



**REGIONAL PUBLIC GOODS**  
**Promoting Regional Solutions to Regional Problems**

# **Call for Proposals**

# **2010**

## **Conceptual Framework**

### **(Part 1 of 3)**

**Call for Proposals closes**  
**on**

**November 15, 2010**

## CONCEPTUAL FRAMEWORK FOR THE PROMOTION OF REGIONAL PUBLIC GOODS

### A. Regional Public Goods and the IDB

- 1.1 On March 22, 2004, the Board of Executive Directors of the Inter-American Development Bank (IDB or “the Bank”) approved the Regional Public Goods (RPGs) Program (the “Program”). The premise behind the Bank’s support for RPGs is that many opportunities or problems shared by countries in the region can be dealt with more effectively at a regional level through transnational cooperation.
- 1.2 The IDB is the first multilateral institution to move the global discussion about transnational public goods beyond theoretical concepts and to actively promote the creation of regional public goods in Latin America and the Caribbean.
- 1.3 The Call for Proposals of the Program has the following **key features**:
  - **Funding:** The Program provides up to US\$10 million dollars per year in non-reimbursable (grant) resources for proposals of countries (minimum 3) that have decided to jointly address a common challenge or seize an unrealized opportunity for the benefit of their (individual and collective) economic and social development.
  - **Competitive:** Countries present a proposal under the Program’s annual Call for Proposals (CFP). Proposals are evaluated against criteria regarding: (i) eligibility (ii) technical merit, and (iii) their alignment with the Bank’s strategic priorities (see below under thematic priorities).
  - **Demand-driven:** Public sector agencies of a minimum of three (3) countries: (i) identify the area they deem a priority and would like to work on collectively; (ii) chose who they want to partner with; and (iii) prepare and present the proposal.
  - **Triangular partnership:** The Program is based on South-South cooperation and LAC countries’ initiatives to conceive South-South solutions for their development needs. The IDB supports these efforts by: (i) serving as a co-investor in the initial critical phase of cooperation; (ii) connecting initiatives to potential partners within and outside the Bank; (iii) incubating innovative ideas; and (iv) mainstreaming successful RPG projects for potential further financing.
  - **Thematic priorities:** The CFP does not *a priori* give preference to any sector or group of countries. However, an important selection criterion is the alignment of a proposal with one or more of the five (5) priorities that the IDB Board of Governors approved in July 2010 as part of the Bank’s Ninth General Capital Increase and its [New Institutional Strategy](#): (a) social policy for equity and productivity; (b) infrastructure for competitiveness and social welfare; (c) institutions for growth and social welfare; (d) competitive

regional and global international integration; and (e) protection of the environment, responsiveness to climate change, promotion of renewable energy, and ensuring food security.

(See the [Bank's strategic priorities and their relation to ongoing activities and business development areas](#)).

In addition, proposals with gender-specific focus will be evaluated positively. (See [Guiding Questions](#) to determine gender-specific focus).

## **B. Characteristics of a Regional Public Good**

1.4 Under the Program, the production of RPGs responds to two types of unexploited regional opportunities to support the integration process and cooperation agendas among countries.

- a) ***Transnational issues***: These are issues that produce cross-border spillovers and therefore have a very direct impact on the national policy-making process of the countries involved. Examples could be the contamination of a river that flows through a group of countries; the transmission of communicable diseases; the contagion of a financial crisis; or missed trade opportunities.
- b) ***Common issues***: These are issues that are experienced similarly and simultaneously in a series of countries, but that *per se* do not prompt cross-border spillovers and therefore have no neighborhood effects. In these cases, countries cooperate to obtain benefits that they cannot achieve individually or to reach the benefits in a more efficient way. By sharing and jointly producing information or pooling limited human and financial resources in an area such as scientific research or education, countries will likely gain additional benefits through economies of scope and scale.

