FOR AGENDA

EBAP/99/59
Supplement 1

May 17, 1999

To: Members of the Executive Board

From: The Acting Secretary

Subject: **Review of Fund Technical Assistance**

The attached supplement provides background information to the paper on the review of Fund technical assistance (EBAP/99/59, 5/17/99), which will be brought to the agenda for discussion on a date to be announced.

Mr. Brau (ext. 37854) or Ms. Nagy (ext. 34029) is available to answer technical or factual questions relating to this paper prior to the Board discussion.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

Review of Fund Technical Assistance
"From Technical Assistance to Technical Consultation and Cooperation"

Background Paper

Prepared by the Office of Internal Audit and Inspection

Approved by Eduard Brau

May 14, 1999

Contents Page

I. Conduct of the Evaluation

1. The review of technical assistance activities in the Fund was initiated in November 1997. During an initial period, OIA reviewed relevant background material and conducted a number of interviews with staff in functional departments regarding technical assistance matters. In early 1998, substantive discussions were held with staff from the three main technical assistance providing departments regarding the scope and the conduct of the evaluation. Another meeting took place with staff from area departments to present OIA's preliminary plans and to gather area departments' views on the evaluation methodology. The Evaluation Group of Executive Directors, chaired by Mr. Esdar, and Fund management and heads of departments were also briefed and consulted on the outline of the review in early 1998. The staff team conducting the review consisted of Mr. Brau (head), Ms. Nagy, Mr. Blackwell, and Mrs. Treichel (all OIA) and was assisted by two outside consultants - Mr. Nimrod Raphaeli (formerly with the World Bank) and Mr. Ned Rosen (expert in survey design and industrial psychology).

2. Two main instruments were employed to gather empirical data on technical assistance matters - a general survey of views on technical assistance and an impact evaluation study based on a random selection of individual technical assistance projects. The general survey aimed at eliciting views on technical assistance from a wide range of respondents. The impact evaluation study was designed to provide more in-depth information on a selected number of technical assistance projects. The questionnaires for both the general survey and the impact evaluation study were designed with the help of Mr. Ned Rosen. Technical assistance providing and area departments were consulted on the content of the questionnaires, and the questionnaires were pilot-tested by a number of Fund staff before being finalized.

3. The general survey of views was mailed out in early June 1998 to a total of 1,107 potential respondents. These comprised four groups - (i) Fund staff with some knowledge of technical assistance (a total of 809 potential respondents comprising economists and other professional staff at grade A13 and above as well as senior level staff in area departments - including Resident Representatives -, FAD, MAE, STA, PDR, LEG, INS, TAS, JVI, OAP, and assistants to the Deputy Managing Directors), (ii) Executive Directors and their alternates (a total of 47 potential respondents), (iii) long-term experts who were on an assignment with one of the three main technical assistance providing departments at the time of the mailing of the questionnaires plus several other experts who received a questionnaire while visiting headquarters during June 1998 (a total of 111 potential respondents), and (iv) countries which received a substantial amount of technical assistance from the Fund in the recent past (a total of 140 potential respondents). A substantial amount of technical assistance was defined as more than 0.1 person years of technical assistance in at least one fiscal year during the period FY95-FY97. A recipient country was counted as one potential respondent, even though each country received up to four questionnaires. Two questionnaires each were mailed to the Governor and the Alternate Governor to the Fund of all member countries that had received a substantial amount of technical assistance. A letter from Fund management asked the Governor and Alternate Governor to have the questionnaires filled out by persons familiar

with Fund technical assistance at either the technical or the policy level. For countries for which more than one questionnaire was returned, the responses were combined into a single observation for data analysis purposes. A total of 522 responses were received by August 14, 1998, corresponding to an overall response rate of 47 percent.

4. The impact evaluation study was based on 100 randomly selected technical assistance projects that were implemented during FY 1996-97. The random selection was based on a database consisting of all technical assistance projects from the three main technical assistance providing departments. A project was defined as consisting of one or more technical assistance events with a common objective (e.g. one long-term expert assignment, a series of missions dealing with the same subject, or a series of visits by the same peripatetic expert to one country). The database itself was a "cleaned" version of part of the CTSS database[1] for the period in question, e.g. all travel instances for the purpose of technical assistance excluding briefing, debriefings, seminars, and training activities. The three main technical assistance departments themselves identified the technical assistance projects based on OIA's definition, and the final database contained a total of 997 projects. The random selection of projects was done for FAD, MAE, and STA separately with the number of projects for each department (46 for MAE, 35 for FAD, and 19 for STA) reflecting the departments' share in overall TA delivery during the period in question. Because of the small sample size for the Statistics department, three random samples were originally drawn for this department. Of these three, the one that resembled most closely the breakdown of technical assistance subjects as delivered by the department was chosen for the impact evaluation study. The random sample of 100 projects broadly mirrored the actual distribution of technical assistance across subjects and geographical regions.

5. The impact evaluation study employed a questionnaire which was independently filled out by three separate respondents for each project - the technical assistance providing department, the area department, and the recipient country. All respondents were asked to rate both the Fund's and the recipient country's performance with respect to a variety of issues including project selection, prioritization, delivery, follow-up, implementation, and impact. The response rate from technical assistance providing departments was 100 percent and the effective response rate from area departments 93 percent. The actual response rate from area departments was 100 percent, but some questionnaires contained very limited information and had to be excluded from the final analysis. The response rate from recipient countries was 50 percent as of November 30, 1998. A further five questionnaires were returned from recipient countries after this date, but because of their late arrival they could no longer be included in the final analysis. A total of 46 projects responses from all three respondent groups were obtained and used in the final analysis, together with a sample of 93 projects for which evaluations by the technical assistance and by the area department were available, and the full sample of 100 projects.

---

[1]The CTSS database (Central Travel Schedule System) stores all information related to travel by Fund staff and its purpose.

6. In-depths interviews with officials from recipient countries were conducted in Washington during the Annual Meetings and in the context of several missions. During the Annual Meetings, OIA staff conducted interviews with officials from Angola, Bulgaria, Côte d'Ivoire, Croatia, Georgia, Indonesia, Jordan, Moldova, and Uganda. Country visits took place in October-November 1998 and during each visit staff met with a number of officials from the central bank, finance ministry, statistical office, and other institutions that had received technical assistance in the past, as well as with long-term experts on assignment in these countries. Mr. Brau and Ms. Nagy visited China, Vietnam, and Papua New Guinea; Mr. Blackwell and Mrs. Treichel visited Senegal and Zambia; Mr. Brau and Mr. Blackwell visited Ukraine, West Bank Gaza, and Yemen; and Ms. Nagy and Mrs. Treichel visited Mexico and Haiti. The interviews served to elicit the officials' views on past technical assistance received and any issues and problems that countries might see with respect to Fund technical assistance. In addition, OIA staff used this opportunity to learn about officials' views on a number of potential recommendations concerning Fund technical assistance that were being contemplated by OIA.

7. At several points during the review, OIA staff prepared informal papers on selected issues which were discussed with selected Fund staff. Outsiders' views were sought out on a number of issues. Mr. Raphaeli - a consultant with extensive prior experience in World Bank technical assistance - provided continuous input into the impact evaluation study and other aspects of the review. Another consultant - Mr. Ned Rosen - provided assistance in designing the questionnaires both for the impact evaluation study and the general survey and assisted with the analysis of results. In addition, discussions were held with officials from the UNDP, the World Bank, the German GTZ, the OECD-DAC, the British DFID and the U.S. AID.

8. A separate review of the effectiveness of BCS' technical assistance in information technology was conducted by Mr. Horst Struckmeyer, a consultant to OIA; the period of review was the Fund financial years 1996-98. The review included interviews with over 20 Fund staff members in BCS, technical assistance departments, area departments, and the Administration Department. A qualified external consultant, appointed by OIA after consultation with BCS, reviewed all instances of BCS technical assistance during the review period and spoke with the authorities of three recipient countries about their experiences with the Fund's assistance in information technology.

II. Present Technical Assistance Policy and Organization

Content Page

Contents Page

A. Introduction: Mandate and Historical Development and Overview of the Paper

9. The Articles of Agreement make no specific reference to technical assistance (TA), but, from the very earliest days of the Fund, the Executive Board has seen it as a responsibility of the institution. A Board decision in 1957, for example, stated that "The Fund stands ready to meet members' requests for technical assistance in the preparation of economic programs and measures directed toward exchange simplification".[2] At first, TA was organized by, and closely associated with, the work of the area departments, but by 1964, the volume of work had become so great that it was decided to set up the Fiscal Affairs Department (FAD) and the Central Banking Services (later to become the Monetary and Exchange Affairs Department (MAE)) to assume responsibility for it. It is from this date that the concept of TA as a discrete activity separate from the regular work of the area departments began. The Bureau of Statistics (later the Department of Statistics (STA)) began making its contribution to the TA effort in 1969.

10. The volume of TA in the field provided by the three departments rose from less than three person years in 1964 to almost 134 person years in 1984, then plateaued at a lower level until 1989 when it surged upwards again reflecting considerable new demand from the Fund's new members in Eastern Europe, the Baltics, Russia and other countries of the former Soviet Union as well as from the Asian transitional countries. By FY1996, in-field TA had risen to almost 200 person years. Since then, the volume has stabilized at somewhat lower levels, but there has been a significant increase in demand over recent months as the Fund has tried to assist those countries traversing economic crises in Asia and elsewhere. In FY1998, the cost to the Fund of its TA activities was $73.4 million (excluding expenditures on training), or 14 percent of the Fund's administrative budget; of this amount, some $21.8 million was financed by external donors.

11. The remainder of this part of the paper describes how the Fund's TA is organized and administered at present. Section B discusses the governance of Fund TA. It notes the absence of an explicit overall TA policy and looks at the role of the Board, management and departments in making decisions on the substance and allocation of TA. Section C discusses issues related to the Regional Allocation Plan (RAP) for TA resources. Sections D through H consider the various stages of the TA process: project choice, preparation, delivery, follow-up and evaluation, and coordination with other providers and external financing. Section I analyzes the allocation of the Fund's TA provision in recent years. It breaks down the total volume of TA by type of recipient, by provider, by subject area and by purpose. Finally, Section J looks at funding issues: how much the Fund itself is paying for TA from its administrative budget and how much is paid for by external donors and by contributions from the recipients.

---

[2] Decision No. 649-(57/33), June 26, 1957

B. TA Governance

Policy

12. There is no document setting out an overall policy for the Fund's technical assistance. The Executive Board does not hold regular discussions on technical assistance proper and is not called on to set goals for the Fund in this area for a coming period. The only regular occasion on which Directors give their views on the future directions of technical assistance is at discussions of the administrative budget and of the work program. The approval of individual directors is sought for all TA missions and assignments in the countries they represent and they receive a monthly listing of all TA missions and assignments. Directors are also given a listing of the TA individual countries have received in Article IV Consultation papers, but they do not receive final reports of TA missions. Management receives copies of briefings and back-to-office reports for TA missions to important countries. The interdepartmental Technical Assistance Committee (TAC) in drawing up the annual TA Regional Allocation Plan (RAP) sets out some priorities and strategies for the year ahead, but does not set these out in a policy document accessible to the Board or to Fund members. The absence of a Fund-wide policy document means that planning decisions lie within the TA departments concerned and that they are based predominantly on the volume and substance of the requests for assistance from the member countries.

Organizational Structures

13. TA is provided principally by the Fiscal Affairs Department, the Monetary and Exchange Affairs Department, and by the Statistics Department (the "TA departments") with smaller amounts provided by some other departments, notably the Legal Department and the Bureau of Computing Services. TA in the form of training is provided by the IMF Institute. The day-to-day decisions on TA activities are taken within the separate departments, the heads of which report directly to one of the Deputy Managing Directors. The three TA departments have significant areas of responsibility other than the provision of TA. All are responsible for preparing policy-oriented studies and participating in the preparation of papers for the Executive Board. FAD and MAE are required to participate with area departments in their work with countries facing important public financing or monetary and banking issues and STA is responsible for assembling and maintaining economic and financial statistics. Over the past six years, the share of TA work in the TA departments' total work time has, with some fluctuations, been fairly constant.

Table 1. Share of TA Work in Total Departmental Work
(In percent of total)

	FY1993	FY1994	FY1995	FY1996	FY1997	FY1998
FAD	47	50	49	50	49	50
MAE	69	66	70	68	62	61
STA	33	34	33	32	30	30

Source: BRS, as reported by the TA departments.

14. Coordination of the regional allocation of TA is the responsibility of the interdepartmental Technical Assistance Committee (TAC), which is composed of senior officials from the TA departments, the area departments, the Administration, Legal, Policy Development and Review, and Treasurer's Departments as well as representatives from the IMF Institute, the Bureau of Computing Services and the Office of Budget and Planning.[3] The TAC is responsible for balancing the requests for TA resources from the different departments and incorporating them into a Regional Allocation Plan (RAP) that is submitted to management for approval before the beginning of each fiscal year. The TAC also undertakes studies of TA-related subjects; for example, it recently prepared a paper analyzing questions relating to the timing of the take-up of available external financing. The Chairman of the TAC reports directly to the same Deputy Managing Director who supervises the work of the three main TA departments. Secretariat services for the TAC are provided by the Technical Assistance Secretariat (TAS). The TAS is a unit of the Office of Budget and Planning that, in addition to the work it does in servicing the TAC, is responsible for negotiating cooperative TA arrangements with multilateral and bilateral providers of external financing and, generally, for administering all relations with these agencies once operational agreements have been reached (Box 2 contains a summary of the terms of reference of the TAS). The head of the TAS reports to the TAC Chairman on TAC-related work, and to the same Deputy Managing Director for other aspects of TAS work.

[3] Box 1 provides a summary of TAC composition and responsibilities as defined at the time of its setting up in 1991. The membership of the Committee has been expanded since that time to include all the departments and offices mentioned above.

Box 1. The Technical Assistance Committee (TAC)

The Technical Assistance Committee was set up in March 1991. Its purposes were specified by the Deputy Managing Director as:

- to have an overview of technical assistance activities on a Fund-wide basis;
- to provide a forum in which to discuss technical assistance policies and practices on a Fund-wide basis;
- to provide a forum to discuss prospective developments and a medium-term strategy for technical assistance;
- to discuss the appropriate mix of skills that the Fund would need so as to fulfill the medium-term strategy;
- to share experiences, and to consider policies and practices, regarding collaboration with other institutions'
- to review possible means of financing technical assistance, including external financing and the extent to which technical assistance should be financed through charges;
- to coordinate reports to the Executive Board.

The Deputy Managing Director specified that membership of the Committee would consist of staff at the B3/B4 level from the five area departments and from CBD [later MAE], ETR [later PDR], FAD, INS, LEG, STA and ADM* and established the following work program:

1. To establish a reporting system on ongoing technical assistance activities on a Fund-wide basis.
2. To take stock of the development of technical assistance activities, including practices and policies, over the past few years, and to consider ways in which these policies and practices might need to evolve further.
3. To find ways to strengthen further the coordination within the Fund on technical assistance matters (including the role of area departments).
4. To develop a medium-term strategy that would take account of a number of factors, including: (a) expected needs of the membership in areas of comparative advantage for the Fund; (b) any changes needed in the mix of skills available to the Fund; and (c) the relations and coordination with other institutions.
5. To develop ways in which technical assistance might be evaluated.

* The composition of the Committee was later expanded to include TRE and OBP.

Box 2. Terms of Reference of the Technical Assistance Secretariat (TAS)

The main function of the Secretariat is to support and assist the Technical Assistance Committee (TAC) in providing advice to the Office of the Managing Director (OMD) on Fund-wide technical assistance issues and the setting of priorities for technical assistance operations, and in monitoring the development of these operations, to ensure conformity with such priorities. In addition, the Secretariat is to function as a focal point for liaising on Fund-wide issues with other agencies active in the technical assistance area, and for coordinating the external financing of TA activities.

Specifically, the TAS will:

1. Assist the TAC in developing its work program and setting up its agenda for meetings;

2. Prepare position papers on Fund-wide technical assistance issues, at the request of the OMD or of the TAC;

3. Prepare reports on the deliberations of the Committee, and follow up on its recommendations;

4. Assist the Committee in the preparation of the quarterly regional allocation plan for TA resources for each fiscal year, drawing on the inputs of the technical assistance (TADs) and area departments (ADs);

5. Monitor the implementation of the plan, and report on it to the Committee on a quarterly basis. These reports will be discussed by the TAC, which will recommend to the OMD any needed adjustments in the regional allocation plan;

6. After consultation with the relevant TAD and AD, bring to the attention of the Committee any abnormal concentration of TA resources on individual countries, to enable TAC to discuss and, if necessary, seek the OMD's guidance on its appropriateness and conformity with Fund priorities;

7. Set up an integrated Fund-wide data base on TA activities, drawing on the data bases existing/or currently being set up in the TADs, ADM, TRE and other relevant Departments, to enable itself and the TAC to carry out effectively their functions;

8. Prepare, for review by the TAC and approval by the OMD, a draft annual report to the Executive Board on main developments in the technical assistance activities of the Fund; and

9. Assist the TAC and the OMD in defining policies and procedures regarding liaison with other relevant agencies providing technical assistance, as well as regarding external financing of TA activities; monitor the implementation of these policies and procedures; assist the OMD in the negotiation of general arrangements with multilateral and bilateral providers of external financing; disseminate among departments information on available opportunities for external funding of TA projects; and assist, when requested, other departments in the preparation of projects financed by outside sources.

The TAS will work in close cooperation with the TADs and ADs, as well as with ADM, TRE and BCS as necessary, and will be provided by all departments with the information needed to carry out effectively its functions as set out in these terms of reference.

15. In exercising their technical assistance responsibilities each department has organized itself rather differently. In **FAD**, to assist the Department Director in managing the provision of TA, two departmental entities have been created: the Technical Assistance Monitoring Unit (TAMU) and the Technical Assistance Review Committee (TARC). TAMU is an administrative unit of ten staff headed by an advisor and attached to the Department's Immediate Office. It was set up to manage and administer the FAD technical assistance program; for the preparation and monitoring of the departmental budget; and for preparing the department's contribution to policy development papers on technical assistance issues for Management and the Executive Board. The TARC is composed of the Department's B-level staff and is responsible for coordinating and prioritizing the allocation of the Department's technical assistance resources and to consider draft decisions prepared by TAMU before they are submitted to the Department Director for formal approval. In addition to these arrangements, the Department appoints an advisory committee--usually two experienced staff--for each mission or expert assignment responsible for giving advice on any aspect of the specific project and particularly for giving comments on the terms of reference and final reports.

16. In **MAE**, there are three departmental entities that have been set up to administer the Department's TA activities: the Budget and Technical Assistance Support Unit (BTASU); the Area Managers; and the Departmental Advisory Committee (DAC). BTASU has a staff of nine headed by an Assistant to the Director and is attached to the Department's Immediate Office. *Inter alia,* it is responsible for all of the support administrative work for TA activities, notably the preparation and monitoring of the TA budget and the maintenance of departmental TA records. The day-to-day management of TA is exercised by nine adviser-level staff, each one responsible for all the work in a particular geographical or language area--hence, their title of area managers. The area managers are responsible for formulating the list of TA projects for their countries and, once these have been accepted by the department, to recruit experts as necessary, to oversee project preparation and monitoring and, in fact, the whole process from beginning to end. The DAC is composed of a Deputy Director, the two Senior Advisors, the Senior Budget Manager, and one Assistant Director. This Committee supervises the work of the area managers, takes decisions on the overall coordination and prioritization of TA resources, and prepares decisions on all questions of TA policy for formal approval by the Department Director. In addition to these arrangements, the Department appoints a review team--usually one senior staff member and one economist--for each mission or expert assignment responsible for giving advice on any aspect of the specific project and particularly to give comments on the terms of reference and final reports.

17. In **STA,** the organization is simpler. Administrative and managerial support for TA activities is provided by the Technical Assistance Unit, a group of six staff headed by an advisor and attached to the Department's Immediate Office. This office is responsible for the preparation of the RAP and for maintaining statistics and information on all the Department's TA activities. It also organizes the recruitment of experts and provides backstopping for them

in the field. Decisions on the allocation of resources and prioritization of potential TA projects are taken at regular senior staff meetings, which the Department Director chairs.

Data

18. At present, there is no dedicated TA data base. For analytical purposes, data have to be drawn together from a number of not-always-compatible sources. The most useful of these are the Central Travel Schedule System (CTSS) and the Budget Reporting System (BRS). Some limited Fund-wide information can also be derived from Millennium and Peoplesoft and from some departmental information systems. Boxes 3 and 4 outline the information available from the CTSS and BRS. Unless otherwise stated, the data used in this the review have been taken from the CTSS and thus refer to "in-field" TA only. Tables 2 and 3 illustrate the divergence in measurements of total TA provision that are produced by the CTSS and BRS data bases and the calculated figures used in the TA Regional Allocation Plan (RAP). The discrepancies in the figures from the different data bases explain the differences in TA volume figures appearing in different Fund documents.

Box 3. Central Travel Schedule System (CTSS)

This is the amalgamation of all the departmental travel schedule systems (DTSS). It is maintained as a Paradox application, but can be manipulated in Access and to some extent in Excel. The data base does not contain any record of TA time spent at headquarters. The usefulness of this data base for analytical purposes is compromised by the facts that:

- departments do not always complete all the fields;
- subjects of missions are not always comprehensively listed;
- there are some inconsistencies between departments in the way fields are filled in; and
- the system is not always updated to show late changes.

The following list identifies the Fund-wide TA data entered into the system. Known problems with the data are indicated *in italics*.

Mission identity number
Mission Title
Location of TA activity (usually the recipient country but could be Washington DC for expert briefing, Vienna for training etc) *[Problems: it is difficult to distinguish regional TA activities, because generally only the location where the regional TA seminar or workshop was presented is entered.]*
Area Department responsible for country of TA location
Recipient Country
Area Department responsible for recipient country
Main purpose of TA activity, broken down as follows:

- ..... country specific mission
- ..... regional mission
- ..... Data Dissemination Standards
- ..... data standards seminar
- ..... mission related to project overhead
- ..... external country-specific training
- ..... external regional/inter-regional training
- ..... external training by other organizations
- ..... long-term country resident expert assignment
- ..... long-term regional resident expert assignment
- ..... short-term country resident expert assignment
- ..... short-term regional resident expert assignment
- ..... peripatetic expert assignment
- ..... expert briefing/debriefing
- ..... TA and training coordination and expert resident Mobilization
- ..... TA recruitment

Site Purpose (The breakdown is the same as for main purpose)
Subject(s) of the mission or TA assignment *[Problem: not always consistently or comprehensively entered.]*
Responsible TA department
Responsible Division *[Often left blank]*
Date mission leaves Washington
Mission starting date
Mission ending date

Number of nights for mission
Mission return date in Washington
Mission Status
- ..... Approved
- ..... Planned
- ..... Canceled

Date of last change of mission status
Comments on mission *(Generally short, if any, and non standardized)*
Extended comments *(As above)*
Name of each participant
Date mission first entered into system
Date and time mission details last updated
Name of person updating
Number of participants on mission
Participant's IMF i.d.
Participant's department
Classification of participant into following categories: *[Problem: not always filled in]*
- ..... head of mission
- ..... staff member
- ..... expert
- ..... consultant
- ..... research assistant
- ..... administrative assistant

Participant's name
Participant's Travel Authorization number
Participant's contract number if not a staff member
Participant's funding source *[Problem: data not always consistent with data in Peoplesoft and Millennium data bases]*
Date participant leaves Washington
Date participant begins mission
Date participant ends mission
Date participant returns to Washington
Number of mission nights for each participant
Days participant spent at headquarters (when experts/consultants come to Washington for briefing or debriefing)
Days participant spent traveling
Days paid (mission days plus travel days)
Type of Expert *[Not always completed]*
- ..... Long-term
- ..... Short-term
- ..... Peripatetic

Participant travel claim submitted?
Whether planned participation in the mission by participant was canceled.
Date participant details first entered into system
Date and time mission participant details last updated
Name of person updating

Box 4. The Budget Reporting System (BRS)

The centralized BRS is the amalgamation of BRS data provided by all staff members and by experts and consultants. It is a Paradox based application but can be manipulated in Access and to some extent in Excel. As with the CTSS, there are some limitations on its usefulness for the analysis of TA activities. Notably:

- It does not specify the subject matter of TA.
- Headquarters TA time is not always linked to the countries that benefit from it.
- The classification of activities was changed for FY98 making some year-by-year comparisons difficult.

The following table shows what TA raw data has been available since May 1, 1997 with some indication of where, if at all, the same information can be located in reports for previous years.

TA ACTIVITY	FY98 CODE	FY95-97 CODE
Bilateral TA		
TA direct advice	3a1	A07
TA indirect professional support	3a2	A08
Discussions with external funding agencies	3a3	Included under a more general category of contacts with external agencies in B29
Support for TA experts	3a4	D02
Support activities	3a5	Included under a more general category of support for country specific activities in A18
Training Courses		
IMF Institute	3b1	E01
Regional training courses	3b2	E02
Fund-sponsored training	3b3	E03
JVI	3b4	E04
Support activities	3b5	E05

TA policy, evaluation, and administration		
Collaboration with other institutions on TA	3c1	Included under a more general category of collaboration with other institutions on country-specific work in A09
Fund's TA policy	3c2	B28
Discussions with external funding sources	3c3	Included under a more general category of contacts with external agencies in B29
Administrative support of technical assistance	3c4	D02
TA management and administration	3c5	Not in the central BRS but in a subsection of F02 used by the TA departments F02TA
Support activities	3c6	New in FY98

Table 2. Differing Measures of Technical Assistance Provision from Different Fund Databases, FY1994-98
(In person years)

	FY1994	FY1995	FY1996	FY1997	FY1998
CTSS 1/					
In-field TA by FAD, MAE, STA	157.5	185.5	199.2	177.3	180.5
BRS 2/					
In-field TA by FAD, MAE, STA only	173.6	196.5	201.3	188.7	195.2
BRS 2/					
All TA, including travel and overhead by FAD, MAE, STA only	244.7	278.0	283.8	281.4	283.9
R.A.P. 3/					
All TA by FAD, MAE, STA only	238.4	271.1	276.4	247.4	247.6
BRS 2/					
All TA, including travel and overhead Fund-wide	260.5	301.7	308.3	305.2	308.6
R.A.P. as shown in *Annual Report*					
All TA, including travel and overhead by FAD, MAE, STA plus INS, LEG, PDR and TAS	262.6	300.5	309.0	302.4	308.2

Sources: BRS; CTSS; OBP; TAS.

Note: Fund-wide technical assistance includes TA codes reported by all departments.

1/ CTSS is the central database of the Travel Scheduling System, which records the nights spent in the field by TA mission members and experts.

2/ See Table 3 for definition.

3/ The Technical Assistance Regional Allocation Plan (RAP) data are derived from BRS aggregates. They do not include all codes for support of technical assistance. For example, they do not include INS, Fund-sponsored training, or support for technical assistance experts, but it does include regional training courses, JVI, and STI (Only FAD, MAE, STA, INS, LEG, PDR, BCS and TAS are included in RAP).

Table 3. Technical Assistance Expenditure in Full-Time Equivalent Staff and U.S. Dollars, FY1993-1998

(In person years and millions of U.S. dollars, respectively)

	FY1993		FY1994		FY1995		FY1996		FY1997		FY1998	
	Staff	US$	Staff	US$	Staff	US$	Staff	US$	Staff	US$	Staff	US$
TA departments												
In the field 1/ 7/	157.2	22.5	173.6	28.9	196.5	34.3	201.3	33.1	188.7	34.4	195.2	37.2
HQ support to field 2/ 7/	39.1	5.0	45.4	6.1	51.1	7.3	54.2	7.5	61.1	8.5	57.2	8.4
Administration and policy support 3/ 7/	18.2	1.7	25.7	2.4	30.4	3.1	28.3	2.9	31.6	3.5	31.5	3.4
Total direct TA	214.5	29.2	244.7	37.4	278.0	44.7	283.8	43.5	281.4	46.4	283.9	49.0
Travel 8/		7.9		10.5		11.6		10.8		9.6		11.9
Fundwide overhead 9/	___	4.5	___	5.6	___	6.6	___	6.8	___	7.1	___	7.8
Total TA departments	214.5	41.6	244.7	53.5	278.0	62.9	283.8	61.1	281.4	63.1	283.9	68.7
Other departments												
In the field 4/ 7/	3.0	0.2	5.4	0.5	8.0	0.9	8.1	1.0	7.8	1.1	6.4	0.9
HQ support to field 5/ 7/	3.4	0.3	5.6	0.5	8.6	0.7	9.4	1.1	9.6	1.3	9.9	1.5
Administrative and policy support 6/ 7/	3.2	0.3	4.8	0.3	7.1	0.7	7.0	0.8	6.4	0.7	8.4	1.0
Total direct TA	9.6	0.8	15.8	1.3	23.7	2.3	24.5	2.9	23.8	3.1	24.7	3.4
Travel		0.2		0.2		0.6		0.6		0.6		0.8
Fundwide overhead 9/	___	0.2	___	0.2	___	0.4	___	0.5	___	0.5	___	0.5
	9.6	1.2	15.8	1.7	23.7	3.3	24.5	4.0	23.8	4.2	24.7	4.7
Total TA 10/	224.1	42.8	260.5	55.2	301.7	66.2	308.3	65.1	305.2	67.3	308.6	73.4
Total TA, as a percentage of Fund administrative budget 11/	11	11	14	12	14	13	14	13	14	13	14	14

Source: OIA calculations, based on OBP and BRS data.

Table 3: Technical Assistance Expenditure in Full Time Equivalent Staff and U.S. Dollars, 1993-1998 (concluded)

[1/] Technical Assistance (TA) departments (STA, FAD, MAE) person-years in field: Budget Reporting System (BRS) data FY1994-1998 staff and experts, Central Travel Schedule System (CTSS) data FY1993 adjusted to BRS equivalent reflect differing method of staff counting CTSS versus BRS. Staff hours reported by: B-level, Professional, and Support; Experts' hours reported by long-term and short-term. All hours annualized by standard hour/year as per OBP.

[2/] TA departments headquarter support person-years to field: BRS data FY 1994-1998 staff and consultants, Regional Allocation Plan (RAP) data FY1993 (EBAP/93/78).

[3/] ADM and policy support: BRS data FY1994-1998, OIA report on Technical Assistance Overhead for FY1993, ADM support BRS reported data allocated to TA departments by proportion of direct hours.

[4/] Other departments (LEG, BCS and other non TA operating departments) in the field: As with TA departments, BRS data FY1994-1998, adjusted CTSS data 92-93.

[5/] Other departments headquarter support to field: As with TA departments, BRS data FY1994-1998, OIA report on Technical Assistance Overhead for FY1993.

[6/] Other departments administration and policy support: As with TA departments BRS FY1994-1995, OIA report on Technical Assistance Overhead for FY1993.

[7/] Labor costs: Staff costs were computed from OBP published average staff costs with benefits in three categories; B-level, Professional level and Support level. Experts' labor costs were computed from OBP published average costs for long-term experts, with housing allowance, and short-term expert per diem basis. Where OBP average staff costs were not available (i.e., FY1996), the average between two years was used. Where expert labor costs were not published, the salary and benefits listed by contract per the average level of expert contracts in force that year (calendar year) as received from ADM recruiting.

[8/] Travel costs: Travel costs for TA FY1996-1998 obtained from published OBP figures (EBAP/ 98/69) adjusted for proportion of bilateral TA to training TA. Travel costs for FY1993-1994 obtained from CTSS data base and FY1995 extrapolated from FY1994-FY1996. Long-term expert travel and settlement travel was not accounted for FY1993 through FY1995.

[9/] Other administrative costs and Fund-wide overhead: Included in administrative costs is an allocated BCS work station cost for Staff FY1996-1998 (average $11,000) based on published OIA Technical Assessment costs. For FY1995 BCS published Annual Report support costs divided by workstations ($9,000) was used. FY1993-1994 are estimates derived from rate of change FY1995-1998. Fund-wide overhead was computed as a per year overhead rate to staff labor costs, derived from the proportion of object of expense budget expenses on; communications, building occupancy, books and printing, supplies and equipment and miscellaneous expenses, personnel expenses, as contained in OBP budget documentation (EBAP/98/69). The per year overhead rate was applied to staff and head office consultants labor costs, and not to the labor costs of long-term and short-term experts.

[10/] Excludes the IMF Institute.

[11/] Fund administrative budget inclusive of reimbursements.

C. The TA Process: Pre-Delivery—Putting Together the Annual RAP

19. While there may be no overall policy statement to influence the allocation of TA resources by subject or purpose over a given period, there is a mechanism in place to plan for allocation by region. Since 1992, a primary responsibility of the Technical Assistance Committee has been to agree on an annual regional allocation plan (RAP). This plan sets the target allocations (in terms of total person years) of TA resources for each of the TA departments to each region. The RAP was introduced for FY1993, partly in response to concerns that growing demand for TA from the newly independent states could crowd out other regions. Its preparation and revision have provided the principal forum for discussion of the identification and prioritization of TA needs.

20. The RAP is built up from the micro level. Before the beginning of each fiscal year, the TAC agrees on guidelines for its preparation. These guidelines take into account the resources expected to be available from the Fund's administrative budget and from external financing sources. Within the framework of these guidelines, TA and area departments, in close consultation, review ongoing TA projects, pending new requests, and anticipated needs in the different subject areas and regions. On the basis of this country-by-country and project-by-project analysis, TA departments prepare a proposed allocation by region of the TA resources included in their budget (including their share of expected external financing). These proposals are reviewed and discussed by the TAC. Following any agreed revisions to the initial proposal, the RAP is endorsed by the TAC and submitted to management for final review and approval. (Box 5 provides a timetable for the RAP process.) The Committee also monitors periodically, generally quarterly, the implementation of the RAP and recommends to management any needed revisions.

21. The three major TA departments follow similar proceedings in preparing their submission to the TAC. Senior staff collect requests for TA projects through their contacts with national authorities and area departments and, in STA in particular, add to them any projects that arise from their ongoing relations with counterparts in the countries. These suggested projects are received by the departmental technical assistance unit that puts them together into a master list that is then submitted to the delegated committee of senior staff for any necessary paring down and prioritization before submission to the TAC. The RAP specifies for each technical assistance department the amount of human resources--staff members, consultants, and experts--in person-years that can be devoted to technical assistance, the internal and external sources of financing, and the regional distribution--that is, the share of each area department-- of these resources. More details on the preparation of the RAP in the technical assistance departments can be seen in Matrix 1.

22. The decision-making process in the RAP exercise at the TAC relies on the building of a consensus and on the assumption that the different regions will maintain a certain proportion of total TA resources. It is not designed to consider strategic decisions that might require a significant change in the regional allocations of resources.

Box 5. Timetable for the Preparation of the RAP

Early March	TA departments submit to OBP requests for coming FY travel budgets for TA with a copy to TAS
Early March	TAS circulates coming FY RAP Guidelines
Mid-March	OBP provides to TA departments a preliminary response on their administrative and travel budget requests
Late March	TA departments and area departments meet to discuss RAP plans for the coming FY
Early April	TA departments submit suggested RAP figures to TAS
Mid-April	TAC meets to finalize and approve the coming FY RAP, and provides to OBP final adjustments to the TA travel budget
Late April	TAS sends the coming FY RAP to management for final approval

D. The TA Process: Pre-Delivery—Project Choice

23. The Fund TA departments identify their projects mainly through consideration of the requests they receive from outside, either directly from countries or from area departments speaking on the countries' behalf, particularly when TA is needed to facilitate the achievement of conditions under a program supported by use of Fund resources. A large part of the requests are generated by direct discussions between the TA departments and the national authorities at the Annual Meetings or at the time of the meetings that surround the Interim Committee discussions in the spring. Although most projects are thus identified as a result of requests, there are some instances of a more proactive choice, when officials in the TA departments feel the need to maintain a presence in a certain country or follow up on previous work there.

24. Details of the steps taken by the three TA departments in choosing projects are set out in Matrix 1 below. The matrix shows that the sources of TA requests are similar for each department. The conversion of the authorities' request to a proposal for a specific TA project--expert assignment or mission--is made somewhat differently in the departments. In MAE, this process is under the charge of an area manager who coordinates all requests from a particular region, whereas in FAD and STA senior officials with responsibilities in the topic area of the request undertake this task. FAD and MAE have senior-level committees--the Technical

Assistance Review Committee and the Departmental Advisory Committee respectively--that recommend approval (or rejection) for the final decision of the Department director, whereas STA takes these decisions in a round table meeting of all its senior staff. The criteria for choice and then prioritization of competing requests are also set out in the matrix. On the whole, projects that are strongly favored by area departments tend to receive the highest prioritization. Beyond this, the perception of whether or not the country can absorb, implement and maintain TA advice plays an important role. The matrix shows that STA has some particular criteria for prioritizing requests which are related to its mandate to help countries improve the quality of their statistics, particularly participation in the Special Data Dissemination Standard (SDDS) and the General Data Dissemination System (GDDS).

25. The TA departments make efforts to prevent the demand for TA exceeding the resources available. They do this through discussions both with area departments--in which they might, for example, advise against the formulation of particular requests for large-scale technical assistance projects--and with national authorities. On the whole all requests received for projects that are deemed worthwhile are accommodated, even though they might be postponed for a period or scaled down with respect to mission size or duration.

Matrix 1: Project Choice

	FAD	MAE	STA
General Policy Regarding Project Choice	• Fundamental principle is that a country must demonstrate that it "wants" the project and there is an identifiable "need" for TA.	• Key criterion is a demonstrated need for TA in the areas of the Departments mandate and expertise; • An increasing weight is being attached to how the project is integrated into the Fund's program and surveillance work.	• Relative priority of projects established by balancing technical need of authorities for TA, priorities of area department with respect to surveillance and programming, needs of STA for Fund's statistical publications, and implementation track record/ ownership by authorities.
Sources of project requests	• Unsolicited requests from authorities; • Consultations at Annual Meetings or spring meetings; • Request initiated by area department; • Needs identified by FAD.	• Unsolicited requests from authorities; • Consultations at Annual Meetings or spring meetings; • Requests initiated by area department; • For comprehensive program countries, need also identified by MAE jointly with the authorities and area departments.	• Follow up to previous missions/projects; • Unsolicited requests from authorities; • Discussion with delegates at Annual Meetings or spring meetings; • Requests initiated by area department; • Needs identified by STA.
The Decision-making Process	• Topical division makes first evaluation and, after consultation with area department and with the World Bank, recommends response and mode of delivery; • Request evaluated by appropriate FAD-internal Technical Assistance Review Committee (TARC) and assigned level of priority; • Department Director gives final approval.	• Area manager makes first evaluation and recommends response and mode of delivery; • Area manager ensures budget and resource compatibility and seeks comments from area department; • The Departmental Advisory Committee (DAC) considers the proposed response and makes final recommendation for Department Head's approval.	• Topical division or Immediate Office senior staff makes first evaluation and recommends response and mode of delivery; • Views of authorities are taken into account; • Views of area and possibly other departments are sought; • Department Head or Deputy gives final approval.
Contacts with Alternative Potential Providers of Requested TA	• In areas of overlapping responsibilities with other international/regional organizations, notably the World Bank and the IDB, consultations take place before, after, and often also during the mission.	• Area manager consults alternative TA providers to minimize potential overlap.	• Projects are sometimes referred to other potential providers of TA, mainly because of technical comparative advantage but also when capacity constraints or other reasons prevent STA from delivering requested TA. In addition, TA in related areas is sometimes referred to other providers.

Criteria for Prioritization of Projects	• The track record of implementation in the country and whether there have been changes that could modify future implementation prospects; • The RAP–this is particularly relevant in the later part of the year when a particular region may have exceeded or be close to its ceiling; • How much technical assistance has been provided to the country in the past; • What importance is ascribed to it by the area department? • Is the country a program country? If so, is it an important program country? And, how will the technical assistance relate to the program and its conditionality? • In the case of experts--how long has the post been open? Is the expert doing a good training job? Is he/she working in a line function? • The appropriate content and scope of the request. (Sometimes, FAD seeks clarification from the country authorities about what they really want, and might suggest some refocusing of the request.); • Does the department have the human resources to provide good backstopping in the subject area requested? • What are the sources of financing? The first tendency would be to look for external financing so that the department can husband its own resources; • How should the request be met? For example, what should be the blend of experts and staff on a mission? If something is considered worthwhile but of low priority it might be put off for several months until staff resources are comfortably available; • The suitability of the Fund to provide the TA as opposed to another provider. Expertise and the ability to deliver TA speedily when necessary are the main considerations.	• Criteria similar to FAD, with particular emphasis given to whether the technical assistance is necessary in the context of Fund surveillance or program design and whether or not the country has a good track record of implementation.	• In prioritizing requests, STA favors projects that meet one or more of the following objectives: • Assist member countries with data issues that are of importance in the formulation, implementation, and monitoring of economic policies; • Facilitate the work of area departments, particularly in program countries and countries of systemic or regional importance; • Facilitate countries' subscription to the SDDS, observance of their SDDS obligations, or participation in the GDDS; • Improve countries' reporting to STA for Fund's statistical publication purposes; • Above objectives considered in context of countries' past record of implementation and present capacity to implement.

E. The TA Process: Pre-Delivery—Project Preparation

Experts

26. Typically none of the TA departments advertise widely to recruit experts for particular assignments. Most recruiting is done from lists of qualified candidates held by the departments. These lists have been built up from unsolicited applications, from the results of enquiries to central banks, ministries of finance and statistical offices in more developed countries, from personal contacts and recommendations of staff members, and from the ranks of retired IMF and World Bank staff members.

27. Once an expert has been chosen, he or she is usually brought to headquarters for two to five days of pre-assignment briefings. At these briefings, the TA department will go over the terms of reference with the expert and discuss the substance of what the expert is expected to achieve. The expert also receives briefing from other departments; for example from the Treasurer's Department on Fund accounts and the SDR, and from Administration Department on benefits and employment conditions. Unlike many other TA providers, the Fund does not organize a formal training program covering, for example, training techniques or communications.

28. The terms of reference (TOR) for experts are prepared at headquarters. In FAD and STA, the first draft of the TOR is prepared by the topical division and in MAE by the area manager. In FAD, this is done in close consultation with the advisory committee (if one has been constituted) and similarly in MAE with a review team (see paragraph 16). In all departments, the first draft of the TOR is then submitted to area departments and other parts of the TA department for comments. After any modifications have been made, it is then generally submitted to the Department Director for approval. MAE and STA send a copy of the finalized TOR to the national authorities.

Missions

29. In the case of a missions, as soon as a particular mission project has been approved, a mission chief is appointed, generally by the departmental Senior Personnel Manager in consultation with senior staff. The mission chief, in consultation with senior staff, then decides on the staffing of the mission (staff and expert(s) where applicable) and drafts the briefing paper, which effectively gives the mission's terms of reference. From this point, the procedure is very similar to the procedure for experts, except that unlike the experts' TOR, the briefing paper is never sent to the national authorities. Further details of departmental practices on the preparation for TA projects are in Matrix 2.

Matrix 2: Preparation of TA Project

	FAD	*MAE*	*STA*
Experts			***(Experts with an appointment of six months or longer)***
Selection of Expert	• Division Chief of relevant topical division selects expert from panel of experts maintained by TAMU; • Expert's resume is sent to the authorities for approval.	• Area manager selects expert from expert roster; • Expert's cv is sent to authorities for approval.	• Immediate office senior staff responsible for technical assistance, in consultation with Department Director, Deputy Director/Senior Advisor responsible for TA, Division Chiefs, STA's Technical Assistance Unit (TAU) and the country manager if applicable, select the multisector statistics expert generally from the panel of experts maintained in the TAU; • Division Chief from relevant topical division, in consultation with Department Director, Deputy Director/Senior Advisor responsible for TA, the TAU, and the country manager if applicable, select the single-topic statistics expert generally from the panel of experts maintained in the TAU but also from a list of experts identified for trial as potential members of the panel; • Area department is consulted; • Expert's CV is sent to authorities for approval.
Terms of Reference (TOR)	• Topical division prepares TOR and detailed work plan in consultation with advisory committee; • Area department comments on TOR; • For some countries, comments received from other departments like PDR, or STA and/or Management; • Finalized TOR signed off by either the Chairman of the AC, the Division Chief concerned, the Dept. Head, or management for some countries; • Finalized TOR not sent to authorities.	• Area manager prepares TOR and detailed work plan in consultation with review team; • Area department comments on TOR; • Finalized TOR signed off by area manager; • Finalized TOR sent to authorities.	• TAU, in consultation with topical divisions and with input from the authorities and area department, prepares TOR for multisector statistics expert; • Topical divisions with input from the authorities and area departments, prepares TOR for single-topic statistics expert; • Area department comments on TOR; • Expert given the opportunity to comment on TOR; • TAU finalizes TOR and sends it to department director for signature; • Finalized TOR is sent to authorities.

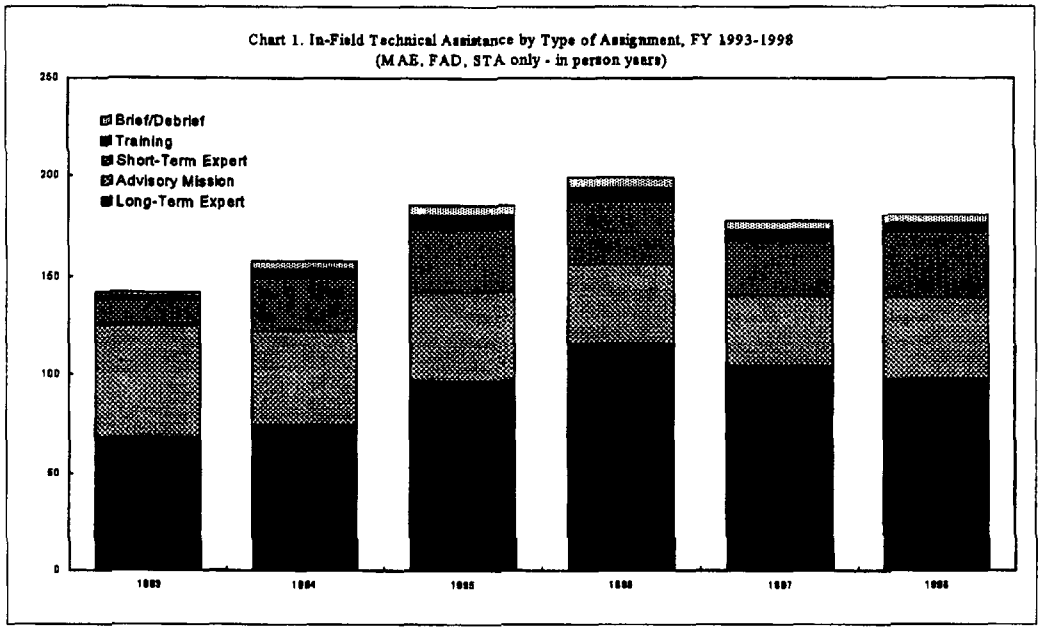
Assignment of Backstopper	• Chief of topical division	• Area manager is principal backstopper; when relevant he will obtain input from divisions	• Senior staff in the immediate office assigned by SPM as the contact person for multisector statistics expert; • Economist in topical division assigned by Division Chief as the backstopper for single-topic statistics expert.
Pre-assignment Briefing	• 2-5 days briefing of expert at HQ or in the field; • Division concerned; • Backstopper, in coordination with area departments and other concerned agencies, e.g., World Bank. • Expert involved in preparation of TOR, if at HQ.	• 2 days briefing of expert at HQ or in the field; • Expert given the opportunity to comment on TOR.	• 2-5 days briefing of expert at HQ
Missions			
Selection of Mission Chief and Members	• Mission chief selected by Senior Personnel Manager and approved by Department Director; • Mission members selected by mission chief in consultation with SPM and relevant division chiefs.	• Mission chief selected by Departmental Advisory Committee (DAC); • Mission members selected by mission chief in consultation with SPM and relevant Division Chiefs.	• Mission chiefs for multisector missions assigned by Immediate Office Deputy Director/Senior Advisor responsible for technical assistance, in consultation with SPM. Mission chief then identifies other members of mission in consultation with Division Chiefs and SPM; • Staff for single-topic missions generally assigned by Division Chief.
Briefing Paper	• Draft prepared by mission chief in consultation with Advisory Committee; • Area department and sometimes World Bank give comments on draft; • Final draft cleared by AC and approved by either the Chairman of the AC, the Division Chief concerned, the Department Head, or by management for some countries; • TOR not sent to national authorities.	• Draft prepared by mission chief in consultation with review team and area manager; • Area department and MAE Division Chiefs give comments on draft. Also, where relevant, PDR; • Sometimes cleared by DAC before approval by Department Director; • Briefing paper not sent to national authorities.	• Draft brief of multisector mission prepared by mission members under supervision of mission chief; • Draft brief of single-topic mission prepared by mission member(s) under supervision of Division Chief; • Reviewed by immediate office, relevant topical division(s) and country manager where applicable; • Area department gives comments on draft, and where relevant other technical assistance departments also give comments on draft; • Final draft approved by Department Director; • Briefing paper not sent to national authorities.

Pre-mission Preparation	• Review background information, and specifically; • Read previous TA reports on the subject; • Review previous TA recommendation; • Read the last RED/Staff Reports; • Consult on technical issues with other staff in the Dept.; • Contact with World Bank or other agencies concerned; • Meeting with area department, mission chief, and country team in both the Fund and the World Bank.	• Mission chief in charge of pre-mission preparation.	• Sometimes an issues paper is sent to authorities to help the authorities to be more prepared for the mission and to buy into its objectives; • Questionnaires are often sent to authorities ahead of single-topic missions, and always ahead of multisector missions.

F. The TA Process: Delivery

30. Table 8[4] shows trends in volume of TA mission work broken down by delivery mechanism over the period FY93-98. **Missions** are the delivery mechanism of choice when an overall review of a country's needs are required, or when there are discrete issues for which the authorities are seeking policy advice. **Experts** are the delivery mechanism of choice when there is a need for a transfer of knowledge and skills that will require a longer time-frame than the two-to-three week period of a typical mission. There are four types of expert employed by the Fund for its TA provision. The **short-term expert** resides in a country for a period of less than six months and is generally used to assist the authorities in completing a specific task for which they require some outside expertise. The **long-term expert** resides in a country for more than six months and is used either to assist with the completion of a lengthy and complicated task--such as setting up a Treasury function from scratch in a transition country--or to be available as a general policy adviser for a minister or governor during a period of significant economic reform. The **peripatetic expert** is generally a staff member of a central bank or ministry in a cooperating country who visits a TA-recipient country two or three times a year and remains at the disposal of the authorities by telephone or other means of communication during the remainder of the year. Typically the peripatetic expert will have helped the authorities implement a particular reform as a short-term expert and will then return from time to time to check progress and suggest how any emerging problems can be resolved and how the impact of the original reform measures can be enhanced. **Headquarters-based experts** are used to backstop experts in the field, to make inspection visits to countries using resident experts, and also to participate in the mission work of the departments to which they are assigned.

[4]Most of the tables of this chapter are presented at the end of the chapter.



31. While in the field, missions and experts interact extensively with their national counterparts. Experts are generally required to send detailed reports back to IMF headquarters monthly or quarterly, and mission chiefs will often be in contact with their headquarters supervisors before finalizing their report for presentation to the authorities. These reports, which are drawn up at the conclusion of most mission and expert assignments, summarize findings and offer recommendations for policy and organizational measures that should be implemented. They are presented ad referendum pending review and possible modifications at headquarters. A finalized form of the report, in many cases the language of the country, is transmitted subsequently. More details about the procedures and practices of TA delivery are in Matrix 3.

Matrix 3: Delivery of TA Project

	FAD	MAE	STA
Experts			
Monitoring	• Monthly report prepared by the expert and received by backstopper and Division Chief, feedback provided in monthly report; • Response to monthly report by the backstopper with advice and/or comments on relevant issues; • Other frequent contacts by faxed messages, e-mail and phone; • Inspection visit conducted generally by backstopper toward the end of the assignment or during the assignment; • Contacts with the authorities and with the Res.Rep. Particularly during the inspection visits.	• Backstopped by area manager; • Monitoring done mainly on basis of quarterly reports. If necessary, the area manager will comment on the contents of the report or request additional information; • Periodic contacts via telephone and e-mail, frequently at the expert's initiative when he needs support from headquarters on particular topics; • Selective inspection visits by senior MAE staff; • Occasional visits by Japanese authorities in connection with JAA financing; • Contacts with authorities in context of missions, inspection visits, and on the occasion of annual meetings.	• Monthly reports reviewed by relevant topical divisions, the TAU and country manager where applicable, and feedback is often provided on monthly reports; • All major recommendations and proposals outside TOR need the prior approval of STA management; • Day-to-day communications between the backstopper, the TAU and expert through e-mail, telephone, facsimile, etc.
Quality Control	• General guidelines and directions for necessary action given to experts by backstoppers or by the Division Chief; • Concerns expressed and/or necessary action proposed to the authorities where appropriate; • Direct discussion with the authorities during inspection visits.	• If problems need to be remedied, the area manager will notify the expert who will then take the necessary action	• In additional to the above monitoring measures, occasional inspection visits are conducted by STA senior staff; • Letter from the Department Director to expert requesting specific actions, if deemed necessary.
Reporting to HQ	• LT experts are required to report monthly and to prepare a final report--not copied to national authorities; • ST experts required to report monthly and to write a final report--not copied to authorities; • The monthly report and the final report are copied to area departments.	• LT experts are required to report quarterly or monthly depending on the circumstances. • Reports are received by area manager who distributes to area department and to interested divisions within MAE as appropriate	• See monitoring; • Occasional reports as requested by divisions on some specific topics.

Communications with Authorities	• No specific instructions are given to the expert, but the expert is required to keep the authorities informed of his work and to prepare regular notes to his counterparts and to the relevant authorities; • Final report received by backstopper and submitted to the head of FAD with summary and recommendations of important issues to be raised; copied to the area dept. concerned.	• LT and ST experts required to prepare end-assignment report for national authorities and MAE area manager. • MAE involvement varies according to type of report. For periodic visits aimed at institution building, there is little involvement in the actual drafting, if there are no major problems. Reports aimed at addressing specific issues may be subject to a clearing process, similar to that of MAE's mission reports, with the report receiving comments from functional divisions with MAE and the area department	• Regular progress reports are provided to the authorities, as set out in TOR; • Routine operational matters are discussed with the authorities without the need for consultation with HQ; • Work priority and assignment suggested by the authorities are accepted as long as they are consistent with TOR; • Expert is required to prepare a final report setting out the achievements and recommendations. The report is sent to authorities with a cover letter from Department Director.
Missions			
Communications with Headquarters	• Mission chief contacts headquarters, as the need arises and particularly if the mission is considering deviating from its TOR.	• A mission chief would be expected to communicate with headquarters if he sees the need to significantly modify recommendations from what was foreseen in the TOR	• Mission chief is expected to contact headquarters when developments in field lead to significant departures from brief, or when progress/status reports are considered important for department management.
Communications with Authorities	• Ad referendum final report left with authorities in the field; • On return to HQ, mission chief seeks comments on final report from advisory committee and other departmental officials as appropriate; • Comments then sought from area department and in relevant cases from the World Bank; • Final version of final report approved by Department Director and sent by him to authorities (generally within three months of mission return).	• Ad referendum final report left with authorities in the field. • On return to HQ, mission chief seeks comments on final report from review team and other departmental officials as appropriate • Comments then sought from area department and PDR, when relevant • Final version of final report approved by Department Director and sent by him to authorities (generally within two months of mission return)	• Ad referendum final report left with authorities in the field; • On return to HQ, report is reviewed by relevant Division Chief(s) and Immediate Office; • Comments are then sought from area department, and when relevant other TA departments; • Final version of final report approved by Department Director, and then sent by Director to authorities (generally within six weeks to two months of mission return).

G. The TA Process: Follow-Up and Evaluation

32. Following the completion of a program, the TA departments generally ask resident representatives and visiting area department missions and sometimes an outside cooperating agency to **follow up** on the implementation of their recommendations. They sometimes make follow-up communications with the national authorities themselves, although there are no set procedures for doing this. There are some procedures for self-**evaluation** in all three departments. However, they are not systematically applied to all projects and are not uniform across departments. Hence their results cannot be readily synthesized for use by management or the Executive Board. More standardized evaluations are made for JAA-funded projects and some other externally funded projects; these evaluations, however, (with the exception of external evaluations made for UNDP projects), tend not to be very detailed. Access to any evaluation reports is generally quite restricted. More details about the follow-up and evaluation of TA are in Matrix 4.

Matrix 4: Follow-up and Evaluation of TA Project

	FAD	MAE	STA
Experts			
Final Report to HQ	• To head of FAD and divisions; • To area department.	• Report is circulated to area department and recommendations incorporated in future program work and TA work as applicable.	• During expert's debriefing, the final report is completed and is reviewed by relevant Division Chief(s) and Immediate Office; • Comments are then sought from area department, and when relevant other TA departments; • Final version of final report approved by Department Director, and then sent by Director to authorities.
Debriefing	• Experts often called back to HQ for debriefing by division concerned in consultation with the backstopper; and in the case where further TA is likely to be delivered to the country, and when extensive reporting is useful.	• Experts called back to HQ for debriefing on occasion depending on need for ongoing TA or program work.	• Five to ten days debriefing of expert at HQ; • Expert given the opportunity to receive comments, and revise final report.
Evaluation from Authorities	• The authorities usually express their views in requests for follow-up missions, visits, explaining what was achieved and what remains to be accomplished; • Also, during follow-up visits, the authorities express their views directly.	• Obtained during MAE missions, inspection visits, and during consultations on the occasion of the Annual Meetings.	• Occasional feedback from authorities through Annual Meetings discussions, STA missions and other communications; • End of assignment communications with authorities; • Department Director's cover letter to authorities with final report asks for comments by authorities by a specific date, and comments are often thus provided.
Performance Report of Expert	• No formal performance report but annual assessment of work of all experts by Tax Administration and Public Expenditure Management divisions.	• Standardized report form.	• No formal performance report, but performance of experts is monitored and they can be dropped from the panel for unsatisfactory performance.

Evaluation Report by TA Department on How Far TOR Objectives Were Achieved	• Occasional departmental policy assessments of content, impact and policy orientation in a given policy area; • Occasional ad hoc evaluations of effectiveness of TA projects; • Occasional strategic seminars with other providers on TA in a given subject area, country of region; • Also, feedback from area department missions and the res.rep. on implementation.	• Annual evaluations of implementation of technical assistance efforts in briefings for Annual Meetings; • Assessment of effects of previous work in the context of subsequent missions for comprehensive program countries.	• Project assessment for all JAA and UNDP-funded experts prepared in light of the objectives set out in TOR; • End of assignment report prepared in light of the objectives set out in TOR; • Occasional ad hoc evaluations of effectiveness of TA projects; • Occasional more in depth evaluation of TA in particular country/topic.
Implementation of Lessons Learned	• The lessons learned over time have influenced the quality of the reporting and the TOR and overall, the quality of TA delivered; • Important lessons and best practice are disseminated to a wide audience through various Fund publications.	• Key measures taken following the 1995 external evaluation of MAE; • Lessons learned from periodic evaluations implemented on an ongoing basis.	• Changes to departmental TA policy discussed in senior staff meetings and retreats, and decided on by department director; • Objectives/strategy at country level adjusted when appropriate as result of evaluation of past assignment.
Arrangements for Post-assignment Follow Up	• Area department missions, resident representatives and fiscal economists assigned to the country are asked to follow up; • Contacts with other bilateral donors; • Communications with other FAD resident experts.	• Area department missions, resident representatives, and resident MAE advisors (where applicable to follow up. For comprehensive program countries more formalized structure for follow up in subsequent missions.	• STA missions, area department missions, resident representatives, and sometimes other TA providers are asked to follow up; • Country project managers for selected countries are expected to monitor progress of TA implementation.
Missions			
Back-to-office Report	• BTO completed within 48 hours of return from mission. Circulated to advisory committee and Department Director, who sends it with cover note to management with copies to other departments and subsequently, sent to all FAD staff. Also sometimes sent to relevant World Bank Regional Vice President.	• BTO completed within 48 hours of return from mission. • Circulated to review team and Department Director, who sends it with cover note to management with copies to other departments.	• BTO completed within 48 hours of return from mission. • Department Director sends it with cover note to management with copies to other departments.

Evaluation of Mission's Work from the Authorities	• The authorities usually express their views in the requests for follow-up missions, visits, explaining what was achieved and what remains to be accomplished; • Also, during follow-up visits, the authorities express their views directly.	• Comments by the authorities on recommendations of the mission are requested when Director transmits final report; • Evaluation through periodic visits by senior MAE staff.	• Feedback from authorities on ad referendum report sought in final meeting in field; • Department director's cover letter to authorities with final report asks for comments by the authorities and progress report on implementation within six to nine months.
Evaluation Report by TA Department on How Far Briefing Paper Objectives Were Achieved	• Initially, mission aide-memoire circulated to Advisory Committee for review; • Once all comments of FAD's internal Advisory Committee have been taken into account and cleared by the Chairman of the Advisory Committee, the final report is sent to FAD Dept. Head for clearance. The final report is then circulated to the authors, Head of FAD, Head of area department, and VP of relevant regional department at the World Bank; • Occasional departmental policy assessments of content, impact and policy orientation in a given policy area; • Ad hoc evaluations of effectiveness of TA projects; • Occasional strategic seminars with other providers on TA in a given subject area, country or region.	• Short run assessment of achievement of briefing paper objectives carried out in the review process for the mission report; • Longer term ad hoc reports have been prepared for the comprehensive programs for the Baltics, Russia, and other countries of the former Soviet Union, and, more recently, for Africa.	• Missions generally report on implementation of recommendations made in previous missions, where relevant; • Occasional more in depth evaluation of TA in particular country/topic; • Ongoing pilot evaluation project (for small number of countries) with a view toward establishing permanent internal evaluation system.
Steps to Implement Lessons Learned	• The lessons learned over time have influenced the quality of the reporting and the TOR and overall, the quality of TA delivered; • Important lessons and best practices are disseminated to a wide audience through various Fund publications; • Final TA reports are made available to relevant Fund staff on request basis.	• Committee to draw up operational recommendations established following the earlier external evaluation; • Area managers and mission chiefs responsible for implementing lessons learned on an ongoing basis.	• Changes to departmental TA policy discussed in senior staff meetings and retreats, and decided on by department director; • Objectives/strategy at country level adjusted when appropriate as result of evaluation of past implementation.

Arrangements for Post-mission Follow Up	• Area department missions, resident representatives and fiscal economists assigned to the country are asked to follow up; • Contacts with other bilateral donors; • Communications with other FAD resident experts; • Follow-up missions when requested by the authorities; • When FAD reviews Board documents.	• Area department missions, resident representatives, and resident MAE advisors (where applicable) to follow up. For comprehensive program countries more formalized structure for follow up in subsequent missions.	• Area department missions, resident representatives, STA economist/experts assigned to country, and occasionally other TA providers are asked to follow up; • Country project managers from selected countries are expected to monitor progress of TA implementation.

H. The TA Process: Coordination with Other Providers and External Financing of TA

33. Coordination with other providers of technical assistance takes place through contacts and discussions with other international and bilateral TA-providing institutions. With some of these agencies, such as the UNDP, cooperative relationships have been established in which the Fund supervises TA that they finance.

34. The Fund has for many years participated in international fora where questions of aid in general, and technical assistance in particular, are discussed. Staff in the IMF offices in New York, Geneva and Paris, sometimes accompanied by senior officials from headquarters, take part in several standing and ad hoc committees of the UN and its specialized agencies and in the Development Assistance Committee of the OECD. Those attending the meetings send reports back to headquarters outlining the salient points of the discussions, which are communicated to concerned staff in the TA departments. Such coordination increased in intensity during the early part of the 1990s as the different agencies tried to coordinate their response to the challenges presented by the newly independent countries in the aftermath of the breakdown of the Soviet Union. The Fund itself was instrumental in creating two committees for such coordination--one for coordinating technical assistance to central banks with bi-annual coordination meetings at the BIS in Basle and another for coordinating assistance in the area of statistics (the "Steering Committee on Technical Assistance in Statistics to the Countries of the Former Soviet Union", known in its early days as the "Ripert Committee").

35. These two Committees provided good examples of the benefits of coordination. Coordination of TA to the central banks of the East European and the transition countries of the Baltic countries, Russia, and other countries of the former Soviet Union (BRO) was set up with active support of OECD members and the assistance of the BIS. Under the arrangements, cooperating central banks in 24 countries provided experts on specific subjects to provide bilateral training or to participate in Fund missions to the target countries. The financing of these experts varied from bank to bank but, generally, the Fund paid for their travel costs and provided a per diem for the days that they were away from their homes.

Senior representatives of the cooperating central banks met in Basle twice a year under the direction of one of the Fund's deputy managing directors to review developments. These biannual meetings have now been discontinued, but coordination continues at a technical level and there is an understanding between the parties that further high-level meetings could be called if it were felt necessary. The success of this committee included that it provided additional qualified human resources ready to work under the Fund's supervision at relatively small cost to the organization. The Steering Committee on Technical Assistance in Statistics to the Countries of the Former Soviet Union still brings together the Fund with the World Bank, the EC, EBRD, UN, ILO, FAO and the OECD and allocates to each one specific topical areas on which they are expected to focus. Again this initiative has been helpful to the Fund because it provides a means of minimizing potential overlaps in provision and allows the Fund to concentrate its efforts on monetary, fiscal, and balance of payments statistics--the core areas of its work.

36. Probably, the most significant manifestation during the 1990s of the Fund's coordination and cooperation with other agencies has been the conclusion of a growing number of arrangements in which international and national agencies have agreed to provide financing for Fund-supervised TA. The amount of external financing available for Fund TA increased significantly during this period largely in response to the perceived need to deliver large amounts of TA quickly to the newly independent states that emerged from the disintegration of the Soviet Union. As can be seen from Tables 8 and 9, external agencies paid the Fund $21.8 million under cooperation agreements to finance Fund TA during FY98 (Table 10). During this period 86.3 person years of in-field TA was externally financed.[5]

37. The largest of the cooperation partners is Japan. The Japanese authorities have been providing grant resources for technical assistance through an administered account (the JAA) since 1990, with most of the resources earmarked for short- and (mostly) long-term expert assignments, but some earmarked for seminars and a contribution to the Joint Vienna Institute (JVI) and a small amount for scholarships. Details on guidelines for the use of these resources are set out in Box 6 and Tables 10-12 set out the distribution of JAA resources in recent years.

[5] Looking globally at the Fund's TA financing, the amount of in-field TA made possible by external financing is somewhat less because the cost of backstopping and generally supporting the in-field expert is considerably higher than the amount paid for HQ overheads. Thus each person year of TA in the field that is officially fully externally financed is in fact financed in part by the Fund.

Box 6. Summary of Guidelines Governing Use of JAA Resources

I. Transfer and Allocation of Resources

The JAA is used for financing (i) the salary and expenses of short and long-term TA experts, (ii) the costs associated with providing seminars and workshops, and (iii) the costs of specific activities as agreed between Japan and the Fund. JAA funds may not be used to finance staff salaries, per diem or travel expenses.

Budgeting and accounting for experts and seminars are based on standard costs.

Costs of projects which do not involve the use of experts or seminars/workshops delivered by the Fund are estimated on a case-by-case, with the agreement of Japan and in consultation with TRE, OBP, and TAS, and charged to the JAA at the agreed level.

Projects to be supported by the JAA, together with all other Fund TA activities, form part of the TA Regional Allocation Plan (RAP) established by each TA-providing department, in the period preceding each Fund financial year. The RAP presents the TA-providing departments' forecasts of the regional distribution of both internal and external TA resources, including JAA resources. The RAP is agreed upon after extensive discussions among area departments, TA-providing departments, the Technical Assistance Committee (TAC), the Technical Assistance Secretariat (TAS) and management.

Consultations with the Japanese authorities will take place in the first week of March each year covering the following issues: (i) the standard costs to be used for the next financial year; (ii) the regional and/or subject area utilization of JAA resources to be targeted for in the next financial year; (iii) the organization of field visits by the Japanese authorities; (iv) the likely magnitude of Japan's continuing contribution to the JAA; and (v) any special projects or issues which are foreseen as likely to arise within the next financial year. The results of these discussion, after appropriate consultation within the Fund, will be summarized in a note which will serve as a supplement to the guidelines.

II. Submission, Approval, and Notification

Project submission and approval

JAA project proposals are developed by TA-providing departments, in consultation with area departments and TAS. TA-providing departments should submit to TAS at the beginning of each quarter (for transmittal to Japan) a summary list of JAA projects expected to be presented for approval in that quarter. Detailed individual project proposals are forwarded to TAS throughout the year. Following review by TAS, these proposals are submitted to the Executive Director's Office for Japan for consideration. Unless Japan requires further clarification, following a seven-day lapse-of-time period, projects are considered approved by Japan. TAS will notify the appropriate sponsoring department, TRE, ADM, and the area department concerned of projects approved by Japan, which may then be implemented.

The total value of approved projects may not exceed the amount pledged by Japan for that financial year, plus any unutilized balances from previous financial years and investment earnings from the JAA. Investment earnings are redeposited into the JAA with an agreed portion earmarked for financing TA activities to be jointly developed and agreed by Japan and the Fund. The sum of the approved projects of each TA-providing department must remain within its JAA allocation as set by the TAC. It may thus be necessary for departments to withdraw approved projects, or reduce the budgeted costs of approved projects, before submitting new projects in order to remain within their financial year allocation. TA-providing departments will submit only project proposals that are to be initiated within the current financial year, unless there are particular reasons for seeking advance approval and funds can be set aside (from current allocations) for the project.

Box 6. Summary of Guidelines Governing Use of JAA Resources (concluded)

Information on all significant adjustments to a project (e.g. shortening an expert assignment by more than a month or replacement of a long-term assignment by several short-term assignments) are provided to TAS by the TA-providing departments as they occur. TAS consolidates these changes for the information of the Japanese ED's office periodically, and for TRE monthly. TA-providing departments ensure that the changes will not lead to the original budgeted cost of the project being exceeded, and that the original project objectives will be met.

Project activation

When an approved project is ready for activation, a standard memorandum is to be sent by the TA-providing department to the Japanese Executive Director. This memorandum is to be copied to TRE, ADM, TAS, and the relevant area department.

Notification of JAA sponsorship

Prior to commencement of project implementation, notification of JAA sponsorship is to be provided, where appropriate, to the Fund Executive Director of the recipient country.

Officials of the recipient country, expert(s), and seminar participants are also to be informed in writing that "the project is being undertaken with support of a grant from Japan".

III. Project Accounting and Assessment

Project accounting

TA-providing departments provide a monthly accounting of JAA project implementation to TAS two weeks after the end of each month. TAS reviews these submissions for consistency, if necessary consulting the TA-providing department over any discrepancies, and forwards them to TRE before the end of the month. This action represents authorization to TRE to start transferring funds for these projects from the JAA to the Fund's General Resources Account in monthly installments at standard project, or agreed cost, rates. If a project is prematurely terminated, the TA-providing department informs TAS which requests TRE to terminate the draw-down for that project.

Project assessment

Following the completion of a project, the TA-providing department is to submit a written assessment of each JAA-financed project. This assessment is to be provided to TAS for consolidation and periodic transmittal to the Japanese ED's office. If the project involved multiple expert assignments, the assessment should be submitted at the conclusion of the entire project, not each assignment. Any changes from the original plan, for example in the length of an expert assignment, should be noted in the assessment. If a project is prematurely terminated, the TA-providing department provides a written statement to TAS explaining the reason for its termination and indicating any possible future actions. TAS transmits such statements to the Japanese ED's office.

38. The second largest of the cooperation partners is the UNDP. Cooperation on TA with the UNDP dates back to July 1989, when agreement was reached that the Fund would act as an executing agency for UNDP projects. Under these arrangements, the Fund is invited to provide a TA component of a project agreed between the country and the UNDP. The UNDP then undertakes to pay the Fund for this service at a standard inclusive rate per person year of TA time plus a 10 percent contribution toward overhead costs. Most of these projects are broad in scope lasting for periods up to three years and the Fund generally works in cooperation with other agencies providing other project inputs. The project agreement document is negotiated and signed by the Fund, the UNDP and the country authorities. This negotiation process can require exploratory visits and the discussions can be quite lengthy. During the course of the project, the requirements for monitoring expenditures and effectiveness and for conducting tripartite reviews can also place resource demands on the participating TA department. Because of the larger administrative overhead and demand on human resources, TA provided in cooperation with UNDP is more costly to the Fund than TA financed by other external sources. Table 14 sets out the distribution of UNDP resources in recent years.

39. In FY98, some 14.6 person years of in-field TA (8 percent of the Fund total) was financed by sources other than the JAA and the UNDP (see Table 11). These resources came from several other international and national agencies with whom the Fund cooperates in the provision of TA. In recent years, these resources have come from the World Bank, the Asian Development Bank, the Inter-American Development Bank, the European Union and the governments of Australia, Denmark, France, and Switzerland. The Framework Administered Account for Technical Assistance Activities established by the Fund in April 1995, serves as the instrument through which these and other countries can contribute to the Fund's technical assistance. The Instrument for this account specifies that members can set up sub-accounts into which they can make grants that can be used by the Fund for technical assistance activities. It also specifies, however, that the contributing countries can attach conditions to the use of this money. Paragraph 3 of the Instrument notes:

> When recommending approval of the establishment of a sub-account, the Managing Director shall specify the essential terms of the understandings that have been reached between the contributor and the Managing Director regarding (i) the nature, design and implementation of the technical assistance activities to be financed from the sub-account in question and (ii) the method by which the costs of the technical assistance activities will be financed from resources contributed to the sub-account by the contributor.[6]

---

[6]Establishment of a Framework Administered Account for Technical Assistance Activities, EBS/95/56, March 29, 1995

40. While contributions from external sources have enabled the Fund to expand considerably the breadth of its TA coverage, the fact that they were not made to the Fund for use at its discretion but were placed in a number of separate accounts--each one with its own conditions of use attached--has led to some complications and inefficiencies. Most important of all, it has led to difficulties for the Fund in selecting and prioritizing its TA in a completely objective way. For example, projects in a country, where reform is slow, might receive a fairly low priority in a global ranking of Fund TA proposed projects, but end up with a higher priority because of the existence of earmarked funds for them in a Framework Account sub-account. Furthermore, under the present system, external financing for more TA experts in the field is available, but often there is none available for experts working at headquarters--this leads to situations in which financing available for in-field experts cannot be used because there are insufficient human resources at headquarters for the associated backstopping. More details on the magnitude of external financing and associated issues are below in Section J, Funding Issues.

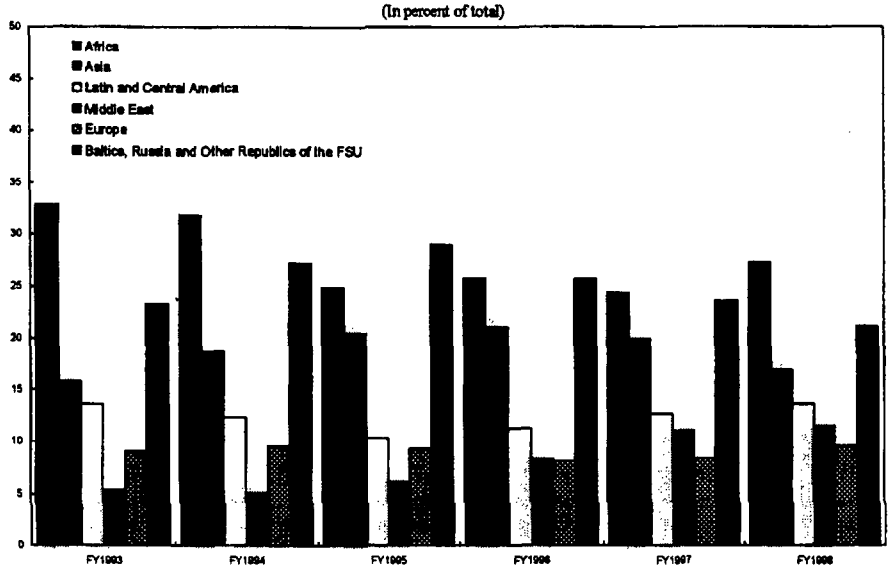
41. TA departments have no standard procedures for exploring whether requests for TA could be provided by other TA providers. STA generally passes on requests for assistance with labor statistics to the BLS or ILO, and with social indicators to the U.N. STA does provide TA on national accounts issues if it has the resources available, but will, on an ad hoc basis, transfer requests in this area to the U.N. or bilateral agencies. (Its cooperation with the U.N. has intensified recently, in particular, since the GDDS includes social demographic indicators.)

I. TA Allocation

42. Table 15 shows trends in the total time devoted to TA within the Fund, both in the field and at headquarters, as measured by the BRS. It also shows the costs for this TA over the same period and, as a memorandum item shows the amount of in-field TA, as recorded in the CTSS over the same period. The analysis of the remaining paragraphs in this section is based on in-field TA provision data from CTSS.

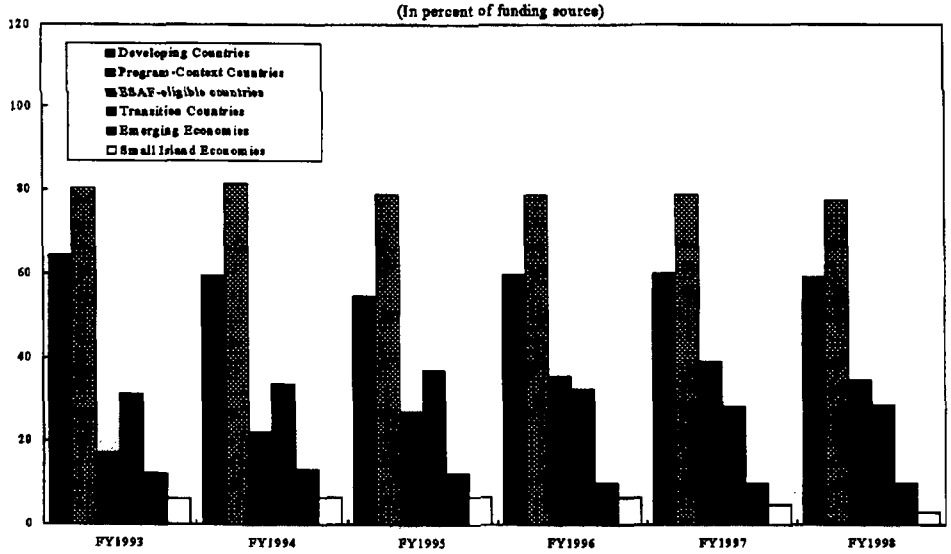
43. Probably, largely as a result of the RAP exercise, the regional distribution of the Fund's TA has changed little over the period FY 1993 to FY 1998. Tables 16 and 17 show some falling off in the share of the Baltics, Russia and other countries of the former Soviet Union, down from a peak of 29 percent in FY 1995 to 21 percent in FY 1998, and to a doubling of the TA directed to the Middle Eastern countries from 5 percent to 11 percent. Otherwise regional shares remained fairly steady.

Chart 2. In-field Technical Assistance Distributribution by Region
(In percent of total)



44. Table 18 sets out TA allocation by country economic groupings and shows that, during the years FY1993-98, by far the greatest part of the Fund's TA has been directed to countries that are discussing or implementing a Fund program. The proportion has remained quite stable over the period, fluctuating only between 77 and 81 percent. The share of the ESAF-eligible countries in TA provision has doubled over the period from 17 percent in FY 1993 to 35 percent in FY 1998. The proportion going to the transition economies reached a peak of 37 percent in FY 1995 and has since declined to 29 percent. The share of Russia alone has fallen from its peak of 7 percent in FY 1995 to only 2.4 percent in FY 1998. TA to the 25 most important emerging countries has held level at close to 10 percent over the past three years, while TA to the Fund's 19 small-island-economy members has more than halved over the same period, from 7 percent to 3 percent.

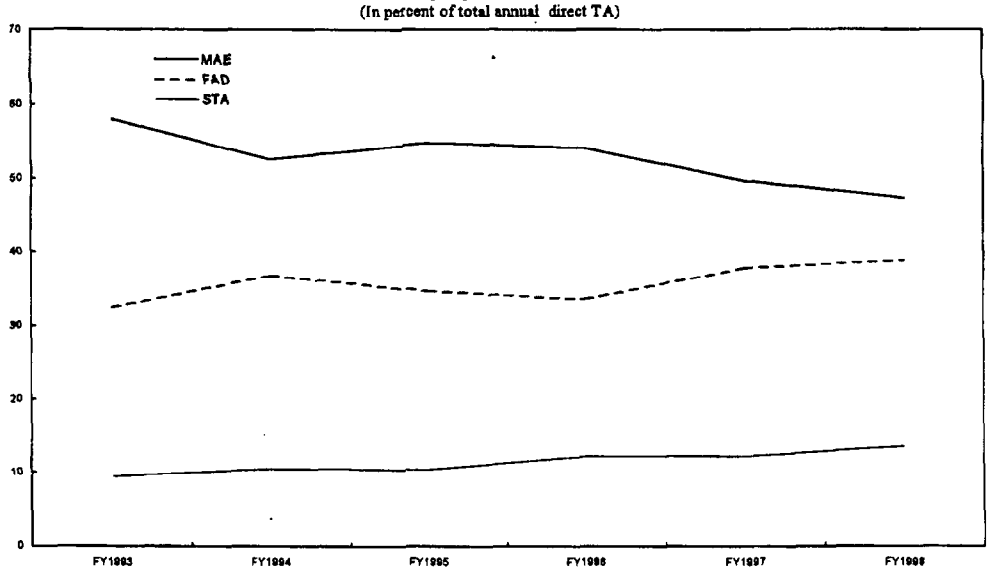
Chart 3. Distribution by Country Group
(In percent of funding source)



45. Table 19 shows extremely wide variations in the amount of TA per capita countries receive, with some small economies receiving close to $1 per capita and many other much larger developing countries receiving barely one cent's worth. Table 20 shows the top ten country recipients of TA for each year FY 1993-FY 1998 overall and broken down by region.

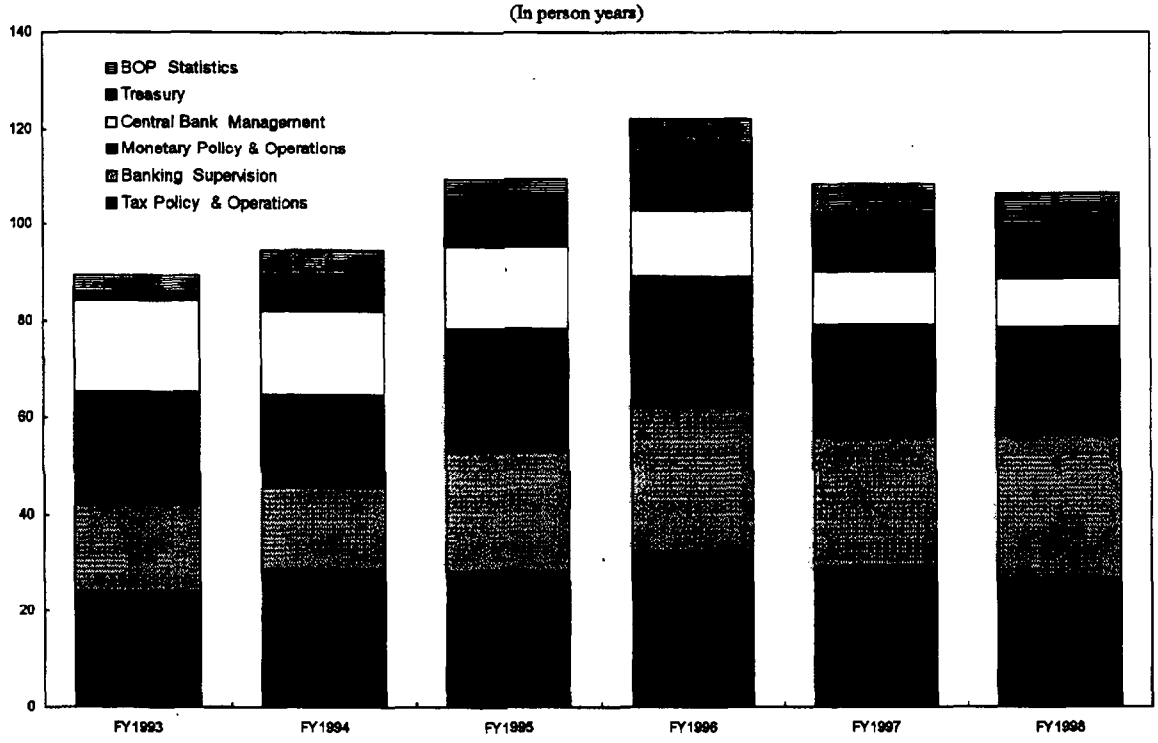
46. Table 21 shows that MAE has remained the most substantial provider over the period, although its share has declined from 58 percent in FY 1993 to 48 percent in FY 1998. Over the same period, the share of FAD rose from 32 percent to 39 percent and that of STA from 9 percent to 14 percent.

Chart 4. TA-Providing Departments - MAE, FAD, and STA
(In percent of total annual direct TA)



47. Tables 16 and 17 set out the sources and uses of the Fund's TA. They show that throughout the period, banking supervision, monetary policy and operations, and tax policy and administration were the most covered subjects of TA advice. They show no major shifts between the subjects over the period. For MAE, there has been a slight increase in the share of banking supervision, a slight decrease in the share of monetary policy and operations, and a larger decrease in the share of central bank management. For FAD, the amount of time devoted to the two main subjects--tax policy and administration, and budget policy and operations--has remained fairly stable and there has been a sixfold increase in the time devoted to treasury questions. For STA, the share of balance of payments statistics has doubled, but the share of other subjects has been fairly stable.

Chart 5. Distribution by Subject
(In person years)



J. Funding Issues

48. Table 3 shows the evolution of expenditures on TA as a proportion of the Fund's administrative budget. Over the period FY93-98, the share of TA in the Fund's administrative budget has increased from about 11 percent in FY1993 to 14 percent in FY1997 and FY1998. The decision on the proportion of the administrative budget that should be absorbed by TA activities is taken by the Executive Board in its annual budget discussions. In proposing a decision for the Board on the budget amount, the staff is guided not only by consensus views of the TA departments expressed through the TAC, but also by views of Executive Directors expressed at earlier Board discussions on the work program and on the medium-term budgetary outlook.

External Financing

49. Details of the cooperative arrangements under which the Fund receives financing for its TA activities from international and national TA-providing institutions are set out in paragraphs 37 to 39 above. Details of the amounts involved are set out in Box 7.

Box 7. External Finance

- The amount of externally- financed TA rose steadily from 55 person years in FY1993 (23 of the total) to 104 person years in FY1997 (38 percent of the total) and then fell back somewhat to 93 person years in FY1998 (32 percent of the total). The largest part of the increase was funded by Japan.

	FY93	FY94	FY95	FY96	FY97	FY98
Externally Financed TA						
• Person-Years	55	68.6	80.5	97.5	104.2	92
• Cost in millions of $US	10.5	12.2	19.7	22.5	25.8	21.8
Of which:						
Japan						
• Person-Years	20	40	51	65	67	53
• Cost in millions of $US	5.1	9.1	13.6	15.7	17.4	12.1
UNDP						
• Person-Years	30	19	17	25	21	23
• Cost in millions of $US	4.9	2.6	4.7	4.5	5	5.0
Other						
• Person-Years	5	9	12	7	15	16
• Cost in millions of $US	0.4	0.6	1.4	2.3	3.3	4.6

Source: Treasurer's Department, RAP FY1993-FY1998.

- With the exception of UNDP, the external donors currently pay directly to the Fund a standard sum of $210,000 per person-year to meet the direct costs of the expert assignment and a further 13 percent of that sum ($27,300) as a contribution to overheads and direct costs.
- The UNDP reimburses the Fund for the actual in-country costs of the expert plus travel and associated allowances plus 10 percent of that amount to cover overheads and indirect costs.
- All payments for overheads are paid into one account in the administrative budget. Each year, the increase or decrease over a three-year rolling average is shared between TA departments (10 percentage points), TRE (2 percentage points) and ADM (1 percentage point). The money they receive is earmarked for spending on support staff to work on TA-related matters.
- The standard payments for direct costs of resident experts are paid into the administrative budget. Calculations are not systematically made of the discrepancies between actual costs paid by the Fund and standard payments received for the experts concerned.

50. The fact that external financing can, in general, only be used to finance in-field work by experts creates problems of balance in the Fund's overall TA policy because any increase in in-field work can only be effective if matched by a smaller but corresponding increase in headquarters-based staff who are able to provide the essential administrative support and backstopping. Each person year of a resident expert requires about 0.25 person years of backstopping and other administrative support in the supervising TA department. The increase in the number of externally-financed resident experts in recent years has not always been matched by such a corresponding increase in the numbers of headquarters staff.

Table 4. Increases in TA Department Staff
(In person-years)

	FY94	FY95	FY96	FY97	FY98	Increase over entire period
Increase in externally financed TA person-years from previous year	14	12	17	7	-11	39
Increase in TA department staff and consultants from previous year	3	2	-3	1	3	6
Increase in TA department staff and consultants needed to match increase in externally-financed TA person years	3	3	4	2	-3	9
Shortfall	0	1	7	1	-6	3

51. As can be seen from Box 8, the 13 percent of standard costs paid by the external donors, (10 percent by UNDP) to meet overhead costs is not sufficient for the purpose. Once the cost of support from all concerned headquarters staff and various non-personnel costs such as travel and communications are added, the cost to the Fund above the standard rate charged exceeds 20 percent. Under present arrangements, the amount of externally financed TA cannot be increased without increasing expenditures from the Fund's own budget.

Box 8. Cost Comparison of a Long-Term Expert Assignment to a Short-Term TA Mission

Category	Long-Term Expert (per person year)	Mission (per 18-day mission)
1. Direct salary and benefits	$ 201,500	$ 43,804
2. Travel	10,468	40,776
Total direct costs	$ 211,968	$ 84,580
3. Administrative support	18,740	5,349
4. Fund-wide overhead	16,322	6,572
Total costs	$247,030	$ 96,501

Assumptions:

1. Long-term assignment expert at step equivalent to an A15/B1 level staff.
2. TA mission consists of: mission chief A14, staff economist A14 and two short- term experts at step equivalent to A14 level staff.
3. Long-term assignment is for one year; short-term mission is for 18 days to and on station and five days pre- and post-mission for all participants.
4. A14 average staff salary and benefits = $129,675 (FY98), long-term expert salary and benefits = $ 171,300 + $30,200 overseas allowance, short-term expert equivalent $117,910.
5. Travel costs: $4,362 per trip/ participant and $324 per diem.
6. Administrative support: percent of compensation--staff 21.5 percent, long-term expert 9.3 percent, short-term expert 2.0 percent.
7. Fund-wide overhead: percent of compensation--staff 26.2 percent, long-term expert 8.1 percent, short-term expert 2.4 percent.

52. Other problems arising from the conditional nature of external financing have been raised in paragraph 40. External providers of TA finance can affect not only the choice of country or project but can also make requirements in other important areas such as in the style of monitoring and evaluation or in the policy on requiring country contributions. Table 5 illustrates how the largest--although declining--proportion of JAA money has flowed predominantly to Asian and BRO countries and contrasts this with the proportion of Fund-financed TA directed toward the same regions.

Table 5. The Distribution of JAA Technical Assistance Resources

	FY93	FY94	FY95	FY96	FY97	FY98
TA provided to Asian and BRO by Japan						
Person-years	7.4	25.3	36.6	41.3	37.5	28.7
In percent of total Japan financing	54	71	79	66	60	57
TA provided to Asian and BRO Countries financed by IMF						
Person-year	36.4	34.0	42.7	38.4	28.0	29.8
In percent of total IMF financing	36	35	38	37	36	31

Source: CTSS.

53. Over the past three years, external sources have financed more than a third of the Fund's total TA. The Fund has, to some degree, become dependent on sources of financing over which it does not have complete control. The level of support from year to year is dependent on political decisions in the donor countries or institutions. There are no guarantees that the present level of funding can be maintained at this level over the medium to long term. A discontinuation of funding by one or more of the donors would make a big impact; some projects designed to run for a period of one or more years might have to be abandoned before their completion, and the level of excess demand for Fund TA could rise considerably.

Country Contributions

54. All Fund TA is provided free of charge with the exception of long-term experts (those who reside in a recipient country for six months or more). The charges apply only to those experts financed by the Fund and not to those financed by the Japanese Administered Account or other external sources. The Fund now finances less than half of all the long-term experts it recruits and supervises. This means that less than 10 percent of total Fund TA activities require a country contribution.

55. For several years there have been differences of opinion expressed by Executive Directors and in staff papers regarding what, if any, contributions countries should make toward the TA they receive from the Fund. In summing up the Board's last discussion on TA in 1994 (February 9, 1994, EBM/94/10), the Chairman observed:

> "Technical assistance was not seen to be a "free good", and it was observed that the borrowing members of the Fund are keenly aware that they are the ultimate payers for this good. While a number of speakers favored the introduction of charges, there was a

wide variety of views on how to achieve this, and at this stage, there is no clear consensus. The difficulty of achieving equity was mentioned several times. Several speakers thought that if charges were introduced, they could be limited to those countries that are better able to pay and that care should be taken to avoid putting an extra heavy burden on low-income recipients. There was, however, some--although not very broad--support for asking countries to bear part of the local costs."

At the meeting, the principal arguments in favor of countries contributing toward TA were that:

- They give the recipient authorities a greater sense of ownership and commitment.
- They provide a price mechanism that will moderate demand.
- They generate revenue for the Fund that can help to finance an expanding TA program.

The principal arguments against were that:

- Fund members already pay for their TA via the rate of charge or via the reduced rate in the rate of remuneration--requiring country contributions is, in effect, charging twice.
- It is often important to mobilize Fund TA rapidly; it would not be in the Fund's interest to deter or delay needed TA because the country believed it could not afford it.
- For many small developing country members, non-users of Fund financial resources, TA is the most useful benefit of membership.
- If Fund TA had to be paid for, members might shift their TA requests to other providers that require no country contribution. They may then receive experts who give advice at variance with Fund policies, thus complicating relations between the Fund and the authorities and possibly undermining a present or future Fund program. By providing its TA free, the Fund is in a much better position to influence policy and strategy.

56. In the absence of a consensus, a system of graduated contributions has been kept in place, but it collects only very small amounts of money (see paragraph 57 below). Since May 1996, the contribution to costs has been standardized at a specified cash amount per person-year which varies according to the wealth of the country (Table 6).

Table 6. Country Contributions for Fund-Financed Long-Term Experts

Country Group	Minimum Yearly Country Contribution Required for Fund-Financed Long-Term Experts*
Group I (Low-income/ESAF eligible countries--less than $676 GDP per capita)	$5,000
Group II (Lower middle-income countries--$676-$2,695 GDP per capita)	$15,000
Group III (Upper middle-income countries--$2,696-$8,355 GDP per capita)	$30,000
Group IV (High income countries--more than $8,356 per capita)	Full cost at a standard rate of $210,000 (raised from $185,000 in March 1998)

*The cash obligation can be met by in-kind payments; for example, the provision of housing is deemed to be equivalent to a $15,000 cash credit and an official car equivalent to $5,000.

57. In FY 1998, the total cost to the Fund of its long-term experts not financed by external sources (28.07 person years), calculated at the standard rate of $210,000 per year, plus a notional 13 percent overhead was $6,661,011 ($5,894,700 plus $766,311). From Table 7 below, it can be seen that--by applying the standardized contributions formula--of this amount only $331,038 became recoverable in country contributions. From this amount can be deducted a sum to cover collection and administrative costs. By the end of the year $332,241 had been recovered;[7] the additional amount represented payments of arrears and advance payments. As of January 13, 1999, 22 countries were in arrears for a total of $152,592.

[7] Differs from the amount in the table because of the billing cycle.

Table 7. Country Contributions for All Long-Term Experts, FY1998 (In person years and U.S. dollars)

Country Group	Fund-Financed Long-Term Experts--Person-Years of TA Received in FY 1998	Total Country Contributions Required	Externally Financed Long-Term Experts--Person-Years of TA Received in FY 1998	Total Country Contributions Required
Low Income	15.51	$77,538	53.19	$0
Lower-Middle Income	8.22	$123,230	14.95	$0
Upper-Middle Income	4.34	$130,269	1.00	$0
High Income	0	$0.00	0	$0
Total Contributions Due		$331,038		$0[1/]

Source: CTSS, TRE.

[1/] Had contributions been required at the same level as for Fund-financed long-term experts, a further $520,250 would have been due, giving a combined total of $851,288.

Table 8. In-Field Technical Assistance by Type of Assignment, FY1993-98
(FAD, MAE, STA only)

(In person years and percent of annual total)

	1993		1994		1995		1996		1997		1998		1993-1998	
	Person Years	%	Person Years	%	Person Years	%	Person Years	%	Person Years	%	Person Years	%	Person Years	%
Long-term expert	68.24	*48.14*	74.51	*47.29*	97.03	*52.31*	115.82	*58.15*	104.20	*58.79*	97.20	*53.85*	557.01	*53.47*
Advisory mission	57.38	*40.48*	47.94	*30.43*	44.83	*24.17*	40.50	*20.33*	36.07	*20.35*	41.92	*23.22*	268.64	*25.79*
Short-term expert	12.20	*8.61*	26.98	*17.13*	31.70	*17.09*	31.58	*15.86*	27.18	*15.34*	32.61	*18.07*	162.27	*15.58*
Training	1.77	*1.25*	4.26	*2.71*	6.82	*3.67*	6.05	*3.04*	5.18	*2.92*	4.02	*2.23*	28.11	*2.70*
Brief/Debrief	2.09	*1.48*	3.72	*2.36*	4.96	*2.67*	5.05	*2.54*	4.54	*2.56*	4.68	*2.60*	25.05	*2.40*
Recruitment	0.06	*0.04*	0.12	*0.08*	0.17	*0.09*	0.17	*0.08*	0.08	*0.05*	0.07	*0.04*	0.67	*0.06*
Grand Total	141.75		157.54		185.52		199.17		177.26		180.52		1041.75	

Source: CTSS.

Table 9. Financing of Technical Assistance Activity, FY1993-98

(In millions of US dollars)

	FY1993	FY1994	FY1995	FY1996	FY1997	FY1998
Total technical assistance financing 1/	42.8	55.2	66.2	65.1	67.3	73.4
IMF-financed TA 2/	31.7	42.3	45.7	42.0	41.2	51.3
Externally-financed TA 3/	10.5	12.2	19.7	22.5	25.8	21.8
Country contributions	0.6	0.7	0.8	0.6	0.3	0.3

Sources: OIA, OBP, BRS, TRE.

1/ Includes Fund-wide TA; see Table 3.

2/ Excludes country contributions.

3/ See Table 10.

Table 10. Externally-Financed Technical Assistance, FY1993-98

(In millions of US dollars)

	FY1993	FY1994	FY1995	FY1996	FY1997	FY1998
Total externally-financed technical assistance	10.5	12.2	19.7	22.5	25.8	21.8
Japan (excluding scholarship)	5.1	9.1	13.6	15.7	17.4	12.1
UNDP (including trusts)	4.9	2.6	4.7	4.5	5.0	5.0
Other externally-financed TA 1/ (includes scholarship activities)	0.4	0.6	1.4	2.3	3.3	4.6
Memorandum item:						
Country contributions	0.6	0.7	0.8	0.6	0.3	0.3

Sources: TRE.

1/ Includes contributions from the World Bank, the Asian Development Bank, the Inter-American Bank, the European Union, and governments of Australia, Denmark, France, and Switzerland.

Table 11. In-Field Technical Assistance: Distribution of Funds, FY1993-98
(FAD, MAE, STA only)

(In person years and percent of funded TA)

Funding Source	Lead Dept.	FY1993	*% of total fund*	FY1994	*% of total fund*	FY1995	*% of total fund*	FY1996	*% of total fund*	FY1997	*% of total fund*	FY1998	*% of total fund*	Total Funds	*% of Total*
IMF															
	FAD	27.07	*27.12*	30.75	*31.48*	28.26	*25.54*	26.10	*24.78*	23.41	*29.52*	28.79	*30.55*	164.37	*28.00*
	MAE	63.21	*63.33*	56.95	*58.31*	70.88	*64.05*	66.76	*63.40*	44.70	*56.36*	52.30	*55.50*	354.80	*60.44*
	STA	9.54	*9.56*	9.97	*10.21*	11.52	*10.41*	12.44	*11.82*	11.20	*14.12*	13.15	*13.95*	67.82	*11.55*
		99.81		97.67		110.65		105.30		79.31		94.24		586.98	
JAA															
	FAD	6.23	*45.78*	13.75	*38.81*	18.75	*40.16*	24.40	*39.36*	21.72	*34.85*	17.05	*33.78*	101.90	*37.67*
	MAE	4.48	*32.87*	15.85	*44.74*	21.86	*46.83*	30.31	*48.89*	32.94	*52.85*	24.55	*48.64*	129.98	*48.05*
	STA	2.91	*21.35*	5.83	*16.44*	6.07	*13.01*	7.28	*11.75*	7.67	*12.30*	8.87	*17.58*	38.63	*14.28*
		13.62		35.43		46.68		61.99		62.32		50.47		270.52	
UNDP															
	FAD	9.88	*47.13*	9.44	*55.96*	9.51	*54.46*	11.42	*45.81*	11.98	*54.00*	12.40	*58.54*	64.63	*52.29*
	MAE	10.35	*49.33*	6.67	*39.50*	6.17	*35.36*	8.92	*35.76*	7.66	*34.54*	6.90	*32.60*	46.67	*37.76*
	STA	0.74	*3.54*	0.77	*4.54*	1.78	*10.18*	4.60	*18.43*	2.54	*11.46*	1.88	*8.86*	12.30	*9.95*
		20.97		16.87		17.46		24.94		22.18		21.18		123.60	
Other															
	FAD	2.82	*38.43*	4.07	*53.87*	7.90	*73.71*	4.92	*70.90*	10.06	*74.80*	12.05	*82.36*	41.82	*68.97*
	MAE	4.36	*59.37*	3.49	*46.13*	2.82	*26.29*	2.02	*29.10*	3.11	*23.14*	2.04	*13.96*	17.84	*29.42*
	STA	0.16	*2.20*		*0.00*		*0.00*		*0.00*	0.28	*2.06*	0.54	*3.68*	0.98	*1.61*
		7.35		7.56		10.72		6.94		13.45		14.63		60.64	
Grand Total		141.75		157.54		185.52		199.17		177.26		180.52		1041.75	

Source: CTSS.

Table 12. In-Field Technical Assistance: Funding of Long-Term Experts, FY1993-98
(FAD, MAE, STA only)

(In person years (PY) and percent of annual long-term expert funding)

	FY1993		FY1994		FY1995		FY1996		FY1997		FY1998		FY1993-98	
	PY	*%*	PY	*%*	PY	*%*	PY	*%*	PY	*%*	PY	*%*	PY	*%*
IMF	39.19	*57.43*	35.70	*47.91*	47.18	*48.63*	45.63	*39.40*	24.56	*23.57*	28.07	*28.87*	220.33	*39.56*
JAA	9.10	*13.33*	20.36	*27.33*	28.87	*29.75*	47.84	*41.31*	54.59	*52.39*	41.96	*43.17*	202.72	*36.40*
UNDP	17.75	*26.00*	14.43	*19.37*	14.47	*14.92*	18.25	*15.76*	16.68	*16.01*	15.32	*15.76*	96.91	*17.40*
Others	2.21	*3.24*	4.02	*5.39*	6.51	*6.71*	4.09	*3.53*	8.37	*8.03*	11.86	*12.20*	37.05	*6.65*
Total Expert Person Years	68.24		74.51		97.03		115.82		104.20		97.20		557.01	

Source: CTSS.

Table 13. JAA-Funded Experts by Subject, FY1993-98

(In person years)

	FY1993	FY1994	FY1995	FY1996	FY1997	FY1998	FY1993-98 Total
Banking Supervison	1.04	2.97	5.50	9.70	8.73	7.26	35.21
BOP Statistics	1.43	2.84	2.05	2.47	3.38	3.58	15.76
Budget Policy and Operations	0.42	1.58	2.46	2.29	0.23	0.83	7.82
Budget Treasury	0.38	4.35	7.05	8.17	6.52	4.06	30.53
Central Bank Management	1.14	2.84	2.92	2.70	4.61	2.73	16.95
Monetary Policy and Operations	0.24	4.60	6.33	9.81	11.19	8.35	40.52
Multisector Statistics	0.42	0.42	1.00	1.38	3.60	5.02	11.85
National Accounts Statistics	0.02	0.25	0.83	2.41	0.28	0.00	3.79
Tax Policy and Operations	4.23	6.55	7.91	11.78	10.97	7.50	48.94
Other	4.27	8.90	10.62	11.27	12.78	11.12	58.97
Grand Total	13.60	35.28	46.68	61.99	62.31	50.46	270.33

Source: CTSS.

Table 14. UNDP-Funded Experts by Subject, FY1993-98

(In person years)

	FY1993	FY1994	FY1995	FY1996	FY1997	FY1998	FY1993-98 Total
Banking Supervison	5.87	3.90	2.60	3.80	3.87	4.42	24.45
BOP Statistics	0.63	0.38	0.21	1.89	0.53	1.18	4.82
Budget Policy and Operations	4.76	4.25	4.52	3.25	3.74	4.57	25.09
Budget Treasury	0.11	0.84	1.15	1.61	1.31	0.79	5.82
Central Bank Management	1.79	0.49	0.66	1.52	2.61	1.78	8.85
Monetary Policy and Operations	2.26	1.06	1.41	2.35	0.25	0.09	7.42
Multisector Statistics	0.00	0.00	0.28	0.73	0.00	0.00	1.01
Tax Policy and Operations	3.82	3.07	3.25	4.04	6.05	4.11	24.34
Other	1.74	2.89	3.28	5.75	3.82	4.07	21.54
Grand Total	20.97	16.87	17.36	24.94	22.18	21.01	123.34

Source: CTSS.

Table 15. Technical Assistance Provision based on BRS Data
(FY1993-98)

	FY1994	FY1995	(Total TA) FY1996	FY1997	FY1998
TA provision					
			(In person years)		
FAD	92.49	94.21	98.15	103.87	107.74
MAE	108.76	138.42	140.74	130.39	128.50
STA	43.46	45.40	44.93	47.17	47.66
Total	244.71	278.03	283.82	281.43	283.90
TA costs					
			(In millions of US dollars)		
FAD	21.4	22.0	21.4	23.4	26.1
MAE	26.8	31.5	31.2	29.6	31.7
STA	5.3	9.4	8.5	10.1	10.9
Total	53.5	62.9	61.1	63.1	68.7
Memorandum item:					
			(In person years)		
CTSS In-field TA					
FAD	58.02	64.42	66.84	67.17	70.28
MAE	82.96	101.73	108.01	88.41	85.80
STA	16.56	19.37	24.32	21.68	24.44
Total	157.54	185.52	199.17	177.26	180.52

Note: totals may not add due to rounding.
Source: BRS, CTSS, and OIA estimates.

