



Independent Project Evaluation:
**“Development Account Project 1617M:
Indices for benchmarking productive capacities
for evidence-based policymaking in landlocked
developing countries”**

Independent Evaluation Unit
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ACRONYMS AND ABBREVIATIONS

ADB	Asian Development Bank
AfCFTA	African Continental Free Trade Area
AfDB	African Development Bank
CCA	Common Country Assessment
CDP	Committee for Development Policy
CSEA	Centre for the Study of the Economies of Africa
CSO	Civil Society Organisation
DA	Development Account
ECOSOC	United Nations Economic and Social Council
EPRN	Economic Policy Research Network
EQ	Evaluation Question
ESCAP	Economic and Social Commission for Asia and the Pacific
GDP	Gross Domestic Product
GDS	Globalization and Development Strategies
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
HIC	High-income Country
ICT	Information and Communication Technology
IFPRI	International Food Policy Research Institute
INGO	International Non-governmental Organization
ITT	International Think-Tank for Landlocked developing Countries
ITU	International Telecommunication Union
LDC	Least Developed Country
LIC	Low-income Country
LLDC	Landlocked Developing Country
LNOB	Leave No-one Behind
MIC	Middle-income Country
MINECOFIN	Ministry of Finance and Economic Planning
MINICOM	Ministry of Trade and Industry
MOOC	Massive Open Online Course
OECD	Organisation for Economic Co-operation and Development
OHRLLS	Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and the Small Island Developing States
PCI	Productive Capacity Index
PRODOC	Project Document
RC	Resident Coordinator
RCO	Resident Coordinator Office
SDG	Sustainable Development Goal
SIDS	Small Island Developing States
TCS	Technical Cooperation Section
TOC	Theory of Change
TOR	Terms of Reference

UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNDESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNECA	United Nations Economic Commission for Africa
UNESCAP	United Nations Economic Commission for Asia and the Pacific
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNIDO	United Nations Industrial Development Organization
UNSD	United Nations Statistics Division
USD	American Dollar
VPoA	Vienna Programme of Action for the LLDCs
WTO	World Trade Organisation

EXECUTIVE SUMMARY

This report presents the external evaluation of the project - “Indices for benchmarking productive capacities for evidence-based policymaking in landlocked developing countries”. The project was implemented under the coordination of UNCTAD’s Division for Africa, LDCs and Special Programmes (ALDC). The project was financed under the Development Account 10th Tranche with USD 599,000 and implemented between January 2016 and April 2021.

Landlocked developing countries (LLDCs) are often dependent on primary commodities for their exports-rendering. Despite LLDCs going through a decade of real GDP growth and trade performance during the 2000s, this did not translate as fast as expected into higher employment, export diversification and poverty reduction outcomes. Overcoming these challenges requires to promote structural economic transformation and to put productive capacities at the centre of domestic development policies and strategies. Statistically measurable and verifiable indicators are needed to assist in such efforts.

The main objective of the project was to strengthen the capacity of three LLDCs, Botswana, Rwanda, and Lao PDR to develop Productive Capacity Indices (PCIs) and to use them to support evidence-based policy making. The project aimed to support the definition of the conceptual, methodological, and statistical framework for identifying, selecting and validating indicators, which were to be used in the construction of PCIs. Project interventions included also to develop capacities of policy makers to understand, interpret and use PCIs as a tool to formulate and monitor policies and strategies. Furthermore, the project sought to develop capacities in statistical institutions to collect statistics and related information in key areas of productive capacities.

The evaluation assessed the degree to which the desired project results have been realized, and identified good practices and lessons learned that could feed into and enhance the implementation of related interventions. The evaluation used mixed methods for data collection and triangulation: desk review of secondary resources, interviews, observation, and a survey. The main findings of the evaluation were articulated around the key evaluation questions.

Relevance: *The project was aligned with UNCTAD’s objective to support LLDCs to achieve structural economic transformation, increase productive capacity, reduce poverty, and build resilience to adverse factors.*

UNCTAD’s mandate and strategic objectives provide a strong legitimacy to the project. UNCTAD has carried out research and analytical work on productive capacities for more than a decade. Member States and inter-governmental processes have conveyed requests for UNCTAD to develop indicators and policy guidance on mainstreaming productive capacities in national development policies and strategies in LDCs. The project was also aligned with the SDGs, particularly with SDG 8.3 and SDG 17.19. The design of the project did not rely on the development of a theory of change, and the project logframe did not present a robust results-framework. Project beneficiaries reported that the support delivered by the project was responding to a need and that activities were relevant.

Effectiveness: *Project activities were completed, and most outputs achieved, leading to stronger capacities in the selected countries to use PCIs and to a further mainstreaming of productive capacities in policy development processes in Rwanda and Lao PDR.*

The project has delivered 15 training events and workshops, which the vast majority of participants found useful. Close to 60% of the survey respondents indicated using to a high or significant extent the knowledge, skills and methods/techniques acquired during these events. In February 2021 UNCTAD launched the Productive Capacities Index (PCI) database. It covers 8 productive capacity components for 193 economies for the period 2000-2018. The set of productive capacities and their specific combinations are mapped across 46 indicators. In addition, the project has contributed to the development of several quality publications that were accessed by target users.

At the outcome level, the project has contributed to policy developments in Rwanda and Lao PDR. In Rwanda, the project has supported the Ministry of Trade and Industry by contributing to the analysis and revision of several policies and strategies, with the aim to strengthen their coherence and alignment with the Vision 2050. In Lao PDR, the PCI Project has supported the Ministry of Planning and Investment and other national institutions and partners in mainstreaming graduation from the LDCs category in the country's development policies and strategies. In Botswana, policy outcomes have confronted institutional changes and were found limited.

In addition, the PCI has responded to the request of the United Nations Economic and Social Council to make available the work on productive capacities as an input to the impact assessments of the Department of Economic and Social Affairs and the monitoring reports of the Committee on countries graduating or graduated from the LDC category.

Sustainability: *Project outcomes are likely to be sustainable but additional efforts may have catalytic effects.*

Beneficiary countries are committed to continue working towards the project objectives beyond the end of the project. These outcomes owe to the project's alignment with national development agendas and to country's ownership. Some of the factors that will influence the level of sustainability of project outcomes at country level include the capability to provide further technical assistance and policy support with a focus on specific sectors. At global level, the global PCI database has been mainstreamed in the workplan of UNCTAD's Statistics Branch. However, there would be room to strengthen the robustness of the PCI, which would require further efforts and resources.

Partnerships and synergies: *The project advanced partnerships amongst project participants with national and regional counterparts, international development partners, and the civil society.*

The PCI project has triggered collaborations with several UN agencies, including UNDESA, UN-OHRLLS, UNECA, ESCAP, UNIDO, and UNDP. Relationships with the economists in the RCOs were also reported on the rise but lacking a systematic approach.

In a few instances the project developed partnerships with national institutions or networks, such as with the Centre for the Study of the Economies of Africa (CSEA) in Nigeria, or the Economic Policy Research Network Rwanda (EPRN). The former has contributed to supporting project implementation while the latter brought productive capacities to the agenda of the annual EPRN conference.

Since 2016 UNCTAD has been able to mobilize new resources to support PCI-related projects, including from China, and from the European Union. However, there is need to mobilize additional resources to expand and sustain country support.

Gender and human rights: *Building global indices that are gender sensitive and reflect human rights aspects is dependent on the availability of data.*

Only one out of the 46 indicators that compose the Productive Capacities Index is gender sensitive. The gender dimension in the PCI is reflected by the “fertility rate” indicator which is part of the Human Capital score. The limited mainstreaming of gender equality into the project owes to the difficulty to build indices. Pending mobilization of further resources, this is expected to evolve over time with satellite indices that will have a stronger gender focus. Human rights aspects are integrated in the Productive Capacities Index as part of the institutional component through a World Bank informed indicator on “Voice and Accountability”, i.e. the “Perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media”. There is not a strong positioning and visualization in the PCI of minorities and vulnerable groups, and of leaving no one behind. This stems again from the difficulty of building indices and the frequent lack of data and capacities at country level to represent minorities in PCI indicators.

Responses to Covid-19: *The project benefited from two additional no-cost extensions to complete activities due to the Covid-19 crisis. Project outcomes have informed the analysis of the impact of the crisis on productive capacities in LDCs and other developing countries.*

Capacity development activities planned by the PCI Project for 2020 were put on hold. Seminars, workshops, as well as advocacy events resumed online in 2021, while the project benefited from a no-cost extension. Trainings were organized online using a hybrid format in 2021. Participants rated the relevance and effectiveness of these events quite comparably to the ones that were previously delivered face-to-face.

At the outcome level, the PCI has contributed to informing impact analysis and responses to the COVID-19 crisis. In Mongolia, the project has informed the UN socio-economic response to COVID-19. In March 2021, ESCAP also published a flagship report that integrates the Productive Capacity Index as one of the instruments used in the analysis of the impacts of the COVID-19 pandemic in Asia-Pacific. In Rwanda, the Ministry of Trade and Industry initiated a mapping of the socio-economic impacts of COVID-19, especially on productive capacities.

Efficiency: *The project achieved an implementation rate of 99% despite limited progresses during the first two years. A significant proportion of the budget went to travel expenses (39.7%).*

Project delivery effectively started during the third year due to several constraints including movements of personnel and delays for beneficiary countries to designate focal points and institutions. The project was implemented by a small team whose capacities were stretched with the level of effort required for the development of a global index. Travel expenses made up to 39.7% of the project budget, therefore consider maximizing online modalities of support in the future may be considered. Partnerships with UN organizations and research institutes at country level may also contribute to increase project efficiency. The project did not have an objective to install robust knowledge management mechanisms. This may need to be reviewed in the future as new PCI-related projects are added and as an approach to improve management efficiency.

Building on these findings and conclusions, the evaluation formulated 5 recommendations:

Recommendation 1: To better respond to the demand of countries and promote sustainability of results, UNCTAD should formalize its programmatic approach to the work on the PCI that will enable scaling up support to graduation processes and the achievement of the SDGs.

Recommendation 2: Forthcoming PCI-related project documents should present a Theory of Change to support project teams in carrying out a systemic analysis of the conceptual framework to help assessing its robustness and the coherence of the causal pathways, and underlying assumptions and drivers that influence interventions.

Recommendation 3: In the context of the UN reform, UNCTAD should commit further efforts to strengthening and systematizing relationships with the UN RCOs.

Recommendation 4: UNCTAD should consider further increasing the visibility of the PCI and building capacities to facilitate uptake.

Recommendation 5: Forthcoming PCI-related projects should strive to make increased efforts to mainstream gender and human rights in project design and implementation.

SUMMARY MATRIX OF FINDINGS, EVIDENCE AND RECOMMENDATIONS

Findings: Problems and Issues Identified	Evidence (sources that substantiate findings)	Recommendations
General recommendations		
<ul style="list-style-type: none"> • The DA-supported project has enabled a “proof of concept” on a limited scaled, which should be scaled-up in order to better meet the demand from country beneficiaries for further policy support and technical assistance • Economic transformation and improvement of productive capacities is a process that takes more than 5 years • Robustness of the Productive Capacity Index can be improved • Limited capacity of small project team 	<ul style="list-style-type: none"> • Secondary resources • Interviews • Survey 	<p>R1: To better respond to the demand of countries and promote sustainability of results, UNCTAD should formalize its programmatic approach to the work on the PCI that will enable scaling up support to graduation processes and the achievement of the SDGs. Formalization of the programme should be supported by: (i) the development of a proper strategy based on a sound Theory of Change (see also Recommendation 2); (ii) strengthening capacities for the management of PCI-related projects as well as for sustaining the maintenance and continuous improvement of the indices; and (iii) a clear resource mobilization strategy, and investing in its implementation. Strengthening the methodological and technical robustness of the index should be considered a priority. UNCTAD could consider benchmarking other organizations that provide indices to better assess the level of capacities needed to sustain such initiatives and uplift PCI staffing and resources accordingly.</p>
<ul style="list-style-type: none"> • No Theory of Change in the project document • Project logframe not robust and omissions representing some of the key activities and outputs of the project (e.g. advocacy and outreach activities, development of knowledge products), and modalities of implementation (e.g. UN partnerships) • Incomplete risk log in the project document, which would have benefited from the formulation of a TOC and identification of assumptions and drivers 	<ul style="list-style-type: none"> • Secondary resources 	<p>R2: Forthcoming PCI-related project documents should present a Theory of Change to support project teams in carrying out a systemic analysis of the conceptual framework to help assessing its robustness and the coherence of the causal pathways, and underlying assumptions and drivers that influence interventions. Building on a stakeholder analysis, such Theory of Change could consider spelling out intended outcomes for different types of partners and stakeholders in order to support the design of activities that target specific groups of beneficiaries and facilitate the identification of synergies.</p>
<ul style="list-style-type: none"> • Slow start-up phase of the project • Requests from beneficiary countries for additional policy support with a sectoral focus, and presence of UN agencies at national level that have a 	<ul style="list-style-type: none"> • Secondary resources • Interviews • Survey 	<p>R3: In the context of the UN reform, UNCTAD should commit further efforts to strengthening and systematizing relationships with the UN RCOs. Being cross-sectoral, forthcoming PCI-related</p>

<p>sectoral expertise that can be leveraged</p> <ul style="list-style-type: none"> • Several good practices in terms of localization agenda and partnerships with national research institutes but room for scaling and systematization • High proportion of the project budget going to travel costs 		<p>projects should also consider involving relevant UN organizations, including with country presence, to maximize the comparative advantages of the agencies and facilitate in-country provision of technical assistance and sectoral policy development. Furthermore, forthcoming PCI-related projects should consider strengthening partnerships with national research institutes in order to strengthen national capacities and contribute to the localization agenda.</p>
<ul style="list-style-type: none"> • Demand from country beneficiaries for further policy support and technical assistance • Limited scale of the project compared to the number of LLDCs/LDCs • Making use of the PCI and translating quantitative analysis into policy reviews and options requires skills and capacities • Limited resources available for UNCTAD to implement PCI-related projects and need to scale and broadband adoption of the PCI 	<ul style="list-style-type: none"> • Secondary resources • Interviews • Survey 	<p>R4: UNCTAD should consider further increasing the visibility of the PCI and building capacities to facilitate uptake. The organization could consider developing an online training module to scale access and learning, eventually through a partnership with specialized agencies and institutes, such as UNITAR or UNSSD. UNCTAD should also consider providing additional support to countries to formulate PCI-related project proposals, including with a sectoral focus. UNCTAD should strive to increase the number of supported LDCs through capacity development and policy advice on improving productive capacities.</p>
<ul style="list-style-type: none"> • Limited number of indicators and level of data disaggregation in the PCI when it comes to gender and LNOB components • Policy reviews and options accounting for gender equality and LNOB can be guided and informed by data 	<ul style="list-style-type: none"> • Secondary resources • Interviews 	<p>R5: Forthcoming PCI-related projects should strive to make increased efforts to mainstream gender and human rights in project design and implementation. Project documents should include gender and vulnerability analyses, and gender disaggregated indicators, and ensure a thorough stakeholder analysis to identify all who should be involved. During implementation, UNCTAD should consider partnering with or involving specialists of gender equality and LNOB.</p>

1. INTRODUCTION

This report presents the independent evaluation of the United Nations Development Account Project 1617M - "Indices for benchmarking productive capacities for evidence-based policymaking in landlocked developing countries". The project was implemented by UNCTAD during the period 2016-2021. The report presents the evaluation's scope and methodology, findings, conclusions, lessons learned and good practices. Six recommendations are formulated for consideration by UNCTAD.

2. CONTEXT OF THE EVALUATION

1. **Landlocked developing countries** (LLDCs) face high transit transport costs and are often dependent on primary commodities for their exports, rendering it difficult to improve their competitiveness and their overall socio-economic conditions. An impressive decade of real GDP growth and trade performance during the 2000s in these countries did not translate as fast as expected into higher employment, export diversification and poverty reduction outcomes. Therefore, they continue to be affected by widespread poverty and underdevelopment and face continued marginalization in the global economy. Overcoming these challenges requires putting productive capacities at the centre of domestic development policies and strategies. There is recognition – both in the context of the post-2015 Development Agenda and the Vienna Programme of Action for LLDCs – that the key for sustained development and poverty reduction in LLDCs is to build their productive capacities and promote structural economic transformation.

2. In this context, UNCTAD elaborated the analytical and conceptual rationale for such policies and strategies. **Productive capacities** were characterized as involving three closely linked or interrelated elements: (i) "Productive resources" which are factors of production and include natural resources, human resources, financial capital and physical capital, (ii) "Entrepreneurial capabilities," which are the skills that firms and farms need to manage their business activities and engage in innovation and productivity growth, and, (iii) "Production linkages," which are the interactions between different firms and farms; between diverse sectors of economic activity; and the relations between the domestic economy and the international environment through trade, investment and technology flows.

3. These three elements of productive capacities with all the ingredients are necessary conditions for sustainable development in the LLDCs. The three elements together determine not only the overall capacity of a country to produce goods and services, but also which goods and services a country can produce and sell. In this respect, therefore, productive capacities are country-specific and differ from one country to the other. They also determine the quantity and the quality of goods and services which a country can produce at a given time.

4. One of the biggest challenges for LLDCs (in addition to capacity limitations and weak institutions) to put productive capacities at the centre of their respective development policies is the absence of identified indicators, which are statistically measurable and verifiable to assist in such efforts. Therefore, identifying indicators and constructing Productive Capacity Indices (PCIs) for measuring and benchmarking productive capacities have become crucial for LLDCs. The indicators and PCIs assist in placing productive capacities at the centre of domestic development policies and strategies of LLDCs.

3. SUBJECT OF THE EVALUATION

5. In 2016, UNCTAD launched the project "Indices for benchmarking productive capacities for evidence-based policymaking in landlocked developing countries". The project was implemented in 3 LLDCs: Botswana and Rwanda (in Africa) and Lao PDR (in Asia). These countries *have been requesting technical assistance, including through their respective national statements to the Trade and Development*

Board, aimed at addressing their weak productive capacities and the impact of these on their efforts to reduce poverty and achieve their development objectives. The **main objective of the project** was to strengthen the capacity of the three selected landlocked developing countries to develop Productive Capacity Indices (PCIs) and use them to support evidence-based policy making. With this objective in mind, the project supported in defining the conceptual, methodological and statistical framework for identifying, selecting and validating indicators, which were to be used in the construction of Productive Capacity Indices. In addition to Lao PDR, Botswana and Rwanda, the project implemented activities in Namibia¹.

6. The PRODOC included a country-level problem analysis summarized below (Table 1).

Table 1: Country-level problem analysis. Source: PRODOC, 2016.

Status of Affairs	Realistic Outcomes
Botswana	
<ul style="list-style-type: none"> Country with great natural wealth in the form of mineral resources including diamonds. Productive capacities and structural economic transformation are weak. Economy largely commodity dependent. Narrow economic structure compounded by weak productive capacities. The country still has a long way to go in putting productive capacities at the heart of its development policies and strategies. 	<ul style="list-style-type: none"> Improved awareness about the importance of building productive capacities, and ability to use PCIs in policy formulation and implementation. Consequently, Botswana will be able to put in place policies and strategies to ensure more broad-based and inclusive economic growth. Utilization of the PCI will enable policymakers to identify key sectors for quick and optimum impact in the Botswanan economy.
Rwanda	
<ul style="list-style-type: none"> Strong business environment when compared to among other LDCs. Weaknesses in soft and hard infrastructure including ICT infrastructure. One of the few LDCs making steady progress in socio-economic development, but the country is lagging behind in meeting established UN criteria for graduation from the category of LDCs, largely owing to weak productive capacities and lack of structural economic transformation. 	<ul style="list-style-type: none"> Enhanced knowledge about the importance of building productive capacities and where the country stands vis-à-vis key indicators. Better understanding of where investment will bring the most gains and visible impacts. Understanding and application of PCIs will enable Rwanda to complement the progress its private sector has made to date with better investment in other areas. PCIs will enable policy makers and institutions to put productive capacities at the center of the countries development policies and strategies.
Lao PDR	
<ul style="list-style-type: none"> Progress made in enabling growth in the private sector. Lack of development in transport infrastructure and weak institutional capacities to formulate and implement policies and strategies centered on productive capacity building and structural economic transformation. 	<ul style="list-style-type: none"> The PCI will assist Lao PDR in its efforts to mainstream graduation from the LDCs category in its development polices and strategies. The PCI and key related indicators will be useful by illustrating where the development strategy is failing to live up to expectations.

¹ Namibia was not part of the pilot countries. However, the country was identified to have good statistical frameworks and institutions to serve as a “training hub” for further extension of the PCI to countries of the sub-region. Therefore, with strong interest in the PCI and with the objective of serving as a model for other countries in the region in sustaining the PCI further, a training was organized for the country’s statistical experts and academics. Namibia also hosted a regional workshop and shared its experience in data collection, organization and use in policymaking with selected countries of the African region.

7. The **main direct beneficiaries** targeted by the project included: policymakers, advisors, experts, statistical offices, programme evaluation and monitoring agencies, science and technology centers, private sector and civil society actors, including academic and research institutions in beneficiary countries, regional organizations and relevant United Nations agencies. National training and capacity building workshops at policy and expert levels were to be organized to share and validate the findings, conclusions and specific outcomes of the project.

8. The project aimed to contribute to the post-2015 development agenda by making direct and concrete contributions to the sustainable development goals (SDGs), in particular goal 8 on “Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all” (target 8.3) and goal 17 on “Strengthen the means of implementation and revitalize the global partnership for sustainable development” (target 17.9, 17.16, 17.19).

9. UNCTAD was the lead implementing entity for the project. Other key project partners that participated and were consulted in the development of the Index include: the United Nations Statistical Division, the Common Fund for Commodities, United Nations Development Programme (UNDP), United Nations Industrial Development Organization (UNIDO), the UN-Economic and Social Commission for Asia and the Pacific, the International Think-Tank for Landlocked developing Countries (ITT). Other partners referred to by the project are ITU, UN-OHRLS, African Development Bank, and the Asian Development Bank.

10. Day to day management of the project was to be ensured by the chiefs of the Landlocked Countries section, and the Branch of Trade and Poverty, with oversight by the Director of UNCTAD’s Division on Africa, Least Developed Countries and Special Programmes.

11. According to the PRODOC, the monitoring arrangements planned for the project included:

- **Quarterly meetings** with project staff to ensure project milestones were being met and adequate staff resources were available for full implementation of the project.
- **Inputs and feedback from external project participants**, considered to be a key part of the project to evaluate and act upon stakeholder commentary.
- **Annual progress report** provided to the DA office through TCS on all aspects of project implementation, including practical lessons learned at each phase of the activities undertaken and analysis of feedback from beneficiary countries against the Expected Achievements.

12. The project started in January 2016 and was scheduled for completion by December 2019. In September 2019, the project was granted an extension by the United Nations Development Account until 30 June 2020, a further extension to 31 December 2020, and again until 30 April 2021 due to the COVID-19 pandemic.

