

## **Management response to the Independent Evaluation of DA project 1819H**

### ***Overall response to the evaluation***

The UNCTAD Secretariat extends its sincere appreciation for the comprehensive evaluation of the DA project 1819H "Enabling policy frameworks for enterprise sustainability and SDG reporting in Africa and Latin America". The Secretariat commends the evaluation team for their thorough and highly valuable evaluation report. Furthermore, the Secretariat acknowledges the professional approach, dedication, and transparency demonstrated by the evaluator in addressing the complex and encompassing novel issues with far-reaching implications for developing countries that were covered by the project.

The evaluation concluded that the project "has been relevant and has responded to the needs and priorities of the beneficiary countries as well as regions". As regards the effectiveness of the project, the evaluators remarked that it "reached its planned targets in alignment with the agreed results framework" - all planned activities being implemented "as expected along with additional ones". The evaluators also emphasized that the "project's management and activities implementation were efficiently conducted", noting that the project's implementation had been "commensurate to its scale, having been implemented at first in four countries and in two regions, and then in three additional countries". As the project had "promoted the principle of national ownership throughout its design and implementation" and as the evaluation identified "unexpected outcomes that derived from the project that will help to ensure the sustainability of the results", including the successful establishment of regional partnerships, the sustainability of the project was assessed positively. The evaluation team noted that in delivering the project, the Division showed responsiveness and had been able to adapt and mitigate the impact of Covid-19. It further noted that the Organisation is "committed to gender equality and has adopted measures to incorporate this aspect into its operations" but noted that "more efforts may be needed to explicitly mainstream gender equality, disability, human rights, and environment throughout future activities".

Overall, the Programme accepts most of the recommendations provided within the framework of the evaluation. These recommendations are constructive, as they confirm actions and initiatives already undertaken by the programme and closely align with the objectives and programme of work of the intergovernmental group of experts on International Standards of Accounting and Reporting and mandates formulated by member States. The Programme is therefore engaged in the successful implementation of these recommendations.

### ***Response by recommendation***

In this section, Project Management should address each recommendation that is addressed to UNCTAD, discussing them in the order presented in the evaluation report. This should be done in the format of the Management Response matrix below (see Box 1) and include:

- a. The recommendation number and text copied from the evaluation report;
- b. Indication of whether the recommendation is accepted fully, partially, or rejected;
- c. Description of the actions to be taken, with comments as required on the conditions to be met during implementation, or on reasons leading to a partial acceptance or rejection of a recommendation;
- d. The responsible party for implementing the action/s;
- e. The time-frame for implementation and/or an implementation schedule, if required;
- f. Indication if and what resources are required for implementing the recommendation.

**Box 1. Management response matrix<sup>1</sup>**

Management response to the Independent Evaluation of: Enabling policy frameworks for enterprise sustainability and SDG reporting in Africa and Latin America					Date
Evaluation Recommendation (a)	Management response (b) <b>Accepted</b> , partially accepted or <b>rejected</b>	Management plan			
		Actions to be taken, and/or comments about partial acceptance or rejection (c)	Responsible unit (d)	Timeframe (e)	Resources required (Y or N) (f)

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<sup>1</sup> Each column is cross-referenced to the bullet letters above.

<p><b>Recommendation 1:</b></p> <p>The results of this evaluation showed that the project was delivered successfully overall and able to expand its reach drawing on unused travel funds. UNCTAD should seek additional funding for the continuation and scaling-up of their work on sustainability and SDG reporting. The regional partnerships in particular should be further strengthened through capacity-building initiatives based on UNCTAD's policy guide on tackling the sustainability challenge and replicated in other regions.</p>	<p>Accepted</p>	<p>UNCTAD remains committed to strengthen the regional partnerships it created for the promotion of sustainability and SDG reporting. The initiative was also commended by member States during recent intergovernmental fora – including at the 40th session of ISAR, which commended the UNCTAD secretariat for the support provided to the regional partnerships for the promotion of sustainability reporting in Africa and Latin America and for the series of consultations conducted to support the establishment of similar regional partnerships in other regions (TD/B/C.II/ISAR/107).</p> <p>The membership of the regional partnerships in Africa and Latin America was strengthened by conducting outreach activities aiming at increasing the number of member countries and the number of member entities. Capacity building activities, including advisory services and training workshops were</p>	<p>ACGS</p>	<p>Ongoing</p>	<p>Yes</p>
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		<p>carried out and key international organizations (such as the International Sustainability Standards Board, the International Federation of Accountants and the Global Reporting Initiative) were invited to observe and contribute to the activities of the partnerships. In addition, and responding to increasing requests from its member States, UNCTAD worked towards the launching and development of regional partnerships for the promotion of sustainability and SDG reporting in the Gulf States (October 2023 in the context of the World Investment Forum), Eurasia (March 2024) and Asia (forthcoming 2024).</p> <p>In addition, and as a result of the UNCTAD's support, the two inaugural partnerships launched in Africa and Latin America achieved considerable success, growing from 7 members in 2021 to 87 members, representing 43 countries in 2023 - an increase of 1143 per cent, illustrating the relevance and effectiveness of the approach adopted by UNCTAD.</p>			
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		As regards funding, UNCTAD has repeatedly invited all donors in a position to do so to continue supporting its initiatives in support of the implementation of sustainability reporting standards in developing countries. Two new initiatives were launched since the conclusion of this project, one benefiting from the support of the Government of Germany and the second with the support of the development account.			
<p><b>Recommendation 2:</b></p> <p>Given the lack of capacity or high-level support in some countries to sustain the pathway to long-term outcomes, UNCTAD is encouraged to further assess possible sustainability measures and build these into future projects. This could include building on synergies with other entities such as regional organizations, CSOs and private sector organizations in order to promote benefits of SDG</p>	Partially	The project aimed at enabling policy frameworks for enterprise sustainability and SDG reporting in Africa and Latin America. As acknowledged by the evaluation, the project reached expected accomplishment and created the conditions for the sustainability of its results. The tools developed and used in implementing the projects, including the UNCTAD Accounting Development Tool (ADT) the UNCTAD Guidance for Sustainability and SDG Reporting (GCI), training manuals and eLearning courses	ACGS	Ongoing	No – embedded in the TACB Work programme.

