

MANAGEMENT RESPONSE TO THE INDEPENDENT EVALUATION OF THE INTERNATIONAL TRADE CENTRE

26 JANUARY 2015

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Acronyms

AP	Action Point
CCITF	Consultative Committee on the ITC Trust Fund
CRM	Client Relationship Management
DBIS	Division of Business and Institutional Support
DCP	Division of Country Programmes
DMD	Division of Market Development
DPS	Division of Programme Support
EIF	Enhanced Integrated Framework
H1	First Half
H2	Second Half
IPSAS	International Public Sector Accounting Standards
ITC	International Trade Centre
JAG	Joint Advisory Group
MR	Management Response
MOU	Memorandum of Understanding
OED	Office of the Executive Director
SME	Small and Medium-sized Enterprise
STDF	Standards and Trade Development Facility
SPPG	Strategic Planning, Performance and Governance
SR	Strategic Recommendation
TSI	Trade Support Institution
UNCTAD	United Nations Conference on Trade and Development
UNGA	United Nations General Assembly
WTO	World Trade Organization

Information Note

Final evaluation report submission date:	30 May 2014
Presentation of the Evaluation and Initial Management Response at the Joint Advisory Group (JAG) meeting:	11 June 2014
Consultative Committee on the ITC Trust Fund (CCITF) discussion of the draft Management Response:	28 October 2014
Presentation of the second phase of the Management Response at the JAG informal meeting:	26 January 2015
Key references for preparing the Management Response:	<ol style="list-style-type: none"> 1. The Independent Evaluation of ITC 2014 2. