



**Evaluation of UNCTAD's Project Account-
Enhancing effective participation of developing countries in
dynamic and new sectors of international trade***

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Prepared by

**François Theoleyre & Denise Colonna d'Istria Owen
DMI Associates**

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Executive Summary

This report presents an external final evaluation of the project “Enhancing effective participation of developing countries in dynamic and new sectors of international trade”.

Evaluation methodology:

- The ToRs required examining the performance of the project in accordance with its logical framework, using the internationally recognized DAC evaluation criteria of relevance, efficiency, effectiveness, and sustainability, other cross cutting issues and generally links with Millennium Development Goals (MDGs).
- Evaluation was conducted by a team of 2 senior evaluators, between November 2012 and January 2013 over a total of 18 days. Evaluation methodology did not include field visits, but is based on (i) Study of relevant materials available; (ii) Collection and analysis of evidence; (iii) Telephone interviews with direct beneficiaries and other relevant stakeholders in the field; (iv) Interviews with relevant UNCTAD staff.

Synopsis of the Project:

Project was funded under the 6th tranche (2008-2011) of the United Nations Development Account (DA). It was developed at end of 2007 and implemented by UNCTAD, between April 2008 and July 2012.

The project budget was of US\$ 530,000 of which US\$ 104,000 were not disbursed.

Activities were implemented in Africa, Asia and Latin America and in various countries including mostly Peru, Lao, and Rwanda.

Logic of intervention:

Global objective: help countries build new competitive supply capacity, which will impact sustainable economic development of the beneficiary countries.

Specific objective: build initial pre-requisites for production and export diversification.

Expected achievements:

1. Increased understanding and dissemination of developing countries’ acquired knowledge and successful experiences to build new capacities for production and exports of dynamic and new products and services;
2. Adoption of national/regional strategies to improve competitive supply capacity, exports, investment, market support conditions and trade facilitation measures for individual sectors;
3. Establishment of effective public-private knowledge networks and partnerships to implement national/regional strategies to enhance participation of developing countries in dynamic and new sectors of world trade, including designing mechanisms to sustain such networks and partnerships.

Modalities of intervention included 3 regional and one multi regional workshop, 3 national workshops, advisory services to selected governments and 1 study tour.

Main conclusions:

- Slow or difficult project management from UNCTAD, seeking synergies with other units, or organisations of the UN family (time consuming and heavy administratively);
- Heavy reliance on regular staff to perform activities directly, which prevents a solid cost/benefit analysis;
- Logical framework not used nor revisited to reflect/justify changes. Indicators of achievement narrowly quantitative, and/or not reflecting activities. Reviews and adjustments to the logic of intervention not reported;
- Broad coverage tends to spread DA funding too thin, and results in reduced effectiveness;
- Crosscutting issues (gender, environmental responsibility) not mainstreamed.

Indirect impact has been prepared by the project at 2 levels:

- Sensitization to issues that constrain developing countries from participating efficiently in international trade;
- Participation in UNCTAD XIII pre event and feeding into UNCTAD's agenda for the next four years to adjust its response to new trade challenges.

Recommendations:

- Project design should not artificially accommodate overambitious objectives at the expense of the internal logic of intervention, and consistency between means and scope
- Project proposal should define SMART indicators of achievements
- Annual Reports should include (i) assessment against those indicators and (ii) deeper analysis of progress and changes in the logic of intervention. Any such changes should be reflected in the logical framework, with related adjustment of indicators of performance.
- Terminal report should provide a more analytical view of the project and its achievements.
- DA project coordinator needs support (human resources and training) to fulfil regular duties while ensuring oversight over efficient implementation and providing analytical reporting (result based framework and reporting, indicators and organisation of the documentary base in order to facilitate evaluation and prepare dissemination of lessons learned).
- Evidence the funding/work that has been identified and/or set in place to continue after project involvement ends, in each of the areas of work of the project. In particular, issue of further updating of the RFII is crucial.
- Cross cutting issues of gender and of environmental responsibility must be mainstreamed in project development from the start. It should become a criterion for funding and should receive specific and mandatory analytical reporting in annual and terminal reports.
- The project documents offer reference to potentially important cross fertilisation opportunities (with researchers at the regional workshop in Asia for instance). But reporting must provide evidence that duplication is avoided and that all activities of the project remain well within the scope of the logic of intervention.
- The experience of the project in Peru must be followed up and the case study must be completed to emphasise lessons learned, successful strategies and prepare an effective tool and training package for replication. Linkage with environmental responsibilities and poverty reduction need to be explored in depth.
- The project team must not lose commitment to implement the web supported knowledge sharing activities that were foreseen by the project, and in particular the training module related to the use of the RFII must be finalised and uploaded as soon as UNCTAD site is restructured, and the databases need regular updates.

Chapter 1: The Evaluation Study and its Context

1.1 Purpose and Scope of the Evaluation

The purpose of this evaluation is to examine the performance of UNCTAD's project focused on “Enhancing effective participation of developing countries in dynamic and new sectors of international trade”.

The original scope of the project targeted three sub-regions and three countries in each of the developing regions (Africa, Asia and Latin America), and one sub-region with countries with economies in transition, in three indicative sectors: electronics and electrical products, bio-fuels and IT-enabled services, with the possibility to introduce new sectors¹.

The project was implemented in Africa, Asia and Latin America and in various countries including Peru, Lao, Uganda, Rwanda and Benin.

The evaluation is implemented by a team of 2 experts combining experience :

- in tools and techniques of monitoring and evaluation (M&E) of projects and programmes;
- in most of the geographical areas covered by the project;
- in the project specific trade and trade related challenges; and
- In the specific domains as required per the ToRs.
- The team also meets the language requirements mentioned in the ToRs.

The evaluation takes into account the full project cycle, from design to end of implementation. Project was originally planned to last 3 years, from 2008 to 2011. Implementation of the project activities started in May 2008, upon the receipt of the actual fund in April 2008.

This evaluation assessed the performance of the project using the internationally recognised DAC evaluation criteria of relevance, efficiency, effectiveness, and sustainability and other cross cutting issues such as poverty reduction, environment, and generally links with the Millennium Development Goal (MDG) 1 (Eradicate extreme poverty and hunger) and 8 (Build a global partnership for development).

The evaluation will also examine the project's linkages with UNCTAD's mandate and commitments, and more specifically the São Paulo Consensus of UNCTAD XI (Brazil, 2004), and project achievements towards “supporting national efforts of developing countries to increase their participation in and benefit from dynamic sectors and to foster, protect and promote their creative industries » (§91) and « strengthening the implementation of the Bangkok Plan of Action (UNCTAD X 2000) ... and convene sectoral reviews on dynamic sectors of world trade » (§95).

The evaluation was commissioned by **UNCTAD's** Evaluation and Monitoring Unit (EMU) in compliance with the procedures of the Development Account, which funded the direct costs of the project. The evaluation was conducted in parallel with that of another project of UNCTAD, also financed by the 6th tranche of the UN development account. To maximise the very short time frame

¹ See Project document summary.

of those evaluations, some evaluative activities have been conducted jointly and some elements of the report are shared by the 2 evaluations².

In line with the three pillars of UNCTAD's work³, the main activities of the project included:

- Development of analytical tools and a database;
- Identification of the necessary pre-requisites on a country specific basis for development of new and dynamic sectors;
- Building an active public-private sector network within a country, as well as among beneficiary developing countries (at national and regional levels).

The main deliverable is the evaluation report that will be first submitted as a draft. The evaluation report will draw conclusions, identify lessons learned from the implementation of this project and issue recommendations. Submitted as a draft to UNCTAD's Evaluation and Monitoring Unit (EMU), it will receive comments that will be either incorporated in the final version or answered in a separate file.

The evaluators are

François Theoleyre

François Theoleyre is a senior consultant with a background as economist, with more than 20 years of experience in trade and related issues in developing countries. He founded his company, DMI, 15 years ago and has successfully implemented large development cooperation and assistance programmes financed by all major donors, including the EU, UN family organisations and the WB. His main areas of expertise cover all issues of trade as engine for development, multilateral and regional trade systems and issues related to opportunities and challenges in the global market. He is an experienced monitor, with 20 years experience concentrated in ACP and Asia.

Denise Colonna d'Istria Owen

Denise Colonna d'Istria Owen is retired from the French Ministry of Education. After a distinguished career as professor in French and American universities, she built significant experience with monitoring and evaluation tools and techniques. She is familiar with M&E approaches of all major donors (UNDP, WB, EU, CIDA, Danida, etc.). She has conducted numerous monitoring and evaluation missions in Asia, ACP (including Spanish speaking countries) and ENPI regions. She is fluent in Spanish and familiar with central (Mexico, Guatemala) and south Americas (Uruguay, Argentina).

1.2 Context of the Project within UNCTAD

The project is meant to support the following overarching objective of UNCTAD: "to strengthen capacities in developing countries in the fields of trade, investment and trade supporting services through human resources development, networking and sustainable use of information technology".

² In particular analysis related to the process of application for and implementation of activities with funds from the Development Account (DA). The evaluation team is much indebted to UNCTAD staff that provided clarifying documentation on some important aspects in this process.

³ Research and policy analysis, consensus-building and technical cooperation.

More specifically, the project comes as a complement of UNCTAD's commitments towards developing and less developed countries. Under each of the general headings of the mandate of UNCTAD, is the specific translation of this main commitment as applied within the project:

➤ **helping fight poverty**

For many developing countries, and particularly the LDCs, globalisation could offer a significant potential for **poverty reduction, economic growth and development**. However "these opportunities are not easily tapped by all countries⁴". Project intends to respond to the challenges of globalisation and attempted to address the pressures induced by the world crisis that started being felt in 2008⁵.

➤ **meet MDGs through trade as engine of development**

The project operates on the premise that created assets, in conjunction with appropriate policy and regulatory environments, more than traditional factor endowments, determine comparative advantage in today's knowledge-based world economy. In particular, « Many SMEs do not realize their full potential contribution to employment, growth, diversification, widening of the export base, a vibrant industrial sector and development, because they lack access to markets, finance, business skills, technology and training »⁶. The project intended to compensate those imbalances and constraints by providing selected economic clusters with an integrated enabling environment (from legal and policy framework, to facilitated access to markets, supply side improvements based on technological innovation, support in forming efficient Public/Private alliances, etc)

➤ **develop human capacity to take full advantage of opportunities in the global economy**

Adequate trade-supporting services (such as trade facilitation, and improved environment in terms of transport, customs, banking and insurance), based on targeted human resources development and efficiently managed business information are prerequisites to meet the challenges of the knowledge based economy in the global market. The project tackles those challenges by providing access to relevant market information that unleashes the potential for export of the selected targets.

