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**Impact Evaluation for Policy Making: A Close Look
at Latin American Countries with Weaker Research
Capacities**

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**Impact Evaluation for Policy Making: A close look at Latin American
countries with weaker research capacities^{*}**

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1) Introduction

With the transition to market-based systems, many countries are designing and implementing social policies targeted to specific populations, e.g. social protection to poor people, job training programs to the youth and the unemployed, agricultural development programs to farmers. Decision-makers, donors and taxpayers are interested in knowing whether the programs have the expected benefits, hence demanding rigorous assessments of the impacts of social policies and programs.² This could further foster accountability in public expenditures and may lead to improvements in program design and implementation, if installed within the right institutional framework (Briceño and Gaarder, 2010) and in combination with other evaluation tools such as process evaluations, monitoring mechanisms, qualitative information, etc.

Interest in Impact Evaluation (IE) has grown rapidly in Latin America and the Caribbean. However, rigorous impact evaluations are still very much concentrated in a few countries (Mexico, Colombia, Chile, Brazil, Argentina, Uruguay, and Peru to a certain extent). This study looks at the way impact evaluation studies are being produced and used for policy making in a sample of countries in the region that are a priori considered less capable to absorb the current trend observed in other more developed countries in the region. This study is threefold: (i) we performed a systematic search for the studies that evaluate the impacts of programs and policies with sound identification strategies. Then we analyzed time trends and the key actors in the demand, production and funding of the studies. We also (ii) carried out three case studies (of the Dominican Republic, El Salvador and Peru) to explore the institutional factors that work in favor and against the demand and use of rigorous impact evaluations for policy making, and (iii)

² Heckman, Lalonde and Smith (1999) stress this aspect in the following excerpt: “An emphasis on objective publicly accessible evaluations is a distinctive feature of the modern welfare state, especially in an era of limited funds and public demands for accountability.”

we searched and identified training activities for the promotion of IEs, and their role in shaping policies and programs.

We systematically reviewed IE studies in a selected set of countries where the use of IE approaches for program evaluation is more limited, building on the previous effort by Bouillon and Tejerina (2007)³. Besides learning about different IE experiences for countries where IE is less common, we compared the dynamics vis-à-vis IE for this group of countries to those in the rest of LAC: Are they following the same trends in terms of production of IE studies and institutionalization of IE as a basis for decision-making, only with some delays? Are there challenges specific to this group of countries? In order to better understand their specificities, we also designed and conducted a series of case studies to deepen our understanding of the processes underlying IE studies. Our objective is to analyze not only the magnitude and characteristics of the production of IE studies in our sample of countries, but see how IE studies inform policy-making and program management, and how, these, in turn, influence the choices of methods for IE studies. Thus, we complement the study with three case studies that help us delve deeper into the factors that favor and limit the production of IE studies and the systematic use of such studies for policy making. Finally, we take a preliminary look at the supply of training in the region, considering that the level of research capacity is a factor influencing this two-way relationship between the policy sphere and IE efforts. We collected information on training courses on modern methods of impact evaluation of social programs to local researchers and policy makers in the countries under study.

We divide this report in 7 sections including this introduction. Section 2 presents the background, rationale and objectives of the study. Section 3 describes the conceptual framework and methodological choices made for the systematic review and the case studies. Section 4 presents the trends in the production of IE studies in our

³ See the full list in Appendix B.

sample of countries *vis-à-vis* the rest of Latin America and the Caribbean. Section 5, in turn summarizes the findings and lessons learned from the three case studies, while section 6 presents the key features of the training performed in the region by key IE study institutions. Finally, we close with a section that summarizes the findings and draws some conclusions.

2) Background, rationale and objective of the study

2.1 *Background and rationale*

The interest in Impact Evaluation (IE) has grown rapidly in Latin America. There are two regional-specific research networks working on IE: PEP-PIERI Latin America node (housed at GRADE) and LACEA's Impact Evaluation Network (housed at CEDLAS) and a multiplicity of international initiatives that support and implement IE studies in the region such as the Abdul Latif Jameel Poverty Action Lab (J-PAL), with a one year old regional office in Latin America based at the Pontificia Universidad Católica de Chile, Innovation for Poverty Action (IPA), the Development Impact Evaluation (DIME) initiative from the World Bank and the International Initiative for Impact Evaluation (3ie), OVE (Evaluation Office at the IADB) among others.

However, rigorous impact evaluations are still very much concentrated in a few countries (Mexico, Colombia, Peru, Chile, Brazil, and Argentina to a certain extent). There are sub-regions for which IE studies are relatively scant, such as the Andes, Central America and the Caribbean. So, one rationale for taking a closer look at countries where IE is less common is to evaluate if these countries are experiencing the same trends as the rest of LAC countries, but only delayed, possibly leap-frogging to the IE state-of-the-art technology and learning from the lessons of LAC's leading IE actors, and if they are experiencing specific challenges that may reflect the initial delay in promoting evidence-based policy-making.

Thematic or sectorial coverage is also concentrated in a few areas, namely social protection, and especially conditional cash transfers programs. In addition, some donors are prioritizing Impact Evaluation in their agendas and project approval processes. While this means that knowledge will soon be available for evidence-based policy-making, there is a risk that the studies will primarily be in concordance with the donors' agenda, especially in the countries that depend more on donors for funding, designing or implementing development programs. Thus, our second rationale for focusing on countries where IE is less common is to highlight the source of the demand for IE.

When donors drive the demand for impact evaluation, not only thematic or sectorial coverage are more likely to reflect their interest, but researchers from the region may also play a more marginal role in facilitating data access and field work. In general, researchers from most countries in the region (with exceptions from some of the ones mentioned above) are underrepresented in the design and development of the IE studies. While this opens the opportunity for local researchers to collaborate with northern-based experts, developing southern researchers' capacities to conduct IE studies remains a critical challenge, especially in the Andes, Central America and the Caribbean.

Lower participation of researchers from the region may, in turn, undermine the capacity of the country to institutionalize the use of IEs for policy-making. In contrast, an emerging growing technical specialization in governmental spheres in many countries of the region may offer new windows of opportunity for research to feed into the policymaking process and a growing appetite for IE studies from the policymaking world. In theory, IE studies offer a channel to engage in policy debate with program managers, policy makers and other relevant stakeholders. Can IE studies live up to these expectations and provide a basis for healthier policy debate and reform, especially in the countries with lower local IE capacities? It is true that the production of IE studies cannot stand alone, but a favorable institutional framework may be required for improved accountability and for policy making to be guided by the conclusions of these

studies (Briceño and Gaarder, 2010). Also, such accountability requires complementary information from ex-ante evaluations, process evaluations, monitoring systems, qualitative information, etc. Still, the focus on the production and use of impact evaluations for policy making could provide important insights in the process towards the institutionalization of the use of IEs for policy making.

2.2 Objective of the study

The objectives of this study are:

1. To conduct a diagnostic of IE research (what is being done in and with Impact Evaluation research), in Latin American and Caribbean countries with weaker local research capacities. We focus our analysis on a selected sample of countries, including in Latin American (Bolivia, Paraguay, Peru, Ecuador, Nicaragua, Honduras, El Salvador, Guatemala) and Caribbean countries (Dominican Republic, Jamaica, Trinidad and Tobago, Guyana).
2. Compiling and reviewing carried-out IEs as well as analyzing the experience of feeding the IE results into the policymaking process.

We are particularly interested in the following research questions:

1. How many studies have been done and on what topics or policy issues and with what methodologies (RCT, q-experimental, IV, etc.)? What are the emerging fields or sectors of interest being evaluated?
2. Who is doing it? The role of local universities and research centers *vis-à-vis* the work by northern-based researchers, institutions and initiatives such as J-PAL, IPA, as well as the donors and the multilaterals, etc.
3. Who is funding it (3IE, Gates, MCC, the multilateral banks)? How have their project approval processes been modified to give primary importance to impact evaluation designs?

4. How are they being used to shape policy? What are the institutional arrangements that can better insert impact evaluations into policy design?

3) Conceptual framework

3.1 Impact evaluation research: the search for a valid identification strategy.

Both experimental and non-experimental approaches to impact evaluation can produce reliable estimates of the impact of a program, or fail to do so (see Appendix A for a critical review of the various IE strategies). Experiments face many challenges—at the design stage, at the implementation stage—because they rely on the goodwill of donors (this is quite an expensive endeavour), and on the support of local politicians and the monitoring of activities in the field by program managers and sector specialists. Non-experimental methods require assumptions, and more importantly, support for assumptions for which we usually do not have a statistical test to rely upon. A careful inspection of the leading scientific journals shows that what matters is the quality of the finished work: both experimental and non-experimental studies get published in these reviews. However difficult to obtain, scientific rigor is merely a first step towards policy influence. For this study, we also rely on a case studies approach in order to analyze how impact evaluation studies is absorbed into policy-making and program management, and how, these, in turn, may influence the choices of methods for impact evaluation studies.⁴

In the next two sections, we present the methodological frameworks for the systematic review and the case studies.

⁴ We explain in section D the methodology for case studies.

3.2 Methodology

3.2.1 Sample of countries in our study

We focus our review on sub-regions in LAC where impact evaluation studies are relatively scarce. It therefore includes a number of countries in the Andes (Bolivia, Peru, Paraguay), Central America (Ecuador, Nicaragua, Honduras, El Salvador, Guatemala) and the Caribbean (Dominican Republic, Jamaica, Trinidad and Tobago, Guyana).

3.2.2 Time span

We review all impact evaluation studies, starting from 1995, and including on-going work. We build on the review by Bouillon and Tejerina (2007) that collected impact evaluation work up until 2007. The review clearly shows the scarcity of work in this area for the sub-regions of interest before 1995. In this sense, our choice of time span allows us to obtain a nearly complete review of all impact evaluation work in the selected countries. As we will show in the results section, many new impact evaluations are produced now, so we take special care in documenting current evaluation efforts, including on-going and uncompleted work.

3.2.3 Attributes of the intervention and reviewed impact evaluation studies

In the quantitative analysis, our aim is to document the supply (who conducts the studies, on which themes, based on which methodologies) and demand (who finances IE and who funds each type of methodology) in the selected countries. In order to build on the previous systematic review for the region (Bouillon and Tejerina, 2007), we collect the following information to be used as classification criteria at the analysis stage: *country* in which the program takes place,⁵ *year* of publication of the impact evaluation results, *thematic focus*, *name of the program/project* evaluated, *type of data* used in the impact evaluation study (general survey/evaluation survey/project or administrative

⁵ Each study is assigned a code. A study code starts with the first three letters of the country name.

data, whether a *baseline* is available), and the type of *methodology* for identification of the impact.

In terms of thematic and sectorial focus,⁶ we review impact evaluations of interventions in the following areas:

- Active labor market (ALM)
- Agriculture and rural development, which includes:
 - Agriculture (AGR)
 - Environment (ENV)
 - Transport and communication (TC)
- Education (EDU)
- Entrepreneurship, which includes:
 - Microfinance (MIC)
 - SMEs (SME)
- Local Governance, which includes:
 - Governance (GOV)
 - Social Investment Fund (SIF)
- Other human capital, which includes:
 - Early child development (ECD)
 - Health (HEA)
 - Nutrition (NUT)
- Social protection (SP)

⁶ From here on, we use the three letters for country name and an abbreviation for thematic focus to identify the studies we review.

- Urban development, which includes:
 - Public services (PS)
 - Housing (HOU)
- Others, which includes:
 - Crime (CR)

As explained in the previous section, we consider impact evaluations that provide a rigorous framework for identifying impact. This includes two broad categories: randomized experiments and non-experimental evaluation (instrumental variables, difference-in-difference and other longitudinal methods, matching, regression discontinuity, and structural estimation).

In addition to the criteria selected from the review by Bouillon and Tejerina (2007), we collect information to help us address key research questions/ investigate the hypotheses outlined in section A. In addition to thematic focus, we collect data on the intervention target group (*e.g.*, women, youth, children, teenagers, entrepreneurs, farmers, the poor, unemployed), the intervention target group size (total number of beneficiaries), the budget for the intervention, the main outcomes of interest (*e.g.*, on education: enrollment, attendance, test scores) and findings. We gather data on whether the intervention is funded by the government/a multilateral agency or an NGO. We also document the identity of the principal investigator for the IE research: name of the author(s) of the publication; whether the evaluation is done in-house or by an independent institution; the identity of the employer/donor or granting agency (research grant/university-funded vs. research contract from implementing agency vs. research contract from other sources). We determine whether the IE study is completed or still on-going, and if completed, whether it is published as a peer-reviewed article/book or a non peer-reviewed document (working paper, report). Finally, we document if local researchers are involved in the IE study, and if so, the type of involvement (in data collection only/ at the research and analysis stage).

3.2.4 Constructing a database of impact evaluation studies

As discussed previously, we include all IE studies reviewed in Bouillon and Tejerina (2007) conducted in our sample of countries. They based their analysis on existing systematic reviews in specific areas (e.g., Rawlings and Rubio 2003 on CCTs), as well as on the available databases of IE studies. We also search these databases and more recent ones for studies published since 2007. We base our search on the most common databases for academic papers (IDEAS/RePEC,⁷ EconLit⁸ and JSTOR⁹, and SSRN Randomized Social Experiments¹⁰). We also identify the main organization funding IE research and searched their databases. They include databases from World Bank Development Impact Evaluation Initiative (DIME),¹¹ the International Food Policy Research Center,¹² Innovation for Poverty Action (IPA),¹³ from the Abdul Latif Jameel Poverty Action Lab (J-PAL),¹⁴ the International Initiative for Impact Evaluation (3ie),¹⁵ and the Bill and Melinda Gates Foundation.¹⁶ In order to complement these searches, we look for the most recent and on-going IEs based on past LACEA and IEN programs, the World Bank Impact Evaluation webpage,¹⁷ the Inter-American Bank of Development

⁷ <http://ideas.repec.org/search.html>

⁸ <http://www.aeaweb.org/econlit/index.php>

⁹ www.jstor.org

¹⁰ <http://www.ssrn.com/link/Randomized-Social-Experiments.html>

¹¹

<http://web.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTDEVIMPEVAINI/0,,contentMDK:21553788~pagePK:64168445~piPK:64168309~theSitePK:3998212,00.html>

¹² www.ifpri.org

¹³ <http://www.poverty-action.org/project-evaluations/search>

¹⁴ http://www.povertyactionlab.org/search/apachesolr_search?filters=type:evaluation

¹⁵ http://www.3ieimpact.org/database_of_impact_evaluations.html

¹⁶ <http://www.gatesfoundation.org/grants/Pages/search.aspx>

¹⁷ <http://go.worldbank.org/169GZ6W820>

Operational Office of Evaluation and Oversight and Development Effectiveness program webpages.¹⁸

3.2.5 Benchmark

We make use of as well as augment the database of Bouillon and Tejerina (2007) gathered for all LAC countries except the ones we focus on here. This database is used as a benchmark for comparison.

3.3 *Methodology for the case studies*

We develop three case studies in selected LAC countries (Dominican Republic, Peru and El Salvador). We want to learn if good practices impact evaluations are feasible and can help improve policy making, as well as cases in which good impact evaluations have not been able to reach the policy sphere. In addition, the case studies are a key input for a discussion of the institutional arrangements in countries for their demand, implementation and use of IE studies.

One first step is to define whom to interview in each of the countries. We start with a sample of researchers that run some of the evaluations to learn about their experiences from the process, how their interaction with the implementing agency was and how they succeeded or not in disseminating their results. Next, we define a sample of public officials in charge of implementing government programs, with and without IEs. In the process, we also identify if there is a specific public office that is in charge of supervising the quality of social expenditures and programs, and if they demand and use IEs.

The interviews are conducted using the methodology outlined below. We structure the analysis around three different, but closely related, questions. The first

¹⁸ Respectively, http://www.iadb.org/en/about-us/departments/about,1342.html?dept_id=OVE and <http://www.iadb.org/en/topics/development-effectiveness/development-effectiveness,1222.html>

question relates to the existence of a context for institutionalizing IE, since this is an important step in making IE a useful tool for policy makers. We follow closely the material developed by Briceño and Gaarder (2010) in order to assess the extent to which the many facilitating factors for institutionalizing IE are present or not. Here, it is crucial to find out whether the following elements are present in the three selected countries:

1. Is there an agency with a mandate to conduct/commission impact evaluation of different government programs? If such an agency exists,
 - a. Which is its level of independence?
 - b. How is it financed?
 - c. How long ago was it created?
 - d. Does it have policy influence? Is there a systematic process of checks and balances in order to feed evaluation results into program innovations/expansions?
2. How important is the presence of foreign donors and how does their demand for sound IEs spur its institutionalization?
3. Which are the main obstacles for institutionalizing IE?

We then address the question of whether the different factors which facilitate such institutionalization are present or not. Following Briceño and Gaarder's "wish list", we look for the existence of a democratic system with vibrant opposition, as well as the existence of influential sound previously carried-out IEs to lead the process (for example: the initial evaluation of PROGRESA In México and the posterior inception of CONEVAL). Additionally, we search for the presence of a powerful stakeholder – Congress, Ministries, Presidency- which may facilitate the triggering of the institutionalization process. Finally, we also assess the presence of technical assistance in the country to conduct or commission IE.

The second category is related to a number of IEs which provide information about specific programs and their contexts, which may or may not facilitate such studies. While most LAC countries lack an institutionalized agency for IE, there are IE studies conducted in response to different demands (mainly from external donors). In the context of specific IEs we can also establish specific issues affecting their very existence. Moreno, Campuzano and Levy (2009) point to barriers and facilitators for conducting rigorous IE. We analyze both barriers and facilitators for existing and planned IE in each of the analyzed countries. We also examine the quality (in terms of being methodologically sound) of specific conducted IE.

We pay particular attention to the following barriers:

1. Lack of support for rigorous IE.
2. How unrealistic plans for program implementation may endanger the evaluation design?
3. Are pilot case experiences (with or without IE) used for learning before the implementation of a program?
4. Is there good secondary data available? Can this be useful with the purposes of the evaluation (for eligibility criteria, eligible population power calculations, etc)?

We are particularly interested in the following facilitators:

1. Degree of involvement of government officials implementing the projects to be evaluated.
2. Capacity for independent data collection.
3. Existence of a legal framework for conducting the evaluation (for example, some IDB/WB loan conditions the approval of such loan to the design of an IE and set up a specific budget for that).