1.5 The following sections spell out in detail the key concepts that define a regional public good under the Program: (1) the public dimension of the good; (2) the regional dimension of the good and collective action needed to produce it; and (3) the Bank's support for the initial stage of regional collective action. The eligibility of a proposal will be based mainly on these three key concepts.

### **1. Public dimension**

1.6 In order to determine whether a good is characterized as “public” or “private”, it is necessary to look at its behavior in the market instead of the nature of the good in and by itself.<sup>1</sup> In accordance with this approach, the indicators for the public character of a good are the answers to the following questions: Why is the good being produced? Who produces it?

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<sup>1</sup> This Call focuses on the conditions of the market, under which a good is produced (socio/economic conditions of the target population, size of the demand, efficiency in production, market regulation, etc.).

- 1.7 Under the Program, an RPG is public if: (i) it is of public interest (*why is the good being produced?*); and (ii) the public/governmental sector responsible of the public policy affected in each partner country regulates the good and takes part in its production (*who produces the good?*). In a national context, goods are produced under public (i.e. non-market) conditions, because private agents have no incentives (profit expectation) or because they are by regulation excluded from or have limited participation in the production of the good. In a transnational environment, the participation of governments in the production of transnational public goods acquires additional significance. In an environment of global networks and alliances of private interests (be they for profit or non-for-profit), the participation of governments in the production of a regional good certifies (i) public interest and (ii) public commitment to act on the consensus they have reached among themselves.
- 1.8 The Program recognizes the importance of non-governmental stakeholders in the production of regional public goods. Depending on the characteristics of the proposal, the private sector (for-profit and non-for-profit) in the beneficiary countries can be part of the consultations and negotiations of an RPG, and could be direct beneficiaries of the public policy solution achieved by means of the RPG production (RPGs related to public policies that for instance, promotes private sector competitiveness, regulate private financial markets, or guide research carried out by academic institutions). Moreover, international or hemispheric organizations, foundations and cooperation agencies outside the region are invited to partner with the participating agencies and co-finance the production of RPGs<sup>2</sup>.

## 2. Regional dimension

- 1.9 The “regional” criterion is met, if:
- a) A minimum of three (3) borrowing member countries of the Bank are concerned by and involved with the production of the RPG (they do not need to be contiguous).
  - b) These countries produce the RPG collectively.
- 1.10 Under the Program, RPGs need to be produced by means of collective action among the countries. The public sector representatives of the participating countries are the “owners” of the RPG and of the process to create it. They decide on the agenda, mechanism and partners of their regional cooperation, as well as the regional commitments they are willing to voluntarily assume (scope of the RPG).
- 1.11 RPGs can be produced with varying degrees of collective action:
- a) **Weakest link.** Under this form of production, the public good can only be produced if every country contributes and to the extent that the country with the least resources and institutional capacity contributes. Transnational

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<sup>2</sup> See the section on “Terms and Conditions” for specific information on the eligibility of different types of entities inside and outside the region to submit proposals or act as executing agencies.

problems require by definition the cooperation of all the affected countries in order to produce the RPG. An example of a “weakest link” RPG is the eradication of a communicable disease that has spread regionally, and all countries in the region, including the weakest ones, should eliminate the disease to solve the problem. ***In the case of “weakest link” RPGs, collective action is essential to produce the good.*** It is this form of supply that complies most forcefully with the Program’s concept of collective action.

- b) ***Summation.*** In the case of “summation” RPGs, countries cooperate to increase the benefits of the solution to a problem or opportunity and the contributions are added. “Summation” RPGs are the logical response to problems that a group of countries experience similarly. RPGs in the education sector illustrate clearly the concept of “Summation” RPGs. An example is the interconnection of national education portals through a regional portal, which multiplies the access to curricular information and the exchange of experiences with teaching methodologies, and allow for the joint development of projects among countries. Benefits tend to increase with the number of national portals that are part of the network.
- c) ***Best Shot.*** In the case of “best shot” RPGs, a country with the capacity and sufficient national incentives produces the public good and provides it unilaterally to other countries. Most “best shot” RPGs concern the creation and transfer of knowledge by one country to others. ***This modality is not based on collective action and thus is not eligible under the RPG Program.***

