



1. *CPSCR Data*

Country: Dominican Republic

CPS Year: FY10

CPS Period: FY10 – FY13

CPSCR Review Period: FY10 – FY13

Date of this review: 9/8/2014

2. *Executive Summary*

- i. This review examines the implementation of the FY10-FY13 Dominican Republic Country Partnership Strategy (CPS) of FY10 and the CPS Progress Report (CPSPR) of FY12, and assesses the CPS Completion Report. The CPS was implemented by IBRD and IFC, and this review covers the program of the two institutions.
- ii. This CPS was prepared against a background of the global financial crisis that had adversely impacted the Dominican Republic. After a period of remarkable economic buoyancy in 2004-08, reflecting good external conditions and private sector optimism, in 2009 capital inflows declined considerably, external demand became much weaker, and domestic demand also slowed. The country needed urgent financial support because tax revenues were falling and external credit was virtually unavailable. The IMF, the World Bank Group, and the Inter-American Development Bank delivered the needed support. The Bank strategy was relevant as it addressed important development challenges in the areas of social development, economic competitiveness, and institutional development, with an initial focus on averting the worst spillover effects of the global financial crisis. The government was very engaged at the beginning, primarily driven by concerns that the financial crisis would undo economic progress made in previous years, but as the Dominican Republic emerged relatively unscathed from the effects of the crisis and regained access to international financial markets, government commitment to reform and the program diminished.
- iii. The country primarily needed budget support and therefore the anchor of the WBG program was a series of development policy loans (DPLs) supported by a program of technical assistance. While this approach was expedient to increase the disbursement ratio to meet the financing needs for the budget, it had two unintended consequences. The country committed to reform policies under the DPLs but was not institutionally and politically ready to carry out the reforms agreed to. The result was a reasonable pace of implementation in the pillar on social cohesion but a rather weak performance in the pillar on competitiveness and economic environment. Second, institutional weaknesses at CPS inception were not fully addressed either at the preparation stage or during CPS implementation, for example, in the energy sector. Despite these issues, overall, the performance of the first pillar on social cohesion was good where the Bank program helped improve access to education, extend the coverage of social programs, and improve the employability of poor at-risk youth. In addition, there were initial positive steps on the pillars related to public expenditures (III), and building capacity and constituencies for reform (IV). The Bank program resulted in an improvement in budget management, including the introduction of performance-based management in some pilot programs, and some progress was achieved in increasing the capacity of a few poor rural municipalities. Moreover, following the CPS congressional oversight capacities were improved as were civil society's capacities for budget analysis and monitoring. In the pillar on competitiveness (II) there were no tangible results. In the area of energy, in particular, the Bank will need to

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reevaluate its involvement and revisit its approach in light of many years of at best slow reforms despite significant Bank financing for the sector.¹ Given the mixed performance, IEG rates the overall outcome of WBG support as Moderately Satisfactory.

- iv. The Bank tried to maintain the policy dialogue even in areas where progress was slow, and this to an extent has yielded positive results in education, health, and social protection policies. The pace of reform, though, has been slower than envisaged reflecting over-ambitiousness of the program, and insufficient investment in the preparation of some projects and in building consensus for reforms. The energy sector reform has been a difficult issue, and after many years of Bank engagement there has been little progress. A better understanding of the obstacles to reform in this sector, including political economy factors and vested interests, would be essential for fruitful future Bank engagement. In a number of areas of the program the WBG did not proactively engage to address implementation problems, in part because of inadequate monitoring and evaluation mechanisms. It is thus disappointing that in a number of projects no effort was made during implementation to improve upon the weaknesses of M&E design. Adjustments at the progress report stage were appropriate, although the ambition of the original program was scaled down significantly (as measured by the quantitative targets of relevant indicators), particularly in Pillar I. The Bank, however, should be recognized for excellent cooperation with other development partners in a very difficult financing context for the Dominican Republic. IEG rates WBG performance as Fair.
- v. The CPSCR presents a candid discussion of CPS implementation and has good lessons. The analysis of IFC's contributions is not as precise as the assessment of IBRD's work, but the completion report does give a picture of synergies between IBRD and IFC under the CPS.
- vi. The CPSCR recommends that project design take into account the effort required to create consensus for reform and achieve inter-institutional coordination. Moreover, it underscores the need to strengthen M&E in the next CPS. IEG agrees with these recommendations of the CPSCR, and adds two lessons: (a) overreliance on DPLs can help improve disbursement ratios but will not accelerate reform, particularly if the country and the Bank do not do the preparatory work required for such reforms; and (b) continued involvement in areas where there is a long history of slow reform, such as energy, should require evidence of a strong long-term government commitment to reform.

3. **WBG Strategy Summary**

Overview of CPS Relevance:

Country Context:

1. The Dominican Republic is an upper middle income country of 10.3 million inhabitants that shares a border with Haiti in the Caribbean island of Hispaniola. The WBG Board discussed the FY10-13 Country Partnership Strategy on September 17, 2009 against the backdrop of a serious global financial crisis. After four years of one of the strongest performances in Latin America, with low inflation, modest fiscal deficits, and a declining debt to GDP ratio, the global crisis hit the country hard causing GDP growth to slow from 5½ percent in 2008 to 3½ percent in 2009. For all its pre-crisis economic success, the Dominican Republic still had a poverty headcount ratio of about 42 percent of the population in 2009 compared with 32 percent in 2000, and access to basic social services remained problematic. Moreover, prospects were for a further economic slowdown and an increase in poverty rates, within a context of weak social safety nets and in a setting where private market

¹ The cost recovery index is still around 60 percent, which was already the cost recovery rate in 2009 when IEG conducted the previous CPSCR review. That review already noted little progress in the electricity sector that had increased the burden on public finances. During this CPS budget transfers to the electricity sector increased even further from 1.2 percent of GDP in 2010 to about 1.6 percent of GDP projected for 2014 by the IMF.



perceptions had deteriorated markedly. In this situation, a multilateral financial program from the Bank, the IMF, Inter-American Development Bank (IDB) in the second half of 2009 supported a fiscal stimulus that helped the economy expand by 7½ percent in 2010 while inflation remained contained at 6¼ percent and the external current account deficit widened somewhat to 7½ percent of GDP. Poverty declined slightly to 31.6 percent in 2011. The country remains heavily dependent on oil and gas imports, whose prices increased significantly during the CPS period. The political system is based on a fairly stable democracy where a centrist party (PLD) has been in power for most of the past 18 years. The Bank has had an uneasy relation with the Dominican Republic at times, owing to country sensitivity to external interference and Bank skepticism about country commitment to reform. Based on UN reports, the Dominican Republic is likely to fail to meet MDG goals on poverty, education, and health.

2. The country's National Development Strategy (NDP)-prepared with Bank support-is based on four pillars comprising social development, institutional development, productive development, and sustainable development. There are four horizontal dimensions that are to be mainstreamed across these pillars: gender equity, environmental sustainability and climate change, democratic governance, and knowledge and communications.

Objectives of the WBG Strategy:

3. The Bank Group's program had four strategic objectives: strengthen social cohesion and improve access and quality of social services, promote competitiveness in a sustainable and resilient economic environment, enhance quality of public expenditures and institutional development, and build capacity and constituencies for reform. The first two objectives map into the social development and competitiveness pillars of the NDP, and the last two map into the institutional development pillar of the NDP. Under the program, IFC would contribute to the WBG's pillars on competitiveness, social cohesion and access to services, and enhancing the quality of public expenditures.