13. In 2018, UNCTAD was encouraged by the ECOSOC “to pursue its methodological work to measure progress in and identify obstacles to the development of productive capacities in developing countries”². In response, UNCTAD established a work programme³ on PCI that covers a range of activities⁴ and binds together related projects, including DA project 1617M, Project 2023E on “Coherent strategies for productive capacity development in African least developed countries”; and Project TJBS on “Developing integrated programmes to alleviate binding constraints to Development by fostering structural

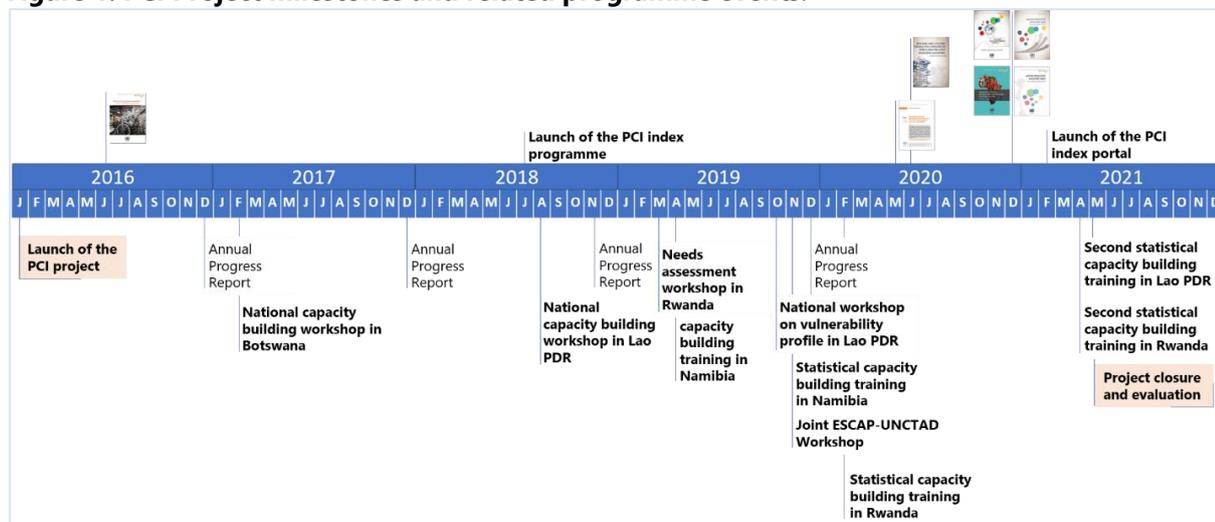
² United Nations. Resolution adopted by the Economic and Social Council on 24 July 2018. Science, technology and innovation for development. (E/RES/2018/29). New York.

³ The current programme on PCI has evolved into a work programme driven by increasing demand, but has not translated into formal organizational or institutional set up.

⁴ <https://unctad.org/topic/least-developed-countries/productive-capacities-index>

transformation, building productive Capacities and enhancing investment opportunities and linkages with China". In February 2021, the programme launched the PCI online portal⁵.

Figure 1: PCI Project milestones and related programme events.



14. The project was initiated with an approved budget of USD 599,000 (Table 2).

Table 2: Project Summary Budget (Thousands of United States dollars). Source: PRODOC, 2016.

General temporary assistance	60.0
Consultants	126.0
Travel	150.0
Operating expenses	8.0
Workshops/training	255.0
Total	599.0

15. The project's PRODOC did not formulate a Theory of Change nor assumptions and drivers but presented a logframe that the evaluation analysed (see section 6.1.4).

Table 3: Project logframe. Source: PRODOC, 2016.

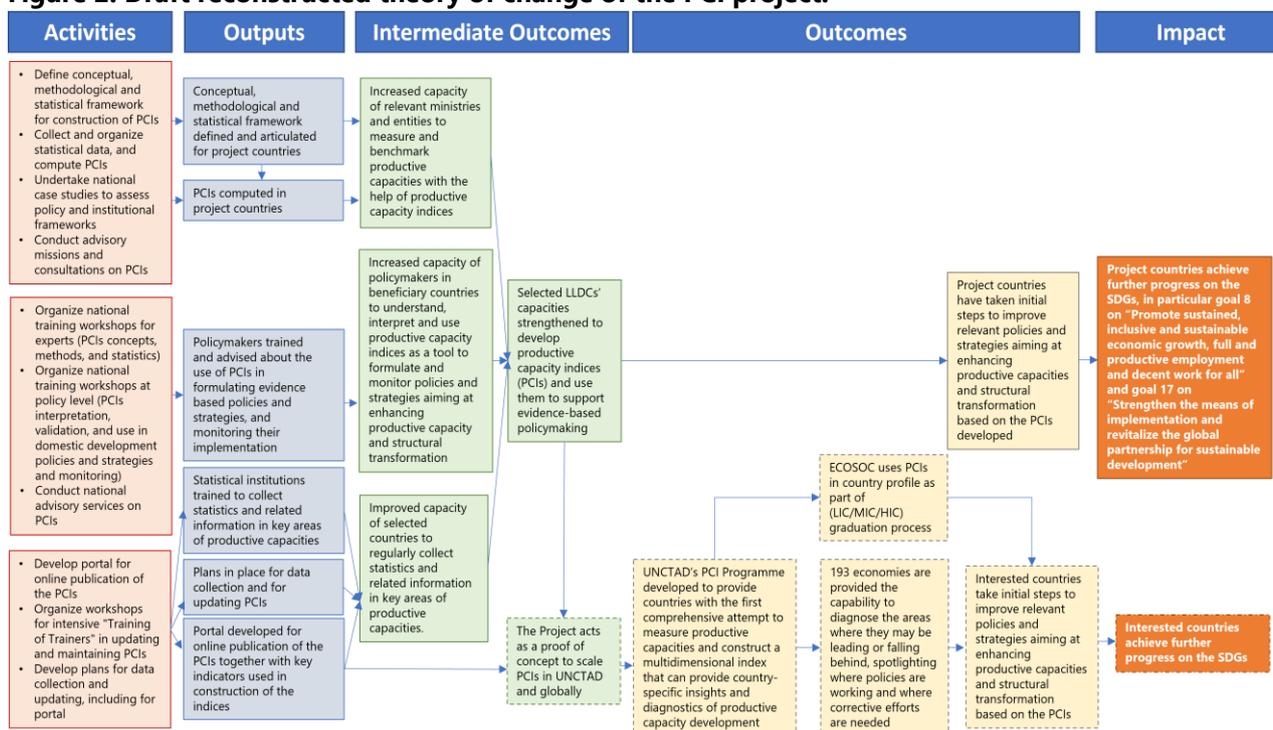
Overall project objective	
Strengthened capacity of selected landlocked developing countries to develop productive capacity indices (PCIs) and use them to support evidence-based policymaking.	
Expected Achievements	Indicators
EA1: Increased capacity of relevant ministries and entities to measure and benchmark productive capacities with the help of productive capacity indices	IA 1.1: Conceptual, methodological and statistical framework is defined and articulated for the three project countries.
	IA 1.2: Three project countries have their respective PCIs computed.
EA2: Increased capacity of policymakers in beneficiary countries to understand, interpret and use productive capacity	IA 2.1: 75% of trained policymakers in the three targeted countries confirm increased capacity to use PCIs in formulating evidence-based policies and strategies and monitoring their implementation.

⁵ <https://unctad.org/news/productive-capacities-index-helps-countries-build-economic-resilience>

indices as a tool to formulate and monitor policies and strategies aiming at enhancing productive capacity and structural transformation	IA 2.2: Policymakers in all three targeted countries have taken initial steps ⁶ to improve relevant policies and strategies aiming at enhancing productive capacities and structural transformation based on the PCIs developed (at least 75% of respondents report actions that utilize PCIs).
EA3: Improved capacity of selected countries to regularly collect statistics and related information in key areas of productive capacities.	IA 3.1: Institutions dealing with statistics in the three beneficiary countries confirm improved capacity to collect statistics and related information in key areas of productive capacities (at least 75% of respondents confirm improved capacities). IA3.2: Three project countries have in place their plans for data collection and updating PCIs periodically.

16. The articulation conveyed by the project Logframe, and further inputs were used to reconstruct a simplified draft Theory of Change at evaluation (Figure 2).

Figure 2: Draft reconstructed theory of change of the PCI project.



17. The following assumptions⁷ were derived from the analysis of the project design:

- A1: Institutions responsible for statistical monitoring and data collection exist and governance arrangements are in place, particularly at national level, for UNCTAD to partner with and strengthen their capacity.
- A2: There is continuity of national policies and (sub)regional collaboration structures.
- A3: Local conditions are supportive of the use of PCIs and data resources (conditioned by the context in which policymakers, practitioners, and other relevant actors operate; e.g. in a conflict situation or protracted crisis, PCI may be superseded by humanitarian conditions).
- A4: Governments establish necessary financing mechanisms and ensure fiscal space that enable transformative and sustainable results.

⁶ Initial steps include but not limited to endorsing PCIs, commitment to make use of them, establishing an inter-institutional task force or committee, or designating focal institutions and persons to advise on interpretation and use of PCIs in policy decisions, including in formulating and implementing trade and development policies and strategies.

⁷ Assumptions are conditions that are beyond the direct control of the project.

18. The following drivers⁸ were derived from the initial analysis of the project and the risk matrix presented in the PRODOC:

- D1: Institutional and human resources capacity exist to make full use of PCIs.
- D2: There is stability of trained personnel after the completion of the project.
- D3: UNCTAD staff have the necessary expertise and stability to support project implementation.
- D4: Data and information from partners (including governments, institutions and the research community) is available, accessible, and of good quality to undertake the analyses that underpin PCI assessment processes.
- D5: Expectations of the project's outcomes are realistic and achievable.

19. The reconstructed pathways for a realization of the change processes between outcomes/intermediate states as well as the underlying assumptions were briefly analysed during the evaluation (see section 6.1.3).

4. EVALUATION SCOPE, OBJECTIVES AND QUESTIONS

20. As formulated in the TOR (Annex 4), the final evaluation of the project had the following specific objectives:

- Assess the degree to which the desired project results have been realized, including the extent of gender and human rights mainstreaming; and
- Identify good practices and lessons learned from the project that could feed into and enhance the implementation of related interventions.

21. The evaluation covered the duration of the project from June 2016 to April 2021. The evaluation focused on the three countries covered by the PRODOC. However, as project activities reached other Governments (Namibia) and had strategic scaling effects (PCI Programme), the evaluation also analysed unintended positive (or negative) outcomes beyond the three countries that were originally selected.

22. At the time of the evaluation, the project has not been expected to enter a second phase. However, the evaluation conclusions and recommendations can inform the work of the UNCTAD PCI Team and the implementation of the PCI programme. Accordingly, the evaluation took a retrospective and forward-looking approach. The evaluation is summative but also formative aiming to support UNCTAD in its next steps.

23. As per the TOR, the evaluation addressed the questions presented in Table 4.

Table 4: Key evaluation questions.

Relevance	EQ1: To what extent the project design, choice of activities and deliverables properly reflect and address the development needs and priorities of participating countries, taking into account UNCTAD's mandates? EQ2: What is UNCTAD's comparative advantage in this area of work and to what extent did this project optimize it?
Effectiveness	EQ3: Have the activities achieved, or are likely to achieve, planned objectives as enunciated in the project document and outcomes (intended or unintended), in particular against relevant SDG targets?
Efficiency	EQ4: How efficient was the Project in utilizing project resources and has the project management been adequate to ensure the achievement of the expected outcomes in a timely manner?

⁸ Drivers refer to supporting actions or conditions over which the project has a measure of control and that can be facilitated or influenced.

Sustainability	EQ5: Is there evidence that beneficiary countries are committed to continue working towards the project objectives beyond the end of the project and/or have there been catalytic effects from the project both at the national/regional levels?
Gender and human rights	EQ6: To what extent a human rights-based approach and a gender mainstreaming strategy were incorporated in the design and implementation of the intervention, and can results be identified in this regard?
Partnerships and synergies	EQ7: To what extent has the project advanced partnerships amongst project participants with national and regional counterparts, international development partners, the civil society and/or the private sector in support of results, and sustainability of results?
Responses to Covid-19	EQ8: What adjustments, if any, were made to the project as a direct consequence of the COVID-19 situation, and to what extent did the adjustments allow the project to effectively respond to the new priorities of Member States that emerged in relation to COVID-19? EQ9: How did the adjustments affect the achievement of the project's expected results as stated in its original results framework?

24. Annex 3 further unpacks the evaluation questions into an evaluation framework with sub-questions and evaluation methods.

5. METHODOLOGY OF THE EVALUATION

25. The evaluation collected and analysed data from a range of sources to deepen understanding and triangulate the assessment. The following data collection instruments were used:

1. **Desk review:** Study of secondary resources including PRODOC, Progress Reports, project outputs, strategic documents and communication content produced by UNCTAD and partners. The evaluation undertook a review of results as per the project-specific logframe in order to validate achievements.
2. **Observation:** The consultant attended several online sessions of the second statistical capacity building training on Productive Capacities Index (PCI) - Lao PDR.
3. **Interviews:** Interviews were conducted with a limited number of staff, partners, and stakeholders. All consultations were conducted virtually with Zoom. Interviews were recorded (after permission from informants) and transcribed into written notes with an IA application (Otter). The evaluation consulted 17 informants.

Table 5: Evaluation interviews.

Stakeholder Group	Number of informants consulted
UNCTAD	9
UN Partners	3
National Partners and Beneficiaries	5
Total	17

4. **Survey:** The evaluation carried out a survey designed after the evaluation framework (Annex 3). The survey targeted project stakeholders and beneficiaries. The survey questionnaire was in English. The survey was open for 3 weeks, from Tuesday 29 June to Friday 16 July 2021. The survey was received by 228 target respondents (the survey was sent to 270 email addresses but 42 bounced back). Altogether, the survey compiled feedback from 47 respondents (male 77%,

female 23%). The overall response rate to the survey was 21%. The most frequent regions of work of respondents were Africa (23 respondents), followed by Asia and the Pacific (18 respondents), and global (9). Respondents were primarily working in ministries (Figure 3) and on statistics (Figure 4). The most frequent areas of work were human capital followed by structural change (Figure 5).

Figure 3: Organisation of survey respondents.

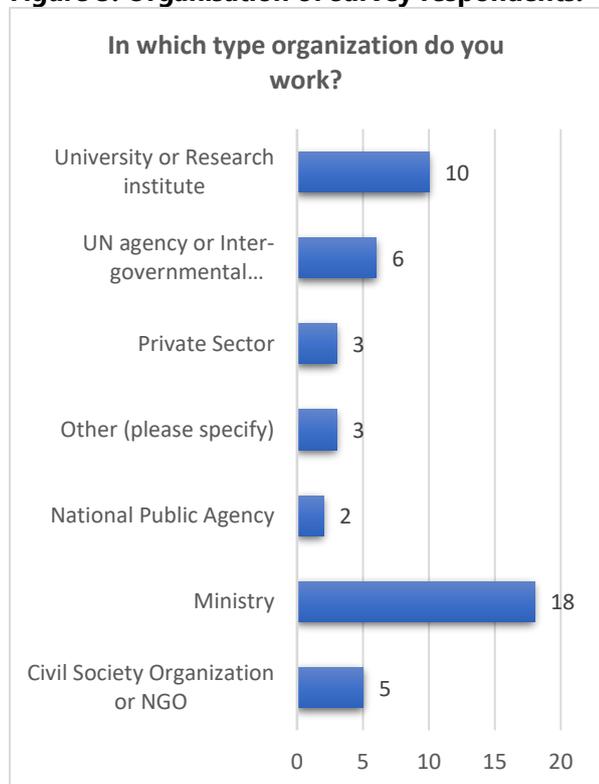


Figure 4: Job function of survey respondents.

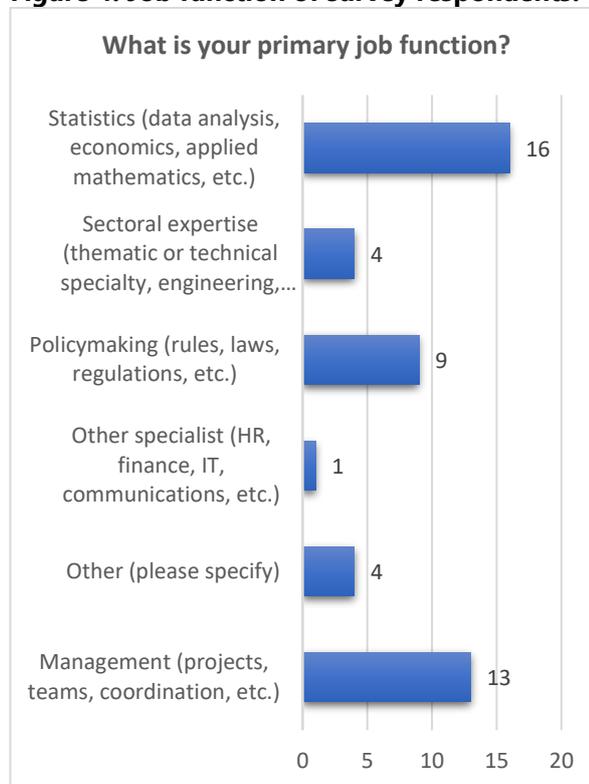
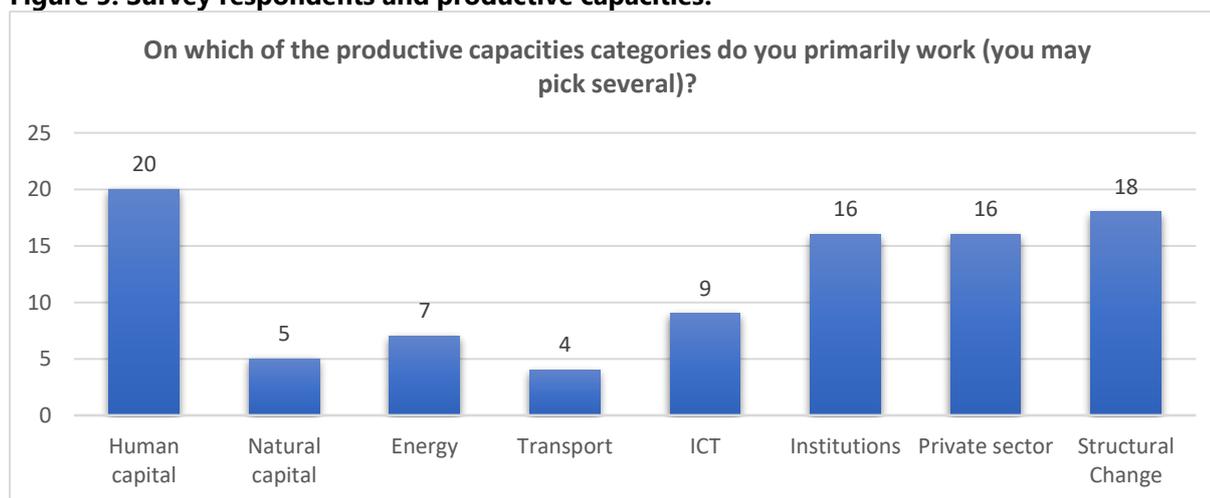


Figure 5: Survey respondents and productive capacities.



26. The evaluation used a combination of complementary tools for analysis of the data collected.

- **Qualitative analysis** of data, secondary resources and interviews/focus groups.
- **Quantitative analysis** including cross-tabulations of survey data.

27. The evaluation confronted the following constraints or limitations:

- **Remote data collection:** The evaluation did not include country visits that would have allowed for face-to-face interviews and direct observations, which may have limited the collection of evidence at the outcome level. This constraint was mitigated by relying on complementary data collection instruments including virtual interviews, a stakeholder survey, and a search for publicly available secondary resources.
- **Limited availability of informants:** About 50% of the target informants contacted for an interview did not respond or indicated not being knowledgeable about the PCI Project, limiting data collection. The mitigation approach involved inviting interviewees to suggest additional informants (referral sampling).
- **Limited availability of secondary resources:** The evaluation was provided a partial list of the secondary resources that were sought, limiting the review of evidence and reporting. This constraint was mitigated by using several data collection instruments.

6. FINDINGS

6.1. RELEVANCE

6.1.1. UNCTAD Mandate and Strategic Framework

28. UNCTAD is the United Nations body responsible for dealing with economic and sustainable development issues with a focus on trade, finance, investment, and technology. It helps developing countries to participate equitably in the global economy. As one of its areas of work, UNCTAD supports the least developed countries (LDCs) to achieve structural economic transformation, increase productive capacity, reduce poverty, and build resilience to adverse factors. UNCTAD also works with landlocked developing countries (LLDCs) to address the special trade and development challenges, arising from their lack of territorial access to the sea and geographical remoteness from international markets.

29. The design of the PCI Project follows more than a decade of UNCTAD's work on Productive Capacities. In 2006, UNCTAD published a flagship report on the development of Productive Capacities in the LDCs⁹. The report showed that the development of productive capacities in a way in which productive employment opportunities expand - in non-agricultural activities as well as within agriculture - was the key to achieving substantial and sustained poverty reduction in the LDCs. The Report thus called for the development of productive capacities to be placed at the heart of national and international policies to promote economic growth and poverty reduction in the LDCs.

30. Fostering productive capacities and structural transformation has been intensely debated at major international conferences. Some of the notable events and outcomes include:

- The Fourth United Nations Conference on the Least Developed Countries in 2011 in Istanbul adopted a Programme of Action for the Least Developed Countries for the Decade 2011-2020 that included productive capacity as one of the priority areas for action¹⁰.
- At the thirteenth session of the United Nations Conference on Trade and Development (UNCTAD XIII), which took place in Doha, Qatar, in April 2012, member States requested UNCTAD to develop quantifiable indicators with a view to providing "an operational methodology and policy guidelines on how to mainstream productive capacities in national development policies and strategies in LDCs" (Doha Mandate, para. 65(e))¹¹.
- The Second United Nations Conference on Landlocked Developing Countries held in Vienna in 2014, further strengthened UNCTAD's mandate in this area. UNCTAD was instrumental in providing underlying conceptual and analytical foundation for priority 5 of the Vienna Programme of Action: Structural Economic Transformation¹².
- The fourteenth session of the UNCTAD held in Nairobi in 2016 underlined that developing productive capacities is key for sustainable development in LDCs and LLDCs¹³.

⁹ UNCTAD. (2006) *The Least Developed Countries Report 2006: Developing Productive Capacities*. United Nations publication, Sales No. E.06.II.D.9. New York and Geneva.

¹⁰ United Nations. 2011. Fourth United Nations Conference on the Least Developed Countries. Programme of Action for the Least Developed Countries for the Decade 2011-2020. A/CONF.219/3/Rev.1. Istanbul.

¹¹ United Nations. 2012. United Nations Conference on Trade and Development. The Doha Mandate. TD/500/Add.1. Doha, Qatar.

¹² United Nations. 2014. Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024. UN-OHRLLS. New York.

¹³ United Nations. 2016. Nairobi Maafikiano. From decision to action: Moving towards an inclusive and equitable global economic environment for trade and development. TD/519/Add.2*. Nairobi.

- In 2017, the ECOSOC encouraged UNCTAD to pursue its methodological work to measure progress in and identify obstacles to the development of productive capacities in developing countries, in accordance with paragraph 76 (k) of the Nairobi Maafikiano¹⁴.

31. Strengthening the capacity of LLDCs to develop productive capacity indices and use them to support evidence-based policymaking is consistent with UNCTAD's biennial programme plan and priorities. As part of the Strategic Framework 2016-2017, UNCTAD formulated the objective (subprogramme 5) to promote development of national policies and international support measures to build productive capacities for economic development and poverty reduction in Africa, LDCs and other groups of countries in special situations, such as LLDCs, and to progressively and beneficially integrate them into the global economy¹⁵. The Strategic Framework 2018-2019 (subprogramme 5) also conveyed the objective to progressively and beneficially integrate Africa, LDCs, and other groups of countries in special situations, including LLDCs, into the global economy through the development of national policies and international support measures to build productive capacities for economic development and poverty reduction¹⁶.

32. UNCTAD's comparative advantage in the development of a productive capacity index and in providing policy support to countries in order to improve productive capacities builds therefore on a set of complementary factors. This includes UNCTAD's mandate as well as the requests formulated by member States and international organizations. Furthermore, UNCTAD brings considerable expertise in research, data collection, policy analysis, technical assistance, and capacity building in trade related areas, and more than 10 years of analysis and knowledge development on productive capacities. UNCTAD's activities are also grounded in partnerships including with other UN organizations.

