

TRAINING PROGRAM FOR GROUP C AND D COUNTRIES

(TC-97-06-06-3-RG)

EXECUTIVE SUMMARY

REQUESTER: Board of Executive Directors

EXECUTING AGENCY: The Bank, under the responsibility of INT/RTC.

BENEFICIARIES: Executing agencies for Bank projects in Group C and D countries

FINANCING: IDB (net income of the FSO): US\$2 million

TERMS: From date of approval:

Execution period: 12 months
Disbursement period: 15 months

CESI: The document was sent to the Committee on Environment and Social Impact for information on July 3, 1997.

OBJECTIVES: The objective is to contribute to the development of permanent national capacity for training employees of national institutions responsible for preparing and managing programs and projects, by training a critical mass of public employees and instructors from the 19 borrowing member countries in Groups C and D.

DESCRIPTION: The program's strategy consists of two simultaneous areas of action. Courses in priority areas where teaching materials are available would begin immediately with Bank instructors assisted by outside consultants. A process would also begin to develop the countries' own training capacity by: (i) designing a training strategy in each country; (ii) training instructors to meet program needs as well as to strengthen national training institutions who will continue providing the courses in the future; and (iii) adapting the curricula in the priority areas described below.

The program comprises four components: (i) training courses; (ii) adaptation of training modules; (iii) trainer training; and (iv) program coordination.

Training courses (US\$1,250,000)

The courses would include: (i) a core curriculum comprised of the following common modules that all the employees would take: program and project design and management (DGP), Bank products and project cycle (PBCP), procurement (ADQ), disbursements (DE), negotiating (NE), and logical framework (ML); and (ii) specialized modules addressing the specific needs of the countries and operations sectors (financial analysis, microenterprise, social management, etc.). Preferably, the modules that are part of the core curriculum should precede the specialized modules.

The courses to be taught during the first quarter of the program will cover the six modules of the core curriculum. During that period, a strategy will also be devised in each country to schedule the specialized module courses according to the country's needs. In addition, arrangements will begin to be made to set up the program as an ongoing endeavor. The strategy-related courses will begin to be taught during the second quarter.

One-day and four-day courses will be offered to two levels of staff, respectively: managers and professionals.

Adaptation of training modules (US\$200,000)

In the first quarter, the program and project design and management, Bank products and project cycle, and procurement modules will be adapted. Other specialized modules will also be developed during program execution.

Trainer training (US\$200,000)

The first trainer training course under the program will be offered during the first quarter. During the rest of the execution period, efforts will be made to strengthen permanent national training agencies.

Program coordination and evaluation (US\$150,000)

An executing unit would be created whose main responsibilities would be to organize and carry out the program's activities, including: keeping track of demand for training; organizing the schedule of activities and working out the course logistics; and periodically evaluating the program activities to adjust them to the countries' needs.

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| BENEFITS: | <p>This program would complement the State modernization activities that the Bank supports in the areas of policy-making, reform, and review of systems and procedures. It would also help to strengthen the operational capacity of the executing agencies in the preparation and execution of projects. In the training of human resources at the country level, it would also provide a common and comprehensive approach to the project cycle, both in terms of general conceptual considerations and execution and sector specifics.</p> |
| RISKS: | <p>The main risk of the program relates to whether enough instructors can be included who are qualified in the preparation and execution of projects based on the Bank's systems and procedures. To minimize this difficulty, the plan of operations provides for trainer training mechanisms and for the gradual inclusion of national agencies that will continue to provide this type of training after the final disbursement of the Bank's resources.</p> <p>Another risk of the program is that the complementary State modernization activities to overcome macroeconomic policy and institutional constraints will not be carried out and that, consequently, the training will not have the expected impact on the management of the Bank's project portfolio.</p> |
| THE BANK'S STRATEGY: | <p>The diagnostic study of the action plan for the Group C and D countries highlights local constraints on new project design, preparation, and execution and on normal execution of the Bank's loan portfolio. It also identifies the constraints the Bank itself faces and proposes actions that include strengthening its human resources and improving its procedures. In order to improve these countries' capacity to design, prepare, and carry out Bank-financed projects, this regional training program has been designed to help strengthen human resources at the national agencies responsible for project preparation and execution.</p> |
| SPECIAL CONTRACTUAL CONDITIONS: | <p>Given the nature of this project and the need to begin the courses without delay, it is recommended that the executing unit's coordinator and assistants be hired retroactively from August 1997.</p> |
| RESPONSIBILITY: | <p>The executing unit will carry out the program activities in close collaboration with the program's coordinating committee and with the Bank's participating units in the respective areas. The</p> |

Executive Summary

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Country Offices will supply administrative, technical, and logistical support.

PROCEDURES: In accordance with procedures approved by the Board of Executive Directors (documents GN-1838-1 and AT-1046-4), this operation will be placed before the Committee of the Whole for consideration, inasmuch as the amount thereof exceeds the US\$750,000 ceiling.

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| TENTATIVE DATES: | Loan Committee: | July 1997 |
| | Board of Executive Directors: | July 1997 |

I. BACKGROUND

A. General background

- 1.1 The diagnostic study of the action plan for Group C and D countries emphasizes that weaknesses in borrowing institutions act as constraints on the design, preparation, and execution of new projects and the normal execution of the Bank's loan portfolio. It indicates that, to a greater or lesser extent, many of these countries lack an efficient infrastructure of institutions to manage public sector investments and external assistance. It also notes that constraints at various levels within the public agencies in charge of monitoring and supervising investment project execution can constitute significant hindrances. The study also identifies the limitations of the Bank's own capacity and proposes actions that include strengthening its human resources and improving its procedures.
- 1.2 Although there are certainly no quick fixes to the capacity problem of executing agencies and other national agencies involved in managing public investment programs, there is agreement that training key staff is one of the longer-term solutions. To contribute to overcoming institutional constraints, the Bank will continue to use its various operational modalities in programs aimed at reform and strengthening of the public sector, which encompass policy-making and strengthening of institutional capacity. In the final analysis, a training program for employees in charge of public investment projects will only have a significant impact if the countries also undertake a comprehensive effort to modernize the State, thereby changing macroeconomic conditions (fiscal constraints and restrictions on borrowing, among others) and correcting institutional weaknesses that undermine project sustainability.
- 1.3 The specific measures proposed in the action plan seek to: intensify efforts at portfolio management; address procurement bottlenecks; improve project "ownership" among stakeholders; give emphasis to an expansion of the human capital base; increase and strengthen the Bank's human resources focused on the Group C and D countries; and improve Bank processes to facilitate its operations in all countries. As part of this program, the Bank's approach to procurement, disbursement processing, financial auditing, and supervision of compliance with contractual clauses is also being revised.
- 1.4 The Board of Executive Directors, by approving the Bank's administrative budget for 1997, decided to provide partial financial support for two special initiatives: the Country Office Strengthening Plan submitted to the Board in 1996; and the action plan for meeting the needs of Group C and D countries, designed to improve the capacity of borrowing member countries in those groups

to identify, prepare, and execute Bank-financed projects. The action plan is comprised of three areas of activity seeking to:

- a. finance studies to identify and design projects, and short-term consultancies to resolve problems in project execution. To this end, a US\$6-million fund will be established to be administered jointly by the Bank – through the Country Offices – and the governments;
- b. contribute an additional US\$2 million to the three regional operations departments for short-term consultants to assist in the preparation of new projects; and
- c. establish a regional training program to strengthen the human resource base of national agencies responsible for project preparation and execution. This program, which will cost US\$2 million in 1997, is in addition to the training activities for government employees that were included in the Country Office Strengthening Plan, chargeable to the administrative budget. For 1998, an additional US\$2 million will be allocated for training activities.

B. Project background

- 1.5 In this context, the Bank took responsibility for designing a regional training program that would be limited to national entities responsible for project preparation and execution. The program is expected to be financed for two years from 1997 and 1998 regional technical-cooperation funds, although this project refers only to 1997 funding. This operation, once under way, would lay the foundations for partially meeting the training needs of staff in Group C and D countries' executing agencies.
- 1.6 For the design of activities for the first year of the plan, the Country Offices, together with the local counterpart agencies (Bank program national liaison agencies – INEPs – which are listed in Annex I), have identified, on a preliminary basis, the need for some 100 courses with 2,500 participants covering topics and/or modules that largely mirror the courses that the Bank offers internally and at executing agencies (Annex II).
- 1.7 Both the Country Offices and the INEPs highlighted the fact that the training of employees will be based on the latter's responsibilities with regard to the public investment project planning and execution system. The courses for employees in the agency in charge of overall portfolio monitoring at finance or planning ministries do not need to be exhaustive in procedural areas such as procurement, for example, but would have to provide broader information on financing policies and Bank products to strengthen their position when they negotiate operations with the Bank. Training for staff in charge of preparing bidding documents and reviewing the technical aspects of offers is more intense than

for executive decision-making staff. In addition, depending on the project sector, some public employees will require training on the way the Bank deals with matters in their area of specialization.

- 1.8 Under this proposal, financing would be provided for the first year of the process being initiated to meet the various training needs with a minimum of interference with the participants' work schedule. Accordingly, it is expected that the courses will be offered individually in each country and by country group or subregion only where truly warranted.

II. OBJECTIVES

- 2.1 The program's basic objective is to contribute to the development of a permanent national capacity for training employees of national agencies responsible for preparing and carrying out projects. The specific objective is to assist in strengthening policy and programming dialogue and procedures for identifying, designing, and executing programs and projects, by providing training for a critical mass of public employees and instructors from the 19 Group C and D borrowing member countries.

III. DESCRIPTION

- 3.1 The program's strategy consists of two simultaneous areas of action. Under the first, courses in priority areas for which teaching materials are available would begin immediately with Bank instructors assisted by outside consultants. Under the second, a process would also begin to develop the countries' own training capacity by: (i) designing a training strategy in each country; (ii) training instructors to meet program needs and strengthen national training agencies that will continue providing the courses in the future; and (iii) adapting the curricula in the priority areas described below.

A. Activities

- 3.2 The program will be carried out over a 12-month period and comprises four components, which are described below: (i) training courses; (ii) adaptation of training modules; (iii) trainer training; and (iv) program coordination and evaluation.

1. Training courses (US\$1,250,000)

- 3.3 In response to the demand for training perceived by the INEPs and the Bank's regional operations departments, a guiding principle was developed for the courses that consists of a core curriculum with

two levels of depth (managerial and technical), which would be reinforced by specialized modules with the same two levels of depth, to be taught on the basis of the specific needs of the staff in the various sectors. The core curriculum consists of six common modules: program and project design and management (DGP), Bank products and project cycle (PBCP), procurement (ADQ), disbursements (DE), negotiation (NE), and logical framework (ML). The specialized modules will cover the following topics: institutional strengthening, financial analysis, economic analysis, microenterprise, gender issues, environment, social management, and others. Preferably, the core curriculum modules should be taught before the specialized modules.

- 3.4 Depending on human resource availability, course scheduling should be such that the core curriculum's DGP module is the starting point of the training as a conceptual and organizing framework for the other modules. Under the DGP module, a conceptual foundation would be laid for modernization and streamlining of the procedures involved in public-sector program and project identification, design, consultation/discussion, execution, and evaluation. The above notwithstanding, and in view of the lack of instructors needed to begin training in all countries with this module, training could begin in some countries with the ADQ and DE modules, which cover topics not requiring the aforementioned conceptual framework. In other countries, training would begin with the NE and ML modules, which would be introduced with the conceptual framework of the DGP module.
- 3.5 In order to make program execution flexible and adjust it to demand in the 19 countries, the courses would be scheduled for each of the four quarters of the execution period. During the first quarter (August to October 1997), core curriculum courses requested by the INEPs will begin to be offered and a training strategy will be formulated for each country that will include the specialized modules. The INEPs will draft these strategies with support from the Country Offices, taking into account experiences with courses already offered and the need to adapt them to the specific problems of each country and sector. Subsequently, during each quarter the schedule will be updated based on course evaluations and new demand.
- 3.6 The courses identified so far that could be offered during the first quarter are the core curriculum modules, which are described below.

- a. Program and project design and management (DGP)

- 3.7 A modern process will be promoted among participants for designing and managing public programs and tools, and methods will be provided that could be used to modernize and streamline the process. The module combines analysis, negotiation, management, and evaluation in a context that takes into account technical,

economic, political, and institutional elements. It emphasizes modern public administration concepts and fosters a shift in administration systems from pre-established work programs towards results-based management.

b. Bank products and project cycle (PBCP)

- 3.8 Managerial and professional participants selected from executing units will become familiar with the IDB's project cycle in order to strengthen their capacity to identify and prepare projects, evaluate them efficiently, support the approval and negotiation process, execute and supervise them effectively, and conduct systematic ex post evaluations. The course will concentrate on procedures, the application of criteria and indicators, and best practices to be used to expedite the stages of a project. The cycle presented consists of: (i) identification of projects or programs; (ii) preparation; (iii) analysis (ex ante evaluation); (iv) negotiation and presentation to the Board; (v) execution, supervision, and monitoring; and (vi) ex post evaluation.

c. Procurement (ADQ)

- 3.9 Participants will become familiar with the Bank's procurement policies and procedures and specific information will be introduced, particularly to technical staff, on preparing standard bidding documents for the procurement of goods, works, and consulting services, in order to make their use second-nature to executing agencies. Appropriate mechanisms for the ex post evaluation of competitive bidding processes will also be introduced.

d. Disbursements (DE)

- 3.10 The Bank's rules and practices on project-related disbursements of funds will be described. Specific matters relating to accounting and financial administration, integrated internal control and external auditing, and international accounting and audit standards will be introduced. Actual cases will be presented for discussion of problems that typically affect project execution.

e. Negotiation (NE)

- 3.11 Participants will become familiar with methods and strategies to improve their knowledge and effectiveness in the negotiation process. This module introduces the frame of reference for the negotiation process and applicable tools for improving negotiating skills and for dealing with difficult negotiations in order to generate credibility and trust; methods for persuading the other party to accept the desired proposal; strategies for asking questions, avoiding false hopes regarding understanding, eliminating anger and verbal aggressiveness; guidelines for identifying and avoiding manipulation and psychological strategies

within and outside the organization; creative techniques for chairing negotiation meetings and ways to reach an integrated and assertive model for successful negotiations and consensus-building. At a more advanced level, personal skills upgrading is included. Problem-solving in actual cases that reflect the aforementioned problems will be used.

f. Logical framework (ML)

3.12 Participants will become familiar with the ML method and its use in project design, execution, and evaluation, with emphasis on portfolio monitoring. The design of the system for achieving specific objectives, anticipating contingencies, supervising progress, and evaluating project outputs will be developed, in the context of basic ML concepts, to enable participants to apply them in their respective activities.

3.13 During the first quarter, the following courses will be offered to two levels of staff: (i) managers, whose courses will last one day, on average; and (ii) technical staff, whose courses will last an average of four days, for an average of 40 participants:

- Program and project design and management: one three-day course
- Bank products and project cycle: one two-day course
- Procurement: seven three-day courses
- Disbursements: three five-day courses
- Negotiations: one 2.5-day course
- Logical framework: five three-day courses

Beginning in the second quarter, core curriculum courses will continue to be taught and specialized courses identified in the country strategies will begin. Preferably, the courses will be conducted in the country that requests them although, for reasons of economies of scale, it may be appropriate for them to be organized on a regional basis or for traineeships or courses offered by other institutions to be used.

2. Adaptation of training modules (US\$200,000)

3.14 In general, the courses identified are equivalent to training modules offered by the Bank and, in some cases, other organizations that have training programs. The use of these modules offers some advantages, such as limiting the cost of curriculum development by simply adapting them to specific conditions in the countries, and using teaching materials prepared on the basis of the Bank's practices and objectives, this program's governing principle.

- 3.15 Accordingly, existing modules will be used during the first quarter and the DGP, PBCP, and ADQ modules will be adapted. Other modules will be developed during program execution, particularly those involving special topics that must be prepared by the Bank. Consultants and educational institutions to be hired in accordance with Bank policies will participate in the adaptation of the modules.

