

**TECHNICAL COOPERATION PROFILE**  
**For Japan Trust Fund for Consultancy Services**  
**January 20, 2010**

**I. BASIC PROJECT DATA**

<b>Country/Region:</b>	Regional		
<b>Program Name/Number:</b>	Business Climate, Productive Policies and Enterprise Development / (RG-T1839)		
<b>Team Leader/Members:</b>	Martin Chrisney (ICF/CMF), team leader; Gloria Lugo (ICF/CMF), Dianela Avila (ICF/CMF), and Rosina De Souza (LEG/LEG).		
<b>Name of the Trust Fund:</b>	Japanese Trust Fund for Consultancy Services (JCF)		
<b>Executing Agency:</b>	Inter-American Development Bank		
<b>Beneficiary Country:</b>	Regional		
<b>Unit of Disbursement Responsibility:</b>	Headquarters- HQ through Capital Markets and Financial Institutions Division (ICF/CMF)		
<b>Financing plan:</b>	ICF/ CMF:	US\$	50,000.00
	The Japanese Trust Fund for Consultancy Services (JCF)	US\$	<u>63,500.00</u> <sup>1</sup>
	<b>Total</b>	<b>US\$</b>	<b>113,500.00</b>
<b>Technical and Basic Responsibility:</b>	Capital Markets & Financial Institutions Division (ICF/CMF)		
<b>Duration:</b>	1 year		

**II. BACKGROUND AND PROBLEM STATEMENT**

- 2.1 Latin American and Caribbean countries consistently rank poorly in indicators of the business climate as shown in the World Bank's Doing Business and the Global Competitiveness Indicators of the World Economic Forum. In this area, the IDB possesses accumulated experience and a "name brand" which can be expanded by a new instrument for "Better Conditions for Productivity (MAP in Spanish) which includes two main facilities: (i) MAP Diagnostic Window, and, (ii) MAP Window for Stand Alone Projects.

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<sup>1</sup> Includes repatriation allowance and airfare that will be paid on if needed, and against presentation of receipts, these are not part of the ordinary expenses reimbursed by the Japanese Trust Fund resources.

### **III. PROGRAM OBJECTIVE AND DESCRIPTION**

#### **A. Objective**

- 3.1 The aim is to expand the range of Bank support to its clients for the design and implementation of business climate and productivity enhancing policies. This operation will provide the services of an expert to support IDB activities in improving the productive environment for firms and, more broadly private sector development. The support will include operational as well knowledge-building activities.

#### **B. Description**

##### **1. Scope of the work**

- 3.2 A range of expertise will be offered to support project design, development, and implementation, as well as, analytical work that will support institutional reform, entrepreneurship, and private sector development. The areas of specialization required are in productive development policies, business climate reform, competitiveness and entrepreneurship. Also required are knowledge of and skill in the use of econometric packages, the ability to oversee and manage the design of web-based communication and dissemination tools, and the ability to lead teams of experts working on survey questionnaires for analytical work. The Japanese specialist will be part of the unit's team working on business climate and productive development activities and will coordinate his activities with their operational work. The Tasks/Activities to be performed by the consultant are outlined in the attached Terms of Reference (**See Annex A**).

- 3.3 The consultant will concentrate on the developing the following activities that support Bank lending operations through the development of analytical tools, methodologies for evaluation, and publishable research to support work on productive development and private sector development issues. The consultant will also assist CMF staff in the performance of its activities related to the preparation of new loans or technical assistance operations, with special responsibilities for coordinating work on enterprise level surveys in the Caribbean and Central America regions. As well, the consultant will provide inputs and guide work on institutional surveys along with preparing policy studies, dissemination of information and provision of technical advice on operations matters.

