



Comisión
Nacional de
**Evaluación y
Productividad**

Annual Evaluation Report – 2024
Executive Summary

Introduction

The 2024 Annual Evaluation Report marks the first independently conducted report by the National Evaluation and Productivity Commission (CNEP), distinct from its Annual Productivity Report.

This document stems from the responsibilities assigned to the National Evaluation and Productivity Commission (CNEP) under Decree 1,510 of the Ministry of Finance (2021). Since then, in addition to providing recommendations to enhance productivity and overall well-being, the Commission must advise the President of the Republic on regulatory quality improvements and the evaluation of public policies and programs. To fulfill this mandate, the Commission will publish an annual report outlining progress in evaluation, serving as a complement to the five-yearly Medium-Term Evaluation Agenda.

This document outlines key milestones and advancements in evaluation during 2023, marking it as the first Annual Evaluation Report. The evaluation framework is structured around three core systems or instruments that assess public policy, with a focus on programs, investments, and regulation. Beyond these long-established systems, the report also highlights broader evaluation efforts, incorporating insights from academia and non-governmental organizations (NGOs).

Additionally, a thematic chapter explores the evaluation of territorial planning and land use in Chile, emphasizing its impact on sustainable development by considering social, environmental, and economic factors.

Annual Evaluation Report

Evaluations occur at three key stages: ex-ante, conducted before an intervention; ex-dure (monitoring), performed during the intervention; and ex-post, carried out after the intervention. Based on timing, evaluations are classified into evaluation systems, which assess the entire process, and evaluation instruments, which focus on specific stages of the evaluation cycle.

Evaluations can also be classified based on their frequency. Systematic evaluations are conducted periodically and consistently over time, while sporadic evaluations occur once or a few times without regularity or long-term planning. Additionally, evaluations can be classified according to their level of implementation. Centralized evaluations apply across all state services, whereas sectoral evaluations are initiatives within a specific government service.

This report presents the main evaluation results for 2023, covering five key areas: the programs system, the investments system, regulatory instruments, sectoral areas, and academia.

The program's system evaluates various actions, services, and benefits to achieve specific objectives for targeted populations. The evaluation process focuses on analyzing the availability and effectiveness of these programs. The investment system oversees the allocation of public resources for infrastructure and service projects, regulating the planning, execution, and assessment of these initiatives to ensure their social profitability.

In contrast, regulatory evaluations assess the rules and guidelines established by authorities to govern social behavior. While there is no formal, standardized evaluation system for regulation, various evaluation instruments are used at different phases of the regulatory process to measure its impact and effectiveness.

Monitoring and Evaluation System for Programs

- During 2023 (for the 2024 budget formulation), 162 programs were evaluated in the ex-ante phase of the Monitoring and Evaluation System for Programs (SMyEP), representing 24% of the 2023 programmatic offer (which includes 689 programs). This figure is above the five-year average (151 programs) but slightly below the 2022 record (182 programs).
- 59% of the current programmatic offer (2023) has undergone an ex-ante evaluation at some point. The proportion is 64% for social programs and 49% for non-social programs.
- Regarding ex-ante evaluation results, 57% of program designs that underwent evaluation received a favorable rating, while 43% were rejected due to technical reasons.
- Among ministries with more than 10 evaluated programs, the highest proportion of favorable recommendations was found in the Ministry of Interior and Public Security (94%) and Ministry of Health (85%), while the highest proportion of technical objections was in the Ministry of Science (67%) and the Ministry of Agriculture (60%).
- In 2023, 700 programs implemented in 2022 were monitored, continuing efforts to expand coverage in this evaluation phase. The trend over time shows a notable increase in coverage since 2015. Between 2012 and 2015, an average of 518 programs were monitored in the ex-dure phase, whereas between 2016 and 2022, this number increased to 674.
- In 2023, 16 ex-post evaluations were completed and distributed across four different evaluation categories: eight Government Program Evaluations (EPG), five Focused Scope Evaluations (EFA), one sectoral evaluation, and two impact evaluations.

Among those evaluations that received performance ratings (EPG and EFA), five programs performed poorly, three had low performance, four had medium performance, and one had good performance.

