



**External evaluation of “Strengthening capacity in developing countries for meeting Millennium Development Goals through policies and actions in trade and trade-related areas” project\***

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Project L (MDGs)

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## ***1 CHAPTER 1: THE EVALUATION STUDY AND ITS CONTEXT***

### *1.1 Purpose and Scope of the Evaluation*

The purpose of this evaluation is to examine the performance of UNCTAD's project on **“Strengthening capacity in developing countries for meeting Millennium Development Goals through policies and actions in trade and trade-related areas”**

The evaluation takes into account the full project cycle, from design to end of implementation. Project was originally planned to last 3 years, from 2004 to 2006, but was later extended through 2007, with final activities funded by the project implemented as late as 2008. The total value of the project is US\$ 640,000.

The project revolved around strengthening the capacity of LDCs, through their Ministries of Trade and trade institutions to respond to the challenges and opportunities created by globalisation within the Multilateral Trading System (MTS). Project main theme is to facilitate the integration of development content (understood as development policies and related commitments) into national trade policies and strategies, and into international trade and trade negotiations with a view to contributing to achieving the Millennium Development Goals of economic, social and human development, the elimination of poverty and the realization of an open, equitable, rules-based, predictable and non-discriminatory multilateral trading system.

Project adopted a holistic approach to Trade and Development and aimed to contribute to the shaping of a trading system that is development-friendly along the lines developed in the Millennium Declaration<sup>1</sup>.

Main areas identified as priorities for the project intervention included:

(i) trade negotiations (covering international and regional trade agreements), and (ii) commercial diplomacy in goods and services, (iii) commodities, (iv) trade analysis, (v) competition law and policy, and (vi) trade and environment.

The chosen focus was on promoting Trade as a key resource for Development and mainstreaming development content (as expressed in the MDGs, including poverty reduction) in trade policy and decision making with particular attention to supporting LDCs, small islands developing States (SIDS) and landlocked developing countries in the context of globalisation and the expansion of the Multilateral Trade System (MTS).

This evaluation will assess the performance of the project using the internationally recognised DAC evaluation criteria of relevance, efficiency, effectiveness, impact, and sustainability and other cross cutting issues such as health, access to common goods etc... The evaluation was commissioned by UNCTAD's Evaluation and Planning Unit (EPU) through the procedures of the Development Account which funded the direct costs of the project.

The evaluation is to be conducted in parallel with the evaluation of another project of UNCTAD, also financed by the 4<sup>th</sup> tranche of the UN development fund. To maximise the very short time frame of those evaluations, some evaluative activities have been conducted jointly and some elements of the report are shared by the 2 evaluations<sup>2</sup>.

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<sup>1</sup> United Nations Millennium Declaration (A/RES/552), 18 September 2000.

<sup>2</sup> Such as list of persons contacted; or elements related to the articulation of UN development fund grants in the work programme of UNCTAD...The evaluators feel this approach is allowed by the ToRs since the ToRs provide methodological guidelines and offer evaluation criteria specifications for both projects at once. See below section on DAC criteria

## 1.2 Context of the Project within UNCTAD:

### 1.2.1 Programming and Financing

In terms of programming, the project forms part of UNCTAD's Technical Cooperation (TC) activities. TC is described as one of its three pillars (alongside research and analysis and consensus building)<sup>3</sup> and started in the 1980s to support the inter-governmental forum or 'Conference' activities of UNCTAD, with the objective of helping developing countries and countries with economies in transition to better integrate into the globalising economy, take opportunities and overcome obstacles. UNCTAD's development work covers the linkages between trade, investment, finance, technology and sustainable development.

Nearly all of TC funds, comprising Trust Funds, UNDP and UN programme budget, including the development Account, are dedicated to capacity building.