6.1.2. Global Context

33. According to UNCTAD's definition, there were 24 LLDCs (three-fourths of the 32 LLDCs) that were commodity dependent in 1995-1997, with a median share of commodities in all exports accounting for 83.2 percent. This share rose to 84.5 per cent in 2011-2013, indicating that LLDCs are not only commodity dependent, but they are also among the developing countries that have not shown structural changes in their economies over the years due to their weak productive capacities. LDCs, LLDCs and SIDS are grasping with structural transformation. In forty years, only a few countries have managed to graduate from their LDC status.

34. In 2015 the United Nations General Assembly adopted the Sustainable Development Goals (SDGs) as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030¹⁷. The 17 Goals come with 169 targets. Goal 8 aims to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. SDG 8.3 in particular sets the target to promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage formalization and growth of micro-, small- and medium-sized enterprises including through access to financial services. Furthermore, SDG 17 aims for a strengthening of the means of implementation and to revitalize the global partnership for sustainable development, with SDG 17.19 calling to build on existing initiatives to develop measurements of progress on sustainable development that complement GDP, and to support statistical capacity building in developing countries. The PCI Project was designed with the objective to

¹⁴ United Nations. 2017. Resolution adopted by the Economic and Social Council on 25 July 2017. E/RES/2017/29. New York.

¹⁵ United Nations. 2014. General Assembly. Proposed strategic framework for the period 2016-2017. Part two: biennial programme plan. Programme 10. Trade and development. A/69/6. New York.

¹⁶ United Nations. 2016. General Assembly. Proposed strategic framework for the period 2018-2019. Part two: biennial programme plan. Programme 10. Trade and development. A/71/6. New York

¹⁷ UN General Assembly. 2015. Transforming our world: the 2030 Agenda for Sustainable Development. New York.

contribute to SDG 8.3 and SDG 17.19, among other. Analysis of the Project activities and reconstructed Theory of Change indicate that the outcome pathways are consistent with this objective. The Productive Capacities Index aims to provide measurements of progress on sustainable development that complement GDP, which country informants indicated effectively achieved. Furthermore, the Project involved strengthening capacities of national statistical offices (EA 3), which is also supportive of SDG 17.19. Similarly, the Project has contributed to promote policies that support productive activities (SDG 8.3). This was intended through several modalities including strengthening capacity of policy makers (under EA1 and EA2), developing knowledge products, and conducting advocacy and outreach activities.

6.1.3. Country Demand and Project Formulation

35. The project was formulated in response to a demand from 3 LLDCs: two from Africa, Botswana and Rwanda, and another one from Asia, Lao PDR. These countries have been requesting technical assistance, including through their respective national statements to the Trade and Development Board, aimed at addressing their weak productive capacities and the impact of these on their efforts to reduce poverty and achieve their development objectives. Evaluation informants across the three countries stressed the relevance of the PCI Project, including (i) to complement GDP statistics that are not fully reflective of the socio-economic status of a country; (ii) to support the analysis of productive capacities in the country and to facilitate evidence-based policy making, (iii) to build capacities of policy makers, statisticians, technical staff, and other stakeholders to stir structural transformation; and (iv) informing policy makers with analysis and options to support the LDC graduation process¹⁸.

36. Project formulation followed the *Guidelines for the Preparation of Concept Notes for the 10th Tranche of the Development Account*. Evaluation informants reported extensive consultations and reviews during the design phase of the project. Discussions were carried out across the units of the ALDC Division. Consultations were also conducted with UNCTAD’s Technical Cooperation unit and with the Statistics Branch (Division on Globalization and Development Strategies (GDS)). The PCI Project was endorsed by the Secretary General.

6.1.4. Project Design

37. The evaluation noted that the project’s PRODOC did not formulate a Theory of Change nor assumptions and drivers. A well-constructed TOC can help to elicit, analyse, and strengthen the systemic coherence of the proposed pathways for the realization of the change processes between outcomes/intermediate states. Similarly, assumptions and drivers formulated with a TOC can help to identify early on any potential choke points and corrective actions or facilitate the design of mitigation strategies. During the inception phase, the evaluation formulated the assumptions¹⁹ and drivers²⁰ presented in table 6 below. Assumption 1 did not hold when considering the time taken by the project to start delivering (i.e. 2 years). Similarly, driver 3 has confronted moving consultants and personnel at UNCTAD and driver 4 a lack of reliable sources that has prevented the PCI from collecting data from national statistics offices.

Table 6: Evaluation assumptions and drivers.

Evaluation formulated assumptions	Evaluation formulated drivers
A1: Institutions responsible for statistical monitoring and data collection exist and governance arrangements are in place, particularly at national level, for UNCTAD to partner with and	D1: Institutional and human resources capacity exist to make full use of PCIs. D2: There is stability of trained personnel after the completion of the project.

¹⁸ While Rwanda and Lao PDR are part of the LDCs, Botswana graduated in 1994.

¹⁹ Assumptions are conditions that are beyond the direct control of the project.

²⁰ Drivers refer to supporting actions or conditions over which the project has a measure of control and that can be facilitated or influenced.

<p>strengthen their capacity.</p> <p>A2: There is continuity of national policies and (sub)regional collaboration structures.</p> <p>A3: Local conditions are supportive of the use of PCIs and data resources (conditioned by the context in which policymakers, practitioners, and other relevant actors operate; e.g. in a conflict situation or protracted crisis, PCI may be superseded by humanitarian conditions).</p> <p>A4: Governments establish necessary financing mechanisms and ensure fiscal space that enable transformative and sustainable results.</p>	<p>D3: UNCTAD staff has the necessary expertise and stability to support project implementation.</p> <p>D4: Data and information from partners (including governments, institutions and the research community) is available, accessible, and of good quality to undertake the analyses that underpin PCI assessment processes.</p> <p>D5: Expectations of the project's outcomes are realistic and achievable.</p>
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38. Evaluation interviews and analysis of the project design indicate some level of coherence in the conceptual framework. The project was described by evaluation informants as articulating three complementary causal pathways: (i) the piloting and testing of the global PCI with three countries; (iii) the development of the global PCI database; and (ii) the development of capacities in three countries for statistical development of productive capacities indices and for policy analysis and formulation. Nevertheless, the evaluation found that the project logframe confronted several shortcomings, including a lack of clarity on the project intended impact, outcomes, and outputs; indicators integrating targets, instead of a using a separate formulation; and no baseline provided to some indicators. The evaluation also found that while the narrative of the PRODOC referred to the relevance of partnerships (e.g. with UN partners) for project implementation and sustainability, this did not translate into any outcome or output and indicator. Furthermore, the project logframe did not include gender and LNOB outcomes or gender disaggregated indicators, despite being referred to in the PRODOC as an area of work. Some indicators and means of verification were also vague, such as *"at least 75% of respondents report actions that utilize PCIs"*, as the evaluation did not find evidence of project surveys monitoring such indicator. The PRODOC also referred to the development of a *"portal or an "e-tool" consisting of, not only the PCIs but also indicators as well as source of data for each composite index along with methodologies used in constructing Productive Capacity Indices (PCIs). Therefore, it will be an important outcome of the project to update PCIs whenever there is a change in underlying statistical data or information."* This component, which describes the online PCI database successfully launched in February 2021, was not covered by any output and indicator in the project logframe.

39. On a different note, several informants also mentioned that the scale of the PCI Project was narrow and that the project would have benefited from an enlarged sample of countries in the piloting and testing of the PCI. Furthermore, UNCTAD recently pointed out that adopting a programmatic rather than project approach within its subprogrammes would better enable sustainability of results and respond to the sustainability concerns of donor²¹. This finding could inform the development of any future design of PCI activities.

6.1.5. Project Implementation

40. Several factors contributed to the relevance of the PCI during project implementation. Evaluation informants stressed that composite indices come with statistical challenges and communication challenges. Composite indices distil a whole range of different domains in one number, making them more difficult to understand for users. Data transformation and standardization need also to be conceptually aligned to improve global coverage and to address data gaps. Furthermore, many issues come up in terms of weighting components. The development of the PCI took therefore a significant

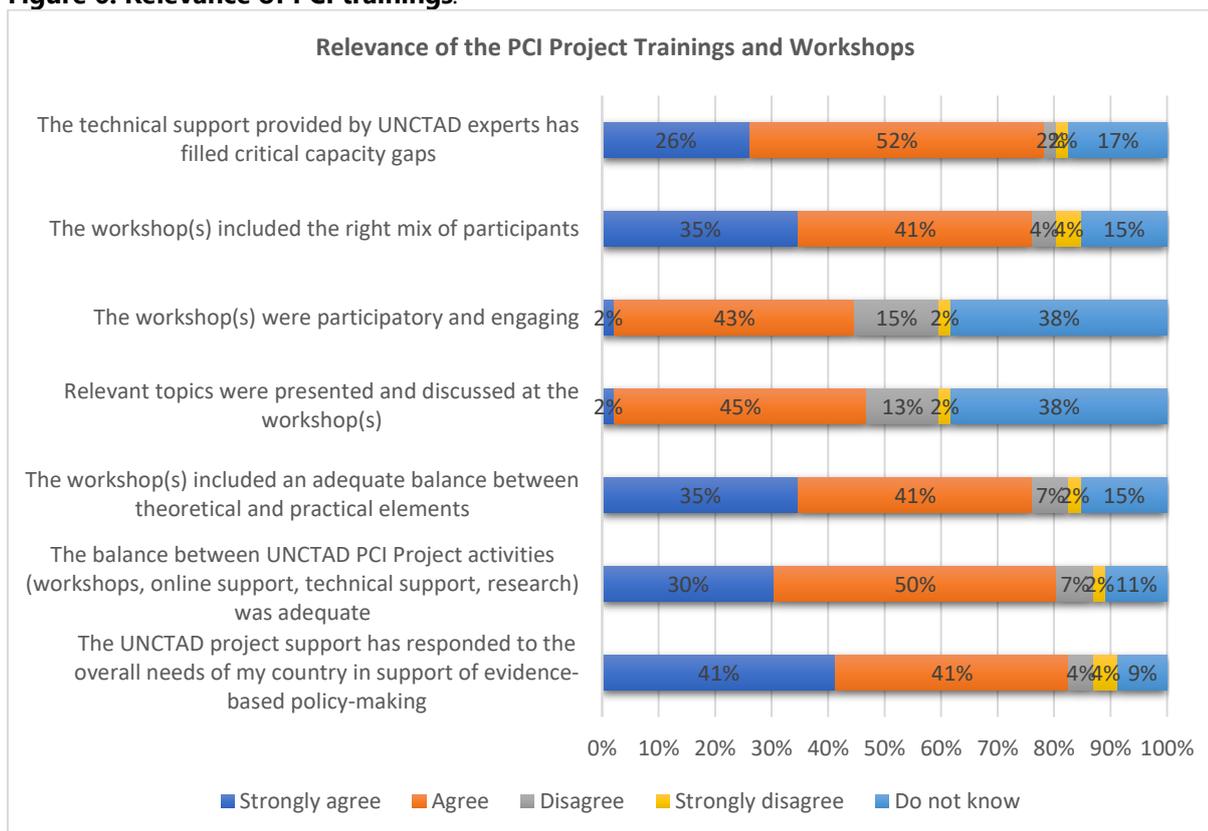
²¹ UNCTAD. 2019. *Synthesis of the five subprogramme evaluations and update on the status of implementation of recommendations*. TD/B/WP/299. Geneva.

amount of time. Within the Statistics Branch (Division on Globalization and Development Strategies (GDS)), 5 to 6 different staff were involved to different extents in its elaboration, including through extensive peer reviews when the ALDC team proposed the first model. The index was assessed across a variety of dimensions before addressing technical issues. While additional work and reviews are expected to further improve the robustness of the PCI (see below), informants mentioned that the efforts committed to its development brought to deliver a “*reasonably robust index*”.

41. Country informants corroborated that the PCI was relevant to perform analyses and to inform policy making while noting that the usability of the index could be strengthened by using national or sub-national data, or by disaggregating data to elicit productive capacities for specific demographic groups (e.g. women, youth). It was acknowledged that such developments were facing limited capacities at country level, highlighting a need for sustained support. On a different note, some informants mentioned that the use of STATA was eventually a constraint and that some national statistical offices may more easily adopt a database built upon an open-source platform such as R.

42. Overall, evaluation informants indicated that the PCI Project was relevant. About 80% of the evaluation survey respondents found an adequate balance between the different components of the PCI Project; and more than 80% agreed that the project responded to the overall needs of the country in support of evidence-based policy making (Figure 6). The national trainings and workshops as well as the regional and south-south collaboration events were positively assessed for their contribution to build capacities and to gather feedback and improve the methodology of the PCI. The format and content of the training events were most often positively received. Some informants were appreciative of the trainings for their clarity as well as for providing a space to discuss development policies and strategies, and to access best practices from other countries. However, a few survey respondents mentioned also that trainings would have benefited from presenting more theoretical background and making more room for teamwork-based activities. It was also indicated that the duration of the trainings was rather short and that events could have considered involving additional Youth/Women Unions, INGOs, Private Sector, etc.

Figure 6: Relevance of PCI trainings.



6.2. EFFECTIVENESS

6.2.1. Project Logframe

43. The monitoring of the project logframe indicates that targets were achieved for most indicators (Table 7). One indicator returned incomplete achievement: *“Three project countries have in place their plans for data collection and updating PCIs periodically.”* As mentioned earlier, country informants pointed out the potential relevance and added value of using national and/or sub-national data or datasets disaggregated per demographic profiles or socio-economic groupings to refine their analysis of productive capacities. However, limited national statistical capacities as well as COVID-19 related priorities did not allow to mainstream the PCI into work plans. Evaluation interviews with UNCTAD staff and the online database also indicate that the PCI database does not make use of country data but relies on datasets from international organizations (e.g. UNCTAD, United Nations, IMF, World Bank, etc.).

Table 7: PCI Project logframe at project end.

Intervention logic	Indicators and targets	Status at evaluation
EA1: Increased capacity of relevant ministries and entities to measure and benchmark productive capacities with the help of productive capacity indices	IA 1.1: Conceptual, methodological, and statistical framework is defined and articulated for the three project countries.	Completed: Conceptual, methodological, and statistical framework devised for the three project countries (see publication: UNCTAD Productive Capacities Index: Methodological Approach and Results).
	IA 1.2: Three project countries have their respective PCIs computed.	Completed: PCI scores for all three beneficiary countries have been computed and presented in the national workshops.
EA 2: Increased capacity of	IA 2.1: 75% of trained policymakers	Completed: 82% of participants at the

<p>policy-makers in beneficiary countries to understand, interpret and use productive capacity indices as a tool to formulate and monitor policies and strategies aiming at enhancing productive capacity and structural transformation</p>	<p>in the three targeted countries confirm increased capacity to use PCIs in formulating evidence-based policies and strategies and monitoring their implementation.</p>	<p>workshops in the beneficiary countries and the regional workshop in Namibia rated the usefulness of the discussions and the relevance of the discussions to their work as either “high” or “very high”.</p>
	<p>IA 2.2: Policy-makers in all three targeted countries have taken initial steps²² to improve relevant policies and strategies aiming at enhancing productive capacities and structural transformation based on the PCIs developed (at least 75% of respondents report actions that utilize PCIs).</p>	<p>Partially completed: In Rwanda, policies are being revised to foster productive capacities and structural transformation as part of Vision 2035 and Vision 2050. In Lao PDR productive capacities are a theme of the 9th National Five-year Socio-Economic Development Plan (2020 – 2025). No evidence for Botswana of policy changes catalysed by the project, but the country has requested the development of a comprehensive technical assistance programme to address some of the key challenges identified through this project.</p>
<p>EA 3: Improved capacity of selected countries to regularly collect statistics and related information in key areas of productive capacities.</p>	<p>IA 3.1: Institutions dealing with statistics in the three beneficiary countries confirm improved capacity to collect statistics and related information in key areas of productive capacities (at least 75% of respondents confirm improved capacities).</p>	<p>Completed: 93% of participants at the statistical trainings in the beneficiary countries (and Namibia) reported improved knowledge about the statistics and related information to collect for measuring productive capacities. 88 % of participants at the two statistical trainings in Botswana and Namibia rated the usefulness of the trainings and the relevance of the discussions to their work as either “high” or “very high”. 95% of the participants at the statistical training in LAO PDR rated the usefulness of the trainings and the relevance of the discussions to their work as either “good” or “very good”. The evaluation did not receive specific evidence for Rwanda.</p>
	<p>IA3.2: Three project countries have in place their plans for data collection and updating PCIs periodically.</p>	<p>Completed (no evidence received): Botswana, Lao PDR, and Rwanda have reportedly already begun the process of integrating the PCI as part of their national statistics. UNCTAD’s data sources for PCIs are international organizations.</p>

6.2.2. Project Outputs

44. The evaluation reviewed 15 training events and workshops organized at national or regional level by the PCI Project (Table 8). According to PCI Project files, more than 300 participants attended these meetings, with some beneficiaries following several trainings during project implementation. The evaluation survey was disseminated to recipients referred by the PCI Project as former participants to training events, but around 23% of the survey respondents indicated that they did not attend any

²² Initial steps include but not limited to endorsing PCIs, commitment to make use of them, establishing an inter-institutional task force or committee, or designating focal institutions and persons to advise on interpretation and use of PCIs in policy decisions, including in formulating and implementing trade and development policies and strategies.

workshop or event organized by UNCTAD about PCI²³. The evaluation noted therefore discrepancies between the lists of participants compiled by the project and the effective attendance to these events.

Table 8: PCI training events.

Location	Date	Title of the event	Reported number of participants
Online (Rwanda)	15 April 2021	Second statistical capacity building training on Productive Capacities Index (PCI): Rwanda	29
Online (Lao PDR)	6 – 8 April 2021	National Statistical capacity building training on the Productive Capacities Index	18
Kigali, Rwanda	25 - 28 February 2020	Capacity building training on statistical, methodological and computational aspects of the Productive Capacities Index of Rwanda	18
Gaborone, Botswana	11 - 12 November 2019	Statistical capacity-building training on the Productive Capacities Index	13
Windhoek, Namibia	6 - 7 November 2019	Statistical capacity-building training on the Productive Capacities Index	15
Bangkok, Thailand	4 - 7 November 2019	Joint ESCAP-UNCTAD Workshop on Promoting Structural Economic Transformation in Asia-Pacific Landlocked Developing Countries	12
Vientiane, Lao PDR	8 - 10 October 2019	National Workshop on the Vulnerability Profile of Lao PDR and Building Resilience through Fostering Productive Capacities and Structural Economic Transformation	98
Windhoek, Namibia	9 - 10 April 2019	Regional capacity building training on the use of statistics and the Productive Capacities Index to inform evidence-based policymaking in landlocked developing countries and other structurally weak and vulnerable economies	41
Kigali, Rwanda	21 - 22 March 2019	Needs Assessment for Building Productive Capacities and Fostering Structural Transformation and Export Diversification in Rwanda ²⁴	11
Vientiane, Lao PDR	12 - 13 March 2019	National Policy Workshop on Fostering Productive Capacities, Export Diversification and Structural Economic Transformation: Policies and Strategies for Sustainable Graduation of Lao PDR from the Category of LDCs	50
Gaborone, Botswana	21 – 22 November 2018	Regional Meeting on Productive Capacities, Export Diversification and Structural Economic Transformation in African LLDCs: Challenges, Opportunities and the Way Forward	47
Vientiane, Lao PDR	29 - 30 August 2018	National Technical Capacity Building Workshop on Fostering Productive Capacities and Structural Economic Transformation in Lao PDR: Implications for Graduation from the LDC category	57
Kigali, Rwanda	24 – 25 July 2018	National Capacity Building Workshop on Indicators for Measuring and Benchmarking Productive Capacities and Structural Economic Transformation in Rwanda	46
Geneva, Switzerland	29 – 30 June 2017	Brainstorming Meeting on Building Productive Capacities in Structurally Weak Developing Economies	25
Gaborone, Botswana	7 - 8 February 2017	National Capacity Building Workshop on Indicators for Measuring and Benchmarking Productive Capacities and Structural Economic Transformation in Botswana	37

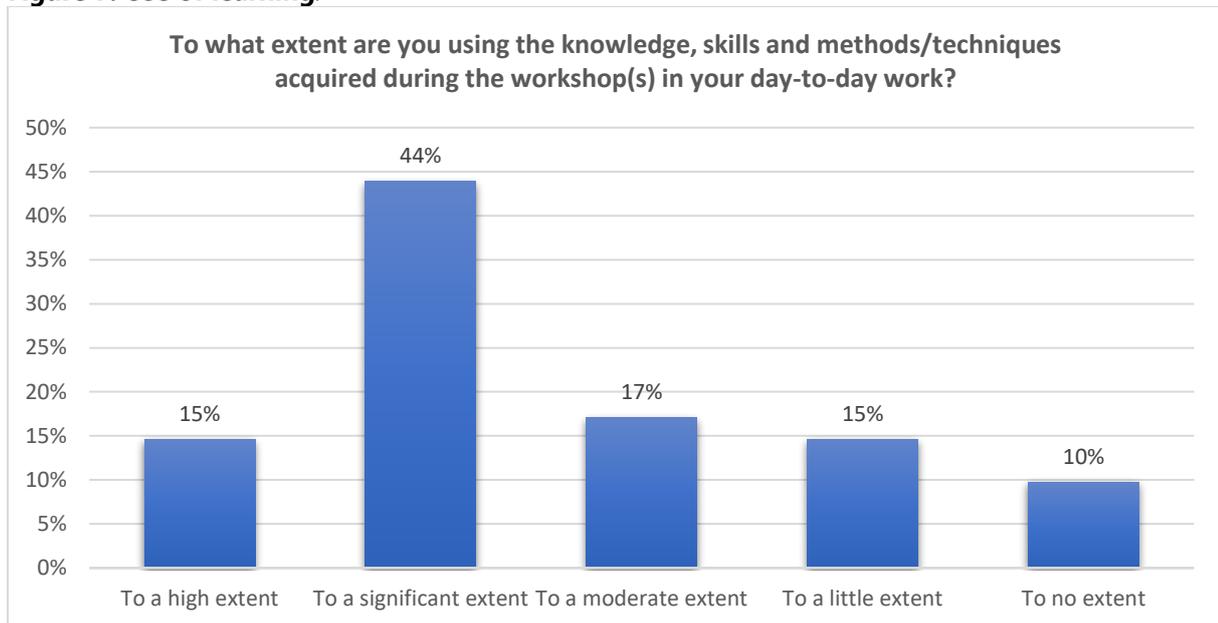
45. Almost 60% of the evaluation survey respondents indicated using to a high or significant extent the knowledge, skills and methods/techniques acquired during the workshop (Figure 7). One beneficiary mentioned for example that the project was effective to empower strategists to effectively anticipate

²³ During the review of the draft report, the evaluator was informed that some of the PCI training sessions were delivered as part of another UNCTAD project.

²⁴ The needs assessment mission was not a training event per se.

potential risks. Another informant noted that the project was very practical in its nature and helpful to address challenges/issues people face every day by providing adequate capacity building/Skills transfer.

Figure 7: Use of learning.



46. For half of the survey respondents, the knowledge and/or skills acquired during the training was used in policy dialogue (Figure 8). About 45% of survey respondents indicated having used the knowledge/skills acquired during the training in a research or study, and 36% to provide inputs to a concrete policy development.

47. Survey respondents indicated that the primary reason for not using the knowledge/skills acquired during the training was that their work or organization had a different focus (Figure 9). For 24% of the respondents, the limiting factor preventing the use of the knowledge/skills acquired during the trainings was inadequate budget allocations, resources, or manpower.

Figure 8: Types of use of PCI learning.