In terms of the quality of IE's available:

1. Are they sound?

2. Which programs were evaluated? Was there a significant change in the methodology once the evaluation was designed?
3. Who demanded the evaluations?
4. Who funded them?

We also seek to understand if the existence of isolated IEs may pave the way for institutionalizing IE in the future.

Finally, we investigate whether IE have influenced policy-making (both institutionalized or not). Here we base our case study methodology in Lindquist (2001) and Weirauch and Díaz Langeau (2011). We investigate this aspect by asking the following questions:

1. Have IE improved the knowledge of the actors involved?
2. Have IE modified existing programs or policies or caused fundamental re-design of programs or policies?
3. Have IE helped develop technical capacities at the local level (either within government bodies, think tanks, universities, etc.) in order to promote future IE?
4. Have IE results provided learning/networking opportunities for sharing the knowledge, internally or with colleagues elsewhere?
5. Have IE introduced new concepts for framing debates, putting ideas on the agenda, or stimulating debate?

The evaluation of all these dimensions provides us with a basis to complete a diagnosis about the main strengths and weaknesses of IE as a tool for policy makers in the selected countries.

4) Quantitative analysis

4.1 *Three cautionary notes.*

Before presenting descriptive statistics on the IE studies database that we collected, we alert the reader on three points.

First, in this work, we distinguish between the attributes of the IE studies under review from the interventions that these studies are assessing. For instance, CCTs typically generate more than one IE study. Some of the results we present are best framed in terms of studies produced (type of methodology pursued, whether it led to a publication, type of funding for the research, etc). Others are best framed in terms of the intervention being evaluated (e.g., whether it is government-run, who is funding the program, etc.).

Secondly, we acknowledge the limitations due to missing observations on some of the collected variables of interest. Table 1 reports the number of studies/projects with non-missing information for each of the variables of interest. Most of the missing information concerns the involvement of local researchers and the funding for the research (about a third of the cases are missing for these variables).

Table 1: Impact evaluation studies (# completed and non-missing cases).

	Our Study Area	Rest of LAC
Studies		
Total # of studies	129	188
# of completed studies	91	153
with info on local researchers involvement	87	136
with info on identification method	89	149
with info on publication status	90	143
with info on who is conducting the research	90	136
with info on who is funding the research	87	126
Projects		
# of projects evaluated	102	138
with info on who is funding the project	94	105
with info on who is implementing the project	93	125

A final and related point is that we need to distinguish between on-going and completed studies. In our study period (16 years, from 1995-2011), we find 244 completed studies and also consider 73 studies that are currently on-going (Table 1). Many of the missing cases that are documented in Table 1 are due to the fact that some of the studies we review are still on-going. Note that there are relatively more on-going studies in the study area (30%) than in the rest of LAC (19%). In the first part of this section, we provide a description of the geographical coverage, time trends and type of research produced. We then describe the attributes of the assessed programs.

Our review concerns 317 IE studies in 21 countries. We distinguish between two groups of countries (Table 2):

Table 2: Geographical coverage.

Our Study Area			Rest of LAC		
Country	# of studies	%	Country	# of studies	%
<i>The Andes</i>					
Peru	37	28.7	Mexico	61	32.5
Bolivia	15	11.6	Colombia	38	20.2
Ecuador	13	10.1	Chile	26	13.8
Paraguay	2	1.6	Brazil	25	13.3
<i>Central America</i>			Argentina	18	9.6
Nicaragua	15	11.6	Uruguay	9	4.8
El Salvador	13	10.1	Costa Rica	5	2.7
Honduras	11	8.5	Panama	4	2.1
Guatemala	5	3.9	Haiti	1	0.5
<i>Caribbean Countries</i>			St. Lucia	1	0.5
Dom. Republic	10	7.8			
Jamaica	7	5.4			
Trinidad & Tobago	1	0.8			
Total	129	100.0	Total	188	100.0

- Those located in our study area, which includes 12 countries, including Guyana,¹⁹
- The rest of LAC, based on Bouillon and Tejerina's review study, and including 10 countries.

¹⁹ No IE study is found for Guyana.

4.2 Where are IE studies produced?

Our study area counts about 12.9 IE studies on average per country, compared to 18.8 for the rest of LAC. Clearly, the countries are heterogeneous on a number of dimensions and the two groups differ. For example, the fact that Brazil (situated in the rest of LAC) produces a large number of IE studies can be simply explained by the stock of programs available for evaluation in the country.

More interestingly, we find that in our study area, Peru accounts for 29% of all IE studies. A similar pattern is found in the rest of LAC: Mexico produced about 32% of all studies for the region.

The countries in our area of focus are composed of two main subgroups:

- Those with less than 10 IE studies (all Caribbean countries + Paraguay), and
- those with 11-15 IE studies (all Central American countries + Bolivia).

In this sense, Peru clearly stands out with 38 studies.

As a comparison, the countries in the rest of LAC can also be grouped into two categories:

- Those with less than 10 IE studies (Caribbean, Panama, Costa Rica and Uruguay), and
- those with 18-38 studies (Brazil, Chile, Colombia and Argentina).

In the same time frame, Mexico produced 61 studies.

Then, both Peru and Mexico stand out for each group of countries. Yet, the gap between Peru and the next subgroup of countries is larger than the gap between Mexico and the second subgroup in the rest of LAC.

Going back to our area of focus, we find that the categories described above correspond to geographic clusters:

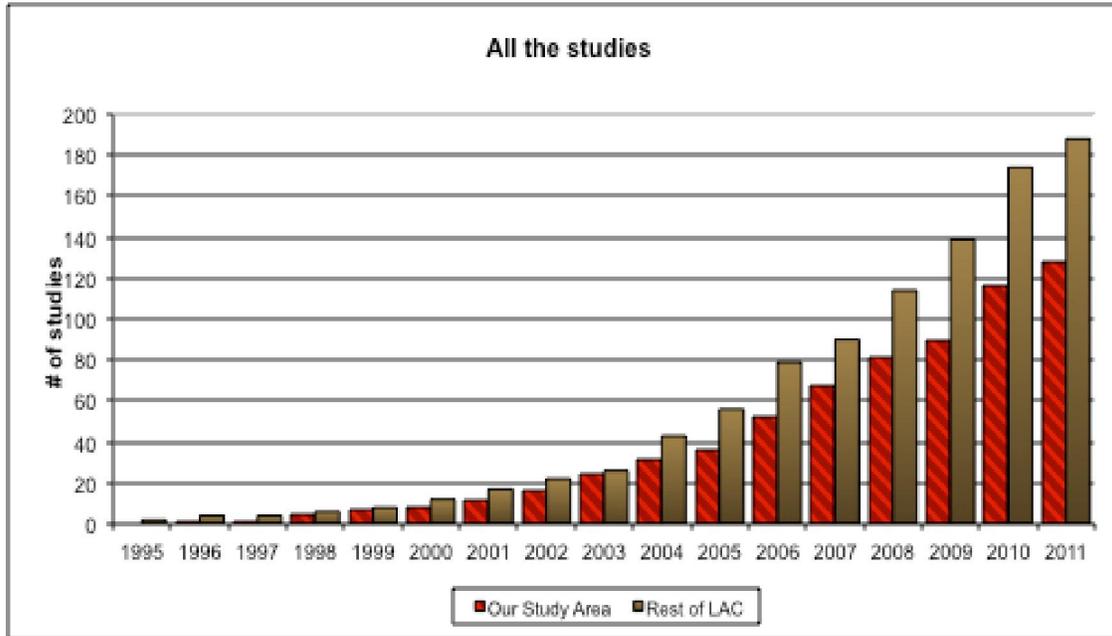
- Caribbean countries are globally falling behind when it comes to doing impact evaluation.
- Central American countries are at a median position.
- The two closest Andean countries (Peru and Bolivia) constitute a leading group with more than 40% of the total production of IE studies in this group of countries.

This geographical clustering is consistent with two hypotheses: local knowledge spillovers (learning from others), and/or the effect of a common factor (e.g., specific geographic interest in IE by external funders). The geographic clustering that we observe in the study area is not observed in the rest of LAC. The subcategories described above seem to be related to the size of the countries and their level of income.

4.3 What are the time trends in the production of IE studies?

Most IE studies have been produced starting in 2006 (see Figure 1). This trend is the same in the two groups of countries (71% in the area of focus and 70% in the rest of LAC). However, there is more heterogeneity among the countries in the rest of LAC, with Mexico and Colombia having a steady stream of IE produced since 2000.

Figure 1: Time trends in the production of IE studies.



Given the time frame for IE studies, it is likely that we are observing the first wave of IE studies in the area of focus. Whether the interest in IE studies will remain (as in Mexico and Colombia) is left to see.

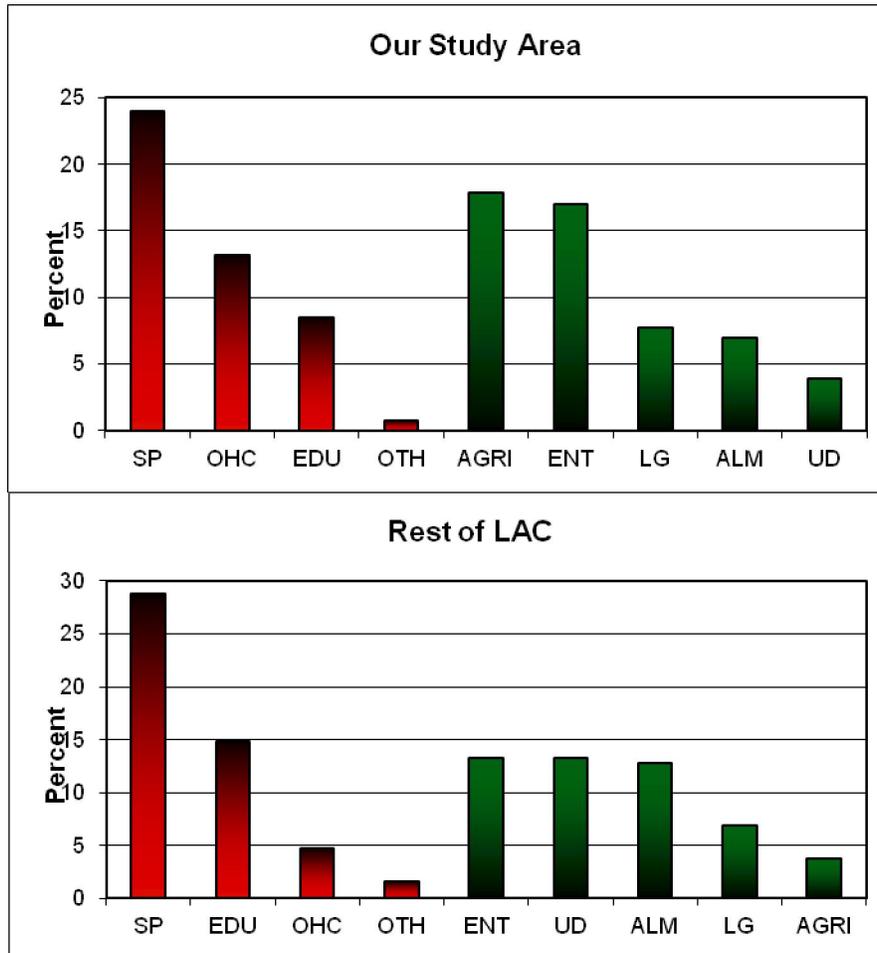
4.4 What are the thematic focuses of the studies reviewed?

Programs from two types of policies are typically evaluated: social development policies and growth investment policies (see Table 3 and Figure 2).

Table 3: Distribution of IE studies across themes (as % of all completed studies)

Our Study Area (%)			Rest of LAC (%)		
Social Development			Social Development		
SP	Social Protection	24.0	SP	Social Protection	28.7
OHC	Other human capital	13.2	EDU	Education	14.9
EDU	Education	8.5	OHC	Other human capital	4.8
OTH	Other (Crime)	0.8	OTH	Other (Crime)	1.6
Growth Investments			Growth Investments		
AGRI	AGRI & Rural Dev.	17.8	ENT	Entrepreneurship	13.3
ENT	Entrepreneurship	17.1	UD	Urban development	13.3
LG	Local Governance	7.8	ALM	Active labor market	12.8
ALM	Active labor market	7.0	LG	Local Governance	6.9
UD	Urban development	3.9	AGRI	AGRI & Rural Dev.	3.7
Total		100	Total		100

Figure 2: Thematic focus in IE studies



In both areas, social protection programs are the most frequently assessed. They correspond to 24% (respectively 28%) of all IE studies in the area of focus (and the rest of LAC).

The two areas then differ in terms of the type of programs evaluated. In the study area, the focus of evaluation is on agriculture and rural development programs, followed by programs facilitating entrepreneurship and those that help improve health, nutrition and early childhood development. In the rest of LAC, the focus is on evaluating education reforms and programs and active labor market strategies, urban development projects and entrepreneurship programs.

These priorities likely reflect the types of policies that are in place in the two areas. The countries with weaker research capacities are also countries where health, nutrition and ECD are still lacking, agriculture and the rural sector represents a sizeable part of the economy and formal labor markets are not yet well developed.²⁰

Table 4 presents the distribution of studies across topics. We find that education is actually the second most studied topic within social development policies in the two areas, before health, nutrition and ECD. Microfinance topics generate most of the IE studies focusing on entrepreneurship in the two areas. Social investment funds and transport & communication are specific to the study area.

²⁰ Yet, it is also important to keep in mind that this breakdown by sector or program only pertains to those interventions that are actually assessed. In order to provide a fuller picture, one would need to compile information on all the programs in these sectors for all the countries, but this is beyond the scope of this work.

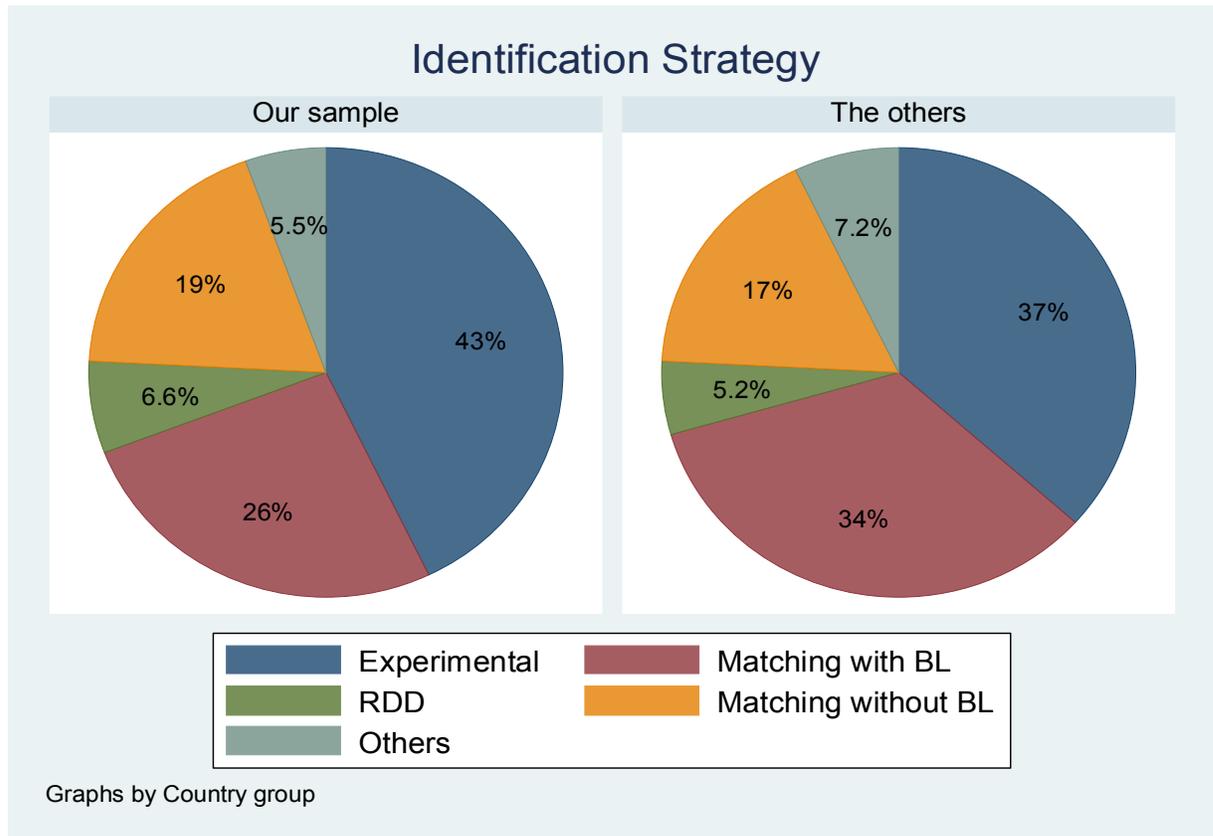
Table 4: Topics of interest in IE studies.

Our Study Area (%)		Rest of LAC (%)	
Social Development		Social Development	
Social Protection	24.0	Social Protection	30.3
Education	8.5	Education	14.9
Nutrition	5.4	Health	3.7
Early child development	3.9	Crime	1.6
Health	3.9	Early child development	0.5
Crime	0.8	Nutrition	0.5
Growth Investments		Growth Investments	
Microfinance	13.2	Active labor market	12.8
Agriculture	7.8	Microfinance	9.0
Active labor market	7.0	Urban development	8.0
Transport & Communication	6.2	Governance	5.9
Public Services	4.7	SMEs	4.3
Social Investment Fund	4.7	Public Services	3.2
SMEs	3.9	Agriculture	2.7
Governance	3.1	Environment	2.7
Environment	1.6		
Urban development	1.6		
Total	100	Total	100

4.5 How are impacts identified?

Most of the IE studies in the area of focus are based on an experimental design. This is also true in the rest of LAC (Figure 3). Experimental IE actually represent a larger share of all completed IE work in the study area than in the rest of LAC.

Figure 3: Identification strategies for IE studies.



Other identification strategies are also used at the same relative intensity in each area. For those studies that are not based on an experimental design, the most popular approach is matching in a difference-in-difference framework, followed by simple matching, regression discontinuity designs and other non-experimental. The composition is similar in the two groups of countries.

Table 5 indicates that the number of IE studies based on an experimental design has tripled between 2005 and 2006 and continues to grow. This trend has actually taken off more vigorously in the study area (where the number of experimental studies increased ten-fold between 2005 and 2006) than in the rest of LAC. However, this growth seems to be more stable in the rest of LAC than in the study area.

