

Proposal for the content of the DEM tutorial

In August of 2008 the Board of Directors of the IDB approved the [Development Effectiveness Framework](#) (DEF), in order to increase the **evaluability** of the Bank's development products, in compliance with international standards for the evaluation of **development interventions** defined by the OECD-DAC *Evaluation Cooperation Group*.

The DEF defines three main instruments for measuring the evaluability of sovereign guaranteed operations: the development effectiveness matrix (DEM) at entry, the Project Monitoring Report (PMR) at implementation and the Project Completion Report (PCR) at exit.

The Development Effectiveness Matrix (DEM) is a checklist of analytical and informational requirements that assigns partial scores to seven dimensions of each operation. Therefore, there is not a total score for the matrix or a project score. Ten (10) is the maximum score in each section but Section I includes extra points for projects in Caribbean countries and SWAP projects.

The DEM is not an evaluation of the achievements of project's objectives and goals; nor is it an evaluation of the project management team or team leader.

1. IDB Strategic Development Objectives

Is the project relatively important vis-à-vis IDB's strategic objectives?

2. Country Strategy Development Objectives

Does the project contribute to IDB's Country level development Objectives?

3. Program Logic

Does the project have sound analytical underpinnings of its theory of change? Does it have metrics for measuring each hypothesis?

4. Evaluation & Monitoring

Does the project have specific methodologies and metrics for monitoring and evaluating change?

5. Economic Performance

Is there a Cost Benefit or Cost Efficiency Analysis of the proposed solution?

6. Risk Management

Have the risks of the operation been identified? If so, the project has metrics for monitoring the implementation of mitigation measures?

7. Additionality

Does the project generate indirect positive improvements in management standards to the public sector entity?

The EXCEL file that contents the DEM has two work sheets; the first one is the summary of the DEM, and the second one is the DEM questionnaire. The summary is filled automatically, on the basis of the information that you will complete in the DEM

questionnaire. **Therefore, you will only complete the second worksheet of the file, which is labeled as “DEM questionnaire.”**

Development intervention: An instrument for partner (donor and non-donor) support aimed at promoting development. Examples are policy advice, projects, programs.

Effectiveness: the extent to which the development Intervention’s objectives were achieved, or are expected to be achieved, taking into account their relative importance.

Evaluability: the extent to which a development intervention can be evaluated in a reliable and credible fashion. Evaluability is considered vital to an effective results-focus for integrated project management.

1. IDB Strategic Development Objectives (PP STAGE)

This section maps the program characteristics vis-à-vis the Bank’s current priorities. The score measures alignment between the operation and these priorities. A low score does not imply a deficiency or low quality of the specific operation; simply that it does not match the Bank’s recent priorities; it may match identified country priorities (identified in the second dimension of the DEM)

Country diversification

The Eighth Capital Replenishment of the Bank indicates that a minimum of 35% of the lending volume be allocated to the C and D countries.

Target 1: Country Group

C&D countries

The answer is “**YES**” if the project is for one of these countries:

C: Bahamas, Barbados, Costa Rica, Jamaica, Panama, Suriname, Trinidad & Tobago, or Uruguay:

D: Belize, Bolivia, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Nicaragua or Paraguay. Otherwise, the answer is “**NO**”.

A&B countries

The answer is ‘**YES**’ if the project is for one of these countries:

A: Argentina, Brazil, Mexico or Venezuela:

B: Chile, Colombia or Peru; otherwise, the answer is ‘**NO**’.

Target 2: Sub-region C&D

Caribbean

The answer is ‘**YES**’ if the project is for one of these countries: Bahamas, Barbados, Jamaica, Trinidad & Tobago, Dominican Republic, Guyana, Suriname, or Haiti; otherwise, the answer is ‘**NO**’.

It should be noted that the DEM assigns additional points to projects from the Caribbean because the Bank is seeking an improved distribution of its interventions among its borrowing member countries.

Central America

The answer is “**YES**” if the project is for one of these countries: Costa Rica, Panama, Belize, El Salvador, Guatemala, Honduras or Nicaragua; otherwise, the answer is “**NO**”.

South America

The answer is “YES” if the project is for one of these countries: Uruguay, Bolivia, Ecuador, or Paraguay; otherwise, the answer is “NO”.

Corporate Initiatives

The document of the [Realignment of the Bank](#) stipulates that the following strategic areas of emphasis for the Bank’s operations:

Target 1: Thematic emphasis

Water and Sanitation

The answer is “YES” if the project is part of the Water and Sanitation Initiative; otherwise, the answer is “NO”.