➤ **and strengthen South-South exchange through a regional approach**

Developing countries can adjust their production and export strategies to suit their own development strategies and become better integrated in the world economy, at global, regional and national levels. However there are shared issues and options and, by working together, LDCs could share experience, avoid pitfalls and maximise benefits. Through the project, UNCTAD intended to develop tools and techniques (such as (i) the revealed factor intensity index (RFII), an innovative measuring tool to identify sectors/products/related markets with the highest potential for export; and (ii) dissemination of lessons learned and best practices for effective Public/Private Partnerships for a supportive environment) that would provide useful lessons and case studies for adaptation/replication to other settings.

⁴ Bangkok plan of Action 2000. cf § 84.

⁵ This is attested by the following opening words to the study undertaken by the project in Rwanda: « The first few months of 2009 shows a rapidly deteriorating situation, with export revenues for tea and coffee falling significantly ».

⁶ Ibid, cf § 78.

1.3 Programming and Financing

The project “Enhancing effective participation of developing countries in dynamic and new sectors of international trade” received a grant of US\$ 530.000 under the 6th tranche of the Development Account (DA) and was to be implemented from 2008-2011. The implementation of the project started in May 2008. A Request for an extension dated from 16, November 2011 extended the timeframe of implementation of the project till July 2012 and allowed re allocation of some funds. Another request for extension was prepared to allow further implementation of activities, without financial implications, beyond the July 2012 timeline⁷.

In terms of programming, the project is part of UNCTAD’s Technical Cooperation (TC) activities. TC is described as one of UNCTAD three pillars (alongside research and analysis and consensus building)⁸ and from the start in the 1980s, aimed to support the inter-governmental forum or ‘Conference’ activities of UNCTAD, with the objective of helping developing countries and countries with economies in transition to better integrate into the globalising economy, take opportunities and overcome obstacles. UNCTAD’s development work covers the linkages between trade, investment, finance, technology and sustainable development.

In line with the DA account aim to “enhance capacities of developing countries in the priority areas of the United Nations Development Agenda »⁹ and the role of UNCTAD as «focal point within the UN system for tackling LDC-related economic development issues » and of its international trade and commodities program to « strengthen capacity and promote partnerships for trade policy, trade negotiations, trade in goods and services¹⁰», the bulk of the project is dedicated to capacity building.

The project builds on UNCTAD’s intergovernmental reviews of dynamic and new sectors of world trade (conducted in 2005-2007). 4 such reviews were held in 2005-2007, covering eight sectors. Overall, these sectoral reviews pointed to the need for a focused policy approach that builds and sustains strategic linkages among key factors, including supply capacity, productivity, technological endowment and competitiveness; domestic and foreign investment; market access, changing demands and preferences; and regional division of labour.

The Project was funded from the UN Development Account, under its 6th tranche (2008-11), the theme of which was ““Supporting the implementation of internationally agreed goals through innovation, networking and knowledge management”¹¹. The specific documents¹² of the project under evaluation have been elaborated to meet eligibility criteria, including time scope of 3 years and value comprised between US\$ 500 000 and 600 000, of the 6th tranche of the Development Account.

The project was developed by the Trade Analysis Branch, Division of International Trade in Goods and Services, and Commodities, of the United Nations Conference on Trade and development (UNCTAD).

⁷ “Request for the second exceptional extension of Development Account 6th Tranche, Project 06 on “Enhancing Effective Participation of Developing Countries in Dynamic and New Sectors of International Trade” to December 31, 2012” as in a draft memo loosely dated July 2012. The evaluation team cannot confirm this extension request was submitted, but the extension was not granted.

⁸ UNCTAD Annual Report 2007: Thinking development, advancing solutions.

⁹ See <http://www.un.org/esa/devaccount/index.html>.

¹⁰ see <http://unctad.org/en/pages/DITC/DITC.aspx>.

¹¹ See <http://www.un.org/esa/devaccount/projects/active/tranche.html>.

¹² Concept note and project document.

The Development Account (DA), managed by the UN Department of Economic and Social Affairs (DESA), provides extra budgetary opportunities for UNCTAD projects that might not be supported by a donor. There are guidelines as to how the project proposal should be laid out and implemented, including inter alia (i) the development of a logical framework including '*objectives, expected accomplishments, indicators of achievement and main activities*', with clear guidance, and (ii) definition from the start, on what activities are eligible for funding, and eligibility levels for each of the types of activities such as consultants and technical experts, expert groups, travel of staff and targets, study tours, workshops, etc. However, although these direct costs were funded through the Development Account, the salaries and related benefits pertaining to the implementation of the project by regular staff are still funded through UNCTAD regular budget. It is not possible in the context of the reduced scope of this evaluation to provide a detailed assessment of the relative weight of these costs in comparison to the Development Account funding. Moreover, after the project launches certain activities, funding for follow up or parallel activities can be picked up by other donors, which makes it difficult to attribute correctly the outcomes and impact of the project, and prevents any accurate cost benefit analysis¹³.

As requested per the ToRs¹⁴, the indicators of achievement as defined in the logical framework of the proposal documents will therefore serve as main basis for assessment of the project. The evaluation will be structured under two main sections:

- 1) Within a result based framework, according to the indicators for each of the three expected achievements (EA) as they were defined in the initial project document, against the activities implemented as reported in the terminal report,
- 2) Under the 4 criteria for development projects as defined by the DAC of the OECD.

1.4 Logic of intervention

Logical framework of the project:

The Overall Objective of the project is "to help countries build new competitive supply capacity, which will impact sustainable economic development of the beneficiary countries".

The project aims to "strengthen new supply capacities of several developing countries by using innovative approaches to development and trade and organizational learning and information sharing"

Project document lists several targets with substantial new development-oriented outcomes and positive multiplier effects on growth:

- Supply capacity of more technologically advanced products;

¹³ A case in point is provided by the following temporary vacancy announcement that was advertised to recruit external help to support the coordinator of the project : « the incumbent will be responsible for the following duties: Participate in substantive preparation and coordination of national and regional workshops to be organized under the Development Account 6th Tranche (Project O. Enhancing effective participation of developing countries in dynamic and new sectors of international trade), as well as under project - Strengthening export capacity of developing countries in dynamic and new types of goods and services - funded by the Government of Japan". It is not possible to assess the respective shares of both projects in the workload of the recruited assistant. And both mentioned projects are pursuing similar goals and targets, which prevents strict attribution of outcomes. As is recognised in <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N07/527/77/PDF/N0752777.pdf> « Macro indicators are available to assess true impact over extended time periods, but attributing macro results to relatively small interventions such as those of the Development Account is not possible ».

¹⁴ "The review should examine the performance of each project in accordance with its logical framework in the project document".

- Domestic value added of exports;
- Productivity and competitiveness;
- Energy security and efficiency;
- Employment, quality of jobs and better vocational education.

The Specific Objective of the project was to build initial pre-requisites for production and export diversification

The Concept note, dated from 15th February 2007, planned at first to focus on 2 countries in each of the 3 regions of Asia, Africa, and Latin America; and to target 3 indicative sectors: electronics & electrical products, bio-fuels and IT enabled services.

The project defined its three main **expected achievements (EA)** as follows:

- **Expected Accomplishment 1**

Increased understanding and dissemination of developing countries' acquired knowledge and successful experiences to build new capacities for production and exports of dynamic and new products and services

- **Expected Accomplishment 2**

Adoption of national/regional strategies to improve competitive supply capacity, exports, investment, market support conditions and trade facilitation measures for individual sectors.

- **Expected Accomplishment 3**

Establishment of effective public-private knowledge networks and partnerships to implement national/regional strategies to enhance participation of developing countries in dynamic and new sectors of world trade, including designing mechanisms to sustain such networks and partnerships.

According to the initial project documents, each Expected Accomplishment (EA) is pursued through **2 clusters of activities:**

- **EA 1**

- Conducting and disseminating feasibility (diagnostic) studies, including training packages (modules) to assess economic viability of developing countries to embark in production and trade in specific dynamic and new sectors.
- Organizing four national workshops (conferences) to provide training, to validate assessment studies, establish knowledge and information sharing networks.

- **EA 2**

- Convening four regional technical workshops (one in Africa, one in Asia-Pacific, one in Western Asia and one in Latin America and the Caribbean) to share expertise, develop common methodological frameworks, identify best practice and establish working relationships and networks among beneficiary countries to ensure practical follow-up of the technical support and relevant training to Governments and private sector in the preparation of implementation coherent and cost-effective strategies and related regulatory legal and policy frameworks.
- Promoting sustained dialogue among relevant stakeholders based on the local expertise to coordinate public and private objectives and activities, leading to facilitation and establishment of sustainable trade-investment-production partnerships in selected dynamic and new sectors.

- **EA 3**

- Organizing four study tours to draw lessons from successful experiences and best practices involving trade, investment, and production in specific dynamic and new sectors with a view to establishing new public-private knowledge networks and partnerships.
- Strengthening logistical and technical bases of beneficiary Governments and the private sector by developing knowledge collections and databases on the web.

1.5 *Evaluation Methodology, Information Sources and Issues*

The Terms of Reference of this final evaluation propose a generic methodology that includes the main following activities:

- Study of relevant materials available;
- Collection and analysis of evidence;
- Telephone interviews with direct beneficiaries and other relevant stakeholders in the field. Telephone interviews were kindly supported by the project Team, who provided updated contact details, in order to cover a broad range of stakeholders and capture transversal aspects and in particular to assess potential future impact and level of sustainability of the project.

Telephone interviews tried to cover comprehensively all dimensions of the intervention and included participants to national and regional workshops, experts in charge of studies and diagnostics, in Africa, Asia and Latin America. This process took more time than expected given complicated communications and the need to establish contacts via mails before agreeing on telephone/IT supported consultation times.

The evaluation team has devoted particular attention to the case of Peru, as it is the most developed intervention of the project. The full spectrum of stakeholders in Peru has been interviewed at length, including participants to the study tour.

- Interviews with relevant UNCTAD staff;
- Kick off meeting took place in Geneva on Monday November 5, 2012.

Support from the Evaluation Unit and the project Team was crucial to collect the necessary documents/gather the relevant information to conduct the documentary analysis. Further documents were obtained through the site, or as answer to later queries etc...

