

Technical Cooperation Document

I. BASIC INFORMATION

▪ Country/Region:	Regional
▪ TC Name:	Technical Management of the Special Program for Institutional Development (SPID)
▪ TC Number:	RG-T2838
▪ Team Leader/Members:	Roberto Manrique (IFD/IFD), Team Leader; María Sofía Greco (LEG/SGO); and Blanca Torrico (IFD/CTI)
▪ Taxonomy:	Research & Dissemination
▪ Date of TC Abstract authorization:	N/A
▪ Beneficiaries:	IDB borrowing member countries
▪ Executing Agency and contact name:	Inter-American Development Bank (IDB), through the Institutions for Development Sector (IFD/IFD)
▪ Donors providing funding:	Special Program for Institutional Development (SPID)
▪ IDB Funding Requested:	US\$390,047
▪ Local counterpart funding, if any:	N/A
▪ Disbursement period (which includes Execution period):	36 months
▪ Required start date:	September, 2016
▪ Types of consultants:	Individual Consultants and Firms
▪ Prepared by Unit:	IFD/IFD
▪ Unit of Disbursement Responsibility:	IFD/IFD
▪ TC Included in Country Strategy (y/n):	N/A
▪ TC included in CPD (y/n):	N/A
▪ GCI-9 Sector Priority:	Institutions for Growth and Social Welfare (GN-2587)

II. BACKGROUND

- 2.1 On April 16th 2014, the Inter-American Development Bank (the “Bank”) approved the creation of the [Special Program for Institutional Development and Multidonor Fund for Institutional Development \(SPID\)](#) (the “Program”). The objective of the Program is to support the efforts of national and subnational governments in Latin America and the Caribbean to advance the development of citizen-centric public sector institutions, while promoting the strengthening of public institutions to make them more effective, efficient, and open in all areas of public policy and, in particular, fostering results-based public management and strengthening country fiduciary and non-fiduciary systems.
- 2.2 The Program has two components: (i) Managing for Results and Strengthening and Use of Country Systems, which aims at increasing the capacities of national and subnational governments to promote managing for results and strengthening and use of country systems; and (ii) Institutional Development, which aims at supporting initiatives contributing to institutional development, with particular emphasis on institutional reforms and organizational reengineering processes that have a direct impact on services to citizens.
- 2.3 The SPID’s financing comes from Ordinary Capital (OC) funds and any potential funds that can be provided through the Multidonor Fund for Institutional Development. In 2014, the Program’s OC original allocation of US\$6.50 million

was complemented by US\$2.21 million from other sources,¹ adding up to a total of US\$8.71 million. These resources provided financing for 18 Technical Cooperations (TC) (US\$8 million), including the Program's 2014 management TC "Technical Management of the Special Program for Institutional Development" (RG-X1222).

- 2.4 In 2015, the Program committed all its OC original allocation of US\$7.60 million, as well as additional US\$0.93 million from other sources,² adding up to a total of US\$8.53 million. These resources provided financing for 20 TCs, including the Program's 2015 management TC "Technical Management of the Special Program for Institutional Development" (RG-X1268).
- 2.5 This represents a historic cumulative portfolio (2014-2015) of 38 TCs (18 TCs eligible in 2014 y 20 TCs eligible in 2015) for US\$16.53 million.
- 2.6 Dedicated technical advice has been essential to the effectiveness, impact and results of the Program. This includes supporting the identification, preparation, review, monitoring and evaluation of TC proposals, as well as the evaluation of results and the Program's knowledge management and dissemination. It also entails supporting the work of the Eligibility and Strategic Committee (ESC).
- 2.7 This dedicated advice is operationalized through yearly Program technical management TCs. The 2014 SPID management TC RG-X1222 was approved in July 2014 for US\$325,000. As of June 9th 2016, 64% of this total has been disbursed, 16% is committed, and it is expected that the remaining 20% will be committed in the following months focusing on knowledge management and dissemination activities, as well as portfolio monitoring. On the other side, the 2015 SPID management TC RG-X1268 was approved in November 2015 for US\$145,889. As of June 9th 2016, 34% of this total has been disbursed, 63% is already committed, and the remaining 3% is also expected to be oriented to knowledge management and dissemination activities.
- 2.8 Key lessons learned from the SPID technical management so far include: (i) Institutional reform is a cross-sector issue. Thus, expertise in identifying and resolving institutional constraints is an important element in project design, implementation and monitoring across all sectors; (ii) Timing is critical to provide opportune support to institutional reforms. Likewise, the Bank's presence at the right moment and during the necessary time is central to consistency in supporting LAC countries institutional development agendas; and (iii) Sound technical management is crucial to enhance performance in support of the region's institutional development agenda. This requires focusing on enhancing monitoring and evaluation of results by incorporating all relevant elements into a comprehensive results framework, and strengthening knowledge management and dissemination activities.