The **Water and Sanitation Initiative** is to support the LAC region to close the coverage gap in water and sanitation services in the near future. Between 2007 and 2011 the initiative will emphasize four programs:

- 100 Cities Program**
- Water for 3,000 Rural Communities**
- Water Defenders**
- Efficient and Transparent Utilities**

<http://www.iadb.org/topics/water/waterinitiative>

Infrastructure

The answer is “YES” if the project promotes investment in better infrastructure, in areas that include energy, transport, water and sanitation, rural development, environment, urban infrastructure, among others. Otherwise, the answer is “NO”.

Sustainable Energy and Climate Change Initiative (SECCI)

The answer is “YES” if the project pertains to the SECCI Initiative; otherwise, the answer is “NO”.

The **Sustainable Energy and Climate Change Initiative** seeks to support the LAC region in its urgent challenge to find economically and environmentally sound energy options. Its core objectives are to expand the development and use of renewable energy sources, energy efficiency technologies and practices, and carbon finance in the region, as well as to promote and finance climate change adaptation strategies that reduce the regions climate vulnerability.

<http://www.iadb.org/secci/?language=English>

Education & Innovation

The answer is ‘YES’ if the project: increases investments in education for basic literacy and comprehensive evaluations, job skills, and/or quality control for distance education; increases investments to improve quality and expand secondary and tertiary education coverage, and/or increases the scientific, mathematical, and technological knowledge of persons entering the labor force. Likewise, this priority area supports regional development of science and technology; otherwise, the answer is ‘NO’.

Opportunities for the Majority (OM)

The answer is 'YES' if the project pertains to the Opportunities for the Majority Initiative; otherwise, the answer is 'NO'.

The **Opportunities for the Majority Initiative** promotes and finances market-based, sustainable business models that engage private sector companies, local governments and communities in the development and delivery of quality products and services for the majority of the population of Latin America and the Caribbean. Its purpose is to improve the quality of life of low-income communities.

<http://www.iadb.org/om>

Harmonization and Alignment

This section analyzes the operation vis a vis the international development community's harmonization and alignment efforts.

Harmonization is the commitment by donors to rationalize their multiple (and often uncoordinated) activities in ways that maximize their collective effectiveness, while ensuring country ownership.

Alignment is the commitment made by donors to base development assistance on partner countries' national strategies, institutions and processes.

Target 1: Operational Instrument

SWAP

The answer is 'YES' if the project is a **SWAP** (Sector-Wide Approach), otherwise, the answer is 'NO'.

SWAP (Sector-Wide Approach): Is an approach by which all development partners, involved in a given sector collaborate to support a single government-led sector policy and expenditure program, adopting common approaches across the sector, and progressing towards reliance on government procedures to disburse and account for all funds. This development program is agreed upon between the government and all other agencies participating in the financing of the sector. The financing of the sectoral program is shared between the parties and the development program and participation levels are reviewed and adjusted annually. A SWAP supports both the harmonization objective as well as the alignment objective. For this reason the DEM assigns additional points to SWAP operations.

PDL

The answer is 'YES' if the project is a **PDL** (Performance-Driven Loan), otherwise, the answer is 'NO'.

PDL (Performance-Driven Loan): Is an Investment Loan that disburses once the project or program's actual developmental results or outcomes are achieved and the Bank has verified the expenditures incurred by the Borrower to reach the outcomes. During project preparation, the projects expected outcomes are clearly defined and outcome indicators selected to track each outcome. A schedule of targets for the selected outcome indicators is agreed upon between the Bank and the Borrower, and is included in the

loan contract. To confirm that agreed-upon targets have been met and disbursements may be released, outcome indicators need to be adequately tracked during project execution. A PDL is, by its nature, results-focused and supports the Alignment objective.

Target 2: Use of country systems in public sector executing entity

Financial Management Systems

The answer is '**YES**' if the project relies on the use of the financial management system of the country, otherwise, the answer is '**NO**'.

Financial Management: Comprises the legal framework, organizational structures, procedures, and information systems used by country entities and statutory bodies for managing public finances. Such systems include planning and budget management, treasury and country public debt, accounting and financial reporting, and internal and external control.

Procurement Systems

The answer is '**YES**' if the project relies on the use of the procurement system of the country, otherwise, the answer is '**NO**'.

Procurement: Are **publicly administered** and includes all policies, procedures, instruments, controls, and organizational structures -both public and private- for the provision of goods, works and services needed for a country's welfare and development. Effective country procurement systems need to address the basic principles of efficiency, transparency, economy, and due diligence.

Publicly administered: systems administered by public sector entities.

Monitoring & Evaluation Systems

The answer is '**YES**' if the project implies the use of the monitoring & evaluation system of the country, otherwise, the answer is '**NO**'.

Monitoring & Evaluation Systems: Are used to measure the quantity, quality, and targeting of the goods and services provided by the state and the results achieved. Monitoring and evaluation systems add value to governments by providing access to facts and evidence that support public decision-making and results-based management.