Table 16. Source and Use of Fund In-Field Technical Assistance
(In person years)

Source		Use																	
Funding Source	Total person years	of which, Experts	Missions	Africa	Asia	Latin and Central America	Middle East	Europe	BRO	Banking Super-vision	Central Bank Manage-ment	Monetary Policy & Operations	Budget Policy & Operations	Tax Policy & Operations	Treasury	BOP Statistics	Multi-sector Statistics	National Accounts Statistics	Other
FY1993	141.75	104.97	36.78	46.63	22.31	19.27	7.67	12.80	33.05	17.79	19.05	23.23	8.64	24.24	1.99	3.35	5.15	0.12	38.20
IMF	99.81	63.05	36.76	31.54	9.24	14.48	6.87	10.47	27.20	10.34	15.01	19.58	3.07	15.15	1.03	1.30	4.68	0.10	29.56
JAA	13.62	13.60	0.02	2.20	4.41	3.17	0.00	0.82	3.02	1.04	1.14	0.24	0.42	4.23	0.38	1.43	0.42	0.02	4.29
UNDP	20.97	20.97	0.00	12.89	5.14	1.62	0.73	0.60	0.00	5.87	1.79	2.26	4.76	3.82	0.11	0.63	0.00	0.00	1.74
Others	7.35	7.35	0.00	0.00	3.51	0.00	0.07	0.92	2.84	0.54	1.11	1.15	0.40	1.03	0.47	0.00	0.04	0.00	2.60
FY1994	157.54	123.01	34.53	50.10	29.46	19.49	8.04	14.95	42.77	16.64	17.48	19.25	11.79	28.81	7.57	4.99	3.35	0.39	47.26
IMF	97.67	63.29	34.38	34.48	11.57	11.32	6.87	10.80	22.44	9.31	13.10	13.12	4.27	17.87	2.16	1.77	2.90	0.15	33.04
JAA	35.43	35.28	0.15	2.42	8.18	6.08		1.66	17.07	2.97	2.84	4.60	1.58	6.55	4.35	2.84	0.45	0.25	9.01
UNDP	16.87	16.87	0.00	10.92	3.87	0.91	0.16	1.00	0.00	3.90	0.49	1.06	4.25	3.07	0.84	0.38	0.00	0.00	2.89
Others	7.56	7.56	0.00	0.00	4.49	0.30	0.65	0.81	1.31	0.46	1.05	0.48	1.70	1.33	0.22	0.00	0.00	0.00	2.32
FY1995	185.52	153.25	32.26	46.20	37.93	19.10	11.35	17.19	53.71	24.60	17.25	25.35	12.69	28.39	10.42	3.47	6.07	1.52	55.76
IMF	110.65	78.82	31.83	34.57	16.98	13.44	8.83	11.08	25.71	16.40	13.18	16.96	3.86	14.04	2.19	1.21	4.79	0.68	37.35
JAA	46.68	46.68	0.00	2.78	10.13	3.42	1.67	2.20	26.48	5.50	2.92	6.33	2.46	7.91	7.05	2.05	1.00	0.83	10.62
UNDP	17.46	17.36	0.10	8.19	7.79	0.43	0.35	0.70	0.00	2.60	0.66	1.41	4.52	3.25	1.15	0.21	0.28	0.00	3.37
Others	10.72	10.39	0.33	0.75	2.96	1.83	0.53	3.22	1.44	0.10	0.49	0.65	1.85	3.18	0.03	0.00	0.00	0.00	4.42
FY1996	199.17	170.67	28.50	51.28	41.87	22.42	16.37	16.10	51.12	29.38	13.70	27.58	10.56	32.37	12.15	6.93	4.52	3.78	58.20
IMF	105.30	77.35	27.95	31.19	16.79	14.71	11.33	9.62	21.64	15.53	9.36	15.13	4.95	13.58	2.32	2.56	2.40	1.37	38.09
JAA	61.99	61.99	0.00	10.71	13.24	4.91	3.18	1.90	28.05	9.70	2.70	9.81	2.29	11.78	8.17	2.47	1.38	2.41	11.27
UNDP	24.94	24.94	0.00	8.72	11.17	2.70	1.61	0.73	0.00	3.80	1.52	2.35	3.25	4.04	1.61	1.89	0.73	0.00	5.75
Others	6.94	6.39	0.55	0.66	0.61	0.11	0.27	3.85	1.44	0.35	0.13	0.28	0.07	2.97	0.05	0.00	0.00	0.00	3.09
FY1997	177.26	152.03	25.23	43.19	35.28	22.48	19.61	14.76	41.93	26.38	11.35	23.30	10.62	29.49	12.06	5.83	5.52	0.98	51.74
IMF	79.31	54.35	24.95	19.86	13.09	12.89	11.33	7.15	14.94	12.87	4.02	10.92	3.50	10.48	3.35	1.78	1.91	0.70	29.78
JAA	62.32	62.31	0.01	14.65	12.48	4.33	3.87	1.93	25.07	8.73	4.61	11.19	0.23	10.97	6.52	3.38	3.60	0.28	12.80
UNDP	22.18	22.18	0.00	5.37	9.06	4.77	2.98	0.00	0.00	3.87	2.61	0.25	3.74	6.05	1.31	0.53	0.00	0.00	3.82
Others	13.45	13.18	0.27	3.31	0.56	0.53	1.48	5.74	1.82	0.91	0.12	0.94	3.13	1.99	0.88	0.13	0.00	0.00	5.34
FY1998	180.52	152.02	28.49	49.19	30.54	24.55	20.73	17.18	38.09	29.15	10.23	22.48	10.13	26.98	11.16	6.62	7.59	1.32	54.85
IMF	94.24	66.16	28.08	23.13	12.60	17.48	11.75	11.86	17.18	16.40	5.58	13.81	3.22	11.11	3.26	1.60	2.57	1.32	35.38
JAA	50.47	50.46	0.01	14.08	10.02	3.76	1.51	2.43	18.67	7.26	2.73	8.35	0.83	7.50	4.06	3.58	5.02	0.00	11.13
UNDP	21.18	21.01	0.17	5.98	7.30	3.20	4.70	0.00	0.00	4.42	1.78	0.09	4.57	4.28	0.79	1.18	0.00	0.00	4.07
Others	14.63	14.40	0.23	5.96	0.57	0.18	2.79	2.94	2.19	1.07	0.13	0.23	1.51	4.10	3.05	0.26	0.00	0.00	4.28
FY93-98	1041.75	855.95	185.80	286.60	197.39	127.31	83.76	92.98	260.68	143.94	89.07	141.20	64.42	170.28	55.34	31.18	32.20	8.10	306.01
IMF	586.98	403.03	183.96	174.77	80.27	84.33	56.98	60.99	129.12	80.85	60.24	89.52	22.86	82.23	14.31	10.22	19.26	4.31	203.19
JAA	270.52	270.33	0.19	46.86	58.46	25.66	10.22	10.94	118.35	35.21	16.95	40.52	7.82	48.94	30.53	15.76	11.89	3.79	59.12
UNDP	123.60	123.34	0.27	52.07	44.32	13.64	10.53	3.03	0.00	24.45	8.85	7.42	25.09	24.51	5.82	4.82	1.01	0.00	21.64
Others	60.64	59.26	1.38	10.68	12.70	2.95	5.79	17.48	11.04	3.43	3.03	3.73	8.66	14.60	4.69	0.39	0.04	0.00	22.05

Source: CTSS

Table 17. Source and Use of Fund In-Field Technical Assistance
(In percent of funding source)

Source		Use																	
Funding Source	Total person years	of which, Experts	Missions	Africa	Asia	Latin and Central America	Middle East	Europe	BRO	Banking Super-vision	Central Bank Manage-ment	Monetary Policy & Operations	Budget Policy & Operations	Tax Policy & Operations	Treasury	BOP Statistics	Multi-sector Statistics	National Accounts Statistics	Other
FY1993	141.75	74	26	33	16	14	5	9	23	13	13	16	6	17	1	2	4	0	27
IMF	99.81	63	37	32	9	15	7	10	27	10	15	20	3	15	1	1	5	0	30
JAA	13.62	100	0	16	32	23	0	6	22	8	8	2	3	31	3	10	3	0	32
UNDP	20.97	100	0	61	25	8	3	3	0	28	9	11	23	18	1	3	0	0	8
Others	7.35	100	0	0	48	0	1	13	39	7	15	16	5	14	6	0	1	0	35
FY1994	157.54	78	22	32	19	12	5	9	27	11	11	12	7	18	5	3	2	0	30
IMF	97.67	65	35	35	12	12	7	11	23	10	13	13	4	18	2	2	3	0	34
JAA	35.43	100	0	7	23	17	0	5	48	8	8	13	4	18	12	8	1	1	25
UNDP	16.87	100	0	65	23	5	1	6	0	23	3	6	25	18	5	2	0	0	17
Others	7.56	100	0	0	59	4	9	11	17	6	14	6	22	18	3	0	0	0	31
FY1995	185.52	83	17	25	20	10	6	9	29	13	9	14	7	15	6	2	3	1	30
IMF	110.65	71	29	31	15	12	8	10	23	15	12	15	3	13	2	1	4	1	34
JAA	46.68	100	0	6	22	7	4	5	57	12	6	14	5	17	15	4	2	2	23
UNDP	17.46	99	1	47	45	2	2	4	0	15	4	8	26	19	7	1	2	0	19
Others	10.72	97	3	7	28	17	5	30	13	1	5	6	17	30	0	0	0	0	41
FY1996	199.17	86	14	26	21	11	8	8	26	15	7	14	5	16	6	3	2	2	29
IMF	105.30	73	27	30	16	14	11	9	21	15	9	14	5	13	2	2	2	1	36
JAA	61.99	100	0	17	21	8	5	3	45	16	4	16	4	19	13	4	2	4	18
UNDP	24.94	100	0	35	45	11	6	3	0	15	6	9	13	16	6	8	3	0	23
Others	6.94	92	8	10	9	2	4	55	21	5	2	4	1	43	1	0	0	0	45
FY1997	177.26	86	14	24	20	13	11	8	24	15	6	13	6	17	7	3	3	1	29
IMF	79.31	69	31	25	17	16	14	9	19	16	5	14	4	13	4	2	2	1	38
JAA	62.32	100	0	24	20	7	6	3	40	14	7	18	0	18	10	5	6	0	21
UNDP	22.18	100	0	24	41	22	13	0	0	17	12	1	17	27	6	2	0	0	17
Others	13.45	98	2	25	4	4	11	43	14	7	1	7	23	15	7	1	0	0	40
FY1998	180.52	84	16	27	17	14	11	10	21	16	6	12	6	15	6	4	4	1	30
IMF	94.24	70	30	25	13	19	12	13	18	17	6	15	3	12	3	2	3	1	38
JAA	50.47	100	0	28	20	7	3	5	37	14	5	17	2	15	8	7	10	0	22
UNDP	21.18	99	1	28	34	15	22	0	0	21	8	0	22	20	4	6	0	0	19
Others	14.63	98	2	41	4	1	19	20	15	7	1	2	10	28	21	2	0	0	29
FY93-98	1041.75	82	18	28	19	12	8	9	25	14	9	14	6	16	5	3	3	1	29
IMF	586.98	69	31	30	14	14	10	10	22	14	10	15	4	14	2	2	3	1	35
JAA	270.52	100	0	17	22	9	4	4	44	13	6	15	3	18	11	6	4	1	22
UNDP	123.60	100	0	42	36	11	9	2	0	20	7	6	20	20	5	4	1	0	18
Others	60.64	98	2	18	21	5	10	29	18	6	5	6	14	24	8	1	0	0	36

Source: CTSS.

Table 18. In-Field Technical Assistance: Recipient Categories 1/

(In person years)

	1993	*Percent of total TA*	1994	*Percent of total TA*	1995	*Percent of total TA*	1996	*Percent of total TA*	1997	*Percent of total TA*	1998	*Percent of total TA*	Total	*Percent of total TA*
Total in-field TA	141.75		157.54		185.52		199.17		177.26		180.52		1041.75	
Recipient countries:														
ESAF-eligible countries	24.63	*17.38*	34.82	*22.10*	50.32	*27.12*	71.08	*35.69*	69.58	*39.25*	62.72	*34.74*	313.15	*30.06*
Developing countries	91.38	*64.47*	94.10	*59.73*	101.92	*54.94*	119.31	*59.90*	106.73	*60.21*	107.20	*59.38*	620.65	*59.58*
of which,														
ESAF-eligible countries	24.63	*17.38*	28.40	*18.03*	38.65	*20.84*	50.84	*25.53*	48.49	*27.36*	40.70	*22.54*	231.72	*22.24*
Transition countries	44.75	*31.57*	53.35	*33.86*	68.77	*37.07*	65.14	*32.71*	50.70	*28.60*	52.11	*28.87*	334.81	*32.14*
of which,														
ESAF-eligible countries			6.42	*4.07*	11.66	*6.29*	20.24	*10.16*	21.09	*11.90*	15.63	*8.66*	75.03	*7.20*
BRO	31.93	*22.53*	38.58	*24.49*	50.68	*27.32*	48.94	*24.57*	38.50	*21.72*	35.01	*19.39*	243.64	*23.39*
of which Russia	6.94	*4.89*	9.87	*6.27*	12.54	*6.76*	8.56	*4.30*	5.82	*3.29*	4.38	*2.42*	48.11	*4.62*
Central & Eastern Europe	11.08	*7.82*	11.68	*7.41*	14.52	*7.82*	12.40	*6.23*	7.49	*4.22*	9.89	*5.48*	67.06	*6.44*
Asia	1.73	*1.22*	3.09	*1.96*	3.57	*1.92*	2.86	*1.44*	3.02	*1.71*	2.61	*1.45*	16.88	*1.62*
Emerging economies	17.52	*12.36*	21.01	*13.34*	23.36	*12.59*	19.97	*10.02*	17.77	*10.03*	18.37	*10.18*	118.00	*11.33*
Program countries	72.12	*50.88*	88.93	*56.45*	114.79	*61.88*	128.14	*64.34*	113.75	*64.17*	101.25	*56.09*	618.99	*59.42*
Program-context countries	114.03	*80.44*	*128.39*	81.50	146.33	78.88	156.74	*78.70*	*139.80*	78.87	139.75	77.42	825.05	*79.20*
Crisis countries	1.57	*1.11*	0.73	*0.46*	0.63	*0.34*	1.55	*0.78*	1.72	*0.97*	5.84	*3.23*	12.03	*1.16*
Small island economies	8.69	*6.13*	10.28	*6.52*	12.34	*6.65*	12.96	*6.51*	8.38	*4.73*	5.32	*2.94*	57.97	*5.56*

Source: CTSS.

1/ Individual countries are included in more than one country group.

Table 19. Technical Assistance Value per Capita, FY1998

	Total Direct TA received	Value (at $210,000 per PY)	Value per capita (national)		Total Direct TA received	Value (at $210,000 per PY)	Value per capita (national)		Total Direct TA received	Value (at $210,000 per PY)	Value per capita (national)
Tonga	1.11	$233,577	$2.34	Armenia	3.23	$678,119	$0.18	Bahamas	0.06	$12,617	$0.04
Vanuatu	0.86	$179,657	$1.00	Albania	2.91	$611,211	$0.17	Gabon	0.28	$58,626	$0.04
Micronesia	0.44	$93,073	$0.87	Comoros	0.42	$89,146	$0.17	Congo	0.53	$111,433	$0.04
St. Kitts & Nevis	0.17	$35,245	$0.82	Marshall Islands	0.04	$8,166	$0.14	Panama	0.54	$113,869	$0.04
Guyana	2.77	$581,860	$0.75	Mauritania	1.71	$359,023	$0.13	Madagascar	2.71	$568,802	$0.04
Brunei Darussalam	1.01	$213,105	$0.74	Nicaragua	3.01	$632,017	$0.13	Togo	0.82	$172,474	$0.04
Sao Tome & Principe	0.42	$87,719	$0.65	Namibia	1.04	$219,243	$0.13	Cambodia	1.92	$403,054	$0.04
Dominica	0.22	$46,403	$0.62	Kyrgyz Republic	2.81	$589,782	$0.12	Latvia	0.43	$89,797	$0.04
Solomon Islands	1.11	$233,577	$0.55	Rwanda	4.65	$976,548	$0.12	Costa Rica	0.64	$134,412	$0.04
West Bank & Gaza	5.28	$1,107,822	$0.49	Lao, P.D.R	2.95	$618,620	$0.12	Mozambique	3.04	$638,077	$0.03
Bahrain	1.41	$295,453	$0.46	Lithuania	2.12	$445,231	$0.12	Kazakhstan	2.38	$500,037	$0.03
Cape Verde	0.79	$166,765	$0.41	Angola	6.87	$1,443,578	$0.11	Guatemala	1.62	$341,160	$0.03
Mongolia	4.70	$987,778	$0.40	Bulgaria	4.56	$957,807	$0.11	Ukraine	7.01	$1,472,057	$0.03
Fiji	1.54	$322,622	$0.37	Turkmenistan	2.10	$441,163	$0.10	Belarus	1.29	$270,121	$0.03
Swaziland	1.45	$303,998	$0.30	Jordan	2.36	$496,172	$0.10	Slovak Republic	0.68	$143,032	$0.03
Botswana	2.13	$446,610	$0.28	Trinidad & Tobago	0.64	$134,933	$0.10	Kuwait	0.22	$45,407	$0.03
Guinea-Bissau	1.55	$325,736	$0.28	Lebanon	1.49	$312,533	$0.09	Sri Lanka	2.23	$467,433	$0.02
Bosnia & Herzegovina	5.98	$1,255,524	$0.28	Croatia	2.10	$440,645	$0.09	Zimbabwe	1.46	$306,743	$0.02
Djibouti	0.87	$182,865	$0.28	Slovenia	0.87	$182,012	$0.09	Malta	0.04	$8,939	$0.02
Georgia	7.03	$1,476,281	$0.27	Zambia	4.55	$954,536	$0.09	Ecuador	1.37	$288,428	$0.02
Samoa	0.25	$52,801	$0.27	Oman	1.00	$209,593	$0.09	Jamaica	0.27	$56,205	$0.02
Estonia	1.94	$406,746	$0.27	Azerbaijan	2.67	$560,371	$0.07	Uganda	2.18	$458,796	$0.02
St. Lucia	0.21	$43,379	$0.26	Yemen, Rep. of	6.51	$1,366,537	$0.07	El Salvador	0.63	$132,743	$0.02
Lesotho	2.53	$532,134	$0.24	Senegal	2.77	$582,196	$0.06	Honduras	0.64	$133,786	$0.02
Suriname	0.49	$103,546	$0.24	Belize	0.07	$13,660	$0.06	Libya	0.59	$123,114	$0.02
Macedonia, FYR	2.30	$482,925	$0.22	Eritrea	0.97	$204,093	$0.06	Romania	1.90	$398,261	$0.02
Moldova	4.50	$945,946	$0.21	Paraguay	1.49	$312,620	$0.06	Sudan	2.27	$477,392	$0.02
Mauritius	1.17	$244,713	$0.21	Bolivia	2.00	$419,138	$0.06	Malaysia	1.78	$373,074	$0.02
Equatorial Guinea	0.41	$86,951	$0.21	San Marino	0.01	$1,130	$0.06	Uzbekistan	1.91	$400,489	$0.02
Haiti	7.20	$1,511,273	$0.20	Malawi	2.82	$593,175	$0.06	Kenya	2.25	$472,300	$0.02
Liberia	2.92	$612,717	$0.20	Tajikistan	1.45	$304,121	$0.05	Burkina Faso	0.82	$172,913	$0.01
Maldives	0.25	$53,472	$0.20	Guinea	1.60	$337,044	$0.05	Barbados	0.02	$3,650	$0.01

Table 19. Technical Assistance Value per Capita, FY 1998 (concluded)

	Total Direct TA received	Value (at $210,000 per PY)	Value per capita (national)		Total Direct TA received	Value (at $210,000 per PY)	Value per capita (national)
Peru	1.81	$380,190	$0.01	Chile	0.20	$41,710	$0.00
Tanzania	2.13	$447,269	$0.01	Egypt	0.73	$153,041	$0.00
Colombia	2.39	$501,568	$0.01	Israel	0.06	$11,610	$0.00
Cote d'Ivoire	0.98	$204,751	$0.01	Syrian Arab Republic	0.14	$28,689	$0.00
Thailand	3.60	$756,886	$0.01	Poland	0.31	$64,246	$0.00
Ghana	1.08	$226,928	$0.01	Czech Republic	0.08	$16,809	$0.00
Luxembourg	0.02	$4,846	$0.01	Brazil	0.90	$188,740	$0.00
Saudi Arabia	1.12	$235,806	$0.01	Tunisia	0.05	$9,701	$0.00
Mali	0.55	$115,824	$0.01	Pakistan	0.63	$132,557	$0.00
Argentina	1.79	$375,707	$0.01	Myanmar	0.20	$41,502	$0.00
Vietnam	3.84	$805,772	$0.01	Italy	0.18	$37,605	$0.00
Cameroon	0.70	$146,016	$0.01	China	3.70	$776,743	$0.00
Central African Rep.	0.17	$36,120	$0.01	Spain	0.09	$18,494	$0.00
Russian Federation	6.69	$1,405,465	$0.01	Uruguay	0.01	$1,460	$0.00
Korea	1.92	$402,159	$0.01	Iran, Islamic Rep. of	0.15	$30,650	$0.00
Nepal	1.01	$211,874	$0.01	South Africa	0.08	$17,785	$0.00
Hungary	0.38	$79,095	$0.01	Nigeria	0.22	$45,561	$0.00
Dominican Republic	0.29	$60,480	$0.01	Benin	0.01	$1,098	$0.00
Philippines	2.52	$528,232	$0.01	India	0.61	$128,758	$0.00
Morocco	0.97	$202,782	$0.01	Zaire	0.03	$5,599	$0.00
Ethiopia	1.96	$411,479	$0.01				
Chad	0.22	$45,561	$0.01				
Turkey	2.01	$422,489	$0.01				
Singapore	0.09	$18,346	$0.01				
Indonesia	4.97	$1,043,376	$0.01				
Papua New Guinea	0.11	$22,261	$0.01				
United Arab Emirates	0.08	$17,544	$0.00				
Bangladesh	2.32	$487,289	$0.00				
Niger	0.16	$34,473	$0.00				
Qatar	0.01	$1,651	$0.00				
Mexico	1.50	$314,497	$0.00				
Sierra Leone	0.07	$14,382	$0.00				

Sources: WEO, IFS, WBdata

Table 20. Top Ten Recipients of Fund Direct Technical Assistance, FY1993-98

(In person years and percent of regional total)

FY1993	PY	%	FY1994	PY	%	FY1995	PY	%	FY1996	PY	%	FY1997	PY	%	FY1998	PY	%	FY1993-98	PY	%
All countries																				
Namibia	8.33	*5.88*	Russia	9.87	*6.27*	Russia	12.54	*6.76*	Russia	8.56	*4.30*	Haiti	7.36	*4.15*	Haiti	6.55	*3.63*	Russia	48.11	*4.62*
Russia	6.94	*4.89*	Namibia	6.63	*4.21*	Vietnam	5.92	*3.19*	Cambodia	7.08	*3.55*	Cambodia	6.75	*3.81*	Ukraine	6.13	*3.40*	Namibia	29.12	*2.79*
Ukraine	3.83	*2.70*	Tanzania	4.14	*2.63*	Namibia	5.57	*3.00*	Vietnam	6.49	*3.26*	Russia	5.82	*3.29*	Yemen	5.76	*3.19*	Ukraine	28.49	*2.73*
Tanzania	3.70	*2.61*	Kazakhstan	4.08	*2.59*	Ukraine	4.95	*2.67*	Ukraine	5.26	*2.64*	Ukraine	5.71	*3.22*	Angola	5.62	*3.12*	Vietnam	25.63	*2.46*
Kazakhstan	3.68	*2.59*	Zambia	4.07	*2.58*	Albania	4.92	*2.65*	Namibia	5.01	*2.51*	West Bank/Gaza	4.77	*2.69*	Georgia	5.11	*2.83*	Zambia	23.08	*2.22*
Zambia	3.38	*2.39*	Belarus	3.62	*2.30*	Zambia	4.59	*2.47*	Moldova	4.81	*2.41*	PFTAC 1/	4.76	*2.69*	Bosnia	4.60	*2.55*	Angola	22.51	*2.16*
Nicaragua	3.17	*2.24*	Vietnam	3.45	*2.19*	Tanzania	4.52	*2.43*	Georgia	4.58	*2.30*	Georgia	4.38	*2.47*	Russia	4.38	*2.42*	Cambodia	22.29	*2.14*
Albania	3.05	*2.15*	Albania	3.33	*2.11*	Angola	4.32	*2.33*	Haiti	4.57	*2.29*	Vietnam	4.19	*2.37*	PFTAC 1/	4.12	*2.28*	Georgia	19.98	*1.92*
Vietnam	2.78	*1.96*	Lao P.D.R.	3.16	*2.01*	Kazakhstan	4.30	*2.32*	Armenia	4.45	*2.23*	Turkey	4.09	*2.31*	Zambia	3.90	*2.16*	Haiti	19.47	*1.87*
Belarus	2.72	*1.92*	Mongolia	3.09	*1.96*	Cambodia	3.89	*2.10*	Albania	4.44	*2.23*	Yemen	3.75	*2.12*	Rwanda	3.78	*2.09*	Albania	19.42	*1.86*
By region																				
Africa																				
Namibia	8.33	*17.89*	Namibia	6.63	*13.89*	Namibia	5.57	*12.14*	Namibia	5.01	*9.84*	Angola	3.53	*8.28*	Angola	5.62	*11.53*	Namibia	29.12	*10.30*
Tanzania	3.70	*7.95*	Tanzania	4.14	*8.66*	Zambia	4.59	*10.01*	Angola	4.37	*8.58*	Zambia	3.23	*7.57*	Zambia	3.90	*7.99*	Zambia	23.08	*8.17*
Zambia	3.38	*7.26*	Zambia	4.07	*8.52*	Tanzania	4.52	*9.85*	Malawi	4.17	*8.19*	Rwanda	3.08	*7.20*	Rwanda	3.78	*7.75*	Angola	22.51	*7.97*
Angola	2.58	*5.54*	Gambia	3.06	*6.40*	Angola	4.32	*9.42*	Zambia	3.91	*7.68*	Guinea	2.85	*6.68*	Mozambique	2.45	*5.01*	Tanzania	19.32	*6.84*
Gambia	2.35	*5.04*	Angola	2.09	*4.37*	Malawi	3.10	*6.77*	Tanzania	3.49	*6.85*	Namibia	2.73	*6.39*	Malawi	2.38	*4.89*	Malawi	14.36	*5.08*
Benin	2.04	*4.39*	Sierra Leone	2.03	*4.24*	Sierra Leone	2.35	*5.13*	Guinea	3.09	*6.07*	Malawi	2.36	*5.52*	Madagascar	2.27	*4.66*	Rwanda	13.24	*4.69*
Rwanda	2.03	*4.35*	Benin	1.96	*4.11*	Guinea	2.03	*4.44*	Sierra Leone	2.56	*5.03*	Tanzania	2.01	*4.71*	Lesotho	2.25	*4.61*	Guinea	12.62	*4.47*
Guinea	1.91	*4.10*	Rwanda	1.73	*3.63*	BEAC 2/	1.53	*3.34*	Uganda	2.05	*4.04*	Lesotho	1.98	*4.63*	BCEAO 3/	2.22	*4.56*	Sierra Leone	9.32	*3.30*
Lesotho	1.75	*3.77*	Malawi	1.62	*3.40*	Madagascar	1.38	*3.00*	Rwanda	1.86	*3.65*	Madagascar	1.69	*3.96*	Botswana	1.80	*3.69*	Lesotho	8.30	*2.94*
Uganda	1.65	*3.55*	Uganda	1.61	*3.37*	Benin	1.35	*2.95*	Togo	1.77	*3.48*	Guinea-Bissau	1.68	*3.93*	Kenya	1.53	*3.14*	Madagascar	8.13	*2.88*
Asia and Pacific																				
Vietnam	2.78	*12.47*	Vietnam	3.45	*12.30*	Vietnam	5.92	*15.73*	Cambodia	7.08	*17.03*	Cambodia	6.75	*19.34*	PFTAC 1/	4.12	*13.60*	Vietnam	25.63	*13.16*
Sri Lanka	2.42	*10.88*	Lao P.D.R.	3.16	*11.26*	Cambodia	3.89	*10.35*	Vietnam	6.49	*15.62*	PFTAC 1/	4.76	*13.65*	Vietnam	2.80	*9.23*	Cambodia	22.29	*11.45*
Tonga	2.16	*9.70*	Mongolia	3.09	*11.00*	PFTAC 1/	3.62	*9.62*	PFTAC 1/	4.15	*9.99*	Vietnam	4.19	*12.02*	Mongolia	2.61	*8.62*	PFTAC 1/	17.95	*9.22*
Myanmar	1.74	*7.81*	China	2.58	*9.20*	Mongolia	3.57	*9.49*	China	2.97	*7.15*	Mongolia	3.02	*8.67*	Indonesia	2.42	*8.00*	Mongolia	16.88	*8.67*
Mongolia	1.73	*7.77*	Sri Lanka	2.03	*7.24*	China	3.23	*8.59*	Mongolia	2.86	*6.89*	China	2.91	*8.35*	Lao P.D.R.	2.09	*6.91*	China	14.21	*7.30*
Lao P.D.R.	1.65	*7.39*	Tonga	2.00	*7.12*	Lao P.D.R.	2.55	*6.77*	Tonga	2.12	*5.11*	Bangladesh	2.09	*6.00*	Sri Lanka	1.96	*6.46*	Lao P.D.R.	12.00	*6.16*

Table 20. Top Ten Recipients of Fund Direct Technical Assistance, FY1993-98 (continued)

(In person years and percent of regional total)

FY1993	PY	%	FY1994	PY	%	FY1995	PY	%	FY1996	PY	%	FY1997	PY	%	FY1998	PY	%	FY1993-98	PY	%
Western Samoa	1.54	*6.92*	Western Samoa	2.00	*7.12*	Fiji	2.12	*5.62*	Western Samoa	1.95	*4.70*	Vanuatu	1.79	*5.13*	Cambodia	1.81	*5.98*	Tonga	10.54	*5.41*
China	1.25	*5.63*	Fiji	1.89	*6.72*	Western Samoa	2.05	*5.44*	Bangladesh	1.86	*4.48*	Tonga	1.25	*3.58*	Bangladesh	1.53	*5.07*	Sri Lanka	9.15	*4.70*
Indonesia	1.23	*5.54*	Cambodia	1.85	*6.57*	Tonga	2.00	*5.32*	Vanuatu	1.78	*4.28*	Solomon Islands	1.00	*2.88*	Thailand	1.50	*4.97*	Western Samoa	8.61	*4.42*
Cambodia	0.92	*4.11*	PFTAC 1/	1.30	*4.63*	Sri Lanka	1.63	*4.33*	Lao P.D.R.	1.65	*3.97*	Lao P.D.R.	0.91	*2.60*	China	1.25	*4.14*	Bangladesh	7.27	*3.74*
Europe																				
Albania	3.05	*23.86*	Albania	3.33	*23.33*	Albania	4.92	*28.82*	Albania	4.44	*27.80*	Turkey	4.09	*28.02*	Bosnia	4.60	*26.98*	Albania	19.42	*21.17*
Bulgaria	2.33	*18.24*	Romania	1.68	*11.76*	Macedonia	2.69	*15.76*	Macedonia	2.86	*17.91*	Macedonia	2.67	*18.32*	Bulgaria	3.27	*19.21*	Macedonia	11.08	*12.08*
Poland	1.90	*14.90*	Croatia	1.52	*10.68*	Croatia	2.05	*12.00*	Croatia	1.33	*8.35*	Albania	1.80	*12.31*	Albania	1.88	*11.06*	Bulgaria	8.81	*9.61*
Slovak Rep.	1.23	*9.60*	Macedonia	1.23	*8.63*	Hungary	1.53	*8.95*	Hungary	1.31	*8.21*	Bosnia	1.69	*11.60*	Turkey	1.79	*10.50*	Croatia	7.45	*8.13*
Croatia	0.77	*6.02*	Slovak Rep.	1.14	*7.98*	Romania	0.93	*5.46*	Malta	1.12	*7.03*	Bulgaria	1.08	*7.43*	Macedonia	1.63	*9.55*	Bosnia	7.22	*7.88*
Hungary	0.60	*4.66*	Bulgaria	0.81	*5.69*	Malta	0.74	*4.35*	Bosnia	0.93	*5.85*	Croatia	0.61	*4.19*	Croatia	1.17	*6.86*	Turkey	6.54	*7.13*
Romania	0.54	*4.24*	Poland	0.80	*5.61*	Bulgaria	0.66	*3.88*	EU1-multi.	0.81	*5.05*	Hungary	0.43	*2.98*	Romania	0.87	*5.08*	Hungary	4.65	*5.07*
Greece	0.44	*3.46*	Hungary	0.64	*4.50*	Slovenia	0.61	*3.59*	Bulgaria	0.65	*4.07*	San Marino	0.33	*2.29*	Slovenia	0.43	*2.53*	Romania	4.30	*4.68*
Slovenia	0.38	*3.01*	Greece	0.55	*3.83*	Poland	0.56	*3.29*	Poland	0.63	*3.92*	Israel	0.23	*1.56*	Slovak Rep.	0.30	*1.78*	Poland	4.18	*4.56*
Czech Rep.	0.23	*1.81*	Czech Rep.	0.35	*2.48*	Czech Rep.	0.29	*1.69*	Slovak Rep.	0.46	*2.86*	Slovenia	0.22	*1.53*	Poland	1.90	*11.17*	Slovak Rep.	3.60	*3.93*
Baltics, Russia, and other former Soviet Union countries																				
Russia	6.94	*21.03*	Russia	9.87	*24.21*	Russia	12.54	*23.54*	Russia	8.56	*16.86*	Russia	5.82	*14.05*	Ukraine	6.13	*16.24*	Russia	48.11	*18.72*
Ukraine	3.83	*11.61*	Kazakhstan	4.08	*10.02*	Ukraine	4.95	*9.28*	Ukraine	5.26	*10.36*	Ukraine	5.71	*13.78*	Georgia	5.11	*13.52*	Ukraine	28.49	*11.08*
Kazakhstan	3.68	*11.14*	Belarus	3.62	*8.87*	Kazakhstan	4.30	*8.07*	Moldova	4.81	*9.47*	Georgia	4.38	*10.58*	Russia	4.38	*11.59*	Georgia	19.98	*7.77*
Belarus	2.72	*8.23*	Kyrgyz Rep.	2.95	*7.23*	Moldova	3.75	*7.05*	Georgia	4.58	*9.03*	Kyrgyz Rep.	3.68	*8.88*	Moldova	3.65	*9.65*	Kazakhstan	18.39	*7.16*
Lithuania	2.01	*6.08*	Lithuania	2.89	*7.09*	Lithuania	3.21	*6.02*	Armenia	4.45	*8.77*	Armenia	3.32	*8.02*	EU2-multi.	2.77	*7.32*	Moldova	18.10	*7.04*
Georgia	1.97	*5.98*	Ukraine	2.61	*6.39*	Kyrgyz Rep.	3.18	*5.96*	Kyrgyz Rep.	3.90	*7.69*	EU2-multi.	2.96	*7.14*	Armenia	2.23	*5.90*	Kyrgyz Rep.	17.85	*6.95*
Kyrgyz Rep.	1.93	*5.84*	Moldova	2.21	*5.42*	Armenia	3.11	*5.83*	Belarus	3.85	*7.58*	Tajikistan	2.47	*5.96*	Kyrgyz Rep.	2.22	*5.86*	Armenia	16.05	*6.24*
Moldova	1.50	*4.56*	EU2-multi.	2.20	*5.40*	Belarus	2.85	*5.34*	Azerbaijan	2.75	*5.42*	Azerbaijan	2.21	*5.33*	Azerbaijan	1.84	*4.87*	Belarus	15.85	*6.17*
Azerbaijan	1.47	*4.44*	Latvia	1.91	*4.68*	Georgia	2.80	*5.25*	Kazakhstan	2.39	*4.71*	Moldova	2.17	*5.24*	Kazakhstan	1.77	*4.68*	EU2-multi.	13.39	*5.21*
Uzbekistan	1.39	*4.22*	Turkmenistan	1.88	*4.60*	Uzbekistan	2.69	*5.05*	Lithuania	1.85	*3.64*	Kazakhstan	2.17	*5.24*	Lithuania	1.66	*4.39*	Lithuania	12.49	*4.86*
Middle East																				
Mauritania	1.53	*20.05*	West Bank/Gaza	1.06	*13.80*	West Bank/Gaza	2.19	*19.47*	West Bank/Gaza	4.02	*24.73*	West Bank/Gaza	4.77	*24.58*	Yemen	5.76	*28.03*	West Bank/Gaza	15.45	*18.67*
Egypt	1.48	*19.30*	Djibouti	1.00	*13.05*	Mauritania	1.46	*12.95*	Pakistan	2.52	*15.48*	Yemen	3.75	*19.36*	West Bank/Gaza	3.42	*16.61*	Yemen	12.23	*14.78*
Lebanon	0.88	*11.46*	Mauritania	0.87	*11.29*	Jordan	1.17	*10.35*	Mauritania	1.87	*11.50*	Mauritania	2.13	*10.99*	Mauritania	1.67	*8.14*	Mauritania	9.53	*11.51*
Pakistan	0.57	*7.49*	U.A.E.	0.84	*10.99*	Egypt	1.11	*9.84*	Lebanon	1.77	*10.91*	Lebanon	1.43	*7.40*	Jordan	1.59	*7.75*	Lebanon	6.88	*8.31*

Table 20. Top Ten Recipients of Fund Direct Technical Assistance, FY1993-98 (concluded)

(In person years and percent of regional total)

FY1993	PY	%	FY1994	PY	%	FY1995	PY	%	FY1996	PY	%	FY1997	PY	%	FY1998	PY	%	FY1993-98	PY	%
Yemen	0.55	*7.14*	Kuwait	0.80	*10.44*	Pakistan	0.86	*7.65*	Yemen	1.74	*10.70*	Bahrain	1.41	*7.26*	Bahrain	1.37	*6.64*	Pakistan	5.59	*6.76*
Oman	0.45	*5.93*	Lebanon	0.78	*10.24*	Oman	0.81	*7.21*	Djibouti	1.25	*7.69*	Pakistan	1.20	*6.17*	Lebanon	1.36	*6.60*	Djibouti	5.00	*6.04*
Djibouti	0.38	*5.03*	Egypt	0.70	*9.18*	Djibouti	0.76	*6.73*	Sudan	0.71	*4.38*	Djibouti	1.05	*5.44*	Sudan	1.16	*5.63*	Egypt	4.56	*5.51*
Kuwait	0.30	*3.92*	Jordan	0.31	*4.06*	Kuwait	0.67	*5.91*	Oman	0.67	*4.14*	Egypt	1.05	*5.44*	Saudi Arabia	0.80	*3.89*	Jordan	3.74	*4.52*
Sudan	0.29	*3.82*	Morocco	0.30	*3.91*	Lebanon	0.65	*5.77*	Morocco	0.39	*2.41*	Jordan	0.63	*3.25*	Morocco	0.73	*3.57*	Bahrain	3.36	*4.06*
Syria	0.28	*3.72*	Yemen	0.20	*2.61*	Tunisia	0.39	*3.48*	Syria	0.35	*2.18*	Morocco	0.58	*3.00*	Oman	0.64	*3.12*	Oman	2.83	*3.42*
Western Hemisphere																				
Nicaragua	3.17	*2.24*	Guyana	2.59	*1.65*	Guyana	2.52	*1.36*	Haiti	4.57	*2.29*	Haiti	7.36	*4.15*	Haiti	6.55	*3.63*	Haiti	19.47	*1.87*
El Salvador	2.37	*1.67*	Argentina	2.52	*1.60*	Peru	2.21	*1.19*	Nicaragua	2.72	*1.36*	Guyana	2.73	*1.54*	Guyana	2.68	*1.49*	Guyana	14.28	*1.37*
Peru	2.31	*1.63*	Nicaragua	2.48	*1.57*	Bolivia	1.60	*0.86*	Guyana	1.92	*0.96*	Nicaragua	2.23	*1.26*	Nicaragua	2.05	*1.13*	Nicaragua	13.90	*1.33*
Argentina	2.30	*1.62*	Peru	2.09	*1.33*	Bahamas	1.57	*0.84*	Paraguay	1.79	*0.90*	Peru	1.31	*0.74*	Bolivia	1.36	*0.75*	Peru	10.70	*1.03*
Guyana	1.84	*1.30*	El Salvador	1.47	*0.93*	Paraguay	1.36	*0.73*	Ecuador	1.65	*0.83*	Ecuador	1.15	*0.65*	Peru	1.31	*0.72*	Argentina	8.18	*0.79*
Bolivia	1.45	*1.03*	Uruguay	1.15	*0.73*	Argentina	1.35	*0.73*	Peru	1.47	*0.74*	Trinidad & Tob.	1.00	*0.57*	Colombia	1.10	*0.61*	Bolivia	7.13	*0.68*
Ecuador	1.27	*0.90*	Bolivia	1.03	*0.65*	Nicaragua	1.26	*0.68*	Brazil	1.27	*0.64*	Bolivia	0.88	*0.50*	Paraguay	1.09	*0.60*	Paraguay	6.80	*0.65*
Paraguay	0.95	*0.67*	CARICOM	0.84	*0.53*	Haiti	1.00	*0.54*	Venezuela	1.21	*0.61*	Paraguay	0.86	*0.49*	Ecuador	1.04	*0.58*	Ecuador	5.84	*0.56*
Uruguay	0.87	*0.61*	Paraguay	0.75	*0.47*	Venezuela	0.83	*0.45*	Bolivia	0.82	*0.41*	Venezuela	0.60	*0.34*	Mexico	1.04	*0.58*	El Salvador	5.04	*0.48*
Costa Rica	0.59	*0.42*	Guatemala	0.68	*0.43*	Colombia	0.82	*0.44*	Trinidad & Tob.	0.80	*0.40*	Mexico	0.51	*0.29*	Argentina	0.89	*0.49*	Venezuela	4.31	*0.41*

Source: CTSS.

