

**Working Party on the Strategic Framework and the  
Programme Budget, 68th session**

3 September 2014

**Opening Statement by Mr. Petko Draganov,  
Deputy Secretary-General of UNCTAD**

Mr. Chair,  
Excellencies,  
Distinguished delegates,  
Ladies and Gentlemen,

It is my pleasure to welcome you all from the summer break and to open the sixty eighth session of the Working Party.

The agenda of this meeting covers two important topics for UNCTAD: first, the review of our technical cooperation activities and their financing; and second, the evaluation of UNCTAD activities and their follow-up.

I would like to share with you some highlights of these activities in 2013, while further details will be provided by my colleagues in the course of the meeting.

Let me start with the review of our technical cooperation activities.

In 2013, UNCTAD's expenditures on technical cooperation projects reached US\$ 40 million– the highest level for the past 10 years, and up from US\$ 36 million in 2012.

(SLIDE 1)

As in previous years, the main source of funding for UNCTAD's technical cooperation activities was the bilateral trust funds, which accounted for 90 per cent of total expenditure. I would like to take this opportunity to reiterate my appreciation to the donors, and particularly those who have provided multi-year contributions to multi-donor trust funds in the spirit of the Paris Declaration on Aid Effectiveness.

(SLIDE 2)

In relation to bilateral funding, overall voluntary contributions in 2013 decreased by 5% as compared to 2012. Most donors decreased their contributions to the trust funds, with the exception of what we classify as the UN system and other international organizations.

Mr. Chair,

Distinguished delegates,

Despite the decrease some features remained unchanged with respect to previous years:

- 1) First, most donations from developing countries are devoted to finance the ASYCUDA and DMFAS projects in their own countries. These two programmes accounted for nearly 56% of UNCTAD's technical cooperation expenditure.

- 2) Second, the European Commission continued to be the single largest contributor to UNCTAD operational activities, representing 9% of total contributions to trust funds.
- 3) Third, the United Nations regular programme budget continues to be an important source of funding for UNCTAD's technical cooperation activities. Since its establishment in 1999, the Development Account has become an increasingly reliable and stable source of funding.

With regard to the allocation of resources, UNCTAD continues to give priority to the least developed countries. In 2013, the support to LDCs amounted to \$16.2 million -- 40% of UNCTAD's total expenditures on technical cooperation.

Regarding the structure and the functioning of UNCTAD's technical cooperation, the secretariat continued consolidating projects under thematic trust funds, without affecting the scope, content and delivery of technical cooperation programmes.

The number of operational trust funds with expenditures has been reduced from 262 in 2008, when actions towards reducing fragmentation started, to 210 in 2012. In 2013, the secretariat closed financially 45 projects while 32 new projects were started.

I would like to take this opportunity to thank those donors who have provided instructions regarding the consolidation of their resources into thematic trust funds. Although progress is being made, further efforts are required. Donors in a position to do so are strongly encouraged to provide

specific instructions to the secretariat regarding the commingling of their funds into thematic multi-year, multi-donor trust funds, as well as instructions regarding the use of unspent funds in projects, which are operationally completed.

As mandated by member States<sup>1</sup>, UNCTAD has provided information about requests received for technical assistance. This information will be circulated informally in the room. We find it is a useful basis for discussion among beneficiary countries, donors and the secretariat on possible ways to translate requests into action, and it provides a good indication in defining UNCTAD's areas of focus for the mandated technical cooperation activities. This information is also an important tool for ensuring coherence and transparency in the allocation and utilization of donors' resources.

As regards the management of projects by UNCTAD, I am pleased to say that the Guidelines for the implementation of results-based management on technical cooperation projects, circulated to member States back in December 2012, are now a mandatory tool for all project managers.

Concerning the request of the TDB for an UNCTAD Fund Raising Strategy, a draft of such a Strategy was circulated to member States in March 2013<sup>2</sup> and discussed at the 65<sup>th</sup> and 67<sup>th</sup> sessions of the Working Party. The secretariat looks forward to receiving feedback and inputs from member States with a view to finalize the strategy.

Mr. Chair

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<sup>1</sup> In paragraph 8 of Trade and Development Board decision 515 (LIX)

<sup>2</sup> (Document UNCTAD/OSG/Misc/2013)

## Distinguished delegates

To conclude my remarks on technical cooperation, I would like to recall the continued role that UNCTAD has been playing in leading the United Nations Cluster on Trade and Productive Capacity.<sup>3</sup> In a survey conducted by UNCTAD in 2013, cluster members stated that the coordination tasks carried out by the Cluster were really important in furthering the impact of activities of the Agencies involved. The Survey also revealed that members are seeing the UN Inter-Agency Cluster as a recognized “label” within the UN system for effective inter-agency coordination.

### **(EVALUATION)**

Let me now turn to the second topic of the agenda: Evaluation.

Evaluation can be a powerful tool for supporting learning and promoting greater accountability in development cooperation.

In the last year, evaluations of UNCTAD's programmes and projects continue to provide valuable information on programme and project performance, allowing us to be better informed about what results have been attained through our work, and what enhancements are needed, in order for us to deliver better results.

