

**Management response to the Independent Evaluation of Development Account Project  
1617M - “Indices for benchmarking productive capacities for evidence-based policymaking in  
landlocked developing countries”**

***Overall response to the evaluation***

In this section, Project Management presents its overall views on the evaluation, the report and its conclusions.

***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 Development Account Project 1617M - “Indices for benchmarking productive capacities for evidence-based policymaking in landlocked developing countries”					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)
<p><b>Recommendation 1:</b></p> <p>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)</p>	<p><b>Accepted with proviso</b></p>	<p>The decision over the formalization of a programme on Productive Capacities in UNCTAD rests with the Member States, and may require the allocation of significant additional resources. However, in view of the significant increase in the number of member State requests for National Productive Capacities Gap Assessments (NPCGA), the project team is already engaging in a number of processes to strengthen its capacities to manage and deliver PCI-related projects and sustain the maintenance and continuous improvement of the indices. For example, UNCTAD is in</p>	<p>UNCTAD Trade and Development Board, UNCTAD Working Party, UNCTAD Secretary-General, ALDC</p>	<p>1-2 years</p>	<p>Y</p>

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

<p>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>		<p>the process of forming a high-level Advisory Group and Statistical team on the PCI, which will provide substantive and methodological advice on the PCI. In addition, UNCTAD is working to attract extrabudgetary funding to support its expanding work on NPCGAs. While these efforts will help to expand the capacities of UNCTAD to deliver, UNCTAD is unlikely to be able to meet the growing demand in the absence of additional resources and a formalization of its workstream on the PCI.</p>			
<p><b>Recommendation 2:</b></p> <p>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</p>	<p>Partially Accepted</p>	<p>The evaluation noted that the Project Document lacked a theory of change including key assumptions and drivers, whose effective inclusion would have helped to provide a better risk analysis and mitigating actions. While UNCTAD agrees with this analysis, there may be a need for further training on what are assumptions and risks worth including in the project-document. It should be noted that the project-document was accepted without</p>	<p>ALDC</p>	<p>1-2 years</p>	<p>Y</p>

<p>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>		<p>reservation about the logical framework. UNCTAD is ready to accept the recommendation on including a theory of change, provided additional training in this regard could be provided.</p>			
<p><b>Recommendation 3:</b></p> <p>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</p>	<p>Accepted</p>	<p>As it embarks on carrying out NPCGAs in five LDCs meeting the graduation criteria for the first time in 2021 – as mandated by the Committee for the Development Policy – UNCTAD will work to ensure close cooperation with UNRCOs as well as other Non-resident agencies. UNCTAD has already cooperated with UN RCOs in the organization of workshops related to the Productive Capacities Index in the beneficiary countries of the UNDA 1617 project, but will aim to extend this cooperation to the data-analysis stage, through greater involvement of the economists in the Resident Coordinators’ Offices in the NPCGAs themselves. UNCTAD can also expand its cooperation with national research institutes in the NPCGAs</p>	<p>ALDC</p>	<p>1-2 years</p>	<p>Y</p>

<p>partnerships with national research institutes in order to strengthen national capacities and contribute to the localization agenda.</p>		<p>and the continuing trainings in statistical capacities for PCI computation.</p>			
<p><b>Recommendation 4:</b></p> <p>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>	<p>Accepted</p>	<p>UNCTAD has engaged in significant outreach following the launch of the PCI to achieve visibility, relying on both traditional methods such as press releases and on social media. A social media campaign accompanied the launch of the index in February 2021, and continues to date, with regular posts on LinkedIn and Twitter. UNCTAD welcomes the suggestion to develop an online training module, including through partnerships with specialized agencies, which can enhance the reach of its outreach and training activities. Similarly, UNCTAD stands ready to develop PCI-related project proposals with a sectoral focus, provided there is member State demand as well as financial resources. Scaling up learning tools and technical assistance offerings in terms of scope and coverage will require additional human and financial resources, and will be more easily</p>	<p>ALDC / Programme on Productive Capacities</p>	<p>2-3</p>	<p>Y</p>

		achievable if the Programme on Productive Capacities has been established.			
<p><b>Recommendation 5</b></p> <p>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>	Accepted	The Productive Capacities Index includes only limited reference to gender and human rights concerns by including indicators on fertility rates and governance quality. The forthcoming review of the methodology of the PCI will review how best to ensure that gender and human rights concerns can better be included in the index, including by reviewing the suggestions of the evaluation, and greater reliance in gender-disaggregated data where available. Furthermore, UNCTAD acknowledges the need to strengthen the mainstreaming of gender and human rights in project design and implementation, including the use of gender and vulnerability analyses, as well as strengthening efforts to increase women's participation in project workshops. In this regard, the local partner Ministries could be provided with a target for women's participation in national workshops. Relevant trainings and partnerships with gender equality and LNOB specialists could be considered.	ALDC	1-2	Y