Relevance of the WBG Strategy:

4. **Congruence with Country Context and Country Program.** The Bank strategy addressed important development challenges in social development, economic competitiveness, and institutional development, with an initial focus on averting the worst effects of the global financial crisis on the Dominican Republic. There was government engagement at the beginning of the CPS primarily driven by government concerns that the financial crisis would undo all the economic progress made in previous years. The government wanted to use the economic program with international financial organizations as the anchor of its reform program in response to the crisis, but as the Dominican Republic emerged unscathed from the effects of the crisis and regained access to international financial markets its commitment to reform and to the Bank program diminished. The CPS progress report maintained the strategic focus on the four CPS pillars, with additional financial and technical assistance in areas of interest to the government: health, education, energy and electricity rehabilitation, regional communications infrastructure, and youth development. In addition, the government requested technical assistance to strengthen the Supreme Court. The IMF, the World Bank, and the Inter-American Development Bank (IDB) agreed on a joint management action plan to assist the Dominican Republic. The IMF would concentrate on macroeconomic management, the Bank and the IDB would devote substantial effort to the social safety net, health and education, and the three institutions would share work on institutional strengthening of tax administration, the energy sector, and the financial sector.

5. **Relevance of Design.** The program had interventions under pillars I (social cohesion), III (institutional development and enhancing the quality of public expenditures), and IV (building capacity and constituencies for reform) that would be capable of achieving the CPS goals and contribute significantly to country development goals. Pillar II's (building competitiveness) problems with some interventions² were compounded by poor implementation, particularly in water and sanitation, to

² As an example, TA only recently started to develop a proposal for creation of a National System of Territorial Information with an integrated approach to Disaster Risk Management.



prevent achievement of pillar objectives. The selection of sectors-health, education, public finance, and electricity, including institutional enhancement in all these sectors-was appropriate given the government's development priorities. The instruments which were primarily in the form of development policy loans, were also appropriate given that the Dominican Republic needed substantial budget financing. The problem was that the program assumed a level of country capacity for policy design and implementation that was beyond the true country capacity at the time. This weakness required much more work at preparation stage to have realistic possibilities of achieving the CPS outcomes. A checkered track record of policy implementation in some areas like energy should have raised a red flag for the Bank. More institutional development was needed early on in the CPS, demonstrating government commitment to reform, to achieve the policy reforms that the CPS targeted. The combination of financing and knowledge services was good-with AAA assistance in all the main areas of Bank interventions-although the AAA should have emphasized more institutional capacity development. Moreover, the program would have benefited significantly from a political economy analysis of the energy sector to understand the obstacles to policy implementation in a sector traditionally resistant to reform despite a longstanding Bank involvement.³

6. There were synergies between IBRD and IFC in the areas of social development and competitiveness. IFC interventions were designed to address key country challenges on infrastructural needs that affected competitiveness and access to finance for special borrowers (women entrepreneurs) to strengthen social cohesion. In both cases, though, results indicators selected did not measure appropriately what IFC assistance was expected to achieve. Some projects financed by IFC, such as the ones on media production and medical school development, did not fit clearly into specific CPS objectives.

7. **Strength of the Results Framework.** The results framework had a clear statement of the country development goals to which the Bank program would contribute and Bank Group interventions that were relevant to the development goals. However, objectives were aspirational in light of poor policy implementation capacity and a checkered history of Bank program implementation, particularly in the energy sector. Outcome indicators were generally appropriate to measure progress towards objectives and measurable, but in many instances they had to be changed at the progress report stage to reflect the reality of a slower pace of reform implementation than originally assumed in the CPS. The Bank had difficulty in tracking outcome indicators for monitoring the program, which is troublesome for a program with many policy conditions. IFC's strategy was explicit in the CPS text but the interventions lacked objectives or indicators of progress in the results framework.

8. **Risk Identification and Mitigation.** The CPS noted program implementation risks-including to the macroeconomic framework, and economic risks-including external shocks, and operational risks. On implementation, the program required coordination among ministries (that could fail), and a sound macroeconomic framework for the development policy loans (that could unravel). These risks would be mitigated with technical assistance for capacity building, close coordination with development partners, particularly the IMF on the macro framework, and a flexible approach to shift from policy to investment lending if needed. Aside from an increase in oil prices that remained manageable, and some weather events, there were no major external shocks and therefore the Bank did not have to go back to an emergency response plan (the mitigation measure).

9. The main risk to this CPS was political risk. The mitigation mentioned at progress report stage was consultation with stakeholders. But it clearly did not mitigate the effects of elections on CPS implementation. Macroeconomic policy went off-track in 2012 underscoring the risks to the program. By then most policy loans had been disbursed and the macro deviations reflected an overall lax approach to policy implementation in an electoral environment that also slowed Bank program implementation.

³ IEG is aware of a political economy analysis done recently and finalized in 2013 (*Patronage or Reform? Political Economy of Policy Performance in the Dominican Republic – An Institutional and Governance Review*)

Overview of CAS/CPS Implementation:

Lending and Investments:

10. IBRD had 10 ongoing investment operations totaling US\$436 million at the start of the CPS. There were significant operations in education, health, electricity distribution, and emergency recovery and disaster management. These projects were complemented by a trust funded activity in public expenditure management and financial accounting for US\$300,000. During the CPS period IBRD approved additional US\$600 million in new commitments for 8 operations, with about 90 percent of the funds going to development policy loans in the social sectors and public finance. This compares with a CPS base case of US\$550 million, which envisaged four programmatic development policy loans in the social sector for US\$370 million. The higher commitments during CPS implementation reflected new lending of US\$150 million for the Public Finance and Social Sector DPL (FY10) partially offset by the fourth policy loan for the social sector that was dropped. During the CPS period, 8 trust fund projects for US\$3.5 million financed activities in health, strengthening the institutional set up for public expenditures and financial management, enhancing statistics, and improving access to information and Congressional oversight.

11. During the CPS period IBRD's disbursement ratio for the Dominican Republic (23 percent) was below the Latin America and Caribbean Region (LCR) average (29 percent) but comparable to the overall Bank average (22.4 percent). With 27 percent of projects at risk, the Dominican Republic portfolio was above the LCR region and the overall Bank-19.5 percent and 19.8 percent respectively. By contrast, with only 9 percent of committed amounts at risk, the Dominican Republic portfolio outperformed the Bank (23 percent of commitments at risk) and LCR (with 16 percent at risk). The difference between percentage of projects at risk and the much lower percentage of amounts committed at risk reflects that most of the committed amounts were for development policy loans. IEG reviewed the ICRs of 6 projects that closed during the CPS period and rated 60 percent of them as moderately satisfactory. This compares with success rates for the overall Bank and of LCR of over 70 percent. On a commitment basis, IEG rated 86 percent of the committed amounts as moderately satisfactory which compares favorably to the overall Bank (82 percent) but not to the LCR region (94 percent).

12. Twelve IFC investment projects were in operation at inception of the review period for US\$200 million of net commitment. The largest investments were in electric power, commercial banking and cement. During the review period, IFC committed US\$197 million through sixteen projects that reflected further commitments in the financial sector—including a trade finance guarantee from the Global Trade Finance Program—and electric power, and new investments in telecom. IEG did not rate any IFC investments. Out of 29 investments, all except three appear to have progressed as presented at approval. The resort development project and a cruise ship related port development project, approved in the last review period, along with a mining project approved in the current CPS period, did not perform as anticipated. One of IFC's comparative strengths in the Latin America and Caribbean region is its ability to offer equity financing, and IFC was successful to support the growth of an important bank with additional funding from IFC's Asset Management Company.

Analytic and Advisory Activities and Services

13. IBRD delivered 4 Economic and Sector Work (ESW) pieces and 7 Technical Assistance (TA) activities. The technical assistance helped develop the National Development Strategy, and develop institutional development plans for the energy sector and for poverty monitoring. Policy notes helped DPL design and there was technical assistance to improve the quality of public expenditures, strengthen the public media, and support the energy policy dialogue. In the end though, this work had minor impact as we will see in the pillar discussion. The program of AAA complemented the financing of the CPS, but would have needed more emphasis in capacity to implement and monitor reform.

14. During the CPS period, IFC implemented three advisory services projects amounting to over US\$1.2 million of IFC managed funds. Two of these, both advisory services to financial institutions, have closed and were self-rated "mostly successful" but have not been validated by the IEG yet. An



advisory services project currently under implementation, on improving Corporate Governance at various levels, appears to have the funding to deliver at the firm level but owing to lack of external funding may have to curtail regulatory level work.