3. Trainer training (US\$200,000)

- 3.16 In order to contribute to the institutional consolidation of the training program in the countries as indicated in the strategy's lines of action (paragraph 3.1) and supplement Bank staff with the instructors needed to meet demand for the 12-month execution period, external instructors with some degree of expertise regarding the Bank's systems and procedures will have to be hired.
- 3.17 The program therefore contains courses designed specifically for instructors who may come from: (i) agencies specializing in training that would continue with the training after this program is completed; (ii) executing agencies that have their own training programs; and (iii) the Country Offices, particularly in the case of courses on procurement, in view of the importance of this topic, initially, in the context of problems in the execution of the Bank's lending operations in the countries.
- 3.18 In order to begin the process of installing teaching capacity in a selected institution in a particular country, the first course for instructors will be offered during the first quarter and will cover logical frameworks. In addition to including the ML method, the course will cover facilitation techniques that will be tested by the participants and will clarify the use of applied instruments and concepts. The results will be evaluated in order to adapt future instructor training courses. During the first five-day course, 5 to 10 instructors would be trained. This course will be conducted simultaneously with the basic course for executing agency technical staff. Other courses for instructors in other countries and on topics assigned priority by the Bank will continue to be developed during the following quarters.

4. Program coordination and evaluation (US\$150,000)

- 3.19 The Regional Technical Cooperation Division (RTC) will be responsible for program execution. Accordingly, an executing unit (EU) will be set up whose main functions will be to organize and supervise program activities and administer and manage program funds. In addition, the EU will be in charge of: periodically tracking demand for training, encouraging the formulation of training strategies for the countries, with guidelines for program resource allocation, selecting modules for the courses, approving the schedule of activities, organizing course logistics, and periodically evaluating program activities so that the system can

be updated continually to match changing needs for training. Based on the guidelines outlined in the following section, "Organization and execution", the EU will prepare a manual for action for the various stakeholders in program execution.

- 3.20 The RTC will hire a professional with solid teaching and project experience, to be paid from program funds on a retroactive basis. If possible, he or she should have experience in managing programs of this type. The professional will be in charge of managing the program and coordinating technical and operational matters and the teaching of courses. A technical administrative assistant will also be hired and, as necessary, short-term experts, to cover specific tasks such as teaching, curriculum design, etc.

B. Organization and execution

- 3.21 The program will be executed by INT/RTC, through the aforementioned EU. To carry out its functions as described in the preceding two paragraphs, the EU will have the technical capacity to coordinate the program and will be assisted by the following units in the Bank, which have training experience: REL/RSS, REL/DAU, REL/PRM, INDES, EVO, and DPA/DEV. In addition, the EU will remain in close contact with the units in charge of projects, such as the regional operations departments, Country Offices, and INEPs, in order to learn about the problems that affect them. On subjects related to specific activities, the EU will call upon the respective unit directly and, when necessary, will convene the coordinating committee established for that purpose.
- 3.22 Since program coordination is a key issue, the EU will set up a coordinating committee comprised of INT/RTC and representatives of the three regional operations departments and of the aforementioned units of the Bank. For programming of specialized activities such as women in development, State and civil society, microenterprise, environment, and others, representatives of the Bank units responsible for those areas will also participate in the committee. The committee will be responsible for guiding and reviewing the program's progress and execution. It will adopt operating guidelines, approve and update the course directory, allocate resources, provide guidelines for the formulation of national training strategies, review course content and planning, establish procedures for covering common topics, and evaluate program activities. The committee will meet quarterly or when convened by the Chief of the Regional Technical Cooperation Division.
- 3.23 The Bank's respective training units and others involved in the related topics will participate actively in the selection and organization of courses and the training of instructors. For course organization, they will also assess the possibility of using external trainers and computer resources (internet, intranet, software) as well as systems for setting up short-term traineeships in model sectors and/or countries. These units will participate in

their respective areas and will be technically responsible for the quality of the courses, the training of instructors, and the adaptation of curricula. For the specialized modules, the Bank's units will recommend course timing and content, particularly in the area of the environment. The units will also recommend whether the courses should be conducted by Bank staff or through the hiring of consultants or training institutions.

3.24 The Country Offices will play a decisive role in the field supporting program activities, particularly with respect to the functions of the respective INEPs as described below, and will contribute to course identification and organization, provide logistical support, and administer funds. On the initiative of some Country Offices, their specialists will attend the courses. Their experiences will be used for the purpose of reviewing and updating the courses offered under this program and those to be offered in 1998.