Environmental Management Systems

The answer is '**YES**' if the project implies the use of the environmental management system of the country, otherwise, the answer is '**NO**'.

Environmental Management Systems: The sum of activities related to identification and analysis of project-related environmental and social impacts and risks, and to design, authorization, implementation, supervision and evaluation of mitigation measures has been done as part of the environmental and social risk management.

NOTE: Environmental management systems also identify social risk.

Beneficiary Target Population

One of the Bank's strategic objectives is to promote poverty reduction and reduction in inequality. The indicators in this section track various approaches to that objective.

Target 1: **Poverty-Targeted Investment**

The options in this subsection are mutually exclusive. Reply “yes” to no more than one of the options in this subsection.

Sector automatic

The following sectors are considered to comply automatically with the objectives of reduction of poverty and inequality. Pre-School, Primary Education, Early Childhood Development, Social Programs for At Risk Children and Adolescents, Primary Health Care, Nutrition, Urban Development of Marginalized Areas, Small-holder Agricultural Production, Microenterprises, Social Investment Funds and Emergency Employment Operations; if the project pertains to one of these sectors, reply “yes”; otherwise, the answer is ‘**NO**’.

Geographic

The answer is ‘**YES**’ if the project benefits are targeted to regions, cities, neighborhoods, or areas identified as poor within each country; otherwise, the answer is ‘**NO**’.

Note: There is no pre-defined cut-off point for the application of this criterion. Proxy income measures such as unsatisfied basic needs, below-country-average social indicators, or other household characteristics that are strongly correlated with poverty may be used to classify such areas. Project teams must justify on a case-by-case basis how the targeting mechanism used is expected to effectively target resources to the poor. given the specific characteristics of the operation, Generally, if the indicators are below the country averages, the project will classify as PTI.

Head count

The answer is ‘**YES**’ when more than 50% of the potential beneficiaries of the operation are likely to be poor according to the nationally-defined selected PTI poverty line for each country. If headcount classification is used, then the calculation needs to be included as part of the project document, if there is not evidence that more than 50% of beneficiaries fall into this category, the answer is ‘**NO**’.

Target 2: Social Equity

Any operation with any “yes” response in Target 1 will also have “yes” response in Target 2.

Also, the answer will be ‘**YES**’ for operations in all social sectors (health, education, sanitation, nutrition and housing solutions), or operations in non-social sectors that are expected to have significant impact on poverty reduction and equity enhancement, regardless of their Poverty Targeted Investment (PTI) status, plus any other Bank operation that qualifies as PTI; otherwise, the answer is ‘**NO**’.

This classification may apply to any type of loans other than emergency loans.

2. Country Strategy Development Objectives (PP stage)

This section maps this particular program to the Bank’s Country Strategy priorities for that country. The development of this program is an output in the Country Strategy Results Matrix and thus, the results of the program should be accounted for, as country level results. The program’s objective or outcome should be linked to the Bank’s Country Strategy (CS) Results Matrix that identifies results or outcomes for the sector.

Country Strategy Sector Diagnosis

This subsection analyzes if there is a diagnostic that justifies the intervention in the country sector.

Is there a diagnosis of the relative importance of different factors that impede greater development of the sector?

The answer is **'YES'** if the country strategy analyzes and identifies weaknesses in the sector that makes certain interventions relevant; the diagnostic has to be updated and provides empirical evidence of the problem to be resolved; otherwise, the answer is **'NO'**.

Is the diagnosis empirically sustained?

The answer is **'YES'** if there is empirical evidence that supports the diagnosis results; otherwise, the answer is **'NO'**.

Provide document identification for above diagnosis

Provide the IDBdoc number or other reference (this reference could be the country strategy, or sector studies papers that are referred to the country strategy and developed in coordination with the country partner institution), and answer **'YES'**. If there is no such document, the answer is **'NO'**.

Are the development priorities in the sector identified in the country strategy?

The answer is **'YES'** if the country strategy defines the priorities in the sector to be supported; otherwise, the answer is **'NO'**.

Country Strategy Sector objective and indicator

This subsection identifies the objective and indicator of the Country Strategy Sector to which the project is related.

Objective:

In the "information & references cell", specify the country strategy sector objective, and answer **'YES'** if you provide this information; otherwise, answer is **'NO'**.

Indicator:

In the "information & references cell", specify the country strategy indicator, and answer **'YES'** if you provide this information; otherwise, the answer is **'NO'**.

Link (provide a results chain) program outcome to CS objective (see impact below)

Fill in the "information & references cell" with the results chain of the program outcome to the country strategy objective, and answer **'YES'** if you provide this information; otherwise, the answer is **'NO'**.

Results chain specifies the expected causal sequence for a development intervention. It stipulates the hypothesis that links the inputs and activities with expected outputs, and culmination in outcomes, and impacts.