This evaluation was structured along the following steps:

- ToRs were defined in May 2012;
- Actual selection of the consultant took place in August 2012;
- Kick off meeting in Geneva, first scheduled in early October, had to be postponed to November 5th 2012.

During an extensive meeting with the main UNCTAD staff involved in the management of the project, who also implemented key activities, additional information was collected under the form of a CD ROM.

Kick off meeting was essential as (i) the evaluation does not foresee any travel or field visits, (ii) the wide geographic spread of the project complicates interviews and (iii) extensive maintenance work on UNCTAD website limited access.

The Kick off meeting enabled:

- Collection of key documents and agreement on the detailed scope of the evaluation;
- Distance contact with direct staff, participants and stakeholders of the project in the 6 beneficiary countries: identify targets (names and positions) and provide updated contact data (phone calls, Skype interviews, etc...) all the more so since feedback from direct beneficiaries was explicitly placed as a key focus for the evaluation during launch meeting with UNCTAD evaluation coordinator;
- Interviews with relevant UNCTAD staff and administrative assistants involved in the implementation of the project at management level and in direct implementation of missions as available;
- Analysis of feedback, follow up, lessons learned and generally capitalisation from the project in relation to the development of tools, best practices and lessons learned notably as regards PPPs and UNCTAD prospects for further programming/roll out in this area.

1.5.1 *Research methodology and Sources*

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

- An initial project document comprising (i) a presentation of the proposal for funding, (ii) a logical framework presented through a matrix complemented by indicators of success;
- A reporting schedule structured around 3 yearly reports that refer to the indicators of success; and
- A terminal report.

The project team shared with the evaluators an extensive set of reports, memos and documents related to the full cycle of the project, from the formulation stage till after end of formal implementation.

The documentary base was comprehensive but at times confusing as it included elements that were not directly related to the project.

Key documents included the mandatory structural documents for a DA funded project

- Concept note
- Full project proposal
- Annual progress reports.

The terminal report that the evaluation worked with was still in draft form. The final version of the terminal report was provided to the evaluation team at the very end of December 2012.

The documentary base also included:

- An Extensive administrative file covering requests for extension, re allocation of funds etc...with numerous draft versions. It includes also the selection process for an assistant in quantitative analysis;
- A folder containing the different progress reports of the project, and documents specific to Peru;
- A whole folder containing per date the projects' activities;
- A series of biographic notices and intervention papers or notes for workshops, panels, conferences that were not all within the scope of the evaluation, as those interventions had not all been developed with funding from the DA project;

- A whole folder regarding the pre-event to the UNCTAD XIII conference, including flyers, registry form, speakers abstract etc...
- A whole folder devoted to UNCTAD XIII conference (April 2012) complete with communications, press clippings etc...
- A folder containing several drafts about the survival of exports in LDC;
- A folder devoted to final evaluation of intervening consultants.

The Documentary base for the Analysis was completed by a series of reports, evaluations and documents on related topics and interventions.¹⁵

1.6 Evaluation criteria

As per UNCTAD internal guidelines¹⁶, the purpose of this evaluation is three fold:

- **Assess** whether results have been obtained;
- **Provide** a platform for learning and performance improvement; and
- **Focus** on whether the organization's activities provide value to the Member States and other stakeholders.

The evaluation will follow the criteria defined by the DAC of the OCDE as they are interpreted and specified in the ToRs of the evaluation mission:

(a) Relevance

- Whether the project design and choice of activities/deliverables have properly reflected the needs of the beneficiaries, taking into account UNCTAD's mandates, and alignment with the objectives of the Development Account;
- Whether the activities and outputs of the programme were consistent with the intended outcomes and impact;
- What is UNCTAD's comparative advantage in this area of work?

(b) Effectiveness

- Whether the activities have achieved planned objectives;
- Whether any outcomes (intended and/or unintended) in beneficiary countries are evident following the intervention by UNCTAD;
- What were the main factors influencing the outcomes of this project?

(c) Efficiency

¹⁵ Such as evaluation of USAID trade capacity building intervention for instance : Molly Hageboeck, Nov 24, 2010 ; or Evaluative Review of the Development Account (6th tranche) Project: Enhancing Trade Competitiveness of Least Developed Countries, Countries in Transition and Transit Countries through the Implementation of Single Window Facilities/Final Report/June 2012 available http://iseek.un.org/webpgdept1028_165.asp?dept=1028.

¹⁶ See "Managing for Results: A Guide to Using Evaluation in the United Nations Secretariat" (2005), published by the United Nations Office of Internal Oversight Services.

- Whether project schedules were met or projects were completed within reasonable time parameters;
- Whether the activities have used the most efficient means in delivering the activities, for example, through the use of local resources or of modern communication tools, when appropriate.

(d) Sustainability

- Whether the activities have been designed and implemented in such a way to ensure maximum sustainability of their impact, for instance, whether beneficiary countries were actively involved in the initiation, design and implementation of the project;
- Whether there is initial evidence that the benefits of the project will, or are likely to continue in the future;
- What are the specific factors that influence positively or negatively the sustainability of the results obtained by the project?

Beyond the 4 DAC criteria, the evaluation team will also comply with evaluation criteria as laid out in UNCTAD evaluation policy¹⁷ and applicable UN evaluation standards,¹⁸ and will pay specific attention to cross cutting issues of gender, environmental responsibility and technological gap bridging.

¹⁷ See http://unctad.org/Sections/edm_dir/docs/osg_EvaluationPolicy2011_en.pdf and in particular p.5 and sqq.

¹⁸ "Integrating Human Rights and Gender Equality in Evaluations", UNEG Guidance document (UNEG/G(2011)2), 21 September 2011.

Chapter 2: Performance at Result level as per Logical Framework

In the framework of this project, “dynamic exports” are defined as: Goods or services which have consistently exhibited a high growth in a country’s export basket in the past 5–10 years; or Goods or services which have significantly increased the share in the world trade in goods and services. “New exports” are defined as: Goods or services whose exports started to grow in a country’s export basket in the past 5–10 years; or Goods or services which are entirely new in world exports, in which developing countries may have comparative advantages.

Those definitions are important as they reflect ambiguity and a shift of emphasis during the course of the implementation: at beginning, project was targeting sectors and the use of the tool it was developing was intended to support identification of new and dynamic sectors at the global level (“world”). In the course of implementation, the project turned to goods and services (or products) at the country level and the definition of “new and dynamic” becomes blurred when applied at the national level of Peru for instance¹⁹.

Project indicators:

The Project document presented the four following indicators for measuring achievement. Each of these indicators, to the exception of (d) is specifically assigned to an EA:

(a) Validation by beneficiary Governments of proposed measures (recommendations) suggested by the feasibility studies and public-private dialogue (for at least two indicative dynamic and new sectors) related to EA1;

(b) Implementation by developing countries of proposed measures (recommendations) in their policy-making processes and knowledge/information management (involving at least two indicative dynamic and new sectors) related to EA2;

(c) Setting up of knowledge and information networks, training packages (modules) and public-private partnerships (also containing measures to sustain such partnerships) for identifying, capturing, recording and disseminating good practices and lessons learned (for at least two indicative dynamic and new sectors) related to EA3;

(d) Export growth in beneficiary countries in selected dynamic and new sectors. This indicator relates to the overall objective of the project.

The terminal report is not structured against those indicators. It offers a review of the achievements of the project by listing activities in the sequence in which they were implemented.

The initial project document states that the main objective is long term and therefore “a very difficult one to assess in the time frame of the project execution”. The last indicator (d), above is indeed a long term indicator and the limited budget value, timeframe and practical focus of the project cannot be expected to be reflected in this global macro level indicator.

The initial document says further: “The expected achievements should nevertheless be verified with rather clear indicators closely related to the foreseen activities”.

¹⁹ This re orientation in the logic of intervention of the project is justified in the yearly progress report as follows : « in order to reflect dynamic changes in the international economic environment and trade patterns especially after the 2008 Lehman shock”.

It is the evaluation team assessment that the indicators do not reflect closely the activities as they evolved during implementation. The indicators for the project are not SMART²⁰. In particular they are hardly measurable and would require assessment in a timeframe larger than that of the project implementation –even after extension—and of the present evaluation²¹. The terminal report offers no analytical performance analysis, nor lessons learned.

2.1 Result I

“Increased understanding and dissemination of developing countries’ acquired knowledge and successful experiences to build new capacities for production and exports of dynamic and new products and services.”

This result was pursued through the following activities:

- feasibility (diagnostic) studies;
- Training modules to assess economic viability of developing countries to embark in production and trade in specific dynamic and new sectors;
- Four national workshops (conferences) to provide training, to validate assessment studies, and to establish knowledge and information sharing networks.

Studies:

The budget total of those studies was foreseen under code 604 of the budget and amounted to roughly 20% of the total budget, of which US\$52,000 were for national consultants and US\$50,000 for international consultants.

Studies were of various types; some were related to (i) the analytical framework and the development of databases for the Revealed Factor Intensity Indexes (RFII); (ii) some were devoted to country specific issues related to existing PPPs or to bottlenecks (TBTs, NTBTs, SPS, norms and standards) to international trade, and South-South trade potential. (iii) Some were more directly targeting the “new and dynamic products” that had been identified and for which the project provided direct support for increased trade.

National studies for each developing region, i.e. Rwanda (Africa, 2009), Lao PDR (Asia, 2010) and Peru (Latin America, 2011) were developed by local consultants.

The national studies were presented and discussed at national workshops.

National Workshops

Rwanda national diagnostic study	2009
Lesotho national workshop	organized under another project
Lao national diagnostic study	2010
Lao national workshop	(25-26 October 2010) in Vientiane.
Peru national diagnostic study and updates	2010 and 2011

²⁰ SMART is the quality criterion for indicators. It unpacks as Specific, Measurable, Achievable and attainable, Realistic and relevant, Time bound.

²¹ As an example, the following comment from UNCTAD: « For the fruits (in Peru), we would like to inform that planting and growing processes can take 4 or more years. (...)Production at this point in time was very dispersed and scanty. The study provided policymakers with a diagnostic analysis that can be useful in their strategy selection, and did not intend to suggest they embark rapidly in looking for a commercial contacts when there are other previous conditions not yet set in the country, such as the legislation that would allow for cooperative type of associations”.