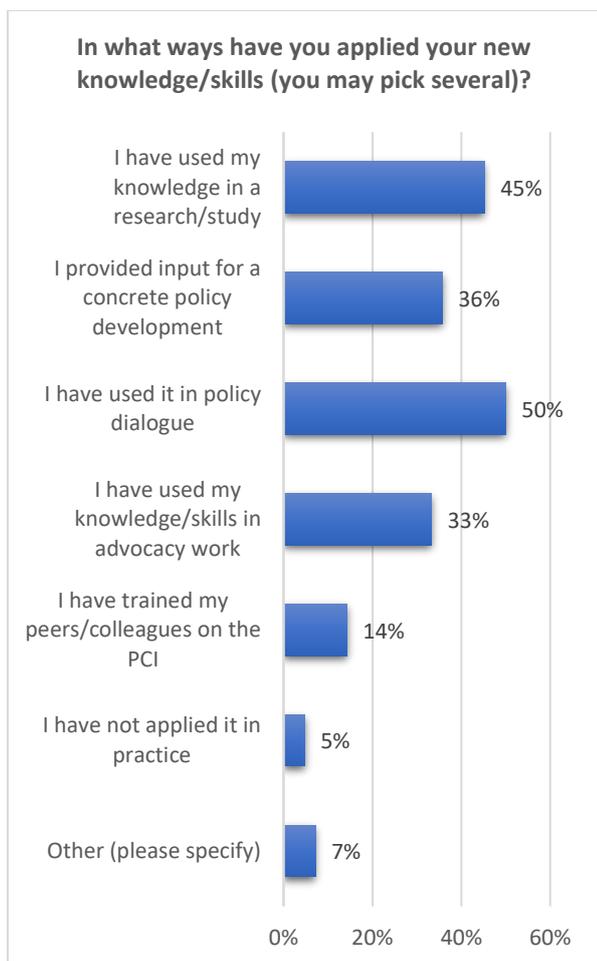
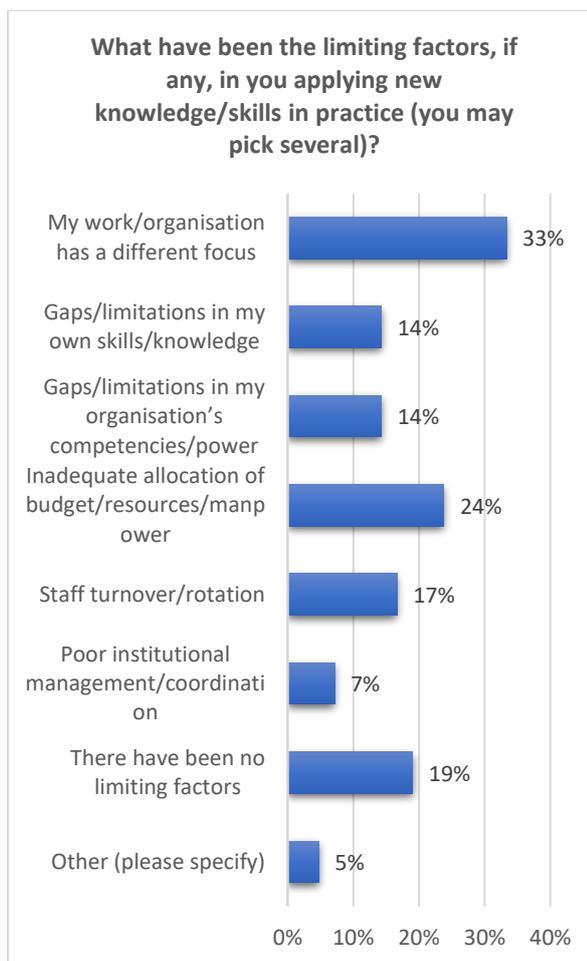


Figure 9: Factors limiting use of learning.



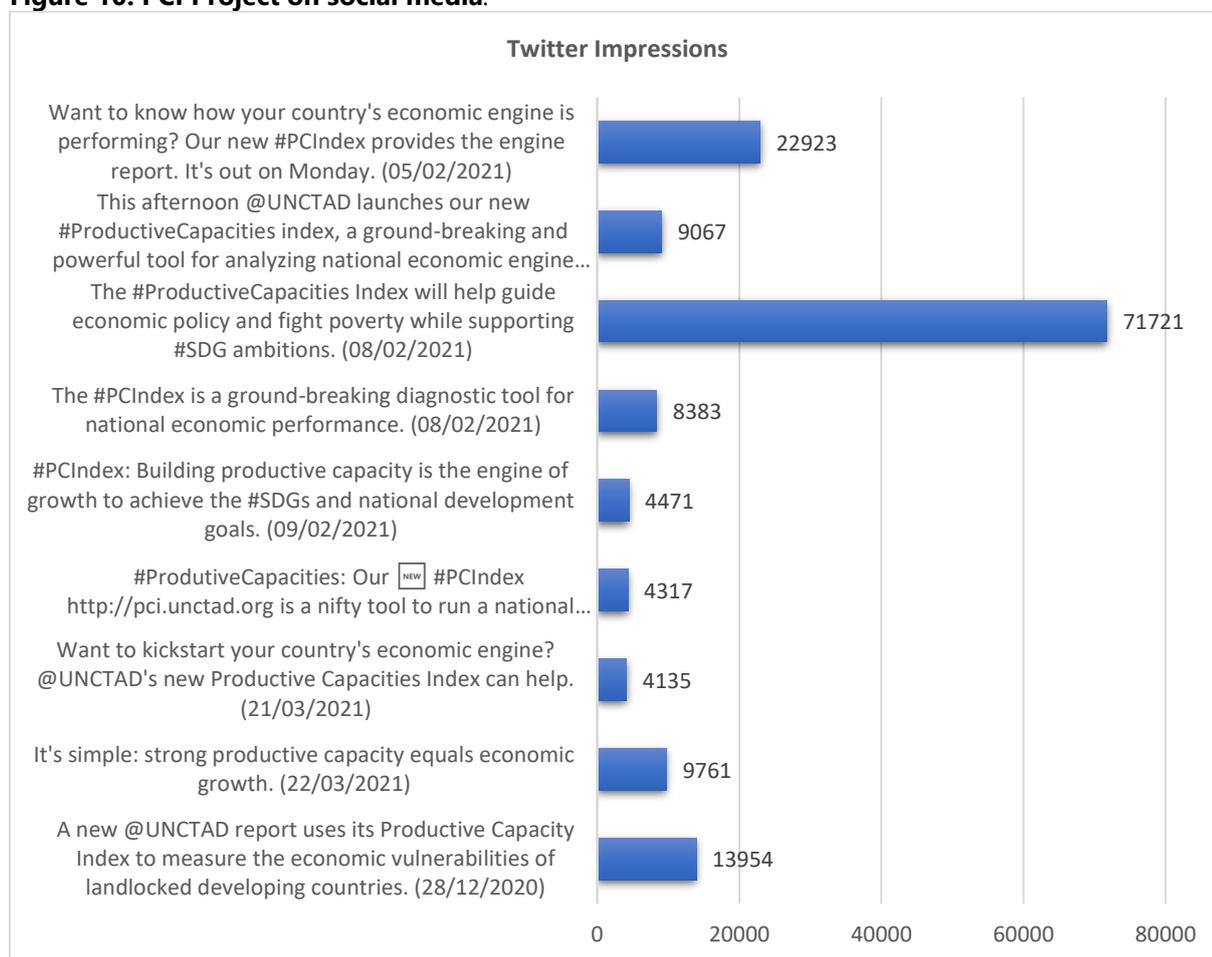
48. The evaluation attended parts of the virtual training organized in April 2021 for beneficiaries in Lao PDR. The evaluation observed quality technical and clear presentations. However, one trainer faced connectivity problems, with the session being frequently interrupted before the trainer could come back online. This would call for better ensuring that the technical setup is adequate when delivering such trainings. Overall, training participants did not seem to be much affected by this issue as the event was highly rated by most participants (95%).

49. Several evaluation informants in project countries suggested that UNCTAD could scale the PCI trainings by rolling out a Training of Trainers module, or by organizing regular seminars, or developing an online course (e.g. MOOC). The latter was referred to as a modality also provided by other international organizations (e.g. World Bank, IMF).

50. A major achievement of the PCI Project is the development of the UNCTAD's Productive Capacities Index (PCI) and inclusion into UNCTADstat. The index covers 8 components: Human capital, Natural capital, Energy, Transport, Information and Communication Technology (ICT), Institutions, Private Sector, and Structural change. The PCI covers 193 economies for the period 2000-2018. The set of productive capacities and their specific combinations are mapped across 46 indicators. The PCI data are drawn from a variety of internationally comparable and rigorous data sources, including UNCTADstat, the World Bank, the World Health Organization, UNESCO, the OECD, the International Telecommunications Union, International Civil Aviation Authority, UNEP, and many others. PCI data is freely available for download and interactive maps have been designed to help users explore PCI data over time and space.

51. The release of the PCI database in 2021 was supported by an active communication campaign. The official launch was done by UNCTAD's Secretary General on 8 February 2021²⁵. Communication activities were engaged on social media platforms, with one message receiving more than 70,000 impressions²⁶ on Twitter (Figure 10).

Figure 10: PCI Project on social media.



52. The PCI Project also developed or contributed to several publications, most notably:

- 2016: Benchmarking Productive Capacities in Least Developed Countries.
- 2020: Developing productive capacities to industrialize and diversify African economies and achieve the SDGs.
- 2020: Building and utilizing productive capacities in Africa and the least developed countries.
- 2020: UNCTAD Productive Index: Focus on Landlocked Developing Countries.
- 2020: UNCTAD Productive Capacities Index: Methodological Approach and Results.
- 2020: Enhancing Coherence between Trade and Industrial Strategies in Africa.
- 2020: The Least Developed Countries Report 2020.
- 2021: Achieving Graduation with Momentum through the Development of Productive Capacities.

²⁵ <https://unctad.org/fr/node/32056>

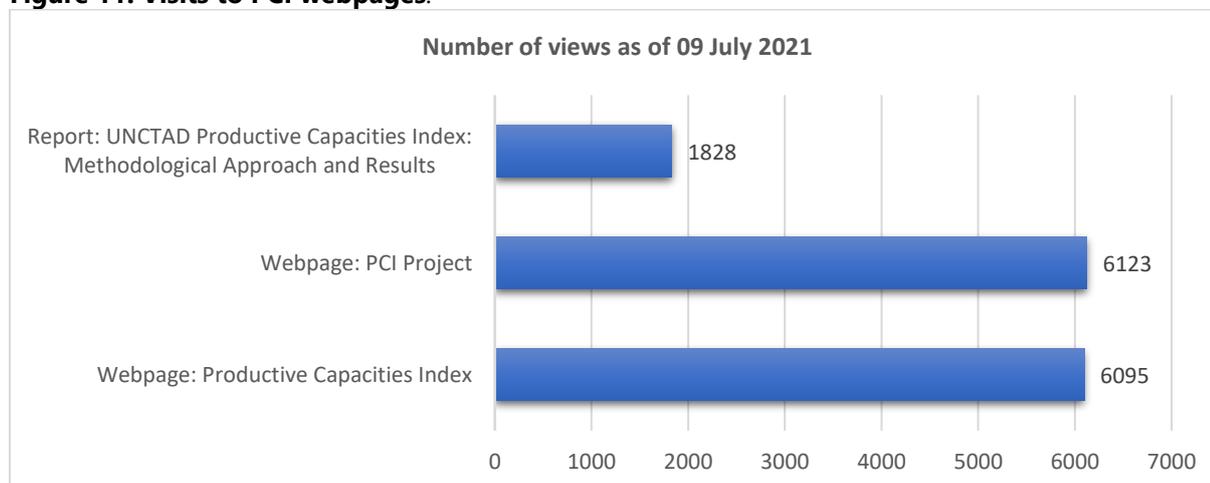
²⁶ Impression: Number of times a tweet (or LinkedIn message) has been seen.

53. Evaluation informants found the PCI publications of good quality and useful. Country reports were also reported as informative, such as the Policy Evaluation reports made in Rwanda on Small and Medium-size Enterprises and Private Sector Development and Youth Employment Strategies. One survey respondent suggested that *“For the PCI project to be successful, it is important for UNCTAD to produce a report on PCI on a regular basis”*.

54. The PCI Project also delivered many presentations to advocate for and promote the initiative and strengthen policy impact. For example, initial findings of the PCI and related policy-implications were presented during a side-event at the Euro-Asian Regional Meeting of the Mid-Term Review of the Vienna Programme of Action for the LLDCs (VPoA), which was held in Bangkok, Thailand, in 2019. UNCTAD also presented that year the PCI at the Latin American Regional Review meeting of the VPoA, held in Santiago, Chile. UNCTAD also organized a dedicated side-event on *“Impact investing and innovative resource mobilization to foster productive capacities and structural economic transformation in LLDCs”* during the High-Level Mid-Term Review of the VPoA held in New York in December 2019. In March 2021, the PCI and its applications as a new tool for country-level analysis were presented to the UN Economist Network, including staff working within the Resident Coordinator System. In April 2021, the project presented the research and findings of UNCTAD's *The Least Developed Countries Report 2020: Productive capacities for the new decade*; and the methodological approach and results of UNCTAD's Productive Capacities Index (PCI) to the WTO Sub-Committee on Least Developed Countries.

55. Web data indicates that the PCI Project has gained visibility. For example, the launch of the report *UNCTAD Productive Index: Focus on Landlocked Developing Countries* received more than 9,000 impressions on LinkedIn. The landing web page of the Productive Capacities Index has received more than 6,000 visits and a publication such as the *UNCTAD Productive Capacities Index: Methodological Approach and Results* more than 1,800 views (Figure 11).

Figure 11: Visits to PCI webpages.



6.2.3. Outcomes of the PCI Project

56. The evaluation found evidence of project outcomes for different types of stakeholders, primarily national governments, and UN agencies, as well as to some extent research and academia.

57. In Rwanda, the project has supported the Ministry of Trade and Industry by contributing to inform the analysis and revision of several policies and strategies, with the aim to strengthen their coherence and alignment with the Vision 2050²⁷. The Vision 2050 sets a pathway to lead the country to the living standards of upper middle income by 2035 and high-income countries by 2050. The Vision 2050 is anchored around five pillars: Human development, Competitiveness and Integration, Agriculture for wealth creation, Urbanization and Agglomeration, and Accountable and Capable State Institutions. The policy review covered the Industrial policy, the Trade policy, and the National Export strategy, which was combined with the trading services strategy and cross border trading strategy. The revised policies and strategies were approved by senior management in the Ministry of Trade and Industry and subsequently presented to the review of other ministries and government institutions (e.g. Industrial Development and Export Council) as well as to forums and stakeholder groups (e.g. private sector, academia, CSOs). The revised policies and strategies are expected to be submitted to the Cabinet or the Parliament once consultations are complete. According to country informants, the PCI project activities (e.g. capacity development, technical assistance) and outputs (e.g. index dimensions and indicators, publications) were very useful to inform the gap assessments and analysis. While acknowledging that the concept of productive capacities is already promoted by countries, it was reported *"scattered and not packaged in a way that is anchored"*. The PCI was found helpful in providing *"a more comprehensive and packaged framework to guide what to look into"*. Simultaneously, according to interviewees, needs remain to further support the contextualization of the PCI as well as to develop PCI-related capacities for analysis and policy formulation on specific sectors (e.g. infrastructure, transport, energy).

58. In Lao PDR, the PCI Project has supported the Ministry of Planning and Investment and other national institutions and partners in mainstreaming graduation from the LDCs category in the country's development policies and strategies. According to the recent Voluntary National review²⁸: *"The Government is fully aware that while graduation from the LDC category will mark an important milestone it is also necessary to look beyond. Meeting the criteria for graduation does not mean a country is necessarily on a sustainable development pathway. To sustain development momentum, to move to an even higher pathway, and to broaden the impact across society, the Government aims to continue the focus on structural transformation, including through expanding productive capacity, diversifying the economy, and building resilience to shocks"*. The 9th National Socio-Economic Development Plan (2021-2025) articulates the Government vision to enhance technological capabilities, including innovation, as key for sustained growth through fostering structural economic transformation and building productive capacities. Key evaluation informants valued the support provided by the project, while highlighting needs for further assistance as the country is now entering the transition period. Areas for further support would include gap assessments, revising sectoral strategies and policies, and monitoring and evaluation.

59. The evaluation identified preliminary project outcomes in Botswana. The regional meeting organized in Gaborone in November 2018 was followed by a meeting with the Minister of Trade. National workshops and policy level consultations led to the elaboration of a comprehensive programme for the country. However, due to change of the minister's portfolio and subsequently due to Covid19 disruptions, the Botswana integrated programme is still on hold. Nevertheless, Botswana is among the

²⁷ The Vision 2050 has the overarching objectives of promoting Economic Growth and Prosperity and High Quality of Life for Rwandans: https://www.nirda.gov.rw/uploads/tx_dce/Vision_English_Version_2050_-31_Dec_2020.pdf

²⁸ Government of the Lao People's Democratic Republic. 2021. Implementation of the 2030 Agenda for Sustainable Development (Voluntary National Review). National SDG Secretariat. Vientiane.

eight project countries that will receive further support to identify and analyze the key binding constraints to the fostering of productive capacities and structural transformation²⁹.

60. At national level, the PCI has also informed the work of UN agencies and national partners through the Common Country Assessments (CCA). The index has reportedly been integrated or contributed to informing the CCAs of Angola, Mongolia, Haiti, and Tanzania.

61. The PCI has contributed to the analysis of ESCAP's Asia-Pacific Countries with Special Needs Development Reports (see also section 6.6). The PC Index has also informed the Economic Commission for Africa's report of the Committee of Experts of the Conference of African Ministers of Finance, Planning and Economic Development³⁰; the WTO³¹; the Commonwealth Secretariat³²; among other.

62. Furthermore, the PCI has responded to the request of the United Nations Economic and Social Council to make available the work on productive capacities as "*an input to the impact assessments of the Department of Economic and Social Affairs of the Secretariat and the monitoring reports of the Committee on countries graduating or graduated from the least developed country category*". As such, analysis of productive capacities, leveraging PCI and its composite indicators, will now be included as part of the assessment by the Committee for Development Policy of LDCs that meet the criteria for graduation. PCI will be incorporated into the new generation of General Assembly-mandated vulnerability profiles for graduating LDCs and into considerations of the possible impacts of graduation. UNDESA has recently produced a guidance note on the Smooth Transition Strategy (STS) that presents the PCI among the sources of information that may be used to examine Productive Capacities if a country wishes to consider and include key productive capacity gaps that need to be addressed during the transition period³³. The Committee for Development Policy of ECOSOC has also requested UNCTAD to undertake Productive Capacities Gap Assessment (PCGA) for selected least developed countries. Such strategy is country specific and tailored to specific circumstances, comparative advantages, and binding constraints in each country. Currently, UNCTAD is working on the PCGA of Cambodia, Comoros, Djibouti, Senegal, and Zambia. The choice of countries was dictated by the CDP given their progress towards graduation from the LDCs category. National strategies must be owned by the countries and implemented by UNCTAD in a period of 3-5 years.

63. The evaluation also identified several cases where the PCI was used by research and academia. In 2020, the Economic Policy Research Network (EPRN) in Rwanda organized a Policy Dialogue on Building Productive Capacities for Rwanda's Agricultural Transformation, Rural Development, and Food Security³⁴. The event gathered 75-100 participants, including a good mix of researchers from the EPRN membership, alongside representatives of government ministries and agencies, civil society/non-government organizations, donors/development partners and their implementing partners, and journalists. Another EPRN event was organized in 2021 with a focus on COVID-19 (see below section 6.6). The evaluation also

²⁹ Eight African countries (Angola, Botswana, Ethiopia, Kenya, Mozambique, Nigeria, Rwanda, and Zimbabwe) are the beneficiaries of the China funded project: "Developing integrated programmes to alleviate binding constraints to Development by fostering structural transformation, building productive Capacities and enhancing investment opportunities and linkages with China."

³⁰ United Nations. 2021. Progress in the implementation of the priority areas of the Programme of Action for the Least Developed Countries for the Decade 2011-2020 (Istanbul Programme of Action). Economic and Social Council. Economic Commission for Africa. E/ECA/COE/39/15. Addis Ababa.

³¹ https://www.wto.org/english/news_e/news21_e/devel_19apr21_e.htm

³² Terauds K. & Zhuawu C. 2021. Alternative Development Strategies for SIDS Building Competitiveness in New Industries. Economic Paper 98. Commonwealth Secretariat. London.

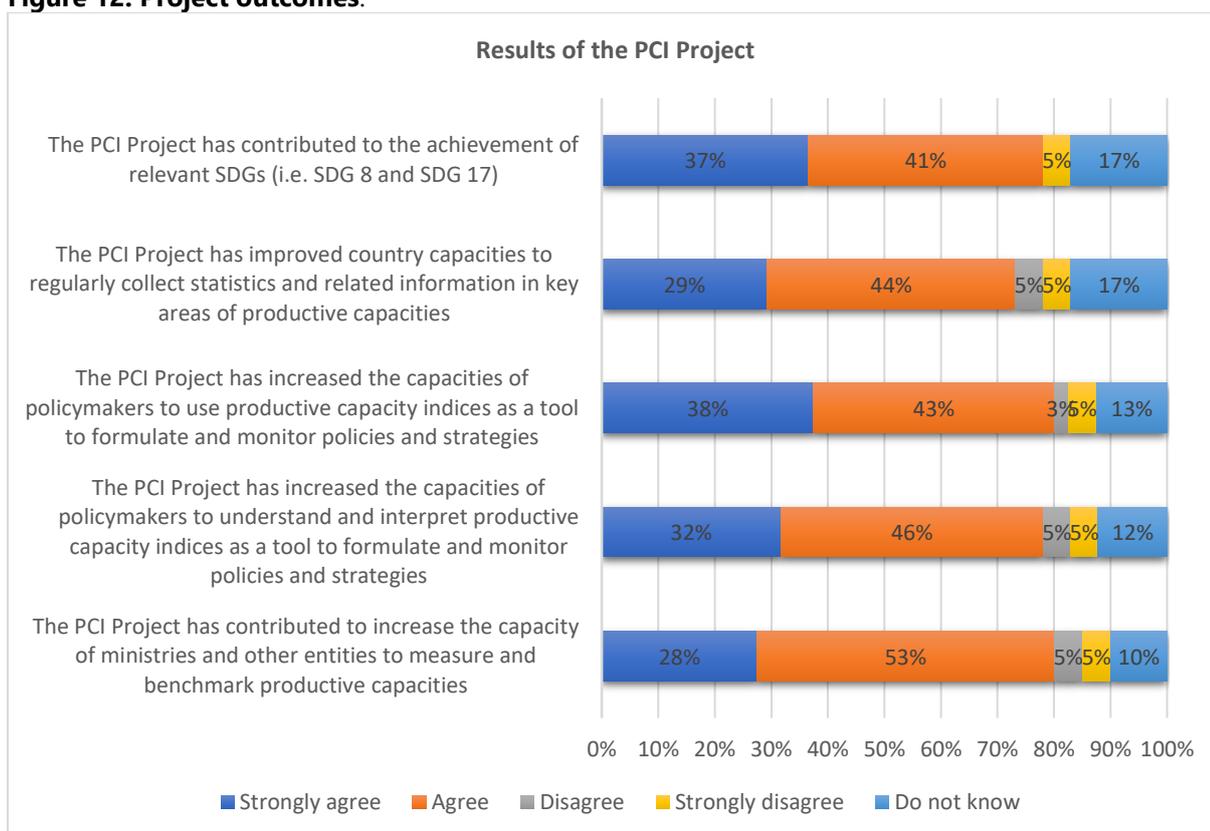
³³ UNDESA. 2021. Smooth Transition Strategy Guidance Note (Updated May 25, 2021). New York.

³⁴ <https://www.eprnrwanda.org/spip.php?article319>

retrieved recent academic papers that refer to or use the PC Index, for example to examine whether development aid contributes to enhancing productive capacities in recipient countries³⁵.

