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CLASSIFICATION

PROJECT EVALUATION SUMMARY (PES) - PART I

Report Symbol U-4

1. PROJECT TITLE CARIBBEAN INSTITUTIONAL DEVELOPMENT			2. PROJECT NUMBER 538-0016	3. MISSION/AID/W OFFICE RDO/C CARIBBEAN
5. KEY PROJECT IMPLEMENTATION DATES			4. EVALUATION NUMBER (Enter the number maintained by the reporting unit e.g., Country or AID/W Administrative Code, Fiscal Year, Serial No. beginning with No. 1 each FY) 538-81	
A. First PRO-AG or Equipment FY 78	B. Final Obligation Expected FY 82	C. Final Interim Delivery FY 83	6. ESTIMATED PROJECT FUNDING A. Total \$3,941,000 B. U.S. \$1,837,000	
			7. PERIOD COVERED BY EVALUATION From (month/yr.) 8/78 To (month/yr.) 8/80	
			Date of Evaluation Review	

ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR:

A. List decisions and/or unresolved issues; cite those items needing further study. (NOTE: Mission decisions which anticipate AID/W or regional office action should specify type of document, e.g., airgram, SPAR, PIO, which will present detailed request.)	B. NAME OF OFFICER RESPONSIBLE FOR ACTION	C. DATE ACTION TO BE COMPLETED
Formal establishment of Technical Assistance Unit within CDB	CDB	January, 1981
Hiring of additional full time staff:		
1) Senior Statistical Clerk	CDB	April 30, 1981
2) Project Officer	CDB	April 30, 1981
Implementation of agreement between CDB and IDB for technical assistance to establish administrative and operational procedures and develop policy and procedures manual.	CDB/IDB	July, 1981
Technical Assistance Unit functional	CDB	October, 1981

9. INVENTORY OF DOCUMENTS TO BE REVISED PER ABOVE DECISIONS	10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT
<input type="checkbox"/> Project Paper <input type="checkbox"/> Financial Plan <input type="checkbox"/> Logical Framework <input type="checkbox"/> Project Agreement <input type="checkbox"/> Implementation Plan e.g., CPI Network <input type="checkbox"/> PIO/T <input type="checkbox"/> PIO/C <input type="checkbox"/> PIO/P <input type="checkbox"/> Other (Specify) _____ <input type="checkbox"/> Other (Specify) _____	A. <input checked="" type="checkbox"/> Continue Project Without Change B. <input type="checkbox"/> Change Project Design and/or <input type="checkbox"/> Change Implementation Plan C. <input type="checkbox"/> Discontinue Project

Not pertinent at this time

11. PROJECT OFFICER AND HOST COUNTRY OR OTHER RANKING PARTICIPANTS AS APPROPRIATE (Names and Titles)	12. Mission/AID/W Office Director Approval
Edward W. Birgells, Jr. CPDO Donald W. Boyd, CPDO Terrence F. Liercke, Program Officer Darwin E. Clarke, Senior Program Specialist	Signature Typed Name Dwight B. Johnson Date

13. Summary: The Project Grant Agreement for the Caribbean Institutional Development Project was signed on August 31, 1978, establishing a Technical Assistance Fund (TAF) within the CDB. Initial conditions precedent to disbursement were met on December 28, 1978. The Project's progress to date has been slowed by several problems encountered by the CDB during the first year and one-half of implementation. Administrative and operating procedures which were eventually established more than one year after approval of the AID/CDB Project Agreement, have proven to be time consuming and cumbersome in actual practice. Also, efforts to promote the Fund's resources among the participating countries have been minimal. The limited staff manpower assigned to administer the Fund as well as the recent growth in other technical assistance funds requiring CDB management has also contributed to delays in Project implementation.

Based upon the first project evaluation completed in January 1981, the CDB has begun to take positive steps to improve the organizational and promotional efforts affecting the TAF. Specifically, CDB has agreed to hire additional staff, to formally establish a Technical Assistance Unit within the Bank and to revise and improve its internal administration and procedures. CDB has also stationed three Project Officers under the Fund to work in Antigua, Dominica and Grenada to assist with improving overall country/CDB liaison and development project implementation. The placement of additional officers in St. Vincent and St. Kitts is now being negotiated.

14. Evaluation Methodology: The purpose of the evaluation was to undertake a comprehensive review of the TAF delivery system, focussing primarily on staffing and the procedures developed by

CDB to administer the TAF. The evaluation, performed by an outside consulting firm and jointly financed by CDB and RDO/C, was comprised of two major phases: (1) situation analysis; and (2) issue assessment and recommendations.

The major tasks included: (1) A review and analysis of relevant documentation; (2) interviews with key CDB and other officials; (3) examination of processing and reporting systems and procedures; (4) a review of CDB organization structure and procedures; (5) evaluation of findings, determination of action alternatives and formulation of recommendations with a suggested implementation plan.

The evaluation's recommendations highlighted the need to establish a sound operational, management and structural framework which could maximize the probability of achieving Project objectives. Specifically, the evaluation stressed the need to:

- 1) Formalize and streamline current administrative processes and procedures;
- 2) Rationalize and restructure the present technical assistance organization;
- 3) Strengthen the technical assistance system data base and institute necessary reporting systems;
- 4) Introduce essential marketing and promotional activities;
- 5) Examine TAF criteria and constraints for relevance and validity.
- 6) Review current approval policies with a view to broadening delegations of authorities, yet insuring accountability for results.
- 7) Establish essential planning, programming and evaluation mechanisms.