Peru national workshop	(25 May 2011) in Lima.
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The identification of “dynamic and new products” went as follows:

- For Lao PDR: green tea as its “dynamic” export and organic vegetables as “new” export;
- For Peru: fresh fruits as its “dynamic” export and anchovy for human consumption as “new” export;
- For Rwanda: speciality (washed) coffee as a dynamic export, sericulture as a potential sector for export were selected, in compliance with the government priorities.

At the national workshops, project reports state that country studies were discussed by the representatives of different stakeholders, e.g. producers, exporters, government agencies and trade ministry officials. The consultations were intended for these stakeholders to obtain practical information from one another and decide on future areas for closer public-private collaboration on the studied sectors/products, a topic more closely related to EA2.

The terminal report further lists as result against EA1, the development of Analytical framework, comprising the following items:

- A database of the Revealed Factor Intensity Indices (RFII) as a tool to measure the degree of sophistication (factor-intensity) of countries’ exported products;
- A case study (“Product space” of Uganda and Benin) on the future potential path of export diversification;
- Dissemination of the RFII database on the UNCTAD website. This step however is not fully implemented to date. It is pending re structuring of the UNCTAD website.
- Replication and mirroring of UN COMTRADE database within UNCTAD to integrate with the TRAINS system and to facilitate the update of the South-South Trade Information System (SSTIS). The RFII database was updated to cover the years up to 2007

Training module:

- A pilot Training Module, providing successful and innovative cases of production/export diversification, supported by the RFII, was drafted.
- The pilot Training Module was tested during the course of three regional workshops. The pilot training module is not fully developed at this point, but it is intended it will be finalised and made available on the website by mid-2013.

The assessment of the project against its result based framework will pay particular attention to the case of Peru, which is both where the full sequence of activities was conducted and where the evaluation team gathered a substantial and broad based body of information on the project implementation.

The case of Peru

Based on the interviews that were conducted with the main stakeholders²² of the most successful intervention²³ of the project, it appears that they are not familiar with the revealed Factor intensity

²² Participants to the study tour, author of national study, private sector enterprises, and Promperu sector managers.

index (RFII) and have had little exposure to studies related to the identification of “dynamic and new sectors” in Peru.

The private sector representatives that were the direct beneficiaries of the project expressed full satisfaction at the support they received and summarise the process as follows:

Promperu²⁴ put them in contact with UNCTAD implementation team.

UNCTAD (1) presented them with the idea of anchovies for human consumption, (2) organised contact with representatives of Korea in Peru, who in turn (3) provided them with useful contacts and product specifications to meet the requirements of the Korean market. (4) A study tour in Korea allowed them to see *in concreto* the drying and conditioning process for the production of the national condiment²⁵.

The case of Peru allows to observe:

- That the new and dynamic products (fish and fruits for Peru) are not in the original sectors that were foreseen as targets of the project
- That those products are new and dynamic at the national level, not at the global nor regional level. For anchovies, it is the process that is new in Peru. It is the marketing technique (via cooperatives) as promoted by the project that would be new for fruits.
- That the diagnostic study as was presented at the national workshop (25 May 2011) was substantially modified before being implemented²⁶. The diagnostic study was centred on frozen fish; the implementation turned to dried and ground anchovy.

Interviewees did not report on networks beyond (i) the formation of a joint venture between the two private companies that benefited from the study tour in Korea and (ii) the discussion on a cooperative approach to try and reduce cost of transporting fruit to US and EU markets and offset small amounts and market fragmentation. In this later direction, project recommendations do not seem to have been implemented to date.

Terminal report also allows to consider that the project developed in 2 parallel²⁷ strands:

- a) Development of the analytical tool RFII, which has a potential use across the whole of UNCTAD’s constituency, and provides analytical insight in trade potentials at the global level;
- b) A hands-on approach to trade facilitation with work at the country level.

The indicator provided for EA1 in the initial logical frame is:

“Validation by beneficiary Governments of proposed measures (recommendations) suggested by the feasibility studies and public-private dialogue (for at least two indicative dynamic and new sectors)”.

²³ Identification in Peru of anchovies for human consumption as a potential new export product, (with value addition through a new process of drying and grinding as a condiment) targeting an expanding market (Korea). The interviewed stakeholders are three of the 4 participants to the study tour in Korea, managers of the 2 peruvian private companies that have benefited from the project support in developing their export of anchovies to Korea, the national consultant who wrote the country study and representatives from Promperu.

²⁴ Comisión de Promoción del Perú para la Exportación y el Turismo.

²⁵ That is also of everyday use in other promising asian markets such as Japan.

²⁶ The final report indicates that the national diagnostic study for Peru was finalised in 2012, i.e. after the national workshop.

²⁷ This relative independence of the 2 strands is reflected in the considerations of 2 experts who developed diagnostic studies and identified new and dynamic products but confirmed not having knowledge of RFII.

This indicator does not coincide fully with activities as reported in the terminal report.

The evaluation team recognises that the project achieved its targeted results in

- Developing an analytical framework and a tool with potential wide application in support of identification of new and dynamic sectors of international trade at the global and possibly regional level.
- Supporting fish producers of Peru in identifying (i) a new market (ii) specific requirements to enhance product (iii) launch process to increase value of their product and match target market requirements.
- Harnessing local expertise (studies were carried out by national experts) to deepen understanding of market requirements and fostering a public (Promperu, Ministry of trade, of production, Korean and Japanese Trade and Investment Promotion Agencies in Peru) and private (Perupez, Prisco) dialogue towards enhanced trade.

The results of EA1 are limited however as

- The link between the two lines of intervention (analytical framework and export facilitation) is not causal nor intrinsic and the scope of the tool, being global, was not key in structuring the intervention in Peru;
- Interventions in other regions/countries did not – to the knowledge of the evaluators – go all the way to actual implementation of enhancing production, accruing value addition and/or increasing trade and regional linkages;
- Public/Private dialogue towards enhanced trade was initiated however in each of the regional fora where the project participated.

2.2 Result II

“Adoption of national/regional strategies to improve competitive supply capacity, exports, investment, market support conditions and trade facilitation measures for individual sectors”

It was intended that this result be pursued through the following activities:

- Providing follow-up technical support and necessary training to Governments and private sector in the preparation of implementation strategies and related regulatory legal and policy frameworks;
- Promoting sustained dialogue among relevant stakeholders based on the local expertise to coordinate public and private objectives and activities, leading to facilitation and establishment of sustainable trade-investment-production partnerships in selected dynamic and new sectors.

Activity 1: Providing follow-up technical support and necessary training

This activity is reflected in the terminal report as being conducted in

- Lao PDR

It was based on the findings from the diagnostic study and the discussions at the national workshop, and related to the production and exports of green tea and organic vegetable (mostly cabbage). Project studies were used as contribution for the preparation of a new UN-wide project for Laos - "Enhancing sustainable tourism, clean production and export capacity in Lao PDR (UNOPS / UN Inter Agency Cluster on Trade and Productive Capacity)" which started in 2011 and in which UNCTAD

provided inputs towards enhancing the production and usage of organic agricultural products (incl. vegetables and silk) in the tourism sector. The evaluation team is not clear as to the scope of UNCTAD’s contribution to this project or to the exact scope of the project contribution therein.

- Peru

Technical support addressed Peruvian export capacity of certain products in relation to the world Dynamic imports. Support was based on product-market pairs (exports of anchovy to Korea, of pomegranate to the European Union and figs for the United States)

- Uganda

According to project team, the project funded activity for understanding major trade barriers to Ugandan dynamic exports, i.e. non-tariff measures (NTMs), and provided training on how to collect meaningful data concerning NTMs. No information related to this activity is recorded in the progress and terminal report.

The evaluation team considers that project achievement in this regard was reduced compared to initially foreseen scope:

- The activity in Lao provided important insight in the various dimensions of needed PPPs in particular as related to environmental concerns, consumer protection, customs, health and SPS issues and certification for organic products. But the project M&E does not allow to demonstrate tangible results attributable to the project.
- In Peru, project reached tangible results by acting as direct support provider to two private Fish sector enterprises (match making with new investors and potential market, business plan, adaptation of product to market requirements, study tour). As regards fruits, the terminal report does not provide evidence of follow up regarding recommendations on structuring cooperatives²⁸ to offset production fragmentation.

Activity 2: Promoting sustained dialogue and trade-investment-production partnerships

In the course of the project, initial target was re-oriented: “instead of focusing on a number of export products that are globally dynamic and new, the project concentrated on identifying country-specific dynamic and new exports”²⁹. This re-orientation had significant implications for the regional level of intervention.

Quantitatively, the terminal report establishes that in pursuit of EA2, Project implemented three regional workshops during 2009, as opposed to the original plan that included four regional technical workshops (one in Africa, one in Asia-Pacific, one in Western Asia and one in Latin America and the Caribbean).

Regional Workshops

Latin America	Lima, Peru in July 2009 Twelve Latin American countries In cooperation with Andean Community Secretariat
Asia	Bangkok, Thailand in 2-3 November 2009 For researchers Jointly organized with the UN ESCAP in the framework of the

²⁸ See in this regard a comment by UNCTAD: « discussion took place effectively during the workshop, though no plan was implemented *in concreto*, most probably because the political situation in the country would not allow for legislation changes at the moment”.

²⁹ See DA Major Achievement synthetic file 2012.

	Conference of Asia-Pacific Research and Training Network on Trade (ARTNet)
Southern Africa	Lesotho, December 2009 Member countries of Southern African Customs Union (SACU)
Multi regional	UNCTAD XIII pre-event Geneva (March 2012) Global Policy Dialogue on Redefining the Role of Government to be presented at the UNCTAD XIII in Doha (24 April 2012)

Qualitatively, the regional workshops were intended to enable knowledge-sharing linkages among the participants (government officials involved in trade, production and the trade environment broadly understood, and the private sector relevant stakeholders from enterprise level to chambers of commerce and business organisations of the participating countries). The tool of the revealed factor intensity indexes as developed by the project was presented at the regional workshops, and a related training module was tested. The terminal report establishes that, according to plan, discussions were held on common methodological frameworks for public-private partnerships within the respective regions at the workshops; notably the two regional workshops in Latin America and in Africa examined the current set-up of public-private partnerships (PPP) in each region.

The indicator for EA2 as presented in the project document is:

Implementation by developing countries of proposed measures (recommendations) in their policy-making processes and knowledge/information management (involving at least two indicative dynamic and new sectors).

This indicator does not allow detailed assessment of activities as implemented and reported in the terminal report.