### 3. Initial Stage RPGs

- 1.12 Under the Program, ***financing should target the initial stage of the processes for generating regional public goods*** in the Bank’s borrowing member countries. What is meant by “initial stage”?
- 1.13 The role of the Bank in the promotion of RPGs is to correct disincentives that not allow the RPG from emerging or progressing toward the stage of production, principally:
  - a) ***Lack of coordination:*** Frequently, RPGs may not materialize because coordination requires initiative and leadership; often no country wants to make the initial step to spearhead multi-country negotiations, particularly if there is no institutional framework that facilitates a dialogue on regional issues.
  - b) ***Aversion to risk:*** Usually, long term benefits and cost implications of regional cooperation are not clear, at least at the beginning. This is why countries tend not to risk investment in human and financial resources.
  - c) ***Free-rider syndrome:*** The supply of a good that will not only benefit the provider country but also others entails the possibility that any one country may prefer to wait for the other to produce the good and free-ride on those efforts. This creates a large disincentive for the production of regional public goods.

- 1.14 Given these disincentives, the Bank is willing to support countries that want to move beyond the obstacles that have prevented collaboration, up to a point where benefits materialize (or at least become evident) and cooperation becomes sustainable.
- 1.15 Initial-stage RPGs typically result in inter-governmental consensus, action plans and decisions on institutional arrangements that the countries commit themselves to implement. In addition, these understandings often foresee the production of later-stage RPGs. Both the implementation of initial-stage RPGs and the planning and execution of later-stage operations may require important investments. For example, countries that have successfully defined, agreed and implemented regional standards for quality control of medicines (initial-stage - production of the RPG) may decide to take cooperation further and invest in a regional laboratory to carry out this task. While the RPG Program provides resources for the critical pre-investment phase, the IDB may have other instruments to continue its support for the regional public good implementation investments in order to achieve regional cooperation and integration.
- 1.16 Projects whose objective is training and/or the acquisition of equipment or inputs are considered later-stage projects, i.e., investment stage. ***As the Program only finances the pre-investment or initial-stage, these components of the projects are not eligible for financing.*** In the case of training, the project will be able to finance the design of the training programs, including the creation of training materials. But it will not finance the training itself, except to validate the training programs/ materials produced under the project.



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# **Call for Proposals**

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## **Guide for Proposal Preparation**

**(Part 2 of 3)**

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**November 15, 2010**

**ANNEXES**

- Annex 1: Registration Form
- Annex 2: Eligible expenses to be financed by the Program
- Annex 3: Expenses to be financed with counterpart resources



## Guide for Proposal Preparation

**Proponents are required to (i) respond the questionnaire at the end of this section and (ii) follow the guidelines outlined here. The text of the proposal should not exceed eight (8) pages.**



### A. Executive Summary

- 2.1 This executive summary provides a quick overview on the principal features of the proposal (see sections of the summary in the questionnaire).

### B. Diagnosis

- 2.2 The diagnosis provides the basis for determining the nature of the problem or issue in terms of (i) the conditions that highlight the need for collective action among participating countries, (ii) the public incentives and interests that make a good a public good, and (iii) the reasons, if any, that have prevented the problem or issue to be successfully solved (a public bad or an opportunity that has not been taken advantage of) in a satisfactory manner. **Questions 1-6** of the questionnaire address these matters.

### C. The Regional Public Good

- 2.3 There are two complementary concepts that need to be addressed when defining the public good: *Which is the good in question?* And, *which is the benefit associated with the consumption of that good?* The first question needs to be answered with a noun, making reference to the object (abstract or material) to be produced (good, service, policy or knowledge). The second concept relates to benefits; it needs to be answered with an action or a verb and refers to the impact of consuming the good.
- 2.4 An example illustrating the difference between the regional public good and the benefits resulting from the consumption thereof is the eradication and/or control of malaria. A public good (without disregarding the existence of other public goods) could be the know-how used to produce a vaccine or cure against malaria (which includes the chemical formula, the production procedures and other relevant information). The benefit, on the contrary, is the elimination or control of malaria as a result of producing and administering the vaccine (consumption of the benefit). **Questions 7-12** of the questionnaire address the nature of the good and its production.