The Project was funded from the UN Development Account, under its 4<sup>th</sup> tranche (of 2004-05), the theme of which was '*Capacity Building for Millennium Development Goals through partnership, knowledge management and taking advantage of ICT*'. The specific project document has been elaborated by UNCTAD Division on International Trade in Goods and Services, and commodities. However the division has since undergone re-structuring and the unit relating to commodities has been differently articulated. The concept note to the project was presented by the division, further elaborated and UNCTAD then presented it for funding. It was selected by the General Assembly for funding from the 4<sup>th</sup> tranche of the Development Account, and is listed as item "L" in Annex II of document A/58/6, dated 1 April 2003. The project was to be implemented from 2004-2007, and budgeted at USD 640,000. Originally to be implemented over a three year period (2004-2007), project requested and was granted an extension for one year, and implementation was spread to end in 2008.

The Development Account, within the control of the UN itself, and managed from NY provides opportunities for projects that might not be supported by a donor. There are guidelines as to how the project proposal should be laid out and implemented, including inter alia '*objectives, expected accomplishments, indicators of achievement and main activities*', with clear guidance, and definition from the start, on what activities can be funded, such as consultants, expert groups, travel of staff, study tours, workshops. However, while these direct costs are eligible to be funded through the Development Account, the salaries and related benefits of the staff pertaining to the implementation of the project are still funded through UNCTAD regular budget. It is not possible therefore, in the context of the reduced time frame of this evaluation, to make a detailed estimate of the amount of these funds in comparison to the Development Account funding to back an accurate cost benefit analysis. After the project launches certain activities, the funding of the follow up is sometimes picked up by other donors, which prevent strict and evidence based attribution of the outcome and impact of the project.

As per the ToRs<sup>4</sup>, the indicators of achievement defined in the proposal serve as main elements for assessment of the project.

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<sup>3</sup> UNCTAD Annual Report 2007: Thinking development, advancing solutions.

<sup>4</sup> "The review should examine the performance of each project in accordance with its logical framework in the project document"

### 1.2.2 Reconstructing the logic of intervention:

Logical framework of the project:

**The Overall Objective** of the project is “Maximizing the contribution of trade liberalization to economic growth and development of developing countries in order to support achievement of MDGs and poverty reduction”

**The Specific Objective** of the project was to support mainstreaming trade policies into national development and poverty reduction efforts while integrating relevant aspects of the Millennium Development Goals in trade and trade-related policies and actions;

The project defines its three main **expected Results** as follows:

#### Expected Accomplishment 1

Enhanced understanding of the interrelationships between trade and the Millennium Development Goals in the context of national development

#### Expected Accomplishment 2

Strengthened human and institutional capacities at the regional and national levels for the formulation and implementation of trade and development policies that are supportive of the MDGs

#### Expected Accomplishment 3

Increased interaction and exchange between policy makers at regional levels to enhance the sharing of national Millennium Development Goal-related policies and best practices and to strengthen national and regional capacities to formulate and pursue development-oriented agendas in international discussions and negotiations

### 1.2.3 Methodology of the Evaluation, Information Sources and Methodological Issues:

The Terms of Reference propose the following generic methodology:

#### (i) Study of relevant materials available:

The documentation for this evaluation breaks down into several groups:

- the project design proposal and logical framework prepared for request of funding from the Development Account,
- contact details of workshop participants, summaries of the workshop participants' reactions, etc...
- internal monitoring documents such as mission reports from officers in charge of workshops, and project final report; internal notes etc..
- Research outputs of the project. However given the reduced timeframe of the evaluation, it was not possible to examine specific material nor minutes of some of the sessions that were organised under the project.

#### (ii) Collection and analysis of evidence.

Support from the evaluation unit was crucial to collect the necessary documents/gather the relevant information to conduct the documentary analysis. Further documents were obtained through the site, or by special request during interviews, etc...

#### (iii) Interviews with relevant UNCTAD staff:

Relevant staff was hard to locate due to time elapsed, turnover, and internal restructuring (in particular related to commodities). This created a certain amount of delay in gathering the necessary data. Moreover, at the specific time evaluators came to Geneva, some key respondents were in mission, or on leave. However, as a remedy, phone interviews were requested and conducted satisfactorily; evaluators express their thanks for the excellent cooperation with the piloting unit and the project counterparts.