8) Train staff in the requirements of effective system operation.

15. External Factors: "Not pertinent at this time."

16. Inputs: "Not pertinent at this time."

17. Outputs: A summary of Project activities as of August 31, 1980, two years after the signing of the Grant Agreement, is as follows:

<u>Category</u>	<u>Total Activity Presented in Project Paper</u>		<u>Actual Approvals As of 3/31/80</u>	
	<u>TOTAL</u>	<u>AID</u>	<u>TOTAL</u>	<u>AID</u>
General Development	1,287	594	523	240
Project Preparation	1,282	641	371	186
Project Implementation	822	411	320	111
Bank Development	450	191	138	57
Fund Administration	100	-	-	-
TOTAL	3,941	1,837	1,352	594

At the end of the second year of the Project, basic procedures had been developed and approved criteria were in use. However, as stated in the evaluation, many of the procedures developed by CDB were judged to be unnecessarily formalistic and complex for the level of technical assistance being delivered. In addition, it was found that the CDB had not established adequate internal reporting and recording procedures and, given the complexity of approval procedures, had not allocated sufficient human resources to administer and promote the TAF. As regards publicity, CDB had not taken measures to publicize the various aspects of the Fund or disseminated information widely on how

TAF assistance could be secured. The evaluation also concluded that liaison and coordination between the Administrative Office and the Projects Department was sporadic and weak, and this had contributed to a much lower level of facilitation of direct project development than had been envisioned for the Project and the Fund.

In light of this situation, CDB has agreed to establish a Technical Assistance Unit within the Administrative Office to administer all CDB technical assistance funds. To accomplish this, CDB has provided funds in its 1981 budget to hire a project officer to serve as liaison and coordinator for technical assistance between the Unit and CDB's technical offices and to undertake promotional activities; in addition, a senior clerical assistant will be hired to process the present and anticipated clerical workload. Furthermore, CDB and IDB have reached an agreement for assistance to develop a suitable administrative system and a comprehensive policy and procedures manual for the Technical Assistance Unit, as well as appropriate training for Unit staff.

At the level of the participating countries, the more effective utilization of TAF resources will be aided by the promotional efforts of the Government Development Project Officers assigned to the LDC's and funded under the TAF. These officers, locally chosen but approved by CDB, have mainly liaison and expediting functions between CDB, other funding agencies and the respective country. They will also serve as a source of on-the-spot information on the policy, procedures and operations of CDB and other funding agencies. To date, Antigua, Dominica and Grenada have filled such positions and

St. Vincent and St. Kitts/Nevis are expected to have officers in place by August 1981.

Given the efforts underway and planned to improve the administrative and operational efficiency of the TAF as well as to assist countries more directly in linking the TAF to their project development priorities, it is expected that the outputs contemplated in the Project Logical Framework will be achieved: These are: (1) establishment of a TA Unit; (2) development of operating procedures; (3) establishment of operational criteria; (4) initiation of a publicity campaign in LDC's.

18. Purpose: The purpose of the Caribbean Institutional Development Project is to institutionalize the capabilities of the CDB to provide technical assistance to the English-speaking Caribbean and the region's servicing them.

EOPS includes:

- 1) CDB in providing at least \$1.2 million annually in technical assistance;
- 2) LDC governments submitting requests to CDB routinely and CDB is known as a responsive source of technical assistance financing in the LDC's.
- 3) The provision of:
 - (a) General Development
 - (i) 86 p.m. of advisory services
 - (ii) 16 weeks of seminars
 - (iii) 20 weeks of academic training
 - (iv) 4 institutional development programs.
 - (b) Project Implementation
 - (i) 23 p. yrs of project implementation assistance.

(c) Project Preparation

(i) 17 studies undertaken

(d) Bank Development

(i) 9 p. years of Bank staff

(ii) 12 p. years of outreach-personnel.

While progress had been slow until the evaluation documented improvements, RDO/C believes that the ameliorative steps now being taken will permit the EOPS to be achieved.

19 Goal: The goal of the Project is to improve the income and welfare of the lower income groups of the English-speaking Caribbean. Activities that been financed include: advisory services and participant training, under the general development category; feasibility studies and project preparation, project implementation and general reinforcement of CDB. RDO/C believes the scope of these activities can eventually have an impact on the target groups, especially when linked with related AID and other donor activity in the region. The major implementation concern is to institutionalize and streamline the operation of this technical assistance to increase activity so that the technical assistance provided can have a definite, noticeable impact on the AID target group.

20. Beneficiaries: "Not pertinent at this time".

21. Unplanned Effects: "Not pertinent at this time".

22. Lessons Learned: The primary lesson to be learned from project implementation is the substantial time period required to establish a viable unit within an established institution which is capable of effectively administering a program, even a relatively sophisticated institution - by many third world standards - such as CDB. Secondly, a more sound approach would

have been to allocate funds directly from the Project for the staffing needed to establish an effective unit.

This first evaluation of the Caribbean Institutional Development Project was, therefore, timely. With the conscientious implementation of the evaluation's recommendations, the process will be in place to accomplish the Project purpose.

23. Special Comments or Remarks: Attachment: Caribbean Development Bank: First Evaluation of Technical Assistance Fund, January, 1981.