- 2.5 Some examples of RPGs in different sectors are: (i) regional standards, (ii) plans of action, (iii) regional strategies, (iv) monitoring and surveillance systems, (v) harmonized regulatory framework, (vi) regional agenda of economic integration. ***The core of the RPG is the creation or strengthening of the common rules to produce the solution.*** Although in all the projects a network of experts, agencies and countries are created, such creation of networks should not be the ultimate objective, but it should rather be a result of that association of countries. Likewise, the production of RPGs normally includes analysis and diagnoses, but the RPG should not just be the production of these studies as they represent an input for the RPG. ***In all the cases an RPG should be reflected in a public policy or in an instrument of it, in order for the proposal to be eligible.***
- 2.6 Projects about training and/or the acquisition of equipment or inputs are considered later-stage projects, that is to say, investment stage. As the Program only finances the pre-investment or initial-stage, these components of the projects are not eligible for financing by the Program. In the case of training, the project will be able to finance the design of the training program, including the creation of training materials. But it will not finance the training itself, except to validate the training programs/materials produced under the project.

#### **D. Costs**

- 2.7 The proposal should include a budget estimate (in US dollars). The costs should be disaggregated as shown in the table included in the questionnaire. All proposals must indicate counterpart contributions in cash and/or in kind. The cost sharing by the executing agency and the organizations and/or countries that participate in the execution of the project should reflect their commitment to the proposal.
- 2.8 ***Please make sure that all expenses to be covered by the IDB are eligible under the Terms and Conditions of this Call for Proposals.*** Annexes 2 and 3 of this document indicate the type of expense that can be covered by the Program and counterpart resources, respectively.

#### **E. Execution**

- 2.9 This section provides information about the executing agency, i.e. the entity responsible for the implementation of project activities and the administration of the Bank's contribution (see the section on "Terms and Conditions" regarding the entities that are eligible to act as executing agencies).

#### **F. Annexes**

- 2.10 **Annex I - Documentation on the legal status of the executing agency.** The proposed executing agency has to be legally incorporated in one of the borrowing member countries of the IDB and it has to have capacity to enter into agreements. In the case of an organization of the public sector or decentralized agency, the proposal documentation must include the law or the relevant decree that created it. In the case of a non-profit organization, it must include the statutes and

registration certification in a borrowing member country of the IDB. In the case of subregional organizations, it must include the relevant treaties that created them.

- 2.11 **Annex II - Letters of commitment.** The purpose of the commitment letters is to: (i) demonstrate the interest that each country has in cooperating with others in the process of producing the RPG; (ii) verify the availability of financial and human resources to endorse the implementation of the activities that are proposed to promote the good under discussion, including the decision-making and technical strategies of the project; and (iii) guarantee the sustainability of the production and implementation of the RPG once the financial support of the Bank has ended. The Program website includes examples of letters of commitment.
- 2.12 *Each institution involved in the production of the RPG must submit a letter of commitment. In all cases, the proposal must have letters of commitment from the public agencies at the national or local level (according to each case) responsible for the public policy related to the sector linked to the proposal.* Supranational institutions can submit a letter on behalf of its members, provided that this letter is based on an explicit mandate or specific resolution that identifies the RPG. The mandate or resolution needs to be submitted as part of the proposal documentation.

## QUESTIONNAIRE

### 1. Executive Summary (1/2 Page)

- a) Name of the RPG Proposal: As entered in the Registration Form.
- b) Beneficiaries: Countries that will benefit from production of the good.
- c) Applying institutions: Name of applying institutions.
- d) Executing agency: Name and country of the executing agency.
- e) Sources of financing: Total amount disaggregated by source of financing (RPG Program, counterpart resources, other donors).
- f) Execution period: Timeframe for execution of the project.