#### (iv) Interviews with direct beneficiaries and other relevant stakeholders, as may be required.

Scope and tight schedule of the evaluation did not allow such interviews. Evaluation did not foresee any field visits.

(v) Interviews with representatives of member States at Geneva, as may be required.

Scope and tight schedule of the evaluation did not allow such interviews either. It must be emphasised also that because member States missions staff have generally broad portfolios, it cannot be expected they will have detailed knowledge about any one project or specialised activities, specially when the project took place a few years back. This is particularly true for a project that was mostly implemented in 2005 and 6, given an average turnover rate of 3 years.

(vi) Questionnaires as may be required.

Specific questionnaires were not requested and would not have been manageable within the framework of this evaluation. However mails preliminary to phone interviews included focus points to be discussed so as to allow respondents to refresh their memory.

#### *1.2.4 Evaluation Criteria*

The evaluation will follow the criteria defined by the DAC with the following further specifications provided by the ToRs:

(a) Relevance

- Whether the decisions to deliver the outputs produced under each project were based on appropriate criteria, taking into account the needs of beneficiaries, possible impact and effectiveness of such assistance;
- Whether UNCTAD had played the most relevant role in helping the beneficiary countries in view of its expertise, and assistance received by the countries from other development partners;

(b) Impact

- To what extent the project has facilitated the development of enhanced capacity in the areas of focus of each of the projects.

(c) Effectiveness

- Whether the project has achieved planned objectives and produced mutually beneficial results;
- Whether the scope of the project has been adequate in view of the existing resources and expertise.

(d) Efficiency

- Whether the project has used the most efficient means in delivering the activities; Whether project schedules were met or activities implemented within reasonable, established time parameters.

## 2 CHAPTER 2: REVIEW OF PROJECT L

### 2.1 Documentary base for the Analysis

Project was developed within guidelines provided by the Department of Economic and Social Affairs for the elaboration of Development Account project documents. These guidelines include:

- an initial project document comprising (i) a presentation of the proposal for funding, (ii) a logical framework presented through a matrix complemented by indicators of success.
- mission reports produced after specific events organised by the project. Of these, the evaluators received the report corresponding to the Baku workshop conducted in September 2005 and the report related to Workshop Bangkok conducted in October 2006. No yearly reports were communicated.
- a final report.

### 2.2 Performance at Result level as per logical framework of the Project Document

The final report offers both quantitative and qualitative review of the achievements of the project against initial project indicators.

#### 2.2.1 Result I:

##### Enhanced understanding of the interrelationships between trade and the Millennium Development Goals in the context of national development;

Main activities to pursue this result were foreseen as:

- (i) Preparation of three policy-oriented technical papers on the interface between trade and trade-related issues, on the one hand, and the relevant MDGs, on the other
- (ii) Dissemination of the technical outputs via the UNCTAD website.

The topics of the three technical papers produced by the project are:

- a) Integration of MDGs in national trade and trade related policies, with a focus on commodities and international trading system and development
- b) Approaches to improve market access through strengthened capacities to meet environmental requirements in export markets
- c) Implementation of multilateral trade rules for the realisation of MDGs as well as the impact of regional trade agreements

The technical outputs of the project were delivered timely and served as base for workshops that took place in pursuit of Result II (R2) of the project (see below). However, foreseen outreach was reduced as the website could not be put to use for dissemination purposes. UNCTAD website underwent re-structuring, but could not be brought to serve as operational tool to support the awareness raising and networking activities of the project during its implementation time.

This shortcoming will be further discussed under the Result II and III assessments below as it also had some negative consequences for both.

For Result I, the technical output is recognised as fully delivered, at a good quality, and dissemination was achieved mostly through the workshops that form the core activity of the project under Result II.

The unit cost of each technical paper is roughly of 18 000 USD, which represents in total less than 10% of the total cost of the project.