3.25 The experience of the INEPs and public agencies specifically involved in project management in the countries will also be used. The INEPs will submit proposals on training strategies, indicating priorities on the basis of applicability to specific problems in project execution, in order to adapt the training to resource allocation guidelines by country as indicated by the EU. These agencies will identify the staff who will attend the courses and will assist in the selection of instructors, course design, organization logistics, and development of permanent national mechanisms to continue with the training begun under the program.

1. Criteria for identifying areas of specialization

3.26 Priority will be attached to courses on areas of specialization that contribute to:

- solving problems that are affecting public investment project programming, preparation, and execution (fiscal policies, monetary policies, etc.);
- clarifying the Bank's analysis requirements (economic, institutional, financial, etc.);
- promoting action in priority areas of the Eighth General Increase in the Resources of the Bank (poverty reduction and social equity, modernization and integration, and environment); or
- promoting actions that benefit low-income groups, women, and microenterprise.

3.27 Arrangements with other institutions that offer high-quality courses may be justified for training in specialized areas. Competitive procedures will frequently be used to select these

institutions. In such cases, course fees and participants' travel costs will be recognized for project resource purposes.

2. Criteria for selecting course participants

- 3.28 Participants will be selected by the INEPs, based on their functions in the areas of investment and technical-cooperation projects and programs and according to whether they are managerial or technical staff, to the satisfaction of the Bank's Country Offices. In addition, preference will be given to employees directly involved in project preparation, execution, and evaluation or in activities directly connected with the Bank.
- 3.29 Normally, participants will attend core curriculum modules before they begin the specialized modules. At the end of each course, they will be asked to evaluate the instructors and the course and to make comments on the course's usefulness and applicability to the performance of their functions. Their experiences will be used to revise and update the program's courses and to develop the 1998 courses. To promote learning and program sustainability, the Bank could request the attendance of participants who, because of the quality of their performance, may be selected to act as instructors in future courses.
- 3.30 The countries will undertake to send at least one representative from each INEP to the courses and to make time available to those participants selected as instructors. Both the country and the Bank will require executing agency staff responsible for future IDB operations to have taken the basic courses (program and project design and management, procurement, disbursements, and logical framework) or to take them prior to executing such operations.

3. Institutionalizing the training system

- 3.31 From the start of project execution, the INEPs and respective Country Office would assist in evaluating and selecting national organizations and in negotiating agreements to institutionalize the training system within each country. The Bank's training units would also be involved in this process, concurrently with teaching the courses.
- 3.32 On the basis of the Bank's experience with in-country courses on procurement and the logical framework, a number of national institutions have already been identified that could gradually take on responsibility for the training. The process of transferring such responsibility could be accelerated as the organizations assimilate the training modules and knowledge of the Bank's operations systems and procedures.
- 3.33 By the end of the process, national organizations capable of providing this type of training at market rates - once program funds are depleted - will have been strengthened. Nevertheless, it

would be necessary to continue to update the system continuously as operational changes in the Bank's activities are made. For this reason, the national training organizations selected would be required to commit to maintaining their relationship with the Bank and thereby be accredited to continue to provide training courses. Periodically, proposals on ways to provide the training will be presented based on the curriculum for each topic as well as cost bases for sustainability activities and mechanisms.

3.34 The continuance of the training program after the Bank's participation ends will depend on the capacity of the national agency selected. Generally speaking, one agency will be selected in each country. Where warranted, however, more than one agency may be chosen. Agencies with regional responsibility may also be selected. The agencies should meet the following criteria:

- experience with training activities and recognized excellence in their programs;
- commitment to involve outstanding professionals in the program's courses, who specialize in the course subjects and can be trained as instructors through the program's trainer training activities;
- sound financial position;
- commitment to use the Bank program's training modules and to maintain an ongoing relationship with the Bank so that the courses can be updated as Bank policies and procedures change;
- commitment to charge competitive course fees.

To the extent possible, agencies will be chosen through competition. Only prequalified agencies will be invited to submit bids.