Partnerships and Development Partner Coordination

15. The IMF, the WBG, and the IADB agreed on a joint management action plan to assist the country. Under this plan they decided on policy areas of concentration for each institution, as well as areas for cooperation among them (see paragraph 4). The three institutions closely coordinated their interventions and discussions with the government. A key focus of the cooperation was on electricity sector reform, an important part of the World Bank- and IMF-promoted structural reforms. Discussions also included broad macroeconomic issues including fiscal and tax administration reforms, as well as poverty alleviation and external financing. In the fall of 2009, teams from all three institutions met with President Leonel Fernández to establish a path for electricity sector reform, which eventually led to the official government reform strategy for the sector. The Dominican Republic received significant bilateral assistance mostly from France, the US, and EU institutions (see Annex Table 12). Although there was no formal framework for cooperation with other development partners—aside from the IMF and the IDB—the Bank office in Santo Domingo coordinated well with them on an ad hoc basis. Venezuela has been the Dominican Republic's largest donor under the PetroCaribe arrangement, with the stock of concessional loans reaching over US\$3.2 billion in 2014.

Safeguards and Fiduciary Issues

16. Despite intensified training of counterparts, fiduciary problems continue to hamper several investment operations and will likely remain a continuing challenge (progress report—p. 13).

Overview of Achievement by Objective:

Pillar I: Strengthen Social Cohesion and Improve Access to and Quality of Social Services

17. The focus of this pillar was to support the country in protecting the poor from the effects of the global financial crisis and producing better social outcomes. This would contribute to the country development goal of social development.

18. **Improve the quality of mother and child healthcare in the target population.** Progress was made but at much slower pace than envisaged under the CPS. By the end of 2012 about 19 percent of pregnant women completed a risk evaluation before the 15th week of pregnancy in at least two regions, compared with a target of 30 percent. 47 percent of children under 15 months old had a vaccination scheme completed according to national protocols, against the 40 percent target of the CPS. Both quantitative targets for these indicators were revised down at CPS report stage without a corresponding revision of the CPS objective. Neither the progress report nor the CPS completion report explains if the new targets were consistent with achieving original CPS objectives. This objective was supported by the DPL series on Performance and Accountability in Social Sectors (PASS-FY10, FY11, FY12). (*Mostly Achieved*)

19. **Increase access to and quality of education.** The CPS target was to significantly increase the share of children in families registered in the conditional cash transfer program enrolled in and attending basic and secondary education. For the 2012 year, enrollment reached 96 percent for primary education and 32 percent for secondary education. The enrollment rate of the poorest 5 year-olds in early childhood education programs increased for 51 percent to 69 percent by mid-2011 (latest data). Enrollment of this age group for the lower income quintiles reached 71 percent by completion of the Early Childhood Education Project (ECD-FY03). In terms of institutional development, the Ministry of Education validated new student evaluation standards for pre-primary education, first and second cycles of basis education, and secondary education. Under the ECD project the country built and furnished classrooms and provided learning materials for early childhood education. Moreover the PASS DPL series and Programmatic Social Sector non-lending TA supported institutional development in the education sector. Still it is sobering to note that—in regional comparator tests—Dominican students have ratings 15-20 percent below Latin American countries with similar income



level in both mathematics and reading at the 3rd and 6th grade level. Despite a setback in secondary education—where enrollment of conditional cash-transfer recipients declined from 42 percent to 32 percent—the significant progress in all other areas warrants to consider this objective to be achieved. The quantitative targets for indicators were reduced at CPS progress report stage without revising CPS objective. *(Achieved)*

20. The IFC program addressed the paucity of public financing for tertiary education by assisting a private medical school. It also contributed through assistance to two hospitals as well as specialized lending to women and microenterprises. But these IFC interventions were not explicit in CPS objectives. For example, the first outcome for the CPS objective specified only "quality of mother and child healthcare services", thereby excluding achievements of the IFC interventions in the hospitals.

21. **Improve the coverage and quality of social protection programs (CCT).** The objective meant to improve the standard of living of the population in the fifth and fourth quintiles of the income distribution. Ninety one percent of extreme poverty households were covered by the conditional cash transfer program as of mid-2012 against a target of 85 percent under the CPS. The Social Sector Investment Program (FY08), the programmatic PASS DPLs, and the non-lending TA for the social sector all helped build the institutional capacity and design policies to achieve this objective. *(Achieved)*

22. **Improve the employability of the poor at-risk youth.** The objective was to train poor youths for life and technical skills, and link the program to practical internships. The Youth Development Project (FY06) trained youths under the Juventud y Empleo program and supported a pilot temporary employment program called Santiago Trabaja. Although the internships did not always match the training received by the youths, the final assessment impact shows that more than 70 percent of the 2008-09 cohorts of graduates were employed or self-employed 6 months after graduation. *(Achieved)*

23. In summary, this pillar helped improve access to education, extend the coverage of social programs, and improve the employability of poor at-risk youth. It was less effective in improving healthcare for mother and child. The pillar is rated satisfactory.

Pillar II: Promote Competitiveness in a Sustainable and Resilient Economic Environment

24. The objective of this pillar was to improve the information base for policy decisions; improve the water and sanitation sector, including in tourist areas; enhance the efficiency of power distribution and generation; and mainstream disaster risk management in the Ministry of Economy.

25. **Broaden the information base for informing the policy decisions on macro-financial stability, competitiveness, and economic relations on the Hispaniola Island by 2013.** There was no indicator for this objective. The Bank helped the National Statistical Office with the strategy to develop statistics, harmonize, and better integrate data, and helped improve poverty data. Arguably the main achievement was to establish a new poverty measurement methodology. This methodology is still not applied fully to design anti-poverty programs.⁴ It is fair to say that most of the progress done this area was through IMF technical assistance prior to this CPS period. *(Mostly Achieved)*

26. **Support an enabling environment for the water and sanitation sectors.** A national strategy for water and sanitation and the respective draft law were prepared under the Water and Sanitation in Tourist Areas APL1 (W&S-FY09) but not adopted amid debates over the institutional reforms required in the water utilities. *(Not Achieved)*

27. **Improve the performance of water and sanitation corporations in the Puerto Plata region and in two additional Corporación de Acueductos y Alcantarillados.** The Water & Sanitation APL1 continues to support the modernization of the participating water and sanitation corporations. However the envisaged business plans for the corporations have been contracted but not finalized. Therefore the performance agreements expected under the CPS have not been signed. *(Not*

⁴ Dominican Republic: Public Finance and Social Development Policy Loan, Project Performance Assessment Report, IEG, World Bank Group, June 27, 2013.



Achieved)

28. Increase the efficiency in power distribution and generation to improve quality of electricity service. Each of the three distribution companies were supposed to improve their cost recovery under the CPS. Edesur experienced a significant increase in the cost recovery index from 53 percent in December 2010 to 68 percent in May 2013. At the same time both EdeNorte and EdeEste experienced slight declines in the cost recovery index. Over the CPS period, the quality of electrical service has improved with the hours of electricity available increasing from 73-75 percent to 74-92 percent depending on the utility. The Bank supported the rehabilitation of the electricity sector through the Electricity Distribution Rehabilitation Project (FY08). *(Partially Achieved)*

29. IFC promoted private sector investments in electric power that diversified energy sources, reduced costs and improved sustainability. In addition IFC, through an investee bank, started a Sustainable Energy Finance program that has already financed 9 sub-projects for about US\$21 million of lending. Outside the electricity and financial sectors, IFC had a number of investments that promoted competitiveness but were not designed to address a particular CPS outcome. Examples of such investments were IFC's airport and port loans.

30. Mainstream disaster risk management into the planning process and strengthened institutional capacity for risk management in specific sectors. The Disaster Risk Management law is being considered by Congress but there was no progress made in the actual mainstreaming. *(Not Achieved)*

31. Under this pillar there was some progress on broadening the information base but virtually no progress on water and sanitation, the efficiency of power distribution, and disaster risk management. This pillar is rated as unsatisfactory.

