



Fiscus Public Finance Consultants,  
Ltd.

Registered office:  
Unit 3, Wheatley Business Centre,  
Old London Road,  
Oxford, OX33 1XW.  
United Kingdom

T: + 44 1865 593143  
M: [fermina.lawson@fiscus.org.uk](mailto:fermina.lawson@fiscus.org.uk)

## **External Mid-Term Evaluation of the Central America, Panama and the Dominican Republic Technical Assistance Centre (CAPTAC-DR)**

### **Revised Final Report**

*Andrew Lawson, Gonzalo Alvarez, Bruno Giussani,  
Luis Carlos Jemio & Gonzalo Contreras*

---

Submitted by FISCUS Public Finance Consultants, in  
response to International Monetary Fund (IMF) RFP  
No. 1136, of February 2017.

**31<sup>st</sup>, August 2018**

## Table of contents

Table of boxes, figures & tables .....	3
Acronyms and Abbreviations.....	4
Executive Summary .....	6
<b>1 Objectives, Methodology and Scope of the Evaluation.....</b>	<b>10</b>
1.1 Evaluation Objectives and Scope.....	10
1.2 Evaluation Questions .....	11
1.3 Overall methodology and evaluation instruments.....	13
1.4 Limitations of the Evaluation Methodology & Evidence .....	15
1.5 Structure of the Evaluation Report.....	18
<b>2 Background and Context for the Evaluation of CAPTAC-DR .....</b>	<b>19</b>
2.1 CAPTAC-DR – Mandate & Governance Framework.....	19
2.2 Overview of the Phase II Programme and Budget.....	19
2.3 Evolution of RBM within IMF and its relevance .....	23
2.4 Lessons from the Mid-Term evaluation of Phase 1 (2013) .....	23
<b>3 Performance of CAPTAC-DR Capacity Development Programmes .....</b>	<b>25</b>
3.1 Results of the Beneficiaries’ Survey.....	25
3.2 Resource Allocation Analysis.....	27
3.3 Country Case Studies .....	28
3.4 Relevance of CAPTAC-DR Capacity Development .....	31
3.5 Effectiveness of CAPTAC-DR Capacity Development .....	33
3.6 Impact of CAPTAC-DR Capacity Development.....	34
3.7 Efficiency of CAPTAC-DR Capacity Development .....	36
3.8 Sustainability of CAPTAC-DR Capacity Development .....	39
3.9 Performance of CAPTAC-DR Capacity Development services .....	41
<b>4 Operational and Cross-cutting Issues .....</b>	<b>42</b>
4.1 Effectiveness of the Steering Committee.....	42
4.2 Retention of institutional memory within CAPTAC-DR .....	45
4.3 Use of Regional and Local expertise .....	46
4.4 Coordination with Development Partners .....	48
<b>5 Conclusions and Recommendations .....</b>	<b>50</b>
5.1 Overall Conclusions.....	50
5.2 Recommendations for the Phase III Programme.....	57
<b>Annex 1 Terms of Reference.....</b>	<b>59</b>
<b>Annex 2 Detailed Evaluation Matrix .....</b>	<b>71</b>

## Table of boxes, figures & tables

Box 1: Evaluation Questions and Planned Sources of Evidence .....	12
Box 2: Evaluation Questions, Actual Sources of Evidence and Ranking of Evidence Quality	16
Box 3: Criteria for ranking of quality of Evidence for Evaluation Questions .....	18
Box 4: Recommendations of the Phase II Mid-term Evaluation .....	57
Figure 1: Distribution of human resources among thematic areas and countries FY 2015 to FY2017 .....	21
Figure 2: CAPTAC-DR Milestone achievement by thematic area (FY2016 & FY2017).....	27
Figure 3. Unit costs for LTX and STX experts by department (FY2015-FY2017) .....	36
Figure 4: Sustainability of the capabilities generated by CAPTAC-DR .....	40
Figure 5: Ownership by the Authorities of the beneficiary countries of the CAPTAC-DR activities .....	43
Figure 6: Use of regional and local expertise for Resident Advisers .....	47
Table 1: Anticipated numbers and composition of Survey respondents.....	17
Table 2: CAPTAC-DR Budgets & Expenditure under Phase II, FY 2015 – FY 2017.....	20
Table 3 Person-weeks of CD support provided by Thematic Area and Country, FY 2014 – FY 2017.....	21
Table 4: Overview of the Results of the Survey of Beneficiaries.....	26
Table 5: Performance ratings from the Six Case Studies .....	29
Table 6: Key Efficiency ratios in the delivery of CAPTAC-DR CD services, Phase I and Phase II to date.....	38
Table 7: Comparison of CAPTAC-DR performance ratings 2013 and 2018.....	41

## Acronyms and Abbreviations

AML	Anti-Money Laundering
CAPTAC-DR	Central America, Panama and the Dominican Republic Regional Technical Assistance Centre
CARTAC	Caribbean Regional Technical Assistance Centre
CCSBSO	Central American Council of Superintendents of Banks, Insurance and other Financial Institutions
CD	Capacity Development
CD-Port	Capacity Development – Projects, outputs & results tracking (IT system)
CEMLA	Centre for Latin American Monetary Studies
CIAT	Inter-American Centre of Tax Administrations
CMCA	Central American Monetary Council
COSEFIN	Council of the Ministries of Finance of Central America, Panama & the Dominican Republic
EU	European Union
FAD	Fiscal Affairs Department (of the IMF)
FSI	Financial Stability Institute
FSSR	Financial Sector Stability Review
FY	Fiscal Year
GDP	Gross Domestic Product
GFS	Government Finance Statistics
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German Agency for International Cooperation)
HQ	Headquarters (of the IMF)
IADB	Inter-American Development Bank
ICD	Institute for Capacity Development (of the IMF)
ICDSE	Institute for Capacity Development Strategic Evaluation Division
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
LTX	Long-term Expert
MaPP	Macro-Prudential Policy
MCM	Monetary & Capital Markets Department (of the IMF)
OECD-DAC	Development Assistance Centre of the Organisation for Economic Cooperation and Development
PEFA	Public Expenditure & Financial Accountability
PFM	Public Finance Management
PRAESE	Regional Project for Harmonisation of External Sector Statistics
QA	Quality Assurance

RA	Resident Advisor (of CAPTAC-DR)
RBM	Results Based Management
RBS	Risk Based Supervision
RTAC	(IMF) Regional Technical Assistance Centre
SECO	State Secretariat for Economic Affairs (of Switzerland)
STA	Statistics Department (of the IMF)
STX	Short-term Expert
TA	Technical Assistance
TADAT	Tax Administration Diagnostic Assessment Tool
TSA	Treasury Single Account
USAID	United States Agency for International Development
VAT	Value Added Tax
WB	World Bank
WCO	World Customs Organisation
WHD	Western Hemisphere Department (of the IMF)
WTO	World Trade Organisation

## Executive Summary

The evaluation results are overwhelmingly positive and point to a very strong demand for CAPTAC-DR's CD services: an investment in the continued growth of CAPTAC-DR's services should therefore be seriously considered. The overall performance of CAPTAC-DR CD activities is assessed as very strong, with an average score of 3.25 out of 4 ('Good to Excellent') across the five performance criteria, and of 3.44 out of 4, excluding the Impact rating (for comparability with the 2013 Mid-term evaluation). Although the evaluation teams and the evaluation methodologies are different, this compares with an average score of 3.24 in the 2013 Mid-term evaluation of Phase I.

### Comparison of CAPTAC-DR performance ratings 2013 and 2018<sup>1</sup>

Performance Criteria	2013 Mid-term Evaluation of Phase I	2018 Mid-term Evaluation of Phase II	2018 Mid-term Evaluation of Phase II (excluding Impact)
Relevance	3.6	3.75	3.75
Effectiveness	3.25	3.5	3.5
Impact	Not rated	2.5	Not included
Efficiency	3.1	3.5	3.5
Sustainability	3.0	3.0	3.0
<b>Overall Rating:</b>	<b>3.24</b>	<b>3.25</b>	<b>3.44</b>

Interviews at IMF HQ and at the Centre support the view that the performance of CAPTAC-DR has improved since 2013. There are concrete improvements one can point to in relation to efficiency, notably the introduction of the RBM methodology, the strengthening of the administrative capacity of the Centre and the greater continuity in staffing. In relation to effectiveness, the last evaluation did not benefit from the database on the achievement of milestones but the managers and back-stoppers of CAPTAC-DR generally express the view that the definition of milestones has itself helped to introduce focus amongst CAPTAC-DR staff and their counterparts and that this in turn has raised effectiveness.

The evaluation team find the levels of the performance ratings to be unprecedented in an evaluation of technical assistance and CD services of this kind. It is exceedingly rare to find such high ratings across each of the five OECD-DAC performance evaluation criteria. At the same time, in the majority of the case studies, there was a strongly expressed demand for additional support from CAPTAC-DR, and a conviction that additional TA and training could be easily absorbed in supporting faster implementation of reforms.

<sup>1</sup> The 2013 evaluation undertook an assessment of Impact but provided no rating. The Impact rating in 2018 is a conservative rating due to the lack of data on a) the intended outcomes of the CD activities and b) the baseline starting point relating to performance against those outcomes. In the absence of such data, the 2018 evaluation errs on the side of caution, giving a modest ranking for Impact, drawn from the 6 country case studies and the Beneficiary Survey.

**The evaluation team has reached seven cross-cutting conclusions; a related set of recommendations is also presented.** Further details on these conclusions and recommendations is presented in Chapter 5 of the Report.

- *Conclusion 1: CAPTAC-DR is performing highly effectively and serious consideration should be given to expanding the scale of its CD services in Phase III, at least to the scale originally envisaged for Phase II.*
- *Conclusion 2: The method of allocating CAPTAC-DR resources across countries does not give adequate weight to performance and to country specific needs: the relevance and effectiveness of the overall programme would be raised by a modification of the resource allocation formula.*
- *Conclusion 3: Efficiency of service delivery has improved and all beneficiaries consider value for money is high; yet, unit costs are some 15% higher than those of other providers of similar services in the region. Consideration should be given to containing unit costs through consolidating administrative improvements and by reducing the relative cost of back-stopping by IMF Headquarters, which comprises 8.6% of unit costs.*
- *Conclusion 4: The scope of services provided by CAPTAC-DR is broadly appropriate to the needs and to its comparative advantages in terms of expertise. However, the scope of support offered historically within the PFM thematic area appears too broad: the narrowing of the menu of support offered in FY 2016 and FY 2017 seems to have led to gains in efficiency and effectiveness. Consideration should be given to making this permanent.*
- *Conclusion 5: The implementation of the RBM methodology is now relatively well established within CAPTAC-DR, and this has generated notable improvements in the programming of work and the monitoring of results; yet, monitoring is still limited to the monitoring of milestones and should be extended to Outcomes in Phase III.*
- *Conclusion 6: The Outreach and Communication Strategy, approved in FY 2016, is under implementation and is achieving important results in terms of improving the availability of information, strengthening collaboration with Donors and regional partners, and enhancing the quality of interactions with the Steering Committee. Its implementation will need to be deepened in order to consolidate these important gains.*
- *Conclusion 7: The CAPTAC-DR Steering Committee fulfils its essential function of providing strategic guidance and contributing to the setting of the Centre's priorities; yet its effectiveness was questioned in the 2013 evaluation and it seems important to address any remaining doubts there may be over the Steering Committee's ability to provide effective governance, in particular regarding its influence over staff retention and other matters affecting the impact and sustainability of CAPTAC-DR CD.*

The recommendations of the evaluation team follow directly from the seven cross-cutting conclusions. Many of these will need further development in-house, so it is proposed that in the first instance an in-house team be established within CAPTAC-DR and ICD to consider how these recommendations might be taken forward. They should then be put before a wider committee including WHD and the functional departments, as well as a small number of Steering Committee members.

## Recommendations of the Phase II Mid-term Evaluation

Evaluation Recommendations	Issues for Consideration
<b>Consolidating Gains to date and Improving the performance of CAPTAC-DR in Phase III....</b>	
<p><b>1. Expand the scale of CAPTAC-DR service delivery</b>  <i>The scale of CAPTAC-DR CD services should be expanded in Phase III to respond to the high demand and maximise the potential impact. Consideration should be given to establishing a Phase III budget of US \$ 35 – 40 million, an increase on the final budget for Phase II of USD 30 million but consistent with the USD 36 million initially envisaged.</i></p>	<ul style="list-style-type: none"> <li>• No widening of scope of services.</li> <li>• Selective expansion or balanced across thematic areas? Recommend the latter but with a performance fund.</li> <li>• Expansion through more STX inputs, no new RAs.</li> <li>• Administrative team likely to need modest expansion.</li> <li>• Advance sensitisation of potential funders needed.</li> </ul>
<p><b>2. Create a Performance and Special Needs fund</b>  <i>The method of allocating CAPTAC-DR resources across countries should be adapted to give greater weight to performance and to country specific needs: A “Performance and Special Needs Fund” should be created, comprising a minimum of 10 % of the total envisaged for STX inputs. This should be left unallocated at the outset of the year and assigned after the 2<sup>nd</sup> quarter either to projects, where performance is ahead of schedule, or to provide additional support for special needs.</i></p>	<ul style="list-style-type: none"> <li>• Is 10% of funds available for STX sufficient or too much? Closer analysis is needed.</li> <li>• Would allocation only after Q2 be too late? Some flexibility for special cases should be built in.</li> <li>• Should the Fund have a multi-year dimension, e.g. with projects receiving bonus funding in Year I retaining entitlements into Year 2?</li> </ul>
<p><b>3. Build on efficiency gains to reduce unit costs</b>  <i>The cost-saving measures already introduced in Phase II should be assessed for effectiveness, continued and deepened. In addition, given the decentralised nature of CD delivery by the Centre and the success achieved with such a model to date, the scope for introducing savings in HQ backstopping should be investigated, assessing the potential to move towards a benchmark of 5% of unit costs.</i></p>	<ul style="list-style-type: none"> <li>• Initial <u>investigation</u> of costs and benefits of reducing the cost and the intensity of HQ backstopping should be undertaken.</li> <li>• If investigation confirms the benefits, the move to 5% benchmark for back-stopping should be gradual: 7% in FY 2020, reducing to 5% in FY 2022.</li> <li>• Other efficiency measures should be assessed during FY 2019 to formalise their inclusion in Phase III.</li> </ul>
<p><b>4. Confirm the narrowing of the scope of the PFM portfolio</b>  <i>The scope of support historically offered within the PFM thematic area has been reduced to focus more on IMF/ CAPTAC-DR areas of comparative advantage: (i) Treasury &amp; Cash Management; (ii) Macro-fiscal programming and monitoring and (iii) Monitoring and control of Fiscal Risks. It is recommended that this should be the focus of the portfolio in Phase III.</i></p>	<ul style="list-style-type: none"> <li>• Reduction in scope of portfolio should be phased in during FY 2019, to ensure existing commitments are fulfilled</li> <li>• New policy on coverage of PFM portfolio should be interpreted flexibly: where urgent needs for support in budgeting or accounting are expressed, these should be considered.</li> </ul>
<p><b>5. Introduce Outcome targets by Country/ thematic area</b>  <i>Annual Outcome targets should be introduced for each thematic programme in each country along with proposed indicators of progress and a baseline value for 2018 from which to measure progress.</i></p>	<ul style="list-style-type: none"> <li>• Clear definition of Outcomes needs to be agreed with RBM team.</li> <li>• CD-PORT should be used to incorporate Outcome target data</li> <li>• Important to aim for implementation from Phase III.</li> </ul>
<p><b>6. Consolidate Outreach and Communication strategy</b>  <i>Implementation of Outreach and Communication Strategy, should be deepened in order to consolidate gains to date and ensure further development. An assessment should be made</i></p>	<ul style="list-style-type: none"> <li>• Assessment of Outreach &amp; Communication strategy to be undertaken in FY2019: consideration should be given as to whether an external communications specialist might assist the assessment.</li> </ul>



Evaluation Recommendations	Issues for Consideration
<p>during FY2019 to consider precise focus for Phase III and level of resources required.</p>	<ul style="list-style-type: none"> <li>• Training and equipment requirements for strategy should be factored into Phase III budget.</li> </ul>
<p><b>7. Improve functionality of the Steering Committee</b>  <i>It is important to address any remaining doubts there may be over the Steering Committee's ability to provide effective governance, in particular regarding its influence over staff retention and other matters affecting the impact and sustainability of CAPTAC-DR CD: consultation with the Steering Committee is needed and consideration should be given to holding a mid-year meeting of the Steering Committee, either alongside a meeting of one of the Regional bodies (COSEFIN, etc.) or via video-conference.</i></p>	<ul style="list-style-type: none"> <li>• Costs of an additional mid-year Steering Committee meeting should be assessed, considering two options: a) meeting within Central America alongside a meeting of one of the Regional bodies; b) a meeting via Video Conference.</li> <li>• Consultation Note with a concrete proposal should be circulated to the Steering Committee members.</li> </ul>

# 1 Objectives, Methodology and Scope of the Evaluation

## 1.1 Evaluation Objectives and Scope

1. This reports presents the results of a Mid-Term evaluation of the Capacity Development (CD) activities of the IMF's Regional Technical Assistance Centre for Central America, Panama and the Dominican Republic (CAPTAC-DR) undertaken under the Phase II programme, for which there is a programme budget of US \$30 million for 2014-2019. The report is here presented in final form and incorporates comments received on the Draft Report from the CAPTAC-DR team, ICD and the functional departments of the IMF, as well as the members of the Steering Committee for CAPTAC-DR.
2. The objectives of this evaluation correspond to the mandate for a Mid-Term Evaluation, as presented in the CAPTAC-DR terms and conditions, which require, within 40 months of the start of each funding cycle, the independent evaluation of all of the activities of CAPTAC-DR financed under the sub-account. This Mid-Term Evaluation should inform CAPTAC-DR's future operations and the preparations for a third programme phase.
3. The objectives incorporate a number of different elements:
  - A review of all of the major Capacity Development (CD) projects conducted between July 2014 and April 2017, along with their objectives and any verifiable indicators of achievement of these objectives, with the aim of evaluating whether CAPTAC-DR's CD has achieved its objectives, using the OECD-DAC criteria as applied in the IMF's Common Evaluation Framework.
  - An assessment of the degree to which CAPTAC-DR is manifesting the advantages typically associated with delivering CD through RTACs, namely lower costs compared to IMF HQ CD, rapid and flexible CD delivery, close interaction with member country authorities and effective exchange of information with other CD providers and regional institutions/ Development Partners in the region.
  - An identification of the factors enhancing or detracting from CAPTAC-DR's ability to achieve its objectives, and of the actions taken to address these challenges, drawing out key lessons and developing recommendations for improvements in CAPTAC-DR's operational effectiveness.
  - Consideration of a set of linked questions relating to (i) the **relevance** of CAPTAC-DR CD; (ii) the **efficiency** by which resources were allocated and applied<sup>2</sup> to achieve the desired outcomes; (iii) the **effectiveness** of CAPTAC-DR CD (in making progress towards the outcomes targeted in the programme document); (iv) the extent to which outcomes are likely to be **sustained**; and (v) the **impact** of CAPTAC-DR.
4. In addition to these core questions, the evaluation team has also assessed:
  - Whether the Steering Committee is effective in promoting country ownership of CAPTAC-DR activities and good governance and strategic direction;

---

<sup>2</sup> The analysis of efficiency also embraces questions relating to the quality of CD delivery, as well as the quality of HQ backstopping and TA and the efficacy of coordination with other TA providers.

- To what extent the Centre’s systems and institutional set-up allow for retention of institutional memory;
- What contribution the Centre has made to building a robust network of local experts in the region;
- To what extent CAPTAC-DR activities are effectively coordinated with the work of Development Partners (DPs) working in the same sectors;
- Whether there have been important exogenous events that have undermined the ability of CAPTAC-DR to achieve its objectives and whether the response to such events has been adequate; and
- To what extent, and when relevant to the core expertise of the IMF, gender, climate change and financial inclusion dimensions have been taken into account in the design of CD services.

## 1.2 Evaluation Questions

5. **The evaluation aimed to address 11 specific Evaluation Questions drawn from the Terms of Reference.** These are presented in Box 1, together with the anticipated sources of evidence for each question. They are presented in further detail in Annex 2, where judgement criteria and potential indicators have also been identified for each Evaluation Question.
6. **The first five Evaluation Questions relate directly to the performance of the CD operations conducted by CAPTAC-DR.** They evaluate their relevance, effectiveness, impact, efficiency and sustainability, drawing upon the approach to the application of these OECD-DAC criteria defined in the “*Common Evaluation Framework for IMF Capacity Development*”. For these five Evaluation Questions, responses are accompanied by a quantitative rating of performance on a 1- 4 scale<sup>3</sup>. The ratings across these five criteria have in turn been averaged, giving each DAC criterion an equal weight, so as to derive a composite rating of CAPTAC-DR performance.
7. **The remaining Evaluation Questions address cross-cutting themes and concerns, which are identified in the terms of reference<sup>4</sup>.** These Evaluation Questions have provided a source of future lessons for potential improvements in programming, planning, management and operational procedures. However, they are qualitative in nature and do not easily lend themselves to the assignment of quantitative ratings. Such ratings have not therefore been applied to these questions. Unfortunately, the available evidence was not adequate to provide robust answers to two of these questions (EQ 10 and EQ 11). Further details on this point are provided below in Section 1.4

---

<sup>3</sup> 1= ‘Poor performance’; 2= ‘Moderate’; 3= ‘Good’; 4 = ‘Excellent’.

<sup>4</sup> See Terms of Reference, p. 5, paragraph 12, reproduced in Annex 1.

**Box 1: Evaluation Questions and Planned Sources of Evidence**

Evaluation Questions	Planned Sources of Evidence
<b>Performance of CAPTAC-DR Capacity Development (CD) programmes</b>	
<p><b>1. Relevance</b>  <i>To what extent have CAPTAC-DR's CD activities served important objectives, of strategic significance for economic policy and/or financial management and of high priority for the beneficiary countries?</i></p>	<ul style="list-style-type: none"> <li>• Beneficiaries' Survey</li> <li>• Stg Committee Survey</li> <li>• Resource allocation analysis</li> <li>• CAPTAC/ HQ interviews</li> <li>• Case studies</li> </ul>
<p><b>2. Effectiveness</b>  <i>To what extent have CAPTAC-DR's CD activities attained their stated objectives, in terms of the immediate outputs and milestones specified in the programme documents?</i></p>	<ul style="list-style-type: none"> <li>• Resource allocation analysis</li> <li>• Case studies</li> <li>• Beneficiaries' Survey</li> </ul>
<p><b>3. Impact</b>  <i>To what extent have CAPTAC-DR's CD activities been successful in generating the desired outcomes in beneficiary countries, relative to the outcomes that would have been generated without that CD support?</i></p>	<ul style="list-style-type: none"> <li>• Case studies</li> <li>• Beneficiaries' Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul>
<p><b>4. Efficiency</b>  <i>To what extent has CAPTAC-DR been able to deliver CD activities cost-efficiently both in relation to the value of the benefits and the costs of alternative systems of CD provision?</i></p>	<ul style="list-style-type: none"> <li>• Programme Spending analysis</li> <li>• Case studies</li> <li>• Beneficiaries' Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul>
<p><b>5. Sustainability</b>  <i>To what extent are the outcomes and related benefits of CAPTAC-DR CD activities likely to be preserved over the medium to long term?</i></p>	<ul style="list-style-type: none"> <li>• Case studies</li> <li>• Beneficiaries' Survey</li> <li>• Steering Committee Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul>
<b>Operational and Cross-cutting issues, relating to overall management of CAPTAC-DR</b>	
<p><b>6. Steering Committee</b>  <i>Does the Steering Committee provide effective governance over CAPTAC-DR, in terms of strategic direction and oversight as well as the promotion of member country ownership of CAPTAC-DR activities?</i></p>	<ul style="list-style-type: none"> <li>• Beneficiaries' Survey</li> <li>• Steering Committee Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul>
<p><b>7. Retention of institutional memory within CAPTAC-DR</b>  <i>To what degree do the Centre's knowledge management systems and institutional set-up allow for retention of institutional memory?</i></p>	<ul style="list-style-type: none"> <li>• Programme Spending analysis (staff turnover)</li> <li>• Steering Committee Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul>
<p><b>8. Use of Regional &amp; Local expertise</b>  <i>Has the Centre contributed effectively to the creation of a robust network of local experts in the region, by systematically identifying and optimising the use of local and regional expertise?</i></p>	<ul style="list-style-type: none"> <li>• Programme Spending analysis</li> <li>• Beneficiaries' Survey</li> <li>• Steering Committee Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul>
<p><b>9. Coordination with Development Partners</b>  <i>To what extent are CAPTAC-DR activities effectively coordinated with the work of the Development Partners operating in the same sectors?</i></p>	<ul style="list-style-type: none"> <li>• Beneficiaries' Survey</li> <li>• Steering Committee Survey</li> <li>• CAPTAC/ HQ interviews</li> <li>• Case studies</li> </ul>
<p><b>10. Response to exogenous events (Risk management)</b>  <i>Have there been exogenous events which hindered the achievement of CAPTAC-DR objectives and, if so, has the response of CAPTAC-DR been adequate?</i></p>	<ul style="list-style-type: none"> <li>• Steering Committee Survey</li> <li>• CAPTAC/ HQ interviews</li> <li>• Case studies</li> </ul>
<p><b>11. Attention to gender, climate change &amp; financial inclusion</b>  <i>To what extent and when relevant to the core expertise of the Fund, have gender, climate change and financial inclusion dimensions been taken into account in the programme design of CD services?</i></p>	<ul style="list-style-type: none"> <li>• Steering Committee Survey</li> <li>• CAPTAC/ HQ interviews</li> <li>• Case studies</li> </ul>

### I.3 Overall methodology and evaluation instruments

9. Six evaluation instruments or sources of evidence have been used to generate the findings, conclusions and recommendations presented in this Evaluation report. More detailed information on the application of each of these evaluation instruments and on the evidence generated is included in the report annexes. The six evaluation instruments are as follows:

- **Programme Spending Analysis:** This has generated evidence relevant to Evaluation Questions 4 (on Efficiency), 7 (on Retention of Institutional memory) and 8 (Use of Regional and Local expertise):
  - A review of indicators relating to the efficiency of spending (EQ.4): This included (i) analysis of trends in execution of annual expenditures in comparison with budgets, analysing trends in aggregate, by types of input and, where possible, between thematic areas; (ii) Analysis of unit costs per person week for CAPTAC-DR long-term experts and CAPTAC-DR short-term experts.
  - A review of budgetary and human resource data in order to assess the rate of staff turnover for the programme period to date for the Centre Coordinator, the long-term resident advisors and the administrative staff of the Centre (EQ.7);
  - Analysis of spending on regional and local expertise, as a proportion of overall spending on Long-term experts (i.e. Resident Advisors), analysing trends in the period to date (EQ.8).
- **Resource Allocation Analysis:** this has examined the use of human resources by countries and by thematic areas; two types of analysis were undertaken:
  - Analysis of trends in HR resource allocation by country and thematic area, in relation to reported results, as an indicator of relevance (EQ.1);
  - Analysis of the level of achievement of milestones over time, as well as by country and thematic area as a guide to effectiveness (EQ.2.)
- **E-Surveys of CAPTAC-DR Beneficiaries and of CAPTAC-DR Steering Committee members,** collecting information relevant to all 11 Evaluation Questions:
  - The Survey of Steering Committee members requested their assessment of the relevance and sustainability of the CAPTAC-DR CD programmes (EQ.1 and EQ.5), and additionally elicited opinions regarding: the effectiveness of the Steering Committee (EQ.6), the retention of institutional memory within CAPTAC-DR (EQ.7), the use of regional and local expertise (EQ.8), the quality of coordination with Development Partners (EQ.9), Risk management/ responses to exogenous events (EQ.10), and attention to gender, climate change and financial inclusion (EQ.11).
  - The second survey targeted the direct Beneficiaries of CAPTAC-DR's CD activities, namely the technical directors, assistant directors and senior staff of the different organisations that have received support from CAPTAC-DR. This survey provided evidence on the relevance of the activities for the beneficiary institutions, on the effectiveness and impact of CD activities, the efficiency of CAPTAC-DR CD activities in relation to other providers, and the sustainability of outcomes and benefits of CAPTAC-DR capacity development. In addition, beneficiaries were asked their opinions about the use of regional and local expertise (EQ.8), and the quality of coordination with Development Partners (EQ.9).