If CS objective or indicator not available explain why this project is relevant to country development challenges? If the answer to "Objective" and "Indicator" are "No", fill in the "information & references cell" with the justification that supports the relevance of this

project to the country strategy and answer ‘YES’ if you provide this information. Otherwise, the answer is ‘NO’.

3. Program Logic (PP & POD stage)

This section gauges not only our level of knowledge of the factors identified as part of the problem; to be addressed, and the interactions among them. It also calibrates our knowledge about the effectiveness of the proposed solutions. To satisfactorily comply with standards, **empirical evidence** must be brought to bear on both parts for this section: i) the diagnosis and ii) the proposed solution (program or treatment).

The diagnosis provides an empirical analysis to identify and measure the problem that the project addresses. The diagnosis goes beyond the description of the problem, and it includes analytical work to understand the causes/determinants/mechanisms of the problem. The identification of the **relationships and interactions among determinants** is crucial to the construction of a program logic.. The presence of these relationships is what differentiates a “description of problems” from a diagnosis, which should provide a “solvable” explanation of the problem.

The diagnosis presents alternative hypotheses based on existing **empirical evidence**, and it either shows data favoring one of the hypothesis, or it spells out what the plausible alternative hypotheses are and their implications for the logic of the operation.

All diagnoses incorporate, implicitly or explicitly, the key elements of a desired future situation (the current reality is contrasted to that situation), what level of deficiency may be tolerated in the future, or what is inadmissible because it implies the continuity of the problem being diagnosed. Thus, a byproduct of a complete diagnosis is a definition of indicators and a baseline measure of them. The diagnosis will also provide a sensible range of targets for such indicators, thus setting realistic expectations for the results of the program.

Program Diagnosis

This subsection analyzes whether the diagnostic is current and has clearly identified the characteristics of the problem to be addressed and its empirical evidence.

Is the main problem to be solved clearly identified?

The answer is ‘YES’ if the main problem has been clearly and rigorously identified; otherwise, the answer is ‘NO’.

Does the diagnosis present the specific country characteristics for the problem in the sector?

The answer is ‘YES’ if the specific country characteristics (related to the problem’s sector) have been identified in the diagnostic of the problem; otherwise, the answer is ‘NO’.

Is empirical evidence of the problem provided?

The answer is ‘YES’ if the project profile provides empirical evidence of the problem, supported by qualitative and quantitative data; otherwise, the answer is ‘NO’.

Are the main factors contributing to the problem clearly identified? List main factors

Fill in the “information & references cell” with the main causes and effects of the problem, and answer ‘YES’ if you provide the information; otherwise, the answer is ‘NO’.

Are magnitudes of deficiencies provided for each factor?

The answer is **'YES'** if the project profile provides data that document the magnitude of the main causes and effects described in the previous item; otherwise, the answer is **'NO'**.

Are the interrelationships among factors clearly spelled out?

The answer is **'YES'** if the project profiles clearly explain the logic of the interrelations among factors (causes and effects); otherwise, the answer is **'NO'**.

Proposed Solutions (@ PP)

This subsection analyzes whether the project has taken into consideration lessons learned and possible alternative solutions.

Are relevant lessons learned from previous similar interventions in this country or other country (PCRs or other evaluation document) taken into consideration?

The answer is **'YES'** if relevant information regarding lessons learned have been taken into consideration for the project's design, and are explicitly mentioned in the document; otherwise, the answer is **'NO'**. Please note that an affirmative response indicates that the profile cites specific lessons learned from other specific interventions (whether they be Bank-supported or not.)

Given country context, is one or more alternative solutions being considered?

The answer is **'YES'** if alternative solutions for the problem have been taken into account, otherwise, the answer is **'NO'**.

Will cost-effectiveness or cost-benefit models be calculated to differentiate alternatives?

The answer is **'YES'** if the project has evaluated different possible alternatives using the cost-effectiveness or cost-benefit methodologies; otherwise, the answer is **'NO'**.

Proposed Solutions (@ POD)

This subsection identifies empirical evidence of the proposed intervention's effectiveness and its magnitude.

Is empirical evidence provided as the effectiveness of the intervention proposed based on experience in other settings, or previous experience in the same setting?

The answer is **'YES'** if there is empirical evidence (updated information and quantitative data) of the intervention effectiveness; otherwise, the answer is **'NO'**.

Is the dimension of proposed solution related to the magnitudes of the problem?

The answer is **'YES'** if the scope of the intervention has been determined by relating it to the magnitude of the problem; otherwise, the answer is **'NO'**.

Results Matrix Quality

The section evaluates the quality of the results matrix.