- As of 2022, only 21% of the programmatic offer had undergone an ex-post evaluation. This proportion was 16% for social and 30% for non-social programs.
- The two impact evaluations completed in 2023 had different outcomes:
 - One analyzed the impact of modifications to the tax system introducing accelerated and ultra-accelerated depreciation schemes. No significant policy effects were identified.
 - The other study, which examined access to information regarding the rental subsidy program, showed positive and significant results.
- Between 2018 and 2023, an average of 18 ex-post evaluations were completed annually. The ministries with the highest number of ex-post evaluations during this period were Education, Interior, Social Development, Economy, and Health.
- Three programs were evaluated multiple times (through different evaluation approaches) between 2018 and 2023:
 - *Yo Elijo Mi PC* (JUNAEB)
 - *Energy Efficiency Plans* (Subsecretariat of Energy)
 - *Family Self-Consumption Support Programs* (Subsecretariat of Social Services)
- The collected evidence indicates that evaluation is used to formulate and allocate the budget. The average impact of evaluation at different stages was calculated for the programs revised for the 2024 Budget Law and experiencing a budget variation greater than $\pm 2.5\%$.

For the ex-ante process, programs that received a Technical Objection (OT) had an average budget reduction of -6.6%, while those with a Favorable Recommendation saw an increase of 9.2%.

Among the programs that received observations in the ex-dure phase during 2022, those that failed to address the identified issues experienced an average budget reduction of 8.3%. In contrast, those that successfully addressed the findings saw a budget increase of 2.6%.

Finally, for programs that had undergone an ex-post evaluation, those classified as "Poor Performance" had an average budget reduction of -15.3%. In comparison, those rated as "Medium Performance" saw an increase of 11.7%. However, the program, classified as "Good Performance," experienced a budget reduction of 8.5%.

Results of Evaluations Conducted in the National Investment System

- In 2023, 6,563 investment initiatives applied to the National Investment System (SNI) for the ex-ante evaluation process, representing a total cost of USD 41.6 billion.
- In 2023 (3,012), most ex-ante-evaluated initiatives received a satisfactory recommendation (67%). Meanwhile, 9% were technically rejected, 23% lacked sufficient information, and 2% consisted of initiatives with Regulatory Non-Compliance (IN) and projects with Favorable Continuity (CF).
- Ex-ante evaluations were concentrated in the Transportation (24%) and Housing and Urban Development (17%) sectors.
- Most initiatives were submitted by ministries (49%), followed by municipalities (43%). The remaining 4% came from public companies, regional governments, and other entities.
- Municipalities had the highest proportion of technical objections (58% of all initiatives they presented), while for ministries, the proportion was 33%.
- Between 2016 and 2021, an average of 251 ex-post Phase 1 evaluations were conducted annually. Preliminary information suggests that in 2023, the total number of evaluations at this stage reached 275.
- The total number of evaluated projects differs from that of completed projects. Between 2015 and 2021, the average proportion of evaluated projects relative to the total number of eligible projects was 44%, whereas in 2023, this proportion increased slightly to 45%.
- Between 2018 and 2022, one short-term Phase 2 ex-post evaluation was conducted per year, except in 2021, which was affected by the exceptional public health situation in the country. Preliminary data from 2023 indicates that the evaluation focused on four Tutored Housing Condominiums, which provide housing solutions for socially vulnerable, self-sufficient older adults.
- Four medium-term ex-post evaluations were conducted between 2018 and 2022, and one was carried out in 2023, focusing on the Regional Health Networks of Antofagasta and Magallanes.

Evaluations Conducted Using Regulatory Evaluation Instruments

- In 2023, 19 Regulatory Impact Reports (IIRs) covering bills and decrees were completed. This represents a 42% decrease compared to 2022. The total is also significantly lower than the four-year average of 93 reports.
- Of all Bills (PdL) submitted that were required to have an IIR, only 9.7% had a completed report.
- Of all decrees presented, 10.3% included an IIR.
- The last report published by the Department of Law Evaluation (DEL) analyzed Law No. 20,680 in January 2020.