1/ Pacific Financial Technical Assistance Centre.

2/ Banque des Etats de l'Afrique Centrale

3/ Banque Centrale des Etats de l'Afrique de l'Ouest.

4/ Caribbean Community.

Table 21. In-Field Technical Assistance of Three Leading TA Departments, FY1993-98

(In person years and percent of total annual direct TA)

	FY1993		FY1994		FY1995		FY1996		FY1997		FY1998		Department Total	
	Person Years	%	Person Years	%	Person Years	%	Person Years	%	Person Years	%	Person Years	%	Person Years	%
FAD	46.01	*32.46*	58.02	*36.83*	64.42	*34.72*	66.84	*33.56*	67.17	*37.89*	70.28	*38.93*	372.73	*35.78*
MAE	82.39	*58.13*	82.96	*52.66*	101.73	*54.84*	108.01	*54.23*	88.41	*49.88*	85.80	*47.53*	549.30	*52.73*
STA	13.35	*9.42*	16.56	*10.51*	19.37	*10.44*	24.32	*12.21*	21.68	*12.23*	24.44	*13.54*	119.72	*11.49*
Annual Total	141.75		157.54		185.52		199.17		177.26		180.52		1041.75	

Source: CTSS.

III. Results of General Survey of Views of Fund Staff, Experts, and Recipient Countries on Technical Assistance Matters

Contents **Page**

58. The **general survey** aimed at eliciting views on several aspects of technical assistance through a questionnaire. The questionnaire covered the IMF's technical assistance policy, the organization of technical assistance activities, allocation and provision of technical assistance, relations between the Fund and the recipient country, the effectiveness and impact of technical assistance, and the cooperation with other technical assistance providers. Different types of questions were employed - one type asked respondents to rate their agreement with a statement or satisfaction with a particular aspect on a numerical scale from one to six. Another type of questions asked respondents to select the most important and/or relevant factors/variables from a given list. A few key questions were asked in free form.

Respondent groups and response rates

59. Slightly different versions of the questionnaire were sent to three groups of potential respondents - Fund staff, experts, and recipient countries. Fund staff included all economists and other relevant professional staff (in grade A13 and above) and senior level staff in area departments (including resident representatives), FAD, MAE, STA, PDR, LEG, INS, TAS, JVI, OAP, and assistants to the DMDs. The selection aimed to include all Fund staff that had some experience with Fund technical assistance. Executive Directors and their alternates received the same version of the questionnaire as Fund staff. The group of experts consisted of all experts who were on a long-term expert assignment with one of the three main technical assistance providing departments at the time of the mailing of the questionnaire, and a few experts who received a questionnaire while visiting headquarters during June 1998. Recipient countries were contacted by means of a letter from management to the Governor and Alternate Governor to the Fund of those member countries that had received a substantial amount of technical assistance from the Fund in the recent past - defined as more than 0.1 person years in at least one fiscal year during FY95-97. Each Governor and Alternate Governor received two questionnaires, and was asked to have these filled out by persons familiar with Fund technical assistance at either the technical or the policy level.

60. In early June 1998, a total of 1,521 questionnaires were mailed out to 1,107 potential respondents. The larger number of questionnaires mailed compared to potential respondents reflects the fact that a recipient country, even though it received up to four questionnaires, is only counted as one potential respondent. In case multiple responses were received from one recipient country, the responses were combined into one observation for data analysis purposes. A total of 563 questionnaires were returned from 522 respondents, which corresponds to an overall response rate of 47 percent based on the number of potential respondents.

GENERAL SURVEY - RESPONSE RATES
(In percent)

Respondent group	Response rate
Fund staff in	
Area departments	41
TA departments	61
Other departments and units	31
Total Fund staff	44
Executive Directors	30
Experts	66
Recipient countries	54
Total respondents	47

Paragraph 60

Major strengths and weaknesses of Fund technical assistance

61. Respondents have significantly similar views on the major strengths of the Fund's technical assistance, but differ somewhat in their views on the major weaknesses. More than 85 percent of all respondents answered when asked to identify up to three major strengths of Fund technical assistance. Answers are bunched around the issues of quality, speed, expertise, and focus/relevance. Answers across the three main respondent groups - Fund staff, experts, and recipient countries - show a considerable amount of similarity. Answers on major weaknesses were provided by slightly more than 80 percent of all respondents and clearly point to follow-up, resource constraints, and country-specific issues as areas for improvement. These three issues feature prominently in the answers of the three main respondent groups. In addition, respondents in the group of experts, as a reflection of their unique position in the field, note the coordination with other technical assistance providers and the coordination between the area and the technical assistance providing department as major weaknesses.

MAJOR STRENGTHS AND WEAKNESSES OF FUND TECHNICAL ASSISTANCE
(Percentage of respondents noting the same characteristic)

Major Strengths

Fund staff	Experts	Recipient countries
Quality (57%)	Quality (46%)	Quality (60%)
Speed (48%)	Expertise (38%)	Expertise (49%)
Expertise (33%)	Focus, relevance (21%)	Speed (31%)
Focus, relevance (26%)		Link with Fund work (28%)
Link with Fund work (22%)		Focus, relevance (25%)

Major Weaknesses

Fund staff	Experts	Recipient countries
Follow-up (39%)	Coordination with other	Follow-up (38%)
Resource contraints (25%)	TA providers (23%)	Country-specific
Allocation issues (19%)	Coordination between area	issues (38%)
Country-specific	and TA department (23%)	Resource constraints (34%)
issues (16%)	Resource constraints (23%)	Problem with Fund-country
Ownership (15%)	Country-specific	relations (30%)
Coordination between area	issues (20%)	Inflexibility (21%)
and TA departments (15%)	Follow-up (17%)	
	Ownership (17%)	

Paragraph 61

Technical assistance policy and guidance from management and the Executive Board

62. The majority of all respondents (69 percent) is not aware of any policy statement by management or the Executive Board on technical assistance policy. Those who believe that they are aware of such a statement list a number of sources, including Board papers and decisions related to past TA reviews, the Annual Report, the work program, the medium-term budget outlook, IMF pamphlet #43, [8] and the IMF Survey.[9] On a related point, policy guidance in the area of technical assistance from both management and the Executive Board is considered weak. Fund staff respondents rate the statement "Fund management has provided

---

[8]Technical Assistance and Training Services of the International Monetary Fund, Pamphlet Series No. 43, IMF, Washington, D.C., 1985.

[9]While these sources contain general statements and descriptionsof technical assistance activities of the Fund, none of them contains a policy statement.

the necessary policy guidance for the main areas of technical assistance provision" only 3.5 on average on a scale from 1 (strongly disagree) to 6 (strongly agree). The corresponding statement for the Executive Board receives an even lower average rating of 3.1. Respondents among Executive Directors are somewhat less critical in their assessment with average ratings of 4.3 for the guidance provided by management and 4.0 for the guidance provided by the Executive Board.

Goals of Fund technical assistance and link with surveillance and program work

63. There are differences in what respondents perceive to have been the most important goals of Fund technical assistance in the recent past and what respondents want these goals to be. Fund staff respondents think that ideally it should be most important to facilitate structural

GOALS OF FUND TECHNICAL ASSISTANCE
(Average rating of ideal goals and goals as perceived in actual practice in the recent past on a scale from 1-very unimportant to 6-very important)

	Ideal Rating	Actual Rating
Fund staff		
To support Fund-supported programs	5.1	5.0
To facilitate structural change	5.3	4.9
To transfer knowledge and know-how	5.3	4.6
To help implement best practices	5.0	4.5
To assist capacity building	5.3	4.6
Executive Directors		
To support Fund-supported programs	5.2	5.4
To facilitate structural change	5.1	4.8
To transfer knowledge and know-how	5.9	5.3
To help implement best practices	5.2	4.7
To assist capacity building	5.9	5.0
Recipient countries		
To support Fund-supported programs	5.1	4.7
To facilitate structural change	5.3	4.6
To transfer knowledge and know-how	5.5	4.9
To help implement best practices	5.4	4.8
To assist capacity building	5.2	4.6

Paragraph 63
Paragraph 63

change, to transfer knowledge and know-how, and to assist in capacity building, while in practice the support of Fund-supported programs is perceived as the most important goal. Respondents among Executive Directors share Fund staff respondents' view on the importance of supporting Fund-supported programs in actual practice, and feel very strongly about the transfer of knowledge and know-how and assistance in capacity building as ideal goals. Respondents in recipient countries similarly favor the transfer of knowledge and know-how as the ideally most important goals.

64. Respondents think that Fund technical assistance is much better integrated with work on Fund-supported programs than with surveillance work. The average rating for the integration on a scale from 1 (very poorly integrated) to 6 (very well integrated) is 4.5 for work on Fund-supported programs compared to only 3.6 for surveillance work.[10] Similarly, respondents give an average agreement rating of 4.6 for the statement that "Fund technical assistance has focused on subject areas that were most helpful in the context of Fund-supported programs" on a scale from 1 (strongly disagree) to 6 (strongly agree). Respondents agree even more strongly with the statement that "Fund technical assistance has focused on areas in which the Fund has a clear comparative advantage" (4.9). There is much less support for "focus on subject areas in which the expected impact in terms of improved economic performance was greatest" (4.1) and even less for "focus on subject areas in which the expected impact in terms of crisis prevention was greatest" (3.3).

Transparency and accountability

65. Respondents perceive a clear lack of information, transparency, and accountability with respect to the Fund's technical assistance activities. More than three quarters of all survey respondents are not aware of any formal statement by either of the three main technical assistance providing departments about the areas in which they provide technical assistance and/or the conditions under which such assistance is available. Reporting to management and especially to the Executive Board is considered to be only just adequate. On a scale from 1 (very inadequate) to 6 (very adequate) reporting to management is rated 4.0 in terms of scope and 4.1 in terms of frequency. The corresponding ratings for reporting to the Executive Board are 3.7 (for scope) and 3.9 (for frequency).

---

[10]The close integration with program work is also (partially) confirmed by respondents' perception of the use of technical assistance recommendations in the context of a Fund-supported program. For FAD, 84 percent of respondents think that recommendations are so used often or very often, followed by 78 percent of respondents who are of this view for MAE recommendations, but only 28 percent of respondents who think the same is true for STA recommendations.

Demand and supply of technical assistance

66. Respondents clearly favor targeting of certain categories of countries. 74 percent of all respondents think that countries with Fund-supported program should be targeted by Fund technical assistance, and 62 percent of respondents are of this view for countries without programs but with identified needs. Only 12 percent of respondents favor no targeting at all. In a similar vein, very significant minorities of respondents believe that certain categories of countries currently receive too little technical assistance. Specifically, respondents believe that too little technical assistance is allocated to low-income countries (46 percent), countries without programs but with identified needs (41 percent), countries with regional and/or systemic importance (31eprcent), and post-crisis countries (28 percent).

67. The vast majority of respondents think that technical assistance is either demand-driven (45percent) or equally balanced between being demand- and supply-driven (39percent). Seventy-three percent of all respondents think that there is excess demand for Fund technical assistance. Respondents identify as the most important factors for such excess demand the fact that Fund technical assistance is practically free of charge (68 percent of respondents), that it is provided in areas of clear comparative advantage for the Fund (53 percent), and that it is of high quality (53 percent). Fifty-one percent of all respondents think that the amount of Fund technical assistance should increase in the future, while only 7 percent think the amount should decrease. This view is especially pronounced for respondents in the group of Executive Directors (83 percent favor an increase) and in recipient countries (67 percent favor an increase).

68. Significant minorities of respondents among staff, and often the majority of respondents in recipient countries, believe that the three main technical assistance providing departments have provided too little technical assistance in several areas of their expertise. With respect to FAD, the majority of respondents in recipient countries thinks that too little

technical assistance has been provided in the areas of social safety nets, public expenditure management, and fiscal management. Significant minorities of staff respondents share the view of respondents in recipient countries. For STA, the majority of respondents in recipient countries wants more technical assistance in the areas of real sector statistics and government finance statistics. Again, significant minorities of staff respondents support this view. For MAE, respondents in recipient countries want more technical assistance in the areas of payments systems and legislation - a view that is not shared by staff respondents at all, the majority of which thinks that too little technical assistance has been provided in the area of banking supervision and bank restructuring.

TECHNICAL ASSISTANCE PROVISION BY FAD, MAE, AND STA, IN CERTAIN SUBJECT AREAS
(Percentage of respondents who think that too little TA has been provided in a given area)

	Fund staff	Recipient countries
FAD		
Social safety nets	45	70
Public expenditure management	45	66
Fiscal management	35	62
Tax and customs administration	22	47
Tax policy	17	29
MAE		
Payments systems	19	57
Legislation	18	56
Foreign exchange and external debt	36	46
Central bank accounting	15	44
Banking supervision and bank restructuring	51	27
Monetary policy	16	23
STA		
Real sector statistics	48	77
Government finance statistics	41	59
Balance of payments statistics	28	37
Money and banking statistics	16	30

Paragraph 68

Identification of technical assistance needs and decisions on individual requests

69. The overwhelming majority of respondents (67 percent) thinks that the technical assistance providing department and the area department should be jointly responsible for discussing with a country its technical assistance needs. Another 22 percent of respondents think that the area department should have the sole responsibility, while only 12 percent think that the technical assistance providing department should be solely responsible.

70. Respondents report a significant difference between the way they feel a decision about an individual technical assistance request is made in actual practice and the way it should be done ideally. In actual practice, the most important factors are perceived to be strong support from the area department (68 percent of respondents think that this is one of the most important factors), the country's need as determined by the Fund (62 percent), and the necessity to make a Fund-supported program work (57 percent). Ideally, respondents would

like to see as important factors the country's need as determined by the Fund (68 percent), the track record of the country in implementing prior recommendations (63 percent), the need to underpin a major structural adjustment program (46 percent), and the necessity to make a Fund-supported program work (44 percent).

Quality of Fund technical assistance activities and implementation record

71. The overall quality of Fund technical assistance is perceived to be high with an average rating by all respondents of 4.8 on a scale from 1 (very poor) to 6 (very good). The highest rating is given by respondents in the group of Executive Directors (5.3), followed by respondents in the group of experts (5.1), and respondents in recipient countries (4.9), while Fund staff respondents assign the lowest rating (4.7). The rating for Fund technical assistance drops when respondents are asked to rate the performance of individual technical assistance providing departments in various stages of the technical assistance delivery process. Regarding different aspects of technical assistance provision, the quality of recommendations and the quality of final reports is typically rated highest, while follow-up is seen as the weak point for the three main technical assistance providing departments. Ratings from respondents in recipient countries are generally higher than the ones given by Fund staff respondents. Specifically, Fund staff respondents rate STA consistently lower than FAD and MAE, but this pattern is not observable in the ratings of respondents in recipient countries.

72. Respondents among Fund staff and in recipient countries have different views on the implementation record of recipient countries with respect to technical assistance recommendations. While 54 percent of respondents in recipient countries think that at least a significant number of recommendations has been fully implemented, only 22 percent of Fund staff respondents share this view. In contrast, 52 percent of Fund staff respondents think that at least a significant number of recommendations has been partially implemented while only 33 percent of respondents in recipient countries are of this view. It is interesting to note that when asked to cite an example of a specific technical assistance project that had a major, sustained, beneficial impact in the recipient country, only 55 percent of all respondents provide such an example.

Problems in technical assistance delivery and reasons for non or partial implementation

73. Respondents do not perceive any single problem in technical assistance provision as very serious. Only a few issues receive average ratings above 3.0 on a scale from 1 (not serious at all) to 6 (very serious). It is, however, interesting to note that insufficient attention to strategy and methods for inducing change is at or near the top of the list for all three main respondent groups with average rating of 4.0 for Fund staff respondents, 3.8 for respondents in the group of experts, and 3.0 for respondents in recipient countries. Similarly, insufficient attention by the Fund to political realities is singled out by respondents in the group of experts (average rating of 3.4) and respondents in recipient countries (3.3). Fund staff respondents, on the other hands, point more to an overreliance on written documents (3.9), the fact that final reports are written more for the benefit of the Fund than for the benefit of the recipient

RATINGS OF TECHNICAL ASSISTANCE PROVIDING DEPARTMENTS ON VARIOUS ASPECTS OF DELIVERY
(Average rating on a scale from 1-poor to 6-outstanding)

	Staff	Recipient countries
FAD		
Identification of a country's TA needs	4.2	4.6
Preparation of TORs	4.2	N/A
Collaboration with area department in preparatory stage	4.1	N/A
Delivery of TA through missions	4.5	4.2
Delivery of TA through experts	4.3	4.3
Quality of recommendations	4.7	4.8
Quality of final reports	4.5	4.8
Overall effectiveness in communicating advice	4.1	4.4
Collaboration with area department after delivery of TA	4.0	N/A
Follow-up to TA	3.6	3.7
Collaboration with recipient authorities	4.1	4.6
MAE		
Identification of a country's TA needs	4.2	4.5
Preparation of TORs	4.0	N/A
Collaboration with area department in preparatory stage	4.0	N/A
Delivery of TA through missions	4.5	4.6
Delivery of TA through experts	4.3	4.5
Quality of recommendations	4.6	4.7
Quality of final reports	4.4	4.8
Overall effectiveness in communicating advice	4.1	4.5
Collaboration with area department after delivery of TA	3.9	N/A
Follow-up to TA	3.7	4.3
Collaboration with recipient authorities	4.2	4.7
STA		
Identification of a country's TA needs	3.8	4.6
Preparation of TORs	3.9	N/A
Collaboration with area department in preparatory stage	3.9	N/A
Delivery of TA through missions	4.1	4.5
Delivery of TA through experts	3.9	4.5
Quality of recommendations	4.2	4.7
Quality of final reports	4.1	4.7
Overall effectiveness in communicating advice	3.8	4.5
Collaboration with area department after delivery of TA	3.6	N/A
Follow-up to TA	3.3	4.2
Collaboration with recipient authorities	3.8	4.7

Paragraph 71

country (3.7), and the fact that recipient countries are insufficiently prepared for a technical assistance mission or an expert (3.7).

74. There are differences in view between respondents among Fund staff and in recipient countries about the most important factors that contribute to non or partial implementation of technical assistance recommendations. While three of the factors are rated high by both respondent groups, they clearly vary in their relative importance. The list of factors selected by Fund staff respondents is topped by lack of sufficient ownership by recipient countries, whereas respondents in recipient countries feel that the inadequate assessment of institutional capacity by the Fund is the most important factor contributing to non- or partial implementation. It is interesting to note that inadequate quality of technical assistance delivery is at the very bottom of the list both for respondents among Fund staff and in recipient countries.

FACTORS CONTRIBUTING TO NON- OR PARTIAL IMPLEMENTATION OF TECHNICAL ASSISTANCE RECOMMENDATIONS
(Percentage of respondents choosing a factor as an important one)

Fund staff	
Lack of sufficient ownership by recipient countries	67
Lack of adequate follow-up by the Fund	46
Inadequate assessment of institutional capacity	31
Change in key officials in recipient country	27
Recipient countries	
Inadequate assessment of institutional capacity	42
Failure by the Fund to fit project into TA strategy	32
Lack of adequate follow-up by the Fund	31
Lack of sufficient ownership by recipient countries	30
Failure by the Fund to provide guidance with implementation	25
Change in key officials in recipient country	25

Paragraph 74

Role of recipient countries

75. Significant minorities of respondents think that recipient countries have too little input into several stages of the process of providing technical assistance. The most striking answers are that 65 percent of Fund staff respondents think that recipient countries have too little input into the evaluation of technical assistance, and that 38 percent of respondents in recipient countries think that they have too little input into the preparation of technical assistance delivery. It is also noteworthy that roughly one third of respondents among Fund staff think that recipient countries have too little input into the identification of objectives, the preparation or technical assistance delivery, and the formulation of recommendations.

INPUT OF RECIPIENT COUNTRIES INTO VARIOUS STAGES OF THE TECHNICAL ASSISTANCE PROCESS
(Percentage of those who answered "too little input by recipient countries")

	Fund staff	Recipient Countries
Identification of objectives	32	11
Preparation of TA delivery	34	38
TA delivery	22	5
Formulation of recommendations	31	19
Evaluation of TA	65	32

Paragraph 75

Cooperation with other technical assistance providers

76. Respondents are not very satisfied with the Fund's coordination/cooperation with other technical assistance providers, in particular the World Bank. Fund staff respondents give an average satisfaction rating of 2.9 to cooperation with the World Bank on a scale from 1 (very dissatisfied) to 6 (very satisfied), and an average rating of 3.6 to cooperation with other providers. With respect to the Bank, Fund staff respondents feel most strongly about the different value placed on time by the two institutions (average level of agreement with a statement along these lines of 4.7 on a scale from 1 (fully disagree) to 6 (fully agree)) and the difficulty of coordination with a big and ever changing institution like the World Bank (4.5). The risk of losing control by the Fund if there is too much coordination (3.3) and the fear that the World Bank has too little leverage to get results (3.7) are not seen as very important.

77. When asked about the most important aspects of coordination/cooperation with other technical assistance providers, the top choices of Fund staff respondents are a consultation after a request has been received (54 percent of respondents pick this as one of the most important aspects), an exchange of information on recipient countries (53 percent), and regular meetings to review technical assistance issues (52 percent). This view is generally shared by respondents among Executive Directors, who feel especially strong about a consultation after receiving a request - 83 percent of those Executive Directors who answered

this question think that such a consultation is one of the most important aspects of coordination/cooperation.

Charging recipient countries for technical assistance

78. There is strong support among Fund staff respondents for charging recipient countries at least a portion of the cost of technical assistance provided to them. Sixty-two percent of Fund staff respondents favor charging, 33 percent are opposed to charging. Of those who favor charging recipient countries, 89 percent think that the most important reason for doing so is to improve recipient countries' ownership, only 6 percent think the most important reason is to lower excess demand. Respondents support a variety of ideas about charging for technical assistance, but feel very strongly that recipient countries should pay only according to their ability to pay. The latter point is supported by 99 percent of Fund staff respondents, and 89 percent of respondents among Executive Directors. Recipient countries were not asked directly about theirs views on charging for technical assistance, but were instead asked what the likely reaction of their country would be if the Fund began to charge. The overwhelming majority of respondents from recipient countries states that there would be some reduction in the demand for Fund technical assistance, if the Fund would begin to charge recipient countries all or a substantial portion of the cost of Fund technical assistance. Of recipient country respondents, 62 percent think that such a change would result in a significant reduction in demand, and a further 30 percent think that it would result in a small reduction in demand.

Recommendations for improvements and better implementation

79. Respondents do not think that there are many lessons that the Fund could draw from the practices of other technical assistance providers. On the other hand, there are several aspects of the Fund's technical assistance provision that receive strong support from survey respondents. Respondents think that action plans have generally been useful in those cases in which they were used (average rating of 4.6 on a scale from 1 (an impediment) to 6 (very useful)). Furthermore, there is support for the idea of the Fund becoming more active in coordinating technical assistance provided by others. This suggestion receives an average agreement rating of 4.5, but relatively strong support from respondents among Executive Directors (5.0) and in recipient countries (4.7). Area managers and country coordinators in technical assistance providing departments are generally viewed as being quite helpful. On a scale of 1 (very unhelpful) to 6 (very helpful), the average rating given by all respondents is 4.7 for area managers and 4.9 for country coordinators.

80. There is quite a clear view on what needs to be done to improve the implementation record of technical assistance recommendations. The vast majority of respondents among Fund staff and in recipient countries thinks that more attention should be paid to follow-up. A clear definition of both the Fund's and the recipient country's role in the implementation process is also viewed as extremely helpful.

SUGGESTIONS FOR IMPROVING THE IMPLEMENTATION RECORD OF TECHNICAL ASSISTANCE RECOMMENDATIONS
(Percentage of respondents who picked suggestion as one of the most important ones)

	Fund staff	Recipient countries
Pay more attention to follow-up	75	65
Clearly define Fund's and recipient's role in implementation	43	62
Target TA to countries with strong implementation record	40	16
Sanction countries for not implementing recommendations	18	2
Reward countries for successfully implementing	28	30
Show more flexibility in fielding ST missions and experts	35	45
Respond more quickly to TA requests	10	31

Paragraph 80

81. Several suggestions to improve the coordination between the Fund and the recipient country receive strong support. Generally, more involvement by the recipient country in various stages of the technical assistance process is seen as useful. There are clear differences in emphasis, however. While Fund staff respondents agree with respondents in recipient countries on the usefulness of more involvement in the identification of technical assistance needs and the evaluation of technical assistance projects, there is a clear disagreement with respect to formal agreement on recommendations and the preparation of terms of reference. In the latter two aspects, respondents in recipient countries would like to be more involved, but Fund staff respondents clearly hold a cautious view.

SUGGESTIONS FOR IMPROVING THE COORDINATION BETWEEN THE FUND AND RECIPIENT COUNTRIES
(Average ratings of suggestions on a scale from 1 (an impediment) to 6 (very useful))

	Fund staff	Executive Directors	Recipient countries
Identification of TA needs	5.0	5.6	5.3
Evaluation of TA projects	4.7	5.4	5.2
Formal agreement on recommendations	3.6	4.8	4.8
Preparation of terms of reference	3.5	5.3	5.2

Paragraph 81

82. There is support for a systematic evaluation of the Fund's technical assistance activities with an average rating of 4.6 on a scale from 1 (very unhelpful) to 6 (very helpful). However, there is considerable variation among respondent groups, with respondents among Executive Directors strongly supporting evaluation (5.5), followed by respondents in recipient

countries (5.1), and Fund staff respondents being least enthusiastic about evaluation with an average rating of 4.4.

Institutional arrangements for technical assistance

83. Institutional arrangements for technical assistance receive relatively poor ratings from all respondents regarding their effectiveness. On a scale from 1 (very ineffective) to 6 (very effective), the lowest rating is given for the Technical Assistance Committee (3.4), followed by the Technical Assistance Secretariat (3.6), the Regional Allocation Plan (3.7), the division of labor between technical assistance providing and area departments (4.0), the administration of short- and long-term expert assignments (4.0), and the administration of external financing (4.1). The existence of external financing is considered, though, to have a positive impact on the achievement of the Fund's technical assistance objectives - respondents assign an average rating of 4.3 on a scale from 1 (substantially negative impact) to 6 (substantially positive impact).

IV. Effectiveness and Impact Analysis of Fund Technical Assistance

Contents Page

Contents Page

Text Boxes

Appendices

A. Introduction and Background

84. An important instrument of OIA's review of the Fund's technical assistance (TA) was an analysis of the effectiveness and impact of Fund TA, focussing on finding answers to four groups of questions:

- What is the overall impact of Fund TA?
- Is this impact achieved in a cost-effective way?
- What are the main strengths and weaknesses of Fund TA? What works and what does not? What are the main lessons to be learnt?
- What procedures do TA departments employ to select, prioritize, supervise, monitor, and evaluate Fund TA? Are these procedures similar across TA departments? Are there processes that appear to work better than others?

85. As such an analysis of effectiveness of all elements of delivery and of impact of Fund TA had not been done before, OIA, in consultation with TA departments, developed a methodology to do that. Having examined the evaluation practices of other TA providers, including those of the World Bank, OIA concluded that the best approach would be an evaluation of a representative sample of randomly selected TA projects. A project was defined as consisting of one or more technical assistance events with common objectives (e.g., a long-term expert assignment, a series of visits by the same peripatetic expert to a country, one or more missions with the same objective). Because TA record keeping is limited to travel incidents (the CTTS database), visits that belonged to the same project had to be grouped together. At OIA's request, the task of identifying the projects was carried out by the TA departments.

86. To maximize objectivity and the inclusion of all relevant views, OIA designed the impact evaluation questionnaire in a manner that would involve all participants of the TA process: the provider TA department (i.e., this would be a self-evaluation), the area department responsible for the recipient country, and, as a novelty in Fund evaluations, the recipient government authorities. The design provided for evaluating each selected project by the three evaluators independently.

87. A relatively large sample of TA projects was chosen to be evaluated. 100 TA projects performed by the three TA departments, FAD, MAE, and STA in two fiscal years (1996 and 1997)--equivalent to 10 percent of the annual provision--were randomly selected. (To focus on the main activities of the three TA departments, missions involving seminars, regional workshops, and staff briefing/debriefing were excluded.) The random selection and the size of the sample ensured representativeness by all important aspects of Fund TA, such as subject,

geographic distribution, the TA delivery mechanism (mission or expert), whether the TA was provided in a Fund program context or under surveillance, etc. [11]

88. The instrument of the impact evaluation analysis was a questionnaire, consisting of two parts: Part A contained factual questions about the project, and Part B contained the evaluation questions (Box 1 provides a "map" to the structure of the evaluation questionnaire and the key terminology employed). [12] The questionnaire was organized into chapters, covering the main phases of the TA work (from project selection to follow-up), an assessment of the performance of the main players (Fund staff and the recipient authorities), and issues concerning the impact and the cost effectiveness of the TA project. At the end of each evaluation chapter, evaluators were asked to make an overall judgement that summarized their evaluation of the entire chapter.

89. To facilitate the work of the other two evaluators, TA departments were asked to fill out the Part A concerning facts, which was then provided to the area departments and the recipient government authorities (along with the evaluation questions).

90. Since each project was to be evaluated by the three independent respondents, 300 questionnaires were distributed. The response rate from the evaluators varied. TA departments completed all the 100 questionnaires; the area departments effectively completed 93 questionnaires (the area departments returned all 100 questionnaires, but 7 of them contained very limited information and hence had to be excluded from the analysis), while recipient authorities returned only 50 questionnaires by the cut-off date. [13] Because four of the 50 government-evaluated projects were *not* evaluated by area departments, there remained 46 projects that were evaluated by all three evaluators. This is the largest homogeneous sample that contains the views of all three evaluators. Box 2 summarizes the composition and use of the project samples that are used to analyze the answers given in the evaluation questionnaire.

---

[11]Because of its relatively small sample size, there was a danger that in the case of STA random selection may not result in a representative sample. Therefore, for STA three samples were drawn originally, of which the most representative one was chosen.

[12]TA projects are delivered in two main forms: in the form of missions and of experts. The questionnaires for expert-type TA projects contained some questions related to that type of project only.

[13]OIA received 5 completed government questionnaires after the cut-off date.

Box 1:

Map to the Structure and Terminology of the Impact Evaluation Questionnaire

	FACTS (Part A)	**EVALUATION** (Part B)						
	Completed by TA departments only	Completed by the TA department, the Fund area department, and the recepient authorities						
Chapters in questionnaire	Project selection Objectives Preparation Expert selection Fund delivery Recommendations Implementation Post-TA procedures	Project selection Objectives Preparation Expert selection Fund delivery Recommendations	Post-TA procedures (Follow-up, monitoring and evaluation)	Implementation	Impact	Cost-effectiveness	Fund performance Recipient authorities' performance	Overall summary
Key terminology by OIA	–	**"Product" of TA 1/**		**"Impact" of TA 1/**				"Overall success"
Key indices used by OIA	–	**"Product index" 1/ 2/**		**"Impact index" 1/ 3/**				

1/ Relating to the above subjects.
2/ As defined in paragraph 191.
3/ As defined in paragraph 190.

Box 2. Composition and Use of Project Samples

***Facts* part of analysis of the questionnaire answers** (contained in Section B below)

1. 100 projects (response by TA departments only)

***Evaluation* part of analysis** of the questionnaire answers (contained in Sections C and D below)

2. 46 projects--*principal* basis for analysis (response by all three evaluators: TA and area departments and recipient governments)

3. 93 projects--*complementary* basis for analysis (response by Fund staff --TA and area departments--only)

91. Relative to the original 100-project sample, the 46-project sample appears to be less representative, reflecting the impact of a number of factors at work. First, it appears that the recipient authorities were more inclined to submit their evaluation on relatively more successful projects. Second, governments from certain geographical regions were more willing to participate in the evaluation than others (for example, the response rates of countries covered by the Asian Pacific Department and of the European I Department reached 70 percent each, while that of the countries covered by the African Department was less than 20 percent). Third, central banks and statistical offices were apparently more willing to respond than finance ministries and other fiscal institutions, lowering the share of FAD projects in this sample to 20 percent, considerably lower than in the other samples. The joint impact of these factors is a sample of 46 projects that is slightly *biased toward favorably rated projects* (evidence for this is presented in Appendix I, comparing the evaluation of projects for the 46 and the 93-project sample by Fund staff only). The *principal basis* for the evaluation of the answers to the questionnaire is the 46-project sample;[14] a *complementary* basis for analysis of the answers to the questionnaire is the 93-project sample for internal procedures concerning Fund staff only (such as prioritization of projects). Finally, the original 100-project sample is used for documenting facts about Fund TA (Box 3 summarizes the basic characteristics of the samples).

92. The rest of this chapter is organized as follows. In Section B, the answers to Part A (Facts) of the questionnaire are presented. These reveal basic facts about the procedures of TA involving project selection, preparation, issues related to TA delivered by experts,

---

[14]OIA is aware that the 46-project sample is less representative. However, because it firmly believes that any meaningful evaluation should include the views of the recipients, OIA decided to use the 46-project sample as a basis for its project evaluation.

recommendations, implementation of recommendations, post-TA delivery procedure, and quality control schemes of TA work. These facts provide a systematic and representative and empirical record of the Fund's TA work for the first time. Section C summarize the answers provided in Part B (Evaluation) of the questionnaire. Finally, Section D includes an impact analysis of Fund TA, focussing on what works well, and what does not, in Fund TA.

Box 3. Basic Characteristics of Project Samples

	46-project sample (responses by TA and area departments and governments)	**93-project sample** (responses by TA and area departments)	**100-project sample** (original)
By providing TA department:			
MAE	52 %	44 %	46 %
FAD	20 %	36 %	35 %
STA	28 %	20 %	19 %
By type of TA:			
Mission	52 %	59 %	58 %
Expert	48 %	41 %	42%
By geographic region (area department)			
African Department	7 %	14 %	16 %
Asian Pacific Department	28 %	21 %	20 %
European I Department	17 %	14 %	13 %
European II Department	20 %	23 %	24 %
Middle Eastern Department	13 %	15 %	15 %
Western Hemisphere Department	15%	13 %	12 %
By program status			
Countries in Fund-program context *	74 %	78 %	80%
Non-program countries	26 %	22 %	20%
By Fund resident representative status			
There was a resident representative	71 %	73 %	73 %

* Defined to include countries with programs, negotiating programs, or being in arrears to the Fund.

B. Summary of Factual Findings

93. As mentioned, Part A of the questionnaire contained detailed factual questions. This part--completed by the provider TA department only--served three purposes: first, to learn about the actual TA processes of the three TA departments; second, to help the other two evaluators (area departments and recipient governments) with facts about the projects; and third, to acquire independent variables to be used in a detailed impact analysis. The 100 project sample is used in this section. Paragraphs 94 to 129 provide a summary of the principal factual findings.

Project initiation, prioritization, and preparation

94. **Projects were initiated** primarily by the **recipient governments** (58 percent of the projects); TA and area departments initiated less, 23 percent and 16 percent, respectively. Only 2 percent of the projects originated from other TA providers, and 1 percent was initiated by Fund management.

95. The use of the **Regional Allocation Plan** (RAP) was quite flexible, with **only 64 percent of the projects having been originally part of** the RAP. STA adhered most closely to the RAP (with 87 percent of the projects originally included in the RAP), followed by MAE (69 percent), and FAD (45 percent).

96. **Two thirds of the projects were assigned high priority** by the TA departments (in principle in agreement with area departments); the rest had medium (30 percent), or low priority (3 percent).

97. **In 45 percent of the projects there were alternative TA providers in the subject area.** Most in FAD's area of expertise (57 percent), but also in MAE's (43 percent) and STA's areas (28 percent). However, in cases where alternative providers existed, TA departments considered--but ultimately rejected-- the idea of referring the request to alternative provider(s) in only 26 percent of the cases.

98. **Fund TA staff had access to practically all levels in the recipient agencies**: high level officials (in 74 percent of the projects); middle level officials (67 percent) and technical experts (65 percent). Probably reflecting differences in subject matters, STA received the least access to high level officials, while it had the most extensive contacts with technical experts.

