program. To help clarify these issues, OVE proposes to initiate in 2020 and deliver in 2021 an evaluation of IDB governance. Other institutions (e.g., IMF, AfDB, EIB) have carried out similar studies in the past, and OVE conducted a similar study in 2008-2009. It was argued at the time that "Management was concerned about the costs of compliance with Board requests, while Board members were concerned that current mechanisms did not ensure adequate oversight of Management by the Board."<sup>2</sup> The results of the study were presented during the Board's 2009 retreat, and several follow-up actions were decided. OVE suggests holding discussions with the Board and Management during the preparation of the Approach Paper to help better define the scope of this evaluation. Preparatory work for this evaluation will start in Q1 2020.
- 2.6 **Evaluation of the Haiti Grant Facility.** In 2010, the Ninth General Capital Increase called for strengthening the IDBG's support to Haiti and committed to provide to the Grant Facility US\$200 million in transfers of Ordinary Capital each year for 10 years (2011-2020). As the 10-year period is ending next year, an evaluation of this significant effort by the IDBG is proposed in 2020. The evaluation will build on OVE's previous work on Haiti<sup>3</sup> and will aim to shed light on its relevance, effectiveness, efficiency and sustainability.
- 2.7 **IDB Lab.** In 2020 OVE will start a Corporate Evaluation of BID-Lab, to be delivered on the third quarter of 2021. OVE will undertake the evaluation following the mandate of the MIF III agreement that states that "Any time after the first anniversary of the MIF III Effective Date, and at least every five years thereafter, the Donors Committee shall request an independent evaluation by the Bank's Office of Evaluation and Oversight, payable with resources of the Fund." (AB-3132-1, Article IV, Section 5. Reporting and Evaluation.). Following MIF III's Agreement mandate, the evaluation will focus on reviewing BID Lab performance considering

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<sup>2</sup> OVE's Proposed 2008 Work Program and Budget ([RE-335](#)).

<sup>3</sup> *Country Program Evaluation: Haiti 2007-2011* ([RE-394](#)); *Country Program Evaluation: Haiti 2011-2015* ([RE-494-1](#)); *Overview: Mid-term Evaluation of IDB-9 Commitments* ([RE-425](#)); and *IDB's Ninth General Capital Increase: Implementation and Results* ([RE-515-6](#)).

the purpose and functions of the Fund, including an assessment of the relevance, effectiveness, efficiency, innovation, sustainability and additionality of BID Lab project groups as well as and assessment of the progress with regard to the implementation of the recommendations approved by BID Lab Donors Committee. This evaluation aims to serve as an input to the discussions of the future of the IDB Lab that will start in 2021.

- 2.8 **IDB’s financial instruments.** OVE’s 2019-2020 work program proposed an evaluation of the adequacy of IDB’s instruments. After reviewing OVE’s past work, OVE will deliver a **synthesis** report summarizing learning from previous evaluations of financial and nonfinancial instruments and of the most recent CPEs. To complement this work, and responding to suggestions by the Board and Management, OVE will prepare additional evaluations on selected instruments during the 2020-2021 work program. The first proposal is an evaluation of **guarantees**, an instrument that has strong potential but has been used relatively few times. As Management has already carried out an analysis of guarantees, OVE is coordinating closely with SPD to avoid duplication and to leverage their knowledge as much as possible; a joint study is being considered. The second will be an evaluation of **policy-based lending**, which was also suggested for the 2019-2020 work program. This evaluation will build on the study OVE carried out in 2015 and will include, to the extent possible, an assessment of the effectiveness of policy-based loans. Because it is difficult to measure outcomes and impacts for this type of operation, OVE will carry out a methodological study in Q3 2020, before launching the evaluation.
- 2.9 **Clients: IDB Group engagement at the subnational level.** IDB has a long history of engaging with subnational governments through different modalities, including direct financing and indirect financing through central governments or public development banks.<sup>4</sup> OVE proposes a corporate evaluation to examine the various modalities of Bank engagement at the subnational level to identify challenges and opportunities for the IDBG. The evaluation, to be started in 2021, will include an analysis of how other comparable institutions engage at the subnational level.
- 2.10 **IDB Invest.** The Busan Resolution set a “renewed vision for fostering development through the private sector” and created IDB Invest. Under the resolution, an evaluation of the new organization is to be carried out after the completion of the first business plan (2016-2019). While it would be too early to fully evaluate some aspects of IDB Invest, this evaluation should focus on the extent to which the objectives underpinning the creation of IDB Invest (including any updates to those objectives) have been or are being delivered. In 2017, OVE carried out an early review of the implementation of the private sector merge-out and will build on this study. Without prejudging the specific approach to this evaluation and its evaluation questions, suggested topics of interest include cross-booking arrangements, coordination between IDB Invest and IDB, the approach to development effectiveness (“strategic selectivity”), and financial and risk sustainability considerations beyond cross-booking aspects. This evaluation will start in late 2020.