- **Interviews at CAPTAC-DR and IMF HQ** were a key source of information to understand the evolution of the programme, its key features, the challenges faced during implementation and the governance arrangements. They were undertaken in two stages:
  - The scoping mission to Washington DC in July 2017 allowed the evaluation team to meet with all relevant departments at IMF HQ: ICD Strategy and Evaluation, and Global Partnership Divisions, MCM, STA and FAD departments, and the Western Hemisphere Department.
  - The visit to the CAPTAC-DR Centre in Guatemala in September-October, 2017 allowed the following meetings to take place: (i) Detailed interview with CAPTAC-DR Coordinator; (ii) Focus group discussion with the CAPTAC-DR team on the cross-cutting themes of the evaluation; (iii) One-to-one meetings with each of the Resident Advisors, to prepare for the case studies and to discuss specific aspects of the CD work in each thematic area; (iv) An information session with the CAPTAC-DR Office Manager, to discuss specific questions on reports/ documents and to collect further relevant documentation; (v) A de-briefing session to share first impressions from the country case studies.
- **Country Case Studies** responded to the first five Evaluation Questions, relating to CAPTAC-DR performance. Six case studies were undertaken, each of which assessed the CD work undertaken in one thematic area in one country between FY2015 and FY2017<sup>5</sup>. The case studies involved four steps: (i) *Review of the relevant CAPTAC-DR documentation*; (ii) *Analysis of relevant country level reports*; (iii) *Interviews of beneficiary institutions and other stakeholders* (iv) *Drafting of a Technical Note*, to summarise the resulting evidence. For the first five EQs, a 1-4 rating of performance was provided. The six case studies covered four countries and six thematic areas out of seven<sup>6</sup>, as follows:
  - Tax Administration in Dominican Republic;
  - Customs Administration in Costa Rica;
  - Public Financial Management in Costa Rica;
  - Financial Supervision in Dominican Republic;
  - Central Bank operations in Guatemala; and
  - National Income Accounts in El Salvador.

10. The Case Study Countries were selected against two principal criteria: i) countries with a high level of CAPTAC-DR capacity development effort within the chosen thematic area; and ii) countries that are not current programme countries with the IMF<sup>7</sup>. It was also considered important to select countries which had

---

<sup>5</sup> The case studies were undertaken in October 2017, i.e., at the end of the 1<sup>st</sup> quarter of FY2018; thus, the perceptions reported by beneficiaries would also have been influenced by performance in Q1 of FY2018.

<sup>6</sup> In Phase II, there has been limited capacity development work on the seventh thematic area - External Sector Statistics - because it was decided to reduce CD work in this area during FY 2015 and FY 2016, as a response to the shortfall in funding for the programme period. STA informed the evaluation team that the programmed work on External Sector Statistics was successfully completed within the period. The work programme then shifted attention to the development of Government Finance Statistics (GFS) and a new long-term GFS advisor was appointed in July 2017.

<sup>7</sup> Countries with an ongoing IMF programme are subject to a regular supervision process, as well as more intense CD support from IMF technical departments. Under these conditions, it would have been very difficult to ascertain the specific contribution of CAPTAC-DR CD support and to identify its likely causal linkages with changes at the outcome and impact level. Thus, Honduras, as a programme country, was not selected for a case study.

experienced political changes or exogenous events which might have affected the normal interaction with CAPTAC-DR. The rationale was to include examples where CAPTAC-DR's response to exogenous shocks might be assessed (EQ.10). The two chosen cases related to political upheavals in Guatemala in 2015-16 prior to the 2016 elections, and the 2016-17 fiscal crisis and tensions over pension reform in El Salvador, which has had the effect of making the definition of National Income Accounts a political, rather than a purely technical issue. In addition, it was considered preferable to select at least one country (Dominican Republic) which had not comprised a case study in the previous evaluation. (The 2013 evaluation covered Costa Rica, El Salvador and Guatemala)<sup>8</sup>.

#### **I.4 Limitations of the Evaluation Methodology & Evidence**

11. **The evaluation was focused on addressing the evaluation questions at the aggregate level** – that is in relation to the overall set of operations of CAPTAC-DR. A more disaggregated analysis of performance, including potentially a performance ranking by country and by thematic area might have been desirable, in particular as a way of identifying good practices in one country or one thematic area, which could be reproduced more widely. For example, a more substantial evaluation budget would have permitted a more extensive range of case studies – covering all seven member countries of CAPTAC-DR and a wider set of examples of CD interventions within each thematic area. This might have permitted a more disaggregated analysis of performance, including a performance ranking by country. However, it is questionable how useful such a ranking would be, given that the prevailing country context is such an important determinant of performance, and that it would be difficult, without extensive qualitative research, to separate the influence of context from factors related directly to the design and delivery of CD services.
12. **The available evaluation budget allowed some judgement on the relative performance of thematic areas.** In particular, it allowed the country case studies to cover the 6 thematic areas, with the highest budgets and the most intense CD activities. By comparing and contrasting the evidence from the case studies with the evidence from interviews at the CAPTAC-DR Centre and the information available from the Resource Allocation Analysis, which included data on achievement of milestones by thematic area, it was possible to reach some judgement on the performance by thematic area and to identify some of the factors underlying the difference in performance. However, given the evidence base, these judgements are indicative rather than conclusive.
13. **Regarding the overall performance of CAPTAC-DR at the aggregate level, the available evidence was sufficient to reach robust conclusions.** In particular, it has proven possible to build strong evidence-based conclusions to the five evaluation questions relating directly to the performance of CAPTAC-DR. In line with the planned evaluation schedule, it was possible to 'triangulate' evidence from at least three separate sources of information in relation to these first five evaluation questions, considering the relevance, effectiveness, impact, efficiency and sustainability of CAPTAC-DR CD programmes.

---

<sup>8</sup> It should be noted that it was originally anticipated that the case studies would include a formal Contribution Analysis. However, in the time and with the resources available, amounting to 2-3 days in-country for each case study, it did not prove possible to undertake robust contribution analysis. Beneficiaries were asked which were the key results and impacts they would attribute to CD interventions and how highly they would rank the relative contribution of the CD interventions. This provided only an indication of the relative CAPTAC-DR contribution.

14. Regarding the evaluation questions addressing operational and cross-cutting issues, the evidence base was less robust and did not provide an adequate basis to respond to all of these questions in a conclusive manner. Box 2 below presents an assessment of the quality of evidence collected in relation to each of the evaluation questions, utilising the criteria for the ranking of evidence shown in Box 3. Evidence which was 'strong' or 'more than satisfactory' was available for 7 of the 11 Evaluation Questions, being in two cases 'indicative but not conclusive', and in a further two cases 'weak'.

**Box 2: Evaluation Questions, Actual Sources of Evidence and Ranking of Evidence Quality**

<b>Evaluation Questions</b>	<b>Actual Sources of Evidence</b>	<b>Ranking of Quality of Evidence</b>
<b>Performance of CAPTAC-DR Capacity Development (CD) programmes</b>		
<b>1. Relevance</b>	<ul style="list-style-type: none"> <li>• Beneficiaries' Survey</li> <li>• <del>Stg Committee Survey</del></li> <li>• Resource allocation analysis</li> <li>• CAPTAC/ HQ interviews</li> <li>• Case studies</li> </ul>	STRONG
<b>2. Effectiveness</b>	<ul style="list-style-type: none"> <li>• Resource allocation analysis</li> <li>• Case studies</li> <li>• Beneficiaries' Survey</li> </ul>	STRONG
<b>3. Impact</b>	<ul style="list-style-type: none"> <li>• Case studies</li> <li>• Beneficiaries' Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul>	MORE THAN SATISFACTORY
<b>4. Efficiency</b>	<ul style="list-style-type: none"> <li>• Programme Spending analysis</li> <li>• Case studies</li> <li>• Beneficiaries' Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul>	STRONG
<b>5. Sustainability</b>	<ul style="list-style-type: none"> <li>• Case studies</li> <li>• Beneficiaries' Survey</li> <li>• <del>Steering Committee Survey</del></li> <li>• CAPTAC/ HQ interviews</li> </ul>	MORE THAN SATISFACTORY
<b>Operational and Cross-cutting issues, relating to overall management of CAPTAC-DR</b>		
<b>6. Steering Committee</b>	<ul style="list-style-type: none"> <li>• Beneficiaries' Survey</li> <li>• <del>Steering Committee Survey</del></li> <li>• CAPTAC/ HQ interviews</li> </ul>	INDICATIVE BUT NOT CONCLUSIVE
<b>7. Retention of institutional memory within CAPTAC-DR</b>	<ul style="list-style-type: none"> <li>• Programme Spending analysis (staff turnover)</li> <li>• <del>Steering Committee Survey</del></li> <li>• CAPTAC/ HQ interviews</li> </ul>	INDICATIVE BUT NOT CONCLUSIVE
<b>8. Use of Regional &amp; Local expertise</b>	<ul style="list-style-type: none"> <li>• Programme Spending analysis</li> <li>• Beneficiaries' Survey</li> <li>• <del>Steering Committee Survey</del></li> <li>• CAPTAC/ HQ interviews</li> </ul>	STRONG
<b>9. Coordination with Development Partners</b>	<ul style="list-style-type: none"> <li>• Beneficiaries' Survey</li> <li>• <del>Steering Committee Survey</del></li> <li>• CAPTAC/ HQ interviews</li> <li>• Case studies</li> </ul>	MORE THAN SATISFACTORY
<b>10. Response to exogenous events (Risk management)</b>	<ul style="list-style-type: none"> <li>• <del>Steering Committee Survey</del></li> <li>• CAPTAC/ HQ interviews</li> <li>• Case studies (one case study only)</li> </ul>	WEAK
<b>11. Attention to gender, climate change &amp; financial inclusion</b>	<ul style="list-style-type: none"> <li>• <del>Steering Committee Survey</del></li> <li>• CAPTAC/ HQ interviews</li> <li>• <del>Case studies</del></li> </ul>	WEAK



15. In relation to the programmed evaluation activities, the most significant shortcoming was in relation to the coverage of the surveys of Beneficiaries and, more particularly, of Steering Committee members. The initially intended sample sizes were as shown below:

**Table 1: Anticipated numbers and composition of Survey respondents**

Steering Committee Survey		B. Beneficiaries' Survey	
Country representatives + alternates	14	Tax Administration	35
Donors (EU, Canada, Mexico, Luxemburg)	4	Customs Administration	35
Observers (Spain, IDB, WB, CABEL)	4	PFM	35
Regional Councils (CMC, COSEFIN, SICA)	3	Financial Supervision	35
IMF (WHD, ICD, FAD, MCM, STA)	5	Central Banking Operations	35
		National Accounts Statistics	35
		External Sector Statistics	35
<b>Total</b>	<b>30</b>	<b>Total</b>	<b>245</b>
<b>Anticipated responses (approx. 66%)</b>	<b>20</b>	<b>Anticipated responses (approx. 50%)</b>	<b>120</b>

Note: For the Beneficiaries' Survey, the aim was to identify 5 relevant persons (Directors, Assistant Directors or senior technical staff) for each thematic area in each of the 7 member countries.

16. **Due to different obstacles, the final composition of the sample for both surveys was substantially lower than expected.** The total number of respondents for the beneficiaries' survey was 54<sup>9</sup> – but well spread across the countries - and only 6 for the Steering Committee Survey (3 country representatives and 2 different Donors). In the case of the former, the total number of respondents was sufficient to extract general conclusions and trends by subsection. However, it was not enough to obtain statistically representative findings within subgroups – by thematic area and/or by country. In the case of the Steering Committee Survey, the size of the sample was not sufficient to extrapolate any statistically significant results. Consequently, the use of information collected through the Steering Committee Survey has been simply to provide a point of comparison with the results obtained in similar questions from the Beneficiaries' Survey. It cannot be considered to have any independent validity.

17. Regarding Evaluation Questions 10 and 11 concerning the response to exogenous events and the attention to gender, climate change and financial inclusion, the evidence obtained from the country case studies was also of poor quality, which meant that these questions could not be answered. In relation to EQ 10, evidence was drawn from one case study only (El Salvador) and could not be assessed in detail in the time available. In relation to EQ 11, the general impression from interviewees in the case studies was that it was not relevant to address questions of gender, climate change and financial inclusion within the design of the CD services provided. However, it is difficult to know what weight to place on this general impression without cross-checking this feedback against detailed documentation for all the CD services, which was not possible given the time and documentation available.

<sup>9</sup> We note that the Beneficiaries' e-Survey undertaken for the 2013 evaluation obtained a 27.3% response rate, as compared with 22% now.

18. **The conclusions reached in relation to the performance of CAPTAC-DR CD services are robust and provide a strong basis for reaching decisions on the future scale and scope of programme funding**, despite the difficulties encountered in obtaining the full range of evidence intended. Moreover, while not all of the Evaluation Questions relating to operational and cross-cutting issues could be answered, these are issues that can be adequately addressed based on the information already available to the Steering Committee and to the management of CAPTAC-DR.

**Box 3: Criteria for ranking of quality of Evidence for Evaluation Questions**

Ranking of Evidence	Explanation of ranking of quality of evidence
<i>Strong</i>	The finding is consistently supported by a range of evidence sources, including documentary sources, quantitative analysis and qualitative evidence (i.e. there is very good triangulation); or the evidence sources, while not comprehensive, are of high quality and reliable to draw a conclusion (e.g. strong quantitative evidence with adequate sample sizes and no major data quality or reliability issues; or a wide range of reliable qualitative sources, across which there is good triangulation).
<i>More than satisfactory</i>	There are at least two different sources of evidence with good triangulation, but the coverage of the evidence is not complete.
<i>Indicative but not conclusive</i>	There is one evidence source of good quality but no triangulation with other sources of evidence of equal quality.
<i>Weak</i>	There is no triangulation and/ or evidence is limited to a single source of low quality.

## **I.5 Structure of the Evaluation Report**

19. Following this brief summary of the evaluation objectives, scope and methodology, as well as its limitations, the remainder of this report is organised as follows:

- **Chapter Two presents a short summary of the background and context for the evaluation**, explaining in particular the mandate and governance framework for CAPTAC-DR, as well as the scope of the Phase II programme and budget.
- **Chapter Three presents the evaluation of the performance of CAPTAC-DR capacity development programmes**, addressing the five Evaluation Questions relating to relevance, effectiveness, impact, efficiency and sustainability.
- **Chapter Four addresses the operational and cross-cutting issues**, covered by Evaluation Questions 6-9.
- **Chapter Five presents the conclusions and recommendations of the Evaluation.**
- **A separate Volume of Technical Annexes** contains further details on the evaluation evidence, including short reports on the Resource Allocation and Programme Spending analyses, the Beneficiaries' Survey, and the Country Case Studies.

## 2 Background and Context for the Evaluation of CAPTAC-DR

### 2.1 CAPTAC-DR – Mandate & Governance Framework

20. **The Central America, Panama and the Dominican Republic Regional Technical Assistance Centre (CAPTAC-DR) started operations in May 2009 in Guatemala.** It serves Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, and Panamá. It is a collaborative effort between the IMF, the member countries, and bilateral and multilateral partners aimed at providing capacity development (CD) services (technical assistance and training) to build member countries' institutional and human capacities to design and implement macroeconomic policies in support of economic stability, socio-economic development, and regional harmonization. The Centre's technical assistance is focused on financial sector regulation and supervision, central banking operations, tax and customs administration, public financial management, and macroeconomic statistics.
21. **The Centre is guided by a Steering Committee composed of representatives of member countries, Development Partners, and the IMF.** Steering Committee members meet on an annual basis to discuss the Centre's strategic direction, review progress against its work plan, and discuss and endorse a work plan for the next year and the medium term. The Centre is assisted by seven resident advisors (RAs), one for each thematic area, and coordinated by an IMF staff. The centre provides CD services based on a demand driven annual work plan prepared considering country priorities, CD needs assessment and the IMF priorities for the region.

### 2.2 Overview of the Phase II Programme and Budget

22. **The centre is currently implementing its second 5-year phase (2014-2019) with an operational budget of US\$30 million.** Its original budget was estimated at US\$36 million, but the planned contribution from the Government of Spain was withdrawn due to the fiscal crisis in Spain. The programme for Phase II was therefore restructured to match this reduced budget.
23. **Overall, the focus of the Phase II Programme has been similar to Phase I.** It has covered the same seven thematic areas, namely Financial Supervision, Monetary Operations, Tax Administration, Customs Administration, PFM, National Accounts Statistics and External Sector Statistics, with each of these areas headed by a Resident Adviser (RA, each recruited as a Long-term Expert – LTX), and supported by approximately 6 person months per year of short-term experts (STX). However, in the area of External Sector Statistics, it was planned that the RA would focus, in the first years of Phase II, on completing the transition toward BPM6<sup>10</sup> and improving external debt statistics; with this goal achieved, attention would shift to assisting member countries to improve their development of Government Finance Statistics (GFS). A new long-term GFS advisor was therefore appointed in July 2017.
24. **Table 2 shows the budgets and actually executed expenditures in Phase II to date, covering Fiscal Years 2015, 2016 and 2017.** Overall, the rate of execution of expenditure has been 95% on average over this period, which represents an efficient rate of budget execution, especially given the initial uncertainties over the aggregate budget for Phase II. The most significant area of under-expenditure has been

---

<sup>10</sup> 6<sup>th</sup> edition of the IMF's Balance of Payments Statistics and International Investment Position Manual.

in relation to the Resident Advisers (Long-term Experts), where there have been some gaps between the departure of certain advisers and the recruitment of the new replacement Resident Advisers. To some extent, this shortfall has been compensated by increased spending on Back-stopping and on Short-term Experts. With the full complement of Resident Advisers in place in FY 2018 and a high level of utilisation of Short-term experts having been attained, it seems likely that the target expenditure of US \$ 30 million will be reached. The budget for FY 2018 is US \$ 7.4 million and a similar budget is expected for FY 2019.

**Table 2: CAPTAC-DR Budgets & Expenditure under Phase II, FY 2015 – FY 2017**

	FY2015 Budget	FY2015 Executed	Exec. %	FY2016 Budget	FY2016 Executed	Exec. %	FY2017 Budget	FY2017 Executed	Exec. %	Expenditure to date Phase II
Resident Experts (LTX)	1,787,212	1,787,212	100%	2,088,341	1,558,068	75%	1,386,847	1,109,701	80%	4,454,982
Short-term Experts (STX)	1,688,826	1,617,826	96%	1,752,463	1,752,463	100%	2,078,617	2,160,274	104%	5,530,563
Diagnostic missions	151,652	226,105	149%	176,000	176,000	100%	232,000	226,966	98%	629,071
Training	289,300	309,300	107%	253,000	253,000	100%	630,000	614,709	98%	1,177,009
Local Office Expenses 1/	66,762	76,303	114%	114,879	114,879	100%	158,637	109,000	69%	300,182
Regional Travel	235,646	135,787	58%	362,942	362,942	100%	356,296	252,852	71%	751,581
<b>Sub-total Technical Assistance &amp; Training</b>	<b>4,219,398</b>	<b>4,152,533</b>	<b>98%</b>	<b>4,747,625</b>	<b>4,217,352</b>	<b>89%</b>	<b>4,842,397</b>	<b>4,473,502</b>	<b>92%</b>	<b>12,843,387</b>
Backstopping & Project Mgt.	357,794	386,252	108%	354,822	420,701	119%	430,482	418,620	97%	1,225,573
<b>Sub-total TA &amp; Training (inc back-stopping)</b>	<b>4,577,192</b>	<b>4,538,785</b>	<b>99%</b>	<b>5,102,447</b>	<b>4,638,053</b>	<b>91%</b>	<b>5,272,879</b>	<b>4,892,122</b>	<b>93%</b>	<b>14,068,961</b>
Trust Fund Fee	320,403	317,715	99%	357,171	324,664	91%	389,794	354,456	91%	996,835
In-kind Office Expenses	523,877	523,877	100%	667,419	667,420	100%	654,050	654,050	100%	1,845,347
<b>Total</b>	<b>5,421,472</b>	<b>5,380,377</b>	<b>99%</b>	<b>6,127,037</b>	<b>5,630,137</b>	<b>92%</b>	<b>6,316,723</b>	<b>5,900,628</b>	<b>93%</b>	<b>16,911,142</b>

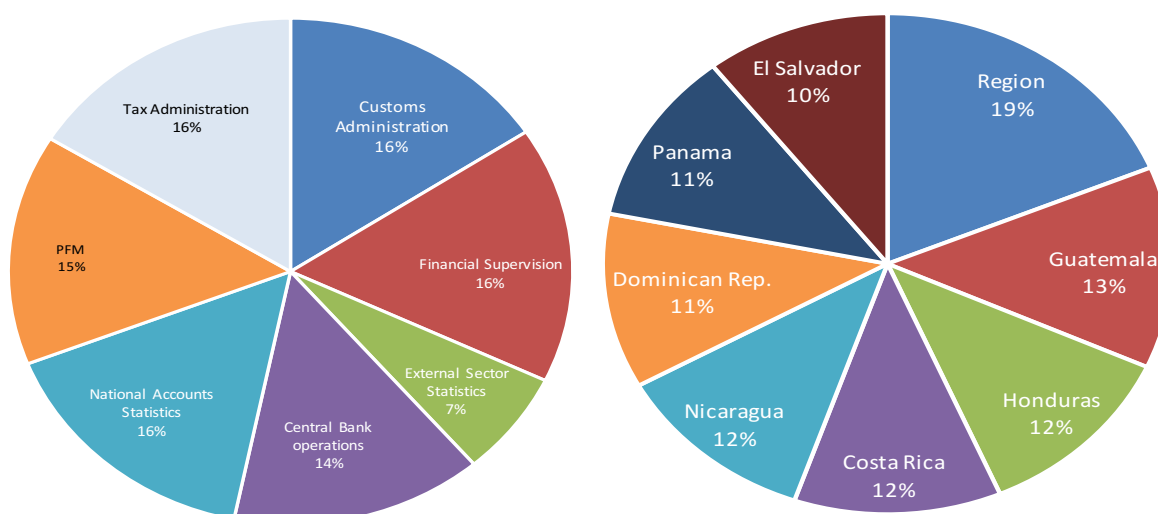
Source: CAPTAC-DR Annual Reports FY, 2015 – 2017 and additional expenditure data provided by CAPTAC-DR.

25. **Data on human resource allocations (person weeks of LTX and STX) for FY 2015 – 2017 suggest that the equitable allocation of resources across countries and thematic areas is a significant objective in the resource allocation process.** A database on Phase II resource use up to the end of FY 2017 has been constructed, based upon data on human resource allocation, presented in the CAPTAC-DR annual reports. Figure I shows the resource allocation by thematic area and by country. Taking the three-year period as a whole, the division of resources has been fairly even in 6 out of the seven thematic areas, external sector statistics being the only exception<sup>11</sup>. Similarly, allocations by country have also been quite balanced over the three-year period, ranging from 10 -13 % of the aggregate budget for human resources.
26. **On a year by year basis, allocations of person weeks for CD activities across thematic areas and countries have been more variable.** As may be seen from Table 3, within thematic areas, the difference in any single year between the country with the highest human resource allocation and the least is considerable. This suggests, that the provision of CD support in each specific period is to some extent

<sup>11</sup> Planned work on External Sector Statistics was successfully completed. In line with the Phase II work programme, attention shifted to Government Finance Statistics (GFS) and a new long-term GFS advisor was therefore appointed, although with some delay following the departure of the ESS advisor.

influenced by the absorptive capacity of individual countries, although this does not have a marked influence on the balance of allocations across countries for the 3-year period.