Area 1: Impact of the program

The desired medium - or long-term impacts should be stated in the POD and are clearly related to the country strategy objectives for that sector or area of intervention. In fact, the impact of the program usually is the same as the stated sector objective for a country strategy result matrix.

A single project may generally not be the sole means for attaining the general objective; it may only contribute towards the general objective indirectly. Several other country and/or sector programs are needed to support the achievement of the general objective or desired impact. They are specified as an expected, verifiable achievement that is expected as a medium- or long-term result of the intervention. i.e. Breaking the intergenerational cycle of poverty for program beneficiaries is a general objective of cash transfer programs. Lower incidence of diseases due to full access to potable water is an impact of water & sanitation projects. Greater competitiveness of Pymes due to reduced time or costs in opening a business.

The answer is 'YES' if the expected impact of the project is clearly defined and is clearly related to the country strategy objectives for that sector or area of intervention; otherwise, the answer is 'NO'.

Impact of the Project: Positive and negative, primary and secondary long-term effects produced by a development intervention, directly or indirectly, intended or unintended. Impacts generally refer to changes in living conditions or institutions and are not under the direct control of those responsible for project management.

Area 2: Outcomes

The desired improvements (effects) as a result of the project are clearly stated.

The outcome (s) should describe what is expected to be different as a result of the delivery of project outputs; NOT what the project is going to do.

They are stated as expected, verifiable achievements (i.e. increased reading scores for children, decrease in malnutrition, etc. are project outcomes of cash transfer programs. Potable water access 24/7 can be an outcome of a water project. Lower transportation cost is an outcome of a roads project. Reduced time or cost for legalizing a business is a public sector project outcome.)

The answer is 'YES' if the outcomes of the project are clearly defined; otherwise, the answer is 'NO'.

Outcomes: are the likely or expected short-term and medium-term effects of an intervention's outputs.

Area 3: Outputs

Project deliverables are clearly specified.

Outputs are project "deliverables". They summarize what the project is contractually accountable to provide. They are stated as expected, verifiable achievements.

(i.e. school access increased, children de-wormed, hectares planted, new procedures operational, personnel trained, # of connections to clean water)

The answer is 'YES' if the POD clearly defines the expected outputs of the project; otherwise, the answer is 'NO'.

Outputs: are the products, capital goods and services which result from a development intervention. May also include changes resulting from the intervention which are relevant to the achievement of outcomes.

Area 4: Inputs and Activities (from PEP and Procurement Plans)

The project implementation schedule and responsibilities are clearly identified.

Key activities to be undertaken by the project are stated as actions (ie. recruit personnel, procure equipment, train farmers, etc.)

Time-related milestones are identified for completing each activity.

Inputs are the project's resources required to accomplish the activities.

The answer is '**YES**' if the PEP defines clearly the responsibilities and time frame for the management of inputs and activities. Otherwise, the answer is '**NO**'

Input: The financial, human, and material resources used for the development intervention.

Activities: Key tasks, steps, or stages to be undertaken by the project to accomplish each of the Outputs above.

Area 5: Vertical Logic

Verify the vertical logic. Each level logically contributes to the next higher level.

Inputs → activities → outputs → outcomes → Impacts

Top down: Ask how a particular level can be attained. The answer should be: by successful completion of the immediately lower level

Bottom up: Ask why a particular level is being done. The answer should be: in order to attain the next higher level.

The answer is '**YES**' if there is a sound, vertical logic in the expected relationship among inputs, outputs, outcomes and impact. That is, if the responses to the how? And the why? Questions describe an integrated reasonable logic; otherwise, the answer is '**NO**'.

Example: Training Program

Input	→	Output	→	Outcome	→	Impact
<ul style="list-style-type: none">• Training• Education• Counseling• Money• Staff• Volunteers• Supplies• Eligible Participants		<ul style="list-style-type: none">• Total number of classes• Hours of service• Number of participants completing course		<ul style="list-style-type: none">• New Knowledge• Increased skills• Changed attitudes• New employment opportunities		<ul style="list-style-type: none">• Trainees earn more over five years than those not receiving training• Trainees have higher standard of living than the control group

Area 6: Indicators, Targets & Data Sources

There is at least one indicator identified for each impact/outcome/ output.

Indicators are the selected metrics to verify if the desired change is taking place.

The answer is **'YES'** if there is at least one **indicator** per level of objective (impact, outcome and output); otherwise, the answer is **'NO'**.

Indicator: Quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development actor.

Indicators are SMART (Specific, Measurable, Achievable, Realistic and Timely)

The answer is **'YES'** if each indicator is SMART; otherwise, the answer is **'NO'**.