<p>reporting and to help disseminate relevant UNCTAD resources.</p>		<p>supported the strengthening of the regulatory, institutional and human capacity elements of the sustainability reporting infrastructure and effectively contributed to address the lack of capacity in beneficiary countries. Focal points in beneficiary countries (generally 2-3 counterparts, including representative of the private sector and the civil society selected by UNCTAD to mitigate political risks associated with a change in Government) supported the implementation of activities throughout. As stated by the evaluation, one of the key objectives of the Regional Partnerships for the Promotion of Sustainability Reporting is to ensure continuous support, share experience, lessons learned and best practices and extend the impact of activities in each beneficiary countries to all other countries in the region. In all activities key stakeholders from the public and private sector as well as the civil society are included. In April 2023, and building on relevant experiences, UNCTAD published a report</p>			
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		on “Tackling the sustainability challenge - A Policy Guide”, aimed at supporting countries in their efforts to strengthen their national sustainability reporting infrastructure. The Guide contains different approaches, best practices and examples from which policymakers and other interested stakeholders can choose when establishing or strengthening the regulatory, institutional and human capacity components of the reporting infrastructure.			
<p><b>Recommendation 3:</b></p> <p>UNCTAD should include a clear and detailed communication plan in its project documents (with dedicated time and resources and appropriate communication tools) to ensure key project outputs and outcomes, and ensuing responsibilities, are well understood by the project stakeholders. In particular, this could include updated and streamlined guidance on the ADT, as well as an emphasis on</p>	Accepted	Project documents and implementing (including launching and closing) communication processes follow established and documented procedures. In this regard, the implementation of the project “Enabling policy frameworks for enterprise sustainability and SDG reporting in Africa and Latin America” involved a series of actions to ensure communication and share tools, documents and information with all stakeholders. For example, an orientation package was prepared and shared online with participants before the kick of	ACGS	Ongoing	Yes



<p>dissemination of key project outputs to ensure that beneficiaries are well-equipped to apply this knowledge.</p>		<p>meeting. When launching the project and at each meeting, UNCTAD explained in detail the objectives, tools, activities and expected results of the project. The team was also available for bilateral meetings and to support participants to fill in the ADT questionnaire. Moreover, tools and resources were shared with members of the regional partnerships, using emails and a dedicated online platform. Beyond, social media (Twitter) and news item on completed activities were regularly issued.</p> <p>Additionally, the newly launch projects on sustainability reporting will include a specific output - a sustainability integration tool and best practice guidance in support of the alignment and mobilization of capital to SDG relevant sectors to further communication and exchange of best practices between various stakeholders.</p> <p>It is important to note that an increased emphasis on diversifying support for communication on projects would often necessitate additional resources beyond the existing allocation. In particular, staff members working on the project would</p>			
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		need to be fully trained and equipped to support such an endeavor.			
<p><b>Recommendation 4:</b></p> <p>UNCTAD should continue to work on indicators and guidelines for the systematic mainstreaming all cross-cutting issues including environmental concerns, human rights and disability inclusion. For example, by further emphasizing some of these aspects in company reporting.</p>	Accepted	<p>UNCTAD will continue supporting countries in their efforts to reinforce their sustainability reporting infrastructure. This includes promoting high quality sustainability reports that consider environmental, gender, human rights and disability inclusion aspects, among other things. It is important to note that the GCI has recently been revised and a new version issued that include dedicated new indicators considering these aspects. The Policy guide on tackling the sustainability reporting challenge at the country level also contains recommendations that include these issues. The same stands for the documents (action plans, recommendations, guidance, etc.) developed for the beneficiary countries of ongoing projects.</p> <p>We remain fully committed to continue implementing guidelines aimed at more</p>	ACGS	Ongoing	No

		comprehensively mainstreaming all cross-cutting issues including environmental concerns, human rights and disability inclusion issues into the programming and monitoring processes of every project.			
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