**Figure 1: Distribution of human resources among thematic areas and countries FY 2015 to FY2017**



27. **The other notable trend is the steady increase in provision of CD support from FY 2014 to FY 2017, showing a 70% increase over this period.** In particular, provision of CD support expanded in aggregate terms by 46 % from FY 2014 to FY 2015, and then experienced another jump from FY 2016 to FY 2017 of 11%. The fall in intensity of CD provision in FY 2014 may have been influenced by the uncertainties over the budget for Phase II but the factor which appears to drive the changes in intensity of CD provision, is the presence or absence of a Resident Advisor (LTX) for each thematic area. In FY 2014 there was no Tax Administration Adviser for 2.5 months and no Customs Administration Adviser for 6 months. As soon as these staff were recruited and operational, there was a sharp pick-up in the intensity of CD provision through STX experts in these two areas. From FY 2015 onwards, it has proven possible either to avoid gaps in the presence of Resident Advisers or to ensure a more efficient back-stopping arrangement in the period between the resident advisers departing and arriving<sup>12</sup>. As a consequence, the Centre has maintained a steady rise in CD provision, which seems likely to be sustained for the remainder of Phase II.

**Table 3 Person-weeks of CD support provided by Thematic Area and Country, FY 2014 – FY 2017**

Person-weeks Total (used)	FY 2014	FY 2015	FY 2016	FY 2017	Grand Total
<b>Financial Supervision</b>	<b>85,0</b>	<b>123,0</b>	<b>125,2</b>	<b>182,1</b>	<b>515,3</b>
Region	21,5	24,0	27,1	71,1	143,6
Panama	9,0	22,0	13,3	14,0	58,3
Guatemala	10,0	14,0	15,7	15,0	54,7
Costa Rica	10,0	12,0	13,5	17,0	52,5
Dominican Rep.	9,0	14,0	13,3	16,0	52,3
Honduras	8,0	14,5	13,3	16,0	51,8
El Salvador	9,0	8,5	15,7	18,0	51,2
Nicaragua	8,5	14,0	13,3	15,0	50,8

<sup>12</sup> The contract of the PFM Resident Adviser was renewed in FY 2016 but he was required, under IMF rules, to take a 6-month “cooling off” period between contracts, leaving a gap in the presence of the PFM LTX in FY2017. However, as this was known in advance, the STX inputs were pre-planned and there was no major drop in the intensity of provision. For National Accounts Statistics, there was a gap in LTX presence in FY 2017 of 4 months but it proved possible to step up back-stopping from HQ in this period to avoid any significant drop in the intensity of CD support.

Person-weeks Total (used)	FY 2014	FY 2015	FY 2016	FY 2017	Grand Total
<b>Tax Administration</b>	<b>85,0</b>	<b>125,0</b>	<b>140,3</b>	<b>159,8</b>	<b>510,1</b>
Region	12,0	22,0	32,6	41,1	107,7
Costa Rica	13,0	17,0	20,5	16,7	67,2
Honduras	11,0	21,0	18,3	15,1	65,4
Guatemala	11,0	14,0	17,2	20,8	63,0
El Salvador	11,0	20,0	13,0	17,8	61,8
Dominican Rep.	11,0	18,0	9,3	16,7	54,9
Nicaragua	12,0		15,6	17,8	45,4
Panama	4,0	13,0	13,8	13,9	44,7
<b>National Accounts Statistics</b>	<b>86,6</b>	<b>119,3</b>	<b>127,6</b>	<b>165,2</b>	<b>498,7</b>
Guatemala	14,8	18,6	27,2	22,7	83,3
Panama	14,7	15,0	15,3	26,9	72,0
Costa Rica	9,8	23,7	16,2	18,5	68,2
Honduras	9,4	11,8	12,1	26,9	60,3
Nicaragua	9,1	11,7	13,7	25,3	59,8
Dominican Rep.	7,2	12,0	19,1	17,3	55,7
El Salvador	11,1	17,8	13,7	10,1	52,7
Region	10,5	8,7	10,2	17,3	46,8
<b>Customs Administration</b>	<b>62,0</b>	<b>131,0</b>	<b>142,2</b>	<b>159,2</b>	<b>494,4</b>
Region	11,0	31,0	32,5	31,9	106,4
Costa Rica	11,0	18,0	21,5	18,4	68,9
Guatemala	8,0	14,0	21,9	18,2	62,1
Dominican Rep.	7,0	11,0	10,6	26,8	55,4
El Salvador	8,0	22,0	11,7	13,4	55,1
Nicaragua	6,0	13,0	15,1	20,2	54,3
Panama	6,0	9,0	15,1	17,4	47,5
Honduras	5,0	13,0	13,8	12,9	44,8
<b>PFM</b>	<b>81,0</b>	<b>111,0</b>	<b>120,6</b>	<b>150,9</b>	<b>463,6</b>
Panama	16,0	20,0	20,1	22,4	78,5
Nicaragua	11,0	10,0	33,3	16,4	70,7
Honduras	11,0	19,0	14,4	20,4	64,8
Guatemala	14,0	15,0	18,5	16,2	63,7
Dominican Rep.	7,0	20,0	14,4	15,1	56,5
Costa Rica	6,0	5,0		30,4	41,4
El Salvador	6,0	10,0	4,9	4,4	25,3
Region	10,0	12,0	15,0	25,6	62,6
<b>Monetary Operations</b>	<b>84,5</b>	<b>120,5</b>	<b>126,6</b>	<b>124,0</b>	<b>455,6</b>
Region	13,5	30,0	35,8	20,1	99,3
Guatemala	9,5	20,0	15,9	16,1	61,5
El Salvador	12,5	14,5	20,9	12,5	60,5
Dominican Rep.	10,5	20,5	10,6	16,3	57,9
Honduras	10,0	11,0	15,6	17,6	54,2
Costa Rica	10,5	12,0	8,7	18,8	50,1
Nicaragua	9,5	12,0	13,2	12,5	47,3
Panama	8,5	0,5	5,8	10,0	24,9
<b>External Sector Statistics</b>	<b>68,0</b>	<b>79,0</b>	<b>62,8</b>		<b>209,8</b>
Nicaragua	8,5	10,5	18,2		37,2
Honduras	8,5	10,5	10,5		29,5
Panama	9,5	9,5	9,7		28,7
El Salvador	8,5	9,5	6,2		24,2
Dominican Rep.	8,5	9,5	5,1		23,1
Region	8,5	11,5	3,0		23,0
Costa Rica	7,5	9,5	5,1		22,1
Guatemala	8,5	8,5	5,1		22,1
<b>Grand Total</b>	<b>552,1</b>	<b>808,8</b>	<b>845,3</b>	<b>941,2</b>	<b>3.147,4</b>

## 2.3 Evolution of RBM within IMF and its relevance

28. **The IMF has been developing a results-based management tool since 2011** (*Capacity Development Projects, Outputs & Results Tracking - CD-PORT*), aimed at intensifying the focus of CD activities towards outcomes consistent with strategic goals, as opposed to activities and outputs. Outcomes are defined as *the concrete improvements in policy-making capacity ensuing from Fund advice or training, and member countries' priorities*<sup>13</sup>. The benefits foreseen by this process comprise: a) greater clarity of purpose for CD activities, b) better tracking of progress in CD and securing sustainability, c) improved understanding of what has worked or not worked in the past, d) more transparency of CD activities and e) promotion of global best practices<sup>14</sup>.
29. The implementation of RBM is led by the IMF functional departments (FAD, STA and MCM), and by ICD for CD delivery by the RTACs. All departments are implementing fundamental elements of the RBM systems (catalogues of indicators & milestones, logframe templates incorporating baselines, etc.) but the system has not as yet been fully implemented across all departments of the Fund.
30. **The Regional Technical Assistance Centres are currently implementing the RBM methodology, with the first full year of performance data expected to be input to the system by the end of FY18.** Implementation of RBM within the RTACs and within the bilateral donor subaccounts has been scheduled, according to criteria established by an interdepartmental working group on the RBM. The intention has been both to maximise learning-by-doing in the process of implementation and also to spread the workload for the TA departments and ICDSE. CARTAC, in particular, was a first pilot of full RBM implementation – both for other RTACs and for the Fund as a whole. Hence, CARTAC is now implementing its 5-year CD programme, using an RBM template within CD- PORT. CAPTAC-DR has begun programming and reporting on CD activities through CD-PORT and its full transition to this system is anticipated to be completed in 2018.
31. **During Phase II, CAPTAC-DR has developed logical frameworks and related medium term targets for each thematic area;** indeed, the current five-year programme includes, for each thematic area, specific objectives and medium-term outcome targets at regional level. Progress against these targets is reported in the annual reports. In addition, country-level milestones are defined and used for annual reporting, while the formulation and definition of milestones and related medium-term outcomes continues to be refined in collaboration with ICD and the functional departments. As noted, transition to the use of CD-PORT should be completed soon, with full implementation of the RBM system from FY 2018. The introduction of the RBM system has made a notable difference to the quality of reporting – an area that was identified for improvement in the Mid-Term evaluation of the Phase I programme undertaken in 2013.

## 2.4 Lessons from the Mid-Term evaluation of Phase I (2013)

32. **The first evaluation of CAPTAC-DR was carried out in 2013 to assess progress at the mid-term stage in the implementation of CAPTAC-DR's first five-year programme.** A number of recommendations were included in the final document, followed by a management response and action plan prepared by the Centre that has been regularly updated and published in the CAPTAC-DR annual reports.

---

<sup>13</sup> RBM FAQs, ICD, IMF.

<sup>14</sup> RBM FAQs, ICD, IMF.

33. As reported in the Centre's annual reports for FY 2015 – 2017, the most important changes in processes implemented to date in response to the recommendations of the 2013 evaluation are as follows:

- **A work programme planning and monitoring database, based on Excel, was developed and put into full implementation during FY 2015.** The database permits specific cost items (notably TA missions and training courses) to be tracked to project lines for projects and thematic areas. The database also provides centralised and up-to-date control of the status of implementation of individual work programmes and of the level of progress in RBM milestones<sup>15</sup>.
- **In line with the development and implementation of the RBM methodology, the RBM criteria were refined and quarterly results-based reports were issued from FY 2015 onwards.** These follow standardised Fund criteria, which are now being incorporated into the CD-PORT IT platform. The system has allowed Annual Reports to include a summary of progress against milestones, with detailed explanations incorporated in the annual work programme implementation annex. However, reporting against specific outcomes by country and thematic area has yet to be established, primarily due to the relative newness of the system<sup>16</sup>.
- **An Outreach and Communications Programme was approved in FY 2016, aimed at raising the accountability and visibility of the Centre.** Due to budget constraints in FY2015 and FY 2016, this was started in FY 2014 as a low-cost programme to initiate the use of social networks to highlight progress by Member Countries, as well as complementary activities by Donor agencies. During FY 2017, the scope and reach of the programme has grown substantially, achieving a cumulative reach of 46,000 social media users during the first 11 months of FY2017.
- **Cost control recommendations have been implemented.** These have included the promotion of back-to-back missions, negotiating preference agreements with regional airlines and hotels and other procedures to reduce travel costs. Efforts have also been made to retain STX for annual or multi-annual projects and to procure co-financing from Donors and other regional TA providers for training events and TA projects.
- **Better coordination with regional TA providers and Donor agencies has been promoted through maximising opportunities for regular meetings,** taking advantage of Steering Committee meetings, the IMF's Regional Conference for Central America, and meetings of the regional councils and bodies. In addition, more regular de-briefing meetings by CAPTAC-DR Resident Advisers have been scheduled at the conclusion of relevant TA missions.

34. We consider in Chapters 3 and 4 how far these and other related measures have succeeded in addressing the shortcomings identified in the 2013 Mid-term evaluation.

---

<sup>15</sup> Figure 1 and Table 3 above are derived from this data-base, as is Figure 2 in Chapter 3, which comprises the key part of the Resource Allocation Analysis undertaken by the evaluation team.

<sup>16</sup> CAPTAC-DR's Work Programme for Phase Two presents outcome targets for each of the thematic areas but these are not broken down by country. They thus provide an indication of general objectives rather than a basis for measuring annual progress towards outcomes in each country, against country-by-country baselines.



### 3 Performance of CAPTAC-DR Capacity Development Programmes

35. This chapter of the report addresses the first five evaluation questions within the terms of reference, each of which relate directly to the performance of CAPTAC-DR's Capacity Development programmes. Specifically, the questions address the criteria of Relevance, Effectiveness, Impact, Efficiency and Sustainability, as defined in the IMF's Common Evaluation Framework.
36. In the first 3 sections of the chapter, we provide an overview of the results of the Beneficiaries Survey, the Resource Allocation Analysis and the Country Case Studies – the three key sources of evaluation evidence. In the subsequent 5 sections, we present answers to the five evaluation questions relating to the performance of CAPTAC-DR CD programmes. For each of these, we first present the specific evaluation question addressed, the listing of the judgement criteria used to reach an answer, the sources of evidence and the rating assigned. The text then provides a fuller explanation of the findings and the rationale for the rating.

#### 3.1 Results of the Beneficiaries' Survey

37. **There were 54 respondents to the Beneficiaries' survey, reasonably well spread across the 7 countries and the 7 thematic areas where CD support has been provided<sup>17</sup>.** This number of respondents was sufficient to derive general conclusions but not enough to obtain statistically representative findings within subgroups – i.e., by thematic area or by country. Therefore, findings regarding these two levels must be considered as indicative but not conclusive.
38. The survey analysed the Beneficiaries' perceptions of CAPTAC-DR performance with respect to the five criteria in the Common Evaluation Framework (Relevance, Efficiency, etc.), through a small number of more detailed sub-questions relating to each of these five criteria. Respondents were asked to rate performance on the basis of a 1- 4 scale, in which 4 corresponded to "Highly Satisfactory" (HS) and 3 to "Satisfactory" (S)<sup>18</sup>. Table 4 below provides a summary of the results.
39. **The perceptions of the beneficiaries were overwhelmingly positive, with 89 – 98 % of beneficiaries rating performance across the five dimensions as "Satisfactory" or "Highly Satisfactory".** In terms of average scores, the ratings were highest for Relevance, and then successively for Effectiveness, Efficiency, and Sustainability with Impact scoring lowest. This relative ranking is largely as one would expect, reflecting as it does the inherent difficulties in ensuring longer term impact and sustainability from CD activities. However, while the assessment of beneficiaries is highly positive in relation to relevance, effectiveness and efficiency, it is also strongly positive on impact and sustainability.
40. Amongst a generally positive set of results across all countries, it is the perceptions of beneficiaries in Honduras, Panama and Costa Rica which are more positive across the five dimensions, while perceptions in

---

<sup>17</sup> Figure 1 and Table 3 in Chapter 2 show the allocations of person weeks by country and thematic area. Over the three-years (FY2015, FY 2016 and FY 2017), allocations have been reasonably balanced with every country benefitting from CD support in each of the seven thematic areas.

<sup>18</sup> The full set of potential rankings was 1 = Highly Unsatisfactory (HUS); 2 = Unsatisfactory (U); 3 = Satisfactory (S); 4 = Highly Satisfactory (HS). There was also the option of responding "Don't Know", although there were only a very small number of "Don't Know" responses. The survey also addressed some of the cross-cutting evaluation questions covered in Chapter 4 of this Report. A full presentation of the results is included in the Volume of Annexes.

El Salvador were somewhat lower across four of the five dimensions, with only relevance being scored on a par with other countries. Although ratings across the seven thematic areas are very similar, beneficiaries of CD on Monetary Operations, Statistics and PFM have marginally higher perceptions of performance than beneficiaries in other areas.

41. Given the small sample size, one should not read too much into these relative rankings but it is worth noting that when interviewed by the evaluators in Washington DC in July 2017, MCM staff had especially high praise for the work of CAPTAC-DR on Monetary Operations in Honduras. The Resource Allocation Analysis also shows Monetary Operations as the best performing area. On the other hand, the case study on National Accounts Statistics in El Salvador identified specific institutional factors which placed doubts over impact and sustainability. (See Section 3.3 below.) Thus, there is some secondary evidence supporting the relative rankings from the Survey across thematic areas and across countries.

**Table 4: Overview of the Results of the Survey of Beneficiaries<sup>19</sup>**

<b>RELEVANCE</b>		<b>HS</b>	<b>S</b>
<b>72% HS</b> <b>26% S</b>	Coherence with National Strategies & priorities	68%	30%
	Response to needs identified in Diagnostic studies	72%	24%
	Response to internal reform priorities	74%	24%
<b>Country Results:</b>	Honduras 94% HS; Panama 92 % HS		
<b>Thematic Results:</b>	Statistics 84% HS; Monetary Operations 82% HS		
<b>EFFICIENCY</b>		<b>HS</b>	<b>S</b>
<b>65% HS</b> <b>24% S</b>	Relative cost of TA provided by CAPTAC-DR	67%	24%
	Value for Money relative to other providers	70%	19%
	Coordination of CAPTAC-DR CD with similar activities	59%	30%
<b>Country Results:</b>	<u>Higher:</u> Dominican Republic 83% HS; Panama 75 % HS; Honduras 73% HS <u>Lower:</u> Nicaragua 33% HS; El Salvador 53% HS		
<b>EFFECTIVENESS</b>		<b>HS</b>	<b>S</b>
<b>60% HS</b> <b>37% S</b>	Transfer of skills & knowledge to institution	65%	33%
	Improved systems & procedures in institution	55%	41%
<b>Country Results:</b>	<u>Higher:</u> Honduras 80% HS; Panama, Costa Rica & Nicaragua 75 % HS; <u>Lower:</u> El Salvador 40% HS, Dominican Republic 50% HS		
<b>Thematic Results:</b>	Monetary Operations 77% HS; PFM 75% HS		
<b>IMPACT</b>		<b>HS</b>	<b>S</b>
<b>44% HS</b> <b>50% S</b>	Improvement in institutional performance	44%	50%
	<b>Country Results:</b>	<u>Higher:</u> Honduras 80% HS; Panama 75 % HS; Costa Rica 50% HS <u>Lower:</u> Dominican Republic 25% HS; Nicaragua 25% HS; El Salvador 30% HS	
<b>SUSTAINABILITY</b>		<b>HS</b>	<b>S</b>
<b>51% HS</b> <b>43% S</b>	Internalisation by institution of new capabilities	51%	43%
	Sustained capacities due to CAPTAC-DR training	51%	43%
<b>Country Results:</b>	<u>Higher:</u> Panama 71% HS; Costa Rica 62% HS; Honduras 60% HS; <u>Lower:</u> El Salvador 25% HS.		

<sup>19</sup> The Volume of Annexes provides a fuller report on the results of the Survey of Beneficiaries. Aggregate scores by criteria are presented to the left of Table 4 and the scores for the sub-questions to the right, reporting only scores for “Highly Satisfactory” (HS) and “Satisfactory” (S). Specific results by country or thematic area have only been highlighted where these stand out from the overall trends.

## 3.2 Resource Allocation Analysis

42. An analysis on effectiveness (EQ. 2) was undertaken using CAPTAC-DR reports regarding the achievement of milestones within each country and thematic area, for fiscal years 2016 and 2017. For these two years, the level of achievement of milestones linked to activities has been reported systematically using the RBM system. Ideally, one would want to supplement this analysis, which could be equated to an analysis of the outputs of CD projects, with an assessment of progress towards medium-term outcomes within each thematic area and country. However, at present the RBM system does not define or measure outcomes by thematic area and country<sup>20</sup>.
43. The following table summarizes the results for each thematic area at aggregate level, with results by country presented within each thematic area. Results at thematic level are weighted by the level of resources employed (presented in Table 3 of Chapter 2) and thus, the rating by thematic area is not an arithmetic average of the results at country level. A colour-coded scale has been used to better visualize in-year results and changes from FY2016 to FY2017. The numerical scale is the one used by the programme management team and ranks from 1 (not started), 2 (limited progress), 3 (significant progress) to 4 (achieved).

**Figure 2: CAPTAC-DR Milestone achievement by thematic area (FY2016 & FY2017)**

Thematic Area	FY2016	FY2017	Thematic Area	FY2016	FY2017
<b>Monetary Operations</b>	<b>3,7</b>	<b>3,9</b>	<b>PFM</b>	<b>3,5</b>	<b>3,4</b>
Costa Rica	4,0	4,0	Costa Rica	4,0	3,4
Dominican R.	3,9	4,0	Dominican R.	3,6	4,0
El Salvador	2,9	2,0	El Salvador	3,0	3,0
Guatemala	3,8	4,0	Guatemala	3,7	3,3
Honduras	3,7	4,0	Honduras	3,0	4,0
Nicaragua	4,0	4,0	Nicaragua	3,8	3,3
Panama	2,2	4,0	Panama	3,0	4,0
Region	4,0	3,8	Region	3,4	4,0
<b>Financial Supervision</b>	<b>3,8</b>	<b>3,7</b>	<b>National Accounts Statistics</b>	<b>3,4</b>	<b>3,2</b>
Costa Rica	3,7	4,0	Costa Rica	3,6	3,5
Dominican R.	4,0	4,0	Dominican R.	3,9	3,7
El Salvador	4,0	2,9	El Salvador	3,8	2,6
Guatemala	4,0	3,2	Guatemala	3,5	3,3
Honduras	4,0	4,0	Honduras	3,1	4,0
Nicaragua	3,3	4,0	Nicaragua	3,2	4,0
Panama	4,0	4,0	Panama	3,4	2,5
Region	3,6	3,8	Region	4,0	3,2
<b>Customs Administration</b>	<b>3,8</b>	<b>3,3</b>	<b>Tax Administration</b>	<b>3,6</b>	<b>3,0</b>
Costa Rica	4,0	3,8	Costa Rica	4,0	3,7
Dominican R.	4,0	3,1	Dominican R.	2,2	1,8
El Salvador	4,0	N/A	El Salvador	3,6	3,2
Guatemala	1,0	3,5	Guatemala	2,0	3,0
Honduras	4,0	1,6	Honduras	4,0	2,6
Nicaragua	4,0	2,0	Nicaragua	3,6	3,7
Panama	4,0	4,0	Panama	3,5	3,5
Region	3,5	3,7	Region	4,0	4,0

**Note:** Coloured scale ranges from green (indicating the higher ratings) to red (the lower ratings). Ratings for External Sector Statistics have not been considered as activities ceased in FY2016, while work on GFS statistics did not begin until FY 2018.

**Source:** CAPTAC-DR Annual Reports.

<sup>20</sup> The Work Programme for Phase Two presents outcome targets for each of the thematic areas. However, these are presented in general terms and are not broken down by country. They thus provide an indication of general objectives rather than a basis for measuring progress towards outcomes in each country, against country-by-country baselines.

44. The main findings of this analysis are as follows:

- **All thematic areas present high scores of milestones achievement at aggregate level.** None show ratings lower than 3, which means that at least “significant progress” has been achieved on average in all thematic areas.
- **Monetary Operations and Financial Supervision are the two thematic areas that present better results at aggregate level** and for both years.
- **Customs administration almost matched these two higher rated areas**, but shortcomings in FY 2017 in Honduras, Nicaragua and to a lesser extent in Dominican Republic have hampered the overall performance.
- **PFM and National Accounts Statistics show lower ratings.** Performance may have been hindered by the fact that the RAs’ positions in these areas were vacant for 5.5 and 4 months respectively within the 2-year period but country-specific constraints seem likely to be the dominant explanatory factor. For example, as reported in the El Salvador Case Study, progress with National Income Accounts has been held up by the reluctance of the Authorities to adopt a re-based GDP.
- **El Salvador and Guatemala obtain lower levels of achievement across most of the thematic areas.** In these countries and in Honduras with regard to tax and customs administration, it seems likely that the difficult political and economic environments within the period covered (July 2015 to June 2017) would have had a significant influence on the fulfilment of the institutional reform measures supported by CAPTAC-DR.

### 3.3 Country Case Studies

45. Six case studies were undertaken, each of which assessed the CD work undertaken in one thematic area in one country between FY2015 and FY2017<sup>21</sup>. The case studies involved four steps: (i) *Review of the relevant CAPTAC-DR documentation*; (ii) *Analysis of relevant country level reports*; (iii) *Interviews of beneficiary institutions and other stakeholders* (iv) *Drafting of a matrix-style Note*, to summarise the resulting evidence<sup>22</sup>. The six case studies covered four countries and six thematic areas out of seven as follows:

- Tax Administration in Dominican Republic;
- Customs Administration in Costa Rica;
- Public Financial Management in Costa Rica;
- Financial Supervision in Dominican Republic;
- Central Bank operations in Guatemala; and
- National Income Accounts in El Salvador.

---

<sup>21</sup> The case studies were undertaken in October 2017, i.e., at the end of the 1<sup>st</sup> quarter of FY2018; thus, the perceptions reported by beneficiaries would also have been influenced by performance in Q1 of FY2018.

<sup>22</sup> It should be noted that it was originally anticipated that the case studies would include a formal Contribution Analysis. However, in the time and with the resources available, amounting to 2-3 days in-country for each case study, it did not prove possible to undertake robust contribution analysis. Beneficiaries were asked which were the key results and impacts they would attribute to CD interventions and how highly they would rank the relative contribution of the CD interventions. This provided only an indication of the relative CAPTAC-DR contribution.

46. Table 5 shows the ratings generated by each case study for each of the five performance assessment criteria<sup>23</sup> – Relevance, Effectiveness, Impact, Efficiency and Sustainability. It also provides composite scores based on simple averages for each case study and each performance criterion.