### 2.2.2 *Result II:*

#### *Strengthened human and institutional capacities at the regional and national levels for the formulation and implementation of trade and development policies that are supportive of the MDGs*

This result was pursued through 6 thematic workshops closely interrelated to the technical outputs produced under result I, coordinated with the developments of the WTO negotiations and particularly the Doha round.

The 6 workshops funded by the project are:

- Amman (Jordan), 26-28 September 2005; related to WTO Sixth Ministerial Conference and linkages with MDGs
- Baku (Azerbaijan), 27-28 September 2005; related to the Contribution of Competition Policies to the Achievement of the UN Millennium Development Goals in Countries in Transition
- Antananarivo (Madagascar), 28 to 30 November 2005; (related to technical report on commodities)
- Bangkok (Thailand), 18-19 October 2006; related to the contribution of organic agriculture to the achievement of MDGs in the Asia-Pacific region and the liberalization of environmental goods and services
- Dakar (Senegal), 29 May to 01 June 2006; related to MDGs and commodities
- Santiago de Chile (Chile), 11 to 14 November 2008; related to Multilateral and Regional Trade Agreements and MDGs and the Latin American experience in Trade in Services

All 6 workshops together drew a total of 437 participants from more than 70 countries and international organisations including WTO, ITC, UNDP, ECA and the Third World Network, the World Bank, the Inter-American Development Bank, ECLAC, Andean Community and the Heidelberg Center. Some workshops (Baku, Santiago) gathered a mix of countries that included a fair number of non LDCs.

### 2.2.3 *Result III:*

#### *Increased interaction and exchange between policy makers at regional levels to enhance the sharing of national Millennium Development Goal-related policies and best practices and to strengthen national and regional capacities to formulate and pursue development-oriented agendas in international discussions and negotiations*

In the project proposal paper this result was foreseen as a broad based networking and dissemination of best practice component, and rested on the development and maintenance of a dedicated website as a platform for user networking and exchange, and for dissemination of the technical outputs and findings of the project; The site was also foreseen as a distance-learning tool with interactive sessions with UNCTAD experts and online monitoring and assessment of participants' progress.

The development of the project website was undertaken but its hosting on the main UNCTAD website was not accomplished, owing to technical difficulties related to the upgrading of the entire UNCTAD website. Though preliminary work was undertaken and a prototype was developed, this considerably changed the original strategy for dissemination, though

technical outputs of the project are currently incorporated in some distance learning supports used by UNCTAD<sup>5</sup> and have been integrated in the curriculum of learning institutions<sup>6</sup>.

In relations to regional development, the project was also instrumental in supporting the development of coordinated regional positions, such as was developed through the regional workshop for Arab States in Amman 2005, helping them to prepare effectively for the 6<sup>th</sup> WTO Ministerial Conference by adoption of a common position emphasizing development.

Another achievement of the project under this result is the effective harnessing of broad-based public and private stakeholders inputs in a participatory platform (the "United Front for Development, UFD serves as illustrative success story) to design and strengthen national Philippines trade policies linking trade and development issues, with a focus on MDGs, and enhance participation of the Philippines in the multilateral trade system. Project supported 3 UFD initiatives<sup>7</sup>.

The technical outputs of the project, as produced under Result I, were taken a step further through Consultancy and Advisory missions conducted by UNCTAD's staff. Project supported 19 such activities with the following geographical break down:

7 in Asia and the Pacific (2006-2008)

5 in Africa (2006-2008)

2 in Latin America (2007)

2 in countries with economies in transition (2006)

2 in North America (2007)

1 in Europe (2008)

These missions are of uneven duration, depth and consequences.

## 2.3 *Assessment through the DAC criteria*

### 2.3.1 Relevance and Quality of Design

The project enjoyed, particularly at time of design, the highest possible relevance to UNCTAD's core mandate and priorities. It aimed to contribute to the achievement of a number of objectives in section III (Development and Poverty Eradication) and section IV (Protecting our common environment) of the United Nations Millennium Declaration. This project was also responding to many of the points in the strategy on trade outlined in the UN Secretary General's report on "Roadmap towards the implementation of the United Nations Millennium Declaration" (A/56/326). Project made positive use of synergies with other programmes of UNCTAD to widen its scope and outreach.