Pillar III: Enhance the quality of public expenditures and develop institutions

32. Under this pillar the Bank would support the improvement of budget management and the central government level and in selected poor municipalities.

33. Improve budget management. Indicators-based on Public Expenditure and Financial Accountability indicators-were not met. The rating of PEFA indicators 1-actual budget expenditure compared with the approved budget- and 2-variance in budgeted versus actual expenditure composition- either remained unchanged (1) or worsened (2). A Bank-led Public Expenditure Management and Financial Accountability Review (FY14) though noted progress in public financial management and credibility. *(Partially Achieved)*

34. Progress toward performance-based budget management. There was significant progress in this area. The government approved a multiannual investment plan 2011-14 aimed at closing gaps in the supply of education, health, and nutrition services as a first step in developing a medium-term expenditure framework. Five performance agreements covering priority health and education programs were signed by sector ministries with the Ministries of Economy, Finance, and Public Administration. *(Achieved)*

35. Increase management capacity in poor rural municipalities. As a first step to improve capacity, 5 of 15 target rural municipalities and their corresponding municipal districts have concluded institutional diagnostics, formulated institutional action plans, and initiated activities to improve basic capacities. *(Partially Achieved)*

36. Under this pillar there was virtually no improvement in budget management, while there was progress toward performance-based budget management and some increase in capacity of poor rural municipalities although less than envisaged under the CPS. This pillar's outcome is rated as moderately satisfactory.



Pillar IV: Build capacity and constituencies for reform

37. The pillar aimed at strengthening democratic governance and active participation of civil society and the private sector in budget analysis and monitoring.

38. **Strengthen congressional oversight capacities.** An IDF congressional oversight strengthening grant (FY10) supported the work of the House of Representative's Office of Budgetary Analysis (OASEP), Monitoring and Evaluation, trained legislators on best practices in congressional supervision, and provided TA to transform OASEP into a permanent advisory bi-cameral office. Although the latter has not been achieved as envisaged under the CPS indicator, OASEP has been producing quarterly reports with budget analysis and execution that are distributed to various legislative committees. (*Partially Achieved*)

39. **Strengthen civil society's capacities for budget analysis and monitoring.** Supported by the PASS DPL series the government developed and launched the Portal del Ciudadano Dominicano, a web-based user-friendly tool that provides public access to budget information. Moreover the Finance ministry publishes easy access budget execution reports on its websites and a short note summarizing main budget facts and figures. In addition a local NGO called Centro Juan Montalvo published 6 budget analysis reports and 18 regional technical bulletins on the national budget using the Portal Ciudadano. (*Achieved*)

40. Enhance participatory planning at the local level. Five pilot municipalities have been trained on participatory budgeting and concluded their participatory budgeting (citizens consulted on municipal priorities during budget preparation). Moreover, the *Portal Ciudadano Dominicano* is functioning. Both of these measures have been credited under other objectives (paragraphs 35 and 40) so this objective will be *not rated*.

Under this pillar there has been some progress on congressional oversight capacities, and substantial progress in strengthening civil society's capacities for budget analysis and monitoring. The pillar is rated as moderately satisfactory.

Objectives	CPSCR Rating	IEG Rating
Pillar I: Strengthen Social Cohesion and Improve Access to and Quality of Social Services	Satisfactory	Satisfactory
Pillar II: Promote Competitiveness in a Sustainable and Resilient Economic Environment	Unsatisfactory	Unsatisfactory
Pillar III: Enhance the Quality of Public Expenditures and Develop Institutions	Moderately Satisfactory	Moderately Satisfactory
Pillar IV: Build Capacity and Constituencies for Reform	Moderately Satisfactory	Moderately Satisfactory

4. Overall IEG Assessment

	CASCR Rating	IEG Rating
Overall Outcome:	Moderately Satisfactory	Moderately Satisfactory
IBRD:	Good	Fair
IFC Performance	Not Rated	Good

Overall outcome:

41. IEG rates the overall outcome as moderately satisfactory. The access to education increased and the coverage and quality of the social protection program improved as envisaged in the CPS. Employability of youth at-risk also improved. But mother and child healthcare quality improved less than envisaged

during the CPS. In budget management, under the CPS important work began on performance-based programs, and central government agencies are now using an integrated financial management system, which is beginning to be extended to decentralized and autonomous agencies. Moreover, a larger share of government revenues is being channeled through the Single Treasury Account which is increasing the quality of monitoring and accountability. The competitiveness pillar showed virtually no results—and thus was the least successful of the four pillars in achieving objectives.

IBRD Performance:

42. IEG rates WBG performance as fair. Design and implementation of the program was uneven: it was adequate for education, social protection, health, public expenditure management, and democratic governance, but for the competitiveness program interventions were insufficient in some instances and implementation generally inadequate to achieve objectives. In addition, in a number of projects preparatory work was insufficient and no effort was made during implementation to improve upon the weaknesses in M&E design. In the energy sector the Bank was unable to address persistent institutional weaknesses and could not overcome the government's lack of commitment to reform. As a result, the electricity sector in particular remains an area where there is little to show for many years of Bank engagement. Instruments for this CPS, primarily in the form of development policy loans, were appropriate given that the country needed substantial budget financing. However, use of this instrument also requires substantial capacity and/or a program for capacity development for policy design and implementation, which was not at the desired level. Although the AAA program was a good complement to financing, but it was not always enough to make a difference in developing capacity for policy making, for this ambitious program. The results framework was aspirational in light of poor policy implementation capacity and a checkered history of Bank program implementation in the Dominican Republic, particularly in the energy sector. Portfolio performance was good but implementation suffered from poor monitoring and evaluation which left the Bank teams unable in some instances to respond promptly to poor developments under some of the interventions. Adjustments at the progress report stage were appropriate, although the ambition of the original program was scaled down significantly (as measured by the quantitative targets of relevant indicators), particularly in Pillar I. IFC eased bottlenecks at ports, airports, and electricity generation and enhanced specialized lending from a diverse set of financial institutions, but a number of its interventions were not articulated with CPS objectives in the results framework.

IFC Performance:

43. IEG rates IFC performance as good. Although not captured by the CPS results matrix IFC contributed to key CPS objectives, particularly by easing bottlenecks at ports, airports, and electricity generation, and by enhancing specialized lending from a diverse set of financial institutions.

5. *Assessment of CPS Completion Report*

44. The CPS completion report provides a candid account of CPS implementation and contains good lessons. It presents the information in line with the results framework, providing fairly clear evidence and assessment of the achievement of CPS objectives. The analysis of IFC's contributions—as in most other completion reports—is not as precise as the assessment of IBRD's work, in part because there were no specific objectives for IFC interventions under the results framework. Moreover, the CPSCR claims IFC's support to the creation of tens of thousands of jobs without an analysis substantiating that the creation of jobs was related to IFC's financing. Still, the completion report does give a picture of synergies between IBRD and IFC under the CPS.



6. Findings and Lessons

45. The CPSCR recommends that project design take into account the effort required to create consensus for reform and achieve inter-institutional coordination. Moreover, it underscores the need to strengthen M&E in the next CPS. IEG agrees with these recommendations of the CPSCR, and adds two lessons: (a) overreliance on DPLs can help improve disbursement ratios but will not accelerate reform, particularly if the country and the Bank do not do the preparatory work required for such reform; and (b) continued involvement in areas where there is a long history of slow reform, such as energy, will require up-front evidence of a strong long-term government commitment to reform.