From the documentation available to the evaluation team, it can be considered that:

- Project reached its target of regional level intervention, albeit at a reduced quantitative level of 3 instead of 4 regional workshops. The evaluation team considers however that project input in the UNCTAD XIII pre-event is relevant to achievements of the project in promoting sustained Public/Private dialogue and PPPs, and substitutes adequately for the 4th workshop;
- The case studies for “dynamic and new products” as developed and disseminated under the project have built up UNCTAD knowledge base and prepare possible further dissemination of the results of the project;
- The regional workshop held in Bangkok, Thailand calls for specific comments: The workshop was jointly organized with the UN ESCAP, and took place within the framework of the Conference of Asia-Pacific Research and Training Network on Trade (ARTNet). Its target audience was not government officials and the private sector as for the other workshops. Because project joined into ESCAP focus, this workshop gathered researchers. While this deviates slightly from the original logic of intervention of the project and may have diminished direct impact, it allowed important insights to prepare further inputs into the on-going debate on the linkage between trade and development which is at the core of UNCTAD’s mandate, in the current context of crisis, regarding PPPs, South-South trade and shifting trends in trade and related needs in terms of trade policies;
- The EA2 of the project was limited to (i) fostering dialogue between relevant stakeholders, (ii) sensitisation to the opportunities and constraints of export, evolving challenges and requirements of regional and global markets, and (iii) exploration of needs for capacity building towards efficient participation into international trade.

Project reached tangible results, directly at the private sector level, in Peru, in relation to one product successfully paired with a new market with strong potential for expansion and significant value addition at the supply level.

2.3 Result III

“Establishment of effective public-private knowledge networks and partnerships to implement national/regional strategies to enhance participation of developing countries in dynamic and new sectors of world trade, including designing mechanisms to sustain such networks and partnerships.”

This result was initially to be pursued through 2 clusters of activities:

- Organizing four study tours to draw lessons from successful experiences and best practices involving trade, investment, and production in specific dynamic and new sectors with a view to establishing new public-private knowledge networks and partnerships.
- Strengthening logistical and technical bases of beneficiary Governments and the private sector by developing knowledge collections and databases on the web.

The indicator coupled with EA3 in the initial logical framework is:

Setting up of knowledge and information networks, training packages (modules) and public-private partnerships (also containing measures to sustain such partnerships) for identifying, capturing, recording and disseminating good practices and lessons learned (for at least two indicative dynamic and new sectors).

The foreseen source of verification is specified as follows: *The number partnerships established; the number of downloads and visits to the established sites.*

The **Request for an extension of Development Account 6th Tranche, Project 06** dated from 16, November 2011 asks for an extension and requests changes in activities under EA3 as follows:

- (A3.1) Organizing 1 study tour of a group of Latin American representatives to South Korea to draw lessons from Korean public-private partnerships in trade, as well as to explore trading opportunities for potential new and dynamic exports between Latin America and East Asia. (This study tour is also a follow-up to the Peru national workshop in April 2011, based on the request received from the network participants).

The terminal report, under EA3, presents only one activity, conducted in 2012, and that is reported as follows: “For the Republic of Peru, one study tour to target importing country, Republic of Korea”. This represents a sharp reduction from the original target of 4 study tours.

The one-week study tour organised meetings between Peru delegation³⁰, and the anchovy stakeholders³¹ in the Republic of Korea. It also included a visit to a fish processing plant for dried

³⁰ Made up of two public-sector officials, from the Ministry of Trade and the Export Promotion Agency (Promperu), and two from the private business sector, accompanied by an international consultant recruited for the project.

³¹ Including Public-private institutions, such as Korea Trade-Investment Promotion Agency (KOTRA), who had already been active in the project in Peru, and Korea Importers Association (KOIMA); Korean distributor and retailers; fish markets.

anchovy³², to see the drying processing technology and machinery in detail; and offered the opportunity for the Peruvian delegation to have a stand at the Seoul Seafood Show 2012.

As already developed under assessment of EA I, extended interviews with beneficiaries of the project in Peru establish that the study tour was very successful. Most appreciated was the possibility to see directly the drying process for anchovies³³ and to establish concrete commercial agreements with Korean importing houses, making the Peruvian venture virtually fail-proof, as production was sure to find its market.

- (A3.2) Organizing an inter-regional meeting in March 2012 in Geneva, to establish a global network among existing national/regional networks, and to discuss and analyze effective types of public-private partnership in the new landscape of international economy.

The reports on the pre-event policy dialogue state "The Chair's summary³⁴ of the policy dialogue will be presented at the UNCTAD XIII in Doha (24 April 2012), particularly in the context of the Round Table 3 on the conference sub-theme of "Strengthening all forms of cooperation and partnership for trade and development ".

The evaluation team recognizes that UNCTAD XIII pre event offered the project a major opportunity to feed into the debate on the link between trade and development, including domestic, inclusive and sustainable development issues and to deepen UNCTAD's knowledge base. It did not lead however to the establishment of a global network among existing national/regional networks.

- (A3.3) Developing a web-based network for the Governments and the private sector through which they share the outcome of the project and collect and share knowledge and best practices.

This achievement is very reduced: while the RFI is available on the web, it is not readily accessible in usable format. Some of the studies developed by the project are available but it is not clear they are consulted, in part because the UNCTAD web site encountered severe maintenance problems, in part because key access issues are not fully resolved to date, and uploading has been delayed. The evaluation team was told that the training module will become available in the web-based knowledge sharing network which will be available hopefully by the mid-2013.

According to the indicators provided in the initial and terminal report, fulfilment of EA 3 was much reduced.

- Only 1 out of the 4 initially foreseen study tours was implemented. The focus of the study tour itself was narrowed to facilitating match making between 2 exporting companies from a developing country and a market in demand for the product;
- As regards the setting up of knowledge and information networks, the terminal report (draft one) only mentions "policy dialogue". While policy dialogue was initiated at the regional and national workshop, no formal networks were formed. The project can claim to have (i) promoted better coordination between Public authorities involved in trade³⁵ and (ii)

³² Nuri in Seochon.

³³ A direct impact, outside the timeframe of the project, is that 3 of the 4 participants to the study tour are currently setting up facilities to dry anchovies in compliance with specifications for export to Korea.

³⁴ No evidence can be provided for this statement, as the UNCTAD site does not present this documentation. This was verified by the valuers and confirmed by the project team.

³⁵ PROMPERU which is placed under the Trade Ministry, The Foreign Affairs Ministry through staff in Lima, the Mission in Geneva, and consulates in the three target markets, and the Ministry of Production which is responsible for production policies, especially for fishing.

emphasised the importance of policy coordination on issues such as investment and adaptation of new production methodologies. It also provided a platform for discussion bringing together public authorities and business and producer associations and actual firms in the private sector. But the evaluation team does not have evidence that this dialogue led to national policies for enhanced trade. It is highly likely however, that Promperu, based on this successful venture, will use the model for further interventions;

- Participation in the UNCTAD XIII pre event opportunistically allowed project to broaden outreach.

As an overall conclusion, the review of the project through its three expected achievements highlights that:

- Some results were achieved, even if at a reduced level in quantitative terms. This is particularly true for study tours;
- Report states that all activities foreseen have been conducted at a satisfactory quality level. As established by mission reports, satisfaction questionnaires at the end of workshops, and direct interviews, the response of the beneficiary is generally good or excellent. But various areas for intervention are fragmented and prevent a synthetic assessment of the project performance;
- Project has demonstrated flexibility: it responded to demands (dried anchovies for Korea) rather than it imposed strict areas for intervention (electronics & electrical products, bio-fuels and IT enabled services). It requested an extension to participate in UNCTAD XIII pre-event. It seized the opportunity to join in the ESCAP conference. It undertook a directional change in order to adapt to significant changes in the international trends (shocks in traditional patterns of trade, increase in non tariff barriers to trade for instance) that took place between the time of design (2007) and the moment of implementation (2009);
- The logic of intervention underwent significant adaptations in the course of implementation that are not reflected in the reporting. Changes in activities were not firmly justified against the logic of intervention;
- The reporting system is weak in analytical data; reports are not result based and not fully consistent with the indicators and EAs as initially defined;
- Achievements are reached but cannot be measured adequately at the higher logical level of impact because Indicators of performance do not match activities as implemented and reporting does not provide analysis towards the result based framework.

Actual results are of three separate kinds:

- An analytical tool was developed :

The RFII database is recognised as a tool with interest in a range of situations:

The expert that developed the indexes now uses the tables in her capacity as economic officer at the Trade and Employment program of ILO to conduct research and define human capital intensive export products of developing countries.

The WB includes the RFII as one of the useful tools for trade analysis

The IMF task manager from Mexico requested the right to use the index to identify trade opportunities³⁶.

³⁶ Evaluators were provided with a mail exchange between Ms. Herman Kamil from the IMF (Mexico team) and the project expert that developed the tool. « We are currently interested in exploring the factors driving Mexico's recent recouping of market

- Regional, national and inter regional platforms were used to promote Public/Private trade policy dialogue, and knowledge sharing by providing case studies and best practices regarding trade opportunities and challenges, market requirements, the link between supply chain enhancement and domestic development, etc...Project outreach is reduced because UNCTAD's website is not underpinning the knowledge sharing activities.
- In Peru, a practical trade opportunity was identified, supported and brought to successful implementation, from concrete identification of a product, identification of a potential market and match making with importers, to adaptation to market requirements, and upgrading of the value chain. This has the potential to provide an important case study with capacity building value if further analysed and disseminated in relevant settings.

Chapter 3: Assessment through the DAC criteria

3.1 *Relevance and quality of design*

The project falls within the scope and priorities of the proposed strategic framework for the period 2008-2009, Programme 10 United Nations Conference on Trade and Development), sub-programme 3 (International Trade).

Project meets the intergovernmental mandate of UNCTAD as renewed in UNCTAD-XII in Accra, Ghana (20-25 April 2008) that reconfirmed that "UNCTAD should help strengthen the participation of developing countries in dynamic and new sectors of world trade".

It is important to stress that throughout implementation and even after, project objectives remain fully relevant and aligned with UNCTAD's mandate as it was reiterated at 26-27 March UNCTAD XIII pre-event: trade is for achieving **inclusive** and **sustainable growth**.