Table 5: Time trends in the choice of identification strategy.

Year	Our Study Area (%)					Rest of LAC (%)				
	RCT	Match w/ BL	RDD	Match w/out BL	Others	RCT	Match w/ BL	RDD	Match w/out BL	Others
						0.0	1.9	0.0	0.0	0.0
1996	2.6	0.0	0.0	0.0	0.0	0.0	3.9	0.0	0.0	0.0
1998	7.9	0.0	0.0	0.0	20.0	1.9	1.9	0.0	0.0	0.0
1999	2.6	4.4	0.0	0.0	0.0	0.0	1.9	0.0	0.0	9.1
2000	0.0	0.0	0.0	5.9	0.0	3.7	3.9	0.0	0.0	0.0
2001	2.6	8.7	0.0	5.9	0.0	5.6	1.9	0.0	4.0	0.0
2002	0.0	4.4	0.0	17.7	0.0	1.9	1.9	0.0	4.0	0.0
2003	2.6	26.1	0.0	0.0	40.0	3.7	1.9	14.3	0.0	0.0
2004	2.6	8.7	0.0	5.9	0.0	3.7	17.3	14.3	12.0	18.2
2005	2.6	4.4	0.0	5.9	20.0	7.4	7.7	0.0	4.0	27.3
2006	10.5	8.7	16.7	5.9	0.0	5.6	17.3	0.0	24.0	18.2
2007	13.2	0.0	0.0	11.8	20.0	5.6	3.9	14.3	8.0	0.0
2008	15.8	21.7	16.7	0.0	0.0	14.8	9.6	28.6	8.0	18.2
2009	10.5	4.4	16.7	11.8	0.0	13.0	13.5	0.0	8.0	9.1
2010	18.4	4.4	0.0	29.4	0.0	18.5	7.7	28.6	20.0	0.0
2011	7.9	4.4	50.0	0.0	0.0	14.8	3.9	0.0	8.0	0.0
Total	100	100	100	100	100	100	100	100	100	100

4.6 Are IE results published?

According to Table 6, publication in academic journals is lower for IE studies from the area of study (12%) than for those from the rest of LAC (16.5%). This is not due to the fact that there are more on-going studies in the area of focus than in the rest of LAC (the proportions are very similar). This is either related to lower motivation to publish the results or facing higher difficulty in meeting publishing requirements (credibility of the results). But the number of published works is too low to pursue the analysis further (a total of 35 studies are published).

Table 6: Time trends in publication.

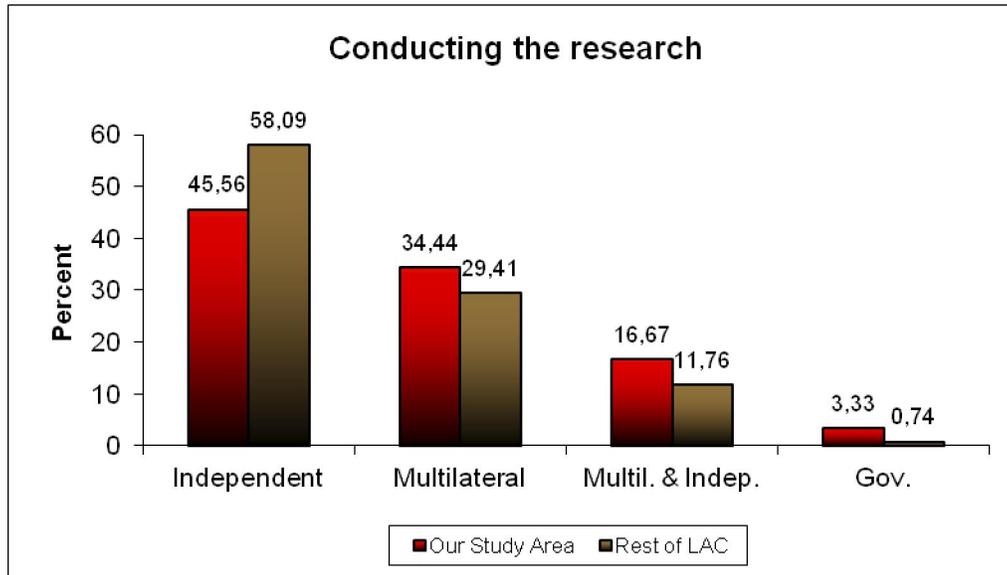
Year	Our Study Area (%)				Rest of LAC (%)			
	Published article	W.P.	D.P.	Report	Published article	W.P.	D.P.	Report
1995	0.0	2.4	0.0	0.0	4.2	0.0	0.0	0.0
1996	0.0	2.4	0.0	0.0	0.0	2.4	0.0	0.0
1998	18.2	4.9	0.0	0.0	0.0	1.2	0.0	0.0
1999	0.0	4.9	0.0	0.0	4.2	0.0	0.0	0.0
2000	0.0	0.0	0.0	4.8	4.2	0.0	0.0	8.7
2001	18.2	0.0	0.0	9.5	0.0	3.5	9.1	4.4
2002	9.1	4.9	5.9	0.0	4.2	2.4	0.0	4.4
2003	9.1	7.3	0.0	19.1	4.2	3.5	0.0	0.0
2004	9.1	2.4	0.0	14.3	4.2	12.9	0.0	13.0
2005	0.0	7.3	0.0	4.8	12.5	3.5	0.0	21.7
2006	9.1	9.8	11.8	9.5	8.3	14.1	9.1	17.4
2007	0.0	12.2	17.7	0.0	4.2	5.9	0.0	4.4
2008	18.2	12.2	17.7	9.5	12.5	15.3	9.1	8.7
2009	0.0	9.8	11.8	9.5	12.5	14.1	18.2	0.0
2010	9.1	19.5	11.8	9.5	20.8	11.8	45.5	8.7
2011	0.0	2.4	23.5	9.5	4.2	9.4	9.1	8.7
Total	100	100	100	100	100	100	100	100

We can nevertheless look at the evolution through time in the number of publications. Most of the studies were published beginning in 2006 in the rest of LAC, and later (2008) in the area of focus.

4.7 Who is conducting and funding the research?

The majority of IE research is typically conducted by independent researchers and organizations, followed by multilaterals, a mix of both multilateral and independent researchers/organizations, and government agencies. The pattern is globally similar in both groups of countries (Figure 4).

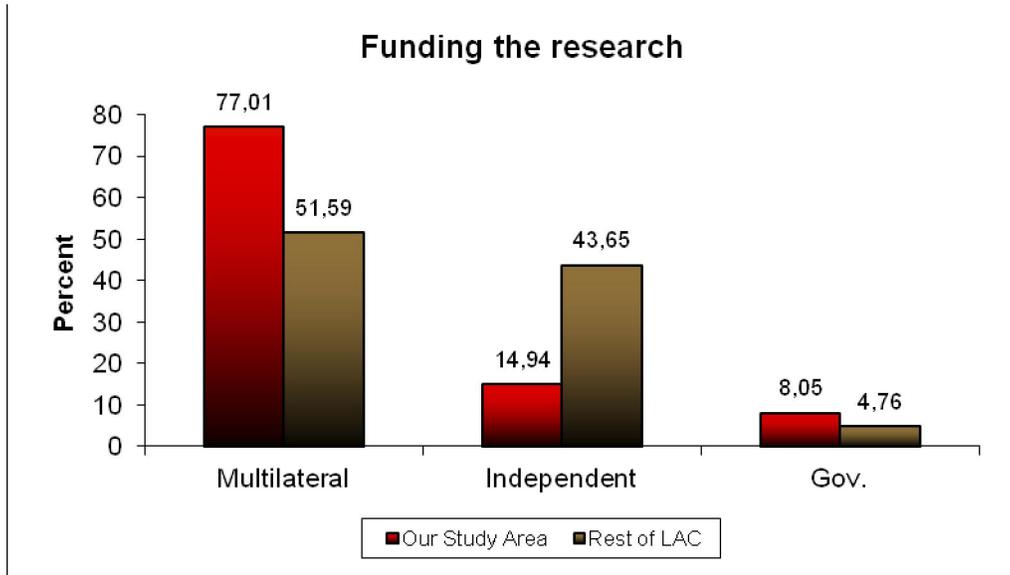
Figure 4: Who is conducting the research?



However, there are some notable differences: independent research constitutes a smaller fraction of completed IE research in the study area than in the rest of LAC, while research led by multilateral agencies is relatively more prevalent in the study area than in the rest of LAC.

Furthermore, the pattern for funding is even more clearly differentiated in the two groups of countries (Figure 5). In the study area, 77% of completed IE studies were funded by multilateral agencies. In the rest of LAC, funding is balanced between multilaterals and independent research.

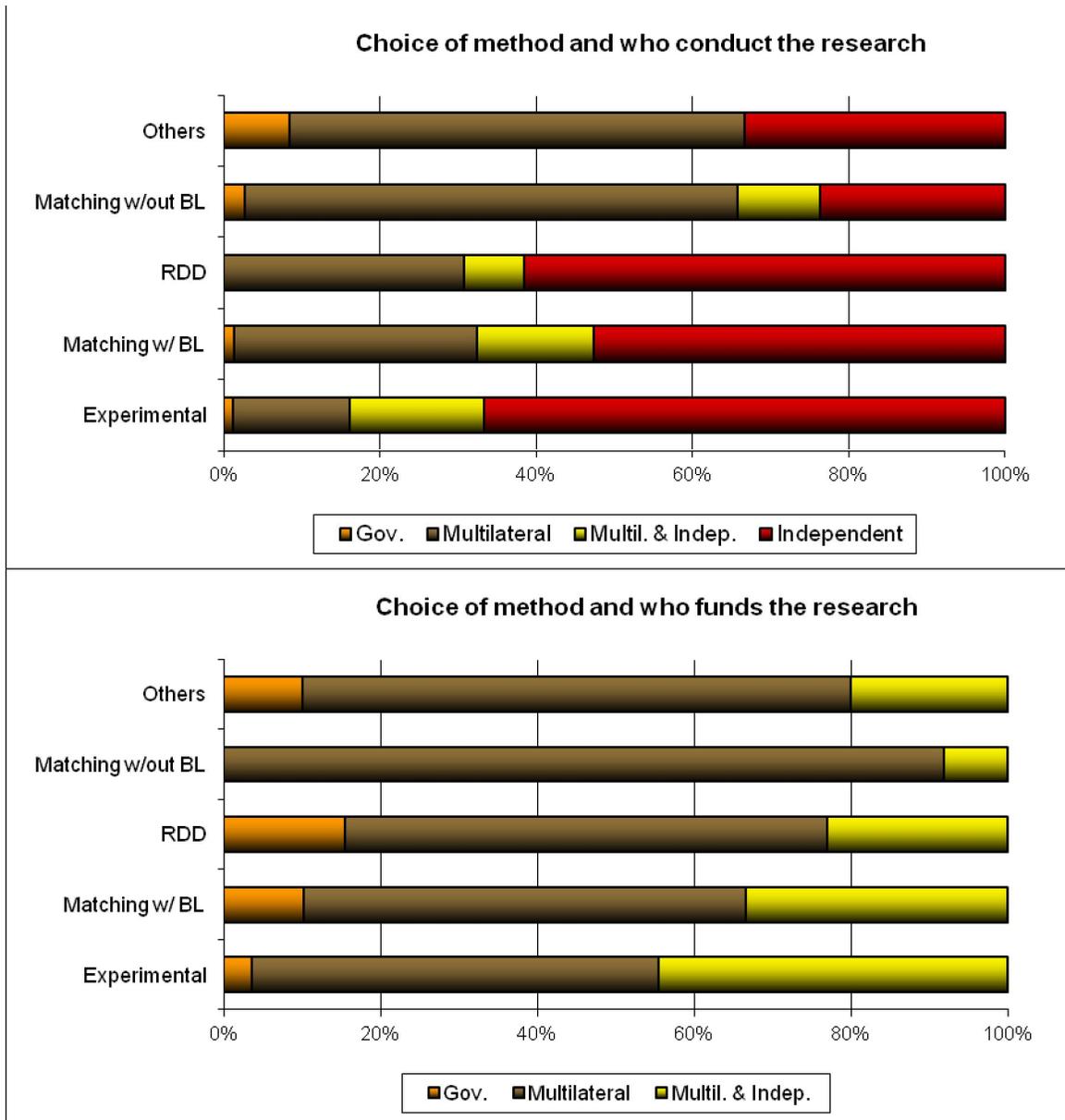
Figure 5: Who is funding the research?



4.8 Who conducts and funds the most rigorous IE studies?

Independent organizations conduct and fund the most scientifically rigorous studies. (Figure 6). When multilateral agencies conduct or fund these studies jointly with independent organizations, a higher scientific rigor is also more likely to be obtained than otherwise.

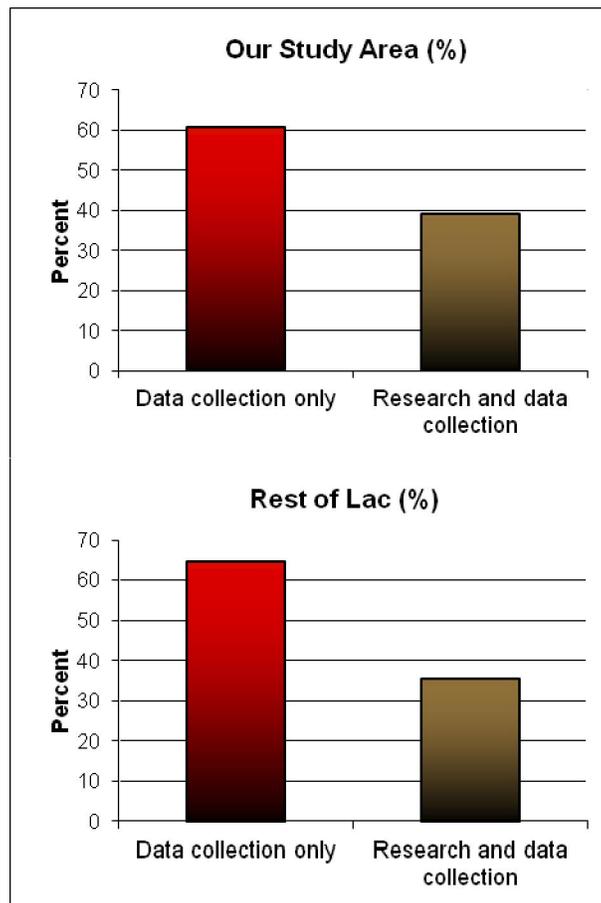
Figure 6: Choice of identification strategy for the impact assessment depends on who runs/funds the IE study



4.9 Are local researchers involved in the research?

Figure 7 looks at whether local researchers are involved in research and/or data collection. We find that most IE studies involve local researchers in the data collection. Yet, very few of them also involve them in other types of research work. This pattern is similar for the group of countries in our study area and for those in the rest of LAC (resp. 39% and 35%).

Figure 7: Local researchers involvement in research and data collection.



When looking at the evolution through time (Table 7), we find that involving local researchers in other research work started in 2006 and has been maintained since.

Table 7: Time trends in the involvement of local researchers in IE studies.

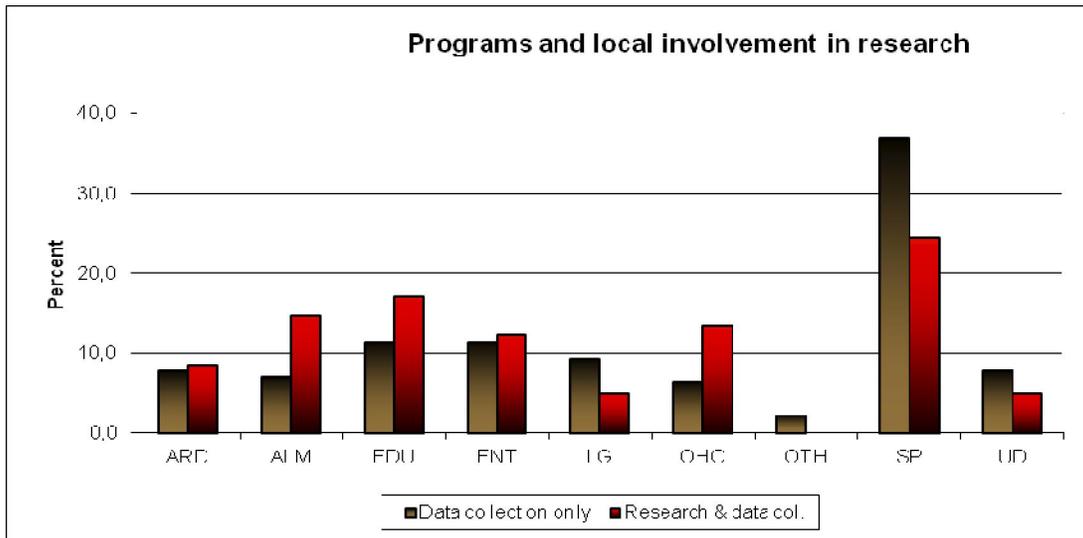
Year	Our Study Area (%)		Rest of LAC (%)	
	Data collec.only	Involvement in research	Data collec.only	Involvement in research
1996	0.0	2.9	2.3	0.0
1998	5.7	2.9	1.1	0.0
1999	3.8	0.0	0.0	2.1
2000	1.9	0.0	3.4	0.0
2001	3.8	5.9	3.4	4.2
2002	1.9	5.9	1.1	6.3
2003	7.6	14.7	4.6	0.0
2004	5.7	2.9	8.0	16.7
2005	3.8	2.9	5.7	8.3
2006	11.3	5.9	10.2	16.7
2007	11.3	5.9	5.7	6.3
2008	11.3	17.7	13.6	12.5
2009	11.3	5.9	12.5	10.4
2010	9.4	23.5	17.1	12.5
2011	11.3	2.9	11.4	4.2
Total	100	100	100	100

4.10 Are local researchers more involved in the assessment of programs from certain sectors?

Overall, we find that the share of completed studies with an involvement of local researchers, beyond simple data collection, depends on the domain of intervention (Figure 8). Social protection, education, active labor market programs and other human

capital investment programs are domains in which local researchers are active. There are some differences between the two groups of countries that we study. In our study area, local researchers are more active in social protection, nutrition, health and ECD, entrepreneurship. In the rest of LAC, it is social protection, education, active labor market interventions and projects that facilitate entrepreneurship that draw most of the attention from local researchers, or are more likely interested including local researchers in the assessment.