- Has the indicator a special determining quality or characteristic? (*Specific?*)
- Is the indicator susceptible of measurement, calculation, or computation? (*Measurable?*)
- Is the indicator capable of being achieved? (*Achievable?*)
- Is the indicator accurate and related to objective? (*Realistic?*)
- Is the indicator opportune, well-timed? (*Timely?*)

Every indicator has a baseline value or a predetermined starting point for subsequent comparison of performance.

The answer is **'YES'** if every indicator has a **baseline value**; otherwise, the answer is **'NO'**.

Baseline: An analysis describing the situation prior to a development intervention, against which progress can be assessed or comparisons made. Generally, a baseline provides the pre-intervention value for the indicators that the intervention is expected to affect.

Every indicator has a target value. A target is a predetermined level of success that is expected within a specified timeframe. In the case of performance-based loans, the accomplishment of targets trigger disbursement, otherwise, targets are indicative directions for change.

The answer is **'YES'** if every indicator has a target value; otherwise, the answer is **'NO'**.

Target Value: the expected level of success to be achieved

Every indicator has one source of data, or a clear plan for collecting it.

The answer is **'YES'** if every indicator has a defined source of data or a clear data collection plan; otherwise, the answer is **'NO'**.

4. Evaluation & Monitoring Framework (Effectiveness)

This section gauges the capacity of the operation's evaluation framework to produce valid evidence. For those interventions that have less empirical evidence to prove their effectiveness, the evaluation framework proposed should be stronger than those with well-proven effectiveness. That is, innovative interventions or programs that lack documentation of the effectiveness of similar (past) experiences should proactively seek to document that effectiveness.

Additionally, the program's monitoring framework is analyzed. A strong monitoring framework facilitates efficient management of the program and it allows project manager to be able to track progress of selected results (at all levels, outcomes, outputs, and activities and inputs) toward the achievement of their expected targets.

I. Evaluation

Evaluation is the systematic and objective assessment of a planned, on-going or completed project, program or policy, its design, implementation and results. The aim is to determine the relevance and fulfillment of objectives, development effectiveness, efficiency, impact and sustainability. An evaluation should provide information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process of both recipients and donors.

General

Does the project have an evaluation plan?

The answer is **'YES'** if the project has explicitly defined an evaluation plan, including main activities, timeline of activities (including frequency of data collection), and responsible parties; otherwise, the answer is **'NO'**.

Are timelines defined to design survey tools/collect baseline/follow up surveys?

The answer is **'YES'** if the project has defined a timeline for data collection for baseline analysis and follow-ups; otherwise, the answer is **'NO'**. The data collection strategy should include a plan for use of secondary data and/or the design of instruments and action plans for the collection and processing of primary data.

Does the evaluation plan have allocated budget?

The answer is **'YES'** if the project has already budgeted resources for each evaluation activity, through this operation or other financial sources; otherwise, the answer is **'NO'**.

Methodology (either a, b or c)

NOTE: In this subsection, options A, B and C are mutually exclusive; you should only answer the corresponding questions of ONE of the evaluation methodologies options (A, B or C).

In this section, select just one methodology and answer the questions that correspond to that methodology.

A. Before & After (Reflexive)

Before & After (Reflexive): A reflexive evaluation examines the conditions that are to be altered by intervention, both before and after an intervention. The difference between the before measurement, commonly known as the pretest, and the after measurement, called the posttest, is used as the estimated of the effect of the intervention.

Does the project have a reflexive evaluation methodology?

The answer is **'YES'** if the project has a reflexive evaluation analysis; otherwise, the answer is **'NO'**.

B. Quasi-experimental (observably-equivalent comparison group)

Quasi-experimental (observably-equivalent control group): A quasi-experiment is an evaluation research design having some but not all of the characteristics of a true experiment. The element most frequently missing is random assignment of subjects to the control and experimental conditions.

As applied to evaluation, this design consists of constructing a **control group** using matching or reflexive comparisons. Matching involves identifying non-program participants that are comparable in essential characteristics to participants in the intervention to be evaluated.

“Participants” could be firms, municipalities, communities, groups of persons, service providers or the like.

Participant and control groups should be matched on the basis of characteristics that are known or believed to influence program outcomes. Matched comparison groups can be selected before project implementation (prospective studies) or afterwards (retrospective studies).

Control Groups: Untreated subjects used as test benchmarks. In an experiment or quasi-experiment, the control group consists of test subjects left untreated or unexposed to the intervention; they are then compared with treated subjects in order to identify the apparent effects or impacts of the intervention.

Control groups are chosen before the intervention is implemented.

The answer is ‘**YES**’ if the control group was chosen before program implementation; otherwise, the answer is ‘**NO**’.

Control groups have demonstrated highly similar characteristics

The answer is ‘**YES**’ if, statistically demonstrated, the control group has similar characteristics with the participants in the program or project to be evaluated; otherwise, the answer is ‘**NO**’.