The project intended to further develop UNCTAD electronic platforms, databases and analytical frameworks, such as WITS/TRAINS databases, South-South trade information System (SSTIS), Trade and Development Index (TDI) analytical/diagnostic framework and Infocom/Infoshare platforms in order to support developing countries in taking advantage of new technologies and contribute to bridging the technological divide and information gap.

From the start the project aimed to support enhanced linkages with the private sector and to use its knowledge sharing opportunities (at global, regional and national levels) to gather knowledge, lessons and best practices so as to continue/enlarge support in this direction, in particular as regards Public/Private Partnerships.

share of US imports vis-a-vis China since 2009. We are especially interested in assessing the role played by improved relative unit labour costs in manufacturing (brought about by wage growth differentials and the real effective depreciation of Mexican's currency). In this context, I found very useful your database on revealed factor intensity of traded products at a very disaggregated level, and we intend to use it in our project (and reference it accordingly).

The project retains its relevance

The project was designed before the major crisis that deeply affected international trade and negatively impacted or constrained LDCs and developing countries. But the relevance of the project remains intact: the March 2012 pre-event leading to UNCTAD XIII (April 2012 in Doha), which were the last activity in which the project was involved, both reiterated relevance of the project key underpinnings:

- Challenges of global scale - ranging from climate change to energy resource crunch- and changes in growth patterns and trade trends, require new roles from governments and necessary integrative approach, notably through PPPs (the advocacy element);
- The growth pole of international trade shifting from the North to the South, so that South-South trade could soon become the main stream of international trade flows and requires to take stock of changing trends, identify new demands and enhance supply quality ;
- The progress in information and communication technology and transport, and fluid capital mobility –and related more and more intricate web of trade flows, particularly flows of intermediate goods through global value chains (GVCs) require adjusted capacity building activities and practical application for enhanced production base and increased value addition.

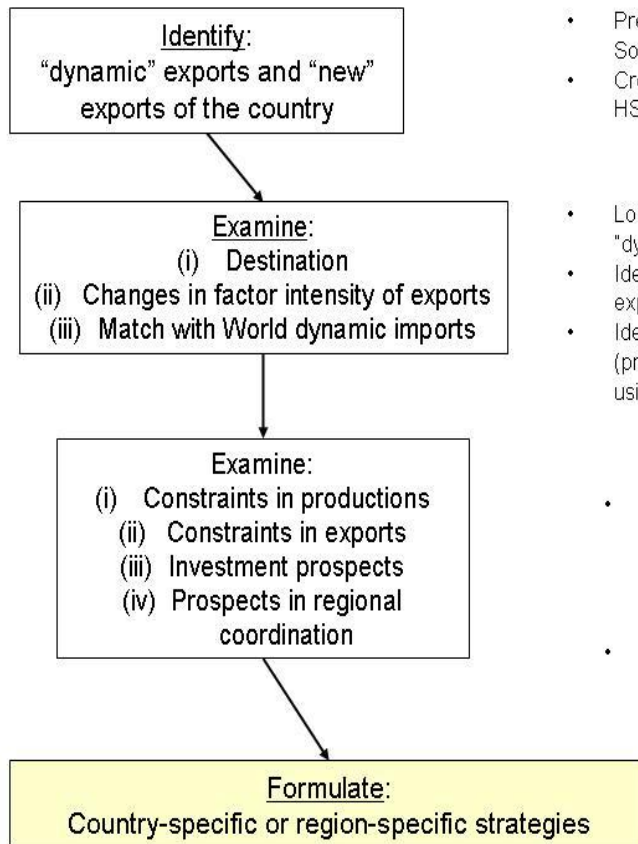
Project explored ways to use international trade to enhance economic growth (*including through value addition at the supply level*) of developing countries in an **inclusive** (*taking on board the private sector all the way to SME level and defining new role for the government and its agencies*) and **sustainable** (*emphasising survival strategies, and cross cutting issues related to the environment*) way. It therefore adequately fed into UNCTAD XIII (April 2012 Doha) which was titled “Development-centred globalization: Towards inclusive and sustainable growth and development”.

Quality of design:

Project proposes in its annual report annex 1 an analytical framework that provides linkage between activities.

Analytical Framework

Analytical Framework



- Prepare all necessary trade statistics (South-South Trade Information System)
- Create a database on factor intensity of exports at HS 6-digit level
- Look into the characteristics of the identified "dynamic" and "new" exports of each country.
- Identify if any of the country's dynamic/new exports match with the World dynamic imports.
- Identify the trends in increasing value-added (product sophistication) of dynamic/new exports using the RFFI.
- Identify constraints in production and exports, then examine if and how these constraints could be overcome by government policy measures. Which of these could be better solved when governments coordinated regionally?
- Identify the areas where enhanced PPP is desired, as well as the type of actions to be taken within a PPP framework.

The evaluation team notes that this analytical framework in its schematic part (left column) does not refer to the RFI³⁷ as a tool to identify “Dynamic and New exports”. This presentation in two columns visually establishes that the project pursued two lines of intervention in parallel.

a) Development of a tool to deepen understanding of potential trends at global level, and support developing countries in a more efficient participation in trade as an engine of development. This strand of activities of the project fulfils UNCTAD’s research and analysis mandate.

b) Promotion of selected dynamic and new products from developing countries for export market (including identification, value addition and facilitation of access to market).

The fostering and promotion of PPPs which is positioned in the original project document as expected achievement 3 (EA3: Establishment of effective public-private knowledge networks and partnerships to implement national/regional strategies.) is, in the analytical framework, only mentioned as one of various elements to take into account in the development of dynamic and new sectors in international trade.

³⁷ RFI are not positioned in the graph; in the column on the right the RFI indexes are to be developed as a first step. They are used during the second step to match already identified dynamic and new exports with the trends of the global trade flows.

The logical framework of the project has not been revised in the course of the implementation, even though project documents recognise that changes in international trade flows and trends called for major re-orientation³⁸. The “re-directional change” entailed switching from the three initially foreseen areas for intervention³⁹ to retain the demand driven dimension of the project. Project then, focussed less on regional networks and turned more to promotion and facilitation of market access for traditional agro-food sector products⁴⁰.

The evaluation team has developed in annex a synthetic chronogramme that highlights some of the considerations that follow.

Implementation process

A specifically dedicated person coordinated project, but the coordinator, who also has to carry out the rest of a regular workload, felt quite burdened with the logistics of the project, as only limited support can be provided with funding from the project.

Development Account and UNCTAD’s rules for allocation of resources constrain management of DA projects; The project amounted for the coordinator to an additional workload, entailing at times heavy administrative procedures⁴¹ that are not compensated with recruitment of adequate human resources.

Project required coordination among activities that fall under the responsibility of other units or organisations of the UN (UN ESCLAP, UNCTAD XIII pre-event) and other institutions (SACU). The project management model and the need to coordinate transversally to tap a broad range of competencies (Korea representation in Geneva, in Peru, Mercosur specialists, Fish sector experts, etc...) complicate management and make it time consuming.

Project at the same time needs to open activities widely to cater to the full of UNCTAD’s constituency. The original planning was spread over 3 world regions and foresaw national level intervention in at least 3 countries, for a total of at least 6 products (3 dynamic and 3 new products). There was a significant risk of sprinkling resources, and of hardly going beyond awareness raising and sensitization. Project mitigated that risk by concentrating its activities, towards the end, on Peru in order to achieve a tangible outcome. This however introduced an imbalance in the performance of the project/intensity of UNCTAD’s intervention vis-a-vis the whole of its constituency.

Logistics are complicated since Trade Promotion Organisations (TPOs), private sector stakeholders, Chambers of Commerce and Trade of officials etc. often are hard to communicate with, and IT is often weak. Taking into account circumstances (national festivities, official travel, or electoral constraints) many of which cannot be foreseen (such as natural disasters, change of leadership⁴² etc.), the originally foreseen outreach was hardly achievable within the budget (between US \$500 000 and 600 000) and the timeframe (3 years) of a Development Account project.

³⁸ “the financial crisis and subsequent economic turmoil...required a directional change in the project’s implementation: instead of focusing on a number of export products that are globally dynamic and new, the project concentrated on identifying country-specific dynamic and new exports” DA Major achievement reports Version 3.

³⁹ Electronics & electrical products, biofuels and IT enabled services.

⁴⁰ Anchovies and tropical fruits in Peru, Green tea and cabbage in Lao.

⁴¹ Notably to request an extension, which requires a lengthy approbation circuit via New York, and can reduce reactivity of the project to emerging opportunities.

⁴² For instance, in Uganda, the organization of the Commonwealth Summit required postponing the final event of the business linkages project.

In conclusion the project takes fully into account UNCTAD's mandate, and correctly reflects needs of the beneficiaries. However choice of activities/deliverables, while correctly aligned with the objectives of the Development Account and UNCTAD's requirements for TA intervention, were constrained by organisational and human resources limitations, and were over-ambitious given the limited budget and timeframe.

3.2 Efficiency

The modalities of implementation of the project are described in the project documents as deliberately gradual, with activities of the first year intended to offer a structuring framework for the follow up activities:

Research, diagnostic studies and papers would

- Serve as base for capacity building.
- support further practical application towards:
 - a. "Dynamic and new exports"
 - b. PPPs.

As presented in the yearly reports⁴³ the three sequential phases are as follows:

- 2008: developing a methodological framework.
- 2009: organization of three regional workshops, which took place in Peru (for Latin America), Bangkok (for Asia) and Lesotho (for Southern Africa).
- Final stage (extended to July 2012): establishment of effective public-private knowledge networks and partnerships to implement national/regional strategies.

This "gradual" approach prepares the development of a model to replicate the process and therefore to mediate the limited size of the project compared to its potentially very widespread target audience. The practical steps of consultancy and advisory services are intended to promote diversification, identifying new supply capacities, and strengthen South-South trade. The evaluation team found little or no trace of those advisory services⁴⁴ in the project reporting, except in the case of Peru.

The mandatory annual progress reports produced to fulfil the DA reporting requirements are mostly formal. They list activities but are short in analysis. They provide few details and lessons learned, and are not used as an instrument to support enhanced management; same wordings are repeated verbatim from one annual report to the other as a general assessment for the period.

In terms of timely implementation, the project encountered several delays. As early as end of 2009 project report⁴⁵ announces reduced outputs:

- from 4 to 3 regional workshops,
- from 4 to 3 national workshops,

⁴³ The description of the three phases is lifted from the successive initial summary of the annual reports.