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<sup>4</sup> For the Decentralization and Subnational Governments Sector Framework, subnational governments were defined as including intermediate-level governments (states, provinces, departments), local governments (municipalities), and public enterprises under municipal responsibility.

## C. Proposed sector and thematic evaluations

- 2.11 One of the IDBG's main comparative advantages as a regional development bank is that it works on similar issues across many countries. This gives the Group a broad perspective on sectoral and thematic issues in the Region and the capacity to transfer knowledge across countries. Thematic and sector evaluations support lessons learned across the institution and clients, foster understanding of challenges and good practices, and seek to assess the results of the Group's activities. For these reasons, OVE will strengthen its work on thematic and sector evaluations.
- 2.12 It has been suggested that OVE should provide inputs for each Sector Framework Document (SFD).<sup>5</sup> However, this approach would not support the strategic selection of evaluation topics. To follow the SFD schedule would predetermine much of OVE's work program and would limit OVE's ability to select topics that are of high priority and high value for the Bank. In addition, because SFDs are not normative in nature, they do not necessarily guide the IDBG's work on the sector and, therefore, are not a strong basis on which to frame an evaluation. Finally, their high number and frequency would require OVE to commit resources in excess of its capabilities.<sup>6</sup> Thus, we propose a more selective approach, using demand, volume of work, relevance, and/or timeliness to choose topics (whole sectors or subsectors) of specific interest to the IDBG.
- 2.13 **Transparency and integrity.** OVE's 2019 work plan envisaged the delivery of an evaluation of the Bank's work on transparency and integrity to help inform the preparation of the SFD that Management presented to the Board during 2019. Nevertheless, after a first analysis of the portfolio, OVE found that the initially proposed time frame was insufficient to deliver a quality evaluation: while the portfolio identified as explicitly supporting transparency and integrity aspects was initially relatively small (30 operations), using text analytics and desk analyses OVE identified a portfolio of around 150 projects supporting this important area. OVE started to prepare this evaluation during 2019, coordinating closely with Management to ensure synergies and avoid duplication, and aims to deliver it to the Board for consideration during the third quarter of 2020.
- 2.14 **Citizen security.** Since the early 2000s IDB has increased its efforts to support LAC governments' policies and programs to address citizen security issues. IDB has also expanded its support for knowledge generation and technical assistance in the area. Although there has been progress, citizen insecurity is still a pressing development issue and a priority for IDB member countries. The Bank has built a sizable portfolio of loans and technical assistance in the sector. OVE's last evaluation in this area, delivered in 2014, looked at projects approved in 1998-2012. OVE proposes to start in mid-2020 an update of that 2014 citizen security evaluation.

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<sup>5</sup> SFDs are part of the regulatory framework for sectors, along with sector strategies, cross-sectoral policies, and sector guidelines. According to their initial proposal ([GN-2670-1](#)), SFDs are knowledge documents that provide a synthesis of the main development challenges, an evidence-based summary of what development interventions work, and list of knowledge gaps to guide future research.

<sup>6</sup> There are 22 SFDs, and they are updated every four years, on a rolling basis.

