

TECHNICAL COOPERATION ABSTRACT

I. Basic Information

▪ Country/Region:	Latin American and Caribbean countries
▪ TC Name:	Enhancing the IDB's borrowing member countries' work on transparency and accountability II
▪ TC Number:	RG-T2521
▪ Team Leader/Members:	Juan Cruz Vieyra (IFD/ICS), team leader; María José Jarquín (IFD/ICS), alternate team leader; María Bouroncle (ORP/GCM); Nicolás Dassen (IFD/ICS); Francisco Javier Urra (ICS/CBR); Melissa Gonzalez (IFD/ICS); and TBD (LEG/SGO)
▪ Indicate if: Operational Support, Client Support, or Research & Dissemination.	Research & Dissemination
▪ Date of TC Abstract:	
▪ Beneficiary (countries or entities which are the recipient of the technical assistance):	IDB borrowing member countries
▪ Executing Agency and contact name:	IDB - Institutional Capacity of the State Division (IFD/ICS)
▪ Donors providing funding:	Transparency Trust Fund (AAF)
▪ IDB Funding Requested:	US \$ 335,000
▪ Local counterpart funding, if any:	N/A
▪ Disbursement period (which includes execution period):	24 months
▪ Required start date:	July 14, 2014
▪ Types of consultants (firm or individual consultants):	Individual Consultants and Firms
▪ Prepared by Unit:	IFD/ICS
▪ Unit of Disbursement Responsibility:	IFD/ICS
▪ Included in Country Strategy (y/n);	N/A
▪ TC included in CPD (y/n):	
▪ GCI-9 Sector Priority:	Institutions for Growth and Social Welfare (GN-2587)

II. Objectives and Justification of the TC

2.1 The IDB signed an agreement with the Royal Ministry of Foreign Affairs of Norway in March 2007 to establish the Transparency Trust Fund, with an approximate contribution of US\$5 million. The purpose of the Fund was to strengthen the IDB member countries' institutional capacity in order to improve overall governance as a means to prevent and reduce corruption. In 2011, the Bank also approved a US\$1 million Project Specific Grant (PSG) to the Fund. In November 2012, the Government of Norway renewed its support with a US\$2.4 million contribution, received in 2013. In October 2013, the Government of Norway once again renewed its support, committing US\$5 million in three tranches (between 2014-2016). In 2014 the Government of Canada (US\$9 million contribution) and MasterCard (US\$ 900,000 contribution) joined the Fund. Since its inception, the Fund has financed and implemented 23 projects (US\$8 million), which includes six operations (US\$0.9 million) dedicated to research and transparency mainstreaming activities at the regional level and the technical management of the Fund and 17 projects (12 projects in 11 countries and five regional projects) for the remaining amount. By December 31, 2013, eight

- projects had been closed and four projects had disbursed at least 90% of approved amounts and were in the process of closing.
- 2.2 The **overall objective** of the TC is to continue supporting the IDB's borrowing member countries efforts to enhance transparency and accountability by providing technical support in the preparation and execution of operations financed by the AAF and to promote awareness and knowledge dissemination in this area. The **specific objectives** of this TC are to enable the IDB to provide continued support to AAF beneficiary projects and partners with: (i) regional cooperation for raising awareness on transparency and integrity at the regional and country level and for mainstreaming anticorruption initiatives within other IDB projects; (ii) knowledge generation based on the activities financed by the AAF; and (iii) appropriate supervision and advice for preparation of project proposals and efficient implementation based on mid-term and final evaluations of AAF-financed projects in order to prevent or correct deviation from planned activities and products and learn for future projects.
- 2.3 This project will support specific activities aimed at transferring knowledge and technical know-how based on the projects and activities financed by the AAF. Taking into account that in the last year the AAF has tripled its original available resources, this TC will be crucial to continue ensuring that the current AAF portfolio, both under execution and in pipeline, will benefit from timely and continuous knowledge sharing, dissemination, and technical follow-up. These actions are important to provide the client countries, donors and other relevant stakeholders with complete and accurate information on results from AAF-financed projects. In this sense, the project will also support the preparation of AAF-financed projects and initiatives, in order for them to align with the objective and strategic approach set in the AAF Operational Guidelines.