### 2. Diagnosis (3 Pages)

*Concerning the nature of the issue:*

**Question 1:** Which is the issue that the proposal will address?

**Question 2:** Does the issue have any cross-border effects (e.g. a contagious disease) or is it a domestic issue (e.g. in the area of elementary education or lack of common regulation for economic integration) that is shared by several countries and whose solution on a regional basis is expected to produce additional benefits?

**Question 3:** How many countries are affected by the issue? Are all of them willing to participate in the production of the proposed RPG? If the response is “no”: What is the reason for some being absent?

**Question 4:** Why is it more advisable to address the issue through multi-country cooperation? In other words, what are the benefits to be obtained by means of cooperation that could not be achieved if the issue were to be addressed solely in a national context?

**Question 5:** Which is the collective action that has been carried out in the identification of the issue and the preparation of this proposal?

*Regarding the conditions that have so far prevented the issue from being solved:*

**Question 6:** Have there been previous attempts to address the issue?

- If not, why?
- If there have been previous attempts (either at a local or regional level), did they produce results and what were those results? What was the institutional framework for the provision of the regional public good? How effective was it?

### 3. The Regional Public Good (3 Pages)

#### *Concerning the nature of the good:*

**Question 7:** What is the RPG to be produced? Which is the public policy associated to the RPG?

#### *Concerning the production of the good (activities and benefits):*

**Question 8:** Give a brief description of the main activities or phases that will illustrate how the RPG will be produced. The same activities and the costs associated with implementing them should be mentioned in the budget.

**Question 9:** Which are the benefits of the RPG? (Benefits should be directly related to the issues identified in the diagnosis). As a result of the activities described under Question 8, which benefits will be produced at the regional level and which at the national level? How this RPG could strengthen the agenda of integration and cooperation policies of the countries?

#### *Concerning the production of the good (actors):*

**Question 10:** Which are the countries that will produce the RPG? How will the countries cooperate in the production of the RPG? Public or private institutions will produce the RPG? Are these institutions responsible for public policy associated to the RPG? If they are not, why the responsible ones are not present?

**Question 11:** What happens if one or more countries decide not to cooperate to produce the RPG? That is to say, can the RPG, based on its nature, be produced anyway? Or, does production of the RPG depend on the participation of *all* the countries affected?

#### *Concerning sustainability:*

**Question 12:** How will the RPG be financed once the resources of this project are used up? What strategies or mechanisms will be implemented to facilitate sustainability of RPG production?

### 4. Costs (1 Page)

The proposal should include a budget estimate (in US dollars). The costs should be disaggregated as shown below (see also examples on the Program's website):

Activity and type of expense	Unit of measurement	Total Value	Sources of financing		
			IDB	Counterpart	Other sources
For example: Study preparation: • consultant fees, travel expenses, etc.	For example: consultant daily fee, travel days and average airfare, etc.				

**5. Execution (1/2 Page)**

*Concerning execution:*

**Question 13:** What is the institutional capacity of the executing agency? Describe the experience, the capacity to bring participants together, institutional strength and other characteristics that demonstrate the appropriateness of the executing agency.

**ANNEX 1:  
REGISTRATION FORM**

RPG Title	
Title	Resources Requested from IDB (USD)

Applicant information			
Applying Institution:			
Acronym:	Type of Institution		
Number of Employees	Institutional Budget (in US dollars)		
Mission			
Mailing Address			
Address:		City	
		Postal Code	
State:		Country	
Telephone #: (country and city codes)		Fax # (country and city codes)	
Web Page:	http:\\		
Contact Details			
Name	Position	E-mail	
1. Head of Institution (Minister/President/Director/Manager)			
2. Individual Responsible for RPG Proposal			
3. Contact Name			

<b>Note: For proposals to be considered, the following information needs to be specified (mark with a X):</b>	
1. Proposal prepared pursuant to the Guide for Proposal Preparation.	
2. Legal documentation of proposed executing agency.	
3. Letters of commitment.	