**Table 5: Performance ratings from the Six Case Studies**

Country/ Case	Relevance	Effectiveness	Impact	Efficiency	Sustainability	Overall Average
Costa Rica Customs Administration	4	3	3	4	3	3.4
Costa Rica PFM	2	2	2	3	2	2.2
Dominican Rep. Tax Administration	3	3	3	4	3	3.2
Dominican Rep. Financial Supervision	4	3	3	4	3	3.4
El Salvador National Income Accounts	4	2	2	3	3	2.8
Guatemala Monetary Operations	3	4	3	3	4	3.4
<b>Average</b>	<b>3.2</b>	<b>2.8</b>	<b>2.7</b>	<b>3.5</b>	<b>3</b>	<b>3.1</b>

47. **Overall, the case studies reveal a strong performance in delivery of Capacity Development services, achieving an average rating of 3.1 out of 4 across six thematic areas in 4 countries.**

Performance was rated especially highly for efficiency: beneficiaries in every country stressed how highly they regarded CAPTAC-DR technical assistance by comparison with other providers and emphasised the efficiency of delivery and the good coordination with other initiatives. In regard to Customs Administration in Costa Rica and Tax Administration in Dominican Republic, there was special praise for the “hands-on” nature of the support provided by the STX, and in particular for their continued engagement after the completion of missions – participating in video conferences, responding to queries and remaining involved with change processes. Ratings were also high for relevance and sustainability and only marginally lower for effectiveness and impact.

48. **The Costa Rica PFM case study was the only poor performer identified in the sample of case studies.** It highlighted the significant constraints to effective CD delivery emerging from the particular institutional context. CAPTAC-DR is highly valued as a TA provider, coordination is always good and both the Resident Adviser and the STX consultants are perceived to be efficient. Moreover, CD activities in the area of PFM in Costa Rica are recognised as important, but a lack of clarity by the Ministry of Finance (MoF) in relation to relative priorities has had an effect on the effectiveness and sustainability of interventions. Ownership of the CD process is weak and officials are unable or unwilling to commit limited human and technical resources to achieve the agreed milestones. A difficult institutional and legal set-up in Costa Rica

<sup>23</sup> Ratings follow a 4-point scale: 1 = Poor; 2 = Moderate; 3 = Good; 4 = Excellent.

compounds the problem, as it is generally difficult for MoF to enforce decisions on other institutions, especially in relation to the provision of sensitive information. As a result, CD milestones in relation to fiscal risk monitoring, budget costing and implementation of IPSAS have not been attained. The work that is being done with the Treasury contradicts this overall diagnostic, as it is progressing as expected and will in all likelihood achieve expected outcomes. However, the Treasury in Costa Rica is an “island of excellence” within MoF and possibly one of the best institutions of its kind in Latin America. Hence, TA support to the Treasury is probably taking resources away from other PFM areas where its deployment would have more impact. MoF authorities advocate the preparation of a comprehensive reform plan, with clear priorities, to guide future interventions. Until such a plan is prepared and approved, with commitments to milestones within the plan clearly agreed, CAPTAC-DR support in the PFM area seems unlikely to achieve significant and sustainable results.

**49. Customs Administration in Costa Rica provided a contrasting case of successful CD delivery.**

CD activities in this area are relevant, consistent with institutional priorities and follow on from diagnostic work undertaken by the IMF and the World Customs Organization (WCO). There is a clear logic of intervention, with different initiatives fitting together neatly into a coherent strategy. Ownership of the project is high, as is client satisfaction with the work of CAPTAC-DR. Both, the Resident Adviser and all the STX involved are highly regarded, particularly for the hands-on nature of the support they provide. Effectiveness is high, with almost all milestones having been achieved, even in the face of strong capacity constraints in the Customs Administration and the need for new legislation. Sustainability of the activities is also strong in spite of the changes in management and personnel. Most of the initiatives are technical and have – to a significant extent – been institutionalized. Some aspects of the intervention are still vulnerable, however, in the face of likely changes in management that will be introduced by the new government after the forthcoming elections. There is a strong expectation that the CAPTAC-DR Resident Adviser will help smooth this transition.

**50. The two case studies in the Dominican Republic – in Tax Administration and Financial Supervision – were also clear-cut cases of successful CD delivery.**

Both programmes of work were considered highly relevant, supporting the implementation of the tax administration strategic plan and the ongoing strengthening of macro-prudential monitoring and supervision, including the gradual widening of the ‘perimeter of supervision’ to cover cooperatives and micro-finance institutions. In both cases, the quality and dedication of the Resident Advisers and the short-term experts (STX) were highly regarded, with special praise for their “hands-on”, practical approach and for their level of commitment. Both programmes of work benefitted from positive supportive environments: within financial supervision, since the financial crisis of 2003-04, there has been continuous political support to the strengthening of the regulatory framework, while the arrival of a new Director in the *Dirección General de Impuestos Internos* in June 2016 heralded the development of a new strategic plan, combined with an expansion of staff and budgets, which has facilitated progress with the CAPTAC-DR supported move to risk-based tax inspection and auditing, and the modernisation of VAT invoicing. The main concern expressed by beneficiaries was that the scale of CAPTAC-DR support was insufficient, particularly because the existing political space for reform might be

short-lived and that therefore maximum advantage had to be taken of existing opportunities to introduce changes.

**51. The case study of support to National Income Accounts in El Salvador highlighted many of the core strengths of CAPTAC-DR but also the institutional risks faced by CD work in this area.**

The beneficiaries' evaluation of CAPTAC-DR's CD activities was very positive, highlighting the relevance of the projects selected for CAPTAC-DR support, the good quality of the Resident Adviser and STX experts and their understanding of the regional particularities and needs. However, the major factor hindering CD activities was the delay, by government authorities, in authorizing the publication of an already completed series of National Accounts statistics, despite the consensus among specialized institutions about the technical soundness of the new series<sup>24</sup>. This factor not only prevented the attainment of the CD activity's primary objective, which was to produce an improved series of National Accounts for El Salvador, but also postponed the implementation of complementary activities aimed at developing an integrated system of National Accounts, notably an input-output table, monthly economic activity index, employment and wages matrix, and a flow of funds matrix.

**52. Finally, the case study of support to monetary operations in Guatemala was another clear success story.**

Again, beneficiaries highlighted the relevance of the activities selected for CAPTAC-DR support, and the high quality of the Resident Adviser and STX experts, who are very experienced and familiar with the latest technologies and practices, several of them being active Central bank professionals themselves. The strength of the counterpart institution, the Central Bank of Guatemala (BANGUAT) has been a major contributory factor to the success of the CD work. It is recognised as one of the most capable institutions in Guatemala, with autonomy of management and highly qualified and stable technical staff. BANGUAT has demonstrated the capacity, not only to absorb the know-how transferred through CAPTAC-DR CD activities, but also to improve and further develop the methodologies transferred. Guatemala explicitly adopted inflation targeting in 2005: with the important support of CAPTAC-DR, BANGUAT, has developed all the necessary methodological and analytical tools, economic forecasting models, regulatory rules, etc., for an appropriate and efficient implementation of inflation targeting as the basis of its monetary policy. It is now viewed in the region as a champion in implementing inflation targeting.

### 3.4 Relevance of CAPTAC-DR Capacity Development

EQ. I Relevance	RATING: 3.75 ('Good' to 'Excellent')
<p><i>EQ. I: To what extent have CAPTAC-DR's CD activities served important objectives, of strategic significance for economic policy and/or financial management and of high priority for the beneficiary countries?</i></p> <ul style="list-style-type: none"> <li>Objectives consistent with declared national reform priorities</li> <li>Objectives consistent with strategic priorities identified in IMF surveillance work (Article IV &amp; other WHD reports)</li> </ul>	<p><u>Sources of Evidence:</u></p> <ul style="list-style-type: none"> <li>Beneficiaries' Survey</li> <li>Resource allocation analysis</li> <li>CAPTAC-DR and IMF HQ interviews</li> <li>Case studies</li> </ul> <p><b>CAPTAC-DR CD activities are judged as highly relevant, based in particular on the results of the Beneficiaries' Survey and the Case Studies.</b> The objectives of CD activities are consistent with expressed national priorities, with strategic priorities identified in IMF</p>

<sup>24</sup> The updated National Accounts series for El Salvador was disseminated on March 23<sup>rd</sup>, 2018.

- Objectives consistent with capacity gaps identified in diagnostic reports by Authorities, and in independent studies.
- Beneficiaries assess objectives as high national priorities.
- Resource allocation analysis shows customisation of country allocations by year/ thematic area to reflect national differences in priorities.
- Evaluators' assessments of relevance, relative to needs identified in Case Studies.

surveillance work and with capacity gaps identified in diagnostic reports. Beneficiaries consistently assess CAPTAC-DR activities as highly relevant.

The one question mark over relevance relates to the extent to which resource allocations are sufficiently adapted to needs. It is this question mark that prevents a 4 score ("Excellent") for this dimension.

**53. CAPTAC-DR CD activities are judged as highly relevant, based in particular on the results of the Beneficiaries' Survey and the Case Studies.** Within the Beneficiaries' Survey, 98 % of respondents rated relevance as "Highly Satisfactory" (72%) or "Satisfactory" (26%), while across the six case studies, the average score on relevance was 3.2 out of 4. The objectives of CD activities are consistent with expressed national priorities, with strategic priorities identified in IMF surveillance work and with capacity gaps identified in diagnostic reports. Beneficiaries consistently assess CAPTAC-DR activities as highly relevant. For these reasons, this dimension of performance is rated 3.75 out of 4.

**54. The one question mark over relevance relates to the extent to which the allocation of CAPTAC-DR resources is sufficiently adapted to needs.** Figure 1 in Chapter 2 showed that the division of resources has been fairly even in 6 out of the seven thematic areas, external sector statistics being the only exception. Similarly, allocations by country have also been remarkably balanced over the three-year period, ranging from 10 -13 % of the aggregate budget for human resources. At first sight, this suggests a resource distribution pattern in which the equitable balance of resources between countries and between thematic areas plays a significant role, perhaps over-riding the prioritisation of country-specific needs or criteria relating to results achieved by thematic area or country<sup>25</sup>.

55. In relation to allocations by thematic area, it is clear that the implementation model based on one Resident Advisor per thematic area, managing and complementing the inputs of a team of short-term experts is likely to lead to a relatively balanced allocation of resources by theme. The capability to manage short-term experts is likely to be broadly similar across the Resident Advisors, so only through having extra RAs would implementation capacities differ significantly. In short, without "doubling up" RAs in specific thematic areas, resource use by thematic area is likely to remain balanced and none of the diagnostic work of the Western Hemisphere Department suggests the need for such a course of action.

**56. On the other hand, it is less clear that the equitable allocation of resources across countries will generate the most relevant allocation of resources.** The Centre Coordinator and staff of ICD confirmed that an equitable allocation across countries is the normal expectation of the Steering Committee. In a regional body responding to the expressed needs of Regional Member Countries, this is a reasonable starting position but the evaluation team contend that it should be balanced by an appreciation of the countries in which the benefits of CD provision are likely to be greater and/ or more sustainable. Amongst

<sup>25</sup> It is important to note that on a year by year basis, allocations of person weeks for CD activities across thematic areas and countries have been more variable. Table 3 in Chapter 2 shows that within thematic areas the difference in any single year between the country with the highest human resource allocation and the least is considerable. This suggests that the provision of CD support in each specific period is influenced by the absorptive capacity of individual countries. However, we contend that the degree of adaptation is insufficient.



the six case studies, for example, work in the Dominican Republic on financial supervision and tax administration appeared under-resourced given the benefits being achieved within an unusually positive pair of institutional environments; on the other hand, work on PFM in Costa Rica was arguably over-resourced given the less favourable context. In our recommendations, we present some proposals on how resource allocations might be more finely tuned to country-specific needs and results, thus generating a more relevant overall programme of work, which should in turn assist in improving effectiveness, impact and sustainability.

### 3.5 Effectiveness of CAPTAC-DR Capacity Development

EQ. 2 Effectiveness	RATING: 3.5 ('Good' to 'Excellent')
<p><i>EQ.2: To what extent have CAPTAC-DR's CD activities attained their stated objectives, in terms of the immediate outputs and milestones specified in the programme documents?</i></p>	<p><u>Sources of Evidence:</u></p> <ul style="list-style-type: none"> <li>• Beneficiaries' Survey</li> <li>• Resource allocation analysis</li> <li>• Case studies</li> </ul>
<ul style="list-style-type: none"> <li>• Percentage of output and milestone targets achieved within CAPTAC-DR portfolio, broken down by thematic area &amp; year (where relevant)</li> <li>• Assessment within case studies of immediate outputs and milestones achieved or likely to be achieved</li> <li>• Judgement of Beneficiaries regarding effectiveness of CAPTAC-DR CD activities.</li> </ul>	<p><b>The effectiveness of CAPTAC-DR CD activities is judged as 'Good to Excellent' (3.5 out of 4), based on the results of the Resource Allocation Analysis, the Beneficiaries' Survey and the Case Studies.</b> These three sources provide strong and mutually supportive evidence of a very high level of effectiveness in CD delivery.</p>

**57. The effectiveness of CAPTAC-DR CD activities is judged as 'Good to Excellent' (3.5 out of 4), based on the results of the Resource Allocation Analysis, the Beneficiaries' Survey and the Case Studies.** These three sources provide strong and mutually supportive evidence of a very high level of effectiveness in CD delivery:

- The Resource Allocation Analysis shows average scores for 6 thematic areas of 3.6 out 4 in FY2016 and 3.4 out of 4 in FY2017. Across the two years, milestones were fully achieved (score 4) in 38 out of 95 CD projects.
- Four of the 6 case studies had performance ratings of 'good to excellent' for effectiveness.
- 97% of respondents to the Beneficiaries' Survey rated effectiveness as "Highly Satisfactory" (60%) or "Satisfactory" (37%).

**58. Overall, the evaluators consider that, given the contexts in which CAPTAC-DR works, the performance on effectiveness is remarkable.** The institutional context, in which CD services are provided inevitably has an effect upon the extent to which capacity development milestones can be achieved. Two of the six case studies – PFM in Costa Rica and National Income Accounts in El Salvador – provided examples of effectiveness being hampered by unfavourable institutional contexts. Within a region where political leadership is often unstable and where political changes can commonly lead to changes in the leadership and staffing of the public sector institutions supported by CAPTAC-DR, unfavourable institutional environments are a common feature of the operating environment. CAPTAC-DR appears to be coping with this constraint remarkably well.

**59. There is some evidence that the reputation and influence of CAPTAC-DR has helped to mitigate against changes in policy and procedures, which might undermine the benefits of CD support.** For example, in the

case study of Customs Administration in Costa Rica, although beneficiaries expressed concerns over likely changes in leadership and management following the forthcoming national elections, they also expressed confidence that the CAPTAC-DR Resident Adviser would be able to mitigate this risk to continuity in policies and procedures.

**60. On the other hand, the volatility of the institutional environments in the region suggest that CAPTAC-DR would benefit from greater “nimbleness” in responding to institutional opportunities.** One case study, in particular – Tax Administration in Dominican Republic – showed how the institutional environment can, on occasions, be changed quickly through the nomination of a new, more dynamic Director General with the political ability to draw support from the highest levels of government and, with that, to achieve an increase in staffing and budget funding. The beneficiaries in the Dominican Republic expressed the view that the volume of CAPTAC-DR CD support had been insufficient to keep abreast of the demand for change and, thus, to take full advantage of the favourable “window of opportunity” presented by the new institutional environment. Here, we come back again to the importance of having greater flexibility to move resources across countries in response to performance and to new opportunities.

### 3.6 Impact of CAPTAC-DR Capacity Development

EQ. 3 Impact	RATING: 2.5 ('Moderate to Good')
<p><i>EQ.3: To what extent have CAPTAC-DR's CD activities been successful in generating the desired outcomes in beneficiary countries, relative to the outcomes that would have been generated without that CD support?</i></p>	<p><u>Sources of Evidence:</u></p> <ul style="list-style-type: none"> <li>• Case studies</li> <li>• Beneficiaries' Survey</li> <li>• CAPTAC-DR/ HQ interviews</li> </ul>
<ul style="list-style-type: none"> <li>• Listing within each Case Study of intended &amp; unintended changes in outcomes attributable to CD activities (identified through Contribution Analysis) relative to outcomes likely in absence of CD support</li> <li>• Contrasting of evaluators' hypotheses on attribution (from Case Studies) with views of CAPTAC-DR Coordinator and Resident Advisors</li> <li>• Beneficiaries' perceptions of extent to which desired outcomes are being generated by CAPTAC-DR CD activities</li> <li>• Identification of probable enabling/ hindering factors in Beneficiaries' survey and in Case studies</li> </ul>	<p><b>The impact of CAPTAC-DR CD activities is judged as 'Moderate to Good' (2.5 out of 4), primarily based on the results of the Beneficiaries' Survey and the Case Studies.</b> These sources and CAPTAC-DR &amp; HQ interviews provide strong evidence that the institutional environment is the driving factor in the achievement of Impact.</p> <p>Although the quality of the evidence is more than satisfactory to permit this positive judgement on impact, the lack of clearly defined outcome targets by country and thematic area make it impossible to undertake a more precise analysis of Impact. We recommend that this shortcoming should be addressed in the next phase of development of the RBM methodology.</p>

**61. The impact of CAPTAC-DR CD activities is judged as 'Moderate to Good' (2.5 out of 4), based primarily on the results of the Beneficiaries' Survey and the Case Studies:**

- Four of the six case studies report 'Good' performance on Impact (3 out of 4 scores), with the other two – PFM in Costa Rica and National Income Accounts in El Salvador, reporting 'Moderate' performance (2 out of 4), despite the existence of strong institutional constraints.
- 44% of the respondents to the Beneficiaries' Survey reported a “Highly Satisfactory” improvement in institutional performance and 50% “Satisfactory”. Although Impact was therefore the least positively

rated in the Beneficiaries' Survey of the five performance criteria, this is still a very positive score, with only 4% of respondents declaring impact to be "unsatisfactory" or worse, and 2% responding "Don't Know".<sup>26</sup>

- 62. Part of the reason for the relatively lower rating on Impact is to do with the lack of data on a) the intended outcomes of the CD activities and b) the baseline starting point relating to performance against those outcomes.** In the absence of such data, we choose to err on the side of caution and give a modest ranking for Impact, drawn essentially from the 6 country case studies and the Beneficiary Survey.
- 63. Evidence from these sources as well as from interviews at CAPTAC-DR and HQ suggests that the institutional environment is the driving factor in the achievement of Impact.** In each of the six case studies, the efficiency of CD delivery scores highly, and in 5 of the 6 case studies relevance also scores highly, pointing to high quality in the design and delivery of CAPTAC-DR CD services. Within the Beneficiaries' Survey, relevance and efficiency also score very highly. Yet strong CD design and delivery do not appear to be sufficient to overcome unfavourable institutional environments, as identified with National Income Accounts in El Salvador and PFM in Costa Rica. In three of the case studies showing a good performance on Impact, the quality of the beneficiary institution stands out, most notably in the case of BANGUAT – the regional "champion" in implementing inflation targeting but also in the *Superintendencia de Bancos* in the Dominican Republic, which has been steadily strengthened since the 2003/04 financial crisis, and the *Dirección General de Impuestos Internos* of the Dominican Republic, which has been through a significant institutional renaissance since the appointment of a new Director in June 2016. Only in the case of Costa Rica do we see impact being achieved despite strong capacity constraints in the Customs Administration and the need for new legislation, although even here key institutional factors were in place – notably a clear, very broadly accepted reform plan, enjoying a high level of ownership and commitment.
- 64. Although we judge that the quality of the evidence is more than satisfactory to permit this positive judgement on impact, the lack of clearly defined outcome targets by country and thematic area make it impossible to undertake a more precise analysis.** At present, the Phase II Programme defines outcome targets for each thematic area for the region as a whole. While this has some usefulness as a way of identifying the broad direction of change anticipated – for example the move towards GFS 2014 standards, or towards Basel III standards<sup>27</sup> for financial supervision, it does not permit the measurement of progress towards targeted outcomes on a country-by-country basis in relation to a baseline. We believe that this shortcoming should be addressed in the next phase of development of the RBM methodology – a point to which we return in our recommendations below.

---

<sup>26</sup> See report on Beneficiaries' Survey in the Volume of Annexes.

<sup>27</sup> Basel III (or the Third Basel Accord) is a global, voluntary regulatory framework on bank capital adequacy, stress testing, and market liquidity risk.

### 3.7 Efficiency of CAPTAC-DR Capacity Development

EQ. 4 Efficiency	RATING: 3.5 ('Good to Excellent')
<p><i>EQ.4: To what extent has CAPTAC-DR been able to deliver CD activities cost-efficiently both in relation to the value of the benefits and the costs of alternative systems of CD provision?</i></p>	<p><u>Sources of Evidence:</u></p> <ul style="list-style-type: none"> <li>• Programme Spending analysis</li> <li>• Case studies</li> <li>• Beneficiaries' Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul>
<ul style="list-style-type: none"> <li>• Estimation of costs of CAPTAC-DR delivery of CD, in relation to costs of alternative providers, notably IMF HQ (via FAD, MCM &amp; STA) and, if possible, other Development Partners.</li> <li>• Within case studies, comparison of estimated costs with perceived value of benefits (perceived by beneficiaries and by evaluator)</li> <li>• Within case studies, evaluators' assessment of efficiency of process of CD delivery (analysis of timelines, delays, coordination, etc.)</li> <li>• Beneficiaries' perception of relative efficiency of CAPTAC-DR, in relation to benefits and in relation to other providers</li> <li>• Analysis of simple efficiency ratios within CAPTAC-DR expenditure (budget execution ratios, ratio of CD delivery cost to administrative costs, etc.)</li> </ul>	<p><b>The efficiency of CAPTAC-DR CD activities is judged as 'Good to Excellent' (3.5 out of 4).</b> Although unit costs of TA delivery are higher than those of other providers, they are lower than IMF HQ unit costs. More significantly, both in case studies and in the Beneficiaries' Survey, the perceived value of benefits compares very favourably with alternative providers. There is also strong evidence in the case studies of good coordination of TA delivery, efficient management of timelines, etc.</p> <p>Finally, the Programme Spending Analysis points to a high and increasing level of efficiency in budget execution, in the management of administrative costs, and, more significantly, in the management of the time of LTX and STX experts.</p>

65. **The efficiency of CAPTAC-DR CD activities is judged as 'Good to Excellent' (3.5 out of 4).** This judgement is based on (i) an analysis of unit costs in TA delivery; (ii) the assessment in cases studies and the Beneficiaries' survey of the perceived value of benefits relative to other service providers; (iii) evaluators' judgements through the case studies on the efficiency of CD delivery in terms of management of timelines, coordination, etc.; and (iv) analysis of efficiency issues through the Programme Spending Analysis and related interviews at the Centre.

66. An analysis of trends in unit costs per person-week has been run for CAPTAC long-term and short-term experts. Figure 3 below has been built using the Centre's database on human resource allocation (expressed in person-weeks), crossed with the budgetary information by department and by type of TA (LTX & STX). Unit costs are calculated including and excluding backstopping, to obtain a more comprehensive picture.

**Figure 3. Unit costs for LTX and STX experts by department (FY2015-FY2017)**

Unit costs (persons week / budget)	Including backstopping				Excluding backstopping				Total persons/week			
	2015	2016	2017	Average	2015	2016	2017	Average	2015	2016	2017	Total (Used)
Long-term advisors (LTX)	5.555	6.222	5.113	5.643	4.852	4.957	3.959	4.595	283	309	290	882
Fiscal Affairs	5.593	6.407	4.950	5.648	4.786	5.007	3.552	4.424	117	137	140	394
Monetary & capital Markets	5.469	5.754	5.412	5.542	4.804	4.903	4.637	4.776	88	94	103	285
Statistics	5.594	6.462	4.947	5.778	5.005	4.933	3.684	4.671	78	78	47	203
Short-term experts	4.550	5.000	4.965	4.848	4.471	4.886	4.887	4.758	468	487	562	1.518
Fiscal Affairs	4.478	4.267	5.593	4.837	4.478	4.258	5.503	4.799	216	240	283	739
Monetary & capital Markets	4.729	6.621	4.776	5.342	4.574	6.324	4.623	5.143	135	139	168	442
Statistics	4.478	4.541	3.654	4.226	4.338	4.432	3.522	4.099	117	108	111	337

Source: Own computation based on CAPTAC-DR activities' database and budgetary information from HQ.

67. **Average unit costs including backstopping are higher for Resident Advisors (LTX) than for short-term experts (\$5.643 vs. \$4.848 per person-week).** This reflects the fact that LTX have required

more attention in unit terms from HQ, given that backstopping of LTXs includes support to work-planning and assessment of TA needs, as well as training support. Back-stopping to STXs is essentially limited to back-stopping of missions (reviews of mission plans and mission outputs) and to a significant extent this is undertaken by the LTX at the Centre. For both these reasons, HQ back-stopping for the STX is more limited. It is also true that for some periods long-term positions have been vacant, and thus an extra back-stopping effort from HQ has been required during these transition periods, for example for statistics in 2016. Excluding backstopping services, unit costs for STX are slightly higher than for long-term advisors (3.5%).

**68. Back-stopping costs add significantly to the unit costs of both LTX and STX inputs.** Simply averaging across LTX and STX inputs together (with due weighting of the relative level of inputs), unit costs per person week are \$ 5,140 with backstopping and \$ 4,698 without backstopping – a difference of \$442 per person week (8.6% of the average unit cost per week of \$ 5,140.)

**69. CAPTAC-DR's unit costs are estimated to be some 15% higher than those of other Donor Partners dealing with related issues within the region.** For instance, the Swiss State Secretariat for Economic Affairs (SECO) had an initiative in the Central American region to support development of MTEFs with a budget of 4.500 USD per person-week for senior TA. The European Union has a framework contract for PFM issues worldwide for which the budget allocates around 4.400 USD fees per week for short-term TA (lot 11, Category I experts). In both these cases, back-stopping costs are subsumed within these fees by the service provider.