- 2.15 **Adapting to climate change.** Adapting to climate change is one of the most pressing development issues in LAC, where some of the countries are among the world's most vulnerable to the adverse effects of global warming. Climate change adaptation and mitigation are prioritized as cross-cutting themes in all IDBG country strategies and country programs. Building on OVE's 2014 *Climate Change at the IDB: Building Resilience and Reducing Emissions*<sup>7</sup>, OVE proposes a new sector evaluation to focus on IDB efforts to mainstream adaptation to climate change in its all projects and activities. The evaluation will cover IDB projects and other activities approved after 2012 and will start in 2021.
- 2.16 **Urban development.** LAC is one of the most urbanized regions in the world. Rapid urbanization has meant that in many countries, more poor persons live in urban areas than in rural areas, and it has historically put pressure on LAC governments to improve living conditions, access to basic services and infrastructure, and quality of life in urban areas. Congestion, poor air quality, and citizen insecurity are also persistent issues for the region's urban areas. The IDB has evolved its approach to support urban development and address these issues in the Region, from a focus on SG housing and neighborhood improvement programs to a broader approach that includes more comprehensive interventions encompassing a cross-sector and cross-IDBG-windows approach. Building on previous evaluations,<sup>8</sup> OVE proposes to start in 2021 an evaluation of IDB projects and activities to support urban development since 2009.
- 2.17 **Water and sanitation in rural areas and small cities.** Even though access to and the quality of water and sanitation services have improved in LAC in recent years, gaps persist between rural and urban areas and among small cities, medium cities, and large metropolitan areas. Access to quality water and sanitation services is one important determinant of nutritional and health status, especially in the early years of life, as well as of time use among women. In most countries in the region water and sanitation provision is under the jurisdiction of subnational governments (states or municipalities) or community associations, which often lack the institutional capacity and resources to ensure adequate investment in and management of the systems. In recent years, IDB has been implementing innovative approaches to improve institutional arrangements and infrastructure for rural and small city water systems. OVE proposes to start in 2021 an evaluation of these projects and related Bank activities, approved between 2009 and 2019.

#### D. Proposed country program evaluations

- 2.18 Current regulations on country programming require OVE to prepare CPEs before any new Country Strategy is approved. Typically, OVE prepares four to six CPEs annually. However, next year OVE should either deliver or start work on ten CPEs: **Dominican Republic, Guatemala, Trinidad and Tobago, Suriname, Peru, Ecuador, Guyana, Jamaica, Haiti, and Belize.** In addition, in early 2020 OVE will

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<sup>7</sup> *Climate Change and the IDB: Building Resilience and Reducing Emissions* (RE-459-1).

<sup>8</sup> *IDB Support to Low-Income Housing Programs in the Caribbean* (RE-500-1), *Emerging Sustainable Cities Initiative* (RE-501-1), *PROCIDADES* (RE-481-1), *Comparative Case Studies of Three IDB-supported Urban Transport Projects* (RE-454-1), and CPEs for Brazil (RE-534-1 / CII/RE-48-1), and Mexico (RE-536-1 / CII/RE-50-1), among others.

deliver five CPEs started in 2019: **Panama 2015-2019, El Salvador 2015-2019, Argentina 2016-2019, Bolivia 2016-2020, and Uruguay 2016-2020.**

