

## Draft TC ABSTRACT

### I. Basic project data

▪ Country/Region:	Regional
▪ TC Name:	Evaluation of Korean Trust Funds (KPK, KPR, KPC)
▪ TC Number:	RG-T2669
▪ Team Leader/Members:	Minseok Hong (ORP/GCM), Team Leader; Chang Yeon You (ORP/GCM); Su Hyun Kim (ORP/GCM); Yan Tang (ORP/GCM)
▪ Indicate if: Operational Support, Client Support, or Research & Dissemination.	Research & Dissemination (RD)
▪ If Operational Support TC, give number and name of Operation Supported by the TC:	N/A
▪ Reference to Request: (IDB docs #)	
▪ Date of TC Abstract:	June, 2015
▪ Beneficiary (countries or entities which are the recipient of the technical assistance):	Regional
▪ Executing Agency and contact name (Organization or entity responsible for executing the TC Program) {If Bank: Contracting entity} {If the same as Beneficiary, please indicate}	Bank Executed
▪ IDB Funding Requested:	US\$300,000
▪ Local counterpart funding, if any:	N/A
▪ Disbursement period (which includes execution period):	10 months
▪ Required start date:	August 1, 2015
▪ Types of consultants (firm or individual consultants):	Firm and individual consultants
▪ Prepared by Unit:	ORP/GCM
▪ Unit of Disbursement Responsibility:	ORP/GCM
▪ Included in Country Strategy (y/n);	No
▪ TC included in CPD (y/n):	No
▪ GCI-9 Sector Priority:	YES

### II. Objective and Justification

- 2.1 Since the Republic of Korea became the 47th member of the Inter-American Development Bank (“IDB” or “Bank”) as of March 2005, through the Ministry of Finance and Strategy (MOSF), Korea has contributed to three Trust Funds (the “Funds”) to the IDB.
- 2.2 The Knowledge Partnership Korea Fund for Technology and Innovation (“KPK”) was founded to benefit IDB’s developing member countries in Latin American and the Caribbean (“LAC”) in the preparation of projects and for such other activities related to technology and innovation. The total contribution for KPK is US\$50million. The Korea Poverty Reduction

Fund was established (“KPR”) for the amount of US\$50million to benefit IDB’s developing member countries in the preparation of projects and for such other activities related to poverty reduction. The Public Capacity Building Korea Fund for Economic Development (“KPC”) was created with IDB and Korea’s vision to strengthen their cooperation in the areas of public sector management and in all fiscal sectors, including taxation, treasury, fiscal management, statistics, e-government as well as national planning and budgeting. The total contribution to the IDB as of end of 2014 is approximately \$24 million.

- 2.3 With these Funds as of end of 2014, more than 360 TC operations were approved for the total amount of approximately US\$87.3 million. Out of this, 73% of the projects have been completed. The TCs were implemented in 24 countries ranging in amounts from US\$27,000 to US\$1 million.
- 2.4 During the 2015 IDB-IIC Annual Meeting in Busan, MOSF and IDB agreed to comprehensively evaluate the performance of the Korean trust Funds with a focus on the trust funds’ contribution to the socioeconomic development in LAC as well as Korea-LAC cooperation. Based on the results of such evaluation, which would be reviewed by the Bank and MOSF, discussions will take place regarding further cooperation mechanisms, including the possibility of revision of trust fund operational plans, terms and procedures, and replenishment in 2016. Hence this operation aims to address this request by conducting an evaluation of all TC operations financed by the three Korean Trust Funds in the IDB, whether they are completed or currently under implementation.
- 2.5 The IDB’s ninth general increase of resources (GCI-9) indicates that the Bank will focus on outputs and results of its operations as well as assess the operations effectiveness and efficiency through close monitoring. In line with such effort, this TC will assess the outputs, outcomes, effectiveness, and efficiency of the activities financed by the three Korean Trust Funds.