##### **a) Development and Application of Methodologies for Evaluating Productive Development Policies and Institutions (PDP):**

- 3.4 The consultant will support this area by overseeing work to apply surveys of PDPs at a regional and extra-regional level. The activities will include: (i) review and improvement of methodology designed by CMF (survey tool and guidelines), (ii) supervise the application of the survey methodology and its implementation in LAC countries; (iii) developing a strategy and its implementation to prepare

analytical work based on the survey results and its dissemination, (iv) prepare research and reports on the results of the studies undertaken, (v) conceptualize and oversee the design and implementation of a web/based survey for use by Bank clients, and (vi) prepare a proposal for the use of the survey methodology in extra-regional countries (a special focus will be Asia) for comparative studies with LAC. The work will provide lessons on the most effective institutional arrangements for productive development policies and identify successful programs in the region based on comparative analysis.

**b) Support Enterprise Surveys in LAC.**

- 3.5 The consultant will be engaged in the preparatory work and implementation of enterprise surveys in the Caribbean and Central America in collaboration with the World Bank. The work will require the consultant to (i) identify and prepare contracts for the consulting firms capable of carrying out the survey work, (ii) collaboration in the design of survey questionnaires and oversight of the training and quality control of survey work, (iii) review and validation of survey results and compliance with TOR by consulting firm(s), (iv) analysis of survey data using STATA or other packages to initiated evaluation of material, and (v) preparation of technical notes or studies on the results of the surveys with a focus on the modules related to productive development policies.

**c) Technical Support for project development.**

- 3.6 Among other projects, the consultant will be a member for a project team to support analytical and technical support for the private sector in the Caribbean. The work will require collaboration with team members in the following areas: (i) prepare a regional technical cooperation proposal and plan of operations, (ii) design and oversee components focused on survey work, including support for the World Economic Forum surveys, and (iii) design and oversee of component to apply PDP survey methodologies in the region. Other operational work will include assignments to support development of new loan and technical cooperation activities as needed.

**2. Conditions:**

- 3.7 The contract will be for one year, from April 6<sup>th</sup>, 2010 to April 5<sup>th</sup>, 2011. The consultant is required to submit at the end of the first contract period, a brief report summarizing the activities performed and describing the products required in the Terms of Reference.

**3. Duration:**

- 3.8 This technical cooperation will have duration of (12) twelve months.

#### IV. BUDGET

- 4.1 The total cost of the project will be US\$113,500.00 of which the Japanese Trust Fund for Consultancy Service will finance US\$63,500.00 (plus us\$13,500.00 for repatriation and airfare if necessary) and IDB-ICF/CMF will finance US\$50,000.00. The consultant's payment will amount to US\$96,000.00 of salary plus allowances of US\$4,000.00 for medical insurance. The payment for the salary and medical insurance allowance will be made every two weeks on the regular paydays of the Bank's employees. The Japan Trust Fund will also provide for repatriation and returning airfare allowances, if and when they occur, according the Bank's policies and procedures.

**Budget Table (US\$)**

	<b>JCF</b>	<b>ICF/CMF</b>	<b>Total</b>
Consultant Remuneration (1 year)	48,000.00	48,000.00	96,000.00
Medical insurance allowance for the consultant, spouse and dependent child	2,000.00	2,000.00	4,000.00
Repatriation allowance	3,500.00 <sup>2</sup>		3,500.00
Airfare for the consultant, spouse and dependent child (round trip)	10,000.00 <sup>3</sup>		10,000.00
<b>Total</b>	<b>63,500.00</b>	<b>50,000.00</b>	<b>113,500.00</b>

#### V. EXECUTING AGENCY AND EXECUTION STRUCTURE

- 5.1 The operation will be executed by the Bank through ICF/CMF. As well, the consultant will participate in teams, as necessary, with staff to design, implement and evaluate operations in these topic areas.
- 5.2 An operational plan will be agreed with the consultant to outline his work plan and deliverables, which will be reviewed by the Division Chief of CMF and will be reviewed on a quarterly basis. The Japanese consultant will be hired by the Bank in accordance with the terms of the Agreement between the Bank and the Government of Japan that establishes the Japanese Trust Fund for Consultancy Services; the Bank's Human resources rules and regulations on contracting of individual consultants and current Technical Cooperation Policies (GN-2470). Single-source selection method pursuant to the provision set forth in paragraph 5.4 (a) of Document GN-2350-7 will be utilized given that a consultant with the necessary skills and knowledge of the Bank has been identified. The consultant was previously hired by the Bank and worked in SCL and has successfully carried

<sup>2</sup> The repatriation allowance (US\$3,500) will be paid if the contract is expired and the consultant returns to Japan. This allowance will be cancelled if the consultant becomes a consultant financed by the Bank or a staff of the Bank during or after the contract financed by JCF.