- Annex Table 1: Summary Achievements of CPS Objectives**
- Annex Table 2: IBRD/IDA Lending: Planned and Actual Lending, FY10-13**
- Annex Table 3: Analytical and Advisory Work for Dominican Republic, FY10 - FY13**
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Annex Table 1: Summary Achievements of CPS Objectives

CPS FY09-FY12: Pillar I Strengthen Social Cohesion and Improve Access to and Quality of Social Services	Actual Results (as of current month/year)	Comments
1. Improved quality of mother and child healthcare in the target population <i>Mostly Achieved</i>		
<p>Indicator 1: 30% of pregnant women with a risk evaluation completed before the 15th week of pregnancy in at least 2 regions (by 2013)</p> <p>Baseline: 0.43% based on Clinical Management System data from the two PARSS2 regions</p>	<p>18.8% risk evaluation of pregnant women in 2013.</p>	<p>Source: CPSCR <u>Revised indicator.</u> Partially Achieved.</p>
<p>Indicator 2: 40% of children under 15 months with vaccination scheme completed according to national protocols (by 2012)</p> <p>Baseline: 0% based on Clinical Management System Data from the two PARSS2 regions</p>	<p>20.2% childhood vaccination (11/02/12) and 46.7 % in 2013.</p>	<p>Source: CPSCR <u>Revised indicator.</u> Achieved.</p>
<p>Indicator 3. Single Management System of Medicines and Inputs (SUGEMI): Process has advanced in terms of the development of common procedures for reporting including using reporting forms for all the Regional Health Services.</p>	<p>No monthly reports.</p>	<p>Source: CPSCR</p>
2. Increase access to and quality of education <i>Achieved</i>		
<p>Indicator 1. CCT and education: Increase in the share of children of CCT program: (i) are enrolled in, and attending basic education; and (ii) are attending secondary education. <u>Baseline:</u> Enrollment for CCT Solidaridad children in basic education: 95.2 % in 2009; Secondary Education (First Cycle): 42.2 % in 2009. Attendance (80 % of school days) for CCT Solidaridad children in Basic Education: 93.7 % in 2009; Secondary Education: 87.1 % in 2009.</p>	<p>For 2012 school year, enrollment rate among children of CCT beneficiary families reached 95.9 % in 2012 for primary education and 32 % for secondary education.</p> <p>Attendance rates reached 94.2 % for primary school and 93.5 % in secondary school.</p>	<p>Source: CPSCR, education project ICR. <u>Revised indicator at CPSPR.</u></p>
<p>Indicator 2: ECD net enrollment of poorest children increases to 69% by end of project. <u>Baseline:</u> 51 % enrollment.</p>	<p>71.3 % ECD enrollment (8/30/2011). Enrollment rate of the poorest 5 year-olds increased from 51 % to 69 %. Enrollment of this age group for the lower quintiles reached 71.3 percent by project completion.</p>	<p>Source: CPSCR, education project ICR.</p>
<p>Indicator 3: New student evaluation standards start being implemented <u>Baseline:</u> No new student evaluations in place.</p>	<p>Ministry of Education resolutions issued between 2009 and 2011 validated new student evaluation standards for pre-primary education (ECD), first and second cycles of Basic Education, and secondary education.</p>	<p>Source: CPSCR <u>This is milestone. Revised at progress report stage.</u></p>
3. Improve the coverage and quality of social protection programs (CCT) <i>Achieved</i>		

Major Outcome Measures



	<p>Improvement in the standards of living conditions of the population</p> <ul style="list-style-type: none"> - Improve the coverage and quality of social protection programs (CCT program) <p>Indicator 1: Percent of households in extreme poverty participating in CCT program Baseline: 51% (01/2009) Target: 85% (6/2012 revised to 12/13 at progress report stage)</p>	<p>91 % of extreme poverty households were covered by the CCT program as of 7/31/2012.</p>	<p>Source: CPSCR</p>
	<p>Indicator 2: Beneficiaries assessment of the overall quality of attention and service of CCT program (1 beneficiary perception survey at the end of the PASS DPL in 2013) <u>Baseline:</u> No beneficiary assessment scorecards conducted as of July 2010.</p>	<p>In 2012, 78.5% of community scorecards distributed were completed.</p>	<p>Source: CPSCR</p>
	<p>4. Improve employability of the poor at-risk poor <i>Achieved</i></p>		
	<p>Indicator 3: 65% of youth trained found a job within six months of program completion</p>	<p>71.8 % of the 2008-09 cohort of graduates were employed or self-employed six months after graduation based on follow-up survey.</p>	<p>Source: CPSCR.</p>
	<p>CPS FY09-FY12: Pillar II</p>		
	<p>Promote Competitiveness in a Sustainable and Resilient Economic Environment</p>	<p>Actual Results (as of current month/year)</p>	<p>Comments</p>
	<p>1. Broader information base for informing policy decisions on macro-financial stability, competitiveness, and economic relations on the Hispaniola Island by 2013 <i>Mostly Achieved</i></p>		
	<p>No indicators provided both in CPS and CPSPR</p>	<p>Although the Bank produced useful policy notes, unclear if government has broader data base for policy decisions. The Bank helped improve poverty data but the new poverty measurement methodology is not applied fully to design anti-poverty programs.</p> <p>Conclusions of macro level index insurance technical feasibility study informing design of index contracts and implementation of a macro scheme (?).</p>	<p>Source: CPSCR</p>
	<p>2. Support and enabling environment for the water and sanitation sectors <i>Not Achieved</i></p>		
	<p>Indicator 1: Adoption of a National W&S strategy</p>	<p>No progress. A National Water & Sanitation Strategy and draft law were prepared but not adopted.</p>	<p>Source: CPSCR</p>
	<p>3. Improve performance of W&S corporations in Puerto Plata region and in two additional Corporacion de Acueductos y Alcantarillados <i>Not achieved</i></p>		
	<p>Indicator 1: Business Plan and modernization plan completed for the participating W&S corporations</p>	<p>Business plans contracted but not finalized.</p>	<p>Source: CPSCR</p>
	<p>Indicator 2: The W&S corporations comply with the objectives of the operational and business performance agreements</p>	<p>Performance agreements have not been signed.</p>	<p>Source: CPSCR</p>
	<p>4. Increase efficiency in power distribution and generation to improve quality of service <i>Partially Achieved</i></p>		
Major Outcome Measures			



	<p>Indicator 1: Cost Recovery Indices per company (EdeNorte, EdeSur, EdeEste)</p> <p>Baseline (data from Dec. 2010): EdeNorte: 63% EdeSur: 53% EdeEste: 62%</p> <p>Target: EdeNorte: 71% EdeSur: 75% EdeEste: 75%</p>	<p>(Data as of 05/31/2013) EdeNorte: 61.9 % EdeSur: 68.2 % EdeEste: 59.9 %</p>	<p>Source: CPSCR</p>
	<p>Indicator 2: Electricity sector average distribution losses reduced</p> <p>Baseline: 28.4% (April 30th, 2009) Target: 16.4% (2013)</p>	<p>Dropped</p>	
<p>5. Mainstream disaster risk management into the planning process and strengthened institutional capacity for risk management in specific sectors <i>Not Achieved</i></p>			
	<p>Indicator 1: Disaster Risk Management. Aspects included in territorial and investment plans by end 2013</p>	<p>Some progress on frameworks—unclear if reflected in implementation.</p>	<p>Source: CPSCR</p>
	<p>Indicator 2: Dam safety management framework updated and operational</p>	<p>No progress. Some rehabilitation work done but dam safety framework not fully updated or operational.</p>	<p>Source: CPSCR</p>
	<p>Indicator 3: Improved access to more adequate and reliable weather and river flow data of decision makers with responsibility on risk management by 2013.</p>	<p>No progress.</p>	<p>Source: CPSCR</p>
<p>CPS FY09-FY12: Pillar III Enhance Quality of Public Expenditures and Institutional Development</p>	<p>Actual Results (as of current month/year)</p>		<p>Comments</p>
<p>1. Improved budget management <i>Not Achieved</i></p>			
<p><u>Major Outcome Measures</u></p>	<p>Indicator 1: Budget allocations are adequate to meet entitlements under social programs and budget in social sectors is executed as programmed, as evidenced by PEFA indicators 1 & 2 (Credibility of budget)</p> <p>Baseline: Indicator 1: D Indicator 2: C (2007) Target: Equivalent to 'A' score in identified sectors (2013) following assessment of entitlements</p>	<p>No improvement in PEFA indicator 1 in 2012 PEFA; worsening in indicator 2 from C (PEFA 2007) to D+ (PEFA 2012)</p> <p>Indicator 1: D (PEFA 2012) Indicator 2: D+ (PEFA 2012)</p>	<p>Source: CASCR</p>
<p>2. Progress toward performance-informed budget management <i>Achieved</i></p>			