99. **Terms of references (TORs)** are strategic TA documents (equivalent to the briefing papers of other Fund work). A series of questions aimed at learning what this important strategy document contains.

- TORs identified the objectives for the TA project in 99 percent of the cases.

- TORs specifically planned to propose recommendations that include implementation **targets with a time schedule in only 37 percent of the cases**.

- TORs envisaged **follow ups after the delivery of the final report in only 45 percent of the projects**. MAE planned the most (53 percent), while FAD the least (34 percent).

- TORs for experts included **detailed work programs for experts in only 45 percent of the projects.** FAD's TOR had such work programs in 64 percent of the projects, MAE's TORs in 44 percent of the projects, while STA's in none of the projects.

- While the issue of sustainability of the project at hand--i.e., whether the project's impact is likely to be sustained beyond project completion--was discussed in the preparatory phase in 3/4 of the projects, TORs specifically **addressed the issue of sustainabilty in only 42 percent of such projects.**

Issues related to TA delivered by experts

100. In general, **expert selection is done with little effective involvement of area departments and recipient governments, and virtually no involvement of Fund resident representatives.** Of all 42 projects that involved experts, area departments were involved in the selection in only 19 percent; the recipient government agency in 26 percent; and Fund resident representatives in only 3 percent.

101. The particular **mechanism for expert selection does not appear to be very transparent or open to competition:** [15]

- By far the most important selection criterion was **being known to Fund staff** (62 percent). [16] This varies, however, among TA departments: 91 percent for FAD, 75 percent for STA, and 48 percent for MAE.

- A **consultant roster was used in 31 percent of the projects**, with FAD and STA using it in roughly 50 percent of the projects, but MAE in only 19 percent. The latter low ratio, however, reflects the high use of bilateral cooperation by MAE (see next bullet point).

---

[15]Respondents were asked to mark up to two mechanisms used.

[16]This includes previous work in the department (6 projects).

- Choosing the expert on the basis of **cooperation with bilateral institutions** was an important mechanism for MAE (48 percent).

- **The recipient authorities' strong preference** played a role in only 14 percent of the projects, practically all in MAE projects.

- **Advertisements** were used in only **5 percent of the projects**.

102. Turning to the main elements of the selection mechanism, interviews by TA departments were used in 47 percent of the projects, with FAD and STA doing it on a regular basis. Interviews by area departments were rare, in 7 percent of the projects only; similarly, TA departments shared information with area departments on candidates infrequently. Prospective recipient governments were able to interview a candidate in only 12 percent of the projects.

103. As a measurement of competition, **in only 26 percent of the projects was there more than one candidate for the job.**

104. The **specific training of the expert for his/her assignment appears to be scant**. In more than half of the expert-delivered projects, the expert did not receive any training, [17] in contrast with the practice of other TA providers which place particular emphasis on pre-assignment training. [18] When training was provided, it mainly centered on Fund practices. Basic training on effective communication, arguably an important skill for an expert, was not part of the training.

WHAT TYPE OF TRAINING DID THE EXPERT RECEIVE PRIOR TO ASSIGNMENT?

	MAE	FAD	STA	Total
None	60 %	55 %	33%	56 %
Training on Fund practices only	40 %	45 %	33 %	41 %
Training on Fund practices and language	--	--	33 %	3 %

105. **Briefing the expert** is an important part of the preparation for the assignment. Such briefing was provided in 97 percent of the projects. Briefings were conducted--naturally--by the TA departments; area departments were involved in only **1/3 of the projects** (most in FAD (55 percent) and STA (50 percent)). Surprisingly, Fund resident representatives were involved little in expert briefings (in 17 percent of the projects only).

---

[17]This ratio, however, may be biased upward inasmuch as some experts had had earlier assignments and had had some training/experience before.

[18]For example, the German GTZ has a compulsory three-month training course for its experts prior to their assignment, focussing mainly on improving communication and persuasion skills.

106. Getting to know the country and the prospective government counterparts can also be an important part of preparation for the assignment. Experts **visited the country prior** to the assignment **in 38 percent of the projects.**

107. Experts were involved in determining the objectives of the TA project in almost **all** projects.

108. In as much as **10 percent of the projects was the expert's assignment not completed**. The main reason was political disruption. Weak cooperation between the expert and the recipient government staff as well as the expert's professional weakness played a role in a few projects.

109. **The cooperation between the expert and the staff of the recipient agency was, in general, satisfactory**. The agencies provided the necessary economic data and information to experts in 81 percent of the projects. Central banks appear to have shown the best cooperation (96 percent) and statistical agencies the least (50 percent). Logistical support to the expert by the recipient agencies was also good (in 92 percent of the projects), with ministries of finance and central banks being the most, while statistical agencies being the least "hospitable."

TA recommendations and final reports[19]

110. How **specific** were the TA recommendations? In 55 percent of the projects, the recommendations included specific targets with a specific time table for implementation.

111. How closely were **TA recommendations and Fund programs linked**? In about half of the projects where recommendations included implementation targets, these were subsequently used in Fund programs as structural benchmarks or prior actions. Looking at it from a different angle, in about 40 percent of the projects when TA was provided in a Fund program context, the specific TA targets were picked up as structural benchmarks or prior actions, implying a fairly close relationship between TA and Fund programs.

112. Timetables for recommendations imply a **long-term focus of Fund TA**: almost 60 percent of the recommendations were envisaged to be implemented in longer than one year, and in only 7 percent of the projects were the recommendations planned to be implemented within three months.

113. In the majority of the projects the recipient authorities appeared to have been in broad agreement with the recommendations (in 84 percent of the projects). Sometimes they did not

---

[19]In the case of experts these referred to the end-of-assignment reports.

react at all (12 percent), but they virtually never showed open disagreement (in only 1 percent of all projects).

114. The **final report** was provided to the authorities within a month in 1/3 of the projects, and roughly within 4 months in 3/4 of the projects, following return to headquarters. In 10 percent of the projects the final report was never delivered, mainly because the aide memoire left with the authorities was considered sufficient.

115. Roughly **half of the reports were translated into the language of the authorities**. Experts communicated in the language of the authorities in slightly more than 60 percent of the projects.

116. **Dissemination of the final report** was quite limited. In addition to having been provided to the recipient authorities, only **61 percent went to area departments**, and only 24 percent was sent to World Bank counterparts (however, reports are available on demand).

Implementation of TA recommendations

117. The recipient authorities formally **assigned a unit/person** to be in charge of the implementation of the recommendations in a surprisingly high number of projects (80 percent).

118. **TA departments appear to have a "hands-off" attitude after the TA delivery:** in almost half of the projects the final report did not contain any implementation strategy that would outline the Fund staff's role in it. Fund staff used public relation channels to help the implementation of the recommendations (for example, explaining the measures to the public) in 20 percent of the projects.

Post-TA delivery procedures

119. **Follow-up mechanisms** varied somewhat across TA departments. STA and FAD relied most extensively on follow-up by area departments, while MAE used backstopping missions most frequently. Fund resident representatives and the experts themselves played some role in the follow-up of MAE and FAD projects, but very little or none with STA projects.

FOLLOW-UP MECHANISMS OF TA PROJECTS
(In percent)

	MAE	FAD	STA
TA department's backstopping mission	57	42	26
Backstopping by headquarters staff	54	54	37
Area department plays role	41	57	53
Fund resudent representative plays role	46	57	18
Expert plays role	37	46	0

Paragraph 119

120. There was some form of **ex post evaluation of the project in only 10 percent of the** projects.

Supervision and quality control mechanisms

121. Supervision practices appear to vary markedly among TA departments. Overall supervision of projects appears to be most encompassing in **STA**, where it involves most levels of professional regular staff. These procedures appear to be hierarchical, with relatively strong involvement by the head of the department. **MAE**'s supervision appears to be centralized at the level of the senior front office staff, which oversees 3/4 of the projects; lower level supervision is less important. **FAD**'s procedures appear to be the most decentralized, with senior staff getting involved in 40 percent of the projects only, and most supervision apparently being carried out by senior economist staff; headquarter-based consultants also participate actively in supervision.

122. **Supervision of experts was provided regularly in almost 90 percent of the** projects. Backstopping missions to the agency to which the expert was assigned were made in about 1/3 of the projects (only by MAE and FAD); regular discussions with experts were conducted in 80 percent of the projects.

123. **Specific quality control practices**

- Discussion of **recommendations with the Fund resident representatives happened in a bit less than half of the projects** (counting only the projects where there was a resident representative). This appears to be the only part of the TA process where Fund resident representatives played a significant role.

RANK OF THE PERSON ASSIGNED TO SUPERVISE THE TA PROJECT [1/]

	MAE	FAD	STA
Department head	7 %	-- %	26 %
Senior staff in front office	76 %	40 %	53 %
Division chief	22 %	40 %	79 %
Deputy division chief	2%	17 %	47 %
Senior economist	13 %	43 %	16 %
Economist	13 %	-- %	26 %
Headquarters-based consultant	11 %	23 %	-- %
Administrative staff	2 %	-- %	5 %
Nobody supervised the project	2 %	3 %	-- %

1/ Respondents could choose all the levels that applied.

Paragraph 121

• Discussion of recommendations with an **area department mission**, when it happened to coincide with the TA visit, took place in 23 percent of the total projects.[20] projects).

• Following the return of TA staff from the country, **quality control of the final report relied on review panels set up by the TA department** in 41 percent of the projects. FAD used this mechanism extensively (2/3 of its projects), MAE less (37 percent), while STA rarely (5 percent).

[20]Data are not available on how many instances TA and area department missions coincided.

• **Clearance of the final/end-of assignment report appears to be centralized** in the hands of the Department Director (40 percent of the projects), and/or senior staff (2/3 of the projects). Practices among TA departments vary, but all involve, to a significant extent, the Department Head.

Involvement of various parties in the TA process

124. **Area departments** were closely involved in the preparation and design of TA projects (in 84 percent of the projects). For example, they received the TOR of the project in 94 percent of the projects. However, after the preparation phase their involvement declined. They received the back to office reports of the TA missions or expert visits in 31 percent of the projects only; they provided comments on the final reports in 61 percent of the projects (most on STA projects (79 percent)). Area departments played some role in the follow-up in about half of the projects. However, as mentioned in paragraph 15, area departments' specific involvement with TA delivered by experts (such as interviewing or briefing the expert) was generally insignificant.

125. **Other Fund departments**' involvement in the TA work was minimal, except in the case of the TOR, which they received for comment in 1/3 of the projects (PDR and LEG mainly).[21]

126. **Fund management** appeared to be involved in the TA process of individual projects to a very limited extent: it initiated 1 project, and received the TOR for comments in 8 percent of the projects. (Back to office reports are routinely sent to management but not for comments; end-of-assignment reports of experts are not copied to management.)

127. The **Fund had resident representatives** in the country to which the project was provided in 73 percent of the projects. However, their participation through the process was generally limited, except for providing comments on TA recommendations. Particularly notable is that Fund resident representatives (together with area departments) kept experts regularly updated in only 19 percent of the projects.

128. The **recipient government authorities** were consulted on the objectives of the project in the majority of the projects (82 percent). In about 2/3 of the projects they were, in

[21]However, LEG often follows-up FAD and MAE recommendations when advice is requested on draft legislation, etc.

some way, consulted during the expert selection process. [22] In addition, they played a noticeable role in the follow-up procedures.

Coordination with other TA providers

129. Cooperation with other TA providers appears to have been **formally extensive**. During preparation, other TA donors were consulted in 61 percent of the projects, (in almost all cases the World Bank; also the UNDP (38 percent) and the EU (23 percent); NGOs were consulted only on one project). However, when it came to **substantive exchanges of views, their participation was considerably less significant**. For example, they actively participated in the prioritizing of TA requests in 17 percent of the projects. Similarly, the World Bank was asked to comment on the TOR in only 12 percent of the projects, and received the final TA report in only 24 percent of the projects.

C. Summary of Evaluation

130. As explained in paragraph 88, the evaluation questions were contained in Part B of the questionnaire. Paragraphs 131 to 187 summarize the main findings of these evaluations, drawing a distinction among the three different respondents (the providing TA department, the area department, and the recipient government) whenever their views differ significantly. In this section, the 46 project sample was the principal basis for analysis.

131. Respondents made quantitative assessments by marking scores on a scale of 1 (poor) to 6 (outstanding). In this section, scores 6 and 5 are labeled as the two most favorable scores, while scores 1 and 2 as the two least favorable scores. The use of a different scale will be mentioned specifically. [23]

Project selection

132. The first set of questions inquired about the respondents' *a priori* view regarding the eventual success of the project. The respondents' **initial confidence** in the eventual success of the TA project varied markedly. Recipient governments appeared to be the most confident, while provider TA departments the least optimistic. The relatively low level of initial confidence (on average, only 44 percent of the projects enjoyed full confidence at the

---

[22]This contrasts with the assessment of low *involvement* of the government in expert selection indicated in paragraph 100. One explanation could be that while the authorities were given certain information on a regular basis (e.g., they received the CV of the candidate), they were not substantively involved in the mechanism itself (e.g., they did not interview the candidate, etc.).

[23]Average scores represent those who replied.

inception) is noteworthy and, as shown later in paragraph 206, it predicts quite well the eventual actual impact of TA projects.

"HOW MUCH CONFIDENCE DID YOU HAVE IN THE SUCCESS OF THE PROJECT WHEN YOU FIRST SAW THE REQUEST?"

	Very little	Some	**Full**
TA departments	4 %	65 %	**31 %**
Area departments	--	54 %	**46 %**
Government agency	2 %	41 %	**57 %**
Average	3 %	53 %	**44 %**

Paragraph 132

133. Respondents were unanimous in their assessment that the **Fund was the best possible provider of the TA project at hand** (in more than 90 percent of the projects). In light of the fact that in the case of about half of the projects there were other TA providers (paragraph 12), the question arises why the Fund was preferred to other providers. The respondents agreed that **the main reason for choosing Fund TA was the Fund's comparative advantage** in the subject area; better quality control of the TA and speed of response were also important. Government requests appeared to be also motivated by the fact that Fund TA is practically free of charge.

"WHY WAS THIS TA REQUEST *NOT* REFERRED TO ANOTHER PROVIDER?" *

	Fund's Comparative Advantage	Speed of Response	Better Quality	Fund TA is Free	Government Insisted On Fund
TA department	78 %	33%	35 %	13 %	26 %
Area department	76 %	33%	33 %	20 %	11 %
Government agency	76 %	28%	37 %	22 %	-- %

* Respondents could mark up to two main reasons

Paragraph 133

134. Because Fund TA is provided virtually free of charge, **prioritization** of requests for TA is crucial from the viewpoint of TA resource allocation. Hence the particular interest in understanding the importance of the prioritization criteria that TA departments use when deciding about a request. Table 1 below indicates the criteria of prioritization, in the order of

the assigned significance given by Fund TA and area department staff in actual practice. Highest priority was given to requests that underpinned a structural adjustment effort or a Fund-supported program; considerations about the eventual sustainability of the project appear to be an equally significant factor. In contrast, surprisingly, the absorption capacity of the recipients was considered as not too important, despite its direct influence on TA impact; nor was a good track record, which can be a proxy for the degree of the recipient's commitment. It is also noteworthy that budget considerations (proxied by the status of the RAP) did not play a role.

135. The quality of **project selection** received a **good average summary score** (4.9, with little difference among the three evaluators). The share of the most favorable scores was 77 percent of the total, while that of the two least favorable scores was 1 percent only.

Project objectives

136. This chapter of the questionnaire examined the relevance of the project's objectives from the viewpoint of (i) accepted professional standards in the subject area; (ii) the Fund's country strategy (i.e., how well the TA fit into the Fund's overall country strategy); and (iii) the absorption capacity of the recipient authorities (the latter two questions were asked only from Fund staff). Respondents rated high the first two aspects (5.2), but significantly lower to the last one (4.7).

137. The **summary scores** for the determination of the **project's objectives** were as high as that of project selection: on average 4.9, and again, with little divergence among the three respondents. The share of the two most favorable scores was 76 percent of the total, while that of the two least favorable scores was 1 percent only.

Project design and preparation

138. This chapter of the questionnaire focussed on (i) the involvement of the recipient authorities and the area departments in project preparation and design; (ii) the sustainability of the project; and (iii) whether the project was designed to include specific implementation-oriented recommendations with implementation targets and time tables.

Table 1. Criteria Used for Project Prioritization in Actual Practice
(TA and area department respondents, 93 project sample)

	Average score (on a scale of 1-very unimportant to 6-very important)	Share of scores 5 and 6
Important:		
TA to underpin a structural adjustment effort	4.5	64%
Likely sustainability of the TA project	4.3	48%
TA to underpin a Fund-supported program	4.2	56%
Not too important:		
Absorption capacity of the recipients	3.9	35%
To introduce standards/good practices	3.8	40%
Level of development of the recipient country	3.5	30%
Not important:		
Recipient country had a good track record	3.0	21%
Staff availability in TA department	2.9	18%
Amount of previous TA provided to country	2.8	13%
Size of country (systemic importance)	2.5	14%
Status of RAP at the time of request [1/]	2.4	7 %
ED's office intervention	2.3	15%
No good track record, but new officials may mean new beginning	2.3	15%
Sources of the TA financing [2/]	2.3	9%
Fund management's intervention	2.0	10%

[1/] If the RAP "quota of the country's region was close to, or well below, to ceiling.
[2/] Fund's own resource, UNDP, etc.

139. **Area departments'** involvement in the project design received a relatively low, 3.8 average grade. [24] In light of their high formal participation in the process (paragraph 124) it appears that their **effective participation was not that significant** after all. The involvement of recipient governments was judged to be similarly low, with an average score of 3.9. The relatively low effective participation by the recipients and the area departments alike raises the question whether there is an effective mechanism for involving them in project design.

[24]Recipient governments were not asked this question.

140. Respondents were cautiously confident about the sustainability of the project beyond completion. On average, they gave a score of 4.7, with little deviation among the three respondents. Fund staff was also asked **why the TA was provided where project sustainability was seen as problematic from the beginning**. Respondents saw problems with sustainability in about 30 percent of the cases, and they indicated two main reasons for going ahead with the TA project anyway: the **importance of knowledge transfer** (49 percent of the problematic cases), and **the need to support a Fund program** (34 percent of the problematic cases).

141. **What factors determined the sustainability of the project?** The respondents established the following list of factors, presented in Table 2 in the order of their assigned importance.

Table 2. Factors Influencing the Sustainability of the Project
(All three respondents)

	Average score (on a scale of 1-very insignificant to 6-very significant)	Share of scores 5 and 6
Significant:		
Degree of ownership by recipient	4.9	73 %
Quality of TA staff	4.9	75 %
TA to be part of the authorities' reform package	4.3	57 %
Not too significant:		
Discipline provided by the presence of Fund program	3.8	49 %
Favorable political environment	3.8	40 %
Non-controversial recommendations	3.7	40 %
TA being part of a TA action plan	3.6	44 %

Clearly, government ownership and the quality of TA staff were viewed as decisive factors in ensuring sustainability. In addition, the fact that the TA was part of a government reform package was also a positive factor. More surprising is the relatively low importance attributed to the disciplinary powers of a Fund program--generally believed to be a strong factor--and to favorable political environment. The views of governments differed markedly in two cases: they did believe that the presence of a Fund program brings about some discipline (4.3), and they thought that the non-controversial nature of recommendations is actually quite important (4.5). In addition, governments appreciated more the benefits of the TA being provided as part of a TA action plan than the other two respondents.

142. How well was the TA coordinated with other TA providers during the critical phase of project design? TA and area departments were almost fully satisfied with the extent and quality of TA coordination (89 and 100 percent of the cases, respectively). In contrast, governments considered coordination satisfactory in 71 percent of the cases, and marked as the main reason for the lower degree of coordination the lack of time TA providers devoted to it.

143. In search of understanding how well the project was designed, the questionnaire asked that *if* project design did not provide for implementation targets with a time table, would they have been helpful to implementation and monitoring? The answers showed a large variance. TA departments clearly suggested that little more could have been done in designing more specific, implementation-oriented recommendations. In sharp contrast, on the "receiving end" area departments and governments thought that in more than half of such cases implementation targets would have been helpful. Confirming this view were answers to the question about the appropriateness of the targets when they existed: all respondents gave high scores, with an average of 5.0.

144. The **summary scores** for the determination of the **preparation and project design was again good:** on average 4.8; with little divergence among the three respondents. The share of the two most favorable scores was 76 percent of the total, while that of the two least favorable scores was 1 percent only.

Expert selection mechanism

145. A chapter of the questionnaire was devoted to issues related to the mechanism of expert selection. The answers revealed substantial differences of views between Fund staff and the recipient government authorities concerning expert selection; these are marked bold in Table 3.

Table 3. The Importance of Criteria as Applied in Expert Selection
(Average scores on a scale of 1-very unimportant to 6-very important)

	TA department	Area department	Recipient government
Professional reputation	5.2	5.3	5.4
Managerial experience	5.3	4.2	4.9
Experience with similar TA project	4.6	4.9	4.9
Communication skills	**4.6**	**4.0**	**4.9**
IMF staff recommendation	**3.5**	**4.0**	**5.1**
Language skills	**3.3**	**3.0**	**4.5**
Recipient government's preference	3.2	3.3	3.2
Familiarity with country of assignment	2.9	2.5	3.5
Earliest available candidate	2.5	2.5	3.2

146. There was full agreement regarding the vital significance of high professional expertise in selecting the expert, and that managerial experience as well as experience with a similar TA project were also important. However, **recipient governments appreciated much more than Fund staff communication skills and language skills**--two basic prerequisites for high professional expertise to translate into lasting impact. The lack of appreciation for these skills by Fund staff--who actually carry out the duty of expert selection--may be a reason behind some of the problems the TA review has revealed with TA delivered by experts. An additional noteworthy point is that governments believed that connections with Fund staff were a major factor in expert selection, conveying perhaps a feeling of an "old-boys club."

147. **Fund staff was satisfied with the expert selection mechanism** in 93 percent of the cases. They similarly felt that in **virtually all cases the best available expert was selected**, albeit, according to TA departments, in some 10 percent of the cases there was an issue concerning the remuneration of the expert. A degree of complacency appears to characterize the expert selection mechanism despite the fact that selection is not competitive and not too transparent (paragraph 101).

148. The **summary scores** for expert selection are one of the highest in the questionnaire, reaching 5.1 on average, with no significant divergence among the three respondents. The share of the two most favorable scores was 82 percent of the total, while that of the two least favorable scores was 2 percent.

Project delivery

149. The cooperation between TA staff and the recipient government agency staff was generally very good, receiving high scores from all respondents (5.1 on average). Also, the recipient agencies received high scores for complying with their obligation to provide inputs such as office space, facilities, etc. (5.2). However, in about 50 percent of the cases problems did occur; the main reasons are tabulated in the next box. Although none of them seemed to be a major problem, the divergence of views should be noted. Government agency staff felt that by far the most important problem was the lack of sufficient time to meet/discuss TA related issues. They also felt that language barriers played a significant role. TA staff perceived, in contrast, that the main culprit for inadequate cooperation was lack of sufficient commitment.

SOURCES OF PROBLEMS IN FUND STAFF-GOVERNMENT AGENCY COOPERATION *
(In percent of respondents)

	TA department	Government agency
Low commitment by recipient	17	2
Cultural factors	11	2
Inappropriate government counterparts	9	2
Language barriers	4	15
Lack of time	2	24
Inadequate effort by Fund staff	2	0

* Respondents could check all that applied.

150. The questionnaire asked if other factors of a more general nature may have hampered effective cooperation between Fund staff and the recipients. TA department staff perceived certain problems concerning the nationality and origin of TA staff; the authorities claim to have been more concerned about the relevance of experience of the assigned TA staff. Gender was not an issue.

"DID YOU HAVE TO CONSIDER ANY OF THE FOLLOWING FACTORS?"
(In percent of total)

	TA department	Government agency
Nationality of TA staff	17	--
Development level of TA staff's country of origin	13	7
Irrelevant previous country experience	7	20
Gender of TA staff	2	--

151. At the end of this chapter evaluators were asked for **two summary scores**: one concerning TA delivery by the TA staff, and one concerning delivery of economic data as well as logistic support by the recipient government agency. With no significant divergence among the three respondents, the average scores were 5.0 and 4.6, respectively.

TA recommendations

152. A host of questions aimed at analyzing the quality of TA recommendations. Overall, **there is great satisfaction with the recommendations**, although governments were critical of the lack of specific implementation targets built into the recommendations, as well as of the quality of some of the targets that were used (Table 4).

153. Respondents generally thought that linking Fund TA with Fund supported programs by way of Fund programs picking up TA recommendations as structural benchmarks or prior actions, was mutually helpful (scores of 4.7 and 4.6, respectively).

154. Respondents thought that the vast majority of recommendations reflected **"best practices" (80 percent of the cases)**. **"Second best solutions"** were applied in order to either increase the probability of implementation, and/or increase the speed of implementation.

155. **Aide-memoires** (written reports in the case of experts) and **final reports were generally considered of high quality**. Their focus, economic analysis, clarity, and targeting the right audience received scores of around 5. Some problems were revealed, however, with the realism of the suggested implementation schedule (4.6). It is also clear that the reports did not pay too much attention either to the absorption capacity constraints of recipients (4.5), or to political constraints (4.3).

Table 4. Project Recommendations

	TA department	Area department	Recipient government
	(Average scores on a scale of 1-poor to 6-outstanding)		
Professional quality	5.4	5.0	5.1
Consistency between objectives and recommendations	5.1	5.3	5.2
Quality of implementation targets built into recommendations	5.0	5.1	4.3
	(In percent)		
Recommendations reflected good understanding of country, share of "*yes*" answers	95	83	93
If recommendations did not include implementation targets, should they have?			
Share of "*yes*" answers	24	65	70

156. Specific questions concerning the **experts'** advice also revealed general satisfaction, with high scores given to the quality and timeliness of advice, and its consistency with Fund policy. However, the comprehensiveness of advice and the experts' ability to put theory into practice received less enthusiastic assessment, particularly from the recipient authorities (4.5 and 4.3 by the government, respectively).

157. The **summary scores for TA recommendations were good**, 4.9 on average; with no significant divergence among the three respondents. The share of the two most favorable scores was 80 percent of the total, however, the share of the two least favorable scores was a not negligible 6 percent (area departments marked the two least favorable scores in as high as 15 percent of the cases).

Implementation of recommendations

158. The questionnaire sought to establish (i) the extent to which TA recommendations were implemented; (ii) how timely the implementation was; (iii) what the main obstacles were to effective implementation (if any); and (iv) how much Fund staff helped the authorities with their implementation.

159. Overall, the implementation record was rated an average score of 4.3 (see the box below). Understandably, governments responsible for implementation saw the record in a considerably more positive light than Fund staff did. Timeliness was rated considerably lower with an average score of 3.9, which may imply that some of the recommendations may have eventually been implemented beyond the original schedule.

DEGREE AND TIMELINESS OF IMPLEMENTATION OF TA RECOMMENDATIONS

(All three respondents)

	Extent of implementation		Timeliness of implementation
	Average score (on a scale of 1-not implemented to 6-fully implemented)	Share of scores 5 and 6	Average score (on a scale of 1-poor to 6-outstanding)
According to respondents:			
TA department	4.1	36%	3.7
Area departments	3.2	40%	3.9
Recipient governments	4.6	67%	4.2
Average	4.3	48%	3.9

Paragraph 159

160. Institutional capacity constraints appear to be the main obstacle to a better implementation record. As implementation is mainly the responsibility of the recipient agencies, their views are shown separately:

MAIN OBSTACLES IN THE WAY OF BETTER IMPLEMENTATION
(Average scores on a scale of 1-very unimportant to 6-very important)

	All respondents	Recipient Government Agency
Quite important:		
Institutional capacity constraints	4. 3	4.6
Not too important:		
Lack of commitment by recipient	3.3	3.1
Not important		
Political factors (e.g., Parliament did not adopt the measures)	2.6	2.4
Disagreement with recommendations	2.1	2.2
Recommendations conflicted with advice from other TA donor	1.6	2.0

Paragraph 160

161. Fund staff participated in the authorities' implementation process to a limited extent only. Missions and experts were seen as somewhat helpful in the implementation (receiving an average score of 4.2), while Fund resident representatives, on average, contributed little, despite their "home field" advantage (3.8).

162. In contrast to previously examined TA phases from selection to recommendations, the **summary scores for implementation were low, 4.2 on average**, and with **significant divergences among the three respondents**: TA departments provided the most critical views (with a low 3.8), while the recipients' assessments were the most favorable (4.6) (area departments were closer to the TA departments' views (4.1)). Because of the importance of this score, a further breakdown of the results is warranted here (see the box next, with Fund staff view only). On average, implementation of TA recommendations under TA delivered

BREAKDOWN OF SUMMARY SCORES ON IMPLEMENTATION
(Average scores on a scale of 1(poor) to 6 (outstanding))

	Fund staff view
According to type of TA:	
Mission	4.4
Expert	3.8
According to country status:	
Program	4.1
Surveillance	4.3
Average	4.0

Paragraph 162

by missions appears to be better than TA delivered by experts; implementation of recommendations in surveillance countries appear to be marginally better than in program countries.

Post-TA delivery process

Post-TA delivery includes follow-up, monitoring, and evaluation. The main directions of the questionnaire's inquiry were (i) the effectiveness of TA departments; (ii) what the main obstacles were to effective follow-up/monitoring; and (iii) what was the main TA participants' contribution to the process.

163. The **TA department's effectiveness in follow-up received a relatively low average score** (4.3), with recipients being the most critical (4.1). The **main obstacle to effective monitoring included a lack of resources allocated to follow-up**; project design providing for monitorable outputs would also have been appreciated.

"WHAT WERE THE OBSTACLES TO EFFECTIVE FOLLOW-UP?"
(TA and area departments *)

	Share of those who marked the answer
Lack of resources allocated to follow-up	14 %
Project design did not include easily monitorable output	11 %
Poor organization of follow-up	8 %
TA department did not consider follow-up important	5 %

* Governments were not asked this question

Paragraph 163

164. Paragraph 119 described that TA departments use various follow-up mechanisms with participation by the area department, the expert, the Fund resident representative, and the recipients themselves. How effectively were these participants involved in the follow-up? The answers provided a couple of surprises. First, despite the TA departments' indication in paragraph 119 that other Fund units play a significant role, in reality their effective participation in follow-up is very low. Particularly striking is the **ineffectiveness of the Fund resident representative** in a phase where, in principle, he or she would have a comparative advantage. Second, the recipient government is perceived to have quite an active role in follow-up (often via progress reports sent to headquarters).

"INDICATE THE ACTUAL INVOLVEMENT OF THE BELOW UNITS IN THE FOLLOW-UP PROCEDURES"
(All respondents, average scores on a scale of 1-poor to 6-outstanding)

Area departments	3.7
Experts	3.5
Fund resident representatives	3.0
Recipient agencies	4.6

Paragraph 164

165. As described in paragraph 120, ex post project evaluation took place in as little as 10 percent of the cases--evidence that the Fund does not have an evaluation mechanism for its

TA work. In the few cases where ad hoc evaluations were conducted, respondents considered them only moderately useful (4.2).

166. The above results lead to two conclusions. First, weak follow-up and monitoring and virtually no evaluation suggest that **after the delivery of the final report, TA departments consider their job basically done.** Second, that, partly related to the previous point, there appears to be an **inefficient division of labor** among the participants of the TA process. TA departments do not provide resources to follow-up, and those who would be in a better position to do follow-up in the field (area departments, Fund resident representatives, and experts) do not really consider it to be their job. These findings highlight the problems inherent in the presently insufficient integration of TA into the Fund's work.

167. The **summary scores** for post-TA delivery processes are low, 4.2 on average, with no major divergences among the three respondents, although recipient governments took a more critical view than Fund staff did (4.0 and 4.3, respectively). Respondents marked the two most favorable scores in only 50 percent of the cases, while they marked the two least favorable scores in 11 percent of the cases (19 percent according to recipients).

Project impact

168. The line of inquiry in this chapter of the questionnaire included (i) the extent to which the project's objectives were achieved and factors behind less than desirable achievement; (ii) the extent to which the achievement of the objectives has been sustained; (iii) what main areas Fund TA affected; (iv) whether the project resulted in some unforeseen positive externalities; (v) how initial expectations about the project compared with its actual impact; and (vi) ultimately, how well the project served the recipient governments' and the Fund's objectives.

169. Respondents gave an average score of 4.4 to the overall achievement of project objectives, with somewhat divergent views (governments: 4.7, Fund staff: 4.2); sustainability of these achievements received a bit higher and less divergent marks (4.5 on average). Slightly better sustainability results may again point to the fact that some recommendations got eventually implemented beyond the original schedule.

170. The questionnaire asked about the project's impact in a number of areas where such impact could be reasonably expected (Table 5).

Table 5. Impact of Fund TA on Various Areas
(Average scores on a scale of 1-low impact to 6-high impact)

	All three Respondents	Of which: Fund staff	Governments
Institution building/ improving human capital	4.3	4.3	4.3
Improved data reporting	4.0	3.6	4.6
Improved formulation of macro-economic policies	3.6	3.3	4.1
Improved transparency	3.6	3.5	3.8
Implementation of a Fund program	3.5	3.1	4.3
Improved governance	3.4	3.2	3.8
Improved conditions for sustained growth	3.0	2.9	3.5
Improved income distribution	1.4	1.2	1.4

171. As expected, projects made most impact on institution building/human capital enhancement, although the relatively low level of this impact is somewhat surprising (three respondents' average score of 4.3). It also had a positive impact on data reporting (4.0). Projects were judged to have had no significant impact on formulation of macroeconomic policies or improving governance and transparency of government procedures, and, in contrast to general belief, neither on the implementation of Fund programs (3.5). Finally, projects appeared to do little directly for improving conditions for sustained growth (3.0), and did close to nothing for improving income distribution (1.4).

172. However, there were some significant divergences between Fund staff and recipient views. First, in general, recipient governments tended to be most positive about the project impact. Second, their ranking differed: they attributed the most impact to data reporting, followed by institution building and, in sharp contrast to Fund staff, by the implementation of Fund programs. It is surprising to see how little impact of TA Fund staff saw as regards the implementation of Fund programs.

173. How does actual project impact compare with the expected impact as perceived at the time of project preparation? A word of caution is warranted here: as the questionnaire asked about the expected impact *in hindsight*, i.e., after the project had been completed, actual impact may have had some influence on the respondents' expected impact. With this caveat in mind, several facts appear to be noteworthy. First, the expected impact was not very high (3.8) either. Second, the actual impact was systematically lower than the expected, albeit not

dramatically. Third, the impact **fell short of expectations the most** in the areas of improved transparency, improved formulation of macroeconomic policies, and improved income distribution (albeit the latter was very weak anyway). Fourth, as with actual impact, the recipient governments were the most positive about expected impact as well (Box 4).

Box 4. Comparison of Expected and Actual Impact of TA

(All three respondents, average scores on a scale of 1(poor) to 6 (outstanding))

	Expected impact	Actual impact	Difference (in percent)
Institution building/ improving human capital	4.3	4.7	- 9
Improved data reporting	4.0	4.3	- 7
Improved formulation of macro-economic policies	3.6	4.2	-14
Improved transparency	3.6	4.2	-14
Implementation of a Fund program	3.5	4.0	-13
Improved governance	3.4	3.8	-11
Improved conditions for sustained growth	3.0	3.4	-13

174. The *summary scores* for project impact were 4.4 on average, with area departments being the most critical (4.2), and recipients the most positive (4.8). Fund staff gave the two most favorable scores to projects in only 51 percent of the cases, while recipients in as high as 74 percent of the cases.

175. The project impact scores were broken down further by various aspects. On average, mission-delivered TA appears to have a higher impact than expert-delivered TA; and impact in surveillance countries is higher than in countries with Fund programs.

BREAKDOWN OF SUMMARY SCORES ON IMPACT

	Share of two most favorable scores (5 and 6)
All three respondents	**57 %**
Of which:	
Fund staff	51 %
Recipient government	74 %
According to TA delivery mechanism:	
Mission	69 %
Expert	42 %
According to country status:	
Program	53 %
Surveillance-only	66 %

Paragraphs 174 and 175

Cost-effectiveness and country contributions

OIA provided the evaluators with an estimated cost of each project. [25] On that basis, the questionnaire inquired: (i) about the cost-effectiveness of the project (taking into account the project's impact) and if anything could have been done to reduce costs; (ii) whether the recipient governments' commitment would have been higher if they had been asked to contribute; and (iii) whether the authorities would have partially or fully paid for it if asked, and if *not,* why.

176. In light of the project's impact and its estimated costs, a **high 89 percent of the respondents thought that the project was worth its costs.**

177. Because of their clear stake in the issue, the presentation of the results on the payment-commitment nexus and the willingness to pay focusses on government responses. About **one third of the governments said that their commitment would have increased** had they had to pay for the TA. Of these, roughly half said that their commitment would have increased substantially, and half that their commitment would have increased somewhat.

"IF THE FUND HAD ASKED YOUR GOVERNMENT TO PAY FULLY OR PARTIALLY FOR THIS TA, DO YOU THINK THAT YOUR INTEREST/COMMITMENT TO THE TA PROJECT WOULD HAVE BEEN HIGHER?"