¹ US\$1.85 million from flex resources, and US\$0.36 million from the former Program to Implement the External Pillar of the Medium-Term Action Plan for Development Effectiveness (PRODEV) cancellations.

² US\$0.62 million from flex resources, US\$0.36 million from cancellations, and US\$0.23 million from carry-over. Furthermore, as per the board decision in October 2015 of reducing OC Special Programs' budget, US\$0.27 million were returned.

- 2.9 The present TC is aligned with the provisions stated in the “Proposal for the Creation of a Special Program for Institutional Development and Multidonor Fund for Institutional Development” (GN-2766). This document specifies that an amount up to 5% of the resources may be allocated annually to fund the operating expenses of the Program. These costs include those associated with the implementation, administration, monitoring and ex-post evaluation of the program.

III. OBJECTIVES AND JUSTIFICATION

- 3.1 The overall objective of the TC is to enhance the impact of the Program in terms of strengthened support to institutional development, portfolio quality and knowledge management. The specific objectives of this TC are: (i) supporting the technical management of the Program; and (ii) strengthening the Program’s knowledge management and dissemination.
- 3.2 **Justification.** This TC will permit the implementation of the Program governance as stated in the document “Proposal for the Creation of a Special Program for Institutional Development and Multidonor Fund for Institutional Development” (GN-2766).
- 3.3 This TC will also be instrumental in transitioning towards the Ordinary Capital Strategic Development Program (OC-SDP) for Institutions. As per the Action Plan for the Special Programs Financed by Ordinary Capital (GN-2819), the SPID will become a Legacy Program and will be replaced by the OC-SDP for Institutions. This TC will thus contribute to operationalizing the transition and begin working towards the OC-SDP for Institutions’ goals.

IV. DESCRIPTION OF ACTIVITIES/COMPONENTS AND BUDGET

- 4.1 **Component I. Supporting the technical management of the Program (US\$250,000).** This component aims to enhance the technical quality of all activities financed by the Program, by providing overall technical advice to the operations, management, evaluation and dissemination of Program activities. The component’s activities include: (i) provide advice on the Program’s strategy and criteria to allocate its resources; (ii) identify, help generate, and manage demand for the Program’s financing; (iii) evaluate TC abstracts, provide inputs regarding their eligibility and strategic alignment, and prepare all documents related to TC abstract eligibility and TC document approval; (iv) monitor the Program portfolio so as to maximize the achievement of performance targets and expected output and outcomes, and promote a dynamic disbursement schedule, minimizing projects under alert; (v) evaluate the Program results at the project and aggregated level; (vi) conduct knowledge management and dissemination activities; and, (vii) support resource mobilization. This component will finance consultancy services.
- 4.2 The expected results of this component are: (i) a high quality portfolio in terms of allocation of the Program’s resources, and projects’ performance and results;

(ii) contributing to the achievement of the Program’s objectives; and, (iii) strategic positioning of the Program.

4.3 **Component II. Strengthening knowledge management and dissemination (US\$122,500).** This component aims at improving knowledge management and dissemination at the project and Program level, including activities such as: (i) management of the Program’s social media strategy; (ii) identification of TCs’ knowledge products during the design and approval processes; (iii) systematization and dissemination of TCs’ results, including assessing the TCs’ contribution to the SPID results matrix and alignment to the prioritization criteria; (iv) organization of knowledge exchange and dissemination events³; and (v) preparation of annual and quarterly business reviews, technical and strategic briefs, among others. This component will finance consultancy services.

4.4 The expected results of this component are: (i) improving knowledge sharing and dissemination; (ii) enhancing accountability to client countries, management, and the Board of Directors; and (iii) informing the operational and knowledge program of the Bank.