	<p>Indicator 2: Introduction of a credible multi-annual plan and budget framework social sectors (FY2013) Baseline: Under development (2009) Target: Covers social sectors (FY2013)</p>	<p>Government approved Multi-Annual National Investment Plan in the Public Sector 2011-2014, aimed at closing gaps in the supply of education, health and nutrition services. This is the first step to developing a Medium-Term Expenditure Framework. PEFA indicators 11&12 improved from Ds in 2007 to B, C+ respectively, in 2010, and to B+ and C+ in 2012.</p>	Source: CASCR
	<p>Indicator 3: Accurate and timely performance information loosely linking inputs to outputs, outcomes and entitlements is presented in budget documents Target: Coverage for priority social sectors (FY2013) Baseline: None in 2008 budget</p>	<p>Five performance agreements covering priority health and education programs signed between respective sectoral ministries and the Ministries of Economy, Planning and Development; Finance; and Public Administration. The Government is exploring the idea to expand this approach to all other priority programs in all sectors (making it a precondition for being given "priority" status in the budget).</p>	Source: CASCR
	<p>3. Increased management capacity in poor rural municipalities <i>Partially Achieved</i></p>		
	<p>Indicator: The 15 participating rural municipalities demonstrate basic capacity in procurement, FM and HR management (revised number of municipalities to bring in line with project document)</p>	<p>Revised Indicator 1: Five pilot municipalities and their corresponding municipal districts have concluded institutional diagnostics, formulated their Institutional Action Plans and initiated activities to improve basic capacities. They have received institutional strengthening training in the following areas: financial management (budgeting, financial reporting, and financial information systems), procurement, human resources, institutional planning, municipal services management, and environmental management.</p>	Source: CASCR
<p>CPS FY09-FY12: Pillar IV Build Capacity and Constituencies for Reform</p>		<p>Actual Results (as of current month/year)</p>	<p>Comments</p>
	<p>1. Strengthened congressional budget oversight capacities <i>Partially Achieved</i></p>		
	<p>Indicator 1: Creation of a Congressional Advisory Office (OPA) that is staffed with merit-based personnel and periodically releases budget analysis reports (FY13). Baseline: Congressional Permanent Advisory Office (OPA) created in 2003 but not operational.</p>	<p>The bi-cameral Congressional Advisory Office has yet to be created. However, the Office for Budget Analysis, Monitoring and Evaluation (OASEP) releases budgetary reports every trimester to the Budget, Public Debt, and Tax Committees and the Audit Office in the House of Representatives, and is staffed with merit-based personnel.</p>	Source: CASCR
	<p>2. Strengthened civil society's capacities for budget analysis and monitoring <i>Achieved</i></p>		
<p>Major Outcome Measures</p>	<p>Indicator 1: Active permanent observatory of the budget run by coalition of CSOs is in place. Baseline: 1 CSO running Social Policies Observatory including basic public budget and social expenditures analysis reports (FY09) Target: Expanded Public Budget Observatory including budget process monitoring and systematic publication of monitoring reports as measured by online website and by</p>	<p>As stated in the 2011 CPS Progress Report, the Centro Juan Montalvo Civil Society Public Budget Observatory published budget analysis reports (6), and 18 regional technical bulletins on budget using the Consulta Amigable data in cooperation with the Civil Society Commission on Poverty and Fiscal Policy of the Foro Ciudadano, which involves more than 150 CSOs; trained 9 communities groups on budget execution monitoring and trained more than 113 people on Fiscal Pact/Budget processes</p>	Source: CASCR



number of CSOs trained in budget analysis and monitoring (FY13)		
3. Enhance participatory planning at the local level <i>Not Rated</i>		
Indicator 1: All 15 participating municipalities are using participatory budgeting procedures to prepare annual budgets (based on the criteria of the participatory budgeting law).	Five pilot municipalities have been trained on participatory budgeting, concluded their participatory budgeting processes and the resulting Municipal Development Plans have been approved by the corresponding municipal councils.	Source: CASCR Already credited under another objective.
Indicator 2: Public access to web-based interface linked to Financial Management Information System (SIGEF) by 2013. Baseline: No budget transparency portal available as of 2009.	As of the 2011 CPS Progress Report, The SIGEF-informed budget transparency portal, Portal del Ciudadano Dominicano, was functioning (launched on August 30, 2011). It provides monthly updated information on both spending and earnings for each central institution.	Source: CASCR Already credited under another objective.



Annex Table 2: IBRD/IDA Planned and Actual Lending, FY10-13

Project ID	Project name	Proposed FY	Approval FY	Closing FY	Proposed Amount	Approved Amount	Outcome Rating
Project Planned Under CPS / CPSPR 2010-13							
P116369	DO (AF) Social Sectors Investment Program	2010	2010		10	10	
P106619	DO (APL2) Health Reform II	2010	2010	2016	30	30.5	LIR: MS
P095863	DO Municipal Development Project	2010	2010	2016	20	20	LIR: U
P116972	DO-1st Performance & Accountability in Social Sectors DPL	2010	2010	2011	150	150	LIR: S
P121778	DO-2nd Performance & Accountability in Social Sectors DPL	2011	2011	2012	150	150	LIR: S
P125806	DO-3rd Performance & Accountability in Social Sectors DPL	2012	2012	2013	70	70	LIR: S
P126840	DO (AF-C) to Emerg. & Disaster Mgt	2012	2012		20	20	LIR: MS
P147483	Caribbean Regional Communications Infrastructure Prog - Dominican Rep.	2012	PIPELINE		27		
	DO-4th Performance & Accountability in Social Sectors DPL	2013	DROPPED		70		
Total Planned					547	450.5	
Unplanned Projects during the CPS and CPSPR Period							
P115145	DO Prog.PubFinance & Social Sector DPL		2010	2011		150	IEG: MS
Total Unplanned						150	
On-going Projects during the CPS and CPSPR Period							
			Approval FY	Closing FY		Approved Amount	
P054937	DO-EARLY CHILDHOOD EDUCATION PROJECT		2003	2012		42	LIR: MS
P076802	DO-Health Reform Support (APL)		2003	2010		30	IEG: MS
P078838	DO Financial Sector Technical Assistance		2004	2012		13	IEG: MS
P082715	DO Power Sector TA Project		2004	2011		7	IEG: U
P082712	DO Power Sector Program Loan		2005	2009		150	IEG: U
P096605	DO Youth Development Project		2006	2013		25	LIR: MS
P089866	DO Electricity Distrib Rehabilitation		2008	2014		42	LIR: S
P090010	DO Social Sectors Investment Program		2008	2014		19	LIR: S
P109932	DO Emergency Recovery & Disaster Mgmt		2008	2015		80	LIR: MS
P054221	DO APL1 Water&Sanit in Tourist Areas		2009	2014		28	LIR: MU
Total On-going						436	

Source: Dominican Republic CPS, CPSPR and WB Business Warehouse Table 2a.1, 2a.4 and 2a.7 as of 05/1/14

*LIR: Latest internal rating. MU: Moderately Unsatisfactory. MS: Moderately Satisfactory. S: Satisfactory. HS: Highly Satisfactory.