The project concept is logically organised and presents a "classic" UNCTAD mix of technical research and analysis outputs that serve as the basis for workshops that ensure human resource strengthening through dissemination of research, exchange of best practices and development of technical skills. The process is taken further through Advisory Services provided to countries that follow up on the workshops by issuing requests to the related substantive units of UNCTAD.

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<sup>5</sup> Such as UNCTAD Virtual Institute course on Commodity Economics.

<sup>6</sup> For instance University of Dar-es-Salaam, United Republic of Tanzania

<sup>7</sup> 25-26 October 2006, when the UFD was launched; 3 and 4 December 2007, to discuss the Philippines' development interests in upcoming major UN conferences and their contribution to the realization of the MDGs (especially the twelfth UNCTAD conference, April 2008, the Mid-term review of the Financing for Development Conference) UFD-UNCTAD meeting, 30 June and 1 July 2008 coupled with consultations of Philexport and UNCTAD on a National Programme on Good Agricultural Practice and the Role of Private Commercial Standards: Challenges and Opportunities for Fresh Fruit and Vegetable Exporters, 3-5 July 2008

The thematic focus of the project is correctly align with (i) the development of regional agreements, (ii) the unfolding of the WTO rounds of negotiations and (iii) the emerging importance of commodities in the interface between trade and development and (iv) the expanding role of trade in services.

While project correctly synchronised with, and even anticipated on, the unfolding agenda of the WTO and other related trade institutions, its work plan was negatively impacted by delays in the Doha round of negotiations.

The mix of research, capacity building activities and accompanied field-level practical application of the theory through advisory and consultancy services at the national level seems balanced. It caters adequately to the needs of LDCs and economies in transition. One success story that demonstrates relevance of the project is that, when conflicts plagued the ministration of competition law in South Africa, it is UNCTAD project team that was called upon to provide advisory service to South Africa<sup>8</sup>. The example illustrates the value addition of UNCTAD, as the Advisory mission is a capitalisation of the previously held workshops; Above the demonstrated substantive technical experience, South Africa needed UNCTAD capacity to harness inputs from all levels of the institutional and private sector, and sought out its perceived 'neutrality', as per its mandate, to ensure 'fair and level field' for Trade.

The amount of support provided to non LDC countries (Latin American countries in Santiago) and the increased focus on countries in transition, trade in services and emphasis on competition laws and issues related to the environment reflect adequately trends in the environment, and demonstrate positive flexibility.

The incapacity of UNCTAD to implement the IT component of this project however highlights an institutional weakness that prevents UNCTAD from deriving maximum benefit from the research and analysis funded by the project, and its substantive resources in general. This comment is not specific to the project as the problem was encountered by other parallel projects, including Project N related to Investment Promotion Agencies, implemented during the same period, on a similar methodology, and also funded by the UN Development Fund<sup>9</sup>.

### 2.3.2 Efficiency

The modalities of implementation of the project are deliberately gradual, with activities of the first year offering a structuring framework for the follow up activities: the research and policy papers serve as basis for capacity building. Advisory services come later in time and give further, more practical, application to the principles and theories previously developed. Each activity provides validation so to speak for the previous one. This "gradual" model enhances the efficiency of a project reduced in size compared to its potentially very widespread target audience, as demonstrated through the catering, beyond LDCs, to economies in transition.

It is a serious deficiency that the IT component that was designed as the major dissemination vehicle for the project was not implemented. The deficiency is also felt because the IT component was intended to serve as shrine for prime evidence and data base for monitoring. Project offers sparse documentation, and its implementation process is hard to assess qualitatively as some workshops are not fully documented, except in narrow quantitative form in the final report. Evaluators were not provided with annual reports. The final report offers a summary of activities and is more output oriented than analytical.