<sup>3</sup> This amount is the maximum to be paid by the JCF, estimated on the basis of four members of the family, round-trip tickets Tokyo-Washington, economy class by the most direct route between residence and destination. Payment to the consultant will be the reimbursement of the amount actually paid for the air tickets.

out these functions since April 2009 in CMF (See performance evaluation **Annex B**).

## **VI. ACTION PLAN**

- 6.1 Once approved, the consultant will begin work on the agreed areas outlined in the Annex A. Terms of Reference.

## **VII. ENVIRONMENTAL AND SOCIAL STRATEGY**

- 7.1 It is not anticipated that the activities to be financed in this program will have negative direct social or environmental effects; however, the development of the legal and procedural framework will comprise efforts towards the adoption of environmentally responsible procurement practices, which could lead to indirect environmental benefits. Based on the afore-mentioned, the TOR for the consultancy in 2009 RG-X1053 was given a classification of “C” according to the ESR toolkit.

## **VIII. SUPERVISION AND TECHNICAL RESPONSIBILITY IN THE BANK**

- 8.1 The Division of Capital Markets and Financial Institutions (ICF/CMF) will have basic and technical responsibility (Martin Chrisney, Tel. (202) 623-2491; E-mail: [martinc@iadb.org](mailto:martinc@iadb.org)), Disbursements will be the responsibility of the ICF Department.

## **IX. CERTIFICATION**

- 9.1 I certify that this operation was approved for financing under the Japan Trust Fund for Consultancy Services (JCF) through a memorandum dated March 2, 2010 and signed by Takehiko Nakao, Executive Director for Croatia, Japan, Korea, Portugal, Slovenia and United Kingdom. Also, I certify that resources from the JCF are available for up to US\$63,500.00 in order to finance the activities described and budgeted in this document. This certification reserves resources for the referenced project for a period of twelve (12) months counted from the date of signature below. Were the project not approved by the IDB within that period, the reserve of resources will be cancelled; except if a new certification is obtained. The commitment and disbursement of these resources shall be made only by the Bank in US dollars. The same currency shall be used to stipulate the remuneration defined and payments to consultants except that local consultants working in their own borrowing member country shall have their remuneration defined and paid in the currency of that country. No resources of the Fund shall be made available to cover amounts greater than the amount certified herein above for the implementation of this TC Funds Profile. Amounts greater than the certified amount may arise from commitments on contracts denominated in a currency other than the Fund currency, resulting in currency exchange rate differences, for which the Fund is no at risk.

Original Signed

March 29, 2010

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Marguerite S. Berger, Chief VPC/GCM

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Date

## **X. APPROVAL**

Original Signed

March 30, 2010

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Kurt Focke, Chief ICF/CMF

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Date

## **TERMS OF REFERENCE**

Components and main activities to be performed by the Consultant:

Supervisor: (ICF/CMF) Martin Chrisney

### **I. Business Climate and Productive Development**

Latin American and Caribbean countries consistently rank poorly in indicators of the business climate as shown in the World Bank's Doing Business and the Global Competitiveness Indicators of the World Economic Forum. In this area, the IDB possesses accumulated experience and a "name brand" which can be expanded by a new instrument for "Business Climate and Productive Development" (BCPD) which includes two main facilities: i) BCPD Diagnostic Window, and, ii) BCPD Window for Stand Alone Projects.