Figure 8: Type of program assessed and involvement of local researchers.



Note: ARC (Agriculture & Rural Development), ALM (Active labor market), EDU (Education), ENT (Entrepreneurship), LG (Local Governance), OHC (Other human capital), OTH (Others: Crime), SP (Social Protection), UD (Urban development)

4.11 How does the involvement of local researchers depend on who is conducting/funding the research?

Only 18% of IE studies conducted by multilaterals succeed in involving local researchers for the analysis stage (Table 8). Independents do somewhat better and 69% of studies integrating local researchers at this stage are conducted by independent organizations. Yet, when looking at funding, we find that multilaterals fund 52% of studies with local research involvement. This two results put together are consistent with the fact that some multilaterals fund independent organizations to conduct IE studies, and these, in turn, employ local researchers for data collection and analysis.

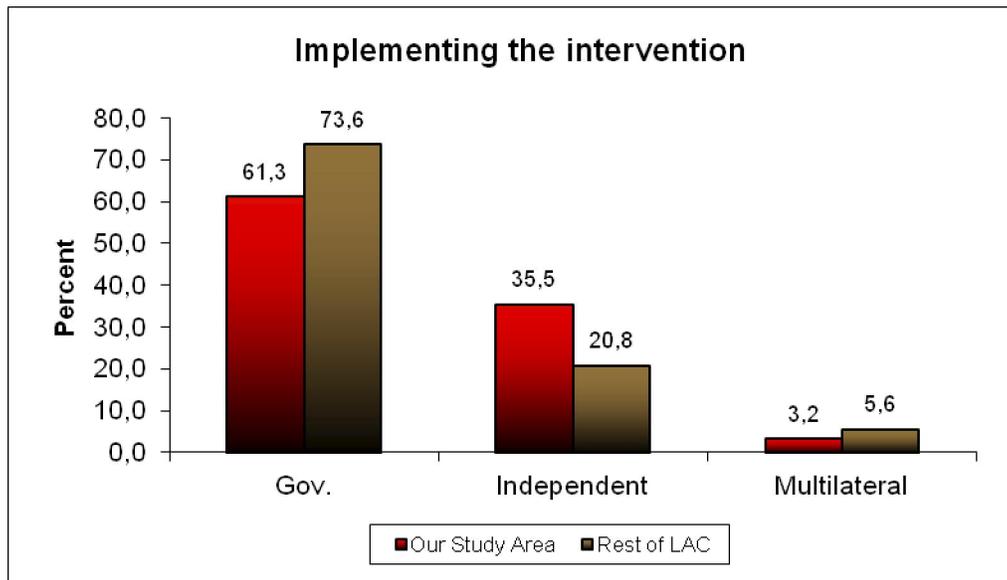
Table 8: Local involvement in research depends on who is conducting/funding the research.

Conducting research	Gov.	Multilateral	Independent	Multil. & Indep.	Total
Data collection only	0.0	40.6	44.2	15.2	100.0
	0.0	82.4	52.6	70.0	63.3
Research and data col.	5.0	15.0	68.8	11.3	100.0
	100.0	17.7	47.4	30.0	36.7
Total	100.0	100.0	100.0	100.0	100.0
Funding research					
Data collection only	3.0	65.9	31.1	n.a.	100.0
	30.8	68.5	60.3	n.a.	63.5
Research and data col.	11.8	52.6	35.5	n.a.	100.0
	69.2	31.5	39.7	n.a.	36.5
Total	100.0	100.0	100.0	n.a.	100.0

4.12 Who runs the programs evaluated here?

Programs that are being evaluated are run by government, multilateral and independent bodies (Figure 9).

Figure 9: Who runs the programs under evaluation?

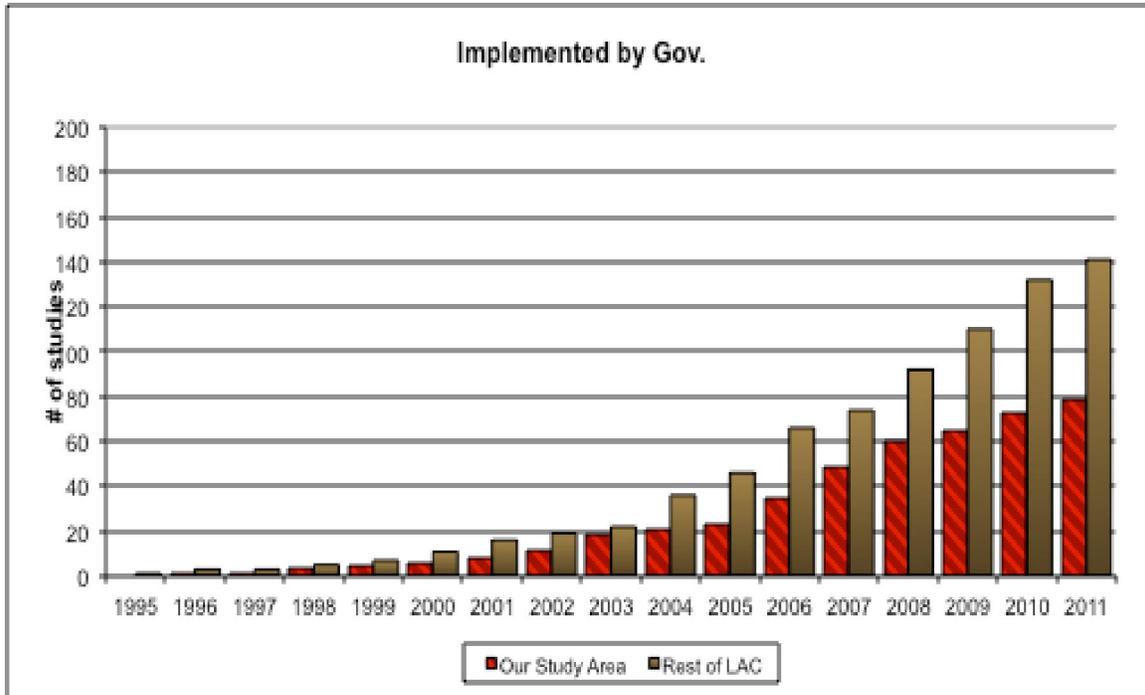


Most of them are mainly run by government agencies. They represent respectively 61% and 74% of all the programs that are evaluated in the study area and the rest of LAC. There are relatively more multilateral agency programs in the study area than in the rest of LAC. This finding is consistent with the fact that there are relatively more IE studies funded by multilaterals in the study area than in the rest of LAC.

Looking at the evolution through time (Figure 10), we find that government-run interventions were always assessed, but the data suggests that the intensity at which these interventions are now evaluated is higher than in the past. Compared to Figure 1

above, we also find that the gap is much larger when we restrict the analysis to those interventions that include some participation of the public sector. That is, in our sample of countries, the role of NGOs might have been more relevant in explaining the global growth in the production of rigorous IEs.

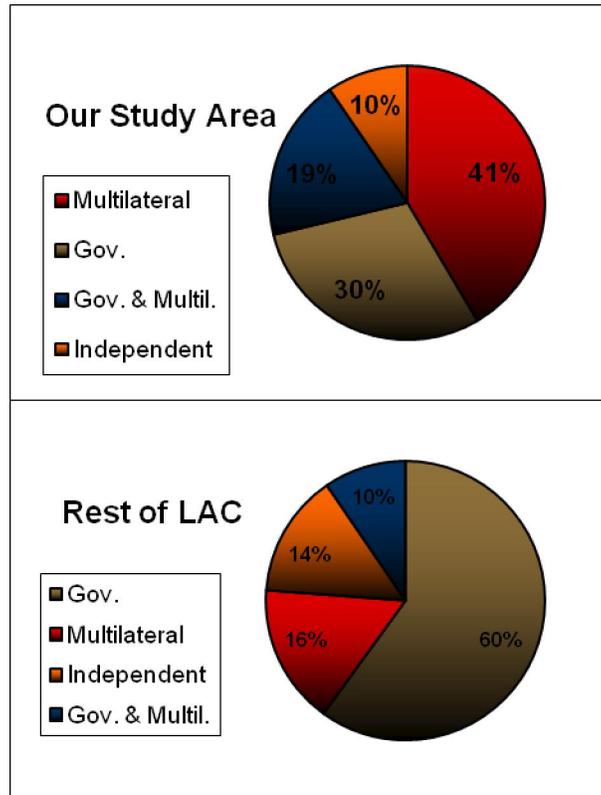
Figure 10: Time trends in production of IEs for government run programs.



4.13 Who funds the programs under evaluation?

According to Figure 11, multilaterals fund 41% of the programs evaluated in the study. Governments come at a second place with 30%, followed by a combination of government and multilaterals (20%). Independent bodies fund only 10% of the evaluated programs.

Figure 11: Funding for the evaluated programs.

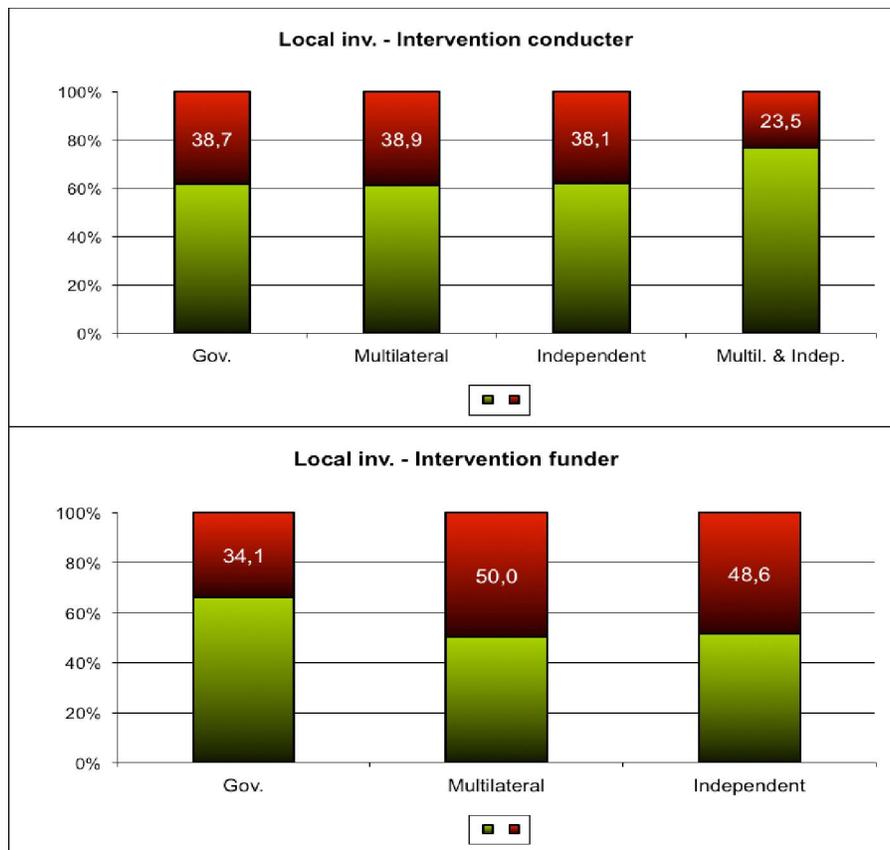


In the rest of LAC, the pattern is quite different, with governments funding (60%) the majority of these programs, followed by multilaterals (16%) and independent bodies (14%), the remaining being funded by a combination of government and multilaterals.

4.14 How does the involvement of local researchers depend on who is conducting/funding the intervention?

Local researchers are about as likely to be involved in both research and data collection whether the intervention is conducted by an independent organization or a multilateral agency (Figure 12). Similarly, 62% of all completed studies assessing interventions funded by either government, multilateral or independent organizations, only involve local researchers to do the data collection effort. This is even higher when the intervention is jointly funded by government and multilateral organizations.

Figure 12: Local involvement in research and who is conducting/funding the intervention.



5) Lessons from Three Case Studies

The previous analysis provide important insights about the size and nature of the recent international wave of IE studies in our sample of countries, looking at the thematic focus, the type of methodologies used, the level of involvement of the government, the participation of local researchers, the sources of funding, etc. However, such quantitative analysis cannot tell us much about the extent to which the IE studies are being used for the design and implementation of policy making in the countries, and the factors facilitating and limiting such process. For that purpose, we now present findings from three case studies conducted in El Salvador, Peru and the Dominican Republic—three very different countries that have recently experienced some developments in their production of IE studies. As described in part 3 of section 2, we look at the list of IE studies identified in the country and try to identify key actors in the academic and policy areas, some of whom were later interviewed. In addition, we reviewed the local and international literature associated with the key processes analyzed, such as the Fomilenio in El Salvador, the Results Based Budgeting Initiative in Peru, and the Director of Juventud y Empleo in the Dominican Republic.

In this section, we present the conclusions we draw from the three case studies. A summary of the findings for each country can be found in Appendix C. We report here three features identified in the case studies that are relevant for understanding the space for policies regarding the strengthening of the institutionalization of IEs for policy making²¹. The first one refers to the external shocks countries are facing in the production of rigorous IE studies, which is the result of increasing awareness among international donors and agencies about the appropriateness of using IEs for

²¹ Following Briceño and Gaarder (2010), we understand *institutionalization* as a process of channeling program evaluation efforts through a formal system that accompanies program design and implementation, generate the IE studies, and define its use for policy making with appropriate benchmarks and analyzing trade-offs across interventions aiming towards some common goals.

consolidating evidence based policy making. The second one discusses the characteristics of the embryonic local processes generated in each country in the light of the independence-relevance trade-off raised by Briceño and Gaarder (2010). The third one discusses the challenges to generate an institutionalization fundamental for effective policy design in the context of multisectoral interventions that are required for a specific social objective. We expand this discussion in the remaining of this section.

5.1 External shocks

The three case studies show different examples of external shocks that have significantly altered the production of rigorous impact evaluations. In the Peruvian case, we have the Innovations for Poverty Action (IPA), which is a nonprofit organization that uses and promotes the use of randomized control trials to identify what works best for helping the world's poor.²² Fomilenio, a public office in charge of coordinating efforts against poverty under the MCC-GOES compact in El Salvador, has a clear mandate to help partner governments fund a well-defined poverty strategy, while establishing a learning system based on the most rigorous identification strategies, preferably RCTs, to estimate the impacts of the funded interventions.²³ As for the Dominican Republic, IE is restricted to a very limited set of programs which have substantial funding coming from the IADB and the WB. In this specific case, the original loan documents condition funds disbursement to produce a sound impact evaluation of the youth active labor market program "Juventud y Empleo".

²² IPA has as affiliates experts in development economics from leading universities such as Harvard, Yale, MIT, LSE, among others (see <http://www.poverty-action.org/>). They have gradually opened offices in developing countries around the world to promote the use of RCTs and to facilitate fieldwork and monitoring.

²³ The Millennium Challenge Corporation (MCC) is a US foreign aid agency that aims to contribute to the reduction of poverty and the achievement of the MDGs.

These international forces play an important role in the three countries, but there are other international movements/organizations that may generate similar shocks in other poor countries in the region, such as the World Bank, IADB, J-PAL, 3IE, among others, which contribute to the international effort for promoting evidence-based policy-making around the world. The question is to evaluate to what extent such pushes may sustainably alter the production of rigorous IEs and promote the systematic use of IEs for policy making in our sample of countries. We start by first establish the quantitative importance of both shocks in the corresponding countries. As mentioned in appendix C, Peru has had a total of 31 programs/interventions with a relatively sound impact evaluation strategy over the past 15 years, which is the largest number within our sample of countries. Of those, we identified nine that were promoted and implemented by IPA. In the case of El Salvador, six of the 11 programs identified with sound IE strategies received funding through the MCC-GOES compact and are coordinated by Fomilenio. Although the participation of these institutions is sizable and similar in number in both countries, they are very different in nature. For the case of Dominican Republic, sound IE, which incorporated the evaluation components at the time of the program design, have been restricted to different rounds of the program “Juventud y Empleo”.

A first aspect is the extent to which these shocks involve the governments themselves. Although IPA exclusively promotes the use of RCTs, their work in Peru has not yet been able to involve the government. Most of their work focuses on microfinance and is carried out in association with regulated and non-regulated microfinance institutions (MFIs). This is clearly not a negative point, as the microfinance sector is one of the friendliest in terms of their use of hard-evidence to guide innovations to improve financial services to the poor, at the international level and also in Peru. So, the IPA projects are likely to have a significant influence in the way Peruvian MFIs serve their referred population. However, its potential to influence the way public policy is created by the Peruvian public sector, is currently negligible. Obviously, this is not due to lack of effort on behalf of IPA, who is adamantly interested in participating in

the impact evaluation of public programs. However, IPA's motivation is mainly academic and therefore mainly interested in conducting RCT. The government agencies are generally reluctant to engage in an RCT as they impose additional costs for the implementation stage for their programs.²⁴ Indeed, we have not found any public program in Peru with an experimental design to determine its impacts.

Another aspect that probably goes against a more meaningful contribution of IPA work on the institutionalization of the use of IEs in Peru, is the fact that they seldom involve a local researcher as an author. For instance, a researcher based in Peru will have more interest in, as well as more mechanisms to influence the way policies are designed and implemented in the country. One has to keep in mind though, that IPA makes significant efforts to promote the use of its results to guide the fight against poverty, but it is probably true that their main target audience is the international donors and policy spheres rather than the local ones.

The MCC-funded programs present a very different picture with respect to the participation of the local and national government in El Salvador. As mentioned above, and in appendix C, the MCC works through agreements with the GOES, so that the implementation is always conducted by local or national governmental agencies. Furthermore, a special agency is generated to coordinate the efforts against poverty under the agreement, called compact. In the case of El Salvador, this agency is called Fomilenio. This also means that the MCC and Fomilenio have to deal with limited human resources. Training offered for key policy makers played a decisive role. This training included components to help them design procurement processes and to increase awareness about the importance of evidence-based policy-making. As a result of the training, the government agreed to have two programs evaluated using an experimental design (out of six), despite initial reluctance (see Moreno et. al., 2010).

²⁴ See Moreno, et. al., (2010) for a list of the usual justification for the public officers' reluctance to accept an experimental design.