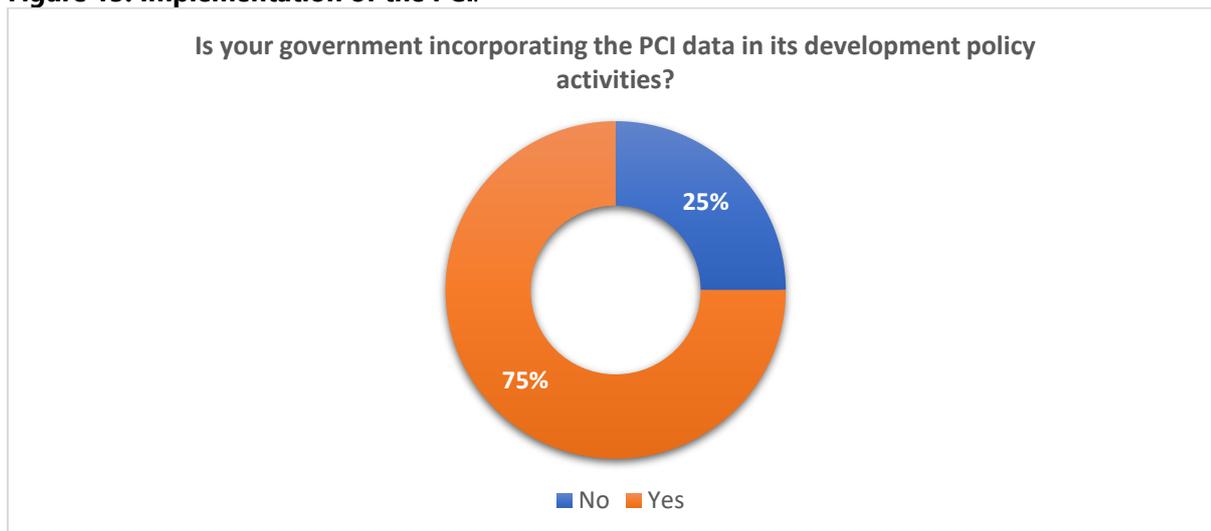
64. Respondents to the evaluation survey assessed positively the PCI Project for its contribution to increasing capacities of policy makers to use productive capacity indices as a tool to formulate and monitor policies and strategies (Figure 12). About 78% of survey participants also agreed or strongly agreed that the PCI Project has contributed to the achievement of relevant SDGs (i.e. SDG 8 on “Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all” and SDG 17 on “Strengthen the means of implementation and revitalize the global partnership for sustainable development”). About 75% of the survey respondents reported that their government incorporates the PCI data in its development policy activities (Figure 13).

Figure 12: Project outcomes.



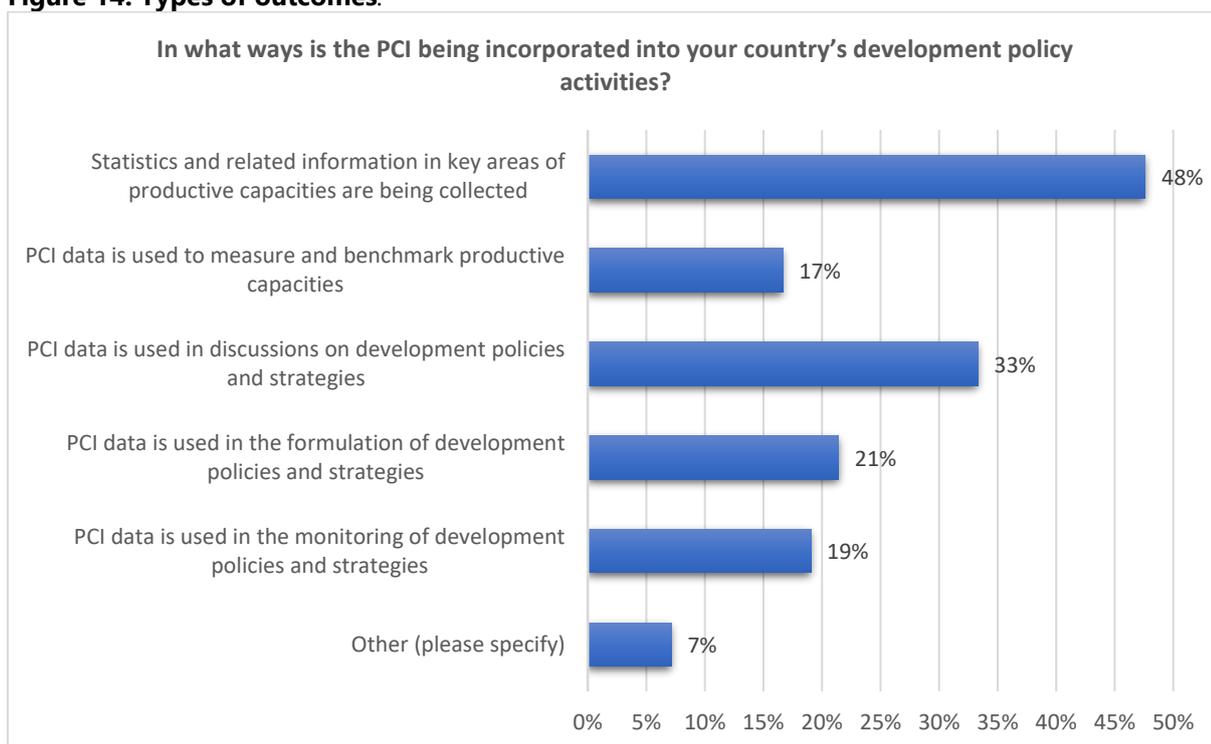
³⁵ Gnangnon S. 2021. Effect of Development Aid on Productive Capacities. ZBW. Leibniz Information Centre for Economics. Kiel. Hamburg.

Figure 13: Implementation of the PCI.



65. The most commonly reported mechanisms through which the PCI is incorporated into national development policy activities is through the collection of statistics and related information in key areas of productive capacities (Figure 14). About one third of survey respondents also indicated that the PCI was used in discussions on development policies and strategies.

Figure 14: Types of outcomes.



6.3. SUSTAINABILITY

6.3.1. Sustainability of Project Outcomes

66. The evaluation found robust evidence that beneficiary countries were committed to continue working towards the project objectives beyond the end of the project. This owes to the Project design and outcomes but also to country's ownership and national development agendas. In Rwanda for

example, strengthening productive capacities has been a strategic objective for more than a decade. The Rwanda Trade Policy published in 2010 by the Ministry of Trade and Policy was already outlining *"the objectives of strengthening productive capacities as well as investment into productive capacities"*³⁶. The first objective of the 2010 Trade Policy was to achieve *"Increased productivity, competitiveness and diversified sustainable productive capacities for trading nationally, sub-regionally, regionally and internationally"*. In addition to responding to persistent national objectives, sustainability of project outcomes builds also on the support provided to the Government of Rwanda in taking additional steps to integrate productive capacity development and transformation into its development strategies and programmes.

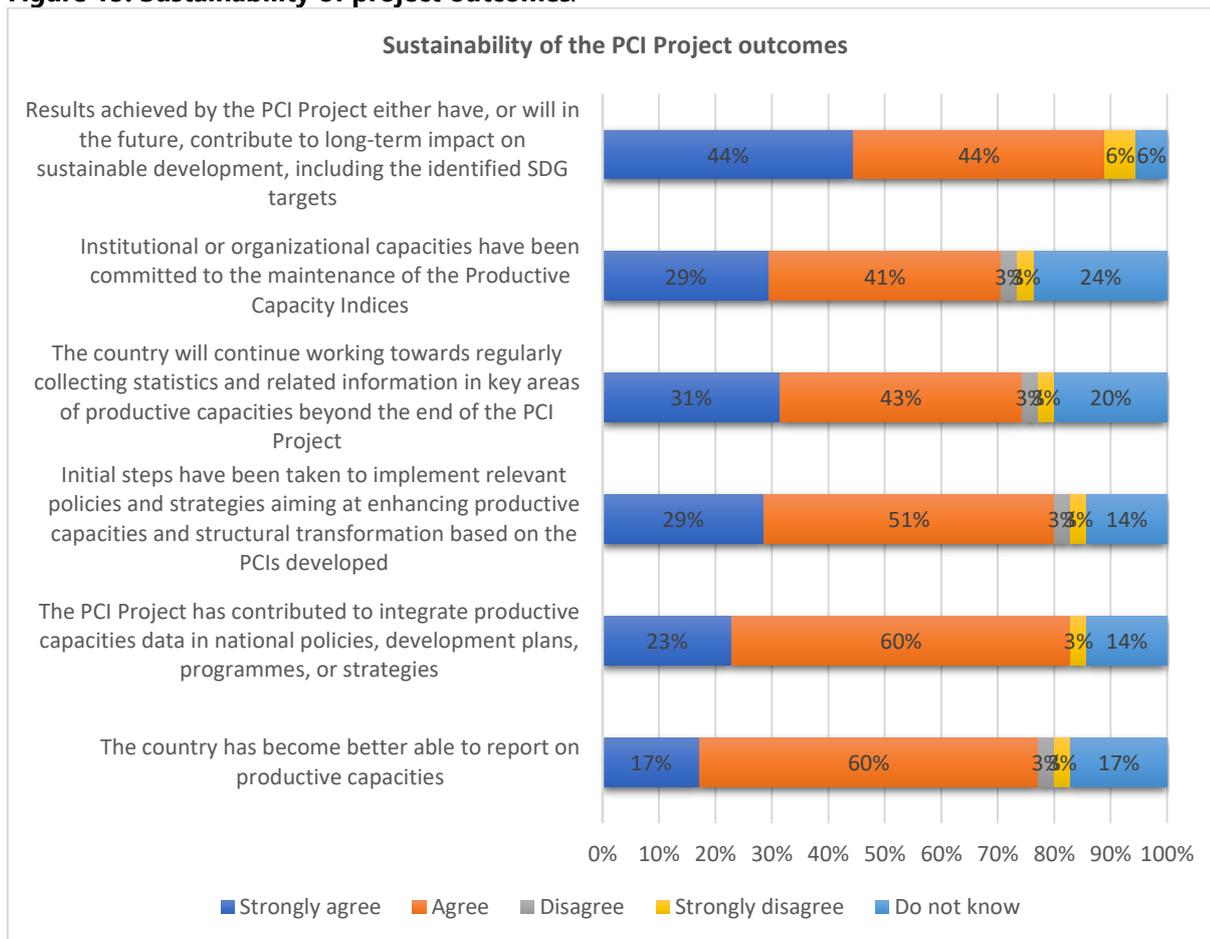
67. In Lao PDR, graduation from LDC status has been a long-term objective of the Government. In February 2021, the United Nations Committee for Development Policy (CDP) announced that having conducted the triennial review of all Least Developed Countries (LDCs), Lao PDR was recommended for graduation with an extended 5-year preparatory period effectively setting the graduation to 2026 assuming a positive and continued trajectory throughout the time period leading up to graduation³⁷. According to a country informant, the transition period will bring the government, private sector, and other stakeholders to push productive capacities and to measure elements in order to seek quality economic growth.

68. According to the evaluation survey, 88% of respondents indicated that the results achieved by the PCI Project either have, or will in the future, contribute to long-term impact on sustainable development, including the identified SDG targets (Figure 15). Although still presenting an overall favourable assessment, the survey shows a smaller percentage of respondents that strongly agreed that *"the country has become better able to report on productive capacities"*. This echoes evaluation interviews according to which the likely sustainability of project outcomes does not remove the need for on-going technical assistance from UNCTAD in project countries. As mentioned earlier, some of the modalities that would strengthen sustainability include delivering more frequent trainings, providing support on policy development, focusing technical assistance on specific sectors, facilitating knowledge sharing and exchange of good practices and lessons learned between countries, and increasing PCI dissemination activities (see next section).

³⁶ Ministry of Trade and Industry. 2010. *Rwanda Trade Policy*. Republic of Rwanda. Kigali.

³⁷ <https://www.un.int/lao/news/lao-pdr-recommended-graduate-2026-least-developed-country-category-extended-preparatory-period>

Figure 15: Sustainability of project outcomes.



69. At the global level, the PCI database has been mainstreamed in the workplan and activities of the UNCTAD Statistics Branch. Evaluation informants indicated that this would contribute to the sustainability of the PCI Project, despite some constraints still to be overcome. In particular, it was noted that methodological improvements on the index are still to be pursued. This would include for example to set up a consultative group of experts that would be engaged in regularly monitoring and helping to improve the robustness of the index. Furthermore, informants stressed that a composite index is costly to maintain as it is grounded on many indicators. When data sources change or underlying indicators are revised, this has impacts on the index. According to informants, data is never stable and there is a need for continuous maintenance. Furthermore, once an index is out, countries come back with requests or ask for clarifications and feedback, which requires staff time to interpret results and provide guidance. Web developments were also reported costly. One informant mentioned that *"once the model is built, the job has only begun"*. Meanwhile, the PCI Project did not provide additional financial resources to the Statistics Branch, for which the financial sustainability of the PCI both for maintenance and upgrades would deserve to be more strongly secured.

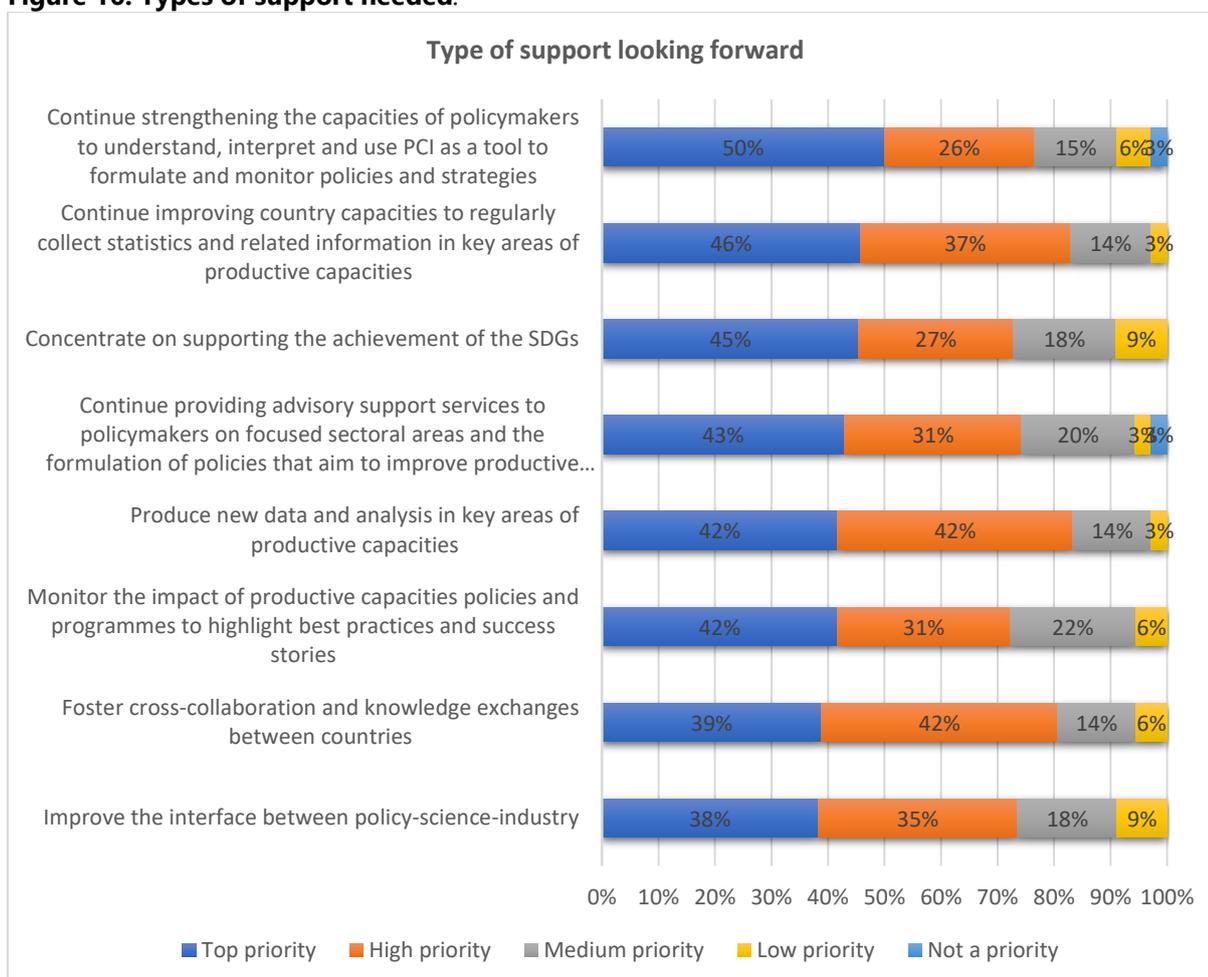
70. While UNCTAD staff and external partners provided a solid business case for expanding the scale of the project and enhancing its scope, and for strengthening its institutionalization, next steps remain to be clarified. Upscaling and binding PCI-related projects in a longer-term programmatic funding framework would increase the likelihood of sustainable outcomes³⁸.

³⁸ See also: UNCTAD. 2019. *Synthesis of the five subprogramme evaluations and update on the status of implementation of recommendations*. TD/B/WP/299. Geneva.

6.3.2. Looking forward

71. The evaluation interviews highlighted needs for additional technical assistance from the three countries as well as room for expanding the project to a larger number of beneficiaries. According to the evaluation survey, continued capacity development of policy makers and improving country capacities to regularly collect statistics on key areas of productive priorities are the type of support a PCI Project could prioritize going forward (Figure 16).

Figure 16: Types of support needed.

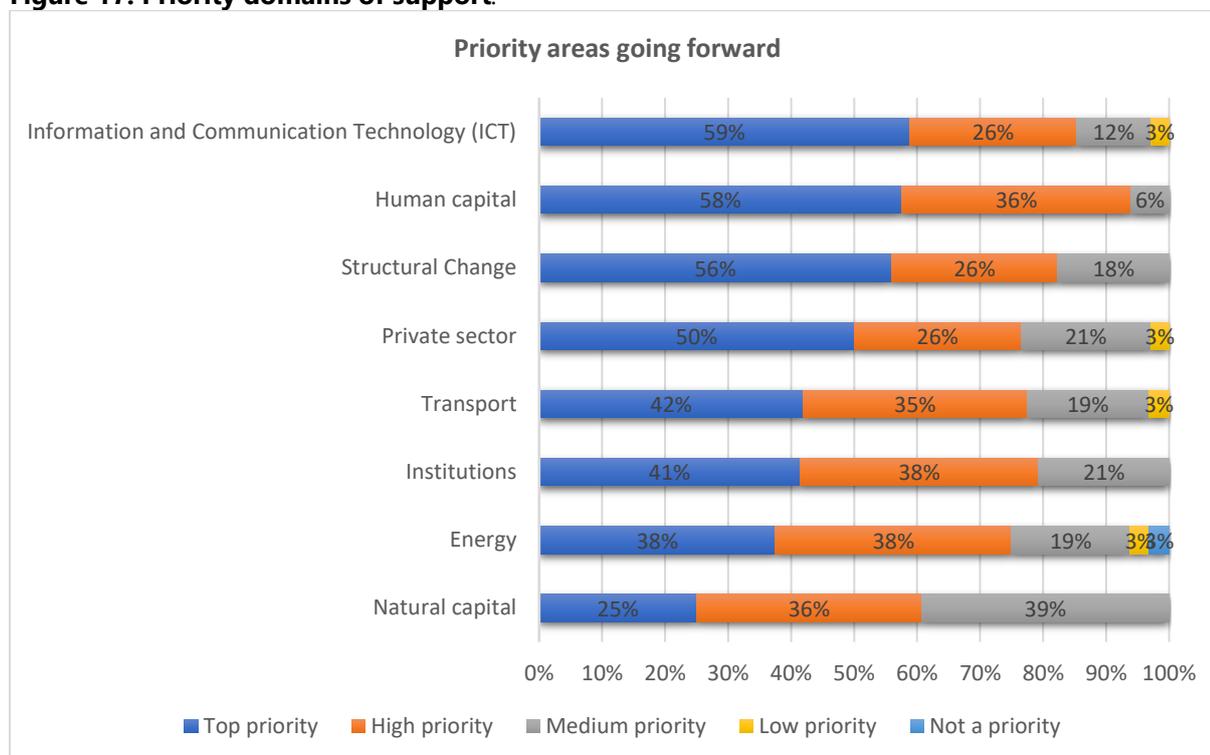


72. Sectoral specialization is another direction for further technical assistance and policy support. One survey respondent reported for example the potential for maximizing productive capacities in Lao PDR on sectors such as electricity generation, clean agriculture, and forest cover including for the development of eco-tourism. UNCTAD would have room therefore for providing focused development assistance on such sectors, which would effectively support the country in achieving faster the sustainable development goals. In Rwanda, a survey respondent mentioned the need for further support on *“the implementation of the ICT4COM strategy, ecommerce policy and strategy”, “further identifying areas for policy reviews in both domestic and regional trade”, “implementation of the AfCFTA strategy with possible focus on research studies in the strategy”, and “capacity building programs including the increased training of women in cross-border trade on the use of the simplified trade regime and e-commerce among others”*.

73. According to the evaluation survey, Information and Communication Technology (ICT), Human Capital, and Structural Change are the PCI dimensions that were most frequently reported as top

priorities going forward (Figure 17). When cross-tabulating survey results with the demographic profile of respondents and the productive capacities categories they primarily work on, ICT is the dimension that is more particularly highlighted as a top priority.

Figure 17: Priority domains of support.



6.4. PARTNERSHIPS AND SYNERGIES

74. The evaluation found that the PCI Project has advanced partnerships amongst project participants with national and regional counterparts, international development partners, the civil society and/or the private sector in support of results, and sustainability of results.

75. Interviewees from government institutions commended the collaboration with UNCTAD and with the PCI Project staff for the quality policy guidance and technical advice, including when provided remotely. Since 2016 UNCTAD has been able to mobilize resources and develop partnerships to initiate several projects supporting Productive Capacities (Table 9). The evaluation found that room remains for extending and sustaining support with appropriate partnerships. As noted for example by a survey respondent: *"There's increased need to further building and institutionalize PCI in Rwanda, A draft project was designed with the support of UNCTAD and there is need to mobilize funding for its implementation."*

Table 9: PCI-related projects.