The Project Proposal defines indicators of success as follows:

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<sup>8</sup> Advisory services to South Africa on peer review of Competition Appeal Court in addressing anti-competitive practices and promoting MDGs (June 2007).

<sup>9</sup> See assessment of the IT component of Project N: "CAPACITY BUILDING OF DEVELOPING COUNTRY INVESTMENT PROMOTION AGENCIES IN INVESTMENT PROMOTION THROUGH PUBLIC-PRIVATE PARTNERSHIPS"

- (1) Number of requests received for the project's policy papers and material;
- (2) Number of government agencies and other relevant organizations participating in the regional workshops;
- (3) Number of individuals successfully completing the projects' training courses, both through regional workshops and distance learning;
- (4) Evaluation by project beneficiaries on the quality and coverage of the projects' policy papers and training course material, and on the usefulness of these resources in supporting national policy development efforts;
- (5) Feedback by individuals and institutions participating in the projects' regional workshops on the policy-relevance and practical value of discussions and exchanges of national experiences.

The first three indicators of success are strictly quantitative, but access to accurate data is prevented by the absence of IT support tools.

Indicators 4 and 5, while more qualitative, are hardly analytical. They only reflect immediate reception of the events and do not allow in-depth assessment of the longer term value of the project.

Beyond the IT component, which was not implemented according to its planned schedule, some of the activities towards achievement of R2 required an extension to be brought to completion.

In terms of efficiency, this project was mostly devoted to awareness raising in a few choice topics and UNCTAD must be commended for pioneering, as early as 2005 and 2006, themes – such as trade in commodities and poverty reduction, or trade in environmental goods and services – that remain to date at the forefront of the Multilateral Trade System. Work initiated by the project has had seminal value, and this must be recognized as a significant contribution of UNCTAD to its overall objective within the framework of its mandate.

UNCTAD is constrained by the need to open activities widely to cater to the full of its constituency. The timeframe of the project is too reduced to allow going much beyond awareness raising to achieve measurable substantive changes.

Project is coordinated by a specifically dedicated person, but as project involves more than one unit, the coordinator, who also has to keep carrying the rest of his workload, feels the project induces a heavy load of logistics, especially as there is relatively little support. UNCTAD officers in charge of the substantive aspects of the project are not involved as managers. They do not have usually (and from their own admission, do not need nor want to have) a clear understanding of the origin of the funds underwriting the activity they implement<sup>10</sup>.

Coordination with the geographically spread targets of the project is quite difficult, especially with IT communications often weak. The project required coordination among activities that fall substantively under the responsibility of various Sections of the Division, spread out over its three branches. The Project Management Model, based on the logical framework, and the need to coordinate transversally to tap the wide range of competencies of UNCTAD do not mesh well with an overly compartmentalized organizational model, where technical expertise is honed separately. Project L appears to have been implemented in parallel thematic lines, with activities related to commodity and activities related to competition law for instance hardly coordinated. Absence of a functional IT platform reduced synergies between and lessons learned from one workshop to the other.

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<sup>10</sup> It is revealing that the expert that implemented the advisory activity in Cameroon referred as follows in the final report: *“training workshop on competition law and policy for Commissioner of the Cameroonian competition commission and national seminar on the interface between competition and poverty and MDGs in Cameroon, 28-30 May 2008,”* was not aware that this activity was funded by the project.

### 2.3.3 Effectiveness

Project has progressed towards its planned objective, in the measure that:

- overall, specific aspects of trade policy are developed by LDCs based on a clearer understanding of their implications for poverty reduction
- negotiators in charge have been imparted improved understanding of the implications for poverty reduction of the various possible negotiation outcomes
- project has highlighted the relationship between poverty reduction and commodities production and trade, and has provided insights on (i) the importance of diversification of commodity exports and on best practices so that rural producers of agricultural commodities can be empowered (ii) to establish links to international markets.
- awareness has been raised to the need to avoid distortions in resource allocation due to lack of competition – and their negative impact the livelihoods of the poor.
- awareness has been raised to the effects on the natural environment and the ecology, particularly towards the poorer segments of the population.