These initiatives will be managed by CMF and are expected to have results in three main areas: a) formation of a Community of Practice among professionals in the Bank, b) development of new Knowledge Products, and c) expanded Lending and Technical Assistance. The consultant will work in the following activities:

#### **Activities:**

- 1) Business Climate and Productive Development Window (BCPD)
  - Prepare the implementation model.
  - Managing and monitoring of the country studies
- 2) Productive Development Policy and Institutions methodology.
  - Review and improve methodology design
  - Implement the methodology in several country cases
  - Prepare review of results and studies based on surveys
- 3) Community of Practice on BCI and PD issues.
  - Administer and support the development of the Community of Practice for Business Climate and Productive Development Policies
  - Creation of IDB Intranet
  - Outreach and dissemination activities
- 4) Development of conference materials for events on BCPD
  - Creation and managing of IDB Intranet
  - Papers on Business Climate and Productive Development
  - Toolkits (as necessary)
- 5) In close coordination with CMF staff and supervisor
  - Monitoring and develop the strategy to work on preparation of possible loan operations related with BCPD.

- Support development of new loan and technical cooperation activities

## **II. Additional Components**

In addition the consultant will work in the following activities:

- Supporting as member operation teams at the division
- Strengthening networks with external partners working on Business Climate and Productive Development
- In coordination and within the framework established by the CMF Division and the Japan Fund coordinator, supporting networks with Japanese organizations, if necessary.

### **Timing and Remuneration.**

Expected to start in April 1<sup>st</sup>, 2009. The duration of the consultancy will be one year, extendable for one more year.

Remuneration will be estimated based on educational background and experience; the amounts will be adjusted by the Bank if necessary. A preliminary estimated annual fee of US\$70,000 would be paid by CMF (50%) budget and the Japan Trust Fund (50%). The Japan Trust Fund would cover all the appointment and repatriation benefits according to Bank's policies and procedures.

### **Requirements**

The consultant should be a Japanese citizen with at least a Master Degree in Public Policy, International Development or Economics. At least six years of experience as project manager and consultant in Latin American projects is required as well as proficiency in written and spoken Spanish and English. Knowledge of IDB procedures and organization is necessary.



**TASKS PERFORMED BY MR. MARCO KAMIYA  
FROM APRIL 2009 TO MARCH 2010**

**CAPITAL MARKETS AND FINANCIAL INSTITUTIONS DIVISION**

**1. Productive Development Policies:**

Products: Work on project team developing PDP survey methodology for institutions and programs.

- Participated in preparation of TOR and firm selection for Country Surveys
- Identified target countries and collaborated in Fieldwork to apply the survey (Chile, Brazil)
- Designed and developed components of the final reports on PDP institutions and programs.

Tasks in progress:

- Preparing final reports for PDP institutions and programs.
- Review and update methodology for application in 2010
- Application of methodology in web-based model and face-to-face surveys

**2. Better Conditions for Productivity:**

Products:

- Collaborated in design of MAP implementation strategy
- Collaborated in the design and development of MAP website
- Provided written material for incorporation in first Call for Proposals and web site
- Provided technical review of web site functioning
- Developed strategy for dissemination of MAP through media to attract proposals

Tasks in progress:

- Receipt of proposals for First Call for Proposals (February 15<sup>th</sup> 2010)

**3. Enterprise Surveys:**

Products: Work on TOR and selection of firm for S. American and Caribbean Enterprise Surveys

- Developed questionnaire module for innovation, labor and PDPS with participating Bank units (SCL, LMK, CMF)
- Coordination of work on guidelines for survey application with units in Bank and with World Bank/IFC.

Tasks in progress:

- Negotiation of contract for S. American surveys.

- Identification of firm(s) for Caribbean and Central American Survey
- Analytical work on datasets when prepared.

**4. Operational work:** Collaborated with project teams in a variety of operational activities.

- Caribbean Technical Cooperation for Private Sector Development (RG-X1074), prepared TC profile (\$750,000)
- Guatemala GU0163; 1734/OC-GU, “Support for Strategic Investment and Productive Transformation in Guatemala”

Tasks in progress:

- Preparation of Plan of Operation for RG-X1074
- Oversight of TC implementation and analytical work