An overview of key findings from evaluations conducted in 2013 and the first quarter of 2014 carries several notable messages and lessons. For

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<sup>3</sup> It is currently composed of the following agencies: UNCTAD, UNIDO, FAO, ILO, ITC, the WTO, UNDP, UNCITRAL, the five regional commissions, UNEP and UNOPS.

instance, the external evaluations of four Development Account projects, completed in December 2013, confirmed the high relevance of each of the projects. The activities of each project were found to respond specifically to the needs of the beneficiaries, and to be well aligned with UNCTAD's mandates and work programmes as well.

As the evaluations were initiated prior to the completion of the projects in accordance with the requirements of the Development Account, assessments of impact were not possible at the time. Evaluators however assessed the effectiveness of the programmes and found several positive outcomes. For instance, peer review reports on competition law enforcement have been used as references both for legal reforms and for training in the countries involved. Also, through the project on strengthening capacities in the area of trade facilitation, participants reported that they had acquired knowledge and skills that will allow them to better support their governments in implementing trade facilitation policies or in increasing readiness to implement such policies.

At the same time, we have drawn lessons from these evaluations. For instance: the necessity to ensure better monitoring of project outcomes, which would allow fuller assessments of the effectiveness of projects; the need to conduct thorough needs assessments that help ensure better alignment of each project activity with participants' needs and operational capacities; and the benefits of closer cooperation with development partners, other international organisations, and the private sector, in the efforts to provide follow-up technical assistance as needed.

Distinguished delegates

The continued relevance of the United Nations system organisations hinges on its capacity to learn and to apply alternatives, to engage proactively in compiling knowledge and good practices and use such knowledge to fully understand the changing environment that we operate in, and to bring about the necessary changes in promoting development. In this spirit, and in accordance with our results-based approach, we anticipate that better sharing of messages from evaluation products, such as the Evaluation Overview report that you have before you, will contribute towards allowing you, our primary stakeholders, to engage in the continuous improvement of UNCTAD's performance.

This meeting will also consider the report of the External Evaluation of UNCTAD subprogramme 2: Investment and Enterprise<sup>4</sup>. Following established practice, the Report was prepared by an external evaluation team comprised this year of two independent consultants and two representatives of member States who participated in their personal capacity. My gratitude goes to the members of the evaluation team, namely Dr. Thierry Noyelle, H.E. Mr. Juri Seilenthal, Ms. Preeti Rahman and Dr. Achim Engelhardt. I would also like to convey our gratitude to the Government of Norway for their kind support in enabling the conduct of such evaluations.

The evaluation concurred on the relevance, efficiency, effectiveness and impact of UNCTAD's subprogramme 2. Moreover, the evaluators note the sustainability of development gains from the activities carried out by UNCTAD in the area of investment and enterprise for development, and suggest that subprogramme 2 further its work on key issues for the current development agenda. The evaluation also acknowledges the role

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<sup>4</sup> Document (TD/B/WP/264) under agenda item 4(b).

of management in achieving these results, particularly through recently introduced innovative tools and processes.

The evaluators also note that more can be done to further increase the sustainable benefits of our work in this area and present concrete recommendations to the subprogramme and to member States.

The Secretariat carefully reflected on the evaluation and prepared a management response<sup>5</sup> that addresses the recommendations of the evaluation and reflects upon ways of implementing them. It also presents clarifications on specific paragraphs of the Report and summarizes its main findings.

The evaluation team, as well as my colleague Mr. James Zhan, Director the Division on Investment and Enterprise, will present and discuss the conclusions of the evaluation and the management response. We look forward to your guidance on the actions to be taken.

Mr. Chair,

Ladies and Gentlemen:

The final part of the agenda item on evaluation is on the follow-up to evaluations that have been considered by the Working Party in preceding years. While evaluations can make an essential contribution to managing for results, and to organization-wide learning for improving both programming and implementation, the value of evaluation depends on its use. Systematic evaluation follow-ups such as these conducted by the

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<sup>5</sup> Contained in the document TD/B/WP (68)/CRP.3



Working Party, go some way towards capitalising on the knowledge created, and contributing to development effectiveness.

In this context, the Director of the Division on Globalization and Development Strategies, Mr. Richard Kozul-Wright will be presenting the report on the follow up to the 2013 external evaluation of UNCTAD's subprogramme 1: Globalisation, interdependence and development.

Likewise, Mr. Angel Gonzalez-Sanz, Chief of Section in the Division on Technology and Logistics, will present a report on progress made on the 2011 evaluation of UNCTAD's programme on science and technology for development<sup>6</sup>.

You will note in both their reports that the secretariat has made strides in strengthening how we conduct our work in the respective areas, and we look forward to your substantive feedback during the session.

Distinguished delegates

Ladies and gentlemen

Before concluding, I would like to add that, as you may have noticed, some supplementary documentation was not available on time for your consideration. The Secretariat is aware of this situation and works on finding solutions to the problem when faced with constraints in editorial resources. The option we are considering is to provide advanced unedited copies in the delegates portal to ensure you receive on time the information you require.

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<sup>6</sup> Document TD/B/WP(68)/CRP.1

Distinguished delegates

Ladies and gentlemen

Your discussions at this Working Party session will help improve our technical cooperation activities and programmes. The secretariat looks forward to having a constructive discussion on the subjects raised and I am confident that, by working together, we can make good use of this opportunity.

I wish you a successful meeting.

Thank you.