The size<sup>11</sup> on the project, and its capacity building focus, reduce its concrete effectiveness. However it can be demonstrated that, thanks to the seed money provided by the project, the ground is laid for further activities (to be conducted by UNCTAD, but also by other donors, or in joint frameworks) that will carry the awareness raising to more concrete and practical levels.

The Advisory Services provided by the project have carried the capacity of the recipient countries a step further. They provided a contribution, albeit limited, to the regional approach and south-south trade development<sup>12</sup> which are part of UNCTAD's commitment. However the available documentation does not offer much evidence-based insight as to the outcome of this activity, in terms of coordinated regional negotiations, networking, and coordinated policy reform.

As mentioned above, the initial indicators of success do not go beyond output level.

Project design and reporting do not indicate that a specific gender concern has been taken on board.

### 2.3.4 Impact

The available documentation offers few specific instances of directly attributable impacts:

The most clearly attributable impact is provided by the follow up to the Amman workshop: The report on the WTO's Doha negotiations and Arab States (output of the project under RI) was influential in setting the Arab States' common position for the 5<sup>th</sup> WTO Ministerial Conference in 2005.

Another positive example is offered by the workshop held in Bangkok: in 2006, this workshop built on the experience of the "Bangkok Group", (formed in August 2005, and serving as mechanism for coordination among developing countries). This group was geared towards the WTO negotiations on environmental goods, provided for in paragraph 31(iii) of the Doha Ministerial Declaration. The suspension of the negotiations provided an opportunity to lay the ground for a more extended understanding of the nexus of trade and development with

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<sup>11</sup> In value and time frame

<sup>12</sup> A good example would be *Assistance to SACU (Southern African Customs Union) on developing a sub-regional competition policy, with a particular focus on strengthening achievement of MDGs (February-March 2007)*.

environmental goods and services and consequently prepare enhanced interventions in the WTO Committee on Trade and Environment, Special Session (CTESS).

Technical analysis provided comparative assessment of various approaches<sup>13</sup>, and increased understanding of the growing interface between energy and environmental goods and services, specifically renewables. This has a demonstrated impact now that the climate change politics influences the modalities for international cooperation, including in the WTO, whether as a separate "WTO climate initiative" or in the context of the negotiations on environmental goods and services.

The Bangkok workshop also broadened the range of stakeholders and promoted networking: while focussed on Asia, it provided a forum where non LDCs, non Asia countries<sup>14</sup> could develop a shared understanding of those complex issues. And it broadened further the perspectives by bringing to play the vision of the private sector<sup>15</sup> to grapple with comparative merits of imposed liberalization in some services sector, e.g. water, and local decisions freely entered into and the implications for Development and Poverty eradication.

Further, the development of shared skills and knowledge of policy makers and trade negotiators, and strengthening of networks among them, is central to building sustainable human and institutional capacities.

Another impact is the mainstreaming of technical expertise initially generated by the project and currently mainstreamed in the training offer of UNCTAD: The study on commodities (first technical output of RI) served as the basis for the development and upgrading of an UNCTAD Virtual Institute course on Commodity Economics and is used as course material for training on commodities and dissemination among universities. This course increases awareness and understanding on the linkage between commodities and MDGs. The report on trade, environment and development (second technical output produced under RI) was integrated into UNCTAD's Trade and Environment Review Report 2007, allowing therefore a wide outreach. This is a clear example of the positive

-remediation to the reduced IT support achieved by the project

-synergies achieved by UNCTAD in implementing short duration project and cross fertilising them with its long term operations

Impact can therefore be evidenced at four levels:

- a) in the development of accessible and relevant training material to support LDCs
- b) in LDCs raised capacity to intervene in the WTO Committee on Trade and Environment
- c) in a more participatory definition of policy and negotiating positions
- d) in an increased coordination between WTO and the UN<sup>16</sup> on issues pertaining to the nexus of Trade, Development and the Environment

While this impact cannot be attributed unequivocally to the project, Project L, clearly provided seminal inputs.