- 2.19 CPEs were designed to meet the information requirements of the Board and Management, and to contribute to accountability and learning. The stated aim was to provide an accounting to the Board regarding the results achieved through Bank assistance in a country over a period of time and, at the same time, to serve a learning purpose by drawing on evaluation results to engage in a constructive dialogue on what could be done to improve the effectiveness of the Bank's assistance program in the future. However, as the Bank has developed stronger processes to elaborate Country Strategies (e.g., Country Development Challenges, new Country Strategy requirements), the utility of CPEs has diminished. In addition, although it was initially decided that "CPEs should cover a period of assistance that is long enough to provide a sufficient period of time in which to witness development results," the length of Country Strategies (4 to 5 years) restricts the possibility of assessing results through a CPE. Finally, CPEs absorb much of OVE resources and therefore reduce OVE's ability to elaborate a more strategic work program, as the Board and the IRP report requested.
- 2.20 Therefore, as proposed in OVE's work program 2019-2020, OVE has reviewed the CPE product with a view to proposing a new protocol. Other multilateral development banks (MDBs) and bilateral cooperation donors have engaged in similar processes: the German Institute of Development Cooperation launched a review of Country Program Evaluations and Reviews, OECD/DAC-EvalNet hosted a workshop focused on the same topic, and the ECG launched a stocktaking study to understand current practices, review methodologies, and identify good practice.
- 2.21 Based on these elements, we propose finalizing the new protocol after the results of the new initiatives described in the previous paragraph have been concluded and the pilot period has been carried out in 2020. OVE will prepare a technical design for a new CPE pilot at the end of 2019 and will carry it out in 2020, finalizing a new CPE protocol in 2020. The final decision on OVE's work program for 2020-2021 should be subject to agreement on the pilot, as this will determine the balance of resources between CPEs and other evaluations.

## **E. Project evaluations and validations**

- 2.22 The work plan includes two assignments focused on the accountability and oversight aspects of OVE's mission.
- 2.23 **PCRs and XSRs validations.** As the Evaluation Policy Framework describes, the IDB Group evaluation system comprises both self-evaluation and independent evaluation functions. OVE works with IDB and IDB Invest to implement and improve across the Group a solid self-evaluation system. In this context, OVE will continue to validate the self-evaluation reports for SG and NSG operations in 2020 and to report to the Board on the results.
- 2.24 **Recommendations Tracking System (ReTS).** OVE has worked with IDB and IDB Invest to set up a credible and practical system to track progress on the implementation of Board-endorsed recommendations stemming from OVE

evaluations. In 2020 OVE will continue tracking the implementation of past recommendations while working to improve the system.

## **F. Learning, dissemination, and evaluation capacity development**

- 2.25 OVE was created 20 years ago. Thus, this is a good moment to reflect on the work done and on the plans for the future. Following the improvements made in response to the external review and other influences, OVE will make an effort to better disseminate the results of its evaluations and to build evaluation capacity both in-house and in the LAC region.
- 2.26 Concepts and methods in evaluation are evolving faster than ever and it has become a priority to set up a regular evaluation training program for OVE's personnel, in particular in a period during which OVE will on-board several new evaluators. OVE will combine in-house and external training provided by experienced professionals to strengthen the evaluation capacity of its personnel. Also, as part of the training program, OVE will reinforce the integration of OVE personnel into existing evaluation professional conferences and networks in LAC and internationally.
- 2.27 OVE will strengthen its outreach work in the region through national evaluation institutions as well as regional and national development banks. As a first step, OVE seeks to assess the current state of national evaluation systems in the region - a study was carried out in 2015 by the LAC CLEAR Center, CIDE, documenting the development and challenges of monitoring and evaluation systems in 10 countries of Latin America<sup>9</sup>. OVE is also reaching out to regional and national development banks and is currently cooperating and supporting the Evaluation Office of the Central American Bank for Economic Integration (CABEI).
- 2.28 In 2020 the IDB will chair and host the 3rd Meeting between the Chairs of Evaluation Committees and the Heads of Evaluation Departments of the MDB members of the ECG. The first two meetings were chaired by the World Bank and the Asian Development Bank and both meetings were hosted by the World Bank in Washington D.C. In addition, OVE will chair the ECG network during 2021 which will be an opportunity to bring together international and regional evaluation professionals.

## **G. Other**

- 2.29 As in previous years, OVE will produce an Annual Report, summarizing OVE's evaluation work and project validations completed in 2019 as well as two half yearly reports describing progress on the implementation of the work program and budget execution.
- 2.30 Finally, the work program leaves some resources to finalize the implementation of the IRP recommendations on the evaluation function. Much of the work has been done in 2018 and 2019, but some larger-scale recommendations—for example,

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<sup>9</sup> Pérez Yarahuan, G. and Maldonado C. Panorama de los sistemas nacionales de monitoreo y evaluación en América Latina, 2015. Trujillo (editors).

some elements of the more strategic managing of OVE—will be implemented in 2020.