**70. In the Survey and in interviews during case studies, beneficiaries expressed a clear view that CAPTAC-DR CD services represented higher value for money than that of other providers.** Beneficiaries in every case study country stressed how highly they regarded CAPTAC-DR technical assistance by comparison with other providers and emphasised the efficiency of delivery and the good coordination with other initiatives. In the survey, 70% of respondents stated that they were 'highly satisfied' with CAPTAC-DR value for money relative to other providers. (Table 5). In the case studies, the evaluators also noted good performance across various indicators of service delivery efficiency, notably in terms of adherence to deadlines, timeliness, conciseness and readability of reports and the strong coordination between different STX, Resident Advisors and government counterparts as well as with other service providers.<sup>28</sup>

**71. The Programme Spending Analysis points to a high and increasing level of efficiency in budget execution, in the management of administrative costs, and, more significantly, in the management of the time of LTX and STX experts.** As may be seen from Table 2 in Chapter 2, the rate of execution of expenditure has been 95% on average over FY 2015 to FY 2017, which represents an efficient rate of budget execution, especially given the initial uncertainties over the aggregate budget for Phase II. Moreover, this execution rate has been maintained alongside a steady increase in the overall volume of spending from US \$ 5.4 million in FY 2015 to \$ 5.9 million in FY 2017. This increase in spending has in

---

<sup>28</sup> Regarding support to tax administration in the Dominican Republic, it was reported that STX consultants were frequently 'shared' between CAPTAC-DR, the IDB and the World Bank so as to ensure continuity in inputs and use of consultants familiar with the local context.

turn permitted an expansion in the intensity of CD provision from a total of 552 person weeks in FY 2014 (the last year of Phase I) to 941 person weeks in FY 2017 (Table 3, Chapter 2). The most significant area of under-expenditure has been in relation to the Resident Advisers (RAs), where there have been some gaps between the departure of certain advisers and the recruitment of the new replacement Resident Advisers. With the full complement of RAs now in place (in FY 2018) and a high level of utilisation of STX having been attained, it seems likely that the target expenditure of US \$ 30 million will be reached. The budget for FY 2018 is US \$ 7.4 million and a similar budget is expected for FY 2019.

**Table 6: Key Efficiency ratios in the delivery of CAPTAC-DR CD services, Phase I and Phase II to date**

CAPTAC-DR Annual Expenditures in US \$ Dollars - Phase I and Phase II to date	FY2015 Executed	% of Total	FY2016 Executed	% of Total	FY2017 Executed	% of Total	Expenditure to date Phase II (FY2015 - FY 2017)	% of Total	Phase I Expenditure (FY 2010 - FY 2014)	% of Total
Resident Experts (LTX)	1,787,212	33%	1,558,068	28%	1,109,701	19%	4,454,982	26.3%	8,040,292	24.2%
Short-term Experts (STX)	1,617,826	30%	1,752,463	31%	2,160,274	37%	5,530,563	32.7%	11,390,257	34.3%
Diagnostic missions	226,105	4%	176,000	3%	226,966	4%	629,071	3.7%	769,885	2.3%
Training	309,300	6%	253,000	4%	614,709	10%	1,177,009	7.0%	3,443,735	10.4%
Local Office Expenses 1/	76,303	1%	114,879	2%	109,000	2%	300,182	1.8%	239,173	0.7%
Regional Travel	135,787	3%	362,942	6%	252,852	4%	751,581	4.4%	1,500,523	4.5%
<b>Sub-total Technical Assistance &amp; Training</b>	<b>4,152,533</b>	<b>77%</b>	<b>4,217,352</b>	<b>75%</b>	<b>4,473,502</b>	<b>76%</b>	<b>12,843,387</b>	<b>75.9%</b>	<b>25,383,865</b>	<b>76.5%</b>
Backstopping & Project Mgt.	386,252	7%	420,701	7%	418,620	7%	1,225,573	7.2%	1,723,266	5.2%
<b>Sub-total TA &amp; Training (inc back-stopping)</b>	<b>4,538,785</b>	<b>84%</b>	<b>4,638,053</b>	<b>82%</b>	<b>4,892,122</b>	<b>83%</b>	<b>14,068,961</b>	<b>83.2%</b>	<b>27,107,131</b>	<b>81.7%</b>
Trust Fund Fee	317,715	6%	324,664	6%	354,456	6%	996,835	5.9%	1,897,499	5.7%
In-kind Office Expenses	523,877	10%	667,420	12%	654,050	11%	1,845,347	10.9%	4,188,230	12.6%
<b>Total</b>	<b>5,380,377</b>	<b>100%</b>	<b>5,630,137</b>	<b>100%</b>	<b>5,900,628</b>	<b>100%</b>	<b>16,911,142</b>	<b>100%</b>	<b>33,192,860</b>	<b>100%</b>

**72. Key efficiency ratios in the delivery of CD services have been maintained and in some cases improved since Phase I.** Table 6 presents an overview of trends in budgetary execution, comparing expenditure to date under Phase II, with performance during Phase I. Overall expenditure on TA and training, including back-stopping, has comprised 83.2% of total spending in the 3-year period, marginally more than for Phase I as a whole (81.7%). However, the composition of services has been different with less training in Phase II (7%) than in Phase I (10.4%) and a higher proportion of spending on diagnostic missions and on TA by LTX and STX, which have less economies of scale than training. Having reached in FY 2017 a high level of CD provision by LTX and STX, CAPTAC-DR is now well placed to further increase the ratio of TA and training to other costs.

**73. A further factor which has strengthened efficiency is the investment in the administrative capability of the Centre.** Since FY 2015, the Centre has recruited an economist to provide support to the Coordinator, as well as additional administrative staff, who act as research assistants in support of the Resident Advisers, while also taking responsibility for functions such as outreach and communication. While local office expenses have increased, the impact on the budget has been small and the improvement in management capability is significant, as may be seen from the steady increase in the intensity of CD services provided (941 person weeks provided in FY 2017, as compared with 808 in FY 2015; Table 3), and also from

the expressed view of the Resident Advisers that the burden of administrative work has diminished, leaving more time for CD delivery and for research activities<sup>29</sup>.

**74. To summarise, the combined evidence points clearly to a high level of efficiency in the delivery of CD services by CAPTAC-DR.** Unit costs are lower than IMF HQ and value for money is perceived by a vast majority of beneficiaries as higher than that of alternative providers. Across of a range of efficiency indicators the Centre scores well both on a project-specific basis and in terms of overall management and administration. For all these reasons, we rate efficiency as ‘Good to Excellent’ (3.5 out of 4).

**75. Nevertheless, CAPTAC-DR has the highest unit costs of all providers of these services in the region: value for money could be raised further if judicious cost saving measures could continue to be applied.** Some of these have already been introduced, following on the recommendations made in the 2013 evaluation, notably the promotion of back-to-back missions, the negotiation of preference agreements with regional airlines and hotels, the retention of STX for annual or multi-annual projects and the procurement of co-financing from other regional providers for training events and TA projects. With a stronger administrative team now in place, the Centre can expect to reap the benefits of these measures over the next two years. With the intensity of CD delivery now at a higher level, some economies of scale are also likely to emerge which should be reflected in a higher ratio of TA and training to other costs.

**76. Back-stopping from IMF HQ adds at present 8.6% to the average unit cost of one LTX or STX person week and further analysis is needed to consider whether this is fully justified.** Backstopping is an essential part of the quality assurance process and the intensity and high quality of this backstopping is one of the key differentiating factors in CAPTAC-DR CD services but it is worth considering whether this quality enhancement should be equivalent to an 8.6% premium<sup>30</sup>. In this respect, it is worth noting the conclusions of the 2014 report of the IMF’s Independent Evaluation Office (IEO), “*IMF Technical Assistance: Revisiting the 2005 IEO Evaluation*”. The evaluation raised the question ‘*whether backstopping by HQ functional departments remained a viable approach to quality assurance within an increasingly decentralised model of TA*’. We recommend below that this issue should be more carefully investigated, with a view to potentially benchmarking the level of back-stopping at 5% of average unit costs.

### 3.8 Sustainability of CAPTAC-DR Capacity Development

EQ. 5 Sustainability	RATING: 3.0 ('Good')
<i>EQ.5: To what extent are the outcomes and related benefits of CAPTAC-DR CD activities likely to be preserved over the medium to long term?</i>	<u>Sources of Evidence:</u> <ul style="list-style-type: none"> <li>• Case studies</li> <li>• Beneficiaries’ Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul>

<sup>29</sup> A small focus group discussion was held with the Resident Advisers at the Centre. Although they expressed the view that the burden of administrative work was still too high, they agreed that it had diminished with the strengthening of the administrative team.

<sup>30</sup> We recognise that the level of back-stopping has had to increase in certain periods to cover for the absence of RAs, for example in the case of statistics in 2016 but this does not fully explain the relatively high costs of back-stopping averaged over the 3-year period and all thematic areas. (See Figure 3 above.)



- Within case studies, assessment of likelihood of achieved outcomes and benefits being sustained and of skills and knowledge gained being retained, used and disseminated where appropriate
- Beneficiaries' perceptions of extent to which CAPTAC-DR related outcomes are sustained
- Identification of probable factors enabling/ hindering sustainability (in Beneficiaries' survey and in Case studies)
- Contrasting of hypotheses on sustainability with CAPTAC-DR Coordinator and Resident Advisers.

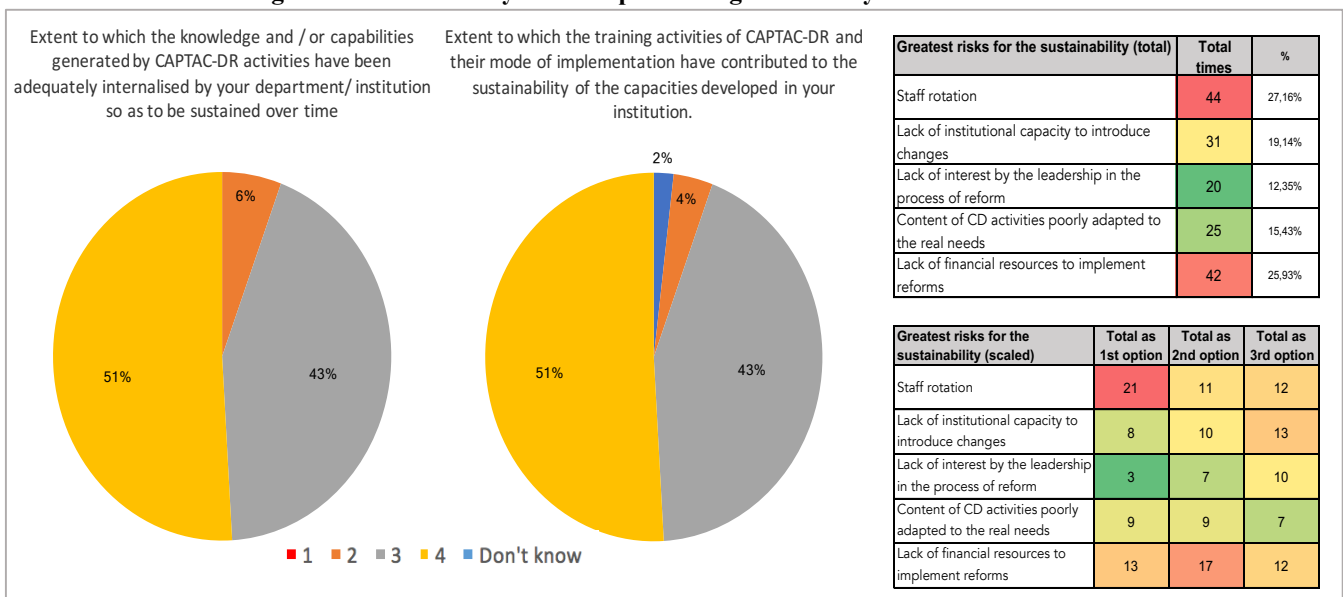
**The sustainability of the outcomes and related benefits of CAPTAC-DR CD services is rated as 'good' (3 out of 4).**

In 4 of the case studies, sustainability was rated as 'good', 'excellent' in one and 'moderate' in one. In the survey, 51% of respondents declared themselves 'Highly Satisfied' with sustainability and 34% as 'Satisfied'. Staff rotation was identified by beneficiaries as the major risk to sustainability.

**77. The sustainability of the outcomes and related benefits of CAPTAC-DR CD services is rated as 'good' (3 out of 4).** In 4 of the case studies, sustainability was rated as 'good', 'excellent' in one and 'moderate' in one (PFM in Costa Rica). Thus, in 5 cases out of 6, the partner institutions were rated as having a sufficient level of stability in leadership and staffing to ensure at least a good chance of the outcomes and related benefits of CAPTAC-DR CD services being preserved over the medium to long-term.

**78. The Beneficiaries' Survey analyses sustainability of CAPTAC- DR activities considering three different aspects:** firstly, the extent to which the knowledge and capabilities generated have been adequately internalised so as to be sustained over time; secondly the extent to which the training activities of CAPTAC-DR and their mode of implementation have contributed to the sustainability of the capacities developed; finally, a multiple-choice question captures perceptions regarding the greatest risks to sustainability. Results are depicted in Figure 4.

**Figure 4: Sustainability of the capabilities generated by CAPTAC-DR**



**79. According to the first two questions, 94 % of beneficiaries have a positive perception, with 51% declaring themselves 'Highly Satisfied' with sustainability of CD services and 43% 'Satisfied'.** Geographically, Panama is the country which presents higher ratings for sustainability regarding these two questions (71%, 'HS'), followed by Costa Rica (62%, 'HS') and Honduras (60%, 'HS').

**80. Out of five different risks affecting sustainability, the rotation of staff has been the most frequently picked by respondents (27% of responses), followed closely by the lack of financial resources to implement reform (26%).** Additionally, most beneficiaries indicated that staff rotation is



the most serious risk (48% of responses as 1<sup>st</sup> option), with the lack of financial resources chosen as the second main source of risk (30% as 1<sup>st</sup> option). Within the beneficiaries that rated staff rotation as the main source of risk, Dominican Republic is the country where this risk scored higher (25% of respondents that marked staff rotation as the main source of risk, and 5 out of 8 respondents from this country), followed closely by Guatemala (20% from the total, 4 out of 11 survey participants in that country). This suggests that concerns over sustainability do vary significantly by country, although they are most commonly associated with staff rotation.

81. **In a focus group discussion with Resident Advisers, attention was also drawn to the risk of staff rotation but so too to the relatively high potential for institutional rivalries** – for example, between Central Banks and Banking Superintendencies. The general perception amongst Resident Advisers was that these risks were an aspect of the institutional environment, which was very difficult to counteract. Embedding systemic changes in legislation and formalised regulations was one potential safeguard, and so too was the broadening of capacities so as not to rely on a small number of individuals to maintain enhanced systems and processes. However, CAPTAC-DR essentially needed to rely on partner countries to recognise the importance of institutional stability and to prioritise continuity in staffing. Within certain institutions and countries, this was already happening – especially within Central Banks and Banking Superintendencies, and to some extent within Tax and Customs Administrations. The differences in the effectiveness of CAPTAC-DR CD services across thematic areas largely reflects the differences in the strength and institutional stability of the partner institutions, as might be seen by the fact that milestone fulfilment was generally higher for Monetary Operations and Financial Supervision. (See Figure 2, Section 3.2.)

### 3.9 Performance of CAPTAC-DR Capacity Development services

82. **The overall performance of CAPTAC-DR CD activities is assessed as very strong, with an average score of 3.25 out of 4 ('Good to Excellent') across the five criteria.** Although the evaluation teams and the evaluation methodologies are different, this compares with an average score of 3.24 in the 2013 Mid-term evaluation of Phase I. However, the current evaluation has also estimated a performance rating for Impact, which the 2013 evaluation did not. In comparing the results of the two evaluations, the average score, excluding impact, of 3.44 may therefore be more appropriate (Table 7.)

**Table 7: Comparison of CAPTAC-DR performance ratings 2013 and 2018<sup>31</sup>**

<b>Performance Criteria</b>	<b>2013 Mid-term Evaluation of Phase I</b>	<b>2018 Mid-term Evaluation of Phase II</b>	<b>2018 Mid-term Evaluation of Phase II (excluding Impact)</b>
<b>Relevance</b>	3.6	3.75	3.75
<b>Effectiveness</b>	3.25	3.5	3.5
<b>Impact</b>	Not rated	2.5	Not included
<b>Efficiency</b>	3.1	3.5	3.5
<b>Sustainability</b>	3.0	3.0	3.0
<b>Overall Rating:</b>	3.24	3.25	3.44

<sup>31</sup> The 2013 evaluation undertook an assessment of Impact but provided no rating.

## 4 Operational and Cross-cutting Issues

83. **This chapter addresses evaluation questions 6 – 9, which concern operational and cross-cutting issues, relating to the governance and management of CAPTAC-DR.** For each of these, we first present the specific evaluation question addressed, the listing of the judgement criteria used to reach an answer and the sources of evidence. The text then provides a fuller explanation of the findings and conclusions. No ratings were provided for these questions, given their nature and focus. For two of the questions (EQ. 6 and EQ.7), the evidence was only sufficient to generate indicative rather than conclusive answers and this is clearly indicated in the text.
84. **Regarding Evaluation Questions 10 and 11 concerning the response to exogenous events and the attention to gender, climate change and financial inclusion, the evaluation team were unable to find an adequate evidential base from which to derive valid answers<sup>32</sup>.** On the one hand, in relation to the Steering Committee Survey – one of the intended sources of evidence for these questions, the number of respondents was insufficient to provide an adequate sample from which to extrapolate statistically significant results. Secondly, the evidence obtained from the country case studies regarding these questions was also of poor quality. Given the weakness of the evidence base for EQ.10 and 11, it would be misleading to provide answers and these are not therefore presented.

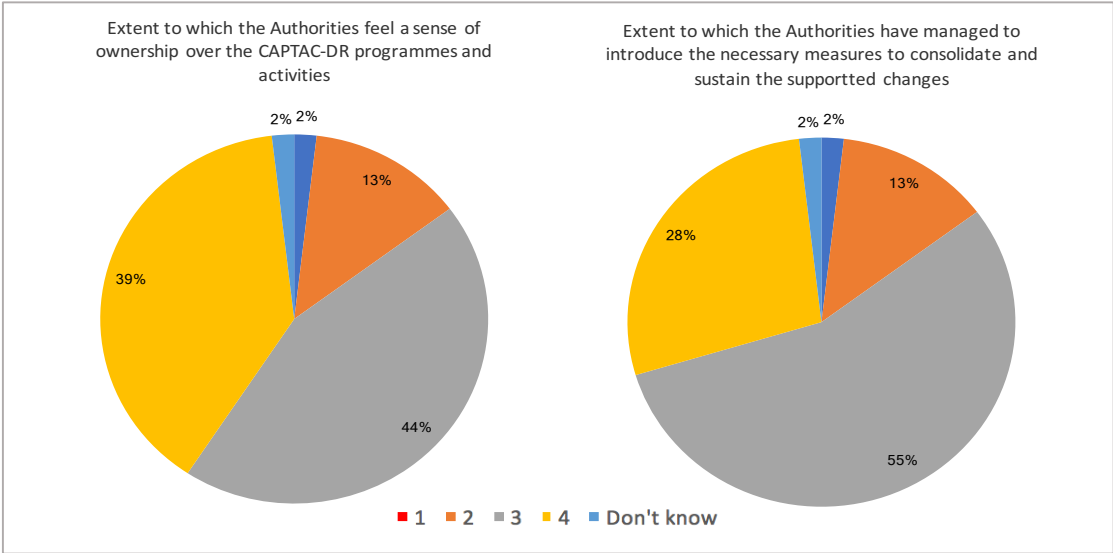
### 4.1 Effectiveness of the Steering Committee

EQ. 6 Steering Committee	
<p><i>EQ.6: Does the Steering Committee provide effective governance over CAPTAC-DR, in terms of strategic direction and oversight as well as the promotion of member country ownership of CAPTAC-DR activities?</i></p>	<p><u>Sources of Evidence:</u></p> <ul style="list-style-type: none"> <li>• Beneficiaries’ Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul> <p>NB. Evidence indicative but not conclusive.</p>
<ul style="list-style-type: none"> <li>• Beneficiaries’ perceptions on country ownership of CAPTAC-DR programme and of relative effectiveness of Steering Committee in promoting ownership</li> <li>• CAPTAC-DR perceptions of relative effectiveness of Steering Committee.</li> <li>• Evaluators’ perceptions of scope and influence of Stg. Com, based on review of minutes of annual meetings.</li> </ul>	<p><b>The Steering Committee is generally perceived to discharge its essential roles and responsibilities effectively, namely to provide strategic guidance and contribute to the setting of the Centre’s priorities.</b></p> <p>Nevertheless, its size and the limited number of its meetings limit the extent to which it can be a forum for technical exchanges or for more extensive collaboration between CAPTAC-DR stakeholders. The Centre is striving to promote these ancillary functions through more extensive participation in regional meetings and through its outreach and communication programme. It is too soon to judge how far this alternative approach to promoting improved regional ownership and participation is proving effective.</p> <p>However, simple measures to enhance this approach should also be considered. For example, consideration might be given to holding a half-yearly Steering Committee meeting, managed as a Video Conference or in parallel with a meeting of one of the Regional bodies (COSEFIN, CMCA or CCSBSO).</p>

<sup>32</sup> Chapter 1 provides a fuller summary of the anticipated and actual sources of evidence for the evaluation. Box 2 in the same chapter summarises in tabular form the quality of the evidence found for each evaluation question.

85. In the absence of an adequate level of response to the Steering Committee Survey, the evidence base against which to formulate a response to this evaluation question has been limited to interviews at the Centre and at HQ and the Beneficiaries' Survey, supported by a reading of relevant documentation including the 2013 Mid-Term Evaluation of Phase I, which included a more extensive assessment of the governance framework. Given the limitations of the evidence, the findings presented here should be considered indicative.
86. In order to grasp beneficiaries' perceptions regarding ownership, two dimensions have been explored in the Beneficiaries' Survey. The first one has to do with their understanding of the extent to which Authorities feel a sense of ownership about the activities supported by the CAPTAC-DR projects. The second dimension attempts to capture to what extent Authorities have introduced policy or institutional measures to consolidate and sustain the changes introduced through CAPTAC-DR projects. The following charts show the results of these two dimensions. (Figure 5.)

**Figure 5: Ownership by the Authorities of the beneficiary countries of the CAPTAC-DR activities**



87. At first glance, results in both dimensions show positive results, but the majority of responses correspond to the “satisfactory” answer (44% and 56%, respectively). This is the only subsection of the questionnaire in which this happens, which might indicate that ownership is the dimension with lower results within a still positive scenario. However, it is also noticeable that a considerable proportion of respondents in both questions indicate that their perception on the two dimensions of ownership is negative (13%, “unsatisfactory” & 2%, “highly unsatisfactory”). This result is consistent across countries with the exception of Panama for question one, in which most of respondents rated the level of ownership as “highly satisfactory” (62%). In the rest of countries more than 50% of the answers were lower than “highly satisfactory”.
88. It is difficult to know exactly how to interpret these responses but it is worth noting that the questions refer to ownership by the *Authorities* of the beneficiary countries, which in Spanish would refer unequivocally to the political leadership<sup>33</sup>. A lower level of ownership at the political level could be quite compatible with the

<sup>33</sup> In English, the word “Authorities” may be interpreted to mean senior civil servants; in Spanish it is less ambiguous and would certainly be taken to mean the political leadership or the politically nominated top technical leadership – Directors, etc.

high levels of ownership identified at the technical level in certain of the case studies but it still suggests a perception amongst beneficiaries that ownership at the political level is less than would be desirable.

89. To what extent has the CAPTAC-DR Steering Committee helped to address the gap in ownership at the senior levels of government? The 2018 Beneficiaries' Survey does not ask this question directly but the 2013 Survey of Steering Committee members, which did receive a sufficient level of responses to have some statistical validity, found that 37.5% of respondents felt that the SC's role and responsibilities were not clear, and 43% of the respondents felt that the large size of the Steering Committee hindered its effectiveness. In support of this finding, the 2013 evaluation found that the average attendance of Steering Committee meetings had been 29 people, formally representing 18 different entities.

**90. The 2013 evaluation therefore recommended the rationalisation of the composition of the Steering Committee, as a way of increasing its functionality.** The Programme Document for Phase II committed the Centre to undertake consultations on this issue. We were not able to obtain detailed information on the nature of these consultations but the evaluation team understands from its interviews at the Centre that the current thinking is broadly as follows:

- A majority of Steering Committee members believe that it is discharging its essential roles and responsibilities effectively, namely to provide strategic guidance and to contribute to the setting of the Centre's priorities.
- A rationalisation of the Steering Committee would be difficult to achieve by consensus and might run the risk of inadvertently undermining support for CAPTAC-DR amongst Member Countries, Regional bodies and Donor partners<sup>34</sup>.
- With the implementation of the Outreach and Communication policy, Steering Committee members have significantly improved access to information on CAPTAC-DR's programmes and results. There have also been an increasing number of events – meetings of COSEFIN, CMCA and CCSBSO, regional training seminars, national level events – where Steering Committee members have the opportunity to interact with the Centre Coordinator and the Resident Advisers.
- The current policy is therefore to promote greater awareness and ownership of CAPTAC-DR's activities through the further implementation of the Outreach and Communication policy, rather than through any reorganisation of the governance arrangements.

**91. It is too soon to judge how far this alternative approach to promoting improved regional ownership and participation is proving effective.** From the perspective of the evaluation team, the approach seems sound and certainly avoids the disruption and upheaval that any significant revision of governance arrangements or rationalisation of the Steering Committee membership would risk.

**92. On the other hand, there is still scope for considering minor changes in the operational procedures of the Steering Committee.** For example, consideration might be given to holding an additional half-yearly Steering Committee meeting, so as to allow additional time to focus on strategic issues,

---

<sup>34</sup> Although the 2013 evaluation did not prescribe any particular model of rationalisation, the example quoted in the report is that of the Steering Committee of CARTAC, which is a body of 12 members representing 20 countries.

specifically issues related to the impact and the sustainability of CAPTAC-DR CD activities. Impact and sustainability depend very largely on the ability of the Centre's partner institutions to assimilate and maintain the new procedures and systems introduced with the Centre's support: in so far as the Steering Committee is in a position to encourage more continuity within institutions and greater staff retention, then the Steering Committee may be able to make a significant contribution to impact and sustainability. The single annual Steering Committee held at present, which brings members together for less than a full day does not allow sufficient time for such questions to be addressed. A second meeting might open up this space and could potentially be run at lower cost, either by timing it to coincide with a meeting of one of the Regional bodies (COSEFIN, CCSBSO, CMCA) or by running it as a video conference.

