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# CARTAC Phase V Mid-Term Independent Evaluation - IMF Response to Recommendations

Capacity Development (CD) evaluations are the systematic and objective assessment of on-going or completed CD interventions to foster learning from past experiences and improve future CD performance.

The Mid-Term Independent Evaluations of the IMF Regional Technical Assistance Centers (RTACs) are conducted at the mid-point of each Centre's operating phase by an independent team of consultants. The IMF's Institute for Capacity Development's Global Partnerships Division (ICDGP) manages these evaluations under the advise of an elected Evaluation Steering Committee comprised of representatives from the RTAC's membership and development partners.

The Independent Phase V Mid-Term Evaluation of the Caribbean Technical Assistance Center (CARTAC) was finalized by a consulting firm on January 28, 2021 and posted on Partners Connect and CARTAC website.

This document includes the IMF Response to the recommendations of CARTAC Independent Mid-Term Evaluation that CARTAC Steering Committee endorsed at its meeting on June 3, 2021.

Electronic copies of this document are available on Partners Connect and CARTAC Website.

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## CARTAC Phase V Mid-Term Evaluation: IMF Answers to Recommendations

Recommendation	IMF Response	Action(s)	Timing	Responsible Stakeholder
<p><b>Recommendation 1:</b> Strengthen the results-based orientation of assistance.</p> <p><i>1.1 Define clear, measurable performance indicators with baselines and targets to improve monitoring efforts.</i></p>	Agree	<p>Regularly define indicator baselines and targets for each project outcome with country counterparts. The IMF Capacity Development Management and Administration Program (CDMAP) will support the entry and monitoring of detailed baselines and targets and provide improved transparency to enable engagement with internal stakeholders when designing project log frames.</p> <p>Set fewer outcomes and milestones and more realistic indicator targets, in line with countries' administrative capacity.</p>	<p>Ongoing</p> <p>Ongoing</p>	<p>IMF project managers, and country authorities</p> <p>IMF project managers, and country authorities</p>
<p><i>1.2 Clearly delineate responsible parties for outputs, milestones, and outcomes within project frameworks. Consistent distinction between what CARTAC, country authorities, and other government institutions not directly engaged in the project will promote more informative monitoring.</i></p>	Agree	<p>Activity programming in CDMAP. While CDMAP functionality does not delineate the responsible parties for each log frame element, project outputs are the responsibility of CARTAC while outcomes and milestones are authority responsibilities, with support from CARTAC.</p> <p>Share and discuss log frames delineating objectives, outcomes, indicator baselines and targets, and milestones with country authorities</p>	<p>Ongoing</p> <p>First time by April 2022, then at least once a year</p>	<p>IMF project managers and country authorities</p> <p>CARTAC long-term experts (LTXs), IMF project managers, and country authorities</p>

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<p>1.3 <i>Shift monitoring and reporting from input-output to outcome-level results.</i> Emphasize how CARTAC contributed (outputs) to strengthening institutional capacity (outcomes). This involves regular discussion on the assumptions linking outputs and outcomes. This will further allow CARTAC to better report to donor partners on the linkage between CARTAC's work and member country improvements, which multiple donor partners cited as a significant gap in current reporting.</p>	Agree	Assess outcomes annually with a rating and narrative and focus reporting on outcomes. CDMAP will support these functions.	Ongoing	CARTAC and IMF project managers
<p><b>Recommendation 2:</b> Strengthen the use of medium-term country strategies that include identification and mitigation of exogenous risks.</p> <p>2.1 <i>Medium-term country strategies should ground interventions in the broader context by explicitly connecting intervention objectives with member country goals</i> (such as compliance with international standards or increasing revenue). This will incentivize effectiveness and sustainability. Medium-term country strategies may need to be developed or simply more clearly linked to CARTAC projects.</p>	Agree	Integration of IMF capacity development, surveillance, and program work, with WHD country teams leading the development of Capacity Development (CD) country strategies. Such strategies, required for all heavy users of Fund CD and encouraged for all users, reflect the Fund's approach to CD, building on input from the authorities.	Ongoing	Country authorities, CARTAC LTXs, IMF Western Hemisphere Department (WHD) country mission chiefs, and IMF Capacity Development Departments (CDD) back stoppers
<p>2.2. <i>Strategy development, iterative risk identification and mitigation planning should be completed jointly by CARTAC, IMF HQ, and country authorities.</i> Risk identification should be completed regularly throughout implementation to promote context monitoring and timely adaptation of the intervention to address challenges.</p>	Agree	Identify and assess risks annually and develop mitigation strategies throughout the life of the project, with input from the CD provider, country authorities, area department country team, and project manager. Annual reports will report on risks and mitigation strategies.	Ongoing	Country authorities, CARTAC LTXs, WHD country mission chiefs, and CDD back stoppers