4. Expected outputs midway through the program

3.35 In addition to the courses taught during the first two quarters, it should be noted that by the end of the first six months, the following outputs are expected to be available:

- Strategies for the countries based on established priorities, to be reviewed quarterly. These will make it possible to adjust resource availability and training needs;
- Adaptation of the core curriculum, in particular with respect to DGP, PBCP, and ADQ modules, and of the course content of specialized modules identified in strategies and requiring expansion or correction;

- Courses with specialized modules identified in the strategies as arising both from the priorities established in the countries and from the results of experiences in the core curriculum courses taught first;
- Trained instructors teaching subsequent courses on core curriculum modules and specialized modules as they are incorporated;
- Qualified agencies selected or in the process of being selected or under negotiation, for the purpose of institutionalizing the system, with course content and material identified and prepared under the project, so that the courses will continue to be offered after the funds provided under this Bank program are exhausted;
- A core of staff from executing agencies who are better trained to prepare and manage projects and programs, closely related to Bank systems and procedures;
- Proper institutional infrastructure achieved through the above outputs, so that courses are organized based on employees' work schedule at free times during the day or outside regular work hours.

C. Reports and monitoring

- 3.36 The Regional Technical Cooperation Division will monitor the operation with assistance from the program's coordinating committee and the Country Offices. Monitoring will be performed through attendance at courses by INEP and Country Office representatives, who will submit brief reports on the courses, and through evaluations submitted by participants, reports by instructors, and visits by EU members or the project team. A couple of specific cases will be evaluated thoroughly and an evaluation on the project's achievements will be available at the end of the year.
- 3.37 Each quarter's courses will be scheduled based on experiences with those in the previous quarter. At the end of each quarter, an activities report and a financial report detailing expenses incurred during the quarter will be prepared, as well as a consolidated report at the end of the period.

D. Cost and financing

- 3.38 The cost of the program is up to US\$2 million from the net income of the Fund for Special Operations, provided on a nonreimbursable basis. An overall estimate of costs by activity is provided below.

Cost of program activities

| Description | Amount (in US\$000) |
|--|------------------------|
| 1. Training courses (instructors' fees and travel, travel and course fees for participants, expenses related to logistics). These expenses would include a minimum amount of resources allocated by country under course programming | 1,250 |
| 2. Adaptation of training modules (remuneration, travel expenses, and teaching materials involving Bank staff, specialized agency staff, and professionals employed to adjust or prepare course contents for the core curriculum and specialized modules) | 200 |
| 3. Training for instructors (allocation for teachers' expenses, cost of teaching materials, and others incurred for training of instructors) | 200 |
| 4. Program coordination and evaluation (coordinator and assistants — fees and travel expenses — and expenses related to operation of executing unit) | 150 |
| 5. Contingencies | 200 |
| TOTAL | 2,000 |

- 3.39 Funds for the training courses will be distributed among the countries based on the strategies. Nevertheless, a minimum amount will be guaranteed to each country to allow for training in the core curriculum modules at least. The executing unit, with the participation of the program's coordinating committee, will specify the criteria to be applied for the distribution and use of funds.
- 3.40 The costs incurred for travel and course logistics by the Bank's units in organizing and teaching the courses will be reimbursed from the program's resources, pursuant to budget policies in force.
- 3.41 The funds will be disbursed pursuant to the Bank's procedures either from Headquarters and/or through transfers of funds to the Country Offices for planned local expenses. Given that the program will be carried out on a quarterly programming basis, the EU will include the funds allocated to the Country Offices in its financial report at the end of each quarter.

IV. BENEFITS AND RISKS

- 4.1 This program would complement the State modernization activities that the Bank supports, which include policy-making, reform, training, and review of systems and procedures. It would also help to strengthen the operational capacity of the executing agencies in the preparation and execution of projects. In the training of

human resources in Group C and D countries, it would also provide a common and comprehensive approach to the project cycle, in terms of both general conceptual considerations and execution and sector specifics.

- 4.2 The main risk of the program relates to whether a sufficient number of qualified instructors can participate so that the necessary courses can be offered to resolve problems in the preparation and execution of projects in connection with the Bank's systems and procedures. Although the Bank's internal capacity will be used for program design and subsequent activities, the plan of operations provides for trainer training mechanisms and for the inclusion of national agencies that will participate in the program and continue to provide this type of training after the final disbursement of the Bank's resources.
- 4.3 The above notwithstanding, there may be some difficulties in meeting the demand for training, because of the limited number of available qualified instructors within the proposed one-year execution period.
- 4.4 The time required for the countries to adapt properly to the requirements established for the courses to be conducted introduced a risk that the program attempts to minimize through close cooperation between the Bank's Country Offices and the agencies concerned in the countries. At the same time, turnover among trained employees working in public agencies involved in Bank activities is an imponderable whose impact could be offset through the continuation of the courses.
- 4.5 Another risk of the program would be that the complementary State modernization activities to overcome constraints in macroeconomic policy (fiscal and debt-related, for example) and institutions may not be carried out, with the result that the proposed training does not have the expected impact on management of the Bank's project portfolio.