**Table 2.1. OVE's Proposed Evaluations 2020-2021**

Evaluations or work stream	Planned starting date	Indicative delivery date <sup>a</sup>
<b>Corporate Evaluations</b>		
Evaluation of MICI	Q2 2019	Q2 2020
Instruments – Synthesis on learning	Q2 2019	Q2 2020
GRF/Haiti	Q1 2020	Q1 2021
IDB Governance	Q1 2020	Q1 2021
IDB Lab	Q2 2020	Q2 2021
Instruments – Guarantees	Q2 2020	Q4 2020
Instruments – PBLs methodological study	Q3 2020	Q1 2021
Bank Clients - Subnationals, NDBs and PPEs	Q1 2021	Q4 2021
IDB Invest	Q4 2020	Q4 2021
<b>Sector and Thematic Evaluations</b>		
Transparency and Integrity	Q2 2019	Q3 2020
Citizen Security	Q3 2020	Q2 2021
Adaptation to Climate Change	Q1 2021	Q4 2021
Urban Development	Q3 2021	2022
Water and Sanitation	Q3 2021	2022
<b>Country Program Evaluations<sup>b</sup></b>		
CPE Argentina	Q3 2019	Q2 2020
CPE Bolivia	Q3 2019	Q2 2020
CPE Uruguay	Q3 2019	Q2 2020
CPE Dominican Republic	TBD	TBD
CPE Guatemala	TBD	TBD
CPE Trinidad and Tobago	TBD	TBD
CPE Suriname	TBD	TBD
CPE Peru	TBD	TBD
CPE Ecuador	TBD	TBD
CPE Guyana	TBD	TBD
CPE Jamaica	TBD	TBD
CPE Haiti	TBD	TBD
CPE Belize	TBD	TBD
<b>Project Evaluations and Validations</b>		
PCR/XSR Validation	Continuous	Q3 2021
ReTS	Continuous	Q3 2021
<b>Other</b>		
OVE Annual Report 2019	Q4 2019	
OVE half-yearly Summary of activities	Q3 2020 and Q1 2021	Q3 2020 and Q1 2021

<sup>a</sup> Delivery dates of evaluations will be defined in their Approach Paper

<sup>b</sup> Dates of the new CPEs to be decided as per paragraph 2.21

### III. STAFFING AND BUDGET

- 3.1 OVE has 30 staff positions, of which 19 are currently filled: the Director, 2 advisors, 13 full-time evaluators, 3 administrative support staff, and 1 IT expert. OVE has launched the recruitment process to fill the 11 remaining vacancies to allow it to deliver a full work program in 2020. In addition to staff and short-term consultants,

OVE hires 5-7 research fellows per year through a competitive process, and 12-15 research fellows are typically on board at any given time.

**Table 3.1. OVE budget comparison by line item** <sup>a, b</sup>

Account	FY19 approved budget (US\$)	FY20 requested budget (US\$)	% change
- Salary - International Staff	4,206,003	4,179,379	
- Benefits - International Staff	1,852,708	1,807,927	
- Other Personnel Costs	18,700	19,392	
<b>Total Staff Labor Costs - SLC</b>	<b>6,077,411</b>	<b>6,006,698</b>	
<b>Total Complementary Workforce - CLC</b>	<b>1,273,847</b>	<b>1,425,807</b>	
<b>TOTAL LABOR COSTS</b>	<b>7,351,258</b>	<b>7,432,504</b>	<b>1.11%</b>
- International Business Travel	285,000	285,000	
- Staff Development	97,503	88,227	
- Events, Conferences and Outreach	441,726	432,000	
- Communications and Publications	86,500	85,000	
- Equipment and Supplies	67,144	83,000	
- Office Occupancy	5,154	10,000	
- Other Expenses	1,700	1,500	
<b>TOTAL NON-LABOR COSTS</b>	<b>984,727</b>	<b>984,727</b>	<b>0.00%</b>
<b>TOTAL OVE-IDB</b>	<b>8,335,985</b>	<b>8,417,232</b>	<b>0.97%</b>
<b>TOTAL OVE-IDB Invest</b>	<b>1,432,909</b>	<b>1,446,808</b>	<b>0.97%</b>
<b>OVE TOTAL OPERATING EXPENSES</b>	<b>9,768,894</b>	<b>9,864,040</b>	<b>0.97%</b>

<sup>a</sup> The 3.7% Market-Based Salary Increase (MBSI) is awaiting Board approval; any changes to it will be applied to OVE accordingly.