**ANNEX 2:  
EXPENSES ELIGIBLE FOR IDB FINANCING UNDER THE PROGRAM**

**1. Consulting Services**

- a) Individual consultant fees (national or international).
- b) Specialized firms or agencies fees (national or international).

Individual consultants are persons hired for a pre-determined period to produce well-defined deliverables, either professional or administrative. IDB resources shall not be used to hire individual consultants who presently (or in the six (6) months prior to the submittal of the proposal to the IDB) belong to the regular or temporary staff of the institution granted financing (executing agency), or to an institution that is the beneficiary of the services to be provided by the individual consultant.

Similarly, IDB resources shall not be used to hire consulting firms, if the partners, associates, directors and other technical or professional staff of such consulting firms belong (or have belonged in the six months prior to the presentation of the proposal to the IDB) to the regular or temporary staff of the institution that receives the financing (executing agency), or of an institution that is the beneficiary of the services to be provided by such consultants.

**2. Travel**

Travel and per diem expenses incurred for local and international travel of consultants hired under the project, provided such travel is exclusively for project-related activities.

**3. Training (Validation of training modules/materials developed under the RPG project only)**

- a) Registration fees.
- b) Travel, subsistence allowance and medical insurance expenses to allow for participation in relevant training program.

**4. Publication/reproduction of documents and materials**

Printing, editing, translation, distribution of documents and materials and the right to reproduce them (copyright), provided that this documentation results from, or is used in, project-related activities.

**5. Meetings**

Simultaneous interpretation and related support services (technical support).

- a) Secretarial services required to organize and/or conduct meetings.
- b) Rental of equipment necessary to conduct meetings.
- c) Purchase of certain meeting-related supplies, such as binders, name tags, etc.



**6. Equipment and supplies**

The contribution of the Bank shall not be used to finance the acquisition of equipment, software or other goods. Nevertheless, under special circumstances, up to thirty percent (30%) of IDB resources may be used for the purchase or rental of equipment and supplies that are directly related to project activities. Justification on why these expenses cannot be covered by the executing agency or other counterpart should be provided.

**7. Audit expenses**

Expenses inherent to external auditor services and related expenses concerning project audits.

**ANNEX 3:**  
**EXPENSES FINANCED BY COUNTERPART RESOURCES**

1. Compensation or professional fees of beneficiary and counterpart institutions, including the executing agency.
2. Travel and per diem expenses of beneficiary and counterpart institution staff, including the executing agency.
3. Rental of premises necessary for project activities.
4. In general, purchase or rental of equipment and supplies necessary for consultants to perform their activities. Under special circumstances, up to thirty percent (30%) of IDB resources may be allocated to purchase or rental of equipment and supplies necessary for activities directly related to the project.
5. Communication expenses.
6. Social activities resulting from IDB-financed activities throughout the project are to be financed with counterpart resources.



**REGIONAL PUBLIC GOODS**  
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# **Call for Proposals**

# **2010**

**Terms and Conditions**  
**(Part 3 of 3)**

**Call for Proposals closes**  
**on**

**November 15, 2010**

**A. Terms and Conditions**

- 3.1 Proposals have to adhere to the conceptual framework, comply with formal requirements and be submitted within the timeframe provided herein. Proposals that fail to comply the terms and conditions will have to be disregarded.