Evaluations Conducted by Services in a Decentralized Manner

- In 2023, the CNEP completed the "Analysis of Priority Sectoral Permits for Investment" study, which constitutes a regulatory evaluation focused on improving the efficiency of sectoral permitting regulations. The study developed nine recommendations, with a differentiated intervention strategy based on the complexity of each permit.
 1. In 2023, the Ministry of the Environment completed four General Economic and Social Impact Analyses (AGIES), each focused on a different regulatory standard: Emission standards; Primary environmental quality standards; Secondary environmental quality standards and Decontamination plans. The AGIES is an ex-ante evaluation for quality and emission standards, environmental prevention and decontamination plans, and decrees under the Extended Producer Responsibility (REP) Law.
- In 2023, the Financial Market Commission (CMF) issued ten General Standards (NCG), including the required Regulatory Impact Reports. The CMF is mandated to issue a regulatory impact report for each NCG it enacts, except in certain specific cases.
- In 2023, the Department of Public Policy Evaluation within the Subsecretariat for Crime Prevention conducted 18 evaluations and outsourced the design, components, and implementation of the "Lazos" Program. This department strengthens public policies within its portfolio through a comprehensive technical process covering design, implementation, and final evaluation.
- Several public services have been evaluated beyond those required by centralized systems, such as the SMyEP and the SNI. According to a survey, 12 entities carried out evaluation and/or monitoring activities in 2023 based on internal institutional interests.

Evaluations Conducted by Academia

- According to self-reported data, in 2023, a total of 21 public policy evaluations were conducted by academia. Of these:
 - 4 were ex-ante evaluations (conducted before policy implementation),
 - 16 were ex-post evaluations (conducted after policy implementation), and
 - 1 combined both ex-ante and ex-post evaluation approaches.

Guidelines for Improved Evaluation of Territorial Planning Instruments in Chile

The second chapter examines Territorial Planning Instruments (IPTs) in Chile, which are fundamental in regulating the physical development of urban areas and rural settlements. These instruments establish basic rules that guide growth and land organization. Since their development in the early 20th century, they have expanded to cover most of Chile's territory today.

Current legislation sets general principles, while subnational authorities define the specific rules for each territory. Given Chile's territorial diversity and challenges in uniformly measuring policy outcomes, this decentralized approach is considered appropriate.

An analysis of the design processes of IPTs in Chile reveals several obstacles that hinder their practical evaluation:

1. Citizen Participation in IPT Development
 - While public participation is essential in IPT development, it can sometimes hamper project execution and objective evaluation due to influences from specific local agendas.
2. Nature of IPTs
 - Chilean IPTs, especially Communal Regulatory Plans (PRC), often lack clear objectives and a long-term vision, making evaluating them as public policies difficult.
3. Hierarchy of IPTs
 - IPTs follow a legal hierarchy, but lack of coordination between different planning levels and the absence of clear standards complicates evaluation.
4. Scale of IPTs
 - The complexity and high costs associated with developing new regulatory plans and differences in technical capacity across territories affect IPT evaluation.
5. Access to and Variability of IPT Information
 - Inconsistent publication standards for IPT documents hinder accessibility, comprehension, and evaluation.

Recommendations to Improve IPT Evaluation

To overcome these challenges and improve IPT evaluation, several guidelines are proposed:

1. Nature of Regulatory Plans
 - To facilitate evaluation, adopt a more integrated approach with clear objectives, long-term vision, and management actions.
2. Hierarchy of IPTs
 - Establish a clear hierarchy that prioritizes development objectives across all levels of territorial planning.
3. Scale of IPTs
 - Adapt the development of new regulatory plans based on territorial scale and needs, prioritizing evaluation in more complex and highly populated areas.

4. Evaluation of Objectives and Goals
 - Establish quantifiable objectives and evaluate their compliance through monitoring and reporting mechanisms.
5. Collaboration with Academia
 - Foster alliances with academic institutions to conduct rigorous studies on the impact of IPTs on urban development and population well-being.
6. Other Recommendations
 - Strengthen the Metropolitan Area administrative unit.
 - Define pre-established regulatory zones at the national level to simplify evaluation and IPT management.

Some of the proposed guidelines can be implemented without modifying existing laws, such as:

- Encouraging coordination between different territorial plans.
- Requiring quantifiable goals in IPT development processes.

However, other recommendations require structural changes, including:

- Transitioning to an integrated planning system.
- Defining evaluation and reporting mechanisms in legislation.

Together, these guidelines aim to enhance the rigor and transparency of IPT evaluations in Chile, ensuring more equitable and sustainable territorial development.