A key point to understand the possible contribution of the MCC agreement is that it deals with a subset of the Salvadoran public sector and has a finite duration of five years. Thus, the question is whether the strengthening of capacities achieved with the agreement can expand to the other sectors and can have sustainable effects on the way policy is designed and implemented in El Salvador. Fomilenio officials indicate that coordination meetings with implementing sectors (ministries) have gradually incorporated the participation of the Evaluation Office of the Technical Secretariat of the Presidency (STP). The secretary of the Presidency indeed presides the consulting committee of Fomilenio, and shows interest in expanding and sustaining the use of IEs for the design and implementation of social programs. In the next sub-section, we explore the strengths and weaknesses of such a unit for becoming a champion of the institutionalization of IEs for policy making in El Salvador.

For the Dominican Republic case, there has not been any institutionalization or evaluations beyond the ones mentioned above. IEs appear so far as a by-product of international lending rather than a genuine demand from government actors.

5.2 The challenge of embryonic processes of institutionalization

We identified embryonic processes of institutionalization of the use of IEs for policy making in Peru and El Salvador, but not in the Dominican Republic. However, they differ in their origins and their level of development. In the case of Peru, institutionalization is initialized with the Results Based Budgeting approach and included in the Law of Public Budgeting in 2007. It is the General Direction of Public Budgeting (DGPP) of the Ministry of Economics and Finance (MEF) that are in charge of implementing the approach. In El Salvador, the driving process for institutionalization is led by Fomilenio, which should be conducted by the Technical Secretariat of the Presidency (STP) at the end of the MCC-GOES Compact.

A first key difference between the two identified processes is that the Peruvian one is mainly locally driven while the Salvadoran one was initiated via the external shock generated by the MCC-GOES compact. The Peruvian process starts with the growing

awareness and increasing evidence on the way public resources are being wasted under some of the most important public programs for the poor. This evidence developed by local and international researchers was being accumulated over the years and became increasingly exposed in media during the first decade of the century, generating a space for initiatives that could bring some order and sense to the implementation of social programs.²⁵

Both processes have been operating for several years now, and have led to some important achievements. They face a crucial juncture in which they need to consolidate their efforts towards the institutionalization of IEs for policy making in the corresponding countries. The Peruvian RBB process have generated several process evaluations that have helped reorganize some of the key programs through consensual agreements with the sectors involved, and budget reallocations have followed in favor of programs that have successfully adopted the recommendations (see appendix C). The Salvadoran Fomilenio, on the other hand, has led the decision to attach rigorous impact evaluations to each of the programs they fund. In two cases, Fomilenio was able to use an experimental design, despite the logistical adjustments they often require.²⁶ They have also trained policy makers on the theory and practice of impact evaluations, which have likely been instrumental in getting the support of the implementing sectors for the rigorous identification strategies.

Both processes are in crucial junctures to consolidate their efforts to institutionalize IEs for policy making in their corresponding countries. The Peruvian RBB team considers next step key to insert the use of rigorous impact evaluations in their process, so that budget reallocations can be guided not only by performance indicators

²⁵ See Alcázar (2003) among others, as examples of variants of benefit incidence analysis (BIA) done by local and international researchers that showed severe leakages among several key social programs in Peru.

²⁶ See section 2.b for a discussion of the implications of implementing an experimental design for an impact evaluation.

associated to intermediate results, but by a causal link between performance and results linked to the programs' ultimate goals. As part of the DGPP, they are indeed able to meaningfully affect the design and implementation of social programs, just like the Chilean DIPRES is (see Briceño and Gaarder, 2010). A new challenge ahead will be on the means to guarantee a level of independence of their work, not only from the implementing sectors but also from the government as a whole, to avoid improper influences in the generation and dissemination of assessments. The RBB process is still exclusively a unit within the DGPP (MEF), without any participation from an external body, such as CONEVAL in Mexico, or DIPRES in Chile. Briceño and Gaarder (2010) add that independence of an oversight body also depends on the funding rules, the reporting structure and dissemination laws. Furthermore, they argue that in the case of the Chilean Dipres, the transparency rules for the dissemination of results and the international advisory panel are key elements for the credibility of the organization, considering that organizationally is clearly dependent of the Ministry of Finance. These elements need to be considered for the consolidation of the process started by the Peruvian RBB team.

The issue of independence is also relevant for the embryonic Salvadoran process, since the unit that has become in charge of Fomilenio's achievements is the Secretary of the Presidency. However, their major challenge would be to sustain those achievements after the conclusion of the MCC-GOES compact in 2012.

6) The supply of training in IE methods in LAC

The surge in the production of IE studies has come together with important methodological innovations within experimental and non-experimental approaches, some of which have not been easily followed by researchers and policy makers in our sample of countries. Thus, many organizations interested in promoting the use of IE studies for policy making in these countries have been required to implement training programs for these key agents, not only to support the production of IE studies but also

to spur demand for them and their use in designing new programs or adjusting policies. In this section, we present the results of a systematic search to identify who has been doing such efforts in the region.

We searched for information about training efforts, whose documentation can be found on the internet by usual subjects in the area and the region: The World Bank, the Inter-American Development Bank (IADB), the Abdul Latif Jameel Poverty Action Lab (J-PAL), Innovations for Poverty Action (IPA), the International Initiative on Impact Evaluation (3IE), the Impact Evaluation Network (IEN) of the Latin American and Caribbean Economic Association (LACEA), the Millennium Challenge Corporation (MCC), among others²⁷.

We were able to identify a total of 39 courses held in the region between 2001 and 2011²⁸. By far, the most important institution has been the National Institute of Public Health (INSP), from Mexico, that has been running their workshop on Impact Evaluation of Population, Health and Nutrition Programs in Cuernavaca since the beginning of the last decade, with the support of USAID. That workshop has been directed towards scientist from all countries in the region and of different disciplines that work with such issues, including economists, although they were not from the prevalent discipline within the audience. Other important actors have been IPA (5), the World Bank (4), the IEN (4), J-PAL (3), among others. It is very important to note that most of these courses have taken place after 2006, which shows the increasing importance of these activities.

In addition, we were able to identify the number of participants for 23 of the courses listed in Appendix D. For that sub-sample, the average number of participants

²⁷ An additional effort was made with institutions like IADB, the World Bank, IPA and J-PAL, for which some representatives assisted in completing or verifying information.

²⁸ You can find the full list in Appendix D, with additional information about locations, materials, type and number of participants, when available. Although likely not exhaustive, the time trends and actors identified provide useful information for any institution interested in fostering this process in our sample of countries.

was 49 per course, with many of them including both, researchers and policy makers. This average, however, vary significantly across training institutions. The Mexican INSP courses had between 15 and 20 participants each year, with a duration of about three weeks. The World Bank courses, on the other hand, had between 100 and 200 participants each time, but lasts only 3-5 days.

In sum, it is clear that IE training is becoming increasingly common in the region. However, it is likely that more efforts are needed to expand outreach in countries with weaker research capacities, and to intensify the treatment to combine training with technical assistance, especially in the case of local researchers in countries with weaker capacities for this kind of research.

7) Summary and conclusions

This study looks at the way impact evaluation studies are being produced and used for policy making in a sample of countries in Latin America and the Caribbean, a priori considered having less research capacities to absorb the current trend observed in other more developed countries in the region. The contribution of this study is threefold: (i) we performed a systematic search of the studies that evaluate the impacts of programs and policies with sound identification strategies, and analyzed time trends and key actors in the demand, production and funding of the studies (ii) we performed three case studies (Dominican Republic, El Salvador and Peru) to explore the institutional factors that work in favor and against the demand and use of rigorous impact evaluations for policy making, and (iii) we searched and identified training activities performed by main actors for the promotion of the production of IEs, and their use in the shaping of policies and programs.

Following Bouillon and Tejerina (2007), we conduct a systematic review of IE studies in a selected set of countries where the use of IE approaches for program

evaluation is scarcer.²⁹ We limited the systematic review to IE studies that offer a strong empirical strategy for the identification of the impact(s) of interventions, thus excluding studies based on beneficiary satisfaction and participation self-evaluation. The systematic review suggests that Latin American and Caribbean (LAC) countries have experienced a large increase in the number of IE studies conducted in the last decade, and the time trend in our sample of countries is similar to that one in the rest of LAC. Peru has been very productive and is clearly a leader in the first sample while Mexico leads the second group. In both areas, about 70% of the studies were produced after 2005. In terms of thematic focus, social protection programs make up for the largest share of the evaluated programs, 24% of the studies in our area of focus and 29% in the rest of LAC. This is partially due to the fact that most of the countries in the region have implemented a cash transfer program, but also to the example of the Mexican Progresa-Oportunidades program that benefitted from a rigorous impact evaluation strategy. In addition, accessibility to IE databases led to a multiplicity of studies per program. In both our area of study and the rest of LAC, programs in the fields of education and entrepreneurship (including microfinance) were also assessed through rigorous IE studies. On the other hand, agricultural and rural development programs are more important in our area of focus, while urban development programs are more prevalent in the rest of LAC, which is likely a reflection of the difference in relative importance of rural and urban poverty in the two groups of countries.

Differences are also found in terms of the empirical strategy for identifying the impact(s), the source of funding, the involvement of the government or implementing agency and the involvement of local researchers. Randomized experiments are more common in our sample (43%) than in the rest of LAC (36%), although both groups of countries present a similar increasing trend in the use of RCTs. Matching methods is the most common method in the rest of LAC. Also, RCTs have been mostly used to assess

²⁹ See the full list in Appendix B.

CCT programs, and less so for the other types of programs. Job training and active labor market programs usually involve the use of matching and longitudinal empirical approaches.³⁰

Multilaterals are more important in our sample of countries (77%) for the funding of the IE studies than in the rest of LAC (52%), and such funding seems to decrease the likelihood of participation of local researchers in authorship of studies. However, the participation of local researchers is generally low (in only 40% of the studies), although the proportion is increasing over time. Independent organizations (mostly NGOs) are more likely to be running the programs that are assessed in our study area (36%). In the rest of LAC, programs are mostly run by governments (74%).

To learn about how and if impact evaluations are used for policy making, we performed three case studies, one in El Salvador, one in the Dominican Republic and another one in Peru. We found an increasing trend in the production of rigorous IEs spurred by some external factors in the three countries, which are quite different in each case. In El Salvador, the external shock comes from the MCC-GOES compact that promoted the use of rigorous identification strategies to determine the impact of the interventions funded under the agreement. In the case of Peru, the shock came from the presence of Innovations for Poverty Action (IPA) in the country that promoted the use of randomized experiments, mainly for the evaluation of innovations in microfinance products. A key difference between these two shocks is that the Salvadoran one involved governmental agencies as implementing units, while IPA worked mostly with non-governmental microfinance institutions (MFIs). In the Dominican Republic, the external push for IE comes from IADB and WB. They earmarked some program funding for IE studies on specific programs.

We identify embryonic processes for the institutionalization of the use of IEs for policy making in El Salvador and Peru, but not in the Dominican Republic. Although the

³⁰ Although more recently there is evidence of such programs using RCTs.

processes are very different in nature in the two countries, they both face crucial junctures at this moment, which will determine their expansion and sustainability. In the case of El Salvador the process is associated with the external shock, and the production and use of IEs through Fomilenio will be threatened by the end of the agreement with the Millennium Challenge Corporation (MCC) in 2012. Hence, it is crucial to strengthen the Secretary of the Presidency so that they can sustain the gains and expand them to the rest of the GOES. In the case of Peru, the Results Based Budgeting (RBB) initiative was driven by internal forces. It has already accomplished significant achievements in the organization of social programs and the reallocation of budgetary resources based on performance. The next step is precisely the systematic use of IEs for budget allocations, and it will require major adjustments by the new administration that took office in July 2011. Furthermore, both processes are currently located within the executive branch. There is still a need to build a proper balance between independence and relevance (Briceño and Gaarder, 2010).

In sum, we see from the systematic review and the case studies that many of the countries in our sample are facing some external shocks in favor of the production of IE studies, but they differ in their intensity as well as in the likelihood to affect public policy making in the countries. One sound hypothesis is that knowledge of the most modern methods of impact evaluation, and of the way to use them for the design and adjustment of policies and programs, is a key determinant for the adoption of IE studies for policy making, and such resource is rather scarce in our sample of countries, mainly from Central America, the Caribbean and the Andes. Indeed, such hypothesis seems to be supported by primary international actors in the production and use of IEs. Many of them are taking action and offering training activities, not only aimed for local researchers but also local policy makers. However, it is likely that more such efforts are needed to expand outreach in countries with weaker research capacities, and to intensify the treatment to combine training with technical assistance, especially in the case of local researchers of countries with weaker research capacities of this kind.

The case studies also show that we cannot overlook the need to support the construction of institutional frameworks in favor of a systematic use of IE studies to increase accountability of public action against poverty. The political economy of such processes is very complex and there are often opposing forces that lose power with increased accountability. Such support, though, is not likely to be standardized and would require a clear diagnostic of the political economy behind the current institutional framework in each country.

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APPENDIX A
IMPACT EVALUATION STRATEGIES

A simple comparison of the welfare of program beneficiaries to that of non-participants would often yield an erroneous measure of the impact of the program. Participants and non-participants usually differ in important ways over a range of characteristics, apart from their participation in the program. In order to determine the true impact of a program, one would ideally want to compare what happens when the person is exposed to the program with what would have happened to her/him in the absence of the program. Clearly, one cannot observe the same person in the two states (exposed and unexposed). So instead one compares program beneficiaries to non-beneficiaries who are as similar as possible except for the fact that they are not enrolled in the social program. This can be done in a variety of ways.

Various strategies exist to address this “missing data” problem. They can be classified into two broad categories: experimental and non-experimental. The experimental method forcibly constructs the comparison (or control) group by randomly postponing the incorporation of a selected group of people into the program, which will be the control group (Skoufias, 2001). As a consequence, individuals in the treatment group (those incorporated earlier on) and individuals in the control group have similar observable and unobservable characteristics.

Obviously, a social program may only be evaluated using an experimental set-up when the evaluation study design can be formulated before the start of the program. For on-going programs, experimental impact evaluation studies are usually not feasible. There are two situations where the experimental approach can still be useful. First, program managers and policy-makers may be considering extending the program to a new population (e.g., extending a job training program from a target population of young people with a high school degree to the population of only 18-25 year-olds). In this case, one may design an experiment to learn about the impact for this new population of beneficiaries. Secondly, program managers and policy-makers may have identified issues in the program design and bottlenecks in its implementation. One may

want to experiment with various innovations on the initial design. Again, the experimental approach may still prove useful, even if the program has already started.

Conducting a social experiment needs planning. It also requires the collection of data for the two experimental groups. A thorough power analysis is required to determine the size of each of the groups. In the absence of a well-powered design, the impact study will not find any statistically significant effects, but we will not be able to tell if this is a problem with the size of the experimental sample or if the program indeed has no effect. This would undermine the contributions in terms of time and effort of all stakeholders and the prospect of establishing a culture of rigorous impact evaluation.

With enough power and a larger sample size, the researcher can look at the heterogeneity in impacts by subgroups (e.g., men vs. women, by education level). This usually helps to go beyond determining if the program works and investigate directly the causes for success or failure.

Although costly and difficult to implement, experimental evaluations rely on weaker assumptions than non-experimental evaluations. Thus, they provide the most credible estimates of the true impact of the program, when properly conducted. A related advantage is that they are readily understandable by policy-makers (Heckman and Smith 1995): a simple difference in the average outcomes between the treatment group and the control group yields a consistent estimate of the average impact of the program on the beneficiaries.

Experimental impact evaluations require a steady support from many stakeholders, including program managers, from the very start of the process. Although this could be said about all impact evaluations, the question is even more salient for experimental studies. For instance, people in the control group should be sheltered from any intervention in the sector; otherwise, we end up comparing the situation experienced by participants to the situation that control group people are experiencing: the benchmark is flawed. Local officials and sector specialists in the areas where the experimental sample is drawn must provide support and monitoring. In the absence of

support and monitoring, even the best-designed experimental study does not yield valid estimates. Besides being difficult to get, this close collaboration raises problems of its own. The “right distance” has to be found between the persons in charge of the evaluation and those conducting the intervention to ensure the independence of the former and the credibility of the results. Yet, a close collaboration also has its own virtue, if well led: program managers and policy makers are well aware of the existence of the study, they are engaged with the researchers, expecting the results. In this sense, experimental studies have the potential to influence policy.

It is also important to note that the success of an experimental impact evaluation is not measured in terms of the size of the effect it finds: at the extreme, “no-effect” results, when based on a strong design, provide a clear message to program managers and policy-makers. Through trial and errors, one can find out about what works and what does not work. This is the strength of the experimental approach: it helps settle a debate and can be used as a tool for policy design.

In other cases, the treatment cannot be randomized. The internal validity of the impact estimates ultimately depends on the assumptions we make on the factors driving selection into the program. Here, a cautionary note may be necessary. Suppose we are interested in evaluating a program that provides job training to the unemployed. Some may question our argument that people freely chose whether to participate or not in the program: most of the unemployed will be glad to receive job training, especially if they are getting paid during their training! By selection into the program, we refer to those differences between the ones receiving the training and those who do not. Hence, the question is whether we observe all of these various factors or not.

Assumptions are required about the processes underlying the selection into the program and the data available. We distinguish between 2 broad types of methods: (i) those based on a selection of observed characteristics affecting program participation and unexposed outcomes, and (ii) those based on selection of unobserved characteristics. The first assumes that selection into the program depends on observable

characteristics, conditioned on these characteristics, participation does not depend on outcomes in the unexposed state. Regression (e.g. ordinary least squares, probit and logit) and matching belong to this class of methods.

Matching methods rely on the construction of a comparison group such that, conditional on a set of covariates, participation does not depend on the outcome when not exposed to the program. Intuitively, this means selecting non-participants who are similar to the participants according to a set of covariates. The selection bias gets differenced out by comparing the outcomes of participants and “matched” non-participants. Matching is similar to regression but does not impose a functional form on the outcome equation. In contrast to regression, matching highlights the support problem, *i.e.* helps to compare comparable individuals (Heckman, Ichimura, Smith and Todd 1998). Obviously, the validity of this first type of method heavily relies on the assumption that we observe all the factors that are driving the selection into the program. In turn, this suggests that the better the information we can exploit, the more likely is it that this assumption will hold. Having access to a rich set of variables that can be argued make participation “as-random,” increases the credibility of the estimates. Having access to a set of non-participants who already share many of the participants’ characteristics (e.g., non-participants who are in the pipeline to become participants) also helps in finding better “matches”. In this sense, convincing program managers to collect more data on program applicants and making use of these administrative datasets could have many advantages.