⁴⁴ Advisory services are reported in Uganda but it seems the project did not conduct follow up activities there beyond advice related to understanding major trade barriers to dynamic exports, i.e. non-tariff measures (NTMs) and presentation of a study on Hausmann & Klinger (2007) methodology to identify high-potential export sectors for Uganda and Benin.

⁴⁵ "Given the budget limitation, we could organize only three regional workshops, instead of four. We will try to organize four national workshops, but remain uncertain if the budget would allow the fourth national activities for Lesotho, in addition to Rwanda, Peru and Lao PDR".

- From 4 to one study tour.

For actual implementation see chronogram in annex.

The reference to budget limitation (see footnote 45) to explain delays is not justified as in fact, project was extended till July 2012 and considered requesting another extension in August 2012 till December 2012 in order to accommodate new requests by Chile and China. When the new extension did not take place and the project actually ended, project funds that had not been disbursed were returned to the DA account. Returned funds amounted to 20% of the total value.

On the other hand, UNCTAD is constrained by the need to open activities widely to cater to the full of its constituency. This complicates the organization of regional level activities that need to coordinate many different and sometimes contradictory parameters (electoral schedules, national events, availability of experts, decision makers, etc.). It also makes efficient capacity building activities difficult, as attendants from countries with very different economic size and levels do not have the same needs, nor the same absorption capacity and may not offer adequate or compatible institutional set ups. This, combined with issues of commercial competition⁴⁶, probably limited the capacity of the project to go, except in a reduced fashion, beyond awareness raising, at least at the level of regional interventions.

In order to reduce costs and extend outreach, in compliance with UNCTAD's broad scope and UN recommendations for pursuit of coordination and complementarity with other partners in development, the project used opportunities to combine its regional level activities with other conferences / workshops. This provides an element of explanation (i) for some delays in implementation of conferences etc. (ii) for the need to extend activities of the project by two years⁴⁷ and (iii) for adjustments in targets (from public/private stakeholders to researchers for instance).

The project reached tangible results in Peru, accompanying 2 Peruvian fish companies all the way to:

- identifying a new process (drying and grinding) with higher value added to their product (anchovies);
- identifying a niche market (Korea for national soup condiment);
- Up scaling product to requirements of the targeted market.

Though on reduced quantitative terms, project completed, with a reasonable delay in view of its comprehensive scope, the bulk of its foreseen activities.

The evaluation team considers that time extension is not necessarily negative in terms of efficiency, as the last period allowed the project to reach a tangible result, therefore increasing the demonstrative value of the case and offering a model for replication that enriches the offer of UNCTAD to its constituency and could facilitate a hand over of similar interventions, based on the tools and methodology of the project, to other programmes or funding sources.

⁴⁶ This is inferred from comments from participants to regional workshops.

⁴⁷ For instance the project requested an extension in order to be able to provide inputs in the UNCTAD XIII pre-event set in March 2012. Similarly, the regional workshop in Asia piggy backed on the UN ESCAP (Trade and Investment Division) 5th Conference on Trade-led Growth in Times of Crisis within the framework of the ESCAP's ARTNet (Asia-Pacific Research and Training Network on Trade).

Participation of the project in co-sponsored events at the regional level appears as an efficient mean⁴⁸ to increase outreach, even though it might loosen or bend the logic of intervention⁴⁹.

Project management needs to be strengthened in several directions:

- Documentation is not clearly organized; reports are not archived in a structured fashion. Reporting is fragmented, draft versions are not clearly identified as such etc...Terminal report was only submitted 6 month after the formal end of the project;
- Financial management of the project seems to be handled separately from strategic planning and implementation;
- There are no clear boundaries between activities of the project, the regular work load of the unit in charge of it, and the cooperation of other units of UNCTAD and/or other UN family organisations.

3.3 Effectiveness

Project has achieved its planned objectives in the measure that

- A tool has been designed and some capacity building has been provided to use this tool for the purpose of enhancing participation of developing and less developed countries in “dynamic and new sectors of International trade”. The tool is based on global level analysis and is related to research and analysis more than to direct TA to developing countries;
- Studies have been developed and disseminated, and participatory consultations have been held that supported sharing of experience and practical advice on improving the environment for “inclusive and sustainable” trade development, providing suggestions for knowledge sharing and building up of knowledge networks at regional and national levels.

However the documentation does not provide robust evidence that those activities have (or will have) follow up in terms of coordinated regional policy dialogue, networking, and constructive policy reform to enable better participation of developing countries in international trade, and in particular to diversify production, strengthen value addition, and increase capacity of developing and less developed countries to derive development benefits from international trade.

The initial logical framework matrix offers quantitative indicators of success that have globally been met by the project, to the exception of study tours. However, those indicators are mostly indicators of output (ex: at least 3 workshops will be organised; 3 countries will receive advisory services...) and the list of activities implemented as presented in the terminal report offers little or no evidence of:

- reform or enhancements of the trade environment and development of PPPs directly linked to the support provided by the project; or
- Identification of dynamic or new products, thanks to the training and tools and techniques provided by the project.

While the project, especially as conceived for a 3 year duration, could not be expected to measurably improve participation in international trade of developing and less developed countries it worked

⁴⁸ See footnote above. Also UNCTAD Regional Workshop - Southern African Customs Union, with UNIDO and UN ECA, and financial contributions from the Government of Norway.

⁴⁹ For instance the Asia regional conference targeted researchers and research institutes, which are not the core target of the logic of intervention of the project.

with⁵⁰, it has provided an initial and important sensitisation to the benefits that can be expected from

- knowledge sharing networks, particularly related to (i) global trends, (ii) in depth analysis of comparative advantage, (iii) potential of South-South exports, (iv) tariffs and non tariffs barriers to trade, (v) access to facilitation and support services;
- Enhanced understanding of integrated and participatory process for policy making and reform process along internationally recognised best practices.

Project has disseminated best practices as regards involving the private sector into policy making towards enhanced trade and investment. No mention is made, however, to specific gender concerns in relation to participation of developing and less developed countries in international trade. The evaluation team found a passing reference to income generation for women in the study related to washed coffee in Rwanda but no reference to mainstreaming women issues. And cross cutting issues of environmental responsibility are only mentioned in the framework of the development of organic production in Laos.

One important value added of DA projects lies in the opportunity to « link analytical and normative functions to practical operational activities »⁵¹. In this regard, effectiveness of the project is most tangible in the case of Peru, where a product (anchovy for human consumption, as opposed to previous production, with reduced value, of animal feed) received support for value addition (drying and grinding process) in order to conquer a market (Korea) and therefore will enhance participation of Peru in international trade.

This positive result was not clearly based however on the analytical tool (RFII) developed by the project, and the product was “new” only in terms of processing and of its destination for human consumption. The effectiveness of the project is therefore limited to a product from a traditional sector, with value addition based on a process that is not innovative per se. The project however has acquired potential effectiveness for further roll out in practically demonstrating the importance of in depth market analysis and product adaptation to market requirements for trade expansion.

In order to reduce costs and extend outreach, the project used opportunities to combine its regional level activities with that of other donors, conferences and workshops that did not share exactly similar purpose or targets. The evaluation team considers this was a positive and flexible use of DA funds for it allowed at the same time (i) to extend outreach of the project (ii) to support the research and analysis mandate of UNCTAD and (iii) to prepare possible follow up activities with other funding⁵².

A sub question of the ToRs requires assessment of effectiveness through the analysis of outcomes (intended and/or unintended) in beneficiary countries, following the intervention by UNCTAD. Outcomes can broadly be assessed at three levels:

- outcome at the level of the analytical framework:

Access to the training module on the web is a pre requisite for the database to produce outcome. But the web site version is not going to be available till mid 2013. This prevents potential outcome and replication.

⁵⁰ See analysis of indicator (d) in beginning of section 2.1 above.

⁵¹ See <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N07/527/77/PDF/N0752777.pdf> p.10.

⁵² With Norway, Japan, etc...

The RFI has triggered interest, and could be of use in a variety of contexts. The updating process (with databases brought up from 2007 to 2012 for instance) is necessary to enable outcome, whether at research level or in development projects. The gap in e-availability reduces the potential impact of the analytical framework.

- Outcome at the level of a pilot business model:

UNCTAD produced a demonstrated positive outcome on the two companies in Peru that were supported by the project:

They have united as a joint venture hopes to launch the export of dried anchovies for human consumption under the form of the condiment that is typical of Korean soup by mid 2013. Testing is to be carried out over the next three months and production could begin soon after if try-outs are conclusive.

The intervention of the project in Peru must be further analysed, over the next couple of years, to verify and attribute secondary outcome on improved supply chain, social benefits in terms of employment, on income generation, on stimulation of competition and consumers benefits, on sector improvements (in terms of health, for instance and SPS compliance) and expansion towards other markets such as Japan, etc...

- Outcome at the level of knowledge sharing partnerships:

As is generally recognised in development work, “the nature of human resource development and capacity-building activities makes true impact measurement next to impossible in the short term »⁵³. The consultations at national and regional levels that were launched, supported or participated by the project are likely to have an impact, but it cannot be measured presently. The gap in accessibility of the project outputs on UNCTAD website limits the potential outcome and impact.

3.4 Sustainability

Sustainability must be assessed at various levels, and regarding various elements of the project.

Sustainability of the tools and methods:

The sustainability of the project was foreseen in the following statement from the (first) progress report 2008:

“The aim of this project is to help countries build new competitive supply capacity, which will impact sustainable economic development of the beneficiary countries. For this purpose, the project focuses on building initial pre-requisites for production and export diversification. The first phase of the project developed analytical tools and a database to be used to help countries identify the necessary pre-requisites of their own. Activities in the following phase (2000-2010) aim at building an active public-private sector network within a country, as well as among beneficiary developing countries.”

⁵³ See A/62/466 p. 11.

- The analytical tools and database for countries to identify their own pre requisites have been developed. As tools they will retain sustainability if they are updated adequately and used by their intended beneficiaries⁵⁴.
- The evaluation team could not gather strong evidence that direct beneficiaries of the project (whether at the private sector level, or policy makers level) have clear understanding and plans to keep using the tool (RFII) that was presented to them by the project.
- While the Revealed Factor Intensity indices and related databases have received a positive response from other international organisations,⁵⁵ the tool as presented in the various workshops does not appear to have gathered the lasting attention of the targeted audiences of public and private operators of trade in developing and less developed countries. The evaluation team considers the tool provides interesting insight into trade trends and opportunities at the global level, but does not address the recognised⁵⁶ challenge of “packaging the existing positive experiences and related knowledge of successful developing countries (Lesotho, Peru) into useable information (identification via RFII and databases of promising sectors/products) and capacity building activities (training modules and advisory services) that can be shared with other developing countries”.