Annex Table 3: Analytical and Advisory Work for Dominican Republic, FY10 - FY13

Proj ID	Economic and Sector Work	Fiscal year	Output Type
P111826	Dominican Rep - ICR ROSC	FY10	Report
P114677	DO Policy Notes	FY10	Policy Note
P117908	DR ROSC A&A - Update	FY10	Report
P115181	DO Prog Inst & Governance Rev	FY13	Report
Proj ID	Technical Assistance	Fiscal year	Output Type
P106198	DO Support to the National Dev. Strategy	FY10	Client Document Review
P118040	DO Energy NLTA	FY11	Institutional Development Plan
P118231	DO Poverty Monitoring NLTA	FY11	Institutional Development Plan
P119206	DO Better Quality of Public Expenditures	FY12	TA/IAR
P127964	Strengthening Public Media in DR	FY12	TA/IAR
P127942	DOMINICAN REPUBLIC-GIIFA-INDEX INSURANCE	FY13	TA/IAR
P131888	DO Energy Policy Dialogue	FY13	TA/IAR

Source: WB Business Warehouse Table ESW/TA 8.1.4 as of 5/1/14



Annex Table 4: Grants and Trust Funds Active in FY10-13 (in US\$ million)

Project ID	Project name	TF ID	Approval FY	Closing FY	Approved Amount
P129428	Dominican Republic Public Expenditures Management (RE)	TF 11524	2012	Active	363,863
P125876	Institutionalization of Robust Fiscal and Financial Management Capacities in the Public Administration	TF 10462	2012	Active	485,000
P120111	Improving Performance Accountability by Strengthening DR SAI	TF 97834	2011	Active	299,980
P117349	Dominican Republic National Strategy for the Development of Statistics (NSDS)	TF 94913	2011	2013	133,000
P115175	DR living standards measurement	TF 95926	2010	2013	250,100
P116945	Improving performance accountability in the Dominican Republic by strengthening Congressional oversight	TF 94719	2010	2013	408,825
P115829	Access to Information and Downward Accountability in the Dominican Republic	TF 90487	2008	2012	507,200
P110655	DO - Avian Influenza Prevention and Control	TF 92679	2009	2011	1,000,000
P101470	DO Public Expenditure Mgt & Fincl Accoun	TF 57656	2007	2010	319,956
Total					3,767,924

Source: Client Connection as of 07/20/13

Annex Table 5: IEG Project Ratings for Dominican Republic, FY10-Present

Exit FY	Proj ID	Project name	Total Evaluated (\$M)	IEG Outcome	IEG Risk to DO
2010	P076802	DO-Health Reform Support (APL)	29.3	UNSATISFACTORY	MODERATE
2010	P115145	DO Prog.PubFinance & Social Sector DPL	150.0	MODERATELY SATISFACTORY	SIGNIFICANT
2011	P082715	DO Power Sector TA Project	7.3	UNSATISFACTORY	HIGH
2012	P054937	DO-EARLY CHILDHOOD EDUCATION PROJECT	42.0	MODERATELY SATISFACTORY	MODERATE
2012	P078838	DO Financial Sector Technical Assistance	12.0	MODERATELY SATISFACTORY	MODERATE
2013	P096605	DO Youth Development Project	22.8	MODERATELY SATISFACTORY	NEGLIGIBLE TO LOW
Total			263.4		

Source: BW Key IEG Ratings as of 04/30/2013

Annex Table 6: IEG Project Ratings for Dominican Republic and Comparators, FY10-13

Region	Total Evaluated (\$M)	Total Evaluated (No)	Outcome % Sat (\$)	Outcome % Sat (No)	RDO % Moderate or Lower Sat (\$)	RDO % Moderate or Lower Sat (No)
Dominican Republic	263.4	6	86.1	66.7	40.3	66.7
LAC	16,258.6	153	93.8	75.2	82.9	68.9
World	71,793.8	831	82.2	71.0	61.5	52.1

Source: WB Business Warehouse as of 04/30/14

* With IEG new methodology for evaluating projects, institutional development impact and sustainability are no longer rated separately.

Annex Table 7: Portfolio Status for Dominican Republic and Comparators, FY10-13

Fiscal year	2010	2011	2012	2013	Total
Dominican Republic					
# Proj	13	11	10	7	41
# Proj At Risk	3	4	2	2	11
% Proj At Risk	23.1	36.4	20.0	28.6	26.8
Net Comm Amt	317.8	309.5	275.8	250.3	1,153.5
Comm At Risk	117.5	161.9	47.5	47.5	374.4
% Commit at Risk	37.0	52.3	17.2	19.0	8.7
LAC					
# Proj	349	353	346	332	1,380
# Proj At Risk	68	61	68	72	269
% Proj At Risk	19.5	17.3	19.7	21.7	19.5
Net Comm Amt	32,161.5	32,557.8	33,341.8	30,843.3	128,904.5
Comm At Risk	5,316.1	3,195.2	4,503.5	6,097.4	19,112.2
% Commit at Risk	16.5	9.8	13.5	19.8	15.7
World					
# Proj	1,990	2,059	2,029	1,965	8,043
# Proj At Risk	410	382	387	414	1,593
% Proj At Risk	20.6	18.6	19.1	21.1	19.8
Net Comm Amt	162,975.3	171,755.3	173,706.1	176,206.6	684,643.3
Comm At Risk	28,963.1	23,850.0	24,465.0	40,805.6	118,083.6
% Commit at Risk	17.8	13.9	14.1	23.2	23.2

Source: WB Business Warehouse as of 04/30/14

Annex Table 8: Disbursement Ratio for the Dominican Republic, FY10-13

Fiscal Year	2010	2011	2012	2013	Overall Result
Dominican Republic					
Disbursement Ratio (%)	23.51	13.44	33.63	20.91	22.64
Inv Disb in FY	52.84	31.13	67.42	31.89	183.27
Inv Tot Undisb Begin FY	224.79	231.60	200.47	152.51	809.37
LCR					
Disbursement Ratio (%)	39.18	30.88	21.96	23.95	28.58
Inv Disb in FY	4,998.44	4,513.46	3,338.43	3,523.98	16,374.30
Inv Tot Undisb Begin FY	12,756.70	14,614.23	15,201.65	14,712.30	57,284.88
World					
Disbursement Ratio (%)	26.91	22.39	20.79	20.60	22.42
Inv Disb in FY	20,928.83	20,933.51	21,048.50	20,508.31	83,419.15

* Calculated as IBRD/IDA Disbursements in FY / Opening Undisbursed Amount at FY. Restricted to Lending Instrument Type = Investment.
BW disbursement ratio table as of 4-30-14

Annex Table 9: List of IFC Investments Committed in FY10-FY13 (\$, '000)

Project ID	Cmt FY	Project Status	Sector Description	Greenfield Code	Project Size	Net Loan	Net Equity	Net Comm
34167	2014	Active	Information	E	3,200		3,200	3,200
26221	2013	Active	Electric Power	E	471,000		50,000	50,000
30926	2013	Active	Finance & Insurance	G	25,000	3,260	-	3,260
32239	2013	Active	Other (For Non-Investment Projects)	G	30,000	20,000	-	20,000
32487	2013	Active	Oil, Gas and Mining	G	12,360		4,944	4,944
29719	2012	Active	Education Services	G	43,000	20,000	-	20,000
30393	2012	Active	Finance & Insurance	G	15,383	5,019	-	5,019
30480	2012	Active	Finance & Insurance	G	5,000	5,019	-	5,019
30513	2012	Active	Information	E			7,300	7,300
31450	2012	Active	Finance & Insurance	E	205		205	205
27526	2011	Active	Information	G	28,000	16,000	-	16,000
30088	2011	Closed FY13	Transportation and Warehousing	G	61,000	17,500	-	17,500
30551	2011	Active	Information	E	220	220	-	220
30732	2011	Active	Finance & Insurance	E	20,000	20,000	-	20,000
27883	2010	Active	Transportation and Warehousing	E	61,900	20,000	-	20,000
28649	2010	Active	Utilities	E	5,000	5,000	-	5,000
			Sub-Total		781,268	132,019	65,649	197,667

IFC Investments Committed pre-FY10 but active during FY10-13 (\$, '000)