V. EVALUATION

- 5.1 Consultants will be hired by the Bank to conduct an evaluation on the progress of the program taking into account the factors indicated in paragraph 3.35. In addition, detailed mid-term and final evaluations will be conducted that will include follow-up on the participants and will assess the extent to which the program's objectives and goals have been accomplished, as identified based on strategies to be formulated for the countries.

TRAINING PROGRAM FOR GROUP C AND D COUNTRIES
NATIONAL LIAISON AGENCIES

Region I

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| Bolivia: | Public Investment and External Financing Secretariat | Uruguay: | Office of Planning and Budget, Office of the President of the Eastern Republic of Uruguay |
| Paraguay: | Ministry of Finance and Technical Planning Secretariat | | |

Region II

| | | | |
|--------------------------------|--|-------------------|---|
| Belize: | Ministry of Economic Development | Guatemala: | Ministry of Economic Planning |
| Costa Rica: | Ministry of Finance | Haiti: | Ministry of Planning |
| Dominican Republic: | Technical Secretariat of the Office of the President | Honduras: | Unit of Economic Planning Support (UNAPE) |
| El Salvador: | Ministry of Finance | Nicaragua: | Ministry of Economic Affairs |
| | | Panama: | Ministry of Planning and Economic Policy |

Region III

| | | | |
|------------------|-------------------------------------|---------------------------------|---------------------------------------|
| Bahamas: | Ministry of Finance and Planning | Jamaica: | Planning Institute of Jamaica |
| Barbados: | Ministry of Economic Affairs | Suriname: | Ministries of Planning and Finance |
| Ecuador: | Ministry of Finance | Trinidad and Tobago: | Ministry of Planning |
| Guyana: | Ministry of Finance | | |

TRAINING NEEDS OF EXECUTING UNITS

| of need | Project management | IDB: orientation, products, project cycle | Logical framework | Procurement | Disbursements | Negotiating | Additional |
|------------|--------------------|---|-------------------|-------------|---------------|-------------|-------------------------------------|
| REGION I | | | | | | | |
| | | x | x | x | x | | |
| | x | x | x | x | | | |
| | x | | x | x | x | x | INDES |
| REGION II | | | | | | | |
| | x | x | | x | | | |
| | | x | x | x | x | x | Taxation; financial |
| public | x | x | x | x | x | x | Financial and portfolio |
| | x | x | x | x | | x | INDES |
| | x | x | x | x | | | INDES; gender iss microenterpris |
| | x | x | x | x | | x | INDES |
| | x | x | x | x | x | x | INDES; financial an |
| | x | | x | x | | | Financial |
| | x | x | x | x | x | x | INDES; environme |
| REGION III | | | | | | | |
| | | | | x | x | | |
| | | | | | | | |
| | x | x | | x | x | | |
| | x | | x | x | | x | |
| | x | | x | x | | | |
| | x | | | | | | Gender issues |
| bago | x | | | x | x | x | Social sectors |
| of courses | 15 | 10 | 12 | 17 | 9 | 10 | 13 |

PROPOSED RESOLUTION

REGIONAL. NON REIMBURSABLE REGIONAL TECHNICAL COOPERATION
FOR THE EXECUTION OF A TRAINING PROGRAM FOR THE
C AND D COUNTRIES

The Board of Executive Directors

RESOLVES:

1. That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to adopt such measures as may be pertinent for the execution of the plan of operations referred to in Document AT-_____, with respect to a non reimbursable regional technical cooperation for the execution of a Training Program for the C and D Countries.
2. That up to the sum of US\$2,000,000 is authorized for the purposes of this resolution, chargeable to the net income of the Fund for Special Operations.
3. That the above-mentioned sum is to be provided on a non reimbursable basis.