The study had a sample size large enough to detect meaningful effects of the intervention. (“power analysis” was conducted)

The answer is ‘**YES**’ if **power analysis** was conducted in order to determine the adequate sample size (it is possible to detect meaningful effects of the intervention); otherwise, the answer is ‘**NO**’.

Power Analysis: The main goal of this technique is to allow you to decide, while in the process of designing any evaluation, (a) how large a sample is needed to enable statistical judgments that are accurate and reliable and (b) how likely your statistical test will be to detect effects of a given size in a particular situation. Performing power analysis is an important aspect of evaluation design, because without these calculations, sample size (of treatment and control groups) may be too high or too low. If sample size is too low, the experiment will lack the precision to provide reliable answers to the questions it is investigating. If sample size is too large, time and resources will be wasted, often for minimal gain.

Outcomes measures proposed in the results matrix are “valid” or ones whose ability to measure true outcomes is well-established

The answer is ‘**YES**’ if the outcome measures are designed in such a way that they can effectively reflect the expected change to be described and are sensitive to the magnitude of that expected change; otherwise, the answer is ‘**NO**’.

C. Experimental (randomized controlled trials)

C. Experimental (randomized controlled trials): This design involves gathering a set of participants equally eligible and willing to participate in the program and randomly

dividing them into two groups: those who receive the intervention (treatment group) and those from whom the intervention is withheld (control group).

Experimental or randomized designs are generally considered the most robust of the evaluation methodologies. By randomly allocating the intervention among eligible beneficiaries, the assignment process itself creates comparable treatment and control groups that are statistically equivalent to one another, given appropriate sample sizes. The main benefit of this technique is the simplicity in interpreting results—the program impact on the outcome being evaluated can be measured by the difference between the means of the samples of the treatment group and the control group.

Random assignment was conducted at the appropriate level (groups, organizations or individuals), taking into account that it may be necessary to assign groups in order to evaluate (i) interventions with sizeable spillover effects, (ii) interventions delivered to whole groups.

The answer is **'YES'** if the program used a random assignment to determine control and treatment group, and if this assignment was conducted at the appropriate level (groups, organizations or individuals); otherwise, the answer is **'NO'**.

The study had a sample size large enough to detect meaningful effects of the intervention. ("power analysis" was conducted)

The answer is **'YES'** if power analysis was conducted in order to determine the adequate sample size (it is possible to detect meaningful effects of the intervention); otherwise, the answer is **'NO'**.

Outcomes measures proposed in the results matrix are "valid", or ones whose ability to measure true outcomes is well-established

The answer is **'YES'** if the outcome measures are designed in such a way that they can effectively reflect the expected change to be described and are sensitive to the magnitude of that expected change; otherwise the answer is **'NO'**.

II. Monitoring

The Bank and borrower have agreed to use the results matrix and the activities defined in the PEP as the Monitoring Plan for the operation

The answer is **'YES'** if there is an agreement between the Bank and borrower to use the results matrix and the activities in the Project Execution Plan (PEP) as the principal performance monitoring tool; otherwise, the answer is **'NO'**.

Monitoring mechanisms have been planned and budgeted.

The answer is **'YES'** if the project has defined a monitoring plan, including main activities, timeline of activities (including frequency of data collection) and responsible persons for each one, and has budgeted each monitoring activity through this operation or other financial sources; otherwise, the answer is **'NO'**.

Ensure that the source, or means for collecting data (for outcomes, outputs and activities) actually exist, either with the executing agency or/and with the IDB.

The answer is **"YES"** if the data for program monitoring is available; otherwise, the answer is **"NO"**.

5. Economic Performance (Efficiency)

Economic Rate of Return

Cost-Benefit Analysis: Type of economic analysis that compares the direct economic social benefits and costs of a proposed development project, in measurable and actual monetary values, and arrives at a single index. The index is then used to determine whether a project is economically feasible and to rank possible alternative projects.

NOTE: The next two questions are mutually exclusive; you should be answering only one of the two questions.

Does the project have an ERR that include all of its components?

Fill in the “information & references cell” with the ERR for the total project (ERR could be for the total project and/or for each component of the project), and specify, in the same cell, the IDBdoc number or other reference to the analysis’s document.

The answer is “**YES**” if there is an ERR for the total project (ERR could be for the total project or for each of its components), and the analysis’s document is specified; otherwise, the answer is “**NO**”.

Does the project have an ERR for some of its components?

Fill in the “information & references cell” with the available ERRs for the corresponding component, and specify, in the same cell, the IDBdoc number or other reference to the analysis’s document.

The answer is “**YES**” if there is an ERR for only some of the project’s components, and the analysis’s document is specified; otherwise, the answer is “**NO**”.

The analysis should:

- Identify cost (monetary and non-monetary) and benefits for this operation (benefits should match with the Project Results Matrix).
- Value the cost and benefits previously identified.
- Calculation of the ERR.