## 4.2 Retention of institutional memory within CAPTAC-DR

### EQ. 7 Retention of Institutional Memory within CAPTAC-DR

<p><i>EQ.7: To what degree do the Centre's knowledge management systems and institutional set-up allow for retention of institutional memory?</i></p>	<p><u>Sources of Evidence:</u></p> <ul style="list-style-type: none"> <li>• Programme Spending analysis (staff turnover)</li> <li>• CAPTAC/ HQ interviews</li> </ul> <p>NB. Evidence indicative but not conclusive.</p>
<ul style="list-style-type: none"> <li>• Average staff turnover for Coordinator, Resident Advisors and Administrative staff of CAPTAC-DR FY2015 – FY 2017.</li> <li>• Evaluators' perceptions on quality of knowledge management systems.</li> </ul>	<p><b>Staff turnover within the senior staff positions in CAPTAC-DR has been very low during Phase II with only one staff member leaving prematurely.</b> All staff in this period completed their contractual period of three years or chose to extend. Over the full period since the opening of the Centre in 2009, 16 of the 20 staff who had the potential to complete 3 years of service have indeed done so, or chosen to extend their contracts Thus, CAPTAC-DR has an unusually high level of staff retention, which serves to strengthen the retention of institutional memory.</p> <p><b>In other respects, the knowledge management systems of the Centre appear to be working well.</b> Staff at the Centre would like to see more consistency across the functional departments (FAD, MCM and STA) in the protocols and rules for the management of documents and for administrative processes but further harmonisation of systems, while inherently desirable, would almost certainly involve high costs for relatively modest gains.</p>

**93. Staff turnover within the senior staff positions in CAPTAC-DR has been very low during Phase II with only one staff member leaving prematurely.** All staff in this period completed their contractual period of three years or chose to extend<sup>35</sup>. In Phase I, there were four staff who chose to leave prematurely but over the full period since the opening of the Centre in 2009, 16 of the 20 staff who had the potential to complete 3 years of service have indeed done so, or chosen to extend their contracts<sup>36</sup>.

**94. Thus, CAPTAC-DR has an unusually high level of staff retention, which serves to strengthen the retention of institutional memory.** This also speaks well of the job satisfaction that staff are clearly enjoying.

<sup>35</sup> However, one of the Resident Advisors (LTX) did accept a contract extension for 1 year, having completed his initially 3-year contract but then chose to leave prematurely.

<sup>36</sup> Details were provided to the evaluation team by the Centre but cannot be reproduced here, as they include personal details of staff members of a confidential nature.

95. **There are some cases in which gaps have occurred between the departure of a Resident Adviser and the arrival of the replacement** This has occurred in seven cases - out of fifteen replacements - six of them during this second phase of the programme. The average length of these gaps is three months and a half which for this kind of programme can be assessed as a reasonable reaction time. Nonetheless, the absence of a Resident Adviser (RA) does tend to have a significant negative effect on the intensity of CD delivery because it is primarily the RAs, who manage the programming process within each thematic area and take responsibility for direct supervision of STX inputs. The significant influence of such gaps in RA presence was noted in the programme spending analysis presented in Chapter 2, although it has proven possible to achieve a higher level of continuity during Phase II.

96. **In other respects, the knowledge management systems of the Centre appear to be working well.** As an RTAC, the Centre is effectively an IMF office and, as such, its knowledge management systems are essentially those of the IMF. As in any international bureaucracy, these systems have their strengths and weaknesses but no serious problems were raised in the Evaluation team’s discussions at the Centre regarding the use of these systems. Staff at the Centre would like to see more consistency across the functional departments (FAD, MCM and STA in particular) in the protocols and rules for the management of documents and for administrative processes in general but further harmonisation of systems, while inherently desirable, would almost certainly involve high costs for relatively modest gains.

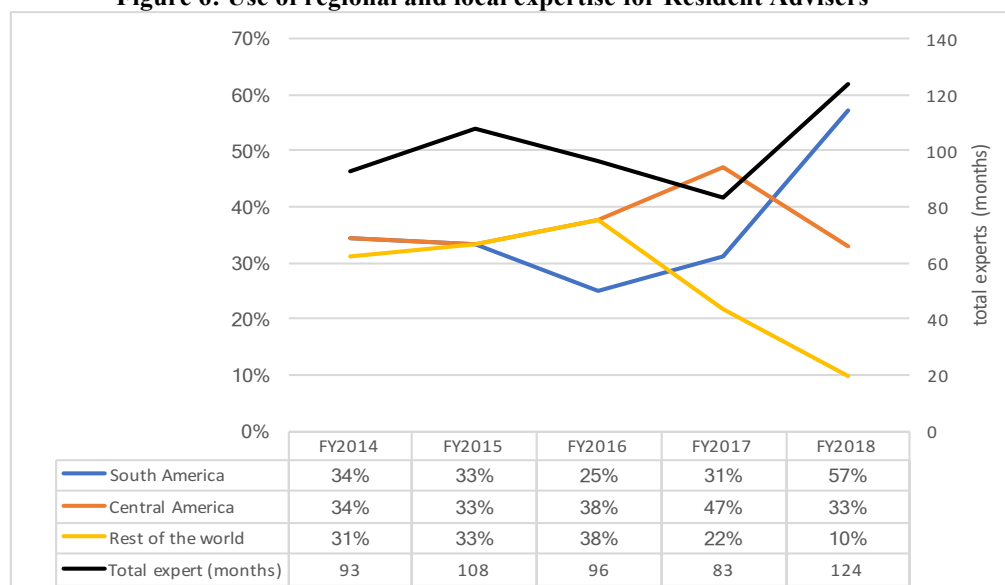
**4.3 Use of Regional and Local expertise**

<b>EQ. 8 Use of Regional and Local Expertise</b>	
<p><i>EQ.8: Has the Centre contributed effectively to the creation of a robust network of local experts in the region, by systematically identifying and optimising the use of local and regional expertise?</i></p>	<p><u>Sources of Evidence:</u></p> <ul style="list-style-type: none"> <li>• Programme Spending analysis</li> <li>• Beneficiaries’ Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul>
<ul style="list-style-type: none"> <li>• Use of local/regional expertise as percentage of overall outlays on long-term and short term experts (LTX &amp; STX)</li> <li>• Quality of CAPTAC-DR systems for identifying local/regional experts and promoting their use</li> <li>• Beneficiaries perceptions on extent to which use of local/ regional experts has been optimised.</li> <li>• Perceptions of factors enabling/ hindering use of local experts (Beneficiaries and CAPTAC-DR).</li> </ul>	<p><b>The proportion of RAs from Central and South America has been consistently above 60% since FY2014, rising to 90% in FY2018.</b> From the analysis in the six case studies and from interviews with CAPTAC-DR, it seems that the proportion of short-term experts (STX) from Central and South America comprises at least 70% of the total and that this has risen in FY2017 and FY2018.</p> <p><b>The use of regional and local expertise is highly valued by Beneficiaries.</b> Indeed, in the case studies, beneficiaries stressed that one of the positive attributes of CAPTAC-DR was that it employed consultants who spoke Spanish and were familiar with the region.</p> <p><b>The methods used to source regional and local expertise appear to work well.</b></p>

97. **The proportion of Resident Advisers from Central and South America has been consistently above 60% since FY2014, rising to 90% in FY2018.** Figure 6 summarizes the results of the analysis of spending on regional and local expertise as a proportion of overall spending on long-term experts. The proportion of RAs from Central America has always been at least a third of the total person-months. Similarly, roughly one third of RAs have come from South America, with the balance from the rest of the world (all of them from Europe). It is worth noting that the major proportion of RAs in FY2018 will come

from South America (57%) within a framework of considerable expansion of human resources available for Resident Advisers (up to 124 experts/month, increasing by half the numbers of the previous year).

**Figure 6: Use of regional and local expertise for Resident Advisers**



Source: CAPTAC-DR Centre.

98. **From the analysis undertaken in the six case studies and from conversations with CAPTAC-DR, it seems that the proportion of short-term experts (STX) from Central and South America comprises at least 70% of the total and that this has risen in FY2017 and FY2018.** Detailed information on the nationalities of the Short-term experts (STX) employed by the Centre is not readily available in a format that can be easily analysed. However, the feedback from Beneficiaries in the case studies was fully consistent with the perceptions of CAPTAC-DR staff and both point to a high use of regional and local expertise.
99. **The use of regional and local expertise is highly valued by Beneficiaries.** Indeed, in the case studies, beneficiaries stressed that one of the positive attributes of CAPTAC-DR was that it employed consultants who spoke Spanish and were familiar with the region; by contrast, other TA providers were criticised for commonly fielding staff unfamiliar with the region, and its related institutional peculiarities, and in some cases for fielding staff, who did not speak good Spanish. The concerns expressed did not relate to the origin of the consultants *per se* and there appeared to be no particular preference for local rather than regional consultants: it is fluent Spanish and familiarity with local institutional frameworks that is valued by beneficiaries.
100. **The methods used to source regional and local expertise appear to work well.** Discussions with the CAPTAC-DR team suggest that in most cases, the STX are drawn from the database of consultants who have previously worked for CAPTAC-DR or from the personal networks of the RAs. Sometimes, suggestions are sought from the IMF functional departments or from partner agencies working in the same field, notably from the World Bank and the IDB. In all cases, STX candidates are certified on the basis of their expertise and added to the IMF's roster of consultants. There is also a strong interest in using consultants, who hold senior positions in equivalent institutions in their own countries – such as staff from Central Banks, Statistical



offices, or Ministries of Finance. While the protocols for obtaining the release of such staff for short-term consultancies can often be complex, the RAs and beneficiaries stressed the usefulness of the up-to-date, “hands-on” expertise that such consultants brought.

#### 4.4 Coordination with Development Partners

EQ. 9 Coordination with Development Partners	
<p><i>EQ.9: To what extent are CAPTAC-DR activities effectively coordinated with the work of the Development Partners operating in the same sectors?</i></p>	<p><u>Sources of Evidence:</u></p> <ul style="list-style-type: none"> <li>• Beneficiaries’ Survey</li> <li>• CAPTAC/ HQ interviews</li> <li>• Case studies</li> </ul>
<ul style="list-style-type: none"> <li>• Examination of CAPTAC-DR systems and procedures for coordinating with other DPs (CAPTAC-DR interviews)</li> <li>• Evidence of quality of coordination with DPs identified during case studies</li> <li>• Perceptions of Beneficiaries on quality of DP coordination</li> <li>• Perceptions of factors enabling/ hindering effective DP coordination (perceptions of Beneficiaries and CAPTAC-DR).</li> </ul>	<p><b>59% of respondents to the Beneficiaries’ Survey declared themselves “highly satisfied” with the coordination of CAPTAC-DR with similar activities and 30% “satisfied”.</b> These results suggest that the quality of coordination has improved since the 2013 mid-term evaluation of Phase I. Information gathered in case studies also indicated good “on the ground” coordination with donor partners working in the Centre’s areas of expertise.</p> <p><b>Our judgement is that the efforts being made to strengthen Donor coordination are appropriate in their scope, are generating results and should not be expanded further.</b> The most effective Donor coordination is that exerted by institutions at the country level. CAPTAC-DR and other Donor partners can support country-led efforts through information sharing and collaboration but the final responsibility to establish effective mechanisms to coordinate TA must rest with country administrations.</p>

**101. The Beneficiaries’ Survey investigated the issue of coordination with Donor Partners as one aspect of efficiency: 59% of respondents declared themselves “highly satisfied” with the coordination of CAPTAC-DR with similar activities and 30% “satisfied”.** (Table 4, Section 3.1) These results are marginally less positive than for other aspects of efficiency but they certainly suggest that the quality of coordination has improved since the 2013 mid-term evaluation of Phase I, which identified donor coordination as an area for improvement.

**102. Information gathered in case studies also indicated good “on the ground” coordination with other donor partners working in the Centre’s areas of expertise.** Coordination was especially strong in the areas of tax administration (in Dominican Republic) and Customs Administration (Costa Rica), where there are well established partnerships with the IDB and the World Bank, as well with the relevant regional bodies – CIAT, SIECA and the WCO. However, across all areas, there was evidence of initiatives being undertaken to engage with regional bodies, to share information and to seek out opportunities for joint training events, seminars and TA operations.

**103. As part of the Phase II Programme, initiatives were introduced to strengthen donor coordination and the initial evidence suggests that these are bearing fruit.** All TA providers have access to the Centre’s annual work plan and TA mission plans, which are posted on the Centre’s website ([www.captac-dr.org](http://www.captac-dr.org)). TA reports are also posted on the Centre’s website—in the section “for members



only,” which requires a password and username—and shared with Donors in line with the IMF’s Operational Guidelines for Dissemination of Technical Assistance Information. Resident Advisers have also been urged to organise systematic de-briefings with Donor partners at the conclusion of their missions, and the evidence from the case studies suggest that this is now happening regularly. CAPTAC-DR has also moved to deepen its relationship with other TA providers by conducting joint regional training events. A number of these have taken place over FY2015 – FY 2017, as reported in the Centre’s annual reports.

**104. Our judgement is that the efforts being made to strengthen Donor coordination are appropriate in their scope, are generating results and need not be expanded further.** While there is always room for improving coordination, it should be remembered that the core business of CAPTAC-DR is Capacity Development, not Donor networking. Where closer coordination enhances overall results, it is an investment worth making but there is a clear limit to how far coordination efforts should go. It should also be borne in mind that the most effective Donor coordination is that exerted by institutions at the country level. CAPTAC-DR and other Donor partners can support country-led efforts through information sharing and collaboration but the final responsibility must rest with country administrations to establish effective mechanisms to coordinate the TA requested from different providers.

## 5 Conclusions and Recommendations

105. **This chapter presents the final conclusions and recommendations of the evaluation team.** In order to avoid repetition with the more detailed analysis in the preceding chapters, conclusions are presented as seven “big”, cross-cutting conclusions. Each of these carry clear implications, which are picked up in more detail in the seven recommendations outlined in Section 5.2.

### 5.1 Overall Conclusions

*Conclusion 1: CAPTAC-DR is performing highly effectively and serious consideration should be given to expanding the scale of its CD services in Phase III.*

106. **The evaluation results are overwhelmingly positive and point to a very strong demand for CAPTAC-DR’s CD services:** The overall performance of CAPTAC-DR CD activities is assessed as very strong, with an average score of 3.25 out of 4 (‘Good to Excellent’) across the five performance criteria. Although the evaluation teams and the evaluation methodologies are different, this compares with an average score of 3.24 in the 2013 Mid-term evaluation of Phase I. However, the current evaluation has also estimated a performance rating for Impact, which the 2013 evaluation did not. In comparing the results of the two evaluations, the average score, excluding impact, of 3.44 may therefore be more appropriate. (See Table 7 in Section 3.9.)

107. **The evaluation team’s interviews at IMF HQ and at the Centre support the view that the performance of the Centre has improved since 2013.** There are concrete improvements one can point to in relation to efficiency, notably the introduction of the RBM methodology, the strengthening of the administrative capacity of the Centre and the greater continuity in staffing. In relation to effectiveness, the last evaluation did not benefit from the database of information on the achievement of milestones but the managers and back-stoppers of CAPTAC-DR generally express the view that the definition of milestones has itself helped to introduce focus both amongst CAPTAC-DR staff and their counterparts and that this in turn has raised effectiveness since Phase I.

108. **The evaluation team find the levels of the performance ratings to be unprecedented in an evaluation of technical assistance and CD services of this kind.** It is exceedingly rare to find such high ratings across each of the five OECD-DAC performance evaluation criteria. At the same time, in the majority of the case studies, there was a strongly expressed demand for additional support from CAPTAC-DR, and a conviction that additional TA and training could be easily absorbed in supporting faster implementation of reforms. Under these circumstances, and notwithstanding the continued need for minor improvements in programming and management processes, serious consideration should be given to expanding the scale, although not the scope, of work of CAPTAC-DR in Phase III. Specifically, it is recommended to establish a budget for Phase III of USD 35-40 million, which is broadly consistent with the USD 36 million initially programmed for Phase II.

*Conclusion 2: The method of allocating CAPTAC-DR resources across countries does not give adequate weight to performance and to country specific needs: the relevance and effectiveness of the overall programme would be raised by a modification of the resource allocation formula.*

109. **The one question mark over the relevance of CAPTAC-DR CD services relates to the extent to which the allocation of resources is sufficiently adapted to needs.** In Phase II resource use up to

the end of FY 2017, allocations by country have been remarkably balanced over the 3-year period, ranging from 10 -13 % of the aggregate budget for human resources. This suggests a resource distribution pattern in which the equitable balance of resources between countries plays a significant role, perhaps over-riding the prioritisation of country-specific needs or criteria relating to results achieved.

110. The Centre Coordinator and staff of ICD confirmed that an equitable allocation across countries is the normal expectation of the Steering Committee. In a regional body responding to the expressed needs of Regional Member Countries, this is a reasonable starting position but the evaluation team contend that it should be balanced by an appreciation of the countries in which the benefits of CD provision are likely to be greater and/ or more sustainable. Amongst the six case studies, for example, work in the Dominican Republic on financial supervision and tax administration appeared under-resourced given the benefits being achieved within an unusually positive pair of institutional environments; on the other hand, work on PFM in Costa Rica was arguably over-resourced given the less favourable context.

111. **It is therefore proposed that resource allocations should be more finely tuned to country-specific needs and results, thus generating a more relevant overall programme of work**, which should in turn assist in improving effectiveness, impact and sustainability. Specifically, it is recommended that a proportion of resources – 10% of the total envisaged for STX inputs – should be left unallocated at the outset of the year and should be assigned after the second quarter to whichever projects<sup>37</sup>, where performance is ahead of schedule, or where special needs are identified requiring additional support.

*Conclusion 3: Efficiency of service delivery has improved and all beneficiaries consider value for money is high; yet, unit costs could still be further reduced through consolidating administrative improvements and reducing the relative cost of back-stopping by IMF Headquarters.*

112. **The efficiency of CAPTAC-DR CD activities is judged as ‘Good to Excellent’ (3.5 out of 4).** More significantly, both in case studies and in the Beneficiaries’ Survey, the perceived value of benefits compares very favourably with alternative providers.

113. **Beneficiaries in every case study country stressed how highly they regarded CAPTAC-DR technical assistance by comparison with other providers** and emphasised the efficiency of delivery and the good coordination with other initiatives. In the survey, 70% of respondents stated that they were ‘highly satisfied’ with CAPTAC-DR value for money relative to other providers. In the case studies, the evaluators also noted good performance across various indicators of service delivery efficiency, notably in terms of adherence to deadlines, timeliness, conciseness and readability of reports and the strong coordination between different STX, Resident Advisors and government counterparts as well as with other service providers.

114. **The Programme Spending Analysis points to a high and increasing level of efficiency in budget execution, in the management of administrative costs, and, more significantly, in the management of the time of LTX and STX experts.** The rate of execution of expenditure has been

---

<sup>37</sup> By projects, we refer to annual programmes of work in one thematic area in one country. Depending on performance and emerging needs, this unallocated Performance and Special Needs Fund could therefore be allocated to any of the seven thematic areas and any of the seven countries.

95% on average over FY 2015 to FY 2017, which represents an efficient rate of budget execution, especially given the initial uncertainties over the aggregate budget for Phase II. Moreover, this execution rate has been maintained alongside a steady increase in the overall volume of spending from US \$ 5.4 million in FY 2015 to \$ 5.9 million in FY 2017. This has in turn permitted an expansion in the intensity of CD provision from a total of 552 person weeks in FY 2014 (the last year of Phase I) to 941 person weeks in FY 2017.

**I 15. Nevertheless, CAPTAC-DR has the highest unit costs of all providers of these services in the region<sup>38</sup>: value for money could be raised further if judicious cost saving measures could continue to be applied.** Some of these have already been introduced, following on the recommendations made in the 2013 evaluation, notably the promotion of back-to-back missions, the negotiation of preference agreements with regional airlines and hotels, the retention of STX for annual or multi-annual projects and the procurement of co-financing from other regional providers for training events and TA projects. With a stronger administrative team now in place, the Centre can expect to reap the benefits of these measures over the next two years. With the intensity of CD delivery now at a higher level, some economies of scale are also likely to emerge which should be reflected in a higher ratio of TA and training to other costs.

**I 16. Back-stopping from IMF HQ adds at present 8.6% to the average unit cost of one LTX or STX person week and further analysis is needed to consider whether this is fully justified.** Backstopping is an essential part of the quality assurance process and the intensity and high quality of this backstopping is one of the key differentiating factors in CAPTAC-DR CD services. However, it is worth considering whether this quality enhancement should cost the equivalent of an 8.6% premium. This is especially because in operational terms, the “hands on” supervision of STX inputs is done directly by Resident Advisers. The RAs draw in turn from the advice and support of back-stoppers at HQ but this quality assurance process is necessarily at one remove from the point of delivery.

**I 17. Highly pertinent in this respect are the conclusions of the 2014 report of the IMF’s Independent Evaluation Office (IEO), IMF Technical Assistance: Revisiting the 2005 IEO Evaluation.** The evaluation raised the question ‘*whether backstopping by HQ functional departments remained a viable approach to quality assurance within an increasingly decentralised model of TA*’. When the primary value to the end beneficiaries of the CD provided by CAPTAC-DR is on-the-spot operational advice and when the vast majority of that operational advice is delivered by short-term experts, supervised by the Resident Advisers, the importance of the back-stopping provided by Headquarters is necessarily diminished<sup>39</sup>. It provides an essential final guarantee of quality but this final guarantee could probably be delivered effectively through lower cost HQ staff and through less intensive HQ inputs. We recommend that this issue should be carefully investigated, with a view to potentially benchmarking the level of back-stopping at 5% of average unit costs<sup>40</sup>.

---

<sup>38</sup> It is estimated that CAPTAC-DR unit costs per week are 15% higher than the costs for equivalent services provided in the region by SECO or the EU. See Section 3.7.

<sup>39</sup> For certain types of CD activities, the relevance of HQ backstopping will be higher. For example, STA report that the specific needs of the CAPTAC-DR members have been more oriented to the improvement of data sources, requiring assistance in the development of high-frequency indicators, and this has necessitated more backstopping than is normal.

<sup>40</sup> The benchmark of 5% is that normally adopted for back-stopping provisions in the private sector consultancy market. Closer investigation would be needed to assess whether such a figure is also appropriate to CAPTAC-DR.

*Conclusion 4: The overall scope of services provided by CAPTAC-DR is broadly appropriate to the needs and to its comparative advantages in terms of expertise. However, the scope offered historically within the PFM thematic area appears too broad: the narrowing of the menu of support offered in FY 2016 and FY 2017 seems to have led to gains in efficiency and effectiveness. Consideration should be given to making this permanent.*

**118. The effectiveness of CAPTAC-DR CD services is judged as ‘Good to Excellent’ (3.5 out of 4).**

Moreover, both in the Beneficiaries’ Survey and in the case studies, there was strong evidence of results being achieved and of high levels of satisfaction by beneficiaries. This strongly endorses the structure and focus of the CAPTAC-DR portfolio: for the most part, CAPTAC-DR offers expertise in areas which other providers cannot support or in areas where the quality of its services stand out.

**119. The PFM thematic area is the one area where historically the scope of support seems unnecessarily broad and less clearly aligned with the areas of IMF and CAPTAC-DR comparative advantage.**

The PFM area performs reasonably well by comparison with other thematic areas, with average levels of milestone achievement of 3.5 and 3.4 out of 4 in FY 2016 and FY 2017; similarly, in the beneficiaries’ survey, the levels of satisfaction with the PFM portfolio were on a par with most other thematic areas. However, in other larger RTACs, the scope of PFM support managed by one RA in CAPTAC-DR would be covered by 2 or 3 RAs. In some ways, it is remarkable that one person has succeeded in managing a portfolio of the same scope with such positive results; yet, it is not clear that the good performance achieved to date is sustainable. Moreover, there are aspects of the work covered by the CAPTAC-DR RA, especially in budgeting and accounting issues, which are also well covered by TA from other providers in the region, notably IDB, GIZ, USAID, and the World Bank.

**120. It is therefore proposed that the narrowing of the portfolio of PFM support introduced recently should be made permanent under Phase III.**

Work would therefore be focused on the three areas of i) Treasury and cash management; (ii) macro-fiscal planning and monitoring and (iii) monitoring and control of fiscal risks. These are three areas where the IMF and CAPTAC-DR have a clear comparative advantage, in terms of the expertise and knowledge to which they have access. Moreover, they represent areas where a modest level of support (consistent with the budget and operating capabilities of CAPTAC-DR) can make a noticeable difference to performance. By contrast, support to improvements in budgeting and accounting will often require a longer time scale and a more substantial volume of support, often including hardware and software support. The PFM portfolio has already seen a shift towards these three areas of focus; we believe that by formalising this narrower focus, it will be possible to further strengthen the quality of delivery and to manage the portfolio on a more sustainable basis.

*Conclusion 5: The implementation of the RBM methodology is now relatively well established within CAPTAC-DR, and this has generated notable improvements in the programming of work and the monitoring of results; yet, monitoring is still limited to the monitoring of milestones and should be extended to outcomes in Phase III.*

**121. The Regional Technical Assistance Centres, including CAPTAC-DR, are implementing the**

**RBM methodology under a phased approach**, with the first full year of performance data expected to be input to the system by the end of FY18. The intention has been both to maximise learning-by-doing in the process of implementation and also to spread the workload for the TA departments and ICDSE.