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<p><b>Recommendation 3:</b> Strengthen financial efficiency and improve outcome reporting to maintain donor partner contributions.</p> <p>3.1 <i>Significantly expand the delivery of virtual training and remote TA to deliver CD in a more cost-efficient manner.</i></p>	Agree	Selectively expand the delivery of virtual training and remote TA when effective.	Ongoing	CARTAC and IMF project managers
<p>3.2 <i>When supplementary or serial TA is authorized, the benefitting country should cost share above and beyond their existing contribution.</i></p>	Disagree: incompatible with current financing of IMF CD.			
<p>3.3 <i>Full compliance in Phase VI with Results-Based Management (RBM) principles, specifically planning, performance monitoring, and reporting on outcome-level achievements (i.e., "real impact" stories) through Most Significant Change, Outcome Harvesting, or similar methodologies, will help justify donor partners continued contributions.</i></p>	Agree	<p>Implement practices consistent with the revised RBM governance framework. The revised framework supports improved planning, performance monitoring, and reporting at the outcome level by standardizing practices and requiring more frequent and consistent reporting across the full project log frame. Specifically, outcomes will be assessed more frequent (at least annually). This will include reporting outcome ratings and associated narratives. Additionally, outcome monitoring and assessment will be based on more robust indicator data, as indicator baselines and targets will be more explicitly described and tracked. Performance monitoring will also improve with more consistent reporting on milestones (e.g. more frequent assessments and more thorough narratives). The RBM catalog has recently been updated to better align with RBM</p>	Ongoing	CARTAC and IMF project managers

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		principles, supporting planning and design. Finally, the CDMAP system will capture the project planning, monitoring, and reporting required.		
<p><b>Recommendation 4:</b> Strengthen engagement with authorities during implementation process.</p> <p>4.1 <i>CARTAC engagement may include providing intermittent as-needed assistance, then periodically checking-in with implementing authorities to provide remote guidance and promote necessary levels of political commitment.</i> This recommendation could be operationalized within CARTAC through the creation of an implementation support unit, stakeholder roundtable, or similar mechanism.</p>	Partly agree <sup>1</sup>	<p>CARTAC LTXs periodically check in with implementation authorities.</p> <p>IMF country teams discuss implementation challenges with authorities during Article IV consultations, staff visits or program negotiation or review missions.</p> <p>Country authorities meet with IMF functional departments and country teams to discuss CD implementation challenges during the IMF/WB Spring and Annual meetings.</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>CARTAC LTXs</p> <p>WHD mission chiefs</p> <p>Country authorities, IMF mission chiefs, and functional departments back stoppers</p>
<p>4.2 <i>When projects with significant CD requirements are linked to a Fund loan program, and when the need for CD is macro-critical in association with IMF loan programs, then consider identifying CD as a structural benchmark in the program where possible.</i></p>	Agree	Set CD outcomes as structural benchmarks in country programs supported by IMF loans, if they are deemed critical to program objectives.	Ongoing	Country authorities and WHD mission chiefs

<sup>1</sup> We agree with the need to periodically check-in on recommendations implementation but through the actions proposed in the third column rather than the actions proposed the first one.

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4.3 <i>Safeguarding resources for implementation and sustainability of CD also requires close coordination between the IMF Area Department for the country and the CD delivery teams, especially for resource intensive projects to avoid insufficient resources for implementation of the intervention's recommendations.</i>	Agree	Country authorities, WHD country teams, and CARTAC LTXs continuously consult to address implementation challenges of CD recommendations.	Ongoing	Country authorities, CARTAC LTXs, CDD back stoppers, and WHD mission chiefs
<p><b>Recommendation 5:</b> Enhance Steering Committee effectiveness.</p> <p>5.1 <i>SC members should provide strategic vision and direction for their respective countries, shifting the CD framework from workstreams to the country as a whole beginning in Phase VI with the pilot development of whole-country CD strategic plans. CARTAC and SC members (and relevant country authorities) should more actively contribute to the Area Department country team development of such plans.</i></p>	Agree	Develop, and update, when needed, country strategies, with WHD country teams in the lead. Country authorities, WHD country teams, and CARTAC LTXs will continuously consult to design, adapt, and implement CD programs that answers to the most important CD needs of the country.	Ongoing	Country authorities, WHD mission chiefs, and CARTAC LTXs
5.2 <i>Augment and enrich SC meetings by seconding senior civil service individuals to remotely participate in technical sessions on themes identified by the SC.</i>	Agree	Invite senior civil servants to remotely participate to technical sessions of the semi-annual SC meetings.	Ongoing	SC Chair and CARTAC Coordinator
5.3 <i>Form an online community-of-practice among senior civil servants with virtual semi-annual meetings supported by CARTAC.</i>	Partially agree <sup>2</sup>	Foster the creation of communities-of-practice among civil servants facing the same responsibilities in CARTAC member countries via the creation of WhatsApp groups and other means.	Ongoing	CARTAC LTXs and CD recipients in member countries