Cost-effectiveness

Cost-Effectiveness Analysis: Analysis often used for projects whose benefits cannot be satisfactorily assessed in monetary terms. It explores how a given objective can be achieved while minimizing the present value of the corresponding costs. Based on this analysis, a determination is made as to which alternative is the least-cost means of attaining the desired result.

NOTE: The next two questions are mutually exclusive; please answer just one of the two.

Does the project have a Cost-Effectiveness Analysis that includes all of its components?

Fill in the "information & references cell" with the cost-effectiveness analysis result for the total project (It could be specified for the total project and/or for each component of the project), and specify, in the same cell, the IDBdoc number or other reference to the analysis's document.

The answer is '**YES**' if there is a cost-effectiveness analysis for the total project (It could be specified for the total project or for each component of the project), and the analysis's document is specified; otherwise, the answer is '**NO**'.

Does the project have a Cost-Effectiveness Analysis for some of its components? Fill in the "information & references cell" with the available cost-effectiveness analysis result for the corresponding component, and specify, in the same cell, the IDBdoc number or other reference to the analysis's document.

The answer is '**YES**' if there is a cost-effectiveness analysis for only some of the project's components, and the analysis's document is specified; otherwise, the answer is '**NO**'.

The analysis should:

- Identify cost (monetary and non-monetary) and benefits for this operation (benefits should match with the Project Results Matrix).
- Value the cost and benefits previously identified.
- Calculation of the Cost-Effectiveness.

6. Risk Management – Area Rating

This section uses the two risk instruments that are in place as of the date of the implementation of DEM. That is the Risk Matrix of the New Project Cycle for identification of risk at entry and the safeguard screening tool for the Environmental & Social Safeguards Policy.

This section will be adjusted accordingly once the new framework for project risk management is approved.

Environmental & social risk classification

This subsection seeks to classify projects according to their environmental and social risk levels. The project team should report the risk classification assigned to the project and validated by the Environmental Safeguards Unit.

Fill in the "Yes/No column" with "A", "B" or "C"

A: Projects are likely to cause significant negative environmental or associated social impacts, or to have profound implications affecting natural resources. These projects require a full environmental impact assessment (EIA) and environmental and social management plan (ESMP).

B: Projects are likely to cause mostly local and short-term negative environmental and associated social impacts and for which effective mitigation measures are readily available. These projects generally require an environmental and /or social analysis and an ESMP.

C: Projects are likely to cause minimal or no negative environmental and associated social impacts. These do not require an environmental or social analysis beyond the initial screening and scoping of potential environmental impacts for classification purposes. However, when relevant, these operations must establish safeguard or monitoring requirements.

Environmental & social risk compliance policy

This subsection analyses if the project has identified environmental and social risks, and if it has ensured that there are adequate environmental and social risk management capacities.

Risk Matrix Score

This subsection analyses and scores the project risk matrix

All risks have been rated for magnitude, likelihood, level of analysis and overall risk rating

The answer is “**YES**” if the project has a complete risk analysis; otherwise, the answer is “**NO**”.

Mitigation Matrix Score

This subsection analyses and scores the project risk mitigation matrix

All risks have identified proper mitigation measures

The answer is “**YES**” if the project includes mitigation measures in order to reduce the identified risks; otherwise, the answer is “**NO**”.

All mitigation measures have indicators, baseline and targets for tracking their implementation

The answer is “**YES**” if every mitigation measure has an indicator, baseline value and target; otherwise, the answer is “**NO**”.

7. Additionality

This section measures indirect positive improvements in management standards to the public sector entity, which may be brought about by “doing business with the Bank” but are not a direct objective of a given project.

Was additional technical assistance provided to the public sector entity to increase the likelihood of success of the project?

The answer is “**YES**” if the Bank provided additional technical assistance (technical cooperation resources) to country counterpart in order to increase project effectiveness or efficiency; otherwise, the answer is “**NO**”.

Does the IDB’s involvement (through this operation or related technical assistance) improve the public sector entity’s management of financial, procurement, monitoring or statistics internal controls?

The answer is “**YES**” if the Bank’s intervention improves or will improve the public sector entity’s management of financial, procurement, monitoring or statistics internal controls

and a description of the improvements or the expected improvements is included in the POD/Draft Loan Proposal; otherwise, the answer is “**NO**”.

Does the IDB's involvement affect the environmental, social, health and labor performance of the public sector entity/counterpart?

The answer is “**YES**” if the Bank's intervention has or will have positive effects in the environmental, social, health and labor performance of the public sector entity/counterpart and a description of the positive effects or of the expected positive effects is included in the POD/Draft Loan Proposal; otherwise, the answer is “**NO**”.