Sustainability of the public-private sector networks

The project worked at fostering public private sector networks within countries, at regional and global levels, through advisory services, national regional and inter-regional workshops and consultations.

- If sustainability relates to the ability of the beneficiaries to continue the activities without further input from UNCTAD, a longer-term perspective, way beyond the scope of a 2 year project, even if extended to 4, is needed to demonstrate successful institutional Capacity Building.
- The evaluation team considers that activities of the project promoted sustainability through networking, advisory services to beneficiaries, shared experiences and participatory policy dialogue. As outcome of several workshops, participants expressed both interest and commitments to continue the inclusive policy dialogue, and the UNCTAD XIII pre event provides hopeful signs⁵⁷.
- The evaluation team does not have evidence that the project created networks and PPP as direct outcomes. It has nonetheless the conviction that the project contributed to a fruitful dialogue, where the private sector could bring its needs to the attention of policymakers, deepen its understanding of the various tools and mechanisms it could benefit from, and governments could detail the constraints they are facing, and weigh their decisions against an accurate assessment of the needs of the private sector.

⁵⁴ Under project intervention, data series were updated to 2007. The scope of the evaluation does not allow to know if further update has been conducted or is in the pipeline, at UNCTAD or in other institutions (save for the expressed interest of the IMF in Mexico).

⁵⁵ IMF, WB ILO, and research institutes, notably those represented at the workshop in Asia.

⁵⁶ Project Document rev. 4 p.5.

⁵⁷ See in particular contribution of Isidoro Hodara, Chair of Foreign Trade, School of Management and Social Sciences, ORT University, Uruguay.

Activities at national and regional conferences tend to be limited by time and budget constraints to mostly awareness raising and sensitisation and therefore should be understood as seed activities. It would be necessary to proceed to the ex-post evaluation of project outcome possibly 2 or 3 years after closure of the project, in the field, to assess accurately the impact and sustainability, not only of the project alone but of the combined approaches of UNCTAD and of other stakeholders including government agencies and private sector organisations, on selected approaches (PPPs, diversification, production improvements for export) to which the project contributed, within the limits of its value and scope.

Sustainability at the producer/exporter level:

The consultancy provided as follow up of the training/workshops tends to become individual rather than institution building⁵⁸. One could argue for instance that the global purpose of the project that included interregional, regional and national levels, has been narrowed to the extent the project ended up providing direct support services to 2 private companies, helping them, via consultancy and the study tour to:

- identify a new market, suitable partners and requirements for exporting;
- develop a joint strategic plan (both companies went into joint venture to reduce risks and facilitate required investment in equipment), diversify production and adapt it to targeted market;

This support however is sustainable in itself, as the companies are now well poised by themselves to achieve the enhanced participation in international trade that was targeted by the project. It is not unlikely also that other fishery might follow the example and similarly improve their products and identify more profitable opportunities. This extension effect is more likely at the national level than at the regional level⁵⁹.

Another issue is the high staff turnover in beneficiary countries whereby sustainability can be reduced or impaired. An interesting case in point is offered by Peru, where a Promperu, (the agency that promotes Peruvian export and identified the private companies that would receive project support) participant to the study tour, is now employed by the joint venture that is implementing the recommendations of the project. Promperu is not involved anymore, and the fish companies are not participating in networking activities. It can nonetheless be foreseen that the numerous opportunities for dialogue with, and feedback from, the private sector that were fostered by the project will acquire a certain level of sustainability and will contribute, in a longer timeframe, to institutionalize the dialogue between institutions and the private sector (local and foreign producers, and investors).

In Conclusion, looking at sustainability through the indicators that are selected in assessment of sustainability of DA accounts (A/62/466) such as “websites still up and running, training modules/software still being used or on-going meetings of established networks » the sustainability of this project is likely to be low:

- The training module and other knowledge sharing tools (databases and indexes) were

⁵⁸ This is the case, at the margin of the national conference in Peru, when UNCTAD provided the possibility for a private meeting « Consultas privadas de negocios – reunión paralela”.

⁵⁹ This consideration is based on interviews that mentioned the perceived threat of competition with anchovy producers in Chile.

initially intended to be available on internet by October 2012. However the UNCTAD site is undergoing major maintenance service and availability of those tools is postponed. Intensity of use cannot be assessed, and is certainly diminished by the gap in availability.

- The external evaluation team, in absence of field visits, could not find evidence of « on-going meetings of established networks » under the project.

However the linkage between KOTRA and Peruvian private sector enterprises that was initiated by the project is sustainable and the evaluation team considers it has demonstrative value as producing a positive impact on:

- (i) The quality of the exported product (drying, grinding, SPS norms for human consumption);
- (ii) The capacity of private sector enterprises to conquer new markets (importance of consultations with relevant stakeholders to adapt to specific demands, remove bottlenecks).

The evaluation team considers that the various trade support organisations that were involved, albeit less intensely, in the project, will continue to work at the articulation between Public and Private sector, and the emphasis put by the project on the benefits to be derived from enhanced PPP is likely to gradually improve the trade environment in which they operate. The evaluation team therefore considers the promotion of PPPs as was implemented by the project, as a long term element of sustainability of the project.

Chapter 4: Conclusions and Recommendations

4.1 Conclusions

Management level:

The emphasis, in project design and in reporting, remains placed on the delivery of activities rather than it is results oriented, and generally (i) it is not possible to assess if the project is cost efficient and (ii) it is not possible to provide robust assessments of impact and sustainability.

Main issues of efficiency are:

- Sometime weak or difficult project management from UNCTAD: Several interviewees of this and other DA projects acknowledged that seeking synergies with other units or organisations of the UN family is complicated, time consuming and heavy administratively. Coordinating a DA project is often viewed as threat of work overload.
- There appears that project activities rely heavily on regular staff to perform direct training, develop studies and/or make presentations at workshops. The danger here is for project to become supply driven rather than demand driven in the development of activities. It also prevents the possibility to assess clearly the balance of expenditures coming from the development account from the expenses covered by the general budget.
- The logical framework is not used and revisited during implementation to reflect/justify changes. The indicators of achievement remain narrowly quantitative, and restricted to

outputs, or do not reflect closely activities as they were implemented. Some activities appear as stemming from opportunities⁶⁰ rather than from result oriented strategy; reviews and adjustments to the logic of intervention are not reported.

At the level of effectiveness and outcome, broad coverage of the project tends to spread DA funding too thin, and results in reduced effectiveness.

A better balance has to be found between:

- The constraints of the wide constituency of UNCTAD and a realistic scope for a DA project with a value of US\$ 500,000 to 600,000.
- The capacity building focus of UNCTAD TA activities and the duration of a DA project of about 3 years.
- The development of knowledge sharing tools and techniques and practical applications at the SME level.
- The policy dialogue level and the actual diversification, enhanced sophistication and increased trade of dynamic and new products.

Project demonstrated positive flexibility by buttressing its public/private policy making original main focus with complementary activities related to business linkages and practical involvement of private sector into trade development. Project achieved tangible impact in Peru mostly as regards the development of dried anchovies for human consumption, targeting the specialised market of Korea.

The replicability of the case study is limited as the support provided by the project was specific to the product and to the targeted market⁶¹. It offers nonetheless insights into (i) the importance of overcoming non tariff constraints to diversify and increase exports, (ii) the relevance of in-depth knowledge of market conditions for successful market access, (iii) the role of export promotion agencies and the range of facilitation services that are available, (iv) the possibilities offered by inclusive policy dialogue.

Indirect impact has been prepared by the project at 2 levels:

- Studies and diagnostics have sensitised both national policy makers and private sector stakeholders to the main issues that constrain developing countries from participating efficiently in international trade.
- Project participation in UNCTAD XIII pre event allowed project field experience to feed into UNCTAD's agenda for the next four years and to adjust its response to new trade challenges induced by the current crisis in order to meet MDGs.

Cross cutting issues of gender, and of environmental responsibility are only passingly mentioned and the project did not mainstream those issues in compliance with UNCTAD and the development community best practices.

⁶⁰ The participation of the project to the UNCTAD XIII pre event is a case in point.

⁶¹ This assessment relates to the declared aim of DA projects: see A/62/466 : « the scalability (or replicability) of project activities is also an important goal of the Development Account ».

4.2 Recommendations

- Project design should not be artificially accommodating overambitious objectives at the expense of the internal logic of intervention, and consistency between means and scope.
- Project proposal should define indicators of achievements at the outcome and impact level and Annual Reports should include (i) assessment against those indicators and (ii) deeper analysis of progress and changes in the logic of intervention. Any such changes should be reflected in the logical framework, with related adjustment of indicators of performance.
- Annual reports should provide a more analytical view of the project and its achievements. In particular, the terminal report should provide synthetic qualitative assessment of the specific and global objective (or of their potential...) at the higher levels in the logic of intervention.
- Human resources arrangements have to be made so that a DA project coordinator has the support that would enable him/her to fulfil regular duties while ensuring oversight over efficient implementation and providing analytical reporting. DA project coordinators would possibly also benefit from some form of training on analytical reporting in a result based framework, on the definition of indicators and on the organisation of the documentary base in order to facilitate the final evaluation of DA projects and prepare dissemination of lessons learned.
- In order to demonstrate sustainability, clear documentation should evidence the funding that has been identified and/or set in place to continue after project involvement ends, in each of the areas of work of the project. In particular, issue of further updating of the RFI is crucial.
- Cross cutting issues of gender and of environmental responsibility must be mainstreamed in project development from the start. It should become a criterion for funding and should receive specific and mandatory analytical reporting in annual reports.
- The project documents offer reference to potentially important cross fertilisation opportunities (with researchers at the regional workshop in Asia for instance). But reporting must provide evidence that duplication is avoided and that all activities of the project remain well within the scope of the logic of intervention.
- The experience of the project in Peru must be followed up and the case study must be completed to emphasise lessons learned, successful strategies and prepare an effective tool and training package for replication. Linkage with environmental responsibilities and poverty reduction need to be explored in depth.
- The project team must not lose commitment to implement the web supported knowledge sharing activities that were foreseen by the project, and in particular the training module related to the use of the RFI must be finalised and uploaded as soon as UNCTAD site is restructured, and the databases need regular updates.

Annex