CARTAC, in particular, was a first pilot of full RBM implementation – both for other RTACs and for the Fund as a whole. Hence, CARTAC is already implementing its current 5-year CD programme, using a pilot version of an RBM template within CD- PORT. CAPTAC-DR has begun programming and reporting on CD activities through CD-PORT and its full transition to this system is anticipated to be completed soon.

**122. During Phase II, CAPTAC-DR has developed logical frameworks and related medium term targets for each thematic area;** indeed, the current five-year programme includes, for each thematic area, specific objectives and medium-term outcome targets at regional level. Progress against these targets is reported in the annual reports. In addition, country-level milestones are defined and used for annual reporting, while the formulation and definition of milestones and related medium-term outcomes continues to be refined in collaboration with ICD and the functional departments. Thus, the introduction of the RBM system has made a notable difference to the quality of reporting – an area that was identified for improvement in the 2013 Mid-Term evaluation of the Phase I programme.

123. Within this evaluation, an analysis on effectiveness (EQ. 2) was undertaken using CAPTAC-DR reports regarding the achievement of milestones within each country and thematic area, for fiscal years 2016 and 2017. For these two years, the level of achievement of milestones linked to activities has been reported systematically using the RBM system. Ideally, one would want to supplement this analysis, which could be equated to an analysis of the outputs of CD projects, with an assessment of progress towards medium-term outcomes within each thematic area and country.

124. For example, CD work in support of tax or customs administration would normally aim to improve outcomes such as the aggregate levels of collections relative to GDP or the efficiency of collections (in terms of unit costs per unit of currency collected) or the speed of processing of tax or customs transactions. Work on improved banking supervision might aim to improve outcomes such as improved aggregate performance against stress tests or reduced numbers of non-performing loans, or improved performance against Anti-Money Laundering (AML) criteria or increased confidence in the banking system by the business community. The definition of outcome indicators is not simple but it is important to know whether CAPTAC-DR CD is generating outputs which contribute to final outcomes of these kinds. Although CAPTAC-DR CD can only be one contributory factor in improving outcomes, it is important to assess whether the contribution is genuine and important, and whether the immediate outputs generated by CAPTAC-DR CD are those most likely to maximise the contribution to improved outcomes.

**125. At present, the lack of clearly defined outcome targets by country and thematic area make it impossible to undertake a precise analysis of Impact.** The Phase II Programme defines outcome targets for each thematic area for the region as a whole. While this has some usefulness as a way of identifying the broad direction of change anticipated – for example the move towards GFS 2014 standards, or towards Basel III standards for financial supervision, it does not permit the measurement of progress towards targeted outcomes on a country-by-country basis in relation to a baseline. This shortcoming is expected to be addressed in the next phase of development of the RBM methodology. Such an innovation would assist CAPTAC-DR and its stakeholders in measuring progress towards its end objective – the improvement of economic management processes – while also helping all stakeholders to focus on those outputs (milestones) most closely linked to improving functionality of PFM systems.

*Conclusion 6: The Outreach and Communication Strategy, approved in FY 2016, is under implementation and is achieving important results in terms of improving the availability of information, strengthening collaboration with Donors and regional partners, and enhancing the quality of interactions with the Steering Committee. Its implementation will need to be deepened in order to consolidate these important gains.*

**126. An Outreach and Communication Programme was approved in FY 2016, aimed at raising the accountability and visibility of the Centre.** Due to the budget constraints in FY2015 and FY 2016, this was started in FY 2014 simply as a low-cost programme to initiate the use of social networks to highlight progress made by Member Countries, as well as complementary activities by Donor agencies. During FY 2017, the scope and reach of the programme has grown substantially, achieving a cumulative reach of 46,000 social media users during the first 11 months of FY2017.

**127. The Outreach and Communication Programme has also served to strengthen Donor coordination.** All TA providers have access to the Centre's annual work plan and TA mission plans, which are posted on the Centre's website ([www.captac-dr.org](http://www.captac-dr.org)). TA reports are also posted on the Centre's website—in the section “for members only,” which requires a password and username—and shared with Donors in line with the IMF's Operational Guidelines for Dissemination of Technical Assistance Information. Resident Advisers have also been urged to organise systematic de-briefings with Donor partners at the conclusion of their missions, and the evidence from the case studies suggest that this is now happening regularly.

**128. The Outreach and Communication Programme may also have served to strengthen the governance of CAPTAC-DR.** The 2013 evaluation identified a number of shortcomings in the functioning of the Steering Committee. The 2013 evaluation therefore recommended the rationalisation of the composition of the Steering Committee, as a way of increasing its functionality.

**129. However, a rationalisation of the Steering Committee would be difficult to achieve by consensus and might run the risk of inadvertently undermining support for CAPTAC-DR** amongst Member Countries, Regional bodies and Donor partners. With the implementation of the Outreach and Communication policy, Steering Committee members have significantly improved access to information on CAPTAC-DR's programmes and results. There have also been an increasing number of events – meetings of COSEFIN, CMCA and CCSBSO, regional training seminars, national level events – where Steering Committee members have had the opportunity to interact with the Centre Coordinator and the Resident Advisers. The current policy is therefore to promote greater awareness and ownership of CAPTAC-DR's activities through the further implementation of the Outreach and Communication policy, rather than through any reorganisation of the governance arrangements.

**130. It is too soon to judge how far this alternative approach to promoting improved regional ownership and participation is proving effective.** It may be that certain more minor adjustments to the governance arrangements would still be worthwhile, as we note below. However, from the perspective of the evaluation team, the approach seems sound and certainly avoids the disruption and upheaval that any significant revision of governance arrangements or rationalisation of the Steering Committee membership would risk.

**131. The implementation of the Outreach and Communication strategy has thus served not only to raise the visibility and awareness of CAPTAC-DR but has also had important side-effects.** In particular, it has helped to strengthen the framework for stronger coordination with Donor partners and for closer reporting and interaction with the Steering Committee. **It is therefore important to consolidate the gains achieved through the Outreach and Communication strategy and to ensure that it will be adequately resourced in the Phase III programme.**

*Conclusion 7: The CAPTAC-DR Steering Committee fulfils its essential function of providing strategic guidance and contributing to the setting of the Centre's priorities; yet its effectiveness was questioned in the 2013 evaluation and it seems important to address any remaining doubts there may be over the Steering Committee's ability to provide effective governance. in particular regarding its influence over staff retention and other matters affecting the impact and sustainability of CAPTAC-DR CD.*

**132. The 2013 Mid-term evaluation of CAPTAC-DR identified a number of shortcomings with the functioning of the Steering Committee.** The 2013 Survey of Steering Committee members found that 37.5% of respondents felt that the SC's role and responsibilities were not clear, and 43% of the respondents felt that the large size of the Steering Committee hindered its effectiveness. In support of this finding, the 2013 evaluation found that the average attendance of Steering Committee meetings had been 29 people, formally representing 18 different entities.

**133. The 2013 evaluation therefore recommended the rationalisation of the composition of the Steering Committee, as a way of increasing its functionality.** The Programme Document for Phase II committed the Centre to undertake consultations on this issue. The 2018 evaluation team were not able to obtain detailed information on the nature of these consultations but from its interviews at the Centre the evaluation team conclude that the current thinking is broadly as follows:

- A majority of Steering Committee members believe that it is discharging its essential roles and responsibilities effectively, namely to provide strategic guidance and to contribute to the setting of the Centre's priorities.
- A rationalisation of the Steering Committee would be difficult to achieve by consensus and might run the risk of inadvertently undermining support for CAPTAC-DR amongst Member Countries, Regional bodies and Donor partners<sup>41</sup>.
- With the implementation of the Outreach and Communication policy, Steering Committee members have significantly improved access to information on CAPTAC-DR's programmes and results. There have also been an increased number of events where Steering Committee members have had the opportunity to interact with the Centre Coordinator and the Resident Advisers.
- The current policy is therefore to promote greater awareness and ownership of CAPTAC-DR's activities through the further implementation of the Outreach and Communication policy, rather than through any reorganisation of the governance arrangements.

---

<sup>41</sup> Although the 2013 evaluation did not prescribe any particular model of rationalisation, the example quoted in the report is that of the Steering Committee of CARTAC, which is a body of 12 members representing 20 countries.



134. **It is too soon to judge how far this alternative approach to promoting improved regional ownership and participation is proving effective.** From the perspective of the evaluation team, the approach seems sound and certainly avoids the disruption and upheaval that any significant revision of governance arrangements or rationalisation of the Steering Committee membership would risk. On the other hand, there is still scope for considering minor changes in the operational procedures of the Steering Committee.

135. **Specifically, it is recommended to give consideration to holding an additional half-yearly Steering Committee meeting, so as to permit more extensive discussions.** This could either be managed in parallel with a meeting of one of the Regional bodies (COSEFIN, CMCA or CCSBSO), or through video-conferencing. It is further recommended that the focus of this additional Steering Committee meeting should be specifically on questions of impact and sustainability.

## 5.2 Recommendations for the Phase III Programme

136. The recommendations of the evaluation team follow directly from our seven cross-cutting conclusions. Many of these will need further development in-house, so it is proposed that in the first instance an in-house team be established within CAPTAC-DR and ICD to consider how these recommendations might be taken forward. They should then be put before a wider committee including WHD and the functional departments, as well as a small number of Steering Committee members. Recommendations are presented in Box 4 below.

**Box 4: Recommendations of the Phase II Mid-term Evaluation**

Evaluation Recommendations	Issues for Consideration
<b>Consolidating Gains to date and Improving the performance of CAPTAC-DR in Phase III....</b>	
<p><b>1. Expand the scale of CAPTAC-DR service delivery</b>  <i>The scale of CAPTAC-DR CD services should be expanded in Phase III to respond to the high demand and maximise the potential impact. Consideration should be given to establishing a Phase III budget of US \$ 35 – 40 million, an increase on the final budget for Phase II of USD 30 million but consistent with the USD 36 million initially envisaged.</i></p>	<ul style="list-style-type: none"> <li>• No widening of scope of services.</li> <li>• Selective expansion or balanced across thematic areas? Recommend the latter but with a performance fund.</li> <li>• Expansion through more STX inputs, no new RAs.</li> <li>• Administrative team likely to need modest expansion.</li> <li>• Advance sensitisation of potential funders needed.</li> </ul>
<p><b>2. Create a Performance and Special Needs fund</b>  <i>The method of allocating CAPTAC-DR resources across countries should be adapted to give greater weight to performance and to country specific needs: A “Performance and Special Needs Fund” should be created, comprising a minimum of 10 % of the total envisaged for STX inputs. This should be left unallocated at the outset of the year and assigned after the 2<sup>nd</sup> quarter either to projects, where performance is ahead of schedule, or to provide additional support for special needs.</i></p>	<ul style="list-style-type: none"> <li>• Is 10% of funds available for STX sufficient or too much? Closer analysis is needed.</li> <li>• Would allocation only after Q2 be too late? Some flexibility for special cases should be built in.</li> <li>• Should the Fund have a multi-year dimension, e.g. with projects receiving bonus funding in Year 1 retaining entitlements into Year 2?</li> </ul>
<p><b>3. Build on efficiency gains to reduce unit costs</b>  <i>The cost-saving measures already introduced in Phase II should be assessed for effectiveness, continued and</i></p>	<ul style="list-style-type: none"> <li>• Initial <u>investigation</u> of costs and benefits of reducing the cost and the intensity of HQ backstopping should be undertaken.</li> </ul>

Evaluation Recommendations	Issues for Consideration
<p>deepened. In addition, given the decentralised nature of CD delivery by the Centre and the success achieved with such a model to date, the scope for introducing savings in HQ backstopping should be investigated, assessing the potential to move towards a benchmark of 5% of unit costs.</p>	<ul style="list-style-type: none"> <li>• If investigation confirms the benefits, the move to 5% benchmark for back-stopping should be gradual: 7% in FY 2020, reducing to 5% in FY 2022.</li> <li>• Other efficiency measures should be assessed during FY 2019 to formalise their inclusion in Phase III.</li> </ul>
<p><b>4. Confirm the narrowing of the scope of the PFM portfolio</b>  <i>The scope of support historically offered within the PFM thematic area has been reduced to focus more on IMF/ CAPTAC-DR areas of comparative advantage: (i) Treasury &amp; Cash Management; (ii) Macro-fiscal programming and monitoring and (iii) Monitoring and control of Fiscal Risks. It is recommended that this should be the focus of the portfolio in Phase III.</i></p>	<ul style="list-style-type: none"> <li>• Reduction in scope of portfolio should be phased in during FY 2019, to ensure existing commitments are fulfilled</li> <li>• New policy on coverage of PFM portfolio should be interpreted flexibly: where urgent needs for support in budgeting or accounting are expressed, these should be considered.</li> </ul>
<p><b>5. Introduce Outcome targets by Country/ thematic area</b>  <i>Annual Outcome targets should be introduced for each thematic programme in each country along with proposed indicators of progress and a baseline value for 2018 from which to measure progress.</i></p>	<ul style="list-style-type: none"> <li>• Clear definition of Outcomes needs to be agreed with RBM team.</li> <li>• CD-PORT should be used to incorporate Outcome target data</li> <li>• Important to aim for implementation from Phase III.</li> </ul>
<p><b>6. Consolidate Outreach and Communication strategy</b>  <i>Implementation of Outreach and Communication Strategy, should be deepened in order to consolidate gains to date and ensure further development. An assessment should be made during FY2019 to consider precise focus for Phase III and level of resources required.</i></p>	<ul style="list-style-type: none"> <li>• Assessment of Outreach &amp; Communication strategy to be undertaken in FY2019: consideration should be given as to whether an external communications specialist might assist the assessment.</li> <li>• Training and equipment requirements for strategy should be factored into Phase III budget.</li> </ul>
<p><b>7. Improve functionality of the Steering Committee</b>  <i>It is important to address any remaining doubts there may be over the Steering Committee's ability to provide effective governance, in particular regarding its influence over staff retention and other matters affecting the impact and sustainability of CAPTAC-DR CD: consultation with the Steering Committee is needed and consideration should be given to holding a mid-year meeting of the Steering Committee, either alongside a meeting of one of the Regional bodies (COSEFIN, etc.) or via video-conference.</i></p>	<ul style="list-style-type: none"> <li>• Costs of an additional mid-year Steering Committee meeting should be assessed, considering two options: a) meeting within Central America alongside a meeting of one of the Regional bodies; b) a meeting via Video Conference.</li> <li>• Consultation Note with a concrete proposal should be circulated to the Steering Committee members.</li> </ul>

## Annex 1 Terms of Reference

### Background and Objectives of the Evaluation

#### Background

1. The Central America, Panama, and the Dominican Republic Regional Technical Assistance Center (CAPTAC-DR) was established in June 2009 in Guatemala City, Guatemala to help its seven member countries (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama and Dominican Republic) strengthen their capacity for effective macroeconomic management and to support regional integration. It is a collaborative effort between the IMF, the member countries, and bilateral and multilateral partners aimed at providing capacity development (CD) services ((in particular technical assistance and training) to build member countries' institutional and human capacities to design and implement macroeconomic policies in support of economic stability, development objectives, and regional harmonization.

2. CAPTAC-DR's funding cycle phase runs from July 2014 to April 2019. Its operations are funded by contributions from the host country, the IMF, external partners, and member countries. The total budget for Phase II was originally planned at US\$36 million. The current working budget amounts to about US\$31 million.

3. Operations are guided by annual work plans within a five-year program as laid out in the program document. This approach ensures that activities are planned and implemented, as an integral part of the overall IMF CD program, on the basis of member country needs, and are complementary to CD from IMF HQ and other CD providers in the region. CAPTAC-DR is strategically guided by a steering committee (SC) composed of representatives of member countries, development partners, and the IMF. SC members and observers meet on an annual basis to discuss the Center's strategic direction, review progress against its work plan, and discuss and endorse a work plan for the following year and the medium term. CAPTAC-DR's CD is provided through seven resident advisors. It is demand-driven and determined through consultations with member countries, based on an assessment of CD needs, priorities of member countries, and the IMF's CD strategy for the region. The activities of the center are backstopped by IMF headquarter-based experts.

#### Objectives of the Mid-Term Evaluation

4. The terms and conditions governing the establishment and operation of CAPTAC-DR specify that "no later than 40 months after the activities financed under the Subaccount with respect to each funding cycle have begun, an independent evaluation of the activities financed under the Subaccount will be initiated." The findings of the evaluation will inform CAPTAC-DR's future operations and the preparations for a potential third program phase. The mid-term evaluation of the first five-year phase of CAPTAC-DR was completed in November 2013.

#### Scope

5. The evaluation will cover all CD advice and activities, or interventions, provided from the commencement of Phase II activities in July 2014 through April 2017 (FY17). The evaluation will list the major CD projects conducted during this period, their objectives, and

any verifiable indicators for achievement of these objectives. The evaluation will assess the extent to which CAPTAC-DR's CD has achieved these objectives using the definitions of the OECD DAC criteria adopted in the Common Evaluation Framework of the IMF (Annex). The evaluation will also assess the degree to which CAPTAC-DR is achieving the advantages initially expected from delivery of CD through RTACs: lower costs compared to HQ CD, rapid and flexible CD delivery, close interaction with member country authorities, and effective exchange of information with other CD providers and donors in the region.

6. The evaluation will identify the factors that enhanced or detracted from CAPTAC-DR's ability to achieve its objectives, which are provided in the annual work plans,<sup>42</sup> and what has been done to address these challenges. The evaluation will identify key lessons learned and make recommendations for improvements in CAPTAC-DR to achieve its objectives with respect to the five criteria laid out in the Development Assessment Committee (DAC) Principles for Evaluation of Development Assistance.

7. To address these objectives, evaluators will consider a set of linked questions, detailed below, that relate to (a) the *relevance* of CAPTAC-DR CD; (b) the *efficiency* by which resources (human resources/expertise, financial resources, and time) were allocated to achieve the desired outcomes; (c) the *effectiveness* of CAPTAC-DR CD—i.e., progress toward the outcomes identified in the program document; (d) the extent to which these are likely to be *sustained*; (e) *impact* of CAPTAC-DR CD

#### **Steering Arrangements for the Mid-Term Evaluation**

8. The IMF Institute for Capacity Development's Global Partnerships Division (ICDGP) will serve as secretariat of the evaluation, managing the procurement process, supporting information-gathering for the evaluation, and keeping the evaluation process on track. While the evaluation report will be addressed to the entire SC, an Evaluation Sub-Committee (ESC) will be established to guide the evaluation. The creation of ESCs is part of IMF evaluation practice and allows SCs to actively participate in the evaluation process. ICDGP will also serve as secretariat of the ESC.

9. The role of the ESC is to provide strategic guidance and to ensure that the evaluation takes into account issues relevant to stakeholders. The ESC will (a) review and advise on the Inception Note prepared by evaluators; and (b) review and comment on the draft evaluation report. Whilst the ESC will guide the evaluation and provide comments on draft outputs, it will have no power to determine the content of the report, and the evaluators will remain free to reach their own conclusions.

10. The ESC is chaired by a representative from a member country who was selected by the ESC in consultation with the Chairperson of the SC. The ESC is proposed to comprise representatives from:

---

<sup>42</sup> Annual work plans are posted on the CAPTAC-DR website <http://www.captac-dr.org/web/guest/planes>

- Member countries
- Development partners
- The IMF

### **Evaluation Questions**

11. The evaluation will address the degree to which the projects identified in paragraph 5 have achieved their objectives according to the OECD's DAC criteria of relevance, efficiency, effectiveness, sustainability, and impact. The Common Evaluation Framework of the IMF provides further detail about how these criteria are defined in IMF CD evaluations (see Annex 1). Relevance is about the importance of the objectives, effectiveness is about achievement of objectives, impact is about achievement relative to the most likely counterfactual (what would have happened if the CD services had not been provided), efficiency is a comparison of the value of the impact against the costs of the intervention, and sustainability is about whether the impact is likely to last. In Annex 1, Table 1 provides definitions and examples of core evaluation questions under each DAC category.

12. In addition to the core questions, evaluators should assess (i) whether the Steering Committee is effective in ensuring country ownership of CAPTAC-DR activities<sup>43</sup> and governance, including strategic direction and oversight; (ii) to what degree the Center's systems and institutional set-up allow for retention of organizational memory (e.g. to facilitate follow-up as needed, avoid duplication of efforts, ensuring information exchange and smooth handovers between resident advisors, etc.); (iii) what contribution the Center has made to building a robust network of local experts in the region, and to systematically identify and optimize the use of local and regional expertise; (iv) to what extent CAPTAC-DR activities are effectively coordinated with the work of development partners operating in the same sectors; (v) whether there have been important exogenous events that have undermined the ability of CAPTAC-DR to achieve its objectives, and if so, whether CAPTAC-DR's response has been adequate; and (vi) to what extent and when relevant to the core expertise of the Fund, gender, climate change and financial inclusion dimensions have been taken into account in the program design of CD services. Evaluators should base their assessment on document and data analysis, interviews, surveys and/or case studies (see section III for details), and use a sound methodology to assign numerical values and/or result ratings.

13. The evaluation should report on any significant lessons, also from the past evaluation and recommendations, that can be drawn from the experience of CAPTAC-DR and other RTACs. It will provide costed recommendations for changes that would enhance the ability of CAPTAC-DR's activities to achieve their objectives according to the OECD DAC criteria.

### **Methodology**

#### **Evaluation Criteria and Ratings**

14. A quantitative rating scheme will be used to record the judgments made by evaluators. Each of the DAC criteria for which there is sufficient information to make a judgment will be scored on a 1-4 scale. Assessments of the individual criteria will be aggregated or summarized

---

<sup>43</sup> It is important that such activities include those outside the responsibilities of the agencies that SC members represent, especially important for statistics work

into an overall assessment of CAPTAC-DR performance. To calculate this composite rating, each DAC criterion will be assigned equal weights.

15. *Aggregate over objectives to evaluate an intervention.* When an overall performance rating is desired for an intervention with multiple objectives or a series of interventions serving to a broader goal, weights will have to be assigned for achievement of those objectives. Each objective will be assigned a weight reflecting its relative importance and the weights should add up to one ( $\sum_{i=1}^N w_i = 1$ ). For technical assistance projects, such weights are expected to be included in the RBM framework.

16. *Aggregate over interventions to evaluate delivering entities.* Evaluations focus on the degree to which interventions achieved objectives according to the DAC criteria. Therefore, an evaluation of an entity such as a CAPTAC-DR would really be an evaluation of the extent to which all interventions of that specific entity achieved their objectives. Information from individual evaluations of interventions could then be aggregated into an overall performance assessment of the entities providing these interventions.

17. The Fund's RBM framework will be a primary source of data to evaluate the achievement of objectives and outcomes. However, for TA activities that started prior to May 1, 2016 the evaluator will not be able to use the RBM catalog. The evaluator is expected to collect complementary information with respect to the assessment of the counterfactual, five DAC criteria, and step 4 of the CEF through surveys, interviews, focus groups, other indicators, and Fund documents. The evaluation will draw on information from a range of sources, particularly IMF documents and data (Appendix); interviews with SC members, IMF representatives, country authorities, and development partners; and case studies. Each evaluation criterion should be assessed using at least two different information sources.

- **Document and data analysis:** Evaluators will be expected to analyze all relevant materials, including work plans, project/mission TORs, TA reports, SC minutes, and SC member comments in the context of written consultations. Financial information will also be provided.
- **Interviews:** Evaluators will conduct semi-structured interviews with country authorities, SC members, IMF representatives, and development partners. While all interviewees will be given the opportunity to comment across the full scope of the evaluation, interviews with country authorities are expected to cover in particular the appropriateness and responsiveness of CD provided by the Center and explore and document any specific results. Evaluators can propose to meet and interview those who served as counterparts when the CD was delivered and who may now be in other positions. Evaluators will also be expected to meet with staff from IMF TA and area departments and ICD in Washington.
- **Survey:** Evaluators should conduct a survey to consult a wider range of individuals in member countries and the SC. Potential partners as well as other CD providers should also be consulted. CVent is the Fund-approved online survey tool.

- **Case studies:** To provide deeper analysis and illustrate successes, challenges and gaps, evaluators will draw up case studies. Evaluators will propose a diverse and representative set of CD activities delivered for the case studies.

## **Timing and Deliverables**

### **Timing**

18. The evaluation is expected to begin in May 2017, and field work is expected to commence in September 2017, with the draft report disseminated to the SC by December 2017. Evaluators will be contracted for a maximum of 130 person-working days including travel during that period. The evaluation process will be carried out in three phases: a desk phase, a field phase, and a synthesis phase.

- **Desk Phase:** Within four weeks after signing the contract and before the field phase begins, evaluators will (i) conduct a desk review of documents; (ii) visit IMF HQ to interview staff in ICD, TA departments and WHD; conduct a VTC meeting with the Center Coordinator; and (iii) prepare an Inception Note, to be finalized in consultation with the ESC. Before embarking on the field phase, evaluators will hold a briefing for IMF staff. Total estimated work time: about 50 person-days.
- **Field Phase:** Evaluators will visit CAPTAC-DR and two or three member countries (one of which could be the center's host country). They will ensure adequate consultation with, and involvement of, a variety of stakeholders, including government authorities and agencies, and where relevant, development partner offices. This will take place through face-to-face interviews, survey, phone and email exchanges. CAPTAC-DR will cooperate in providing contact details, where requested, and will provide official documentation explaining its support for the evaluation that will help to ensure collaboration from member countries and other stakeholders. Total estimated work time: up to 30 person-days including travel.
- **Synthesis Phase:** This phase is devoted to drafting the report and any follow-up interviews. Evaluators will ensure that their assessment is objective and balanced and recommendations realistic, practical, implementable and prioritized. Evaluators will draft a report presenting the main findings, lessons learned, and recommendations, accompanied by a summary of the information gathered. After receiving IMF and SC comments on the draft, the evaluation team will finalize the report and present its findings at the April 2018 SC meeting. The final report with comments incorporated should be delivered by May 2018. Total estimated work time: up to 50 person-days, including the SC briefing and associated travel.