Project title (code)	Partners	Donors	Beneficiaries	Duration	Budget
Coherent strategies for productive capacity development in African least developed countries (2023E)	UNECA	UN Development Account (12th Tranche)	Burkina Faso, Rwanda and Tanzania	2020-2023	USD590,155
Developing integrated programmes to alleviate binding constraints to Development by fostering structural transformation, building productive Capacities and enhancing investment opportunities and	UNECA, UNIDO, UNCTS	2030 Agenda for Sustainable Development Sub-Fund	Angola, Botswana, Ethiopia, Kenya, Mozambique, Nigeria,	2021-2023	USD1,070,000

linkages with China (TJBS)			Rwanda, and Zimbabwe		
EU-UNCTAD joint programme for Angola: Train for Trade II (TFBK)		European Union	Republic of Angola	2017-2023	USD6,300.000

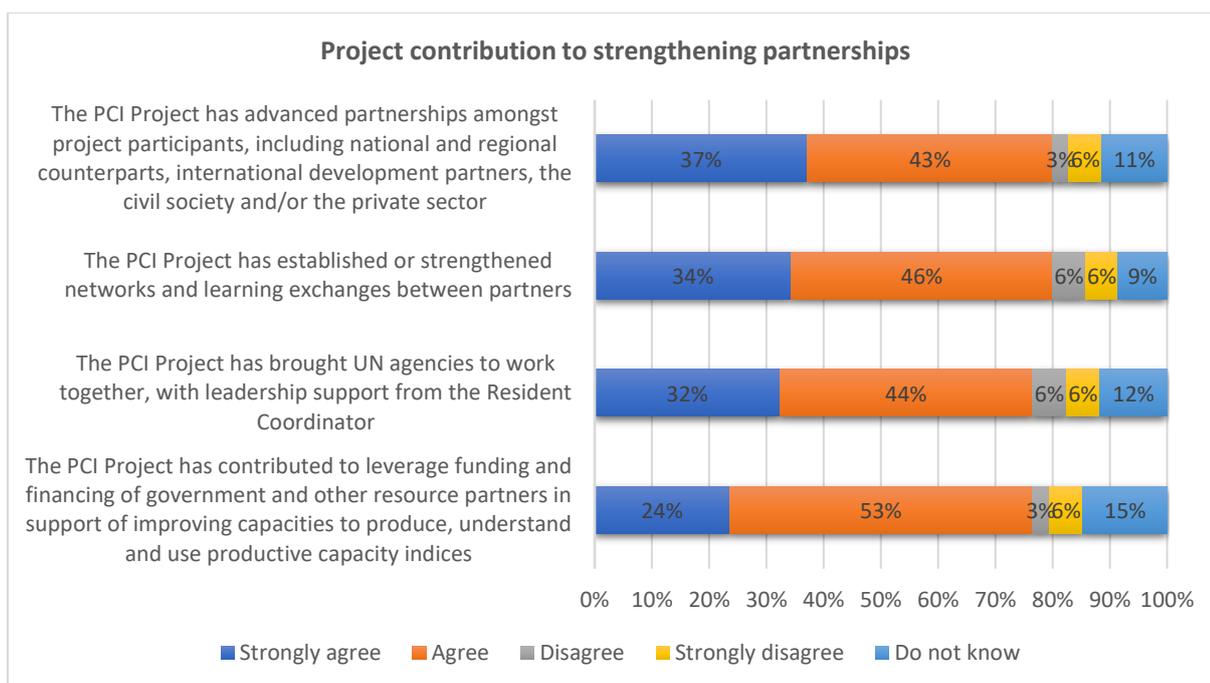
76. Collaborations were reportedly strengthened with several UN agencies, including UNDESA, UN-OHRLS, UNECA, ESCAP, UNIDO, and UNDP. With the UN reform, the role of the UN RCO was referred to as increasingly important across a range of areas, from jointly engaging in project formulation up to collaborating on delivery such as building capacities of national policy makers. Relationships with the economists in the RCOs were also reported on the rise. Informants mentioned good collaborations between agencies with some synergies on the work done in relation to LDC graduation and opportunities to share best practice and cross-fertilize. However, interviewees also pointed out that collaborations with the UN RCOs were established on a country-by-country basis and were not systemic. Furthermore, collaborations with UN agencies that have the “sectoral” mandate or a comparative advantage for one or another indicator of the PCI have remained limited. The evaluation did not find evidence of the project leveraging the United Nations Inter-Agency Cluster on Trade and Productive Capacity³⁹ to facilitate uptake of the PCI by member agencies or explore opportunities for coordinated operations or joint programmes focusing on Trade and Productive Capacity that are designed and implemented by Cluster Organizations.

77. Several examples of partnerships with national institutions were conveyed to the evaluation. The project for example has leveraged a partnership with the Centre for the Study of the Economies of Africa (CSEA), an independent non-profit research organization established in Nigeria. The CSEA was engaged in contributing to the organization and delivery of regional PCI workshops in Namibia as well as in research work on the PCI index and peer reviews of publications, and on assessing the gaps on cost trade and productive capacities. Another successful partnership involved the Economic Policy Research Network Rwanda (EPRN). Productive capacities were among the discussion items during the annual conference in 2020. In 2021, the 7th Annual EPRN Conference set a forum for policymakers, academics, international organizations, and development partners to discuss the social and economic consequences of the COVID-19 pandemic on Rwanda and to suggest specific short, medium, and long-term recommendations to recover from the crisis. Co-organizers included UNCTAD, EPRN, MINICOM, MINECOFIN, UNECA, UNDP, GIZ, and IFPRI, with sponsor funding from UNCTAD, MINICOM, UNECA, UNDP, GIZ, IFPRI, Scottish Government, Oxfam, and Strengthened Network for Greater Impact.

78. For 80% of survey participants, the project has advanced partnerships amongst project participants, including national and regional counterparts, international development partners, the civil society and/or the private sector (Figure 18). One survey respondent mentioned for example that the project has *“Increased cooperation with CSOs and Farmer Organization/Community Based Organization and support effective enforcement in the ground levels and Long-term support”*. While still favourably assessed, there is not such a strong agreement as for the contribution of the project to leverage funding and financing of government and other resource partners in support of improving capacities to produce, understand and use productive capacity indices.

Figure 18: PCI partnerships.

³⁹ <https://unctad.org/projects/UN-Inter-agency-Cluster>



6.5. GENDER AND HUMAN RIGHTS

According to the project document, *“Although weak productive capacities in LLDCs cut across the entire economy (not sector specific), including institutional and human resources capabilities and given the paramount role of women in the socio-economic development of these countries, the project will pay particular attention to the role of gender in development. This means that, as part of the PCIs, gender specific index such as the degree of economic empowerment of women in the target countries or the degree of entrepreneurial support (by governments) for women will be identified. Gender specific index will be crucial in directing or guiding trade and development policies in beneficiary countries to mainstream gender in the respective domestic policies.”* This initial objective was partly realized. One out of the 46 indicators that compose the Productive Capacities Index is gender sensitive. The gender dimension in the PCI is reflected by the *“fertility rate”* indicator which is part of the Human Capital score. The choice of this indicator was dictated by its statistical relevance and availability of data for almost all the countries⁴⁰. The evaluation also noted some level of gender sensitivity mainstreamed in project activities. Participation to the project training events and workshops has sometimes been monitored with gender disaggregated data. However, PCI publications (see paragraph 51) have very limited if any gender analysis.

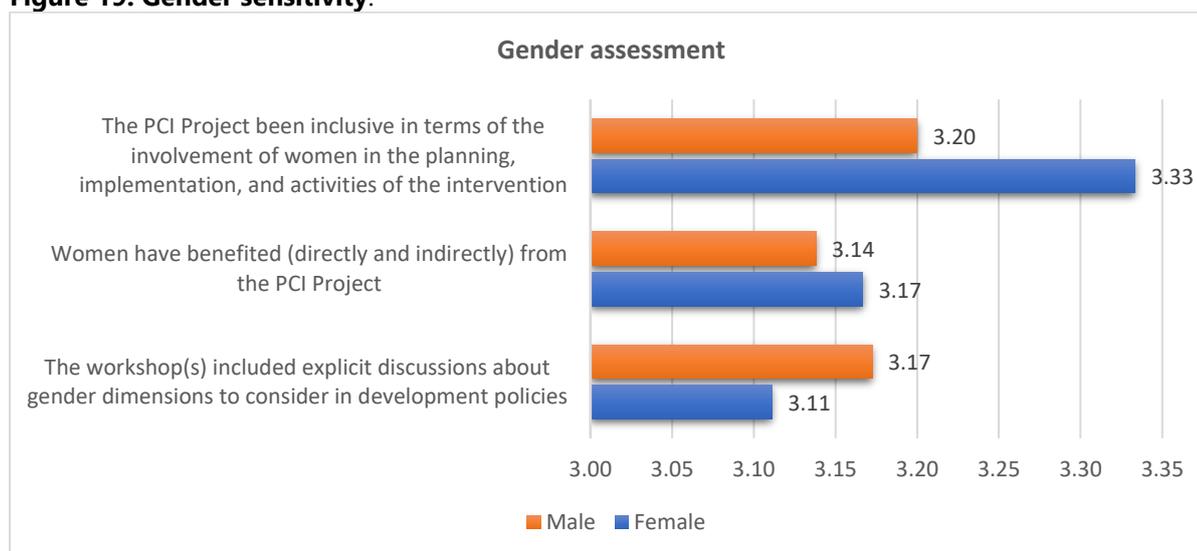
79. According to evaluation informants, the limited mainstreaming of gender equality into the project owes to the difficulty to build indices. The Productive Capacities Index is also expected to evolve, including with satellite indices which, over time, may have a stronger gender focus. There are a number of existing indices on Women’s Economic Empowerment developed by UN-Women, UNDP, IFPRI, etc. with which linkages could perhaps be explored. Furthermore, supported by the 12th tranche of the DA, UNCTAD is implementing a project on data and statistics for more gender responsive trade policies. This new project might contribute to/link in to enhance the PCI in some way as well⁴¹. The evaluation noted that the project did not benefit from the support of a gender specialist. According to the survey, there is

⁴⁰ The indicator captures (as proxy) many other gender sensitive indicators as it provides hints on labour productivity of women and number of school years attained by women. For instance, higher fertility rates prevent women from undertaking research, involve in longer training (or education) and adversely affect labour productivity. Therefore, the choice of the indicator was justified based on its statistical grounds.

⁴¹ <https://unctad.org/project/data-and-statistics-more-gender-responsive-trade-policies-africa-caucasus-and-central-asia>

overall a favourable assessment as for the extent to which gender mainstreaming and inclusiveness were integrated in and have benefited from the project. Survey respondents agreed but more moderately that women have benefited from the PCI project. Survey cross-tabulations that male respondents were slightly more positive than female respondents regarding the extent to which PCI workshop(s) included explicit discussions about gender dimensions to consider in development policies. However, female respondents were slightly more positive than males when assessing the extent to which women benefited (directly and indirectly) from the PCI Project; and the inclusiveness of the PCI Project in terms of involving women in the planning, implementation, and activities of the intervention (Figure 19).

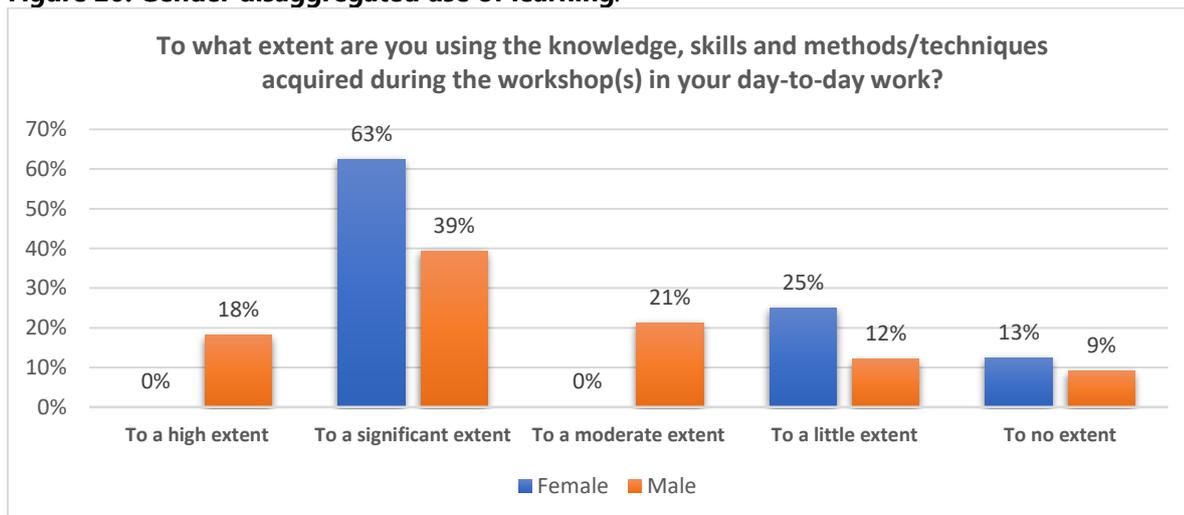
Figure 19: Gender sensitivity.



Index: 1: Strongly disagree; 2: Disagree; 3: Agree; 4: Strongly agree.

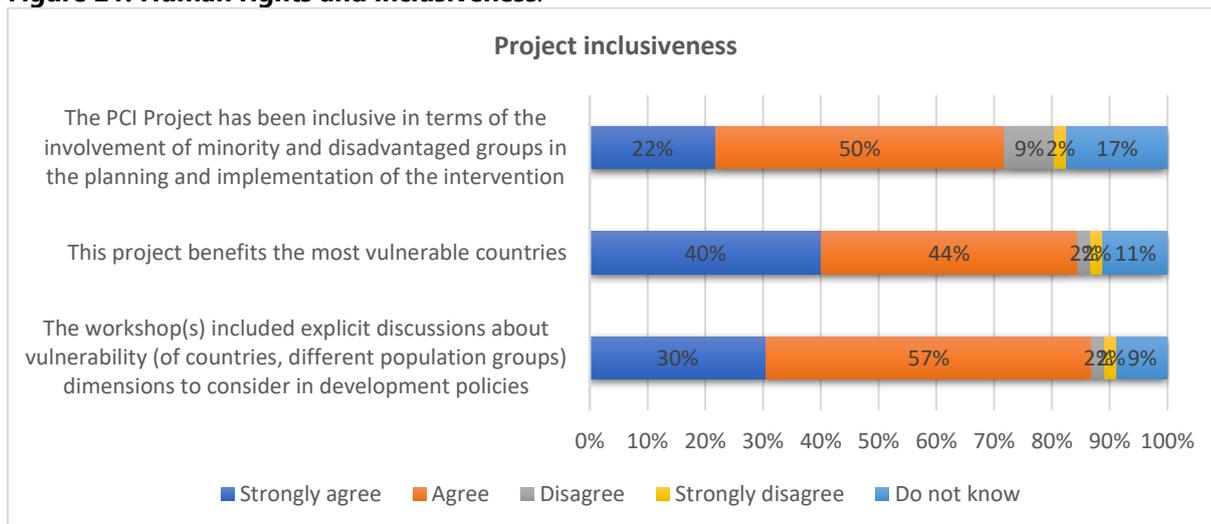
80. Gender disaggregated data regarding the use of the knowledge, skills and methods acquired during the workshops in day-to-day work shows some differences between females and males (Figure 20). Indexed results indicate that knowledge, skills, and methods acquired during the workshops were reported slightly more frequently used by males (3.55/5) than by females (3.12/5).

Figure 20: Gender disaggregated use of learning.



81. One of the PCI's dimensions is 'Institutions', referred to as "Institutions aim at measuring political stability and efficiency through its regulatory quality, effectiveness, success in fighting criminality, corruption and terrorism, and safeguard of citizens' freedom of expression and association." This encompasses a variety of human rights areas and human rights aspects are integrated in the Productive Capacities Index as part of the institutional component through a World Bank informed indicator on "Voice and Accountability", i.e. the "Perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media". The project has also worked with the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLS), which supports groups of vulnerable countries in the United Nations System. According to survey respondents, the project has benefited the most vulnerable countries, owing for example to the fact that "Most vulnerable countries were included in the development of the index. As a result, their views and experiences were incorporated into the development of the index". However, there is not a strong positioning and visualization in the PCI of minorities and vulnerable groups, and of leaving no one behind. As previously noted, informants referred to the difficulty of building indices as well as to a frequent lack of data and capacities at country level to represent minorities in PCI indicators.

Figure 21: Human rights and inclusiveness.



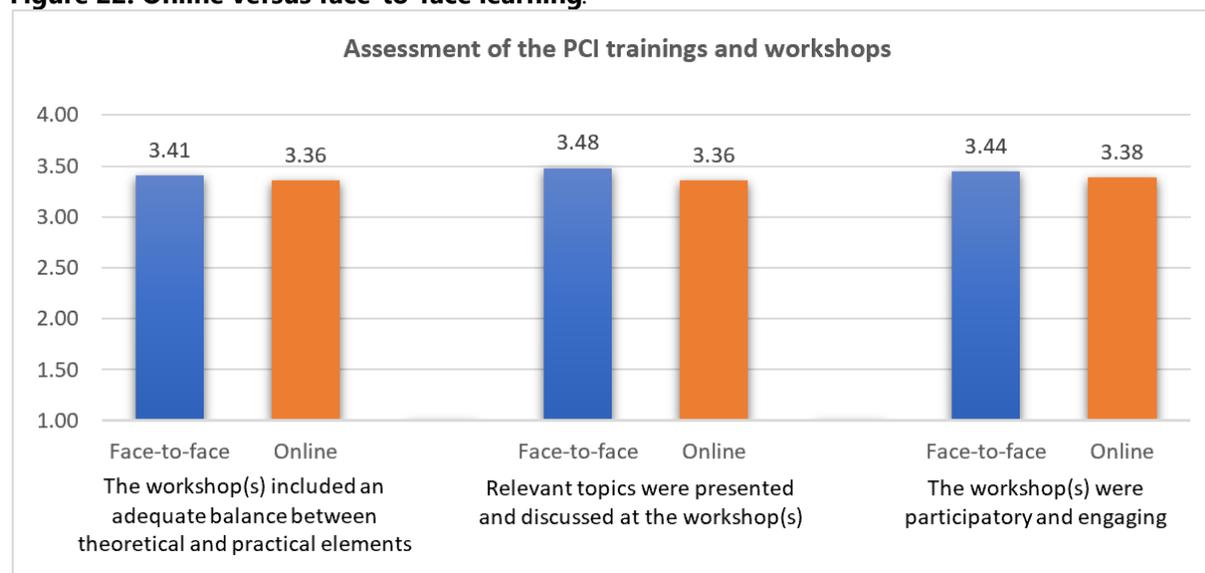
6.6. RESPONSES TO COVID-19

82. The global COVID-19 crisis has created devastating health effects that have impacted all communities and individuals and gravely wounded the world economy with serious consequences and major challenges for governments all around the world⁴². Capacity development activities planned by the PCI Project for 2020 were put on hold. Seminars, workshops, as well as advocacy events resumed online in 2021, while the project benefited from a no-cost extension.

83. Two statistical training workshops were delivered online in 2021, respectively for beneficiaries in Lao PDR and in Rwanda. Survey results indicate that these events were found almost as effective as face-to-face trainings. Cross-tabulations performed by the evaluation show that participants in the face-to-face workshops rated more positively these events compared to participants in online trainings, but the difference is somewhat quite limited. There is no reflection of a major dropout in the ratings provided by participants in the online events, which tend to indicate that they were effective. The evaluation attended parts of the sessions of the online training organized for Lao PDR and observed the quality and clarity of the presentations and skilled speakers. It should be noted that this was an “hybrid” event, as most participants in Lao PDR were physically in the same room, which may have facilitated continuous engagement and side exchanges. About 95% of the participants rated this training either good or very good. As noted earlier, one issue though was that the internet connection of one speaker cut several times during one of the sessions, which may call for planning backup solutions in case of similar events in the future as such IT challenges may occur again.

⁴² <https://unctad.org/programme/covid-19-response/impact-on-trade-and-development-2021>

Figure 22: Online versus face-to-face learning.



Index: 1: Strongly disagree; 2: Disagree; 3: Agree; 4: Strongly agree.

84. Project outcomes have also contributed to informing impact analysis and responses to the COVID-19 crisis. In Mongolia for example, the project has informed the UN socio-economic response to COVID-19, which notes that *“The confluences of commodity dependence and geographical challenges, which are inherent in weaker economies such as Mongolia, require a new generation of domestic trade and development policies and international support measures that place the fostering of productive capacities and structural economic transformation at their centre.”*⁴³ In March 2021, ESCAP published a flagship report that integrates the Productive Capacity Index as one of the instruments used in the analysis of the impacts of the COVID-19 pandemic in Asia-Pacific⁴⁴. The report finds inter alia that *“Asia-Pacific LDCs also need to take an integrated approach to multidimensional poverty, with a focus on the immediate needs of vulnerable groups, strengthening productive capacity and promoting structural economic transformation.”*

85. In Rwanda, although not being directly attributable to the PCI Project⁴⁵, UNCTAD and MINICOM organized in May 2021 a workshop to discuss the opportunities and challenges to developing productive capacities in the country in the light of the COVID-19 pandemic. The workshop was opened by the Minister of Trade and Industry, the UNRC, and the Director of the UNCTAD’s Division for Africa, LDCs and Special Programmes. Still in Rwanda, UNCTAD contributed at the end of May 2021 to the 7th Annual Research Conference of the Economic Policy Research Network (EPRN) on *“Economic policy measures to enhance productive capacities post COVID-19 crisis”*. The conference provided a forum for policymakers, academics, international organizations, and development partners to discuss the social and economic consequences of the COVID-19 pandemic on Rwanda and suggested specific short, medium, and long-term recommendations to recover from the crisis. The event was co-organized by UNCTAD, EPRN, MINICOM, MINECOFIN, UNECA, UNDP, GIZ, and IFPRI. Evaluation informants in the country mentioned that following these activities, MINICOM initiated a mapping of the socio-economic impacts of COVID-19, especially on productive capacities. The mapping identified sectors negatively affected by the pandemic, but also some positively affected (ICT, health, and food and agro-processing). This work

⁴³ UN Mongolia. 2020. UN socio-economic response to COVID-19. Ulaanbaatar.

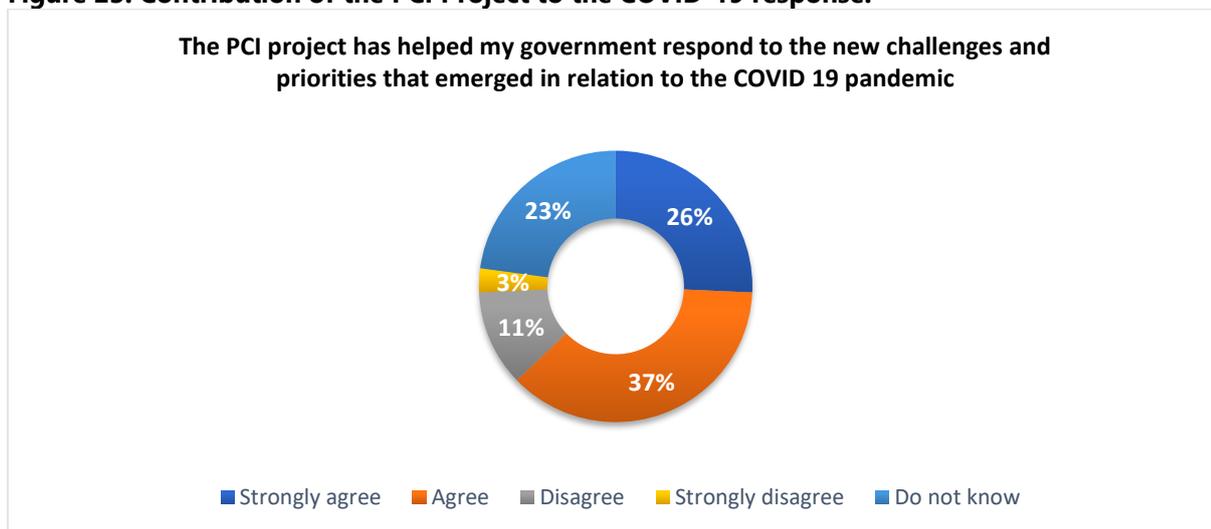
⁴⁴ ESCAP. 2021. ASIA-PACIFIC COUNTRIES WITH SPECIAL NEEDS DEVELOPMENT REPORT - Strengthening the resilience of least developed countries in the wake of the coronavirus disease pandemic. Bangkok.

⁴⁵ UNCTAD launched in 2020 the 12th Tranche UN Development Account project on *“Coherent Strategies for Developing Productive Capacities in African LDCs.”* Rwanda is one of the beneficiary countries.

brought to analyse the effects of the pandemic and adequacies of the policy frameworks, institutional capacities, human capital, and partnerships, with a view to inform future interventions.

86. According to the evaluation survey, slightly over 60% of the respondents reported that the PCI Project has helped their government to respond to the new challenges and priorities that emerged in relation to the COVID-19 pandemic. This is overall positive, but interviews indicate room for further support (and funding) directed to productive capacity gap assessments in response to the COVID-19 crisis.