"NO" answers	68 %
"YES" answers	32 %
Of which:	
• Commitment would have been substantially higher	16 %
• Commitment would have been somewhat higher	16 %

Paragraph 177

[25]The estimate included the cost of labor, travel, per diem, administrative support, and overheads.

178. Similarly, a relatively large share, **one third of the governments said that they would have paid** for the project if asked. Interestingly, more were willing to pay for missions (38 percent) than for experts (26 percent). Most of those who responded with "no" indicated that they would not have been able to afford it, or that they would have used their own staff if charged. The latter view was particularly strong for expert-delivered projects (1/5 of the cases).

WOULD YOU HAVE PAID FULLY OR PARTIALLY FORTHIS PROJECT IF ASKED?"

"YES" answers	33 %
"NO" answers	67 %
If "NO", why?	
• Not able to afford	29 %
• Would have used own staff instead	20 %
• Would have gone elsewhere where TA is free	14 %
• Payment would have deterred request	14 %

Paragraph 178

179. The **summary scores for cost-effectiveness were relatively favorable**, 4.7 on average, with no divergence among the three respondents. The share of the most favorable two scores was 81 percent of the cases, while that of the two least favorable scores was 8 percent.

A comparison of the main phases of TA work

180. This subsection compares the main phases of TA work based on the summary scores as described at the end of each subsection above (from subsections A to J). Box 5 summarizes these scores. This summary reveals that TA received high scores in areas which relate to the narrowly defined **"product"** of TA, which includes the selection of the project, setting its objectives, project preparation and design, the selection of the expert, TA delivery by Fund staff, and TA recommendations. The average summary scores for these phases, i.e, for the TA "product", ranged between 4.8 to 5.1. After that, scores are systematically weaker: post TA-delivery by Fund staff, as well as the implementation by the authorities and impact are among the weakest aspects of TA work, being graded measurably lower than the TA "product" (ranging between 4.2 and 4.4). OIA defined the implemetation of recommendation and the project impact (which includes

OIA'S KEY TERMINOLOGY

"Product" of TA refers to TA activities from project selection to the delivery of recommendations (i.e., it includes project selection, setting the objectives, project preparation and design, expert selection mechanism, TA delivery, and the provision of TA recommendations to the recipient authorities.)

"Impact" of TA refers to the implementation of the TA recommendations, and the achievement and sustainability of the TA objectives.

Paragraph 180

achievement of and sustainability of the project's objectives) as the **"impact" of TA.** [26] **There appears to be a gap between the quality of the TA "product" and the impact of TA.**

Box 5. Summary of the Evaluation of the TA Process

	Average scores on a scale from 1 to 6 (all three respondents)
Selection of the project	4.9
Setting the project objectives	4.9
Preparation and project design	4.8
Selection mechanism of the expert	5.1
TA delivery--Fund staff	5.0
TA delivery--recipient authorities	4.6
Recommendations	4.9
Post-TA delivery (follow up, evaluation)	4.3
Implementation of recommendations	4.2
Project impact	4.4
Cost effectiveness of TA	4.7

Performance by main actors and main lessons learnt

181. Evaluators were asked to judge the overall performance by the main actors: Fund staff and the recipient government agency. They were also invited to provide written comments on the players' main strength and weaknesses (if any). Fund staff performance received an average score of 4.8, while recipient government agencies a score of 4.3.

182. Respondents identified as the **Fund staff's key areas of strength of professional expertise and speed and timeliness of TA work** (Box 6). Governments also underlined the **Fund's unparalleled international expertise**. Fund staff's **key weakness was the follow-up process**; insufficient coordination between the TA department and the area department, and--according to the recipients--occasional failure to recognize the needs of the recipient agency were also noted.

[26] See also Box 1 which provides a "map" to the key terminology of this study.

Box 6. Strengths and Weaknesses of Fund Staff

	According to Fund staff	According to recipients
	(In percent of total write-ins)	
Key strengths		
1. Expertise and competence, particularly with regard to recommendations	55	35
2. Speed and timelines	14	16
3. Knowledge of international experiences	--	16
Key weaknesses		
1. Lack of follow-up	40	✓ *
2. Insufficient TA coordination within Fund	10	--
3. Fund misunderstood needs of recipient	--	✓ *

* Only a few write-ins mentioned this factor, therefore it is not possible to present actual shares.

183. Concerning **recipient governments, respondents agreed that their key strength was commitment and ownership** (between 37 percent--Fund staff view-- and 50 percent--governemnts' view--of the cases) (Box 7). Identifying the right domestic counterparts for the TA project was also seen as a strong point. Fund staff also mentioned good cooperation between the Fund and the recipient agency. The **recipient government's key weaknesses included institutional capacity constraints and a lack of commitment in about 20 percent of the cases (only according to Fund staff)**. Governments also provided a list of --their own--specific weaknesses, such as **unduly long internal decision-making, lack of internal coordination between beneficiary agencies, and a failure to allocate sufficient time to the TA project.**

Box 7. Strengths and Weaknesses of Recipient Government Agency

	According to Fund staff	According to recipients
	(In percent of total write-ins)	
Key strengths		
1. Commitment and ownership	37	50*
2. Right counterparts identified for project	19	19
3. Implementation capacity	19	--
4. Cooperation between the Fund and the recipient	19	--
Key weaknesses		
1. Capacity constraint	33	✓ **
2. Lack of commitment		
In addition, a few specific write-ins were provided:		
(i) internal decision-making took too long	--	✓ **
(ii) lack of coordination between beneficiary agencies	--	✓ **
(iii) failure to allocate sufficient time for working with TA staff	--	✓ **

* Includes write-ins that indicated that the recipient followed the project's priorities and recommendations

** Only a few write-ins mentioned this factor, therefore it is not possible to present actual shares

184. Respondents also offered extensive comments on the main lessons to be learnt from the TA project. **Fund staff's views appear to address issues pertinent to the ultimate impact of TA**: the significance of securing the commitment of the recipient authorities *prior* to the start of the project, post-TA procedures, coordination between Fund departments, and taking more account of institutional capacity constraints.

MAIN LESSONS TO BE LEARNT FROM THE TA PROJECT: FUND STAFF VIEW *

1. The overriding significance of securing the commitment of the recipient authorities

2. Follow-up is critical (but often neglected)

3. More attention needs to be paid to institutional capacity constraints of the recipients

4. Close coordination between TA and area department is necessary for successful TA

* In the order of importance

Paragraph 184

185. **Recipient governments** drew a sensible list of concrete lessons. This highlights the importance of (i) close government involvement in the TA process; (ii) securing the

commitment of the top management of the agency; and (iii) teamwork between the Fund and recipient agency staffs.

MAIN LESSONS TO BE LEARNT FROM THE TA PROJECT: RECIPIENT GOVERNMENTS' VIEWS *

- Involvement of top agency management is key to success
- Prepare for and know exactly what you want from the TA project; ensure that expert is aware of your targets, expectations, and environment; provide appropriate level of staff to work with expert
- The objectives of the TOR must be clearly defined by and endorsed by *all* parties
- Expert must work in the interest of the recipient agency and not in the interest of the project
- Teamwork between recipient agency and Fund staff is very important
- Government staff should be involved in follow-up

* It was not possible to establish an order of importance

Paragraph 185

186. Recipient governments were also asked to describe the single most important benefit they derived from the TA project. They considered improvements in data and economic information provision as well as general capacity building as key benefits in the majority of the cases. The opportunity provided by the TA project to adopt best international practices was also appreciated.

SINGLE MOST IMPORTANT BENEFIT DERIVED FROM THE TA PROJECT--GOVERNMENT VIEWS

	In percent of total answers
1. Improvements in data and information provision	31
2. Capacity building	28
3. Adoption of international practices	14

Paragraph 186

187. Finally, the questionnaire asked all respondents about their assessment of the "overall success" of the TA project. Overall, the respondents were moderately positive, giving an average score of 4.6.

D. The Determinants of TA Product Quality and of TA Impact

188. This section seeks answers to the following three questions:

(i) Using the evaluation scores of the three independent evaluators for each project, **what level of project performance can be regarded as satisfactory or better**? Project performance is measured with regard to TA impact and TA product quality;

(ii) **What factors** or specific conditions can be **associated with a high and low impact** of a TA project?

(iii) **What factors** or specific conditions can be **associated with high and low quality of the TA product**?

189. To answer these questions, the following methodology was used:

(i) For each project evaluated in the 46 project sample, an index was developed for the project's

- **"impact"** (the "Impact index"); and

- **"product"** (the "Product index") ("impact" and "product" of TA are defined in paragraph 180 and in Box 1).

(ii) Projects were then ranked according to their impact index, and their product index.

(iii) A threshold range was chosen below which "impact" and "product" quality is judged as being "less than satisfactory". A sensitivity analysis of the results with respect to the chosen threshold range was also performed.

(iv) Finally, a contrast analysis was conducted, comparing the characteristics of the projects with the highest and lowest Impact indices; and also with the highest and lowest Product indices. This analysis of extreme groups helped to identify TA policies and practices that differentiate the successful projects from the less successful ones.

The rest of this section presents the results of the analysis that was conducted along the lines described above.

Impact index and product index

190. To measure **impact,** an "Impact index" was developed for each project. The impact index included two summary evaluation scores: (i) the summary evaluation score for the implementation of the project recommendations (IR) (as described in paragraph 162); and (ii) the summary evaluation score for project impact (IM) (as described in paragraph 174), relative to the maximum value of the two scores (i.e., the index was normalized).

$$\text{Impact index} = \frac{IR + IM}{\text{maximum value of IR} + \text{maximum value of IM}}$$

For example, if a project's summary evaluation implementation score was 5, and its summary evaluation impact score was 6, the I index would be (5+6)/(2*6)= 92 percent.

191. To measure the quality of the TA **product**, a "Product index" (P index) was developed for each project. This included the aggregate of the summary evaluation scores from project selection to recommendations, relative to these scores maximum possible value:

$$\text{Product index} = \frac{\sum s_i}{\sum \text{maximum value of } s_i}$$

s_i = summary evaluation scores provided by the project's three evaluators for TA phases from project selection to project recommendations (specifically, these include project selection, determination of objectives, project preparation and design, expert selection, TA delivery by Fund staff--mission or expert--, and the TA recommendations)

Appendix 2 contains the record of the Impact and Product indices of each project in the 46 project sample.

Ranking of the projects

192. Projects in the 46 project sample were ranked according to their Impact index, and then according to their Product index. Table 6 contains the distribution of the projects according to the two rankings.

193. **The frequency distribution of the projects differed markedly for the Impact and the Product indices**: Project distribution is clearly much more favorable for the Product index than for the Impact index. Thirteen percent of the projects had an index of 90 percent or higher on the Product index, as compared with 7 percent on the Impact index; 65 percent of the projects had an index of 80 percent or higher on the Product, as compared to 33 percent on the Impact index. Similarly, looking at the low end of the scale, 17 percent of the projects had an index of 50 percent or less on the Impact index, while none on the Product index.

Table 6. Frequency Distribution of the TA Projects by the Impact Index and the Product Index[1/]
(In percent of total)

	Impact index	Product index
Share of projects with an index:		
• of 90 percent or higher	7	13
• between 80 and 90 percent	26	52
• between 70 and 80 percent	28	26
• between 60 and 70 percent	15	9
• between 50 and 60 percent	7	0
• of 50 percent or less	17	--
Total	100	100

[1/] Based on the 46 project sample

194. The next step was to interpret the results of the measured project "impact" and "product". There was, of course, little doubt that indices of 90 or 80 percent --which are equivalent to average evaluation scores of 5.4 or 4.8, respectively, on the scale of 1-poor to 6-outstanding, employed in the questionnaire--indicated outstanding or good performance. Similarly, indices below 50 percent (equivalent to an evaluation score of less than 3) clearly indicated a poor or unsatisfactory performance. But where should the threshold be drawn in between, separating "broadly satisfactory" performance from "less than satisfactory" performance?

195. Judgements on the choice of the threshold can legitimately differ, and therefore any choice of threshold must be treated with caution. OIA followed an approach based on **concrete evidence** from the project evaluations at hand. It investigated in detail all the projects that had a product and/or impact index below the 70 percent threshold, with the objective of establishing where the concrete threshold should be drawn between satisfactory performance and less than satisfactory performance. The investigation paid particular attention to the write-in comments of the three evaluators. These comments—voluntarily offered by the evaluators—provided a number of illuminating details about the specific conditions that led, in the evaluators' views, to the project's performance. OIA came to the conclusion that the **threshold between satisfactory and less than satisfactory performance can be drawn somewhere between the 65 and 70 percent index value.**

196. On the basis of the threshold range between 65 to 70 percent, **between 33 and 39 percent of the projects had less than satisfactory "impact", while between 4 and 9 percent of the projects provided a less than satisfactory TA "product".** OIA qualified projects with an index value of 90 percent or higher as "outstanding", projects with an index value between 80 and 90 percent as "good", and projects with an index value between 70 and 80 percent as "satisfactory".

Performance of Technical Assistance Projects
(In percent of total projects)

Performance level of projects	By "Product"	By "Impact"
Outstanding	13	7
Good	54	26
Satisfactory	29-24	34-28
Less than satisfactory	4-9	33-39

Paragraph 196

197. Table 7 provides a sensitivity check with respect to a chosen index threshold. A higher threshold of, say, 75 percent would qualify a high share of TA projects as having less than satisfactory impact and product (59 percent and 20 percent, respectively), which cannot be substantiated on the basis of available detailed evidence provided by the concrete project evaluations. A lower threshold of, say, 65 percent, would qualify 33 percent of the projects as having had less than satisfactory impact, and 4 percent of the projects with less than satisfactory product quality. However, evidence from the evaluations indicates this lower threshold would exclude some of the clearly weak projects from the group of less than satisfactory projects. For these reasons, OIA believes that the use of the 65-70 percent index threshold range to determine the share of less than satisfactory projects is justified and fair.

Table 7. Sensitivity of the Choice of Index Threshold
(In percent of total projects)

	Impact Index	Product Index
Projects with an index of 75 percent or less	59	20
Projects with an index of 70 percent or less	39	9
Projects with an index of 65 percent or less	33	4
Projects with an index of 60 percent or less	24	--

198. As mentioned above, the use of a 65-70 percent index threshold range qualifies between 33 and 39 percent of the projects under review as having had less than satisfactory **impact**. It should be recalled that this result is based on the analysis of the 46 project sample, as evaluated by all three independent respondents. However, as Appendix I illustrates, the 46-project sample contains more projects that are favorably rated with respect to impact, than the broader 93 project sample. **This means that an estimate that between 33 to 39 percent of technical assistance projects had a less than satisfactory impact, is in all likelihood a *low* estimate.**

Factors fostering high project impact

199. A main focus of the analysis was to find out what makes a TA project work, and what does not, from the viewpoint of its impact. In search of answers to this question, OIA decided to use a contrast test analysis to identify relationships between project impact and various variables taken from the factual answers for each project, as described in Section B. The focus on these extreme groups of projects--top and bottom 10--helps identifying TA policies and practices that differentiate the most successful projects from the least successful ones.

200. Based on the Impact index ranking, the ten projects having the highest (most favorable) Impact scores were combined into one group, and compared with the 10 projects having the lowest (least favorable) Impact index scores. The "high impact" project group's impact index ranged from 92 to 83 percent; the "low impact" project groups' impact index ranged from 38 to 58 percent (see Box 8).

Box 8. Ten Highest and Ten Lowest Impact Projects

I. Ten Highest Impact Projects

Subject matter	*Mission or expert delivered*	*Impact index* (In percent)
Treasury operations	Mission	91.7
Central bank information tech.	Expert	91.7
Monetary policy	Mission	90.3
Multi sector statistical mission	Mission	87.5
Article VIII	Mission	86.1
Central bank general advisor	Expert	86.1
Monetary statistics	Mission	86.1
Monetary accounting	Expert	86.1
Treasury operations	Mission	83.3
Monetary statistics	Mission	83.3
Total, average	....	87.2
Number of missions	7	...
Number of experts	3	...

II. Ten Lowest Impact Projects

Subject matter	*Mission or expert delivered*	*Impact index* (In percent)
Fiscal federalism	Mission	37.5
Balance of payments stat.	Expert	41.7
Monetary research	Expert	43.1
Monetary research	Expert	44.1
Treasury bond issue	Expert	47.2
Bank privatization	Expert	50.0
Monetary policy	Mission	50.0
National accounts and prices	Expert	50.0
Monetary accounting	Expert	2.8
Payments system	Expert	58.3
Total, average	. . .	47.5
Number of missions	2	...
Number of experts	8	...

201. The following box illustrates how each of the numerous extreme group analyses was performed. The example used here is one that tests the significance of the two different TA delivery mechanisms--TA delivery by mission or by expert--with respect to impact. (The results of this particular example are summarized in paragraph 110, point (10) below.)

TEN HIGHEST IMPACT PROJECTS COMPARED WITH THE TEN LOWEST IMPACT PROJECTS ON PROJECT DELIVERY MECHANISM

	Delivery mechanism			
Impact level	Mission-delivery	Expert delivery	Total	
Top 10	7	3	10	
Bottom 10	2	8	10	$Chi^2 = 15.15$
Total	9	11	20	

Paragraphs 201 and 202

202. The difference between the 7-3 (top group mission-expert) split and 2-8 (bottom group mission-expert) split was tested for statistical significance by a statistic, Chi-square, a nonparametric test, commonly used for analysis of small samples.

203. All tests were performed in a 2x2 matrix as described above. A statistically significant Chi^2 is a value of 3.84 or higher at a confidence level of 95 percent. Completing the above example, at a confidence level of 95 percent the test revealed that mission-delivered TA is strongly associated with high impact (with a Chi^2 of 15.15).

204. Note that these nonparametric tests were carried out searching for factors that appeared to make a *difference* (i.e., which appear to have played a significant role with one group, but little or none with the other). It is important to bear in mind that a nonparametrical contrast test analysis does *not* reveal factors that worked or did not work for both groups. For example, the importance of having a Fund resident representative is generally very low across the whole sample, thus this factor cannot appear as a source of *difference* between the top and bottom groups.

205. The nonparametric tests identified the below factors as being significant with respect to project impact. Unless otherwise indicated, the factors represent a strong positive relationship with impact (Chi-squares are indicated in brackets).[27]

(1) Impact is correlated with a **TA project being part of a government reform package**. TA was an important part of a government reform package in 68 percent of the projects with highest impact, while in only 39 percent of the projects with the lowest impact (Chi^2=4.37). This factor may indicate two important influences: first, fitting the TA project into a set of well-designed policies; and second, ownership of the government.

(2) Impact is correlated with TA being part of a **"TA action plan**." In the top group, 54 percent were a part of some kind of "TA action plan," while in the bottom group only 26 percent (Chi^2=4.32).

(3) TA preparations are done well, with particular regard to the project's **terms of reference** (TOR). The particular factors that play decisive roles are:

> (i) **TOR schedules a follow-up**. 60 percent of the top projects' terms of reference planned a follow-up from the beginning, versus *none* in the bottom group (Chi^2=23.68).
>
> (ii) **TOR contains a detailed work program for the expert**. 67 percent of the top group projects contained a detailed work plan for the expert, in contrast with only 13 percent in the bottom group (Chi^2=9.68).

(4) **The recipient government** plays an active role in the TA process, in particular:

> (i) the government is highly involved in **project preparations** in general (56 percent in the top group, versus 29 percent in the bottom group; Chi^2=4.11);
>
> (ii) the government is involved in the **selection of the expert** so much so that its preference plays a role in selecting the expert (67 percent in the top, and 25 percent in the bottom group; Chi^2=4.91).
>
> (iii) the fact that the **government interviewed the expert** showed a particularly strong correlation with high impact: a government interview took place in 67 percent of the top group, versus **none** in the bottom group (Chi^2=19.56);
>
> (iv) the recipient government plays an important role in the **follow-up** of the TA project. Governments were closely involved in the follow-up process in 88 percent of

[27]Note that the use of **ranking** already incorporated a host of information about all projects in the 46-project sample.

the top group projects, in contrast with 26 percent in the bottom group projects (Chi^2=19.66). This factor may be particularly interesting: follow up is conventionally considered to be the responsibility of the Fund only, and the fact that government involvement in follow-up is associated with high impact underlines the significance of interplay and "team work."

(5) Concerning TA delivered by experts, in addition to the above described role the Government plays in selecting the expert, the expert's **extensive training** is also an important ingredient of high impact. Particular factors that make a difference are as follows:

(i) Expert receives training prior to assignment. Training was received in 100 percent of the top projects, versus 29 percent in the bottom projects (Chi^2=9.64);

(ii) Expert has the opportunity to visit the country prior to assignment. All top project experts were able to visit their prospective country of assignment prior to their assignment, while **none** among the bottom group expert projects (Chi^2=27.00).

(iii) There is a negative impact if the expert is chosen by cooperating bilateral institutions. None of the top group experts were chosen by cooperating bilateral institutions, in contrast with 38 percent of the bottom group expert projects (Chi^2=4.64). This may point to the need of reassessing the expert selection mechanisms used under such arrangements.

(6) **TA recommendations are implementation-oriented, including specific implementation targets with a predetermined time schedule**. As high as 67 percent of the top group projects provided for specific implementation targets with a time schedule, in contrast with 20 percent in the bottom group (Chi^2=13.30).

(7) Good communication and language skills are strongly correlated with high impact:

(i) The final report was translated/provided in the language of the recipient authorities in 63 percent of the top group projects, while in only 17 percent of the bottom group projects (Chi^2=8.82).

(ii) The expert's knowledge of the local language is critical for professional expertise to be translated into lasting impact: in 100 percent of the top projects the experts spoke the local language, in contrast with only 13 percent in the bottom group (Chi^2=21.66).

(8) **TA staff plays a role in the authorities' implementation strategy.** Fund TA staff was closely involved in the implementation by the recipient government in 75 percent of the top projects, while in only 22 percent in the bottom projects (Chi^2=14.21). Going against the conventional assumption that "implementation is the responsibility of the recipient

authorities," it appears that a project's ultimate impact is strongly correlated with TA staff/ expert having an assigned role in the implementation strategy of the authorities.

(9) **The project has good follow-up.** Because follow up is one of the weakest links of the TA chain, the fact that it came out as a source of difference is powerful evidence for its significance. The specific factors that play a role are:

(i) TA department provided for a headquarter-based backstopping in 60 percent of the top group projects, in contrast with only 20 percent in the bottom group projects (Chi^2=10.00);

(ii) Government is involved in the follow-up (as shown above).

(10) **Missions appear to be more successful than experts.** The top group contained 7 missions and 3 experts (equivalent to 30 percent); the poorest performer group contained 2 missions and 8 experts (equivalent to 80 percent) (Chi^2=15.15).

(11) **Team-play pays off.** The above tests clearly identify government involvement as a factor of high impact. But it also goes beyond that indicating that **traditionally viewed rigid "spheres of responsibilities" should not exist:** high impact requires that the players assist each other in the other's main sphere of responsibility: Fund staff is involved in implementation (point (8) above), while the government is involved in the follow up phase of the project (point (4), last factor above).

206. It is most interesting to note that in the majority of the cases **the impact of Fund TA is predictable from the beginning**, i.e., it is possible to know which project would work and which would not. To the questions "when you first saw the request/approval of this project, how much confidence did you have that it would be successful?," as much as 83 percent of the top group projects had the respondents' *full* confidence that the project would be successful, in contrast with only 11 percent of the bottom projects (Chi^2=29.66). Similarly, 80 percent of the top group projects had received high priority by the TA department, in contrast with only 38 percent of the bottom group (Chi^2=10.13).

207. It is also interesting to see how government commitment and willingness to pay correlate with impact. The contrast analysis revealed that:

• of the recipients of the top projects, only 13 percent thought that their commitment would have increased with their obligation to pay--a sensible result given that their commitment must have been already high without paying. Of the **poorest performers, 39 percent thought that their commitment would have been higher had they been asked to pay for the project.**

• of the recipients of the top group projects, 59 percent would have paid for the project, in contrast with 32 percent of the bottom group recipients. **It appears that governments are quite willing to pay for the high impact product.**

208. It is also noteworthy which factors could have been expected to, but in fact did *not*, make a particular difference with regard to the impact of the project: the presence of a Fund program, the presence of a Fund resident representative, and the quality and extent of TA coordination with other providers were not a sources of difference among the top and bottom groups:

• presence of a Fund program did not make a statistically significant difference. In fact, the share of projects that was provided while the recipient had a Fund program--or was negotiating one--was lower than in the high impact group than in the low impact group;

• presence of a Fund resident representative did not make a statistically significant difference either. The share of projects which was provided to a country that had a Fund resident representative was in fact lower in the high impact than in the low impact group. Also, there was no significant difference between the highest impact and lowest impact groups with respect to the various aspects indicating the resident representatives involvement in project preparation, in briefing the expert, in the representative's involvement in formulated a TA action plan (if existed), etc;

• Quality and extent of TA coordination with other providers. TA coordination with other TA providers is generally low, and TA coordination is considered to be about right in the majority of both the high impact and the low impact project groups. [28]

Factors fostering a high quality TA product

209. The analysis also performed nonparametric test to identify factors associated with high quality TA "product". Similarly to the analysis of extreme project groups with highest and lowest impact, we constructed the top and bottom 10 project having the highest and lowest "Product" index. Table 8 below tabulates the factors that showed correlation with the quality of the TA "product".

210. It should be noted that the top 10 projects on the Impact index were not the exactly same as the top 10 on the Product index, but the overlap was significant: 80 percent of the top Impact projects were also included in the top Product projects. In contrast, the two bottom groups were quite different: only 50 percent of the lowest Impact group were also part of the lowest Product group.

---

[28] With respect to TA coordination, the only exception is the above discussed *negative* impact of an expert being selected by a cooperating institution.

Table 8. Significant Factors for High Quality TA "Product"

	Chi-square
1. TA part of government's reform package	5.84
2. TOR includes targets with target dates	8.32
3. TOR provides for follow up	8.32
4. Expert visited country prior to assignment	5.71
5. Expert was chosen by bilateral cooperating institutions (negative correlation)	5.51
6. Recommendations included targets with target dates	8.01
7. Back-to-office report was sent to area department	11.43
8. TA department director cleared final report	14.70
9 . Implementation strategy involved Fund staff	11.42
10. Follow-up included HQ backstopping	15.15
11. Government strongly involved in project preparation	4.20
12. Government strongly involved in follow-up	7.32

211. Finally, it is interesting to compare the results of the "product and "impact" contrast analyses. Such comparison highlights what particularly matters with regard to "impact" and "product" alone.

• The following factors are significant with regard to TA product but *not* with regard to high impact:

o TOR includes implementation targets with time tables;
o specific internal procedures such as back-to-office reports (BTOs) being sent to area departments. High product quality correlates with sharing BTOs--probably an indication of close cooperation between the TA and area departments concerning the recommendations; and
o the fact that the Director of the TA department cleared the final report appears to correlate with TA product quality.

• In contrast, the following factors are significant with regard to impact but *not* with regard to product quality:

o TA is part of a TA action plan;
o TOR includes a detailed work plan for the expert;
o Government's preference played role in expert selection;
o expert had pre-assignment training;

- o expert was interviewed by the government;
- o report was translated/provided in the authorities' language; and
- o the expert spoke local language

212. The difference between what is important for "impact" and "product" once again underscores some of the critical factors from the viewpoint of **high impact**: (i) the importance of being part of a TA action plan; (ii) the particular importance of government involvement for expert-delivered projects; and (iii) the importance of language and communication skills. Box 9 below summarizes the significant factors with respect to "product" and "impact".

Box 9. Significant Factors for High Quality TA Product and High Impact Projects *

	"PRODUCT"	"IMPACT"
TA part of government's reform package	✖	✖
TA part of an "action plan" by Fund	-	✖
TOR includes targets with target dates	✖✖	-
TOR provides for follow up	✖✖	✖✖
TOR includes detailed work plan for expert	-	✖✖
Pre-assignment training for expert	-	✖✖
Expert visited country prior to assignment	✖	✖✖
Governments' preference for expert played part in expert selection	-	✖
Expert was chosen by bilateral cooperating institutions (negative correlation)	✖	✖
Expert was interviewed by government	-	✖✖
Recommendations included targets with target dates	✖	✖✖
Back-to-office report sent to area department	✖✖	-
TA department director cleared final report	✖✖	-
Report was translated/provided in authorities' language	-	✖✖
Expert spoke local language	-	✖✖
Implementation strategy involved Fund staff	✖✖	✖✖
Follow-up included HQ backstopping	✖✖	✖✖
Government involved in project preparation	✖	✖
Government involved in follow-up	✖	✖✖

* ✖ indicates strong correlation, ✖✖ indicates very strong correlation (with a Chi-square of 8 or higher); - indicates no correlation.

Paragraph 212

COMPARISON OF FUND STAFF'S EVALUATIONS OF THE 46-AND 93-PROJECT SAMPLES
(Samples Evaluated by the TA and Area Departments Only)

213. The principal basis of OIA's project analysis is the 46 project sample. This is the largest homogeneous sample that contains the evaluations of all the three independent evaluators—the TA department, the area department, and the recipient government authorities—for each project included. This project sample is smaller, and less representative, than the original project sample, particularly with regard to projects done by Fiscal Affairs Department as well as in the African region. The reason for using this sample is OIA's conviction that **any meaningful evaluation of Fund technical assistance should include the views of the recipient authorities**. In commenting on the draft of this report, the reduced representativeness of the 46 project sample received considerable attention, with some commentators questioning the validity of some findings.

As explained in paragraphs 90 and 91 of the background paper, **OIA does have results of a 93 project sample that is representative**. This 93 project sample is evaluated by Fund staff—TA and area departments—only, and therefore cannot be compared with the 46 project sample as evaluated by the TA departments, the area departments, and the recipient authorities. However, the 93 project sample results can be compared with the results of the 46 project sample **as evaluated also by the TA and area departments only.** The rest of this appendix highlights some of the results of the Fund staff-evaluated 93 project sample, and compares them with the Fund staff-evaluated 46 project sample.

The "Product" and "Impact" indices were derived for the 93 project sample. Applying the previously used threshold range of 65-70 percent of the index for distinguishing satisfactory performance from less-than-satisfactory performance (paragraph 195 of the background paper), it appears that, in terms of "Product," the sample's share of satisfactory or better performance is much higher than in terms of "Impact" (Appendix Box 1). This sample also indicates a share, between 43 to 54 percent, of projects with less than satisfactory impact.

Appendix Box 1

PROJECT PERFORMANCE OF THE 93 PROJECT SAMPLE
(Sample evaluated by technical assistance and area departments only; share in total projects)

Performance level [1/]	By "Product"	By "Impact"
Satisfactory of better [2/]	97-88	57-46
Less than satisfactory	3-12	43-54

[1/] For a definition of performance levels and of the use of ranges to distinguish between satisfactory and less than satisfactory performance, see paragraphs 196-198 of the background paper.
[2/] Includes satisfactory, good, and outstanding performance levels.

214. The above results can be compared with those of the 46 project sample as evaluated also by Fund staff only. Appendix Box 2 compares the shares of less than satisfactory projects for the two samples. It appears that while in terms of "Product," the two samples indicate similar results, in terms of "Impact," the share of projects with less than satisfactory impact is higher for the 93 project sample.

Appendix Box 2

SHARE OF PROJECTS WITH *LESS THAN SATISFACTORY* PERFORMANCE
(Samples evaluated by technical assistance and area departments only; share in total projects)

Performance level [1/]	By "Product"	By "Impact"
93 project sample	3-12	43-54
46 project sample	7-9	35-50

[1/] For a definition of performance levels and of the use of ranges to distinguish between satisfactory and less than satisfactory performance, see paragraphs 196-198 of the background paper.

215. Because of its fully representative nature, the 93 project sample offers itself to Fund-wide comparisons. Concerning the three TA departments, in terms of "Product," the TA departments vary little, with indices of 83.2 percent (STA), 82.4 percent (MAE) and 81.9 percent (FAD). In terms of "Impact," the variation is larger, with STA and MAE's indices (69.3 percent and 67.5 percent, respectively) being higher than that of FAD (62.8 percent).

There is no clear picture concerning project performance in the main geographical regions, although it appears that overall project success—i.e., both by "Product" and "Impact"—might be highest in the regions covered by the European II and Western Hemisphere departments. In terms of "Product," on average the highest index was achieved by projects in countries of the Western Hemisphere department, closely followed by EUR II and African departments. In terms of "Impact," the highest average index was reached by the EUR II department, followed by the Western Hemisphere department.

OIA REVIEW:

Projects in the 46-Project Sample: Impact Index and Product Index
(Sample ranked by the Impact Index; sample evaluated by the TA department, area department, and recipient authorities)

TA Subject	Impact Index (%)	Product Index (%)
Treasury operations	91.7	92.2
Information technology	91.7	91.7
Monetary policy	90.3	87.8
Multisector mission	87.5	91.1
Article VIII mission	86.1	93.3
Central bank general advisor	86.1	94.4
Monetary and banking statistics	86.1	87.8
Central bank accounting	86.1	88.9
Treasury operations	83.3	87.8
Monetary and banking statistics	83.3	87.2
Monetary programming	83.3	85.6
Expenditure management	83.3	84.4
Banking supervision	80.6	83.3
External trade statistics	80.6	83.3
Money markets	80.6	81.1
Multisector mission	77.8	84.4
Monetary operations	76.4	83.3
SDSS	76.4	83.3
Monetary research	76.4	83.3
Monetary statistics	75.0	88.9
Payments system	75.0	85.6
Multisector mission	75.0	86.6
VAT advisor	73.6	80.6
National accounts/price	72.2	87.8

TA Subject	Impact Index (%)	Product Index (%)
Expenditure management	72.2	87.6
Monetary analysis	72.2	80.0
Foreign exchange operations	72.2	88.9
Banking supervision	72.2	75.9
Tax administration	69.4	84.4
Balance of payments statistics	69.4	66.7
Central bank operations	66.7	82.2
Central bank operations	63.9	81.1
Revenue advisor	63.9	83.3
Fiscal advisor	63.9	76.9
National accounts	61.1	74.4
Public debt	58.3	75.0
Payments system	58.3	75.0
Central bank accounting	52.8	64.4
National accounts/price	50.0	93.5
Monetary policy	50.0	75.6
Bank privatization	50.0	60.2
Treasury bonds	47.2	77.8
Monetary research	44.4	70.4
Monetary research	43.1	77.8
Balance of payments statistics	41.7	66.7
Fiscal federalism	37.5	76.7

V. A SUMMARY OF VIEWS EXPRESSED BY NATIONAL AUTHORITIES IN INTERVIEWS WITH OIA

216. During the period September to November 1998, OIA conducted interviews with national authorities representing different regions and different types of economies. Interviews with the authorities of Angola, Bulgaria, Cote d'Ivoire, Croatia, Georgia, Indonesia, Jordan, Moldova and Uganda were conducted at the annual meetings in Washington. More extensive interviews with the authorities of China, Haiti, Mexico, Papua New Guinea, Senegal, West Bank/Gaza, Ukraine, Viet Nam, Yemen, and Zambia took place in the course of a number of country visits by members of the OIA review team.[29] During the interviews, OIA asked a number of specific questions but, above all, asked officials to review widely their experience and opinions of Fund technical assistance.

217. All countries gave an **overall favorable assessment** of IMF technical assistance and most said that they would like to receive more assistance than they currently do. The quality of the assistance was generally deemed to be high and the advice useful. Several officials observed that Fund technical assistance had been successful in its objective of building institutional capacity. As one put it: "the central bank works well today and this is due to the help of the IMF." Many noted that the Fund was a TA provider of choice because of the high qualifications of its staff and experts, the speed of its response, its objectivity, its high quality, its international dimension, and its guarantee of confidentiality. Several contrasted Fund TA with that of bilateral providers whose advice they feared was often less objective and not always apolitical. Some also compared the Fund favorably with other providers whose help involved long and complicated bureaucratic processes. A few mentioned that the fact that Fund TA was largely cost-free increased its attractiveness. Others said that they would choose TA provided by the Fund over that provided by other donors, because it fitted better with the conditionality of ongoing Fund-supported adjustment programs. Despite the overall favorable view, all authorities described experiences of less-than-successful Fund TA and gave views on improvements that could be made.

218. It was clear from the interviews that many officials wished for greater involvement in the decision-making surrounding the **identification and defining of TA projects.** They wanted, in particular, to be involved in the definition of terms of reference (TOR) for both experts and missions. They did not see TORs for missions at all and often not those for experts; even when they did see experts' TORs, it was often too late in the process to suggest changes. One official spoke of an expert who arrived with a TOR that had been full of wrong assumptions and this had led to an unsatisfactory assignment. One spoke of a mission that had tried to cover too many topics during the course of its stay and had not had the time to work

---

[29] Discussions were also held with agencies providing technical cooperation in Germany, the United Kingdom and the United States as well as with senior officials of the OECD's Development Cooperation Directorate and of several UN specialized agencies and international financial institutions.

in sufficient depth on the subjects that were of urgent interest to the authorities. Several expressed the opinion that increasing the authorities' role in defining the nature of the project would also increase their sense of ownership.