Selection on unobservables allows unobservable characteristics that affect outcomes and participation to be correlated. Here again, various methods can be used. Longitudinal methods require these unobservables to be time-invariant. For example, before-after comparison requires participation to depend only on time-invariant unobservables. But what if changes, other than the implementation of a program, happen simultaneously? In this case, the difference-in-difference method may be more appropriate. This method compares mean outcomes before and after the treatment, for

a treatment and a comparison group. It helps single out changes in outcomes over time unrelated to the program. It requires that eligible individuals do not change their behavior in anticipation of the program, or at least observing them before they do (Heckman and Smith 1999). A careful look at the trends of the treatment and comparison groups prior to the program provides some support to the method. Finally, it is interesting to combine matching and difference-in-difference. Repeated cross-sections are sufficient, but data at a pre-program baseline is necessary. Difference-in-difference matching estimators have been shown to produce estimates that are close enough to the true value of the impact.

The instrumental variables (IV) method and the bivariate selection model are two additional ways of addressing the problem of selection of unobservables. Both methods only require cross-sectional data. Yet, they require finding a variable that affects outcomes only through its effect on participation. In a heterogeneous world of impacts, the IV estimator estimates a local average effect, i.e. the impact for those who change their participation in response to changes in the value of the instrument. This may or may not be a parameter of interest to program managers and policy makers, and relies on this strong and untestable assumption of exogeneity of the instrument. Finally, although less in “vogue” among development economists today, selection models that control for the part of the error in the outcome equation that is correlated with the participation, may offer an alternative to the reduced-form approaches that we discussed so far. It usually forces the researcher to build an explicit model of participation and outcome choices. As it provides additional structure compared to the IV method, it makes it possible to examine heterogeneity in program impacts. An interesting development in the literature is the validation of structural models using experimental estimates. The idea is quite simple: if the model is correct, applying it to the experimental control group participants should yield back an estimate that is close to the experimental one. If validated, it becomes a useful tool for simulations and an alternative to costly trial and error experiments.

Regression discontinuity design approach is an “old” new method that is gaining support among researchers. The regression discontinuity method is useful when there is no common support for participants and non-participants (thus, in a situation where matching cannot be implemented) because treatment is allocated to anyone below (or above) a certain cutoff value. The idea is to compare those who are just above the cutoff point to those just below the cutoff point. This requires having enough observations around the cut-off point. Census data would be a good source of data on which to apply the method. In addition, the method relies on the assumption that expected gains from the program should not incite those above the cutoff point to change their decisions in order to comply with the rule. When these conditions are met, the regression discontinuity estimator makes it possible to recover the mean impact of the program for individuals who are located at the cutoff point. This parameter may be of interest to policy-makers who are considering extending the program benefits to those above/below the cutoff value (e.g., wage subsidies targeted to firms employing 1-10 people and extended to firms employing 11-15 people).

APPENDIX B
PROJECTS SUMMARY TABLES

Code	COU	THE	PRO	Country	Thematic Focus	Category	Sector	Project	Methodology?	Finish?	Implementing Agency	I.E. Research Institution	Funder(s) - Project	Funder(s) - Research
BOL-ECD-PID-01	BOL	ECD	PID	Bolivia	Early child development	Other human capital	Social Development	PIDI	Matching	Y	Government	Independent	Government & Multilateral	Multilateral
BOL-EDU-PRO-01	BOL	EDU	PRO	Bolivia	Education	Education	Social Development	El Promotor - ICTs		Y		Independent		Multilateral
BOL-EDU-BR-01	BOL	EDU	BR	Bolivia	Education	Education	Social Development	Bolivian Bilingual Reform	Matching	Y	Government	Multilateral & Independent	Government	Multilateral
BOL-ENV-EXT-01	BOL	ENV	EXT	Bolivia	Environment	AGRI & Rural Dev.	Growth Investments	Payments for environmental services to internalizing externalities	Experimental	N		Independent	Multilateral	Multilateral
BOL-HEA-SBS-01	BOL	HEA	SBS	Bolivia	Health	Other human capital	Social Development	Seguro básico de salud (SBS)	Instrumental Variables	Y	Government	Government	Government	Government
BOL-INF-WSE-01	BOL	INF	WSE	Bolivia	Public Services	AGRI & Rural Dev.	Growth Investments	Water and sanitation expansion	Matching	Y	Independent	Multilateral	Independent	Multilateral
BOL-MIC-CRE-01	BOL	MIC	CRE	Bolivia	Microfinance	Entrepreneurship	Growth Investments	CRECER	Experimental	Y	Independent	Independent	Independent	Multilateral
BOL-MIC-SCH-01	BOL	MIC	SCH	Bolivia	Microfinance	Entrepreneurship	Growth Investments	Microfinance program impact on demand for schooling	Experimental	Y		Independent		
BOL-MIC-ECO-01	BOL	MIC	ECO	Bolivia	Microfinance	Entrepreneurship	Growth Investments	Ecoaguinaldo	Experimental	Y	Independent	Independent	Independent	Multilateral
BOL-MIC-BOX-01	BOL	MIC	BOX	Bolivia	Microfinance	Entrepreneurship	Growth Investments	Alarm Boxes to save	Experimental	N	Multilateral & Independent	Multilateral	Multilateral	Multilateral

Code	COU	THE	PRO	Country	Thematic Focus	Category	Sector	Project	Methodology?	Finish?	Implementing Agency	I.E. Research Institution	Funder(s) - Project	Funder(s) - Research
BOL-MIC-FS-01	BOL	MIC	FS	Bolivia	Microfinance	Entrepreneurship	Growth Investments	Financial Services for Newly Monetized Amazonian Communities	Experimental	N	Multilateral	Independent	Multilateral	Multilateral
BOL-MIC-FB-01	BOL	MIC	FB	Bolivia	Microfinance	Entrepreneurship	Growth Investments	A Bridge to Formal Banking for the Poor	Experimental	N	Multilateral & Independent	Multilateral	Multilateral	Multilateral
BOL-MIC-GL-01	BOL	MIC	GL	Bolivia	Microfinance	Entrepreneurship	Growth Investments	Peeling Back the Layers of Group Liability in Bolivia		N	Multilateral & Independent	Multilateral	Multilateral	Multilateral
BOL-SIF-SIF-01	BOL	SIF	SIF	Bolivia	Social Investment Fund	Local Governance	Growth Investments	Bolivian Social Investment Fund	Experimental & Matching	Y	Government	Multilateral & Independent	Government & Multilateral	Multilateral
DOM-CCT-SOL-01	DOM	CCT	SOL	Dominican Republic	Social Protection	Social Protection	Social Development	Solidaridad	Matching	Y	Government	Government	Government	Government
DOM-EDU-OWN-01	DOM	EDU	OWN	Dominican Republic	Education	Education	Social Development	Own experiment especially designed for the research	Experimental	Y	Independent	Independent	Government & Independent	Government & Independent
DOM-IR-ATI-01	DOM	IR	ATI	Dominican Republic	Governance	Local Governance	Growth Investments	Access to Information (ATI)	Matching	N		Multilateral	Multilateral	Multilateral
DOM-INF-PRMC-01	DOM	INF	PRMC	Dominican Republic	Transport & Communication	AGRI & Rural Dev.	Growth Investments	Programa de Rehabilitación y Mantenimiento de Caminos Vecinales	Matching	Y	Government	Multilateral	Multilateral	Multilateral
DOM-TRA-JE-01	LUN	TRA	JE	Dominican Republic	Active labor market	Active labor market	Growth Investments	Juventud y Empleo	Experimental	Y	Government	Independent	Multilateral	Independent
DOM-TRA-ADO-01	DOM	TRA	ADO	Dominican Republic	SMEs	Entrepreneurship	Growth Investments	ADOPEM financial literacy training	Experimental	Y	Government	Independent	Government	Multilateral & Independent

Code	COU	THE	PRO	Country	Thematic Focus	Category	Sector	Project	Methodology?	Finish?	Implementing Agency	I.E. Research Institution	Funder(s) - Project	Funder(s) - Research
DOM-TRA-PAT-01	DOM	TRA	PAT	Dominican Republic	Agriculture	AGRI & Rural Dev.	Growth Investments	Program for Technological Support in the Agricultural Sector (PATCA)	Matching	Y		Multilateral	Government & Multilateral	Multilateral
ECU-CCT-BDH-01	ECU	CCT	BDH	Ecuador	Social Protection	Social Protection	Social Development	Bono Solidario y Bono de Desarrollo Humano	Experimental & I.V.	Y	Government	Multilateral & Independent	Government	Multilateral
ECU-EDU-MT-01	ECU	EDU	MT	Ecuador	Education	Education	Social Development	Mas Tecnologia	Experimental	Y	Independent	Independent	Government	Multilateral
ECU-INF-WSE-01	ECU	INF	WSE	Ecuador	Public Services	Urban development	Growth Investments	Water and sanitation expansion program	Matching	Y	Government	Multilateral	Multilateral	Multilateral
ECU-MIC-SMS-01	ECU	MIC	SMS	Ecuador	Microfinance	Entrepreneurship	Growth Investments	Savings reminders via text messages		N	Independent	Multilateral	Multilateral	Multilateral
ECU-NET-PLA-01	ECU	NET	PLA	Ecuador	Agriculture	AGRI & Rural Dev.	Growth Investments	Plataformas de Concertación	Matching	Y	Government	Multilateral & Independent	Government & Multilateral	Multilateral
ECU-SP-SIV-01	ECU	SP	SIV	Ecuador	Social Protection	Social Protection	Social Development	Sistema de Incentivos para la Vivienda	Matching	Y	Government	Multilateral	Government & Multilateral	Multilateral
ECU-SP-FSU-01	ECU	SP	FSU	Ecuador	Social Protection	Social Protection	Social Development	Free school uniforms	Experimental	Y	Government	Multilateral & Independent	Government	Multilateral
ELS-AGR-PAES-01	ELS	AGR	PAE	El Salvador	Agriculture	AGRI & Rural Dev.	Growth Investments	PAES	Matching	Y	Government	Independent	Government	Multilateral
ELS-CCT-CSR-01	ELS	CCT	CSR	El Salvador	Social Protection	Social Protection	Social Development	Comunidades Solidarias Rurales	RDD	Y	Government	Multilateral	Government	Government

Code	COU	THE	PRO	Country	Thematic Focus	Category	Sector	Project	Methodology?	Finish?	Implementing Agency	I.E. Research Institution	Funder(s) - Project	Funder(s) - Research
ELS-EDU-EDU-01	ELS	EDU	EDU	El Salvador	Education	Education	Social Development	EDUCO	Instrumental Variables	Y	Government	Multilateral	Government & Multilateral	Multilateral
ELS-EDU-COM-01	ELS	EDU	COM	El Salvador	Education	Education	Social Development	Compact Scholarships	Experimental	N	Government	Independent	Multilateral	Multilateral
ELS-INF-WSE-01	ELS	INF	WSE	El Salvador	Public Services	AGRI & Rural Dev.	Growth Investments	Compact Water and sanitation services	Matching	N	Government	Independent	Multilateral	Multilateral
ELS-INF-CP-01	ELS	INF	CP	El Salvador	Transport & Communication	AGRI & Rural Dev.	Growth Investments	Connectivity Project	Matching/ RDD	N	Government	Independent	Multilateral	Multilateral
ELS-INF-RE-01	ELS	INF	RE	El Salvador	Public Services	AGRI & Rural Dev.	Growth Investments	Rural Electrification Sub-Activity	Matching	N	Government	Independent	Multilateral	Multilateral
ELS-MIC-REM-01	ELS	MIC	REM	El Salvador	Microfinance	Entrepreneurship	Growth Investments	Migrant control over the use of remittances	Experimental	Y	Independent	Independent	Multilateral & Independent	Multilateral & Independent
ELS-SP-TPP-01	ELS	SP	TPP	El Salvador	Social Protection	Social Protection	Social Development	Un Techo para mi País	Experimental	N	Independent	Multilateral	Multilateral	Multilateral
ELS-TRA-ETA-01	ELS	TRA	ETA	El Salvador	Education	Education	Social Development	Formal Technical Education	Matching	N	Government	Independent	Multilateral	Multilateral
ELS-TRA-PDP-01	ELS	AGR	PDP	El Salvador	Active labor market	Active labor market	Growth Investments	Productive Development Project - Compacto	Experimental	N	Government	Independent	Multilateral	Multilateral
GUA-ECD-HC-01	GUA	ECD	HC	Guatemala	Early child development	Other human capital	Social Development	Hogares Comunitarios	Matching	Y	Government	Multilateral	Government	Multilateral

Code	COU	THE	PRO	Country	Thematic Focus	Category	Sector	Project	Methodology?	Finish?	Implementing Agency	I.E. Research Institution	Funder(s) - Project	Funder(s) - Research
GUA-HEA-DE-01	GUA	HEA	DE	Guatemala	Health	Other human capital	Social Development	Distance Education	Matching	Y	Government & Multilateral	Independent	Multilateral	
GUA-NUT-DSP-01	GUA	NUT	DSP	Guatemala	Nutrition	Other human capital	Social Development	Dietary Supplement Program	Experimental	Y	Multilateral	Multilateral & Independent	Multilateral	Independent
GUA-NUT-INC-01	GUA	NUT	INC	Guatemala	Nutrition	Other human capital	Social Development	INCAP Nutrition intervention	Experimental	Y	Multilateral	Multilateral & Independent	Multilateral	Multilateral
GUA-SIF-FIS-01	GUA	SIF	FIS	Guatemala	Social Investment Fund	Local Governance	Growth Investments	FIS	Matching	Y	Government	Multilateral	Government & Multilateral	Multilateral
HON-CCT-PRA-01	HON	CCT	PRA	Honduras	Social Protection	Social Protection	Social Development	PRAF	Experimental	Y	Government & Multilateral	Multilateral & Independent	Government & Multilateral	Multilateral
HON-ECD-AIN-01	HON	ECD	AIN	Honduras	Early child development	Other human capital	Social Development	Atencion Integral a la Ninez-Comunitaria (AINC)	Experimental	Y	Government	Multilateral	Government & Multilateral	Multilateral
HON-INF-COM-01	HON	INF	COM	Honduras	Transport & Communication	AGRI & Rural Dev.	Growth Investments	Compact Transportation Project	Matching	N	Government		Multilateral	Multilateral
HON-SP-BC-01	HON	SP	BC	Honduras	Social Protection	Social Protection	Social Development	Barrio Ciudad	Matching	N	Multilateral & Independent	Multilateral	Multilateral	Multilateral
HON-SP-UPG-01	HON	SP	UPG	Honduras	Social Protection	Social Protection	Social Development	Ultra Poor Graduation Pilot	Experimental	N	Government & Multilateral	Government & Multilateral	Government & Multilateral	Multilateral
HON-TRA-FTD-01	HON	TRA	FTD	Honduras	Agriculture	AGRI & Rural Dev.	Growth Investments	Farmer Training and Development Activity	Experimental	N	Government & Independent		Multilateral	Multilateral

Code	COU	THE	PRO	Country	Thematic Focus	Category	Sector	Project	Methodology?	Finish?	Implementing Agency	I.E. Research Institution	Funder(s) - Project	Funder(s) - Research
HON-TRA-TUP-01	HON	TRA	TUP	Honduras	Social Protection	Social Protection	Social Development	Targeting the Ultra Poor (TUP)	Experimental	N	Multilateral & Independent	Multilateral	Multilateral	Multilateral
JAM-CCT-PAHE-01	JAM	CCT	PAHE	Jamaica	Social Protection	Social Protection	Social Development	Programme of Advancement Through Health and Education	RDD	Y	Government	Independent	Government	Government
JAM-TRA-NYS-01	JAM	TRA	NYS	Jamaica	Active labor market	Active labor market	Growth Investments	National Youth Service's Corp Program (NYS)		N	Government	Multilateral	Government	Government & Multilateral
JAM-SIF-JSIF-01	JAM	SIF	JSIF	Jamaica	Social Investment Fund	Local Governance	Growth Investments	Jamaica Social Investment Funds	Matching	Y	Government	Multilateral	Government	Multilateral
JAM-NUT-NSP-01	JAM	NUT	NSP	Jamaica	Nutrition	Other human capital	Social Development	Nutritional Supplement Program	Experimental	Y	Independent	Independent	Independent	Independent
JAM-ECD-SCJ-01	JAM	ECD	SCJ	Jamaica	Early child development	Other human capital	Social Development	Follow-on study of stunted children in Jamaica	Experimental	N				
JAM-INF-IBS-01	JAM	INF	IBS	Jamaica	Transport & Communication	Urban development	Growth Investments	Jamaica Inner Cities Basic Services for the Poor Project	Matching	N		Multilateral	Government & Multilateral	
JAM-CRI-CSJP-01	JAM	CRI	CSJP	Jamaica	Crime	Others (Crime)	Social Development	Citizen Security and Justice Program (CSJP)	Matching	Y	Government & Multilateral	Multilateral	Multilateral	Multilateral
NIC-AGR-RBD-01	NIC	AGR	RBD	Nicaragua	Agriculture	AGRI & Rural Dev.	Growth Investments	Rural Business Development Project	Experimental	N	Government & Multilateral	Independent	Multilateral	Multilateral
NIC-CCT-RPS-01	NIC	CCT	RPS	Nicaragua	Social Protection	Social Protection	Social Development	RPS	Experimental	Y	Government	Multilateral & Independent	Government & Multilateral	Government