### **Deliverables**

19. The evaluation team will provide two deliverables in both English and Spanish: Inception note, the draft Evaluation Report, and the final Evaluation Report. The draft Inception Note will be disseminated to the ESC and the final version will be endorsed by the ESC. The draft Evaluation Report will be disseminated to the entire SC for comments. The ESC may request a VTC to discuss consolidated comments to the draft report. Finally, the

ESC or the SC may request a brief presentation of the main messages of the final Evaluation Report. Once discussed by the SC, the IMF will make the final Evaluation Report available on the CAPTAC-DR website.

20. The content and the format of the deliverables should be as follows:

- **Inception Note:** The Inception Note will set out the methodology for data collection and analysis, including criteria for selection of samples or case studies; draft interview and survey instruments; a detailed work plan for data collection; a list of potential interviewees; and an outline of the draft evaluation report. This note should not exceed 10 pages, excluding annexes.
- **Evaluation Report (draft and final).** The report should focus on presenting evidence and assessing whether the objectives of interventions were relevant and to what extent the interventions achieved their objectives effectively, with impact, efficiently, and sustainably. The report should describe the CD succinctly: listing major interventions and the channels through which they were expected to achieve outcomes.<sup>44</sup> To sharpen the focus, evaluation reports should have an executive summary (1-2 pages) and not exceed 25-30 pages (excluding annexes). Moreover, the report should clearly and concisely convey the evaluation recommendations and provide their evidence-based rationale and implications.<sup>45</sup> The report should contain no more than 10 recommendations and they should be prioritized, costed, sequenced, and internally consistent. The recommendations should be actionable (under the control of the IMF) and take the resource constraints duly into account.

21. Following is the evaluation suggested timeline, with the main deliverables.

Desk work, HQ visit, and draft Inception Note	May-Jul 2017
Fieldwork and preparation of Draft Evaluation Report	Sep-Nov 2017
Revised draft Evaluation Report sent to SC	Dec 2017
Presentation of Findings and Recommendations	Apr 2018
Final Evaluation Report	May 2018

**Evaluator Qualifications**

22. The external evaluation team should have proven expertise and experience in conducting evaluations. The evaluation team should also demonstrate the following qualifications:

- Extensive knowledge of the issues covered by IMF technical assistance, and expertise in the delivery and review of CD. The evaluation team should have members with

<sup>44</sup> The evaluation report should avoid giving too detailed and lengthy descriptions of the CD provided.

<sup>45</sup> In offering recommendations, the evaluator is expected to be mindful of the DAC criteria as a group rather than a la carte. Suggested interventions that improve some of the DAC criteria, (achieving effectiveness for example) but fail on others (efficiency, for example due to high costs) are not viable recommendations.



expertise in the CD areas covered by the center. Strong macroeconomic background, some experience in macroeconomic policy-making are desirable.

- Knowledge of the work of development partners in the region and their approaches.
  - Experience in the region and countries served by CAPTAC-DR.
- Familiarity with the OECD DAC criteria and the Paris/Accra/Busan principles.
  - Ability to work effectively in English and Spanish.

23. Evaluators are also expected to outline the quality controls they will put in place to ensure the quality of all deliverables. In particular, bidders should lay out in their proposals how they will ensure independence and manage risk of bias, use of a full range of data, etc.

## APPENDIX

### List of Documents to be Provided by the IMF:

The following documents will be publicly available:

- Program Document
- Work plans
- Annual reports
- Periodic newsletters
- Website, social media outreach
- RTAC Handbook

The following to be provided onsite or through a secure website:

- Minutes of Steering Committee meetings
- The list of TA activities and any associated RBM log frames
- Activity reports
- Annual budgets
- Project/mission TORs
- Project reports

## Annex 1. The Four Steps in the Proposed Common Evaluation Framework

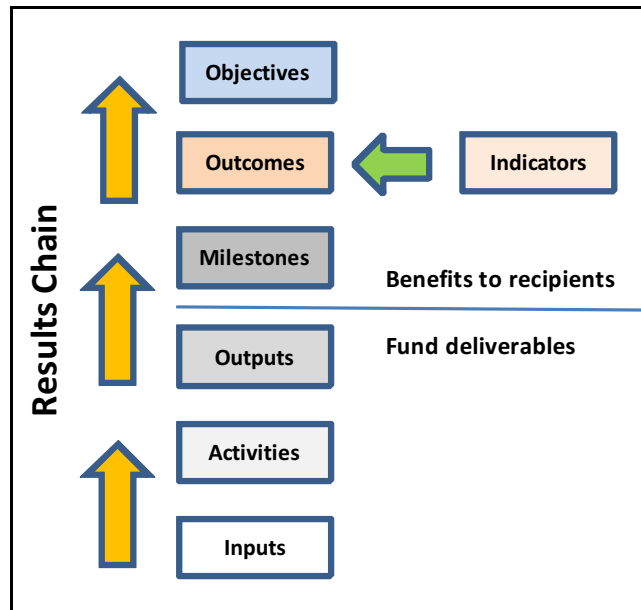
### STEP 1. The Causal Chain: Defining the Logical Framework from Input to Outcomes

The logical framework is a device for organizing the causal relationships linking CD activities to desired outcomes and objectives (also called a log frame or the results chain). A typical example of a log frame describes how *inputs* (e.g. financial and human resources) are translated into *activities* (e.g. missions, backstopping, delivering a training course) in order to produce the *outputs* (e.g., a TA report). It then describes what *outcomes* (i.e. the actual capacity improvements) are expected along with any *milestones* (interim steps) that will be completed en route, in order to meet the *objectives* of a specific CD activity. The term *interventions* is sometimes used to conveniently summarize all of the *inputs* and the *activities* of a CD activity.

Multiple activities may be required to achieve an outcome, and exogenous variables may also affect the likelihood of achieving the outcome. Furthermore, activities range from being helpful for achieving an outcome to being necessary and/or sufficient for achieving an outcome. All of this should be clarified, for example, in the terms of reference for the evaluation and made available to the evaluator(s) prior to the evaluations. For completeness, it would be helpful to explicitly state the ultimate objective for an activity even if achievement of these objectives will not be evaluated in all evaluations.

The results based management (RBM) catalog in CD-PORT contains log frames and thus will normally be the most appropriate source for the log frames for TA and training.

Figure 1. An Example of a Results Chain for CD Activities



## ***STEP 2. Describe the counterfactual***

The impact of a specific CD activity should be assessed against a counterfactual, i.e. what would most likely have occurred without the intervention, either quantitatively (preferred, where feasible) or qualitatively. This step simply asks the evaluator to describe the counterfactual explicitly.<sup>46</sup>

In the event of several “without-intervention” scenarios the evaluator should provide information about the likelihood of the major scenarios, since one must be selected for the impact assessment. Ideally, the evaluator would provide an informed assessment of the probabilities of such without-intervention scenarios while being candid about the degree to which he or she has confidence in such assessments. It is expected that this step will be based on a-priori reasoning, client interviews, and/or other evidence.

## ***STEP 3. Assessing Outcomes Using the OECD DAC Criteria***

The OECD DAC criteria, developed and endorsed by OECD members through the DAC, are a widely- accepted set of five criteria against which to assess public sector interventions. As such they constitute a convenient standard for assessing IMF CD activities, regardless of whether those activities were funded by IMF internal resources or using donor funds.

The five DAC criteria are relevance, effectiveness, impact, efficiency and sustainability. Before proceeding with definitions, it is important to explain how these criteria will be applied. The first step is to decompose the activity being evaluated into the interventions and the objectives. The art of evaluation consists partly in conceptualizing the interventions and objectives in a way that is broad enough to represent an important question but narrow enough to be precise. Any intervention with an objective can be evaluated. For training the intervention might be “teaching course X over a two-week period” and one of the objectives, “to increase learning by the participant by at least X percent”. For technical assistance an intervention might be “place a long term advisor in Ministry X” and the objective might be “to teach skills Y so that law X is adopted and implemented by date Z.”

The second step is to pose the following sequence of questions (in the case of two objectives and one intervention):

Was objective 1 relevant?

Did intervention 1 achieve objective 1:

- (a) Effectively?
- (b) With impact?
- (c) Efficiently?
- (d) Sustainably?

Then this sequence of questions is repeated for every intervention and objective. Since there are two interventions in this example, the second set of questions would be as follows:

Was objective 2 relevant?

Did intervention 1 achieve objective 2:

- (a) Effectively?
- (b) With impact?
- (c) Efficiently?
- (d) Sustainably?

---

<sup>46</sup> Note that a counterfactual is not the same as a baseline, which is a special case of a counterfactual in which the pre-intervention variables are unchanged. In fact, a counterfactual could be deterioration in the baseline circumstances.

When an overall performance rating is desired for an entity or a series of interventions with different objectives, weights will have to be assigned for achievement of those objectives. For technical assistance projects, such weights are expected to be included in the Results Based Management system. It is worth clarifying that this methodology, in which evaluations focus on the degree to which interventions achieved objectives, means that an evaluation of an entity such as a Regional Training Center (RTC) or a Regional Technical Assistance Center (RTAC) would really be an evaluation of the extent to which all interventions of that specific entity achieved their objectives. Information from individual evaluations of interventions could then be aggregated into an overall performance assessment of the entities providing these interventions.

Definition of the DAC criteria:

It is important to maintain a common understanding of what the DAC criteria mean and what kinds of questions are appropriate for each. Table 1 lists each of the five DAC criteria, and provides definitions and examples of typical evaluation questions that might be asked under each category. These definitions of the DAC criteria should be specified in the Terms of Reference (ToR) to guide the evaluation.

**Table1. Common Definitions for the OECD-DAC Criteria and Example Questions for CAPTAC Mid-term Evaluation**

DAC Criteria	Example Evaluation Questions
<p><i>Relevance</i></p> <p>The extent to which CD activities (TA or training) served important objectives. Alternatively, an assessment of the importance of the objectives pursued.</p>	<ul style="list-style-type: none"> <li>• How high did the national authorities rank the objectives of the CD activity on their list of priorities (scale 1-10)?</li> <li>• Provide your own assessment of the importance of these objectives and support with evidence (if your assessment is that the CD activity was low priority, provide examples of higher-value alternatives). For instance, to what extent are the objectives pursued by CAPTAC-DR activities critical in enhancing the effectiveness of economic policy and financial management in member countries?</li> <li>• To what extent were the objectives of the CD activity derived from capacity gaps identified by others (e.g. national authorities, country teams) or international standards?</li> <li>• To what extent did the objectives of the CD activity come from surveillance or program priorities for the country?</li> <li>• To what extent are the objectives pursued by CAPTAC-DR activities aligned with national reform priorities and regional integration objectives?</li> </ul>
<p><i>Effectiveness</i></p> <p>The extent to which CD activities attained their objectives. (This is not necessarily an assessment against a counterfactual.)</p>	<ul style="list-style-type: none"> <li>• To what extent were the objectives of the CD activity achieved or are likely to be achieved?</li> <li>• What progress has been achieved against the objectives CAPTAC CD activities as listed in the results-based management framework?</li> </ul>
<p><i>Impact</i></p> <p>Measures the positive and negative changes brought about by CD activity, compared to the counterfactual. The impacts can be direct or indirect, intended or unintended. (The relevant counterfactual is what <i>most likely</i> would have happened in the absence of the CD activity.)</p>	<ul style="list-style-type: none"> <li>• List all changes that can be attributed to the CD activity, whether intended or not, compared to the counterfactual you believe would have been most likely.</li> <li>• Provide quantitative estimates of these impacts, if possible. Qualitative assessments may also be useful.</li> </ul>

<p><i>Efficiency</i></p> <p>Measures the monetary value of the outcomes or benefits of CD activities compared to the monetary value of the inputs or costs incurred to achieve them. (The <i>impact</i> assessment should inform the efficiency assessment)</p>	<ul style="list-style-type: none"> <li>• Provide estimates of the costs of the CD activity, to the fullest extent possible (including overhead cost).</li> <li>• In light of what was concluded above under impacts, estimate the value of those impacts and compare them to the costs incurred, if possible.</li> <li>• Provide estimates of the costs of alternative ways of delivering the CD activity, if possible.</li> <li>• If no estimates can be provided for monetary value of impacts, assess the extent to which CD activity delivered is minimum cost, as assessed by: <ul style="list-style-type: none"> <li>○ Comparison of costs with other similar CD activity, or</li> <li>○ Examination of the process and implementation, including timelines in executing the work plan, follow-up on CD delivered, evidence of excessive staff turnover, unnecessary delays, inefficient organization etc.</li> </ul> </li> </ul>
<p><i>Sustainability</i></p> <p>Measures the extent to which the outcomes or benefits achieved by the CD activity are likely to continue or last.</p>	<ul style="list-style-type: none"> <li>• Assess the degree to which the transfer of knowledge is likely to be further disseminated</li> <li>• Assess the extent to which the skills and knowledge gained will be retained and not forgotten. (Related question, extent to which skills will be used on job).</li> <li>• What factors are likely to affect future sustainability of CD delivered by CAPTAC-DR?</li> <li>• Assess the degree to which the development and implementation of legislative frameworks, regulations, and institutional structures and mechanisms are likely to last (i.e. the introduction of Treasury Single Accounts; implementation of VAT regimes; development of central bank laws; harmonization of financial sector regulations; and adaptation of international data compilation and dissemination standards).</li> </ul>

#### ***Step 4. Results and Alternatives***

This final step provides scope to examine two questions: (i) why achievement of the DAC criteria was low/high, what factors explain it; and (ii) whether alternative interventions would have provided better results.

In case of low ratings in any of the DAC criteria, what factors explain the poor results? A list of explanatory factors might include:

- Original rationale for the intervention was poor
- Delivery or execution was below standard
- Background conditions required for success were not sufficiently in place
- Unforeseen exogenous factors changed and undermined the success of the project
- The CD activity was not comprehensive enough (i.e. training was required to complement the TA but was not delivered, or vice-versa)
- Other non-CD interventions were required to achieve the objective but were not attempted or accomplished
- The CD activity was not sufficiently tailored to the absorptive capacity of the recipient

In case of high ratings in any of the DAC criteria, what worked well? Potential factors might include:

- The intervention was based on a sound diagnosis of the key problem
- Mode of delivery was innovative
- Background conditions required for success were implemented simultaneously

- TA was supported with a strong training component as a comprehensive package of CD
- Unforeseen exogenous factors were favorable to the success of the project

The purpose of the second question on whether alternative interventions would have provided better results is to provide scope for the evaluator to share useful information or observations acquired during the evaluation. When suggesting alternative interventions that may achieve better results, the evaluator is expected to describe the reasoning and the supporting evidence. Some key questions for CAPTAC CD activities are the following:

- What types of interventions are having the biggest impacts and in which sectors/areas? Where is TA having the least traction and why?
- Would alternative interventions have provided better results (higher impact at the same or lower cost)?
- To what extent have external factors affected the impact of CAPTAC-DR activities (such as changes in basic policy environments, general economic and financial conditions, political instability, the Ebola epidemic, natural disasters, presence of IMF programs or budget support, etc.)? How has the center responded?

When offering recommendations, the evaluator is expected to be mindful of the DAC questions as a group rather than a la carte. Suggested interventions that improve some of the DAC criteria, (achieving effectiveness for example) but fail on others (failing efficiency for example, due to high costs) are not viable recommendations.

## Annex 2 Detailed Evaluation Matrix

Evaluation Questions	Judgement Criteria/ Potential Indicators	Sources of Evidence
<b>Performance of CAPTAC-DR Capacity Development (CD) programmes</b>		
<p><b>EQ1 Relevance</b>  <i>To what extent have CAPTAC-DR's CD activities served important objectives, of strategic significance for economic policy and/or financial management and of high priority for the beneficiary countries?</i>                      [To be rated on 1-4 scale.]</p>	<ul style="list-style-type: none"> <li>Objectives consistent with declared national reform priorities</li> <li>Objectives consistent with strategic priorities identified in IMF surveillance work (Article IV &amp; other WHD reports)</li> <li>Objectives consistent with capacity gaps identified in diagnostic reports by Authorities, independent studies (e.g. PEFA) and FAD/ MCM/ STA.</li> <li>Beneficiaries assess objectives as high national priorities.</li> <li>Objectives are aligned with regional integration objectives (according to Stg Committee members &amp; CAPTAC-DR team)</li> <li>Resource allocation analysis shows customisation of country allocations by year/ thematic area to reflect national differences in priorities.</li> <li>Evaluators' assessments of relevance of CAPTAC-DR CD, relative to needs identified in Case Studies.</li> </ul>	<ul style="list-style-type: none"> <li>Beneficiaries' Survey</li> <li>Stg Committee Survey</li> <li>Resource allocation analysis</li> <li>CAPTAC/ HQ interviews</li> <li>Case studies</li> </ul>
<p><b>EQ.2 Effectiveness</b>  <i>To what extent have CAPTAC-DR's CD activities attained their stated objectives, in terms of the immediate outputs and milestones specified in the programme documents?</i>                      [To be rated on 1-4 scale.]</p>	<ul style="list-style-type: none"> <li>Percentage of output and milestone targets achieved within CAPTAC-DR portfolio, broken down by thematic area &amp; year (where relevant)</li> <li>Assessment within case studies of immediate outputs and milestones achieved or likely to be achieved</li> <li>Judgement of Beneficiaries regarding effectiveness of CAPTAC-DR CD activities.</li> </ul>	<ul style="list-style-type: none"> <li>Resource allocation analysis</li> <li>Case studies</li> <li>Beneficiaries' Survey</li> </ul>
<p><b>EQ.3 Impact</b>  <i>To what extent have CAPTAC-DR's CD activities been successful in generating the desired outcomes in beneficiary countries, relative to the outcomes that would have been generated without that CD support?</i>                      [To be rated on 1-4 scale.]</p>	<ul style="list-style-type: none"> <li>Listing within each Case Study of intended &amp; unintended changes in outcomes attributable to CD activities (identified through Contribution Analysis) relative to outcomes likely in absence of CD support</li> <li>Contrasting of evaluators' hypotheses on attribution (from Case Studies) with views of CAPTAC-DR Coordinator and Resident Advisors</li> <li>Beneficiaries' perceptions of extent to which desired outcomes are being generated by CAPTAC-DR CD activities</li> <li>Identification of probable enabling/ hindering factors in Beneficiaries' survey and in Case studies.</li> </ul>	<ul style="list-style-type: none"> <li>Case studies</li> <li>Beneficiaries' Survey</li> <li>CAPTAC/ HQ interviews</li> </ul>
<p><b>EQ.4 Efficiency</b>  <i>To what extent has CAPTAC-DR been able to deliver CD activities cost-efficiently both in relation to the</i></p>	<ul style="list-style-type: none"> <li>Estimation of costs of CAPTAC-DR delivery of CD, in relation to costs of alternative providers, notably IMF HQ (via FAD, MCM &amp; STA) and, if possible, other Development Partners.</li> </ul>	<ul style="list-style-type: none"> <li>Programme Spending analysis</li> <li>Case studies</li> </ul>

Evaluation Questions	Judgement Criteria/ Potential Indicators	Sources of Evidence
<p><i>value of the benefits and the costs of alternative systems of CD provision?</i> [To be rated on 1-4 scale.]</p>	<ul style="list-style-type: none"> <li>• Within case studies, comparison of estimated costs with perceived value of benefits (perceived by beneficiaries and by evaluator)</li> <li>• Within case studies, evaluators' assessment of efficiency of process of CD delivery (analysis of timelines, delays, coordination, etc.)</li> <li>• Beneficiaries' perception of relative efficiency of CAPTAC-DR, in relation to benefits and in relation to other providers</li> <li>• Analysis of simple efficiency ratios within CAPTAC-DR expenditure (budget execution ratios, ratio of CD delivery cost to administrative/ management costs, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>• Beneficiaries' Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul>
<p><b>EQ.5 Sustainability</b> <i>To what extent are the outcomes and related benefits of CAPTAC-DR CD activities likely to be preserved over the medium to long term?</i> [To be rated on 1-4 scale.]</p>	<ul style="list-style-type: none"> <li>• Within case studies, assessment of likelihood of achieved outcomes and benefits being sustained and of skills and knowledge gained being retained, used and disseminated where appropriate</li> <li>• Beneficiaries' and Stg Committee members' perceptions of extent to which CAPTAC-DR related outcomes are sustained</li> <li>• Identification of probable factors enabling/ hindering sustainability (in Beneficiaries' and Stg Committee surveys and in Case studies)</li> <li>• Contrasting of hypotheses on sustainability with CAPTAC-DR Coordinator and resident advisors.</li> </ul>	<ul style="list-style-type: none"> <li>• Case studies</li> <li>• Beneficiaries' Survey</li> <li>• Steering Committee Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul>
<b>Operational and Cross-cutting issues, relating to overall management of CAPTAC-DR</b>		
<p><b>EQ.6 Steering Committee</b> <i>Does the Steering Committee provide effective governance over CAPTAC-DR, in terms of strategic direction and oversight as well as the promotion of member country ownership of CAPTAC-DR activities?</i></p>	<ul style="list-style-type: none"> <li>• Beneficiaries' perceptions on country ownership of CAPTAC-DR programme and of relative effectiveness of Stg Cmte. in promoting ownership and good governance</li> <li>• Steering Committee members' perception of their relative effectiveness</li> <li>• CAPTAC-DR perceptions of relative effectiveness of Stg Cmte.</li> <li>• Evaluators' perceptions of scope and influence of Stg. Com, based on review of minutes of annual meetings.</li> </ul>	<ul style="list-style-type: none"> <li>• Beneficiaries' Survey</li> <li>• Steering Committee Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul>
<p><b>EQ.7 Retention of institutional memory within CAPTAC-DR</b> <i>To what degree do the Centre's knowledge management systems and institutional set-up allow for retention of institutional memory?</i></p>	<ul style="list-style-type: none"> <li>• Average staff turnover for Coordinator, Resident Advisors and Administrative staff of CAPTAC-DR FY2015 – FY 2017 (if possible compared to data from 2013 evaluation &amp; other RTAC evaluations.)</li> <li>• Average turnover of Steering Committee members.</li> <li>• Steering Committee perceptions on quality of retention of institutional memory</li> <li>• Evaluators' perceptions on quality of knowledge management systems</li> </ul>	<ul style="list-style-type: none"> <li>• Programme Spending analysis (staff turnover)</li> <li>• Steering Committee Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul>



Evaluation Questions	Judgement Criteria/ Potential Indicators	Sources of Evidence
	<ul style="list-style-type: none"> <li>• CAPTAC-DR perceptions on strengths and weakness of knowledge management systems &amp; retention of institutional memory.</li> </ul>	
<p><b>EQ.8 Use of Regional &amp; Local expertise</b>  <i>Has the Centre contributed effectively to the creation of a robust network of local experts in the region, by systematically identifying and optimising the use of local and regional expertise?</i></p>	<ul style="list-style-type: none"> <li>• Use of local/regional expertise as percentage of overall outlays on long-term and short term experts (LTX &amp; STX)</li> <li>• Quality of CAPTAC-DR systems for identifying local/regional experts and promoting their use</li> <li>• Beneficiaries and Stg Com perception on extent to which use of local/regional experts has been optimised.</li> <li>• Perceptions of factors enabling/ hindering use of local experts (perceptions of beneficiaries, Stg Com and CAPTAC-DR).</li> </ul>	<ul style="list-style-type: none"> <li>• Programme Spending analysis</li> <li>• Beneficiaries' Survey</li> <li>• Steering Committee Survey</li> <li>• CAPTAC/ HQ interviews</li> </ul>
<p><b>EQ.9 Coordination with Development Partners</b>  <i>To what extent are CAPTAC-DR activities effectively coordinated with the work of the Development Partners operating in the same sectors?</i></p>	<ul style="list-style-type: none"> <li>• Examination of CAPTAC-DR systems and procedures for coordinating with other DPs (CAPTAC-DR interviews)</li> <li>• Evidence of quality of coordination with DPs identified during case studies</li> <li>• Perceptions of Stg Com and beneficiaries on quality of DP coordination</li> <li>• Perceptions of factors enabling/ hindering effective DP coordination (perceptions of beneficiaries, Stg Com and CAPTAC-DR).</li> </ul>	<ul style="list-style-type: none"> <li>• Beneficiaries' Survey</li> <li>• Steering Committee Survey</li> <li>• CAPTAC/ HQ interviews</li> <li>• Case studies</li> </ul>
<p><b>EQ.10 Response to exogenous events (Risk management)</b>  <i>Have there been exogenous events which hindered the achievement of CAPTAC-DR objectives and, if so, has the response of CAPTAC-DR been adequate?</i></p>	<ul style="list-style-type: none"> <li>• Evidence of effectiveness of CAPTAC-DR response to exogenous events identified during case studies</li> <li>• Perceptions of Stg Com and beneficiaries on quality of CAPTAC-DR response to exogenous events</li> <li>• Perceptions of factors enabling/ hindering effective response to exogenous events (perceptions of beneficiaries, Stg Com and CAPTAC-DR).</li> </ul>	<ul style="list-style-type: none"> <li>• Steering Committee Survey</li> <li>• CAPTAC/ HQ interviews</li> <li>• Case studies</li> </ul>
<p><b>EQ.11 Attention to gender, climate change &amp; financial inclusion</b>  <i>To what extent and when relevant to the core expertise of the Fund, have gender, climate change and financial inclusion dimensions been taken into account in the programme/ design of CD services?</i></p>	<ul style="list-style-type: none"> <li>• Perceptions of Stg Com regarding attention to gender, climate and financial inclusion</li> <li>• Evidence from case studies of examples of addressing/ not addressing these factors, when relevant</li> <li>• Review of CAPTAC-DR systems for ensuring such factors are addressed, when relevant (CAPTAC-DR interviews).</li> </ul>	<ul style="list-style-type: none"> <li>• Steering Committee Survey</li> <li>• CAPTAC/ HQ interviews</li> <li>• Case studies</li> </ul>