<sup>b</sup> International staff vacancies have been budgeted on the basis of their respective hiring date. Therefore, \$125,209 from international staff vacancy salaries has been allocated to Complementary Labor Costs.

- 3.2 OVE is requesting a total 2020 budget of **\$9,864,040** (see Table 3.1). For IDB this represents a **0.97% nominal increase** over the 2019 budget, less than the Bank-wide increase of 2%. OVE is not requesting an increase in the number of staff.
- 3.3 OVE's total budget is allocated each year between IDB and IDB Invest, given that OVE serves both institutions and most OVE evaluations cover the relevant activities of both IDB and IDB Invest. The proposed 2020 budget provides a 2020 IDB budget for OVE of \$8,417,232 and a 2020 IDB Invest budget for OVE of 1,446,808.<sup>10</sup>
- 3.4 In sum, OVE requests that IDB's Board of Executive Directors approve a 2020 budget for OVE of **\$8,417,232** and IDB Invest's Board of Executive Directors approve a 2020 budget of **\$1,446,808**, resulting in an overall 2020 OVE budget of **\$9,864,040**. This is intended to fund the evaluation work program laid out in Table 2.1 for 2020 (including work in 2020 on evaluations to be delivered in 2021).

<sup>10</sup> Because all OVE staff are technically employed by the IDB, the requested budget for IDB Invest can be formally allocated only to complementary labor costs and non-labor costs.

**ANNEX I – PRELIMINARY TIMELINE OF OVE EVALUATIONS 2020-2021\***

	2020												2021											
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
<b>Corporate Evaluations</b>																								
MICI Evaluation	■	■	■	■	■																			
Instruments - Synthesis on learning	■	■	■	■	■																			
GRF/Haiti		■	■	■	■	■	■	■	■	■	■	■	■	■										
IDBG Governance			■	■	■	■	■	■	■	■	■	■	■	■										
IDB Lab				■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Instruments - Guarantees				■	■	■	■	■	■	■	■	■												
Instruments - PBL methodology study								■	■	■	■	■	■	■	■	■								
IDB Invest										■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Bank clients (Subnationals, NDBs, ...)													■	■	■	■	■	■	■	■	■	■	■	■
<b>Sector and Thematic Evaluations</b>																								
Transparency and Integrity	■	■	■	■	■	■	■	■	■	■	■	■												
Citizen Security							■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Adaptation to Climate Change													■	■	■	■	■	■	■	■	■	■	■	■
Urban Development																			■	■	■	■	■	■
Water & Sanitation																			■	■	■	■	■	■
<b>Country Program Evaluations**</b>																								
CPE Argentina 2016-2019	■	■	■	■	■	■	■	■	■	■	■	■												
CPE Bolivia 2016-2020	■	■	■	■	■																			
CPE Uruguay 2016-2020	■	■	■	■	■																			
CPE Dominican Republic											■	■												
CPE Guatemala											■	■												
CPE Trinidad & Tobago											■	■												
CPE Surinam											■	■												
CPE Peru																	■	■						
CPE Ecuador																		■	■					
CPE Guyana																							■	■
CPE Jamaica																							■	■
CPE Haiti																							■	■
CPE Belize																								■
<b>Project Evaluations and Validations</b>																								
PCR/XSR validations	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
ReTS	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
<b>Other</b>																								
Annual Report	■	■									■	■	■	■									■	■
Semiannual reports	■	■					■	■					■	■					■	■				

■ Evaluation work    ■ Final consultation period     End of current Country Strategy

\* Delivery dates will depend on final approach. Table does not include Learning, dissemination and capacity building activities.  
 \*\* For CPEs, the marked date reflects the end of the current country strategy.