<sup>2</sup> We agree with the need to develop communities of practice and commit to the actions in the third column rather than the one proposed in the first one.

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<p><b>Recommendation 6:</b> Develop and implement an explicit policy to develop a cadre of regional experts through student internships in partnership with UWI, inter-island professional placements, and/or Centers of Excellence. A new CARTAC position may be established to introduce and manage these efforts. For financing, enact a surcharge to member contributions to be matched 1:1 by donor partner contributions.</p>	Partially agree <sup>3</sup>	IMF functional departments continue to develop rosters of short-term and long-term experts from all over the world including the Caribbean islands to implement CD in CARTAC member countries.	Ongoing	CDD
<p><b>Recommendation 7:</b> Enhance coordination with other development partners.</p> <p><i>7.1 CARTAC and SC members should work together to ensure new country-level CD strategic plans reflect aid harmonization principles to not just deconflict efforts but realize synergies across TA. The goal is not simply to coordinate, but avoid CD interventions conflicting with each other; e.g., straining the absorptive capacity of authorities.</i></p>	Agree	<p>Design, implement, monitor, and adapt three-year rolling CD plan for CARTAC countries.</p> <p>CARTAC discusses its work program with donors in the Public Financial Management working group that meets quarterly in Barbados.</p> <p>WHD mission chiefs regularly meet with other CD providers than the IMF active in the country to discuss respective CD work programs</p> <p>LTXs regularly meet with other CD providers that the IMF active in the country to discuss respective CD work programs</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>SC members, WHD mission chiefs, and CARTAC LTXs</p> <p>CARTAC coordinator and LTXs</p> <p>WHD mission chiefs</p> <p>CARTAC LTXs</p>

<sup>3</sup> We agree with the need to develop a cadre of regional experts but not with the actions proposed in the first column; we commit to the action proposed in the third one.

Recommendation	IMF Response	Action(s)	Timing	Responsible Stakeholder
<p>7.2 <i>Annual CARTAC work plans and annual reports should be broadly disseminated among member country stakeholders to heighten awareness of possible conflicts and complementarities.</i></p>	Agree	Broadly disseminate CARTAC work plans and annual reports, including to other CD providers than the IMF.	Ongoing	CARTAC and SC members
<p><b>Recommendation 8:</b> Mainstream gender, climate change, and financial inclusion in programming.</p> <p>8.1. <i>Meaningfully consider during planning and design, and implementation RBM-based reporting that: (1) goes beyond simply gender disaggregated statistics to assess gender-differentiated “real impact” outcomes; and, (2) provides evidence that member country financial and economic systems are becoming more resilient to disruption by climate change and other exogenous factors such as pandemics.</i></p>	Agree	Continue monitoring gender, climate change, and financial inclusion as part of existing workstreams covered by RBM. Consider adjusting the RBM catalog to monitor these topics more closely.	Ongoing	Country authorities, CARTAC, WHD mission chiefs, ICD, and IMF program managers
<p>8.2 <i>Donor partners with special interests in gender, climate change/resilience, and financial inclusion should consider assisting the development CARTAC’s capacity to design and implement such programming. Such assistance could involve funding new experts specializing in gender and resilience building to support the broad and long-term nature of these cross-cutting themes.</i></p>	Partially agree <sup>4</sup>	Continue ongoing dialogue with donors to improve CARTAC contribution to gender, climate change/resilience, and financial inclusion across all its workstreams.	Ongoing	Donor partners and CARTAC
<p><b>Recommendation 9:</b> Utilize remote means to facilitate gradual handover to incoming CARTAC experts.</p>	Agree	Utilize remote means to facilitate gradual handover to incoming CARTAC experts.	Ongoing	CARTAC LTXs and CDDs back stoppers

<sup>4</sup> We don't see the need to hire new experts specializing in gender and climate resilience, as we strive to implement these cross-cutting themes across all workstreams.