Code	COU	THE	PRO	Country	Thematic Focus	Category	Sector	Project	Methodology?	Finish?	Implementing Agency	I.E. Research Institution	Funder(s) - Project	Funder(s) - Research
NIC-CCT-AC-01	NIC	CCT	AC	Nicaragua	Social Protection	Social Protection	Social Development	Atención a Crisis	Experimental	Y	Government & Multilateral	Multilateral & Independent	Government & Multilateral	Multilateral
NIC-DEC-SAR-01	NIC	DEC	SAR	Nicaragua	Governance	Local Governance	Growth Investments	School Autonomy Reform	Matching	Y	Government	Multilateral	Government	Multilateral
NIC-DEC-SDP-01	NIC	DEC	SDP	Nicaragua	Governance	Local Governance	Growth Investments	School Decentralization Program	Matching/ Instrumental Variables	Y	Government	Multilateral	Government	Multilateral
NIC-EDU-ER-01	NIC	EDU	ER	Nicaragua	Education	Education	Social Development	Education with radio	Experimental	Y	Independent	Independent	Multilateral	Independent
NIC-EDU-PAS-01	NIC	EDU	PAS	Nicaragua	Education	Education	Social Development	Nicaragua - Education Project (PASEN)	Experimental	N	Government	Multilateral	Government & Multilateral	Multilateral
NIC-HEA-SFS-01	NIC	HEA	SFS	Nicaragua	Health	Other human capital	Social Development	Seguro Facultativo de Salud	Experimental	Y	Government	Independent	Government	Multilateral
NIC-INF-COM-01	NIC	INF	COM	Nicaragua	Transport & Communication	AGRI & Rural Dev.	Growth Investments	Road Improvements	Experimental	N	Government	Independent	Multilateral	Multilateral
NIC-LT-LT-01	NIC	LT	LT	Nicaragua	Agriculture	AGRI & Rural Dev.	Growth Investments	Land titling	Matching	Y	Government	Multilateral	Government & Multilateral	Multilateral
NIC-SIF-FIS-01	NIC	SIF	FIS	Nicaragua	Social Investment Fund	Local Governance	Growth Investments	FISE	Matching	Y	Government	Multilateral	Government & Multilateral	Multilateral
PER-AGR-FFS-01	PER	AGR	FFS	Peru	Agriculture	AGRI & Rural Dev.	Growth Investments	Farmer field school (FFS)	Matching	Y	Independent	Multilateral & Independent	Multilateral	Multilateral

Code	COU	THE	PRO	Country	Thematic Focus	Category	Sector	Project	Methodology?	Finish?	Implementing Agency	I.E. Research Institution	Funder(s) - Project	Funder(s) - Research
PER-CCT-JUN-01	PER	CCT	JUN	Peru	Social Protection	Social Protection	Social Development	JUNTOS	Matching	Y	Government	Multilateral & Independent	Government	Multilateral
PER-CRE-PUC-01	PER	CRE	PUC	Peru	Education	Education	Social Development	PUCP Loans	Matching	Y	Independent	Independent	Independent	Independent
PER-DEC-JUS-01	PER	DEC	JUS	Peru	Governance	Local Governance	Growth Investments	Decentralization of formal judicial services	Matching	Y	Government	Multilateral & Independent	Government	Multilateral
PER-EDU-ULP-01	PER	EDU	ULP	Peru	Education	Education	Social Development	Una Laptop por Niño		N	Government	Independent	Government	Multilateral
PER-ENV-RP-01	PER	ENV	RP	Peru	Environment	Urban development	Growth Investments	Recycling Program	Experimental	N	Independent	Multilateral		
PER-ICT-HUA-01	PER	ICT	HUA	Peru	Education	Education	Social Development	Huascarán Program	Matching	Y	Government	Multilateral	Government & Multilateral	Multilateral
PER-HEA-HW-01	PER	HEA	HW	Peru	Health	Other human capital	Social Development	Scaling Up Handwashing in Peru	Experimental	N		Multilateral		Multilateral
PER-HEA-EDU-01	PER	HEA	EDU	Peru	Microfinance	Entrepreneurship	Growth Investments	Business Education for Microcredit Clients	Experimental	Y	Multilateral & Independent	Independent	Multilateral	Multilateral
PER-HEA-CU-01	PER	HEA	CU	Peru	Health	Other human capital	Social Development	Understanding the barriers to condom usage	Experimental	N	Independent	Multilateral		
PER-INF-PRO-01	PER	INF	PRO	Peru	Transport & Communication	AGRI & Rural Dev.	Growth Investments	Provias Descentralizado	Matching	Y	Independent	Independent	Government	Multilateral

Code	COU	THE	PRO	Country	Thematic Focus	Category	Sector	Project	Methodology?	Finish?	Implementing Agency	I.E. Research Institution	Funder(s) - Project	Funder(s) - Research
PER-INF-TS-01	PER	INF	TS	Peru	Public Services	AGRI & Rural Dev.	Growth Investments	Access to telephone services	Matching	Y	Independent	Multilateral	Independent	Multilateral
PER-INF-NRE-01	PER	INF	NRE	Peru	Transport & Communication	AGRI & Rural Dev.	Growth Investments	National Rural Electrification Plan	Matching	Y	Government & Independent	Multilateral & Independent	Government & Independent	Multilateral
PER-INF-PIS-01	PER	INF	PIS	Peru	Agriculture	AGRI & Rural Dev.	Growth Investments	Peruvian Irrigation Subsector Project	RDD	Y	Government	Multilateral	Government	Multilateral
PER-LT-PLT-01	PER	LT	PLT	Peru	Agriculture	AGRI & Rural Dev.	Growth Investments	Special Program of Land Titling	Matching	Y	Government	Multilateral	Government	Multilateral
PER-MIC-MIB-01	PER	MIC	MIB	Peru	Microfinance	Entrepreneurship	Growth Investments	Mi Banco microcredits	Matching	Y	Independent	Independent	Independent	Multilateral
PER-MIC-TRU-01	PER	MIC	TRU	Peru	Microfinance	Entrepreneurship	Growth Investments	Measuring Trust in Peruvian Shantytowns	Experimental	Y	Independent	Independent	Multilateral	Multilateral
PER-MIC-TUP-01	PER	MIC	TUP	Peru	Microfinance	Entrepreneurship	Growth Investments	The Targeting the Ultra Poor (TUP)	Experimental	N	Independent	Multilateral	Multilateral	Multilateral
PER-MIC-GIM-01	PER	MIC	GIM	Peru	SMEs	Entrepreneurship	Growth Investments	Group vs. Individual Micro-Lending	Experimental	N	Multilateral & Independent	Multilateral	Multilateral	Multilateral
PER-MIC-CRB-01	PER	MIC	CRB	Peru	Microfinance	Entrepreneurship	Growth Investments	Cosignatory Requirement as a Barrier for Women Accessing Credit	Experimental	N	Multilateral & Independent	Multilateral	Multilateral	Multilateral
PER-MIC-PS-01	PER	MIC	PR	Peru	Microfinance	Entrepreneurship	Growth Investments	Psychological Responses to Microfinance Loan Recovery Strategies	Experimental	N	Multilateral & Independent	Multilateral	Multilateral	Multilateral

Code	COU	THE	PRO	Country	Thematic Focus	Category	Sector	Project	Methodology?	Finish?	Implementing Agency	I.E. Research Institution	Funder(s) - Project	Funder(s) - Research
PER-MIC-TRU-01	PER	MIC	TRU	Peru	Microfinance	Entrepreneurship	Growth Investments	Trust and Microfinance in Poor Communities	Experimental	N	Multilateral & Independent	Multilateral	Multilateral	Multilateral
PER-MIC-UE-01	PER	MIC	UE	Peru	Microfinance	Entrepreneurship	Growth Investments	Using Encouragement to Overcome Psychological Barriers to Saving	Experimental	N	Multilateral & Independent	Multilateral	Multilateral	Multilateral
PER-NUT-DE-01	PER	NUT	DE	Peru	Nutrition	Other human capital	Social Development	Desayunos Escolares	Experimental	Y	Government	Independent	Government	Multilateral
PER-NUT-VL-01	PER	NUT	VL	Peru	Nutrition	Other human capital	Social Development	Vaso de Leche	Matching	Y	Government	Independent	Government	Multilateral
PER-SIF-FON-01	PER	SIF	FON	Peru	Social Investment Fund	Local Governance	Growth Investments	FONCODES	Matching	Y	Government	Independent	Government	Multilateral
PER-TRA-PRO-01	PER	TRA	PRO	Peru	Active labor market	Active labor market	Growth Investments	Projoven	Matching	Y	Government	Independent	Government & Multilateral	Independent
PER-TRA-JUM-01	PER	TRA	JUM	Peru	Active labor market	Active labor market	Growth Investments	Formación Empresarial de la Juventud (JUMP)/ Programa de Calificación de Jóvenes Creadores de Microempresas	Matching	Y	Independent	Independent	Independent	Independent
PER-TRA-FLE-01	PER	TRA	FLE	Peru	SMEs	Entrepreneurship	Growth Investments	Formación de Líderes Empresariales in Huancavelica	Experimental	Y	Independent	Independent	Independent	Independent
PER-TRA-FIN-01	PER	TRA	FIN	Peru	SMEs	Entrepreneurship	Growth Investments	Business training	Experimental	Y	Independent	Independent	Multilateral	Multilateral
PER-TRA-TTA-01	PER	TRA	TTA	Peru	SMEs	Entrepreneurship	Growth Investments	Training and Technical assistance for female entrepreneurship	Experimental	Y	Independent	Independent	Multilateral	Multilateral

Code	COU	THE	PRO	Country	Thematic Focus	Category	Sector	Project	Methodology?	Finish?	Implementing Agency	I.E. Research Institution	Funder(s) - Project	Funder(s) - Research
PER-UDH-COF-01	PER	UDH	COF	Peru	Urban development	Urban development	Growth Investments	COFOPRI	Matching	Y	Government	Independent	Government	Independent
PAR-CCT-TP-01	PAR	CCT	TP	Paraguay	Social Protection	Social Protection	Social Development	Tekoporã Programme	Matching	Y	Government	Multilateral		
PAR-INF-WSE-01	PAR	INF	WSE	Paraguay	Public Services	AGRI & Rural Dev.	Growth Investments	Rural Water Supply and Sanitation	Matching	N				
TRI-NUT-SIP-01	TRI	NUT	SIP	Trinidad & Tobago	Nutrition	Other human capital	Social Development	School-based intervention programme	Experimental	Y	Independent	Independent	Independent	Independent

LEGEND

Thematic focus codes	
Code	Thematic focus
AGR	Agriculture
CCT	Conditional cash transfers
CRI	Crime
DEC	Decentralization
ECD	Early child development
EDU	Education
ENV	Environment
HEA	Health
ICT	ICTs
INF	Infrastructure
MIC	Microfinance
NUT	Nutrition
SIF	Social Investment Fund
SP	Social Protection
TRA	Training Program
UDH	Urban development housing

Country codes	
Code	Country
BOL	Bolivia
DOM	Dominican Republic
ECU	Ecuador
ELS	El Salvador
GUA	Guatemala
HON	Honduras
JAM	Jamaica
NIC	Nicaragua
PAR	Paraguay
PER	Peru
TRI	Trinidad & Tobago

APPENDIX C
CASE STUDIES

CASE STUDY 1: EL SALVADOR

Impact Evaluation Studies

We have found a total of 11 projects in El Salvador that have used a rigorous methodology for the evaluation of its impacts. The trend is very recent, as all but one of them started after 2004, and 7 are still in process, hence still lacking complete papers reporting the results of the impact evaluation study. Also, the IE effort concentrates in several thematics, including agriculture and rural development (4) and education (3). 3 of those projects have defined an experimental identification strategy, but only one of them involves a public program. However, in total, 9 of the projects or programs that have been/are being evaluated, are implemented by the public sector.

An interesting feature of the recent flow of impact evaluation studies is the participation of the multilateral agencies, especially the Millennium Challenge Corporation (MCC), as they promote and fund 6 of the projects and the corresponding impact evaluation studies. In all cases, the government plays an important role in the implementation, and a specific public office, FOMILENIO, was created to coordinate the projects/programs. Looking at the methodologies defined to measure the corresponding impacts, it is clear that the MCC projects have improved the quality of the identification strategies used for public programs, as they tend to use matching methods with a baseline, a well-defined RDD approach, and even an experimental design in two cases. However, we cannot yet fully evaluate the effects of the impulse offered by the MCC to use rigorous impact evaluation studies for policy making in El Salvador, as most of these projects are still in progress with no results to show. Thus, policy makers do not face the decision to readjust public budgets based on the results of rigorous impact evaluations.

The private sector has also participated in the generation of programs with rigorous impact evaluations. There are two important studies. One refers to analyzing the importance of control of remittances by the sender, and is done in collaboration with a large private bank, Banco Agrícola. The other intervention is implemented by the

NGO, A Roof for my Country, and aims at analyzing the impact of this housing alternative over the welfare of its beneficiaries.

The MCC and Fomilenio

The MCC is a US foreign aid agency created in 2004 to change the US contribution to the fight against poverty and the achievement of the Millennium Development Goals (MDGs) with a new approach that focuses on the poorest countries and in good policies, country ownership and results³¹. In 2006, the MCC signed a five-year agreement with the government of El Salvador (GOES) to improve the lives of Salvadorans, especially those from the Northern Region of the country, through strategic investments in education, public services, agricultural production, rural business development, and transportation infrastructure³². Under that agreement, the GOES created a special unit, Fomilenio, to coordinate efforts under the agreement. The northern region is clearly the poorest area of the country, but the decision to focus on it was based on the results of a wide consultation done by the GOES through the National Commission for Development (CND), which even developed a plan that was later adjusted and approved by the MCC, and sets the goals and activities for the work of Fomilenio. With the purpose to attain country ownership, Fomilenio started consulting with local governments and civil society to present and adjust the plan before implementation, but apparently such communication diminished as implementation took over³³. Implementation started slow as the MCC procurement rules demanded extra capacities from current officials, but the process speeded up later on, due to different strategies followed by MCC to strengthen institutional capacities at the different ministries.

All interventions under this agreement present a sound identification strategy of its effects on the chosen set of indicators. Of the six projects identified in our sample,

³¹ See <http://www.mcc.gov/pages/about>.

³² See <http://www.mcc.gov/pages/countries/program/el-salvador-compact>.

³³ See Crone (2008).

three of them use some variant of matching methods, one uses a regression discontinuity design (RDD) and two use an experimental design. However, these six projects are still ongoing so we still lack the results of the corresponding IEs. In principle, the participation of civil society and local authorities along the process of the Fomilenio programs offers a good space for disseminating the lessons learned about what works and for whom, in a way that can affect policy making within the country³⁴. Nevertheless, some concerns can be raised since most of the IE studies are conducted by important international organizations such as Social Impact and Mathematica Policy Research, as it may reduce the likelihood of local researchers participating in the studies with an interest in helping to shape evidence based policy making in El Salvador. Only one out of four of completed studies include a local researcher. It would be important to see what is the strategy the MCC and/or FOMILENIO have for this process.

The institutional challenge

The MCC agreement with the GOES has implied an external shock that have led to an increase in the number of public programs with a sound impact evaluation strategy. The GOES participates not only through the ministries but also through local authorities that participate in the consultation process, and should be part of the communications strategy. All these interactions are likely to improve institutional capacities beyond the Northern Region, and the MCC will likely strengthen their technical support for such a process. However, it is likely that more will be needed for IEs to become an integral part of the policy making process in El Salvador. A remaining question is whether the MCC approach for impact evaluations is more concerned with the institutionalization of the learning process across countries, rather than with the one within the countries already with a Compact.

³⁴ However, Crone (2008) argues that consultation and communication with local stakeholders deteriorated after procurement began.

CASE STUDY 2: PERU

Impact Evaluation Studies

Peru is the country in our sample with the largest number of programs/interventions that have had a rigorous methodology for the evaluation of its impacts, with a total of 31 programs. The trend is recent, as 24 of them have started after 2004, and 9 are still in process, hence still lacking a complete paper reporting the results of the impact evaluation study. Also, the effort concentrates on three thematic areas: entrepreneurship (11), agriculture and rural development (6) and human capital investments (7)³⁵. 14 of those programs have defined an experimental identification strategy, but only one of them involves a public program. In total, only 12 of the projects or programs that have been/are being evaluated have the public sector as the implementing agency, and most of them (9) use some variant of the matching methods.

An interesting feature of the recent flow of impact evaluation studies is the participation of Innovations for Poverty Action (IPA), based in Lima. We count as many as nine studies in which IPA researchers are involved, all of them using experimental methods in partnership with local and international NGOs, with a strong concentration on microfinance³⁶. Many of them are still in process, but most of those with a finished study do not include a local researcher among the authors. On the other hand, the public programs that are, or have been, rigorously evaluated, have been promoted by the participation of the World Bank and IADB, and use matching methods as the identification strategy, often because a baseline survey was not applied on time, or to minimize interference with the implementation of the program. Two of the most

³⁵ Microfinance (7) projects are quite important among those promoting entrepreneurship, followed by rural infrastructure projects and health and nutrition projects.

³⁶ The emphasis on microfinance is explained by the focus of IPA researchers, but also for the receptivity of the microfinance industry, in Peru as in many other countries, eager to use rigorous evidence to define innovations to improve their social and economic performance.

recognized of such projects are the Job Training Program for Youth (PROJOVEN) and the Rural Roads Rehabilitation and Maintenance Program (RRP), which are large projects with more than 10 years of activity that started with financial support from the World Bank and the IADB³⁷. An impact evaluation strategy was included very early into both programs, using matching methods to identify a control group and working with diff-in-diff estimates of their impacts. The associated published studies are well recognized locally and have clearly played a role in the permanence and/or expansion of both programs. However, these cases were not able to set a new standard within the public sector, as many programs kept popping up, sustained or expanded without a sound impact evaluation strategy. Two examples are the Integrated Health Insurance Program (SIS) and the conditional cash transfer program, Juntos. The SIS was created in 2001 under the MoH to gradually achieve universal access to health insurance, and has been reformulated several times without including a sound strategy to identify its impacts. Juntos was created in 2005 under the PCM, and has gone through several pilot stages without allowing for the possibility of rigorously estimating its impacts upon the welfare of the beneficiaries³⁸. This is possible because Peru has not yet been able to institutionalize the use of impact evaluations to organize and monitor public programs, although the Results Based Budgeting (RBB) initiative has been working to achieve that. In the following paragraphs, we briefly describe the RBB strategy and accomplishments since 2007.

The RBB Initiative

The distribution of budgetary resources in Peru have been defined based on inertia, with little or weak information about the performance of programs, loosely defined priorities and consequently, weak planning on how to best assign resources to achieve

³⁷ See Rosas (2006) and Valdivia (2010), respectively.

³⁸ There are some studies that have attempted to estimate its impacts using national household surveys (ENDES, ENAHO) and matching methods, but without counting with a proper baseline (see Parodi, 2005 and Perova and Vakis, 2009).

results. In that context the RBB initiative has been trying to improve the allocation of budgetary resources based on the contribution of programs to achieve strategic outcomes. Since 1997, there have been efforts to connect program management and budgets with program results, but it is only in 2007 that the Law of Public Budgeting recognizes 11 prioritized programs and assigns to the General Direction of Public Budgeting (DGPP) the design and implementation of result based budgeting. In 2009, the General Law of Public Budgeting institutionalized the use of RBB including the use of independent evaluations.