Project ID	CMT FY	Project Status Name	Sector Description	Greenfield Code	Project Size	Net Loan	Net Equity	Net Comm
26142	2008	Active	SME Finance	G	32,984		32,984	32,984
24534	2007	Active	Port Development	G	45,771	21,000	-	21,000
25287	2007	Active	Trade Finance	E	5,000	5,000	-	5,000
20043	2006	Active	Microfinance to Women	E	3,500	2,500	1,000	3,500
21745	2005	Active	Resort Hotel	E	92,000	20,000	-	20,000
24209	2005	Active	Cement (Captive Power for Pr. 20490)	G		3,750	-	3,750
20490	2004	Active	Cement	G	117,080	24,000	-	24,000
20744	2004	Active	Apparel	G	20,000	12,951	-	12,951
11147	2003	Active	Commercial Bank	E	20,000	20,000	-	20,000
11608	2003	Closed FY14	Hospital	E	42,200	12,000	-	12,000
			Sub-Total		378,535	121,201	33,984	155,184
			TOTAL		1,159,803	253,219	99,632	352,852

Source: MIS Extract as of End January 2014; includes IFC Capitalization Fund investments and regional projects

Annex Table 10: IFC Advisory Services Approved and Active in FY10-13 (US\$'000)

Advisory Services operations approved in FY10-13

Project ID	Project Name	Impl. Start FY	Impl. End FY	Project Status	Primary Business Line	Total Funds, US\$
572608	ADOPEM AS	2010	2013	CLOSED	A2F	515,812
574167	BHD EE Advisory	2010	2013	CLOSED	A2F	180,454
599445	CG Project Dominican Republic	2013	2016	ACTIVE	SBA	535,000
	Sub-Total					1,231,266

Advisory Services operations approved pre-FY10, but active during FY10-13

Project ID	Project Name	Start FY	End FY	Project Status	Primary Business Line	Total Funds, US\$
	None					
	Sub-Total					-
	TOTAL					1,231,266

Source: IFC AS Data as of March 31, 2014

Annex Table 11: Net Disbursement and Charges for Dominican Republic, FY10-13

Period	Disb. Amt.	Repay Amt.	Net Amt.	Charges	Fees	Net Transfer
Jul 2009 - Jun 2010	352.98	54.55	298.44	23.11	1.13	274.20
Jul 2010 - Jun 2011	181.20	65.36	115.84	30.52	0.62	84.70
Jul 2011 - Jun 2012	137.42	59.43	77.99	34.62	0.29	43.08
Jul 2012 - Jun 2013	31.80	56.91	(25.11)	36.10	0.13	(61.34)
Report Total	703.40	236.24	467.16	124.34	2.17	340.65

World Bank Client Connection 5/1/13

Annex Table 12: Total Net Disbursements of Official Development Assistance and Official Aid for Dominican Republic

Development Partners	2010	2011	2012
Australia	..	0.84	0.08
Austria	0.02	0.03	0.04
Belgium	0.87	0.8	0.71
Canada	1.34	0.72	1.64
Czech Republic	0.01	0.01	0
Denmark	0.07	..	-0.91
Finland	0.22	0.29	0.16
France	0.96	105.95	131.9
Germany	0.85	0.75	0.55
Greece	0.01	..	..
Italy	0.65	1.47	1.41
Japan	-1.91	-6.17	-9.96
Korea	2.74	3.05	2.74
Netherlands	0.24	0.13	0.09
Norway	0.26	0.29	0.26
Poland	..	..	0.01
Spain	49.88	51.28	10.44
Sweden	..	0.3	0.24
Switzerland	0.02	0.01	0.02
United Kingdom	0.06	0.15	0.23
United States	35.52	27.6	49.88
DAC Countries, Total	91.81	187.5	189.53
EU Institutions	80.73	35.05	62.89
GEF	..	1.68	1.81
Global Fund	17.44	17.03	14.97
IAEA	0.21	0.2	0.16
IBRD	..	..	..
IDA	-0.66	-0.66	-0.66
IDB Sp.Fund	-17.23	-17.88	-18.07
IFAD	-1.33	-1.37	-1.32
IFC	..	..	..
Nordic Dev.Fund	-0.24	-0.25	-0.24
OFID	0.1	..	9.65
OSCE	..	..	..
UNAIDS	0.38	0.67	0.65
UNDP	1.28	0.66	0.52
UNFPA	1.56	0.77	0.74
UNHCR	0.23	1	0
UNICEF	0.85	0.91	0.57
Multilateral, Total	83.32	37.81	71.67
Israel	0.01	0.05	0.14
Thailand	..	..	-0.08
United Arab Emirates	0.02	0.03	0.02
Non-DAC Countries, Total	0.03	0.08	0.08
Development Partners Total	175.16	225.39	261.28

Source: OECD Stat, [DAC2a] as of May 1, 2014

Annex Table 13: Economic and Social Indicators for Dominican Republic, 2010 - 2013

Series Name				DR	LAC	World
	2010	2011	2012	Average 2008-2012		
Growth and Inflation						
GDP growth (annual %)	7.8	4.5	3.9	5.4	4.3	3.1
GDP per capita growth (annual %)	6.3	3.1	2.6	4.0	3.1	1.9
GNI per capita, PPP (current international \$)	8,850.0	9,260.0	9,660.0	9,256.7	11,835.5	11,705.4
GNI per capita, Atlas method (current US\$) (Millions)	49,992.4	52,777.8	56,254.1	53,008.1	5,179,628.5	67,436,412.1
Inflation, consumer prices (annual %)	6.3	8.5	3.7	6.2	4.4	4.1
Composition of GDP (%)						
Agriculture, value added (% of GDP)	6.2	6.0	6.1	6.1	5.4	3.1
Industry, value added (% of GDP)	32.0	33.1	31.7	32.3	32.6	26.7
Services, etc., value added (% of GDP)	61.7	61.0	62.2	61.6	62.1	70.2
Gross fixed capital formation (% of GDP)	16.3	16.3	16.3	16.3	20.6	21.1
Gross domestic savings (% of GDP)	5.3	6.1	7.3	6.2	20.9	21.7
External Accounts						
Exports of goods and services (% of GDP)	23.0	25.0	24.9	24.3	25.2	29.9
Imports of goods and services (% of GDP)	34.2	35.4	34.0	34.5	25.5	29.9
Current account balance (% of GDP)	-8.4	-7.9	-6.8	-7.7		
External debt stocks (% of GNI)	26.9	28.8	29.7	28.5		
Total debt service (% of GNI)	2.8	3.0	3.1	3.0	3.0	
Total reserves in months of imports	2.7	2.5	2.2	2.5	8.8	13.5
Fiscal Accounts¹						
General government revenue (% of GDP)	13.6	13.5	14.0	13.7		
General government total expenditure (% of GDP)	16.5	16.6	20.7	17.9		
General government net lending/borrowing (% of GDP)	-2.8	-3.2	-6.8	-4.3		
General government gross debt (% of GDP)	24.7	26.3	30.2	27.1		
Social Indicators						
Health						
Life expectancy at birth, total (years)	72.8	73.0	73.2	73.0	74.4	70.6
Immunization, DPT (% of children ages 12-23 months)	88.0	84.0	85.0	85.7	92.6	83.3
Improved sanitation facilities (% of population with access)	81.4	..	82.0	81.7	81.2	63.3
Improved water source (% of population with access)	77.2	..	77.2	77.2	81.7	81.0
Mortality rate, infant (per 1,000 live births)	24.1	23.4	22.8	23.4	16.7	36.0
Education						
School enrollment, preprimary (% gross)	37.8	37.3	38.5	37.9	72.2	49.3
School enrollment, primary (% gross)	107.0	105.5	102.6	105.0	113.2	106.9
School enrollment, secondary (% gross)	75.5	75.1	75.9	75.5	90.1	70.5
Population						
Population, total (Millions)	10.0	10.1	10.3	10.1	601.8	6,965.2
Population growth (annual %)	1.3	1.3	1.3	1.3	1.1	1.2
Urban population (% of total)	69.1	69.6	70.2	69.6	79.1	52.1

Source: DDP as of May 1, 2013

¹International Monetary Fund, World Economic Outlook Database, April 2013