

## TC Abstract

### I. Basic project data

• Country/Region:	HQ/CAN - Andean Group
• TC Name:	Enhancing Capacity of Public Sector Executives
• TC Number:	RG-T2717
• Team Leader/Members:	LAFUENTE, MARIANO CARRASCO CUELLAR, ALEJANDRA MARIA MONCADA, GILBERTO A. DEUSTUA, GONZALO MEJIA-GUERRA, JOSE ANTONIO CORTAZAR VELARDE, JUAN CARLOS
• Taxonomy:	Research and Dissemination
• If Operational Support TC, give number and name of Operation Supported by the TC:	
• Reference to Request (1) : (IDB docs #)	
• Date of TC Abstract:	07 Dec 2015
• Beneficiary:	
• Executing Agency and contact name	US-IDB - Mariano Lafuente
• IDB Funding Requested:	400,000.00
• Local counterpart funding, if any:	112,000.00
• Disbursement period (which includes execution period):	30 months
• Required start date:	
• Types of consultants (firm or individual consultants):	Individuals
• Prepared by Unit:	Institutional Capacity of State
• Unit of Disbursement Responsibility:	INSTITUTIONS FOR DEVELOPMENT
• Included in Country Strategy (y/n): TC included in CPD (y/n):	No No
• GCI-9 Sector Priority	Institutions for growth and social welfare

### II. Objective and Justification

- 2.1 Contribute to enhance the capacity of public executives in LAC. It is expected to do so through: (i) deepening the policy and knowledge exchanges with China, in particular through supporting training opportunities for LAC's public executives in CELAP; and (ii) promoting a South-South cooperation agenda on public executive's management in LAC.
- 2.2 Public executives are strategically important with respect to state capacity. They are responsible for designing and implementing public policies, and they function as a coordinating mechanism between elected politicians and the civil service. Senior government posts are a tough semi-political territory which requires distinct skills and competencies often not developed within traditional ministerial careers. This, in turn, requires distinctive recruitment efforts to attract

and retain the right staff together with distinctive competency management to build the right skills. It also requires intensive training and capacity building in management and leadership to further develop the distinct skills and competencies required for effective leadership.

- 2.3 Focusing professionalization on a distinct, differentiated senior executive level is a relatively recent innovation in the OECD's public sector management agenda. In China, the government has made major efforts to enhance its governing capability at the executive level by promoting efficiency, meritocracy, and transparency at the senior management level. Among them, the China Executive Leadership Academy Pudong (CELAP), established in 2005 under the guidance by top leadership in China, takes on the critical role of training public executives with high potential for top leadership positions. In Latin America, the widespread tendency to reserve most senior executive positions as positions of political trust (to strengthen the sense of responsiveness) has gone against offering them a reasonable amount of autonomy in the face of political power and has very often failed to guarantee that they will possess the qualities needed to run complex organizations. In most Caribbean countries, British administrative tradition has led to more permanent public executives (most times serving as Permanent Secretaries). However, these staff tends to arrive after several decades in the public sector and may not have the particular skills of modern public managers. Against this backdrop, the professionalization of the senior civil service cadre in some countries in Latin America and the Caribbean (LAC) in the last decade such as Chile, Peru and Ecuador, has sought to overturn having executives with little autonomy and insufficient abilities, while ensuring that they coordinate satisfactorily with the agenda of the incumbent authorities. At the same time, it has sought to counteract the lack of policy continuity within a context of changing leaders and fragmented departmental agendas.
- 2.4 Having contributed to the design, development and documentation of LAC's experiences in the professionalization of public executive cadres, the IDB is considered a key player on this agenda. The Bank has also contributed to the research and knowledge agenda on this area by (1) analyzing the political economy of this specific reform in Latin America (2014), (2) studying the impact of merit-based selection of public managers in public sector performance (scheduled to be published in 2016) and (3) leading an international seminar in partnership with China's Academy of Social Sciences (CASS) and CELAP in Beijing and Shanghai in September 2015, with participation of practitioners from China and six LAC countries, as well as scholars and experts from the IDB, OECD and think-tanks and universities.

### **III. Description of activities and outputs**

- 3.1 Support the professionalization of public executives in Latin America and the Caribbean, by strengthening the processes of recruitment and selection, performance appraisal and capacity building.
- 3.2 **Component I: Enhancing LAC Public Executives Capacity**

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(1) A copy of the Letter of Request, Programming/Portfolio Review Mission Aide Memoire or Report requesting the TC should be submitted with the Abstract.

**through expanding the collaboration with China.** Enhancement of managerial skills of LAC executives through training and exchange opportunities with the Government of China. Design of courses for LAC executives, trips of LAC public executives to China to participate on executive-level training activities (tuition covered by China), as well as trips from Chinese officials to LAC countries to carry out training activities and analytical work benefitting LAC practitioners.

- 3.3 **Component II: South-South Collaboration on Public Executives Management.** Analytical work and exchanges to promote more merit-based, results-oriented and ethic public executive cadres in LAC countries. Documentation of concrete tools and lessons learned in more advanced countries. Innovative research (e.g. in-depth quantitative and qualitative studies on the impact of these cadres on public sector performance). Dissemination through knowledge exchanges of small groups of practitioners, a publication of all analytical work in a book and a website on this topic.

#### IV. Budget

**Indicative Budget**

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Enhancing LAC Public Executives Capacity through expanding the collaboration with China	\$ 200,000.00	\$ 102,000.00	\$ 302,000.00
South-South Collaboration on Public Executives Management	\$ 200,000.00	\$ 10,000.00	\$ 210,000.00

#### V. Executing agency and execution structure

- 5.1 IDB. Institutional Capacity of the State Division (IFD/ICS).
- 5.2 Given the regional nature of the activities and the Bank's technical capacity and experience on the topic, the TC would be executed through the Bank's Institutional Capacity of the State Division (IFD/ICS).

#### VI. Project Risks and issues

- 6.1 The main risks associated with this TC are: (i) the heterogeneous realities of the civil service in Latin American versus Caribbean countries, stated above, would make difficult the design and implementation of a course on public management with CELAP which can be useful for all participants; (ii) difficulties at the time of selecting the executives who would participate on this training; and (iii) low interest in participating in the South-South collaboration

activities proposed by this TC by eligible countries.

- 6.2 These risks will be mitigated by: (i) designing and implementing two courses, one for Latin American and one for Caribbean practitioners; (ii) a competitive process in each country, to be led by the institution designated by the Bank's counterpart, with the Bank's no objection to the proposed candidate; and (iii) building these activities on ongoing research and the already existing network for the management of public executives led by the Government of Chile.

## **VII. Environmental and Social Classification**

- 7.1 The ESG classification for this operation is "C".