**ANNEX II – OVE EVALUATIONS BY TYPE OF EVALUATION AND DELIVERY DATE, 2015 – 2019**

2015	2016	2017	2018	2019
<b>CORPORATE EVALUATIONS</b>				
<ul style="list-style-type: none"> <li>▪ Measuring project performance</li> </ul>	<ul style="list-style-type: none"> <li>▪ Contingent lending</li> <li>▪ IDB budget trends</li> </ul>	<ul style="list-style-type: none"> <li>▪ IAMCs</li> <li>▪ Impact Evaluations</li> <li>▪ Merge-out progress report</li> <li>▪ NSG problem projects</li> </ul>	<ul style="list-style-type: none"> <li>▪ IDB-9 update</li> <li>▪ Env &amp; Soc Safeguards</li> <li>▪ IDB as a knowledge bank</li> </ul>	
<b>SECTOR AND THEMATIC EVALUATIONS</b>				
<ul style="list-style-type: none"> <li>▪ Bus rapid transport</li> <li>▪ Rural water</li> <li>▪ Agriculture &amp; food security</li> <li>▪ Procidades (Brazil)</li> <li>▪ CCT programs (Central America)</li> <li>▪ Policy-based lending</li> <li>▪ IDB Group work through FIs</li> <li>▪ Green lending</li> </ul>	<ul style="list-style-type: none"> <li>▪ Infrastructure PPPs</li> <li>▪ Urban trans and poverty</li> <li>▪ Sustainable cities</li> <li>▪ Housing (Caribbean)</li> <li>▪ Equity investing</li> <li>▪ Prod. Devt Prog's (Brazil)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Tax policy and admin.</li> <li>▪ Direct support to SMEs</li> </ul>	<ul style="list-style-type: none"> <li>▪ Gender &amp; diversity</li> </ul>	
<b>COUNTRY PROGRAM EVALUATIONS</b>				
<ul style="list-style-type: none"> <li>▪ Colombia</li> <li>▪ Panama</li> <li>▪ Bolivia</li> <li>▪ Brazil</li> <li>▪ Uruguay</li> </ul>	<ul style="list-style-type: none"> <li>▪ Argentina</li> <li>▪ Haiti</li> <li>▪ Suriname</li> <li>▪ Trinidad &amp; Tobago</li> <li>▪ Peru</li> <li>▪ Guatemala</li> </ul>	<ul style="list-style-type: none"> <li>▪ Guyana</li> <li>▪ Dominican Republic</li> <li>▪ Bahamas</li> <li>▪ Ecuador</li> </ul>	<ul style="list-style-type: none"> <li>▪ Nicaragua</li> <li>▪ Chile</li> <li>▪ Barbados</li> <li>▪ Paraguay</li> <li>▪ Honduras</li> </ul>	<ul style="list-style-type: none"> <li>▪ Colombia</li> <li>▪ Brazil</li> <li>▪ Costa Rica</li> <li>▪ Mexico</li> <li>▪ El Salvador</li> <li>▪ Panama</li> </ul>
<b>PROJECT EVALUATIONS AND VALIDATIONS</b>				
<ul style="list-style-type: none"> <li>▪ IIC XASR validations</li> <li>▪ Review of the ReTS</li> </ul>	<ul style="list-style-type: none"> <li>▪ PCR/XSR validations</li> </ul>	<ul style="list-style-type: none"> <li>▪ PCR/XSR validations</li> </ul>	<ul style="list-style-type: none"> <li>▪ PCR/XSR validations</li> </ul>	<ul style="list-style-type: none"> <li>▪ PCR/XSR validations</li> <li>▪ ReTs)</li> </ul>
<b>OTHER</b>				
<ul style="list-style-type: none"> <li>▪ 2015 Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2016 Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2017 Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2018 Annual Report</li> <li>▪ Follow-up to Independent Review of the Evaluation Function</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2019 Annual Report</li> <li>▪ Follow-up to Independent Review of the Evaluation Function</li> </ul>