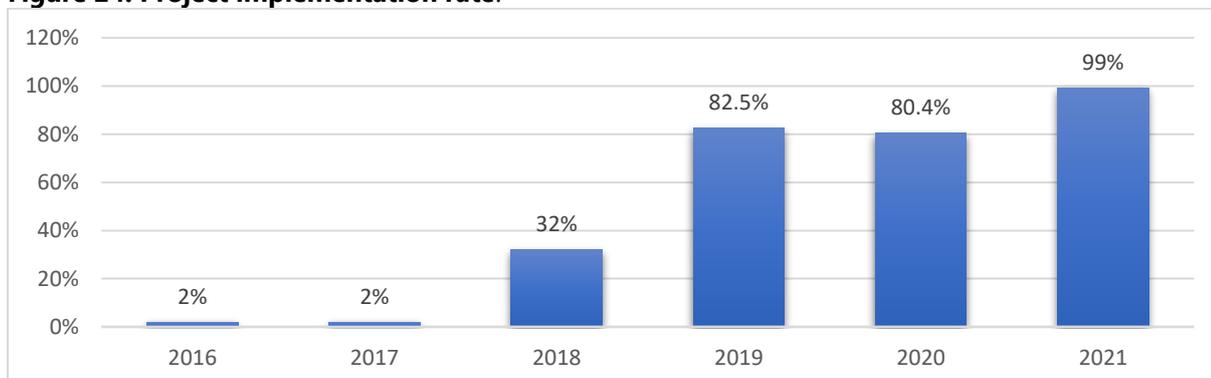
Figure 23: Contribution of the PCI Project to the COVID-19 response.



6.7. PROJECT EFFICIENCY

87. The project was implemented by a small core team of four staff within UNCTAD's Division on Africa and least developed countries. Project delivery has been extremely low during the first two years of implementation (Figure 24), reportedly as a result of (i) the use of existing other project funds for substantive activities undertaken throughout the year, (ii) beneficiary countries taking significant amount of time in designating focal persons and institutions, and (iii) movement of project staff member to other organizations, and full-scale commitment of existing staff in implementing other projects and work programmes. The evaluation noted inadequate staffing capacity throughout the project cycle in view of the demanding task of developing a global index with the level of visibility and quality expected from a UN agency.

Figure 24: Project implementation rate.



88. It was not in the scope of the evaluation to conduct a detailed financial analysis of the project. As of early 2020, project expenditures indicate that out of a total budget of USD 599,000 more than USD 215,000 were committed to covering travel expenses of staff. The evaluation found that this makes a significant proportion of the budget (39.7%) going to this expenditure item⁴⁶. Project staff indicated that in order to contain travel costs and benefit from lower fares, air tickets were reserved well ahead of the trips. The UN Joint Inspection Unit recently published a “Review of Air Travel Policies in the United Nations System”⁴⁷ that contains findings and recommendations that may assist in the identification of good practices to achieve efficiency gains. Scaling online activities as well as establishing and leveraging partnerships at country would also contribute to the same objective.

Figure 25: Project financial information. Source: Progress report, 2020.

Object Class	Description	A. Budget/Allotment (as per project document) (USD)	B. Revisions to allotments (if any) (USD)	C. Explanations of revisions to allotments (USD)	D. Total Expenditure (USD)
015	Other staff costs - General temporary assistance	60'000,00	-60'000,00 -70'000,00	To cover deficit under class 115 - Travel	0,00
105	Consultants and experts	126'000,00	22'000,00	To cover deficit under class 115 - Travel To cover deficit under 105	77'645,59
115	Travel of staff	150'000,00	-297,91 60'000,00 70'000,00 -720,00 -55'000,00 -25'500,00 38'191,27	Adjustment during re-phasal To cover deficit class 115 - Travel To cover deficit class 115 -Travel To cover deficit under class 145 To cover deficit class 120	23'5484,31
120	Contractual services	80'000,00	55'000,00 13'500,00 4'035,82	Adjustment during re-phasal To cover deficit class 120 - cont. services To cover deficit under Class 105 – consultant and class 120 contractual services	134'112,77
125	General operating expenses	8'000,00	-5'000,00 -18'948,83	Adjustment during re-phasal To cover deficit under Class 105 – consultant and class 120 contractual services	878,85
130	Supplies and materials	0,00			0,00
135	Furniture and equipment	0,00			0,00
145	Workshops/Study tours (Grants and contributions)	175'000,00	720,00 -5'000,00 -22'980,35	To cover deficit class 145 – grants and contributions To cover deficit under Class 105 – consultant and class 120 contractual services Adjustment during re-phasal	145'064,85
	Total	599'000,00			593'186,37

89. As noted earlier, the project faced a change in the Minister’s portfolio in Botswana leading towards delay of achievement of expected policy outcomes. Change of national counterparts/people in Ministries is not an unusual occurrence. This highlights the need for more thorough risk management and contingency planning so that project teams are better prepared and sufficiently adaptive to introduce new actions in such circumstances. Partnerships with UN organizations or research institutes at country level are also another possible avenue that project management can explore to mitigate the effects of institutional changes, and/or movements of government officials.

⁴⁶ Increased travel expenditures stemmed from more travels carried out due to additional workshops and meetings implemented. In the project document, the travel budget was USD150,000, or 25% of the project budget.

⁴⁷ United Nations. 2017. Review of Air Travel Policies in the United Nations System - Achieving efficiency gains and cost savings and enhancing harmonization. JIU/REP/2017/3. Joint Inspection Unit. Geneva.

90. Project management has provided annual progress report to the DA office through TCS, covering all aspects of project implementation. The evaluation found these reports succinct and not adequately addressing practical lessons learned at each phase of the activities undertaken and providing limited analysis of feedback from beneficiary countries against the Expected Achievements.

91. The evaluation requested, with the UNCTAD's Evaluation Office standard form, to be provided with a range of documents for desk review. This was only partially responded to. The evaluation solicited the list of participants to the (15) PCI Project training events and workshops, in order to survey beneficiaries, but received only 10 files on time (out of which 2 were duplicates). Furthermore, as indicated earlier, the lists did not distinguish the training events organized under the 1617M project from sessions delivered as part of another UNCTAD project. Accordingly, the evaluation found that the design of the project lacked a knowledge management component that could have contributed to more efficient management. Adequate knowledge management might also be of value in the context of new PCI projects being added to UNCTAD's portfolio. Capitalizing on past experiences might spur increased efficiencies and become more relevant going forward.

7. CONCLUSIONS

92. Based on an analysis of the findings, the evaluation formulates the following conclusions.

Relevance

93. The evaluation found the PCI Project highly relevant. The project contributed to address a development agenda that is central to the LDCs and LLDCs and that UNCTAD described already 15 years ago. The project was strongly anchored in UNCTAD's mandates. The project builds on UNCTAD's strategic objective of supporting LDCs and LLDCs; a strong body of knowledge and analytical work on Productive Capacities; skilled technical and statistical capacities; and capability to harness partnerships including with other UN organizations. Furthermore, the project was designed to address the development needs and priorities of participating countries.

Effectiveness

94. Most project activities were achieved or are likely to achieve planned objectives as enunciated in the project document and outcomes, in particular against relevant SDG targets.

95. At country level, training events and workshops, and technical assistance have effectively strengthened capacities in the three project countries. In Rwanda, Productive Capacities have been further taken up by the Government in policy formulation, strategies, and programmes. In Lao PDR, productive capacities are on the agenda of the graduation process. Contribution of the project to mainstreaming productive capacities and structural transformation in the agenda of work of the Botswanan Government is unclear.

96. At global level, the project has contributed significant achievements. In February 2021, UNCTAD launched the Productive Capacities Index database, which covers 8 dimensions and 46 indicators for the period 2000-2018. The project has also produced or participated in several quality publications. Advocacy and outreach activities have contributed to enhance the visibility of the productive capacities and structural transformation agendas.

Sustainability

97. There is evidence that Rwanda and Lao PDR will continue working towards the project objectives beyond the end of the project. However, in these countries, further support including though sectoral technical assistance would facilitate the mainstreaming of the productive capacities and structural transformation and would accelerate outcomes. The evaluation was not able to collect evidence of sustainable outcomes in Botswana.

98. At the global level, the PCI database has been mainstreamed in the activities of UNCTAD's Statistics Branch (Division on Globalization and Development Strategies (GDS)). However, the relevance, usefulness, and sustainability of the PCI are bound to enhancing the technical robustness and ensuring the maintenance of the indices. This would require resources that remain to be mobilized.

Gender and human rights

99. Human rights-based approach and a gender mainstreaming strategy have been considered and incorporated in the design and/or implementation of the project. Strengthening the gender and LNOB components of the PCI links to the availability of data sources.

Partnerships and synergies

100. In addition to collaborating with several ministries and national institutions, the project has established and/or leveraged partnerships with different types of stakeholders, including UN organizations (e.g. UNESCAP) and national research institutes. However, sectoral collaborations with UN

agencies at global level as well as partnerships with UN organizations at country level, including with the UN RCO, have been limited. Similarly, partnerships with national research institutes and academia were implemented on a narrow scale. Altogether, the project has moderately advanced partnerships amongst project participants with national and regional counterparts, international development partners, the civil society and/or the private sector in support of results, and sustainability of results.

Responses to Covid-19

101. The project has successfully repurposed activities in the form of online trainings and remote technical support. Beneficiaries have found these modalities effective. Furthermore, countries have used the PCI to analyse the impact of the COVID-19 and to inform responses.

102. The Covid-19 crisis has led the project team to request and be granted a 4-month no-cost extension, bringing project closure to April 2021.

Efficiency

103. The project budget was USD 599.000 over five years. Project delivery was extremely low at first, reaching only 2% after two years, but raised to 99% after four years. The project has been implemented with a very small team and limited capacity when considering the task of developing a global index. Travel expenses of project staff have accounted for 39.7% of the overall budget.

8. LESSONS LEARNED AND GOOD PRACTICES

104. The evaluation identified several lessons learned and good practices that may inform future projects.

Lesson learned 1

105. Other UNCTAD evaluations have already identified the frequent challenge for projects to start engaging with national partners in the context of a lack of country presence. For the PCI Project, it took up to two years to start delivering. Room remains for UNCTAD to shorten the project initiation phase, for example by exploring facilitating factors such as strengthening partnerships at country level, establishing a national project implementation unit, promoting joint funding mechanisms, organizing a global project inception meeting, etc.

Lesson learned 2

106. Knowledge Management was not a component of the project design. While this may have limited negative outcomes at the level of a stand-alone project, this is likely to create increased inefficiencies as new projects become developed or a programmatic approach is established.

Lesson learned 3

107. The project logframe is a guiding instrument throughout a project lifecycle. Intended outcomes or activities that are not specifically referred in the project results-framework, for example gender related objectives, lose visibility, and become more difficult to be realized.

Good practice 1

108. The project has demonstrated that UNCTAD is innovative and can swiftly turn a proof of concept into a global platform. A major undertaking such as the creation and launch of a global composite index and portal can be achieved with limited resources and in a short period of time with strong leadership support, a small but skilled and well-engaged team, and close collaboration between the UNCTAD's divisions and services.

Good practice 2

109. Some constraints imposed by the COVID-19 pandemic can be mitigated. Online trainings and hybrid events that respect recommended social distancing and sanitary measures provide a modality that can effectively contribute to building capacities remotely at lower cost.

9. RECOMMENDATIONS

110. The evaluation formulated several recommendations that UNCTAD could consider when formulating and implementing future project interventions.

Recommendation 1

111. To better respond to the demand of countries and promote sustainability of results, UNCTAD should formalize its programmatic approach to the work on the PCI that will enable scaling up support to graduation processes and the achievement of the SDGs. Formalization of the programme should be supported by: (i) the development of a proper strategy based on a sound Theory of Change (see also Recommendation 2); (ii) strengthening capacities for the management of PCI-related projects as well as for sustaining the maintenance and continuous improvement of the indices; and (iii) a clear resource mobilization strategy and investing in its implementation. Strengthening the methodological and technical robustness of the index should be considered a priority. UNCTAD could consider benchmarking other organizations that provide indices to better assess the level of capacities needed to sustain such initiatives and uplift PCI staffing and resources accordingly.

Recommendation 2

112. Forthcoming PCI-related project documents should present a Theory of Change to support project teams in carrying out a systemic analysis of the conceptual framework to help assessing its robustness and the coherence of the causal pathways, and underlying assumptions and drivers that influence interventions. Building on a stakeholder analysis, such Theory of Change could consider spelling out intended outcomes for different types of partners and stakeholders in order to support the design of activities that target specific groups of beneficiaries and facilitate the identification of synergies.

Recommendation 3

113. In the context of UN reform, UNCTAD should commit further efforts to strengthening and systematizing relationships with the UN RCOs. Being cross-sectoral, forthcoming PCI-related projects should also consider involving relevant UN organizations, including with country presence, to maximize the comparative advantages of the agencies and facilitate in-country provision of technical assistance and sectoral policy development. Furthermore, forthcoming PCI-related projects should consider strengthening partnerships with national research institutes in order to strengthen national capacities and contribute to the localization agenda.

Recommendation 4

114. UNCTAD should consider further increasing the visibility of the PCI and building capacities to facilitate uptake. The organization could consider developing an online training module to scale access and learning, eventually through a partnership with specialized agencies and institutes, such as UNITAR or UNSSD. UNCTAD should also consider providing additional support to countries to formulate PCI-related project proposals, including with a sectoral focus. UNCTAD should strive to increase the number of supported LDCs through capacity development and policy advice on improving productive capacities.

Recommendation 5

115. Forthcoming PCI-related projects should strive to make increased efforts to mainstream gender and human rights in project design and implementation. Project documents should include gender and vulnerability analyses, and gender disaggregated indicators, and ensure a thorough stakeholder analysis to identify all who should be involved. During implementation, UNCTAD should consider partnering with or involving specialists of gender equality and LNOB.

ANNEXES

ANNEX 1: LIST OF RESOURCES CONSULTED

- UNCTAD. 2015. *Benchmarking Productive Capacities in Least Developed Countries*. Geneva.
- UNCTAD. 2016. Project Document. *Indices for benchmarking productive capacities for evidence-based policymaking in landlocked developing countries*. DA Project Code 1617M. Geneva.
- UNCTAD. 2016. Project Logframe. *Indices for benchmarking productive capacities for evidence-based policymaking in landlocked developing countries*. DA Project Code 1617M. Geneva.
- UNCTAD. 2016-2019. *Annual Progress Report 10th tranche development account project. Indices for benchmarking productive capacities for evidence-based policymaking in landlocked developing countries*. DA Project Code 1617M. Geneva.
- UNCTAD. 2019. *Synthesis of the five subprogramme evaluations and update on the status of implementation of recommendations*. TD/B/WP/299. Geneva.
- UNCTAD. 2020. *Building and Utilizing Productive Capacities in Africa and the LDCs*. Geneva.
- UNCTAD. 2020. *The Least Developed Countries. Report 2020*. Geneva.
- UNCTAD. 2021. *COVID-19 and the Challenge of Developing Productive Capacities in Zambia*. UNCTAD Research Paper n° 63. Geneva.
- UNCTAD. 2020 a. *UNCTAD Productive Capacities Index. Methodological Approach and Results*. Geneva.
- UNCTAD 2020 b. *UNCTAD Productive Capacities Index: Focus on Landlocked Developing Countries*. Geneva
- United Nations Development Account. 2015. *Guidelines for the Preparation of Project Documents for the 10th Tranche of the Development Account*. New York.
- United Nations Development Account. 2019. *Development Account Evaluation Framework*. New York.
- United Nations. 2018. *Resolution adopted by the Economic and Social Council on 24 July 2018*. E/RES/2018/29. New York.

ANNEX 2: EVALUATION MATRIX

Relevance		
<ul style="list-style-type: none"> To what extent the project design, choice of activities and deliverables properly reflect and address the development needs and priorities of participating countries, taking into account UNCTAD's mandates? What is UNCTAD's comparative advantage in this area of work and to what extent did this project optimize it? 		
Evaluation sub-questions	Measures or evidence	Suggested sources and/or methods
<ul style="list-style-type: none"> Was the project responding to the current global policy and directives related to productive capacities? How does the project support the implementation of the SDGs? To what extent were national partners consulted in the project design phase? Does the project logic (logframe) make sense? What are UNCTAD's comparative advantages and how were they mainstreamed in the project design and leveraged during implementation? Are there other players doing the same thing? 	<ul style="list-style-type: none"> References to global frameworks in the PRODOC and project outputs. References to the project in UNCTAD's strategy and annual reports. References by UNCTAD staff and partners as evidence. References of country consultations in the PRODOC. References by UNCTAD staff and partners as evidence. References by UNCTAD staff and partners as evidence. References to the project in UNCTAD's strategy and annual reports. Press coverage PCI launch. References by UNCTAD staff and partners as evidence. 	<p><u>Desk review:</u> PRODOC, annual progress reports. <u>Interviews:</u> UNCTAD staff and national partners.</p> <p><u>Desk review:</u> PRODOC, UNCTAD strategy. <u>Interviews:</u> UNCTAD staff and national partners. <u>Survey:</u> UNCTAD staff and national partners.</p> <p><u>Desk review:</u> PRODOC, annual progress reports. <u>Interviews:</u> UNCTAD staff and national partners.</p> <p><u>Desk review:</u> UNCTAD strategy. <u>Interviews:</u> UNCTAD staff and national partners. <u>Survey:</u> UNCTAD staff and national partners.</p>
Effectiveness		
<ul style="list-style-type: none"> Have the activities achieved, or are likely to achieve, planned objectives as enunciated in the project document and outcomes (intended or unintended), in particular against relevant SDG targets? 		
Evaluation sub-questions	Measures or evidence	Suggested sources and/or methods
<ul style="list-style-type: none"> To what extent have the relevant ministries and entities increased capacity to measure and benchmark productive capacities with the help of productive capacity indices? 	<ul style="list-style-type: none"> Evidence of conceptual, methodological and statistical frameworks defined and articulated for the three project countries. Evidence of PCIs computed in project countries. 	<p><u>Desk review:</u> Project surveys, annual progress reports, project outputs, relevant documents produced by project countries, PCIs.</p>

<ul style="list-style-type: none"> • To what extent have policymakers in beneficiary countries increased capacity to understand, interpret and use productive capacity indices as a tool to formulate and monitor policies and strategies aiming at enhancing productive capacity and structural transformation? • To what extent have the selected countries improved capacity to regularly collect statistics and related information in key areas of productive capacities? • What are the good practices and lessons learned from project implementation? What are the unintended positive and negative effects of the project? 	<ul style="list-style-type: none"> • Evidence in progress reports. • References by UNCTAD staff and partners as evidence. • Percentage of trained policymakers in the three targeted countries that confirm increased capacity to use PCIs in formulating evidence-based policies and strategies, and monitoring their implementation. • Percentage of trained policymakers in all three targeted countries that have taken initial steps to improve relevant policies and strategies aiming at enhancing productive capacities and structural transformation based on the PCIs developed. • Evidence in progress reports. • References by UNCTAD staff and partners as evidence. • Percentage of trained staff in beneficiary countries' institutions dealing with statistics that confirm improved capacity to collect statistics and related information in key areas of productive capacities • Three project countries have in place their plans for data collection and updating PCIs periodically. • References by UNCTAD staff and partners as evidence. • References by UNCTAD staff and partners as evidence. 	<p><u>Interviews:</u> UNCTAD staff and national partners.</p> <p><u>Desk review:</u> Project surveys, annual progress reports, project outputs, relevant documents produced by project countries, PCIs.</p> <p><u>Interviews:</u> UNCTAD staff and national partners.</p> <p><u>Desk review:</u> Project surveys, annual progress reports, project outputs, relevant documents produced by project countries, PCIs.</p> <p><u>Interviews:</u> UNCTAD staff and national partners.</p> <p><u>Interviews:</u> UNCTAD staff and national partners.</p> <p><u>Survey:</u> UNCTAD staff and national partners.</p>
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Efficiency

- How efficient was the Project in utilizing project resources and has the project management been adequate to ensure the achievement of the expected outcomes in a timely manner?

Evaluation sub-questions	Measures or evidence	Suggested Sources and/or methods
<ul style="list-style-type: none"> • To what extent has the project concentrated its resources on its core competencies and comparative advantage? • To what extent was the project implemented in ways that sought for cost and time savings? 	<ul style="list-style-type: none"> • Evidence and/or examples of systematic use of UNCTAD's individual staff or partnerships. • References by UNCTAD staff and partners as evidence. • Evidence and/or examples of cost-saving measures put in place. • Financial analysis including cost over output ratios. • References by UNCTAD staff and 	<p><u>Desk review:</u> As documented in progress reports and other internal documents.</p> <p><u>Interviews:</u> UNCTAD staff and national partners.</p> <p><u>Desk review:</u> As documented in progress reports and other internal documents.</p>

	partners as evidence.	<u>Interviews</u> : UNCTAD staff and national partners.
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Sustainability

- Is there evidence that beneficiary countries are committed to continue working towards the project objectives beyond the end of the project and/or have there been catalytic effects from the project both at the national/regional levels?

Evaluation sub-questions	Measures or evidence	Suggested Sources and/or methods
<ul style="list-style-type: none"> Do national policies, development plans, programmes and strategies better integrate productive capacities objectives in project countries? Was there any contribution from the project? What evidence is there of project results? 	<ul style="list-style-type: none"> Evidence in project progress reports and country documents. References by UNCTAD staff and partners as evidence. 	<p><u>Desk review</u>: Project surveys, annual progress reports, project outputs, relevant documents produced by project countries, PCIs.</p> <p><u>Interviews</u>: UNCTAD staff and national partners.</p> <p><u>Survey</u>: UNCTAD staff and national partners.</p>
<ul style="list-style-type: none"> Are countries better able to report on their productive capacities? Were there any institutional or organizational capacities and financial resources committed to the maintenance of the PCIs? 	<ul style="list-style-type: none"> Evidence in project progress reports and country documents. References by UNCTAD staff and partners as evidence. 	<p><u>Desk review</u>: Project surveys, annual progress reports, project outputs, relevant documents produced by project countries, PCIs.</p> <p><u>Interviews</u>: UNCTAD staff and national partners.</p> <p><u>Survey</u>: UNCTAD staff and national partners.</p>
<ul style="list-style-type: none"> What is the likelihood of sustainability of the project outcomes? What is the likelihood that results achieved by the project either have, or will in the future, contribute to long-term impact on sustainable development, including the identified SDG targets? 	<ul style="list-style-type: none"> Evidence in project progress reports and country documents. References in ECOSOC procedures, CCA/UNDAF, SDG VNRs, etc. References by UNCTAD staff and partners as evidence. 	<p><u>Desk review</u>: Project surveys, annual progress reports, project outputs, relevant documents produced by project countries, UN processes and resources.</p> <p><u>Interviews</u>: UNCTAD staff and national partners.</p> <p><u>Survey</u>: UNCTAD staff and national partners.</p>

Gender and human rights

- To what extent a human rights-based approach and a gender mainstreaming strategy were incorporated in the design and implementation of the intervention, and can results be identified in this regard?

Evaluation sub-questions	Measures or evidence	Suggested Sources and/or methods
<ul style="list-style-type: none"> Was there any incorporation of gender and HRB approaches in the project design? 	<ul style="list-style-type: none"> Evidence in PRODOC and secondary resources (e.g. Gender strategy). Evidence in activities/project outputs. 	<p><u>Desk review</u>: PRODOC, annual progress reports.</p> <p><u>Interviews</u>: UNCTAD staff</p>

<ul style="list-style-type: none"> To what extent has the project contributed to enhancing human rights and ensuring that social protection leaves no one behind in supported countries? 	<ul style="list-style-type: none"> Evidence in progress reports. Reported contributions to gender mainstreaming and human rights by UNCTAD staff, national partners, and stakeholders. Evidence in project outputs, and PCIs. Evidence in progress reports. References by UNCTAD staff and partners as evidence. 	<p>and national partners. <u>Survey</u>: UNCTAD staff and national partners.</p> <p><u>Desk review</u>: Progress reports, project outputs, relevant documents produced by project countries, gender in PCIs. <u>Interviews</u>: UNCTAD staff and national partners.</p>
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Partnerships and synergies

- To what extent has the project advanced partnerships amongst project participants with national and regional counterparts, international development partners, the civil society and/or the private sector in support of results, and sustainability of results?