219. Several officials expressed the wish for greater involvement in the **choice of experts.** Indeed, in most countries, it was the issue of quality of resident experts that elicited the most critical remarks. There were a few criticisms of experts who lacked technical skills and many about experts who lacked practical communications skills or, most important of all, practical experience of working in countries at their stage of development. As one budget director said: "We want people who are more open--we want a good dialogue. We need experts with experience of developing a system and not merely running one". The importance of appointing experts who could communicate in the language of their counterparts was also frequently raised. As one official put it: "Translation inevitably means doing the same thing twice." Some officials acknowledged that finding appropriately qualified experts was difficult, but still suspected that the Fund's recruitment efforts were not sufficiently thorough. One official said he suspected that the Fund operated an "old boys' network" in its choice of experts. Another said that while most experts were reasonable, few were "top notch". Ideally, experts should not only be technically well-qualified but also have practical experience in their field, practical experience in a country at a similar stage of development, and good personal communications skills. Interestingly, some officials commented in similar terms about experts not working long hours and seeming to be motivated more than anything else by their wish to maintain their high Fund salaries and allowances and to receive a further contract. One official quoted an expert as saying that he could save more from one year of work as a Fund expert than he could from a lifetime of work in his home country. Another remarked: "Some experts make a career of TA and helping the country is not always their primary goal".

220. A number of different views were expressed on the ideal **length of expert assignment**. Some strongly argued for the need for long-term residential experts who would be present to give advice on day to day questions as they arose. One official said that resident experts were much more useful than the "fly in then fly out" variety. Others talked of problems inherent in long-term assignments. They noted in particular that: some long-term experts assumed a decision-making and executive role rather than a training and advisory role in their assigned agency; some became too deeply involved in national political questions; and some performed little productive work during "downtime" periods--for example, while approvals were being sought for the implementation of recommended reforms. Those voicing these concerns were generally strongly in support of making increasing use of the peripatetic expert who could visit from time to time over the course of a project and be available for telephone or fax communications between visits. One official remarked: "Better several specialized short-term experts than one long-term generalist". Several officials thought that the relative merits of long-term and short-term expert assignments should be considered carefully case by case when projects were being defined. One said that in general "long-term experts are most useful at the stage of setting up new structures and short-term experts for

maintaining them". All who addressed the issue were unanimous in saying that experts should put in place systems that can run well after their departure.

221. Another frequently expressed criticism was that often both experts and missions did not take the time to understand the political and social realities of the country and relied too heavily on "ready-made" or "out-of-the-book" solutions. In the words of one official: "One mission came to preach its own religion, it did not understand our system and the constraints under which we work". According to several officials, the **failure to customize** recommendations seriously undermines the usefulness of some Fund TA. Officials saw that this problem could be minimized by greater coordination between themselves and the Fund in drawing up TORs, more "listening and flexibility" on the part of those delivering the TA, and the better structuring of mission time so that there was ample opportunity for discussion of potential recommendations before they were committed to the final report. More generally, several officials expressed unhappiness that there was insufficient dialogue about recommendations. "We want to discuss things with a mission, not just receive advice." They did not feel that their representations were always taken seriously enough. One official complained that an expert had reached some unjustified conclusions in a report and that the Fund had taken his word against that of the authorities. On a related point, some officials in finance ministries expressed a reluctance to receive TA from the Fund, fearing that ill-conceived recommendations might be transformed by the area department into conditionality for a Fund program.

222. While the work of TA missions was generally praised, some unease was expressed about the **turnover in mission personnel** that required that the authorities go over areas already covered with previous missions. One expressed concern that some recent missions had been staffed by "young graduates" with little practical experience. A number of officials remarked that experts could be more efficient if, like TA providers financed by most other agencies, they had **access to more resources** in the form of office supplies, training materials etc. Speaking of the challenges facing experts without resources, one official remarked: "One finger cannot crush a louse".

223. There were several critical observations about **mission and expert final reports**. Some complained that too much of the reports tended to be taken up by factual descriptions of existing structures and practices that the authorities already knew very well. One official recalled: "One mission seemed more interested in collecting data for itself than on giving advice." In consequence, too little space was devoted to evaluations of possible courses of action that could be taken to reach specific goals. In this context, some officials expressed the wish that report recommendations could be more practical and more oriented toward an analysis of the options available for resolving particular problems. One official noted that reports often "sinned by perfectionism" and another noted that "few reports contain a sequenced plan of well thought-out actions." Some felt that missions often left insufficient time for the discussion of their reports and some complained that the long delay between the

departure of the mission and receipt of the finalized version of its report severely limited its usefulness.

224. On the **monitoring** of ongoing TA projects, some officials said that they had easy and open communications with Fund headquarters about the performance of resident experts. Others said that they were never contacted, or at least only perfunctorily, when an expert was due for renewal. Many said that they would appreciate closer contacts with Fund headquarters in assessing how well an expert's TOR were being carried out. One suggested that there should be a system in which after a probationary period of two or three months, either the Fund or the recipient country could call for the withdrawal of an expert whose work was not up to expectations. Many officials spoke of there being little or no **follow-up to TA project recommendations**. Often, they said, more detailed advice was needed at the point that arrangements were being made to implement the first recommendations. As one official said: "You took us to the middle of the jungle and then left us".

225. OIA generally outlined some of its tentative ideas for recommendations and found very wide support for them. There was notable support for the introduction of **technical consultations** and **technical cooperation action plans**. It was felt that medium-term planning of TA would be particularly valuable. Comments included: "An excellent idea"; "our staff must be more closely involved"; and "such strategic planning is essential". There was also strong support for a **shift in orientation from technical assistance to technical cooperation**. Some officials said that their countries had not requested technical *assistance* because it had felt the concept was demeaning--they would, however, be prepared to participate in technical *cooperation* with the Fund. All officials felt that **evaluations** of the success of TA projects would be useful and expressed a willingness to cooperate with more formal evaluation systems. One official acknowledged that evaluations would show that sometimes lack of success was the fault of the national authorities." Officials offered some advice about an evaluation system. It should not involve too much bureaucracy. Any questionnaires should be short and to the point and should be crafted in a way that would enable the evaluator to make critical remarks while still being able to give due praise. Questionnaires should be complemented by interviews. One official commented: "The sooner the evaluation is made after the completion of the project, the richer and more accurate it will be".

226. On **country contributions**, some officials argued that TA was a "normal activity" of the Fund and should not be charged for. Many said they supported contributions in principle, but feared that, in practice, it might be difficult for them to find the necessary financing from the domestic budget. One observed: "If we paid for Fund TA, another priority need would have to be dropped." On this point, some noted that it would be easier for central banks to pay for their TA than ministries of finance or statistical offices. One noted that there was considerable competition among providers of TA and that if the Fund began to charge more, countries would be tempted to switch to alternative providers. Most officials were agreed, in

principle, that, in the particular case of long-term experts, it was reasonable to expect that countries should make some contribution to their financing.

227. There was unanimous praise for the **training** courses offered by the IMF Institute and a plea for more access to them. French-speaking officials deplored the recent cutbacks in courses in French and pleaded for this trend to be reversed. One official remarked that if the authorities were given the freedom to do so, they would shift resources away from costly resident experts toward more training. Several called for the organization of more regional courses and particularly for more customized in country courses. Some spoke in favor of the Fund facilitating hands on training visits to other more developed countries.

228. Some officials spoke of good **coordination between the Fund and other TA providers**--particularly with the UNDP. Others spoke of overlapping and the need for more effective coordination. One official remarked that "it is frustrating that there is no central coordination of TA from different providers."

229. Unanimously strong support was expressed for the idea of making **lessons learned from TA** projects widely available--particularly via the Fund's website. Several officials said they would like to read advice given by Fund TA missions or experts to countries that were experiencing similar problems to their own. One official said his country had wasted a lot of money on TA that had "left no legacy" and that they would like to hear of the experiences of other countries.

VI. Review of the Effectiveness of Technical Assistance Provided by the IMF's Bureau of Computing Services (BCS)[30]

Contents Page

[30]Prepared by H. Struckmeyer, Consultant.

A. Mandate

230. In his memorandum of July 17, 1998 to Mr. Eduard Brau, Director of the Office of Internal Audit and Inspection (OIA), Deputy Managing Director Sugisaki requested that OIA include in its ongoing comprehensive review of Technical Assistance in the Fund "...a review of the effectiveness of the technical assistance provided by BCS." The following report responds to that request.

B. Review Procedure

231. In order to review the effectiveness of the Fund's technical assistance in information technology, (1) extensive interviews with Fund staff, who have observed BCS's technical assistance activities, were conducted in a wide range of departments, and (2) the help of a qualified outside consultant, appointed by OIA after consultation with BCS, was obtained who reviewed all instances of such technical assistance during the Fund's three fiscal years 1996-98 and spoke with the authorities of three recipient countries about their experiences with BCS technical assistance.

C. Background

232. Before the establishment of BCS in 1982, information-technology-related technical assistance to member countries was provided by the Fund through its (then) Bureau of Statistics and the Administration Department. After the creation of BCS, these activities were transferred to the Bureau. During 1984-85, BCS developed a Systems Management Policies and Standards proposal, which was approved by the Executive Committee for Computing Services (ECCS), chaired by the Deputy Managing Director. These Policies and Standards contained rules by which BCS could provide technical assistance in the information technology area to member countries.

233. The majority of requests for BCS technical assistance was received from member countries through their respective Executive Directors, Fund Management, and area or functional departments. Occasionally, requests were addressed directly to BCS as a result of an earlier mission, information given to authorities by an IMF Resident Representative, or Fund economic missions.

D. Nature and Scope of Technical Assistance

234. Technical assistance provided by BCS can be classified into two categories, i.e. assessment and elaboration of strategic development plans in information technology, and support of other Fund technical assistance projects. The first category typically entails the evaluation of such plans drawn up by, for instance, a consultancy firm; BCS, as an entity of the Fund, is generally perceived by member authorities as being independent, without profit motivation and hidden agenda. If no previous blue print exists, BCS may develop a strategic

plan that encompasses areas such as future technology direction, organization of information technology, and prioritization of automation requirements.

235. The second type of assistance is typically in support of a technical assistance project led by MAE, FAD or STA. In the case of MAE, BCS provides advice on IT support of central banking operations; examples have been the installation of book-entry systems for government securities, review of software systems for banking operations, and advice on technologies needed to support applications in a central bank. In the case of FAD, advice has been provided to support fiscal operations in a ministry of finance; the focus has been on identifying software development alternatives for applications, and training requirements to support applications. In the case of STA, such assistance has gone to central banks and statistical agencies. Activities have included the identification of alternative software packages for managing financial time series data, and help in evaluating alternatives; they have also comprised the installation of, and training in, AREMOS and developing small databases in spreadsheet packages.

236. BCS generally conducts short-term missions, lasting from four to five days as in the case of book-entry systems to two or more weeks for other purposes. The majority are one-time missions for a specific purpose (i.e. installation of AREMOS) or for an independent assessment of major IT strategic plan. An exception has been for Mexico and Malaysia (and recently Costa Rica and the Philippines) when BCS hired, stationed, and supervised resident experts for periods ranging from six to 16 months. A list of all BCS technical assistance during the period under review is given in Appendix I. As can be gleaned from this documentation, there were a total of 33 missions to 22 countries; 12 missions were for the assessment of strategic plans, and 21 missions in support of other TA projects of the Fund, mostly in the monetary area.

237. Compared to other technical assistance given by the Fund, the cost of support in the information technology field extended by BCS to member countries is rather small. On average over the period FY 1996-98, such assistance has been of the order of $ 550,000 per year (Appendix II). Just under one half of this amount was for BCS manpower, another 30 percent for travel expenses, and the rest for contracting external manpower (consultants). In terms of destination, one half was in support of technical assistance projects of other Fund departments, 40 percent for the assessment of IT strategic plans of member countries, and 10 percent for long-term experts stationed in Mexico and Malaysia. It should also be noted that the trend over the period under review has been away from strategic assessment activities and toward support of monetary, fiscal and statistical technical assistance. Over the past 12 months or so, an increasing number of resident experts have been/are being placed in user countries for periods of 6-16 months; this has added to the cost of the program which currently runs at an annual rate of $750,000-$800,000.

E. Opinion of Fund Staff

Interaction of BCS with the rest of the Fund

238. Although a relatively large number of staff (22) were interviewed, the sample cannot be considered representative of the entire Fund staff as the interviewees were not selected at random but rather because they had been involved in some form with BCS technical assistance in the recent past. Staff interviewed was largely appreciative of BCS's work in the field; only two staff members were rather critical of the technical assistance activities of BCS, referring to specific country cases they had been involved in. It was surprising at times how little detailed knowledge and, in some instances, even interest there was among staff in economic departments in the nature of BCS's activities in those countries for which they were responsible. In terms of policy, several staff considered the Fund's role through BCS in providing technical assistance in information technology as something that should, but could not, have been avoided.

Conditions for BCS assistance

239. The only clearly defined policy statement defining the circumstances under which BCS can provide technical assistance is the directive of the now defunct Executive Committee on Computing Services (ECCS) of 1983 which stipulated that such assistance should be in direct support of the work of economic missions of the Fund. This directive has subsequently been amended by management, leading to a policy which permits BCS technical assistance when it furthers the Fund's work, both present and future. In that sense, the staff interviewed agreed that even BCS missions to give advice on an institution's strategic technology plan can have an important impact on the Fund's future work in that country and thus was clearly in the interest of the institution.

Quality of BCS's technical assistance

240. One of the important questions in this assessment is whether BCS has, or can contract from the outside, the required skill pool to provide technical assistance which can be termed "state of the art". Practically all staff sampled in the area and technical assistance departments, who had been involved in individual country projects, were rather doubtful that BCS possessed the skills in-house to provide cutting-edge assistance. However, most of them were confident that, where indicated, BCS would be able to contract the necessary skills from the outside. It should also be pointed out that most respondents felt that they were not be the best-qualified persons to gauge the technical quality of BCS's assistance. A distinction was also being made between the technical skills required to assess a strategic development plan in information technology, on the one hand, and the development/implementation of specific systems, on the other; it was generally felt by the respondents that BCS was better equipped for the former than for the latter.

Alternative sources of assistance

241. Another set of questions that needs to be addressed when assessing the effectiveness of BCS's technical assistance is to what extent BCS is "unique" in the provision of this type of technical assistance, or whether there are other providers in the commercial, international or bilateral area that could provide technical assistance of equivalent or better quality.

"Uniqueness" of BCS

242. If there is an element of "uniqueness" to BCS, it derives from the fact that BCS is a unit of the Fund. This factor could give BCS certain advantages over other providers of technical assistance principally in the following areas: (1) The prestige and non-profit nature of the Fund would extend to BCS; countries would feel assured that any information gathered in the process of receiving technical assistance would be kept confidential, and that the advice that BCS dispensed would be free of any hidden agenda or profit motive; (2) BCS might have acquired special skills and experiences in having worked with other countries; and (3) the coordination and understanding between the project leader (e.g. FAD, MAE, STA) and the provider of IT assistance (BCS) would be easier as both were entities of the same institution.

243. The majority of staff interviewed did not believe that recipient countries in general considered BCS "unique" by virtue of being a part of the Fund and that, therefore, they showed a preference for BCS over other providers of technical assistance. However, there were clearly exceptions to this general stance. For instance, it was reported that the Haitian central bank authorities felt that confidentiality of the information accessible to a technical assistance provider was better guaranteed with BCS than with a commercial firm. Similarly, some other countries were weary of the fact that commercial providers might push for certain solutions not because they were in the best interest of the country but because they would yield a special financial dividend to the provider.

244. However, the case that BCS could be at a disadvantage with commercial providers was also made. One interviewee with knowledge of several country cases of technical assistance argued that BCS staff and experts were mostly Anglo-Saxon, with rather limited language skills. His experience had been that regional commercial firms were much better received by the clients as they not only knew the local language but were also familiar with the specific cultural and social environment.

Other providers and their "costs"

245. Practically all staff interviewed felt that there were other sources in the market which could provide the same kind of technical assistance that was dispensed by BCS. However, respondents differed in their opinions as to how desirable alternative sources would be from the Fund's point of view. Most staff felt that, while it might be advantageous to deal with colleagues having specific Fund knowledge rather than with strangers, the ultimate success of a technical assistance project would not be in jeopardy if someone other than BCS were

involved; on the contrary, good commercial firms were likely to have the more up-to-date skills.

246. There were also staff arguing that it was difficult to find another provider, especially in the private sector, who would be as qualified and as credible in the eyes of the recipient authorities as BCS to do a strategic assessment of a country's IT needs or review a development plan elaborated by a commercial firm. It was also pointed out that when in a limited number of Fund technical assistance cases the need for immediate IT assistance arose, BCS was much more willing to help their Fund colleagues than other providers of technical assistance would have been.

247. With respect to the question of whether the fact that Fund technical assistance was free of charge was of significant importance to a recipient country, the opinion was split among the interviewees. The majority view was that the cost-free feature might have been of some importance to the member country authorities when requesting such aid from the Fund but was certainly not the single most important factor in this decision; impartiality, quality, and coordination with other technical assistance from the Fund ranked considerably higher. However, there were several respondents who, based on the experience with their client countries, felt that the absence of any cost to the countries had played an important role. This was certainly the case for a number of low-income countries; in other cases, internal regulations would not have permitted the recipient of BCS technical assistance to pay market rates to an international provider even if the funds had been available. Finally, it was pointed out that several ministers of state and governors of central banks felt more reassured about the real need for technical assistance when it came cost-free from the Fund rather than from a commercial provider who might have bribed local contracting officials.

F. Opinion of Independent Consultant

248. A report of the findings and views of the independent consultant, Mr. Brooks Dickerson, is attached as Appendix III. Based on his perusal of relevant documents, conversations with Fund staff and experts, and contacts with the authorities of three recipient countries, the consultant states that:

(1) "BCS's assistance [in the area of information technology] has become a valuable service to countries and is much appreciated by them...work quality, work products and guidance to countries meet high professional and technical standards. If state-of-the-art assistance can be accommodated, BCS will provide it either through its own staff or by contracting qualified personnel from the outside."

(2) "...the impact of BCS's assistance has generally been satisfactory to high". With few exceptions, BCS deliberately was not involved in the actual implementation phase of countries' IT projects but rather restricted itself to finding solutions and designing specific projects. BCS's recommendations and mission work are well documented; if a second round

of assistance is required, adequate progress needs to have been made by the recipient under a previously-agreed action plan before further effort and resources are expended by BCS.

(3) As demonstrated by the fact that the majority of Fund member countries have been able to obtain assistance in IT from non-Fund sources, it does seem that "there are sufficient sources of advice other than the IMF, which could attend to the information technology needs of its members."

(4) BCS, as part of the Fund, has, or is seen to have, a special advantage over alternative providers of technical assistance; however, this argument should not be overstated and "...there are quite a few cases on record in which Fund technical assistance departments successfully cooperated with outside providers of information technology support."

G. Conclusions and Recommendations

249. Given the broad unanimity between IMF staff and the consultant, the conclusions that can be drawn from this review are:

(1) ***Overall***, Fund technical assistance in the information technology area is considered effective in the sense that it achieves what it is intended to achieve, and it is appreciated as such. The degree of endorsement seems to be stronger on the part of the recipient countries than by Fund staff.

(2) The ***nature*** (strategic assessment, and support of other Fund technical assistance) and ***scope*** (design rather than implementation) of BCS's assistance have changed little over the years and seem to have been generally accepted by staff and countries. Some countries wanted BCS to get involved in the Y2K problems, but these requests were successfully turned away. There were only a few cases in which BCS was asked, and did, temporarily go beyond the long-established scope of conceptualizing and designing.

(3) The ***cost*** to the Fund of providing technical assistance through BCS is comparatively small, amounting to an average of about $0.5 million per year during FY 1996-98, albeit rising as of late.

(4) According to the independent consultant, BCS work ***quality***, work products, and guidance to countries meet high professional and technical standards. This opinion is generally supported by Fund staff, although some seem to be harboring some doubts whether it is "state of the art". In any case, all agree that the quality of BCS's technical assistance is adequate for the tasks at hand.

(5) Although having undoubtedly certain advantages by virtue of being a part of the Fund, BCS was generally not considered "***unique***" in the provision of technical assistance. There seem to be sufficient commercial and other providers in the market which could take

over, were BCS to discontinue its assistance. Arguments about the impartiality of BCS and its treatment of confidential information were generally not considered of significant importance.

(6) Similarly, the fact that BCS technical assistance has been ***free of charge*** to the recipient, was not considered crucial. Cost was obviously of greater relevance to poor the recipient countries but, overall, it was felt that countries chose their technical assistance provider on the basis of past experience and reputation.

250. These findings lead to the conclusion that the Fund obtains adequate value for the financial resources expended for technical assistance provided by BCS. IMF technical assistance departments have received welcome in-house support for their projects, and the countries received cost-free assistance from a known and trusted provider. As there is no doubt about the general quality of this assistance and as there are qualified alternative providers, the issue is whether the Fund should not channel the funds now dedicated to providing technical assistance in information technology to other activities which carry a higher institutional priority.

251. Should the Fund decide to discontinue providing technical assistance in information technology, member countries and Fund technical assistance departments would be affected, albeit to a minor extent. Although there are a number of bilateral official sources through which assistance can be obtained free of charge, member countries are likely to be faced with additional costs in some instances. Changing providers also carries an element of inconvenience for member countries and Fund technical assistance departments alike. Overall, the impact on the work of the Fund and members should, however, be quite small considering the size of the assistance program and the scope of alternative sources available.

BCS Technical Assistance by Department and Recipient Countries-- FY 1996-98

Fiscal Year 1996		
Area dept./country	Recipient agency	Date/duration of mission
AFR		
Angola	Ministry of finance	November 29, 1995--2 weeks
Tanzania	Central bank	April 9, 1996--2 weeks
EU1		
Bulgaria	Central bank	March 5, 1996--4 days
MED		
Iran	Central bank	October 21, 1995--2 weeks
UAE	Arab Monetary Fund	March 2, 1996--2 weeks
West Bank & Gaza	Central bank	December 2, 1995--2 weeks
WHD		
Guatemala	Central bank	October 30, 1995--2 weeks
Haiti	Central bank/Ministry of finance	July 12, 1995--1 week
Haiti	Central bank	February 12, 1996--1 week

Fiscal Year 1997		
Area dept./ country	Recipient agency	Date/duration of mission
AFR		
Ethiopia	Central bank	November 12, 1996--2 weeks
Ghana	Central bank	November 6, 1996--1 week
Tanzania	Ministry of finance	November 11, 1996--1.5 weeks
Uganda	Central bank	July 22, 1996--3 days
APD		
Cambodia	Central bank	May 20, 1996--2.5 weeks
China	Central bank	October 7, 1996--2 weeks
China	Central bank	January 22, 1997--1 week
Lao PDR	Central bank/Ministry of finance	May 20, 1996--3 weeks
EU2		
Belarus	Central bank	May 20, 1996--4 days
MED		
Iran	Central bank	April 17, 1997--1 week
West Bank & Gaza	Central bank	April 20, 1997--2 weeks

Fiscal Year 1998

Area dept./ country	Recipient agency	Date/duration of mission
AFR		
Angola	Ministry of finance	June 4, 1997--2 weeks
Senegal (BCEAO)	Central bank	February 4, 1998--2 weeks
Ethiopia	Central bank	November 3, 1997--3 weeks
Ghana	Central bank	October 23, 1997--3 weeks
APD		
Philippines	Central bank	August 18, 1997--2 weeks
Malaysia	Central bank	Resid. expert--March-Sept.
EU2		
Azerbaijan	Ministry of finance	March 18, 1998--1 week
Turkmenistan	Ministry of finance	September 30, 1997--4 days
MED		
Jordan	Central bank	October 31, 1997--1.5 weeks
WHD		
Haiti	Central bank/Ministry of finance/Statistical agency	June 17, 1997--2 weeks
Haiti	Central bank	March 15, 1998--1 week
Mexico	Ministry of finance	December 19, 1997--1 week
Mexico	Ministry of finance	March 23, 1998--1 week
Mexico	Ministry of finance	Resid. expert--Oct. 97-Jan. 99
St. Kitts & Nevis	Eastern Caribbean Currency Board	June 23, 1997--3 days

BCS Technical Assistance Indicators

Description	FY 1996	FY 1997	FY 1998	FY 1996-98	
				Absolute	Average
Number of missions					
By department	9	11	13	33	11
AFD	2	4	4	10	3
APD		5	1	6	2
EU1	1			1	
EU2				0	
MED	3	2	1	6	2
WHD	3		7	10	3
By type	9	11	13	33	11
Assessm't & strategy	4	6	2	12	4
Support of other TA	5	5	11	21	7
Cost indicators					
Manpower (in manyears)					
By origin	3.8	3.1	4.4	11.3	3.8
BCS	2.7	2.5	2.7	7.9	2.6
External	1.1	0.6	1.7	3.4	1.1
By type of assistance (in '000 $)	494.9	565.4	563.9	1,624.2	541.4
Assessm't & strategy	267.3	311.0	73.3	651.6	217.2
Support of other TA	227.6	254.4	332.7	814.7	271.6
Resident expert	0.0	0.0	157.9	157.9	52.6
Value (in '000 $)	494.9	565.4	563.9	1,624.2	541.4
BCS manpower	235.8	256.3	263.8	755.9	252.0
External manpower	120.0	111.8	133.6	365.4	121.8
Travel expenses	139.1	197.3	166.5	502.9	167.6

GBD International

January 14, 1999

Mr. Horst Struckmeyer, IMF-OIA, Program Manager

International Monetary Fund
Office of Internal Audit
Room 11-400
700 19th St. NW
Washington, DC 20431
Phone 202 623 6315
Fax 202 623 6221

Re: Audit of BCS Technical Assistance to Member Countries

Dear Mr. Struckmeyer,

The IMF awarded a fixed-price contract to GBD International on October 12, 1998 to review the effectiveness of BCS's technical assistance to member countries; in particular, I was to give my professional opinion on the following specific points:

(1) Was the assistance by BCS of high quality, i.e. "state of the art", and was it fully appropriate given the specific needs of the recipient country?

(2) What was the impact of BCS's assistance; were its recommendations implemented, and did the country and BCS follow up appropriately?

(3) Could the technical assistance given by BCS have been obtained by the recipient country from other sources? and

(4) Was there any value added in the assistance of BCS by virtue of the fact that BCS is a part of the IMF and may have provided the same or similar assistance on earlier occasions?

To obtain the information necessary for formulating a professional opinion to these questions, (a) I studied at Fund headquarters all back-to-office reports of BCS technical assistance missions during the IMF fiscal years 1996-98; (b) spoke with a variety of IMF staff and consultants of BCS, the technical assistance departments, OIA and a resident representative; (c) visited two recipient countries in Asia and Africa, interviewing local officials and technical staff; and (d) interviewed at headquarters an official of another recipient country.

Washington +1 202 478 0786 London +44 171 681 1193 15 Ashley Gardens, Westminster SW1P 1QD BrooksDickerson@csi.com

With respect to the quality of BCS's technical assistance, it is clear to me from interviewing IMF staff at headquarters, reviewing records and work products, and visiting user countries and speaking to government officials who were involved in the project, that BCS's assistance has become a valuable service to countries and is much appreciated by them. In my opinion, work quality, work products and guidance to countries meet high professional and technical standards. BCS aims to provide the type of assistance that it considers most suited in each individual country case, taking into account the existing technological infrastructure and resident knowledge and skills. If state-of-the-art assistance can be accommodated, BCS will provide it either through its own staff or by contracting qualified personnel from the outside.

Concerning the impact of BCS's technical assistance, one has to keep in mind that BCS, for good reasons, generally does not get involved in the actual implementation phase of a project; rather, BCS will design a new, or evaluate an existing, strategic plan or solution to develop an institution's information technology infrastructure, or provide design support for automation to other technical assistance projects in the monetary, fiscal or statistical area(s) that are spearheaded by the Monetary Affairs Department, the Fiscal Affairs Department, or the Statistics Department of the IMF, respectively. With few exceptions, the implementation phase is left to the authorities to do themselves or contract with local or international firms. In my opinion, the impact of BCS's assistance has generally been satisfactory to high. Like other IMF technical assistance departments, BCS fully documents its missions and leaves a written record with the authorities of what its recommendations are and what action would be expected of them if BCS experts were to return for a second round. The development or review of strategic development plans generally requires only one mission, and BCS has seen many of their recommendations implemented by the recipient countries. When BCS supports technical assistance projects of other IMF departments, more frequent missions may be required; however, in each case BCS makes sure that sufficient progress under a previously agreed plan has been made to warrant another visit.

Notwithstanding the demonstrated usefulness of BCS's assistance, it is evident that the majority of IMF member countries have been able to obtain technical assistance in the area of information technology from sources outside the IMF. There is bilateral assistance available from institutions of other countries, especially central banks in the monetary area; there are other international organizations which will provide, or finance, certain types of assistance; and there is, of course, a myriad of commercial firms, both international and local, which provide a complete gamut of information technology services. It is quite likely that some of these alternative providers may not always be as acceptable to countries as is BCS, for a variety of reasons. BCS is a provider with a reputation for quality assistance in very specific areas of expertise; furthermore, BCS's assistance is free of charge to the recipient, a factor that is of greater importance to low-income countries. Notwithstanding these arguments, it does seem that there are sufficient sources of advice other than the IMF, which could attend to the information technology needs of its members.

It has sometimes been argued that BCS has, or is seen to have, a special advantage over other providers by virtue of the fact that it is a part of the IMF. There is some validity to this argument in my view, although the importance of it should not be overstated. As a part of the IMF, BCS is perceived to provide the best professional advice possible, without being influenced by any profit motive or

other hidden agenda; this image is especially important in the context of technical assistance in the area of designing or reviewing strategic technology plans. As a part of the Fund, BCS may also be able to coordinate better its work internally with other technical assistance departments than could outside providers. However, I am informed there are quite a few cases on record in which Fund technical assistance departments successfully cooperated with outside providers of information technology support.

Sincerely,

George Brooks Dickerson
Executive Consultant

Selected Bibliography

Baser, Heather, Peter Morgan and Nimrod Raphaeli, 1997, *Review of Technical Assistance Loans in the World Bank* (Washington: World Bank).

Belgian Administration for Development Cooperation (BADC), 1991, *Objective-Oriented Intervention Planning (OOIP): Manual* (Brussels).

Berg, Eliot J., 1993, *Rethinking Technical Cooperation: Reforms for Capacity Building in Africa* (New York: UNDP).

Berlage, Lodewijk and Olav Stokke, 1992, *Evaluating Development Assistance: Approaches and Methods,* (London: Cass).

Buyck, Beatrice, 1991, *The Bank's Use of Technical Assistance for Institutional Development* (Washington: World Bank)

Canadian International Development Agency, 1995, *Canada in the World: Government Statement* (Hull, Quebec: CIDA).

Cassen, Robert, 1993, *Does Aid Work?* (Oxford: OUP).

Colclough, Christopher, 1992, *Technical Cooperation: Assessment of a Leviathan*, in Berlage, 1992.

Department for International Development, 1998, *Impact Assessment in Multilateral Development Institutions (U.K.)*

Deutsche Gesellschaft fur Technische Zusammenarbeit (GTZ), 1996, *Project Cycle Management (PCM) and Objectives-Oriented Project Planning (ZOPP)* (Eschborn).

European Court of Editors, 1997, *Special Report Nr. 6/97* (Luxembourg)

Finnish Cooperative Development Centre, 1995, *Evaluation of the Development Cooperation between the United Republic of Tanzania and Finland* (Helsinki).

Foundation for Advanced Studies on International Development, 1994, *Evaluation Based on the PCM Method* (Oslo).

Heaver, Richard, and Arturo Israel, 1986, *Country Commitment to Development Projects* (Washington: World Bank).

Hewitt, Adrian, and Tony Killick, 1996, *Bilateral Aid Conditionality and Policy Leverage*, in Stokke, 1996.

International Monetary Fund, EBAP/99/3, January 4, 1999, "Review of the Information Technology Strategy."

_____, EBAP/98/149, December 30, 1998, "The Budget Outlook—Work Program by Department , FY2000-FY2002.

_____, EBAP/98/147, December 30, 1998, "The Budget Outlook—The Managing Director's Statement."

_____, EB/CB/98/4, December 3, 1998, "The Budget Outlook."

_____, 1998, *Annual Report of the Executive Board for the Financial Year Ended April 30, 1998* (Washington); and for 1993 through 1997.

_____, SUR/98/5, July 30, 1998, "Summing Up by the Acting Chairman, International Standards and Fund Surveillance, Executive Board Meeting 98/82—July 27, 1998."

_____, EBS/98/116, July 10, 1998, "International Standards and Fund Surveillance."

_____, EBAP/98/69, July 2, 1998, "FY 1998 Administrative and Capital Budgets—Report on Actual Expenses."

_____, EBAP/98/37, April 3, 1998, "Administrative and Capital Budgets for FY1999."

_____, SM/97/152, June 17, 1997, "Stauts of Market-Based Central Banking Reforms in the Countries of the Former Soviet Union

_____, SM/96/101, April 26, 1996, "Management Guidelines for Country Contributions."

_____, EBS/96/15, January 26, 1996, "External Evaluation of Technical Assistance Provided by the Monetary and Exchange Affairs Department--Report of Independent Panel.

_____, EBAP/95/100, December 12, 1995, "Budgetary Outlook in the Medium Term."

_____, EB/CB/95/5, July 11, 1995, "Country Contributions for Technical Assistance."

_____, June 21, 1995, "Systems and Procedures for the Evaluation of Technical Assistance: The Experience of Other Development Agencies," draft evaluation prepared for TAC by Craig Olson from Development Alternatives, Inc.

_____, EB/CB/95/4, June 15, 1995, "Functional Classifications of the Fund's Budget."

_____, EBS/95/56, March 29, 1995, "Establishment of a Framework Administered Account for Technical Assistance Activities."

_____, EBAP/93/78, December 1, 1993, "Review of Fund Technical Assistance."

_____, 1985, *Technical Assistance and Training Services of the International Monetary Fund*, Pamphlet Series No. 43 (Washington).

Kjekshus, Helge, 1991, *Evaluation Policy and Performance: The State of the Art*, in Stokke, 1991.

Muscat, Robert J., 1986, "Evaluating Technical Cooperation: A Review of the Literature," *Development Policy Review*, IV.1.

ODA, April 1997, *Synthesis Study on Public Sector Institutional Strengthening* (U.K.)

ODA, 1994, *Evaluation Report EV 559, The Process of change: A Synthesis Study of Institutional Strengthening Projects and Experience* (U.K.)

OECD, Development Assistance Committee (DAC), 1997, *Development Cooperation, 1997 Annual Report* (Paris).

_____, 1997, *Geographical Distribution of Financial Flows to Aid Recipients 1992-96* (Paris).

_____, 1996, *Development Cooperation, 1996 Annual Report* (Paris).

_____, 1996, *The Role of Rating Systems in Aid Management Experiences of DAC Member Organizations* (Paris).

_____, 1996, *Shaping the 21st Century: The Contribution of Development Cooperation* (Paris).

_____, 1992, *DAC Principles for Effective Aid* (Paris).

_____, 1992, *DAC Principles for Effective Aid: Development Assistance Manual* (Paris).

_____, 1991, *Principles for New Orientations in Technical Cooperation* (Paris).

Rossi, P. and H. Freeman, 1991, *Evaluation: A Systemic Approach* (Newbury Park, California: SAGE Publications).

Shadish, W.R., Jr, D.C.Thomas, and C.L. Laura, 1991, *Foundations of program Evaluation: Theories and Practice* (Newbury Park, California: SAGE Publications).

Stokke, Olav, ed., 1992, *Evaluating Development Assistance: Policies and Performance* (London: Cass).

_____, ed, 1996, *Foreign Aid towards the Year 2000: Experiences and Challenges* (London: Cass).

UNDP, 1997, *Results-Oriented Monitoring and Evaluation* (New York).

_____, Regional Bureau for Africa, 1993, *Rethinking Technical Cooperation: Reforms for Capacity Building in Africa* (New York).

_____, 1993, *Learning from Lessons Learned: Improving the Use of Feedback from Evaluation Findings in UNDP--A summary of Issues* (New York).

_____, 1991, *Guidelines for Evaluators* (New York).

_____, 1990, *How to Write a Project Document: A Manual for Designers for UNDP Projects* (New York).

UNIDO,1997 *Quality Management of Development Cooperation I, II, and III* (Vienna).

USAID, *Evaluation News*, various issues (Washington).

United States General Accounting Office (GEO), 1997, *International Organizations: U.S. Participation in the United Nations Development Programme (UNDP)* (Washington).

Wholley, J. S., H. Harty, and K. Newcomer, 1994, eds., *Handbook of Practical Program Evaluation* (San Francisco: Jossey-Bass Inc.).

World Bank, 1997, *The Annual Review of Development Effectiveness (ARDE)*, Report No.17196 (Washington).

_____, 1996, *Performance Indicators for Technical Assistance Operations* (Washington).

_____, 1996, *Argentina--Country Assistance Review*, Report No.15844 (Washington).

_____, 1994, *Assessing Development Effectiveness: Evaluation in the World Bank and the International Finance Corporation* (Washington).

_____, various Performance Audit Reports (PARs) and Implementation Completion Reports (ICRs).

_____, *Annual Reports on Portfolio Performance* (Washington).