The RBB team, a part of the Ministry of Economics and Finance, have included working with sectoral teams to define the objectives of the prioritized programs, how to achieve the goals, and the information needed to measure intermediate and final outcomes to evaluate its performance. Furthermore, they have been trying to go beyond individual programs through the definition of Strategic Programs (PE) that coordinate multisectoral efforts to achieve a prioritized objective, with the Nutritional Articulated Program (PAN) as the standout example³⁹. With such inputs, the RBB has been able to define consensual rules to connect performance with the allocation of budgetary resources for a subset of programs within the public budget, although they have not yet been able to systematically use rigorous impact evaluations to establish a causal link between programs' actions and results. Still, the RBB team claims several important achievements based on the willingness and ability of programs to improve their set of planning tools. They were able to discontinue a school infrastructure maintenance program, giving money to school directors, because they were not able to consistently show proper use of resources. Instead, they reallocated the resources to the Census of School Infrastructure. A similar situation occurred with the Juntos

³⁹ The PAN was established in 2007 and its objective is to reduce chronic child malnutrition from 25% to 16% by 2011. Its main strategy is to articulate different health interventions such as vaccination campaigns, access to child development check-ups, iron and vitamin A supplementation, among others, but also includes the conditional cash transfer program Juntos (see Mesa de Concertación para la Lucha contra la Pobreza, 2010).

program, as the process evaluation showed very poor program performance in the monitoring of the conditionalities. Juntos also repeatedly resisted the definition and implementation of a rigorous impact evaluation strategy for their expansion plans, and wanted instead to expand its objectives beyond the nutritional goals prioritized from the beginning. On the positive side, the RBB was able to significantly increase the budget for the PAN for their ability to coordinate efforts across programs in different sectors with a system of indicators that allows the RBB to closely track their activities and the nutritional status of the beneficiaries.

The institutional challenge

The efforts of the RBB initiative have been extremely valuable to improve accountability for the use of public resources in Peru. More importantly, the current team leader has gained influence with the new regime and firmly holds that the next challenge for the RBB initiative is to systematically incorporate the use of rigorous impact evaluations, being fully aware of the additional complexities. Impact evaluations not only take more time to generate results, but are also more expensive, and there is probably less availability of local institutional and individual capacities to carry out such studies and to monitor them from the RBB side.

There are at least two more substantial challenges for the institutionalization of IEs for improving policy making in Peru. On one hand, the RBB seems to be the natural space to work on such a process, but there are some trade offs. The strategic functional position allows for an immediate effect on policy making through the allocation of public resources, but independence may be an issue, as the RBB is now a unit within the Ministry of Finance, actually the DGPP, similar to the Chilean DIPRES. Another relevant challenge is how to adjust the RBB to incorporate IEs in a way that can handle multisectoral efforts such as those promoted by the PEs. The PAN has served as an interesting example but the main role of the DGPP team in the design and implementation of the programs under the PAN, compromises the team's independence it it was also handle the evaluation of the impacts of the PAN activities. Actually, this

question is linked to an important debate in the country, regarding the soundness of the recent adjustments to the implementation of the RBB by this new regime. This is a debate we ought to look at closely, with room for contributions by different international agencies, for instance, the lessons learned in other developing countries.

CASE STUDY 3: Dominican Republic

In the Dominican Republic, there are a total of seven impact evaluation studies, three using experimental design and the rest with matching. In six cases, the agency implementing the program is the government of the Dominican Republic with financing from multilateral institutions. The one remaining is designed for academic purposes and funded entirely by the team of researchers.

The thematic focus is varied. There is one on education, one on governance, one on the area of active labor market programs, another one on transport and communication, one on the area of SMEs and finally, one on agriculture.

The most important one so far, has been the IE of “Juventud y Empleo”, a major program launched by the Secretary of Labor, which consisted on providing training to disadvantaged youths with problems to insert themselves into the labor market. The intervention was financed by several loans, initially from the IADB and consequently by the WB. The loan documents included a specific item with an experimental design for the evaluation. The loan also contemplated the creation of a specific unit who would implement Juventud y Empleo and also coordinate the experimental evaluation. The local team dealt mostly with the operational aspects of the evaluation (random assignment, data collection) and academics and researchers from IADB and the World Bank closely reviewed all its technical details.

Juventud y Empleo had two evaluations and now a new loan from the IADB is in the pipeline. The new loan also incorporates an experimental evaluation.

The country does not have a specific agency in charge of IE and existing IE studies are associated mostly with requirements imposed by multilateral institutions. Furthermore, the small number of existing IEs does not involve any participation of local researchers either from universities or local think tanks. Neither have IE helped the learning process within a government body. The findings and the learning resulting from

Juventud y Empleo are mostly limited to the unit that is closely linked to the program, and it is perceived more as a “burden” in order to be able to implement such program.

The new IADB loan to extend a newer version of Juventud y Empleo is trying to involve more actors within the Secretary of Labor in terms of program evaluation. Potentially more people may be interested in the future IE results of the Juventud y Empleo. However, this does not mean that a process of IE institutionalization is underway.

APPENDIX D
IMPACT EVALUATION COURSES & TEACHING MATERIALS

Main Organization	Program or Partner	Course/Workshop	Location	Dates	Days	Type	Participants	Directed to	Web Source
WB	DIME	Cross-Country Workshop for Impact Evaluation in Agriculture and Rural Development (AADAPT)	Brasilia, Brazil	November 16-20, 2009	5	Workshop	N/A	Policy Makers/ Researchers	http://go.worldbank.org/R636PEULS0
WB	SIEF	Evaluando el Impacto de los Programas de Desarrollo: De Promesas a Evidencias	Rio de Janeiro, Brazil	April 26-30, 2010	5	Workshop	224	Policy Makers	http://go.worldbank.org/8BIRSC2RG0
WB	SIEF	Evaluando el Impacto de los Programas de Desarrollo: De Promesas a Evidencias	Lima, Peru	January 26-30, 2009	5	Workshop	184	Policy Makers	http://go.worldbank.org/BJSIS6DZK0
WB	SIEF	Evaluando el Impacto de los Programas de Desarrollo: De Promesas a Evidencias	Managua, Nicaragua	March 3-7, 2008	5	Workshop	104	Policy Makers	http://go.worldbank.org/VGJX1TE0X0
J-PAL	J-PAL LatAm	Evaluación de Programas Sociales: J-PAL LatAm '10	Santiago, Chile	December 2010	5	Course	45	Policy Makers/ Researchers	http://www.povertyactionlab.org/Methodology/Training%20Course/Past%20Courses
J-PAL	J-PAL LatAm	Evaluación de Programas Sociales: J-PAL LatAm '10	Bogotá, Colombia	July 2010	5	Course	39	Policy Makers/ Researchers	http://www.povertyactionlab.org/Methodology/Training%20Course/Past%20Courses
J-PAL	J-PAL LatAm	Evaluación de Programas Sociales: J-PAL LatAm '09	Santiago, Chile	December 2009	5	Course	40	Policy Makers/ Researchers	http://www.povertyactionlab.org/Methodology/Training%20Course/Past%20Courses
3ie	INSP-IDB-AusAID-IDRC-WB	Reduciendo la brecha: de la evidencia al impacto en las políticas públicas	Cuernavaca, México	June 15-17, 2011	2	Workshop	Notyet	Policy Makers/ Researchers	http://www.impactevaluation2011.org/
INSP	USAID-CDC	Taller de Evaluación de Impacto de Programas de Población, Salud y Nutrición	Cuernavaca, México	July 4-15, 2011	12	Course	Notyet	Policy Makers/ Researchers	http://www.insp.mx/centros/evaluacion-y-encuestas/servicios/taller-de-evaluacion-de-impacto.html
LACEA	IEN	Fourth Annual Meeting of the Impact Evaluation Network	Florida, US	October 8-9, 2010	2	Workshop	120	Researchers	http://www.bus.miami.edu/events/impact-evaluation-network/index.html
LACEA	IEN	Third Annual Meeting of the Impact Evaluation Network	Bogota, Colombia	December 2-3, 2009	2	Workshop	N/A	Researchers	http://www.depeco.econo.unlp.edu.ar/cedlas/i/en/meeting2009.htm
LACEA	IEN	Second Annual Meeting of the Impact Evaluation Network	Rio de Janeiro, Brazil	November 19th 2008	1	Workshop	N/A	Researchers	http://www.depeco.econo.unlp.edu.ar/cedlas/i/en/meeting2008.htm
LACEA	IEN	First Annual Meeting of the Impact Evaluation Network	Bogota, Colombia	October 3rd, 2007	2	Workshop	N/A	Researchers	http://www.depeco.econo.unlp.edu.ar/cedlas/i/en/meeting2007.htm
LACEA	GDN	Applied Econometrics for the Analysis of Micro and Panel Data	Bogota, Colombia	July 13-16, 2009	4	Course	67	Policy Makers/ Researchers	http://www.google.com/url?sa=t&source=web&cd=1&ved=0CB8QFJAA&url=http%3A%2F%2Fwww.gdnet.org%2FCMS%2FgetFile.php%3Fid%3Dlancea_training_course_summary&rct=j&q=Applied%20Econometrics%20for
IDB	-	Methodologies for Impact Evaluation of Cluster Development Programs	Washington, DC.	April 1, 2011	1	Workshop	N/A	Policy Makers	http://events.iadb.org/calendar/eventDetail.aspx?lang=es&id=2852
IDB	-	Empirical Strategies Reloaded	Washington, DC.	July 12-15, 2010	4	Workshop	30	Researchers	http://www.iadb.org/en/topics/development-effectiveness/workshop-empirical-strategies-reloaded,1266.html
IDB	-	New Tendencias in Econometrics applied to the cases of health and social protection	Washington, DC.	June 23-25, 2010	3	Workshop	N/A	Researchers	N/A
INSP	USAID-CDC	Taller de Evaluación de Impacto de Programas de Población, Salud y Nutrición	Cuernavaca, México	July 5-23, 2010	19	Course	N/A	Researchers	http://www.insp.mx/paspe/docs/impact%20eval%20workshop%20brochure%202010_nh15Feb10.pdf
INSP	USAID-CDC	Taller de Evaluación de Impacto de Programas de Población, Salud y Nutrición	Cuernavaca, México	July 6-24, 2009	19	Course	N/A	Researchers	http://www.cpc.unc.edu/measure/training/workshops/impact-evaluation-phn-programs-mexico/impact-evaluation-phn-programs-mexico-brochure-aug-2009
INSP	USAID-CDC	Taller de Evaluación de Impacto de Programas de Población, Salud y Nutrición	Cuernavaca, México	July 21-August 8, 2008	19	Course	19	Researchers	http://www.sph.unc.edu/images/stories/cv_storage/700424177_cv.pdf

Main Organization	Program or Partner	Course/Workshop	Location	Dates	Days	Type	Participants	Directed to	Web Source
INSP	USAID-CDC	Taller de Evaluación de Impacto de Programas de Población, Salud y Nutrición	Cuernavaca, México	July 23-August 10, 2007	19	Course	18	Researchers	http://www.sph.unc.edu/images/stories/cv_storage/700424177_cv.pdf
INSP	USAID-CDC	Taller de Evaluación de Impacto de Programas de Población, Salud y Nutrición	Cuernavaca, México	July 31-August 18, 2006	19	Course	18	Researchers	http://www.sph.unc.edu/images/stories/cv_storage/700424177_cv.pdf
INSP	USAID-CDC	Taller de Evaluación de Impacto de Programas de Población, Salud y Nutrición	Cuernavaca, México	July 18-August 5, 2005	19	Course	16	Researchers	http://www.sph.unc.edu/images/stories/cv_storage/700424177_cv.pdf
INSP	USAID-CDC	Taller de Metodos Avanzados Evaluación de Impacto de Programas de Salud y Sociales	Cuernavaca, México	March 7-18, 2005	19	Course	21	Researchers	http://www.sph.unc.edu/images/stories/cv_storage/700424177_cv.pdf
INSP	USAID-CDC	Taller de Evaluación de Impacto de Programas de Población, Salud y Nutrición	Cuernavaca, México	July 19-August 6, 2004	19	Course	15	Researchers	http://www.sph.unc.edu/images/stories/cv_storage/700424177_cv.pdf
INSP	USAID-CDC	Taller de Metodos de Evaluación de Impacto de Programas de Población, Salud y Nutrición	San José, Costa Rica	July 14 – August 1, 2003	19	Course	15	Researchers	http://www.sph.unc.edu/images/stories/cv_storage/700424177_cv.pdf
INSP	USAID-CDC	Taller de Evaluación de Impacto de Programas de Población, Salud y Nutrición	San José, Costa Rica	July 8-26, 2002	19	Course	16	Researchers	http://www.sph.unc.edu/images/stories/cv_storage/700424177_cv.pdf
INSP	USAID-CDC	Taller de Evaluación de Impacto de Programas de Población, Salud y Nutrición	San José, Costa Rica	July 9-27, 2001	19	Course	15	Researchers	http://www.sph.unc.edu/images/stories/cv_storage/700424177_cv.pdf
INSP	USAID-CDC	Taller de Evaluación de Impacto de Programas de Población, Salud y Nutrición	San José, Costa Rica	July 10-28, 2000	19	Course	15	Researchers	http://www.sph.unc.edu/images/stories/cv_storage/700424177_cv.pdf
CEPAL	ILPES	Gestión pública para resultados y evaluación de programas públicos	Los Cabos, México	May 9-20, 2011	12	Course	N/A	Policy Makers	http://www.eclac.cl/cgi-bin/getprod.asp?xml=/ilpes/capacitacion/7/42377/P42377.xml&xml=/ilpes/tpl/p15f_xsl&base=/ilpes/tpl/top-bottom_xsl
CEPAL	ILPES	Gestión pública para resultados y evaluación de programas públicos	Zacatecas, México	May 19-30, 2010	12	Course	N/A	Policy Makers	http://moodle.eclac.cl/moodle17/mod/forum/discuss.php?id=5752
IPA	Bank of Mexico	Bank of Mexico Conference of Evaluation Methods	Mexico City, Mexico	April 25, 2008	1	Workshop	N/A	Policy Makers	http://www.poverty-action.org/node/1218
Georgetown University	GPPi	Cutting Edge Techniques in International Program Evaluati	Washington, DC.	June 13-15, 2010	3	Course	N/A	Researchers	https://gushare.georgetown.edu/PublicPolicyInstitute/Web%20Files/ProgramEval/CuttingEdgeTechniques.pdf?uniq=-f1iy32
Georgetown University	GPPi	International Program Evaluation for Managers	Washington, DC.	June 20-22, 2010	3	Course	N/A	Policy Makers	https://gushare.georgetown.edu/PublicPolicyInstitute/Web%20Files/ProgramEval/IntlProgEvalforManagers.pdf?uniq=-f1iy2u
MCC	-	MCC's Inaugural Impact Evaluation Conference	Washington, DC.	January 20, 2011	1	Workshop	N/A	Researchers	https://www.mcc.gov/pages/press/event/outreach-012111-impacteval
IPA	-	Staff Training in Impact Evaluation	New Hampshire, USA	June, 2009	-	Course	15	Researchers	-
IPA	-	Staff Training in Impact Evaluation	New Hampshire, USA	June, 2010	-	Course	15	Researchers	-
IPA	-	Staff Training in Impact Evaluation	New Hampshire, USA	June, 2011	-	Course	15	Researchers	-
IPA	-	Impact Evaluation Workshop	México	February 2011	1	Workshop	60	Policy Makers/ Researchers	-

Teaching Material	Authors	Publisher or Journal	Year
Impact Evaluation in Practice	Paul J. Gertler, Sebastian Martinez; Patrick Premand, Laura B. Rawlings; Christel M. J. Vermeersch	The International Bank for Reconstruction and Development / The World Bank	2011
Writing terms of reference for an evaluation: A how-to guide	Independent Evaluation Group	The World Bank	2011
Evaluation in the Practice of Development	Ravallion, Martin	World Bank Research 24	2009
Handbook on Quantitative Methods of Program Evaluation	Khandker, Shahidur R., Gayatri B. Koolwal, and Hussain Samad	The World Bank	2009
Impact Evaluations and Development. NONIE Guidance on Impact Evaluation	Leeuw, Frans, and Jos Vaessen	NONIE and World Bank	2009
Evaluating Anti-Poverty Programs	Ravallion, Martin	Handbook of Development Economics, vol 4	2008
Evaluating Development Effectiveness, vol. 7.	Duflo Esther, and Michael Kremer	The World Bank	2008
Mostly Harmless Econometrics: An Empiricist's Companion	Joshua D. Angrist and Jörn-Steffen Pischke	Princeton University Press	2008
Best Practices in Quantitative Methods	Jason Osborne (ed.)	SAGE Publications	2008
Using Randomization in Development Economics Research: A Toolkit	Duflo Esther, Rachel Glennerster, and Michael Kremer.	Center for Economic Policy Research	2007
Randomized Control Trials: Question, Answers and Musing 2nd ed.	Alejandro R. Jadad and Murray W. Enkin	BMJ Books	2007
Monitoring and Evaluating Projects: A step-by-step Primer on Monitoring, Benchmarking, and Impact Evaluation	Rebekka E. Grun	Health, Nutrition and Population Discussion Paper, World Bank	2006
The Mystery of the Vanishing Benefits: Ms. Speedy Analyst's Introduction to Evaluation	Ravallion, Martin	World Bank Economic Review 15	2001
Evaluating the Impact of Development Projects on Poverty. A Handbook for Practitioners	Baker, Judy	The World Bank	2000

LEGEND

ACRONYMS	INSTITUTION
3ie	International Initiative for Impact Evaluation
AusAID	Australian Agency for Development Assistance
CDC	Centers for Disease Control and Prevention
DIME	Development Impact Evaluation Initiative
GDN	Global Development Network
GPPI	Georgetown Public Policy Institute
IDB	Inter-American Development Bank
IDRC	International Development Research Center
IEN	Impact Evaluation Network
INSP	Instituto Nacional de Salud Pública de México
J-PAL	Abdul Latif Jameel Poverty Action Lab
LACEA	Latin American and Caribbean Economic Association
SIEF	Spanish Impact Evaluation Fund
USAID	US Agency for Development Assistance
WB	The World Bank