Evaluation sub-questions	Measures or evidence	Suggested Sources and/or methods
<ul style="list-style-type: none"> Did the project establish or strengthen partnerships, or create networks and learning exchanges? To what extent did the project bring the UN together and received leadership support from the RC? How did the project contribute to leverage funding and financing of government and other resource partners (multilateral, bilateral, IFIs, etc.)? What were the enabling factors that contributed to make the project transformative? 	<ul style="list-style-type: none"> Evidence in PRODOC and project activities and outputs (e.g. MOUs, meeting minutes, etc.). Evidence in progress reports. Reported contributions by UNCTAD staff, national partners, and stakeholders. Evidence in PRODOC, UN resources (e.g. UNDAF, UNSDCF, etc.) References by UNCTAD and UN staff, national partners, and stakeholders. Evidence in PRODOC and project activities and outputs (e.g. MOUs, meeting minutes, etc.). Evidence in progress reports. Reported contributions by UNCTAD staff, national partners, and stakeholders. References by UNCTAD staff, national partners, and stakeholders. 	<p><u>Desk review</u>: Project outputs, annual progress reports. <u>Interviews</u>: UNCTAD staff, national partners, and stakeholders. <u>Survey</u>: UNCTAD staff, national partners, and stakeholders.</p> <p><u>Desk review</u>: Project outputs, annual progress reports. <u>Interviews</u>: UNCTAD staff, national partners, and stakeholders. <u>Survey</u>: UNCTAD staff, national partners, and stakeholders. <u>Desk review</u>: Project outputs, annual progress reports. <u>Interviews</u>: UNCTAD staff, national partners, and stakeholders. <u>Survey</u>: UNCTAD staff, national partners, and stakeholders.</p> <p><u>Interviews</u>: UNCTAD staff, national partners, and stakeholders. <u>Survey</u>: UNCTAD staff, national partners, and stakeholders.</p>

		stakeholders.
Response to Covid-19		
<ul style="list-style-type: none"> • What adjustments, if any, were made to the project as a direct consequence of the COVID-19 situation, and to what extent did the adjustments allow the project to effectively respond to the new priorities of Member States that emerged in relation to COVID-19? • How did the adjustments affect the achievement of the project's expected results as stated in its original results framework 		
Evaluation sub-questions	Measures or evidence	Suggested Sources and/or methods
<ul style="list-style-type: none"> • What were the key issues that the project confronted in 2020 that have affected progress towards the expected results? To what extent and how these constraints or challenges were addressed? 	<ul style="list-style-type: none"> • References by UNCTAD staff, national partners, and stakeholders. 	<p><u>Desk review</u>: Reported project activities and outputs.</p> <p><u>Interviews</u>: UNCTAD staff, national partners, and stakeholders.</p> <p><u>Survey</u>: UNCTAD staff, national partners, and stakeholders.</p>

ANNEX 3: TERMS OF REFERENCE

External Evaluation of Development Account Project 1617M - "Indices for benchmarking productive capacities for evidence-based policymaking in landlocked developing countries"

I. Introduction and Purpose

This document outlines the Terms of Reference (TOR) for the independent final project evaluation for the United Nations Development Account (UNDA) funded project titled "Indices for benchmarking productive capacities for evidence-based policymaking in landlocked developing countries".

The evaluation will provide accountability to UNCTAD management, the Capacity Development Office/Development Account of DESA, project stakeholders, as well as UNCTAD's member States with whom the final evaluation report will be shared.

The evaluation will provide assessments that are credible and useful, and also include practical and constructive recommendations. In particular, the evaluation will systematically and objectively assess project design, project management, implementation, the extent of gender and human rights mainstreaming and overall project performance. On the basis of these assessments, the evaluation will formulate recommendations to project stakeholders, in particular to UNCTAD and/or the Capacity Development Office/Development Account of DESA with a view towards optimizing results of future projects, including on operational and administrative aspects.

a) Context of the evaluation

Landlocked developing countries (LLDCs) face high transit transport costs and are often dependent on primary commodities for their exports-rendering it difficult to improve their competitiveness and the overall socio-economic conditions. An impressive decade of real GDP growth and trade performance during the 2000s in these countries did not translate into higher employment, export diversification and poverty reduction outcomes. Therefore, they continue to be affected by widespread poverty and underdevelopment, and face continued marginalization in the global economy. Overcoming these challenges requires putting productive capacities at the center of domestic development policies and strategies. There is recognition – both in the context of the post-2015 Development Agenda and the Vienna Programme of Action for LLDCs – that the key for sustained development and poverty reduction in LLDCs is to build their productive capacities and promote structural economic transformation.

In this context, UNCTAD elaborated the analytical and conceptual rationale for such policies and strategies. Accordingly, productive capacities involve three closely linked or interrelated elements. These are: (i) "Productive resources" which are factors of production and include natural resources, human resources, financial capital and physical capital, (ii) "Entrepreneurial capabilities," which are the skills that firms and farms need to manage their business activities and engage in innovation and productivity growth, and, (iii) "Production linkages," which are the interactions between different firms and farms; between diverse sectors of economic activity; and the relations between the domestic economy and the international environment through trade, investment and technology flows.

These three elements of productive capacities with all the ingredients are necessary conditions for sustainable development in the LLDCs. The three elements together determine not only the overall capacity of a country to produce goods and services, but also which goods and services a country can produce and sell. In this respect, therefore, productive capacities are country-specific and differ from one country to the other. They also determine the quantity and the quality of goods and services which a country can produce at a given time.

One of the biggest challenges for LLDCs (in addition to capacity limitations and weak institutions) to put productive capacities at the center of their respective development policies is the absence of identified indicators, which are statistically measurable and verifiable to assist in such efforts. Therefore, identifying indicators and constructing Productive Capacity Indices (PCIs) for measuring and benchmarking productive capacities have become crucial for LLDCs. The indicators and PCIs will assist in placing building productive capacities at the center of domestic development policies and strategies of LLDCs.

The project worked in 3 LLDCs: Botswana and Rwanda (in Africa) and Lao PDR (in Asia). These countries have been requesting technical assistance, including through their respective national statements to the Trade and Development Board, aimed at addressing their weak productive capacities and the impact of these on their efforts to reduce poverty and achieve their development objectives. The main direct beneficiaries of the project include: policymakers, advisors, experts, statistical offices, programme evaluation and monitoring agencies, R&D, science and technology centers, private sector and civil society actors, including academic and research institutions in beneficiary countries, regional organizations and relevant United Nations agencies. National training and capacity building workshops at policy and expert levels will be organized to share and validate the findings, conclusions and specific outcomes of the project.

A country-level problem analysis included in the project document is presented in Table 1 below:

b) [Table 1 – Country analysis](#)

Country	Status of affairs	Realistic outcomes
Botswana	Botswana is a country with great natural wealth in the form of mineral resources including diamonds. A recently completed project of UNCTAD on facilitating investment in commodity value chains analyzed the country's capacity to diversify its economy and found that Botswana's productive capacities and structural economic transformation are weak. Although Botswana has had success in increasing its capture of value-added in global value chains, its economy is still largely commodity-dependent, particularly on diamonds, due mainly to the country's weak productive capacities. In addition to the narrow economic structure compounded by weak productive capacities, the country still has a long way to go in putting productive capacities at the heart of its development policies and strategies.	Improved awareness about the importance of building productive capacities and ability to use PCIs in policy formulation and implementation. Consequently, Botswana will be able to put in place policies and strategies to ensure more broad-based and inclusive economic growth. The utilization of the PCI will enable its policymakers to identify key sectors for quick and optimum impact in the Botswanan economy.
Rwanda	As shown by UNCTAD's paper on "Benchmarking Productive Capacities in LDCs" (forthcoming), Rwanda's business environment is strong when compared to among other LDCs, , but , the country has weaknesses in other soft and hard infrastructure including ICT infrastructure. Rwanda is one of the few LDCs making steady progress in the area of socio-economic development but still the country is lagging behind in meeting established UN criteria for graduation from the category of LDCs, largely owing to weak productive capacities and lack of structural economic transformation. For instance, the country would have made robust economic gains by improving its trade logistics for which UNCTAD's trade logistics index to be developed as part of the PCI will be critically important.	Better knowledge and understanding about the importance of building productive capacities and where the country stands vis-à-vis key indicators. This helps in understanding of where investment will bring the most gains and visible impacts. Understanding and application of PCIs will enable Rwanda to complement the progress its private sector has made to date with better investment in other areas. PCIs will also enable Rwandan policy makers and institutions to put productive capacities at the center of the countries development policies and strategies.

Lao PDR	Lao PDR is another example of a country that has made progress in enabling growth in the private sector. However, previous UNCTAD work has shown a lack of development in transport infrastructure and weak institutional capacities to formulate and implement policies and strategies centered on productive capacity building and structural economic transformation.	The PCI will assist Lao PDR in its efforts to mainstream graduation from the LDCs category in its development policies and strategies. The PCI and key related indicators will also be useful to Lao PDR by illustrating where its development strategy is failing to live up to expectations.
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c) Subject of the evaluation

The main objective of the project is to strengthen the capacity of selected landlocked developing countries to develop Productive Capacity Indices (PCIs) and use them to support evidence-based policy making. With this objective in mind, the project assists in defining the conceptual, methodological and statistical framework for identifying, selecting and validating indicators, which will be used in the construction of Productive Capacity Indices.

The expected accomplishments of the project are as follows:

- a. EA1: Increased capacity of relevant ministries and entities to measure and benchmark productive capacities with the help of productive capacity indices.
- b. EA2: Increased capacity of policymakers in beneficiary countries to understand, interpret and use productive capacity indices as a tool to formulate and monitor policies and strategies aiming at enhancing productive capacity and structural transformation.

Some of the main outputs and activities include:

- **Define the conceptual, methodological and statistical framework:** for identifying, selecting and validating indicators which will be used in the construction of PCIs. The outcome of this activity will be shared with member States through the UNCTAD intergovernmental meetings (such as the Trade and Development Board).
- **Collecting and organizing statistical data:** and related information on key issues of indicators, and computing PCIs on the basis of available data and statistical information.
- **National case studies:** in selected LLDCs to assess the state or conditions of policy and institutional framework for building productive capacities in the selected LLDCs the synthesis of which will feed into a publication.
- **Consultations:** on indicators identified and PCIs computed through advisory missions, with key ministries and relevant entities in beneficiary countries.
- **National training workshops:** at expert level on the conceptual and methodological as well as statistical issues and on the construction and interpretation of PCIs; and at policy level on the interpretation, final validation and use of PCIs in the formulation of domestic development policies and strategies and monitoring their implementation.
- **National advisory services:** with the aim of reorienting policies and strategies towards building productive capacities based on the evidence gathered and documented for use by policy makers, experts and practitioners.
- **A portal:** for online publication of the Productive Capacity Indices (PCIs) together with key indicators used in the construction of the indices.
- **Workshops** for intensive "Training of Trainers" in updating and maintaining PCIs as part of the national statistical capacity building on the use and interpretation of PCIs and on how to update these on the portal.

In addition to Lao PDR, Botswana and Rwanda, the project implemented activities in Namibia. Namibia was not part of the pilot countries. However, the country was identified to have good statistical frameworks and institutions to serve as a "training hub" for further extension of the PCI to countries of the sub-region.

Therefore, with strong interest in the PCI and with the objective of serving as a model for other countries in the region in sustaining the PCI further, a training was organized for the country's statistical experts and academics. Namibia also hosted a regional workshop and shared its experience in data collection, organization and use in policy-making with selected countries of the African region.

The project aims to contribute to the post-2015 development agenda by making direct and concrete contributions to the sustainable development goals (SDGs), in particular goal 8 on "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all" (target 8.3) and goal 17 on "Strengthen the means of implementation and revitalize the global partnership for sustainable development" (target 17.9, 17.16, 17.19).

The project is implemented by UNCTAD as the lead implementing entity and other key project partners participated and consulted in the development of the Index include: the United Nations Statistical Division, the Common Fund for Commodities, United Nations Development Programme (UNDP), United Nations Industrial Development Organization (UNIDO), the UN-Economic And Social Commission for Asia and the Pacific, The International Think-Tank for Landlocked developing Countries (ITT).

The project started in January 2016 with an approved budget of \$599,000 and was scheduled for completion by December 2019. In September 2019, the project was granted an extension by the United Nations Development Account until 30 June 2020, a further extension to 31 December 2020, and again until 30 April due to the covid-19 pandemic.

d) Evaluation scope, objectives and questions

This final evaluation of the project has the following specific objectives:

- Assess the degree to which the desired project results have been realized, including the extent of gender and human rights mainstreaming; and
- Identify good practices and lessons learned from the project that could feed into and enhance the implementation of related interventions.

The evaluation will cover the duration of the project from June 2016 to April 2021.

The evaluation is expected to address the following questions under the below criteria (to be further developed in the inception report, as appropriate):

e) *Relevance*

- To what extent the project design, choice of activities and deliverables properly reflect and address the development needs and priorities of participating countries, taking into account UNCTAD's mandates?
- What is UNCTAD's comparative advantage in this area of work and to what extent did this project optimize it??

f) *Effectiveness*

- Have the activities achieved, or are likely to achieve, planned objectives as enunciated in the project document and outcomes (intended or unintended), in particular against relevant SDG targets?

g) *Efficiency*

- How efficient was the Project in utilizing project resources and has the project management been adequate to ensure the achievement of the expected outcomes in a timely manner?

h) *Sustainability*

- Is there evidence that beneficiary countries are committed to continue working towards the project objectives beyond the end of the project and/or have there been catalytic effects from the project both at the national/regional levels?

i) Gender and human rights

- To what extent a human rights-based approach and a gender mainstreaming strategy were incorporated in the design and implementation of the intervention, and can results be identified in this regard?

j) Partnerships and synergies

- To what extent has the project advanced partnerships amongst project participants with national and regional counterparts, international development partners, the civil society and/or the private sector in support of results, and sustainability of results?

k) Responses to Covid-19

- What adjustments, if any, were made to the project as a direct consequence of the COVID-19 situation, and to what extent did the adjustments allow the project to effectively respond to the new priorities of Member States that emerged in relation to COVID-19?
- How did the adjustments affect the achievement of the project's expected results as stated in its original results framework?

l) Methodology

The evaluation will adopt a theory-driven, utilization-focused approach. It will be guided by the project-results framework and ensure a gender and human rights responsive evaluation. The evaluator is required to use a mixed-method approach, including qualitative as well as quantitative data gathering and analysis as the basis for a triangulation exercise of all available data to draw conclusions and findings.

In view of the current global pandemic situation, innovative methods for data collection are required. Hence, methods for data gathering for this evaluation include, but is not limited to, the following:

- Desk review of project documents and relevant materials;
- Collect and analyze relevant web and social media metrics related to the outputs of the project;
- Observe a sample of virtual meetings, webinars and other activities to be implemented by the project, as appropriate;
- Telephone/skype interviews with relevant UNCTAD staff;
- Online surveys of beneficiaries of the project, and other stakeholders, as may be required; conduct follow-up interviews as may be necessary;
- Virtual focus group discussions;
- Telephone/skype interviews with a balanced sample of project participants, project partners and other relevant stakeholders.

Contribution analysis could be undertaken in particular to assess project results.

As part of the desk review, which will lead to an Inception Report, the evaluator will use the project document as well as additional documents such as mission reports; progress reports, financial reports, publications, studies - both produced under the project as well as received from national and regional counterparts. A list of project beneficiaries as well as other partners and counterparts involved in the project will be provided to the evaluator.

The evaluator will further elaborate on the evaluation methodology in the Inception Report, determining thereby the exact focus and approach for the exercise, including developing tailor-made questions that target different stakeholders (based on a stakeholder analysis), and developing the sampling strategy and identifying the sources and methods for data collection. The methodology should follow the UNCTAD and Development Account Inception Report Guidelines.

The evaluator is required to submit a separate final list of those interviewed in the Annex of the evaluation report. The evaluator is to ensure a wide representation of stakeholders, bearing in mind the need to include those in a disadvantaged or minority position as appropriate.

m) Organization of the evaluation **Deliverables and Expected Outputs**

The evaluation, on the basis of its findings and assessments made on the above criteria, should draw conclusions, make recommendations and identify lessons learned from the implementation of the project.

More specifically, the evaluation should:

- Highlight what has been successful and can be replicated elsewhere;
- Highlight, as appropriate, any specific achievements that provide additional value for money and/or relevant multiplier effects;
- Indicate shortcomings and constraints in the implementation of the project while, at the same time, identifying the remaining challenges, gaps and needs for future courses of action;
- Make pragmatic recommendations to suggest how UNCTAD's work in this area can be further strengthened in order to address beneficiaries' needs and create synergies through collaboration with other UNCTAD divisions, international organizations and development partners, and other international forums;
- Draw lessons of wider application for the replication of the experience gained in this project in other projects/countries;

Three deliverables are expected out of this evaluation (following EMU templates):

- i. An inception report⁴⁸;
- ii. A draft evaluation report; and
- iii. The final evaluation report⁴⁹

The inception report should summarize the desk review and specify the evaluation methodology, determining thereby the exact focus and scope of the exercise, including the evaluation matrix, the sampling strategy, stakeholder mapping analysis and the data collection instruments.

The final report of the evaluation must be composed of the following key elements:

- Executive summary;
- Introduction of the evaluation, a brief description of the projects, the scope of the evaluation and a clear description of the methodology used;
- Findings and assessments according to the criteria listed in Section IV of this ToR, with a comparison table of planned and implemented project activities and outputs; and
- Conclusions and recommendations drawn from the assessments.

All the evaluation assessments must be supported by facts and findings, direct or indirect evidence, and well-substantiated logic. It follows that proposed recommendations must be supported by the findings and be relevant, specific, practical, actionable, and time-bound recommendations.

Description of Duties

The UNCTAD Evaluation Unit, in close collaboration with the Division for Africa, least developed countries and special programmes (ALDC), will facilitate the evaluation as undertaken by an independent evaluator.

The evaluator reports to the Chief of Evaluation Unit. S/he will undertake the evaluation exercise under the

⁴⁸ The quality of the inception report should meet those standards set out in UNEG Quality Checklist for Evaluation Terms of Reference and Inception Reports: http://www.uneval.org/papersandpubs/documentdetail.jsp?doc_id=608

⁴⁹ The quality of the evaluation report should meet those standards set out in UNEG Quality Checklist for Evaluation Reports: <http://www.uneval.org/document/detail/607>

guidance of the EMU and in coordination with the project manager. The evaluator is responsible for the evaluation design, data collection, analysis and reporting as provided in this TOR. The evaluator will submit a copy-edited final report to UNCTAD.

The evaluator shall act independently, in line with United Nations Evaluation Group (UNEG) Ethical Guidelines and in her/his private capacities and not as a representative of any government or organisation that may present a conflict of interest. S/he will have no previous experience of working with the project or of working in any capacity linked with it.

The evaluator should observe the UNEG guidelines, standards⁵⁰, and norms⁵¹ for evaluations in the UN system, as well as UNCTAD's Evaluation Policy⁵², in the conduct of this assignment. The evaluator needs to integrate human rights and gender equality in evaluations to the extent possible.⁵³ The evaluator needs to ensure a complete, fair, engaging, unreserved, and unbiased assessment. In case of difficulties, uncertainties or concerns in the conduct of the evaluation, the evaluator needs to report immediately to the Chief of Evaluation Unit to seek guidance or clarification.

The project team will support the evaluation, by providing desk review documents (following Evaluation Unit desk review documents guidelines), contact details of project stakeholders as well as any additional documents that the evaluator requests. It is the responsibility of the project manager to ensure senior management engagement throughout the evaluation and timely feedback in the quality assurance and factual clarification process coordinated by the Evaluation Unit. The project team will review and provide comments on the inception, draft and final reports with a view on quality assurance and factual accuracies.

The Evaluation Unit acts as clearing entity during the main steps of this evaluation. It endorses the TOR and approves the selection of the proposed evaluator. The Evaluation Unit reviews the evaluation methodology, clears the draft report, performs quality assurance of the final report and participates in disseminating the final report to stakeholders within and outside of UNCTAD. The Evaluation Unit engages the project manager throughout the evaluation process in supporting the evaluation and validating the reports.

Timetable

The total duration of the evaluation is equivalent to 30 days of work and will take place over the period 29 March to 31 July 2021.

Monitoring and Progress Control

The evaluator must keep the Evaluation Unit informed of the progress made in the evaluation on a regular basis.

The evaluator will submit the first draft of inception report by 23 April 2021. The Report should include draft data collection instruments for review.

The first draft of the report should be presented to the Evaluation Unit by 18 June 2021 for quality assurance

⁵⁰ "Standards for Evaluation in the UN System" by UNEG, UNEG/FN/Standards (2005);

http://www.uneval.org/papersandpubs/documentdetail.jsp?doc_id=22;

⁵¹ "Norms for Evaluation in the UN System" by UNEG, UNEG/FN/Norms (2005);

http://www.uneval.org/papersandpubs/documentdetail.jsp?doc_id=21;

⁵² "Evaluation Policy" of the United Nations Conference on Trade and Development (UNCTAD), December 2011. December 2011, http://unctad.org/Sections/edm_dir/docs/osg_EvaluationPolicy2011_en.pdf.

⁵³ "Integrating human rights and gender equality in evaluations" by UNEG, UNEG Guidance Document (2014):

<http://www.unevaluation.org/document/detail/1616>. The UNEG Handbook on "Integrating human rights and gender equality in evaluations: Towards UNEG Guidance" by UNEG, UNEG Guidance Document (2011):

<http://www.uneval.org/document/detail/980>.

purposes (approximately 1 week). The revised draft report will then be shared with the project manager for factual clarification and comments (approximately 2 weeks).

The deadline for submission of the final report will be 31 July 2021.

The contract concludes, and payment issued, upon satisfactory receipt of the final report.

Qualifications and Experience⁵⁴

Education: Advanced university degree in economics, trade, development, public administration, rural development, or related field.

Experience: Experience: At least 10 years of experience in conducting evaluations, preferably on interventions in the areas of trade-related technical assistance and capacity building. Experience in gender mainstreaming is desirable. Solid understanding of the UN context and the Sustainable Development Goals; Experience conducting public policy and/or development programme evaluations; Solid understanding of evaluation design, data collection and analysis methods; Ability to develop clear, realistic, feasible recommendations;

Language: Fluency in oral and written English.

Conditions of Service

The evaluator will serve under a consultancy contract as detailed in the applicable United Nations rules and regulations. The evaluator will not be considered as staff member or official of the United Nations but shall abide by the relevant standards of conduct. The United Nations is entitled to all intellectual property and other proprietary rights deriving from this exercise.

n) Evaluation communication and dissemination plan

The final evaluation report and key findings will be disseminated widely to all relevant stakeholders such as the funding partners, UNCTAD management, etc. through the following possible mediums:

- A workshop (possibly online or face-to-face) with all relevant stakeholders to present the key findings, recommendations and lessons learned.
- A copy of the final evaluation report will be made available publicly on UNCTAD website.
- A brief summary of the key evaluation findings and lessons learned (including infographics) will be communicated to all UNCTAD staff through an UNCTAD internal newsletter.
- The brief summary can also be made available on social media platform through short messages or videos, with the assistance of the UNCTAD Communication and External Relations Unit.

⁵⁴ The United Nations shall place no restrictions on the eligibility of men and women to participate in any capacity and under conditions of equality in its principal and subsidiary organs.