Table 1. Indicative Results Matrix

	Unit	Baseline		Year 1	Year 2	Year 3	Expected completion date	Means of Verification
		Value	Year	Target	Target	Target		
Outcome: Improved Program’s support to institutional development, portfolio quality, and knowledge management								
# of times in which project and Program knowledge and dissemination products have been used for policy dialogue with countries in the region or for Bank’s operations	Times	0	2016	2	2	2	Oct 2019	Program performance reports, IDB/EXR systems, Projects’ reports and knowledge and dissemination products
Component I: Supporting the technical management of the Program								
Products								
Reports on progress in resources allocation, projects performance and results, and program results prepared	Reports	1	2016	1	1	1	Oct 2017, 2018, 2019	Program performance reports
Component II: Strengthening the Program’s knowledge management and dissemination								
Products								
Dissemination products prepared	Products	1	2016	0	1	1	Oct 2018, 2019	Program performance reports, IDB/EXR systems, Projects’ reports and knowledge and dissemination products
Dissemination events carried out	Events	1	2016	0	1	1	Oct 2018, 2019	
Technical and strategic reports prepared	Reports	1	2016	0	1	1	Oct 2019	
Social media management carried out	Updated webpages	1	2016	1	1	1	Oct 2017, 2018, 2019	
Institutional development seminar series’ events	Workshops	0	2016	1	2	2	Oct 2018	

³ This includes an event to disseminate Program results, and an “Institutional development” seminar series (which will be comprised of workshops, BBLs and conferences).

- 4.5 The total amount of this project will be US\$390,047 fully funded by the Bank through the Special Program for Institutional Development (SPID). Table 2. splits this budget among the different components, for more details see the Annex II.

Table 2. Indicative Budget (in US\$ dollars)

Component	Products	IDB Financing
Component I: Supporting the technical management of the Program	Technical advice to the Program operations, management, evaluation and dissemination	250,000
	Sub Total	250,000
Component II: Strengthening the Program's knowledge management and dissemination	Dissemination products and events	60,000
	Institutional development seminar series (events including workshops, conferences, etc.)	62,500
	Sub Total	122,500
Contingencies		17,547
Total		390,047

V. EXECUTING AGENCY AND EXECUTION STRUCTURE

- 5.1 The executing agency for this TC will be the IDB. Due to its technical capacity, its expertise in the area of institutional development, and direct involvement in the management and dissemination of activities supported by the SPID, the Bank through the Institutions for Development Sector (IFD) is in the unique position to execute this regional TC. The unit of disbursement responsibility will be IFD/IFD. Coordination with other Bank units will be sought as needed.
- 5.2 The SPID Technical Secretariat will play a key role in the day-to-day execution of activities to be supported by this TC. This TC will not supplement the budget of a Bank department or division for routine activities.
- 5.3 Prior to the initiation of the knowledge exchange and dissemination events in any regional countries, letters of non-objection will be sought from the Bank's liaison offices in such countries.
- 5.4 **Procurement.** The Bank will contract individual consultants, consulting firms and non-consulting services in accordance with Bank's current procurement policies and procedures.
- 5.5 **Monitoring and Supervision Arrangements.** The project team will be in charge of the monitoring and supervision of this project. In compliance with Bank policies and guidelines, the team will closely monitor the planned products and outcomes reflected in the results matrix. In addition, the team will provide timely and detailed information on this TC's activities, products, expenses, and results.

VI. RISKS AND MITIGATION MEASURES

- 6.1 The risk that reliable and timely information is not provided by projects teams will be mitigated by the fact that this TC will ensure that adequate human resources are allocated to the Program's Technical Secretariat to follow up with projects

teams regularly on TC Abstract and Document information, as well as TCs' outputs and outcomes.

VII. ENVIRONMENTAL AND SOCIAL STRATEGY

- 7.1 Given the nature of the program, there are no associated environmental or social risks. Based on the Environment and Safeguards Compliance Policy (OP-703) this operation is classified as "C." (see [Safeguards Policy Filter Report and the Screening Form](#)).

Required Annexes:

- Annex I - [Terms of Reference](#).
- Annex II - [Procurement Plan](#).