**B. Entities Eligible to Submit and Execute Proposals**

- 3.2 Entities eligible to submit proposals are: (i) public entities registered in one of the IDB's borrowing member countries; (ii) private, not-for-profit organizations legally incorporated in one of the IDB's borrowing member countries; (iii) legally incorporated subregional organizations formed by IDB borrowing member countries; and (iv) groups or consortia consisting of two or more eligible organizations.
- 3.3 Entities eligible to act as executing agencies for RPG projects have to comply with the criteria mentioned in paragraph 3.2 under (i) – (iii). Each project can have only *one (1)* executing agency. The designated entity may, but does not need to have been involved in preparing the proposal.
- 3.4 Public international organizations with a worldwide or continental scope of action and their specialized agencies are not eligible. In addition, proposals submitted, executed or in partnership with organizations that are established or legally incorporated in a non-borrower member country of the IDB or by private, for-profit entities from any country will not be eligible.

**C. Proposal Documentation**

- 3.5 Proposals are to include:
- a) Duly completed registration form, see Annex 1 of the Guide for Proposal Preparation.
  - b) The proposal pursuant to the questionnaire of the Guide for Proposal Preparation. The text of the proposal should not exceed eight (8) pages, single space, and font size twelve (12).
  - c) Annexes to the proposal (Guide for Proposal Preparation, Section F):
    - Documentation of legal status of the proposed executing agency.
    - Letters of commitment to be issued by the agencies responsible for the public policy in the sector of the RPG.

**D. Language**

- 3.6 Proposals may be submitted in Spanish or English.

## E. Submission Deadlines and Methods

**Proposals should be received at IDB Headquarters no later than November 15, 2010, before 8 p.m., Washington DC time (US Eastern time) by any of these methods:**

**Email:** [BPR@iadb.org](mailto:BPR@iadb.org)

**Fax #:** 1(202)623-1687

**Postal address:**

Inter-American Development Bank  
1300 New York Ave. NW, STOP W-0610  
Washington, DC 20577

**Attention: Regional Public Goods Program**

- 3.7 Proposals are to be submitted as **a single package** by any of the alternative methods suggested above and before the deadline. **All proposals submitted after the deadline will have to be disregarded.**

## F. RPG Helpdesk

- 3.8 Before submitting the official proposal, proponents are encouraged to consult ideas with the RPG team through the Program's web page <http://www.iadb.org/topics/regionalintegration/rpg/consultas.cfm?lang=en>; only consultations about eligibility of the proposals will be answered.

## G. Cost of Proposal Preparation

- 3.9 Applicants shall bear all costs related to the preparation and submittal of their proposals. Under no circumstances shall the Regional Public Goods Program or the Bank be responsible for these costs, irrespective of selection process results.

## H. Clarification of Proposals and Confidentiality

- 3.10 The Bank may request clarifications or further information regarding proposals throughout the proposal evaluation process. Clarification requests and the relevant answers shall be completed in writing. It should be noted that in clarifying or supplementing proposals, no costs or critical items shall be significantly modified, unless the Bank expressly requests otherwise. Once the proposal evaluation period is initiated and until official disclosure of results of this Call for Proposals, all information related to the analysis, clarification and evaluation of proposals shall be treated as confidential information.

## I. Evaluation and Selection of Proposals

- 3.11 IDB will review and evaluate proposals by means of the following three-step process: (i) determination of eligibility, (ii) technical review of eligible proposals, and (iii) ranking of eligible proposals based on their technical soundness and their

alignment with the IDB's strategic priorities (see also par. 1.3 of the "Conceptual Framework" – Part 1 of 3). The review process is expected to take up to four (4) months.

- 3.12 IDB will contact and notify applicants once the results of the evaluation process have been approved.

## J. Preparation of an IDB Project Document

- 3.13 The proposals selected for financing under the Program will proceed with the preparation and negotiation of the project document. To that end, experts from the applicants and the Bank will establish a project team. The project document will need to be reviewed and approved at different levels of the IDB. Once the approval process has finalized, the IDB and the designated executing agency will sign an agreement to initiate the implementation of activities and the disbursement of resources. Proposals selected under the 2010 CFP are expected to be approved and start disbursing in the second half of 2011. Please see the estimated time line below for the evaluation of proposals and the preparation and approval of the RPG project document.

## Timeline