### 2.3.5 Sustainability

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<sup>13</sup> Such as "environmental area" approach; "environmental project" approach; "list-based" approach.

<sup>14</sup> Geneva-based negotiators from Latin American countries (Argentina, Brazil, Cuba, Ecuador and Mexico) and from South Africa and Egypt served as resource persons and, collectively, as a reference group in discussing the various scenarios for the negotiations in the WTO CTESS and other, relevant bodies.

<sup>15</sup> Notably the biggest environmental service providers - RWE, Suez and Veolia Environment; this is to be completed by the reference of the UDF, in the Philippines, as developed above...

<sup>16</sup> UN missions are often not fully aware of UNCTAD's work geared towards the WTO process, while the WTO missions and delegations often fail to see the trade and environment issues within a bigger context of sustainable development. Follow up work in this area was conducted after Bangkok

Sustainability relates to the ability of the beneficiaries to continue the activities without further input from the external donor. A longer term perspective than that of the project is needed in order to demonstrate successful institutional Capacity Building, specially in relation to on going extended processes like the WTO rounds.

UNCTAD involvement however does not stop at the end of the project. On the contrary, its trademark is to encourage sustainability through networking, partnership with beneficiaries, shared experiences and e-learning.

However, the strict assessment of the sustainability of project L is impaired by a short term orientation imposed by its 3 year limitation. Activities tend to be focussed on awareness raising only and therefore at best viewed as pilot activities.

The consultancy provided as follow up of the training/workshops tends also to become individual rather than institution building, and given the high staff turnover in beneficiary countries, sustainability can be severely impaired.

This for instance is a danger to the sustainability of the UDF (see above), the participatory network for policy making and negotiations impused in the Philippines. With funding for the project ended, the initiative needs to identify further funding to avoid fading away.

While evaluators could not clarify fully the outcome in this specific instance, it appears that the general pattern is that UNCTAD culls the gems from its project outcome and grafts them onto its 'permanent', on-going work programme, granting them thereby sustainability, albeit outside of the strict scope of the project.

#### *2.4 Main findings:*

The emphasis in project design is placed more on the delivery of activities rather than it is result oriented. Moreover, the arrangement by which Development Fund financing is pooled and threaded within the workplan of the division that issued the proposal does not allow to assess accurately the input/output ratio in terms of financial value .

Issues of efficiency identified are:

- i. Sometime weak or difficult management from UNCTAD: both project L and N coordinators acknowledged that divisions, and within divisions branches of UNCTAD are very compartmentalised. This issue induces particularly problems for project L when each strand (commodities, competition....) was developed and implemented fairly independently from one another both in terms of substance and geographic zones and did not really achieve an integrated momentum
- ii. Relying on staff to perform direct training: the danger here is to be supply driven rather than demand driven in the development of activities. It also prevents the possibility to assess clearly the balance of expenditures coming from the development account from the expenses covered by the general budget. In the case of project L however it must be stressed that project correctly anticipated on the needs of the LDCs and transition countries it caters to, and demonstrated both its substantive value and its unique expertise in capacity building.

## 2.5 Recommendations:

- project design should not be artificially accommodating requests to the expense of the logical framework of the foreseen activities.
- UNCTAD should address its shortcomings in providing adequate IT support at project level, especially if/when IT is designated as the main support for monitoring.
- Further monitoring, including field visits and assessment of selected UNCTADs projects, might be useful to assess longer term impact of some important strands of work, such as Trade and Environment, or synergies of the whole array of intervention in a geographical zone, which have been initiated with funding from the Development Fund.
- Internal monitoring and reporting should be strengthened to allow more evidence based analysis of the project. In particular, reports should provide a more analytical view of the project achievements. Annual reports should be mandatory. Achievement of the specific objectives (higher level) should be evidenced whenever possible, in particular through a schedule of ex post evaluations.
- A clearer documentation should evidence the funding that has been identified and set in place to continue after project involvement ends, including within UNCTAD on-going work plan.