III. Description of activities/components

- 3.1 **Component I: Contribution to Regional Dialogue.** This component will raise awareness on transparency and integrity at the regional and country level, as well as mainstream anticorruption initiatives within the IDB. Specific activities will include: (i) organizing and or supporting transparency events, workshops, and conferences at the regional and/or national level, following the AAF strategic approach (for example, this TC will sponsor a panel at the 16th. International Anti-Corruption Conference¹ to be held in Tunis, Tunisia in 2014, and the participation on Extractive Industries Transparency Initiative (EITI) meetings and conferences, see the proposed Results Matrix); (ii) promoting transparency and anticorruption at the Bank's policy level, seeking alignment between AAF-financed activities and Bank-wide initiatives regarding transparency and corruption control and prevention; (iii) organizing IDB-internal events to seek engagement in topics such as transparency and access to information within the projects and technical cooperation's portfolio on modernizing government and to improve non-financial systems of public management at the Institutional Capacity of the State Division

¹ Following previous experiences, the IDB will invite to this event and support the participation of public officials where the AAF has financed projects.

and other operational divisions; (iv) providing continued support to the implementation of the AAF’s outreach and dissemination strategy (for example, at least 2 short videos are planned to be produced from operations, and the creation of promotional brochures, see the proposed Results Matrix); and (v) Research assistance to support country policy dialogue in order to identify and address transparency opportunities at the country level.

3.2 **Component II: Support Knowledge Generation.** Activities under this component will focus on: (i) developing knowledge products that build upon the programs and initiatives financed by the AAF and contribute to disseminate lessons learned and engage in country policy dialogues, such as technical notes, diagnostics and/or sector notes to feed Bank-Country Strategies, discussion or working papers and briefings etc.; (ii) conducting studies on frontier issues and/or international drivers of corruption, including use of technology and other innovative tools; and knowledge on the topic of access to information, focusing on measurement of results and impact on institutional development at the regional level and (iii) enhancing cooperation between the IDB and its member countries, universities, and other relevant academic institutions to share knowledge around the activities supported by the AAF. The execution of these activities may require, for example, hiring consultants to conduct applied research and/or assessments, or to hire editing and translation services (for example, a publication with discussion papers and lessons learned from the AAF will be published).

3.3 **Mid-term and Final Evaluations and of AAF projects.** Four projects financed by the AAF had each disbursed at least 90 percent of their corresponding approved amounts by December 2013 and are in the process of closing. Given the innovative nature of these projects, and taking into account the opportunity that AAF replenishment offers, there is a need to conduct external impact evaluations and/or to systematize results and lessons learned. Under this component, the financing of external impact evaluations in at least two programs funded by the AAF and two mid-term reviews of AAF-financed projects in execution is foreseen (reports are tentatively planned to be done for the projects RG-X1129 and ES-T1160, and mid-term review reports, for the projects RG-T2125 and RG-T2224).

IV. Indicative Budget

Component	Products (output)	IDB / US\$
Component I: Contribution to Regional Dialogue	AAF-sponsored Panel and site event at the International Anticorruption Conference (IACC), October 2014	55,000
	AAF participation in EITI-related events 2014/2015	15,000
	At least 4 BBL anticorruption events at the IDB, and 2 transparency events at the country level	25,000
	At least 2 short videos for RG-T2224; JA-T1078 and/or RG-T2125	12,000
	At least 1000 brochures for the Trust Fund, both in Spanish and English.	8,000
	At least one technical note/ diagnostic/sector note addressing opportunities to enhance transparency at the country level	20,000
Component II: Support Knowledge Generation	At least two working papers and/or books aligned with the Fund’s priority areas	80,000
	At least one working paper on the topic of access to information focusing on measurement of results and impact on institutional development	40,000
	At least one knowledge product edited, translated and published for RG-T2224	

	and/or JA-T1078.	15,000
Component III: Mid-term and Final Evaluations of AAF projects	Impact evaluation or systematization of results for RG-X1129 and ES-T1160	30,000
	At least two technical notes or mid-term review reports for RG-T2125 and RG-T2125	15,000
Contingencies		20,000
Grand Total		335,000

V. Executing Agency and Execution Structure

- 5.1 This is a Bank-executed program. The Institutional Capacity of the State Division (IFD/ICS) has technical responsibility over AAF activities. The AAF Technical Secretariat will play a key role in the day-to-day execution of activities to be supported by this TC. IFD/ICS, through its Division Chief and specialists (in Headquarters and country offices), will provide key institutional backing for the successful implementation of AAF-supported activities. The IDB-AAF team may draw limited resources to travel in order to support the activities financed by this TC.

VI. Project Risks and issues

- 6.1 There are no foreseen environmental, social or political risks associated with the execution of this program.

VII. Environmental and Social Strategy

- 7.1 Given the nature of the program involving institutional strengthening activities, no social or environmental issues are foreseen. Based on the aforementioned, and according to the Environment and safeguards compliancy policy GN-2208-20 and OP-703, the operation has been classified as “C” ([IDBDOCS-#38906320](#)).