### III. Description of activities and outputs

- 3.1 **Component 1: Three Korean Trust Funds’ Activity Evaluation** – The project team will conduct a call for proposal and select the consultant or consulting firm (“Consultant”) that will carry out the evaluation. The consultancy will evaluate (i.e. describe, analyze, explain and propose improvements on):
  - i. Fund relevance – Assess whether the activities financed by the Funds have assisted in achieving the Funds’ objectives.
  - ii. Fund effectiveness – Evaluate results and the impact of the Fund-financed activities in the region. Assess whether the Funds succeeded in augmenting the technical capacity of the beneficiaries and/or the IDB to engage in the themes supported by the Funds. Look into whether the results obtained at the IDB and in the Region are sustainable. See what major internal and external factors have

enhanced or limited the effectiveness of the Funds and how these factors were addressed.

iii. Fund performance – Assess outputs and outcomes of Fund-financed activities. State any lessons learned, opportunities and challenges from the Funds’ execution.

iv. Transparency of Fund Activity execution – Explore whether Fund approved TC operations are executed in a transparent manner. Assure the all TC budgets are used according to the TC document description.

v. Fund Institutional Performance – Look into how the collaboration between the IDB and the Korean Trust Funds/MOSF worked. Evaluate whether the Funds’ activities affected the stature of Korea in LAC region and the international community. State what are the main strategic areas, procedures and arrangements that could maximize the impact of the collaboration between the IDB and MOSF.

3.2 As part of the project proposal, the Consultant will have to provide a work plan and methodology outline detailing the elected method for carrying out the evaluation (the final methodology will be subject to approval by the IDB’s team and the MOSF). The methodology should to involve the following instruments:

i. A desk review in Washington of relevant documentation. This will include the review of relevant materials such as agreements, operational guidelines, TC Abstracts, TC Documents (Plan of Operations), project outcome documents, previous evaluations, terms of reference, etc.

ii. Interviews with: a) key officials of MOSF; b) a sample of IDB’s project team leaders and members, both at Headquarters, as well as in the selected regional country locations; c) a sample of project beneficiaries; d) IDB’s officials in charge of grant management at ORP/GCM, including trust fund coordinators; e) other IDB’s staff, which will be jointly identified by the IDB’s team and the Consultant.

iii. A questionnaire survey for project team leaders and executing agencies. The survey will include questions that will help the Consultant and project team to access the progress of the TC, it’s outcomes and outputs, and how the TC has contributed to help the Korean Funds achieve its goals.

iv. Field assessment in at least three countries where there is a high concentration of Korean Fund approved project activities. The countries and projects will be jointly identified by the IDB’s team and the Consultant.

3.3 **Component 2: Translation of Evaluation to Korean** – The final evaluation report and any additional materials should be translated into Korean. In case the Consultant does not have the capacity to produce the evaluation in Korean or do the translation themselves, the IDB project team will contract translators to conduct this work. It is important that the translation in Korean is done in a professional manner since the report will be used to discuss the replenishment of the Korean Funds and will be circulated in MOSF as well as other Korean authorities.

#### IV. Budget

4.1 The following table shows the indicative budget for the TC execution:

**Indicative Budget**

Activity/Component	Description	IDB/Fund Funding	Total Funding
1. Trust Fund Evaluation	Hire independent consultant to carry out evaluation	US\$240,000	US\$240,000
2. Translation of document into Korean	Professional translation of evaluation report	US\$20,000	US\$20,000
Management of the evaluation	Any cost that accompanies the management of the evaluation activities	US\$30,000	US\$30,000
Contingency	Other costs	US\$10,000	US\$10,000
<b>Total</b>		<b>US\$300,000</b>	<b>US\$300,000</b>

#### V. Executing agency and execution structure

5.1 As the TC aims to conduct an independent evaluation of the Korean Funds' activities, the Bank is the appropriate agency to implement the TC including the hiring of specific services for the evaluation and translation. In addition, the project team is closely in contact with the MOSF which will facilitate the coordination and communication of the evaluation process with the Donor. For these reasons, the IDB will be able to complete the task at hand in a cost-efficient manner while ensuring quality of the outputs.

#### VI. Project Risks and issues

6.1 A risk that the project team identified is if the consultant does not conduct the evaluation in a satisfactory manner. In order to address this risk, project team will request that the consultant delivers periodic reports every 6 weeks which will also be shared with MOSF.

#### VII. Environmental and Social Classification

7.1 As an evaluation TC, this project is not expected to generate negative environmental or social impact. During the process of selecting consultants, environmental and gender issues will be considered. According to the above classification and safeguards the operation has been classified as category "C".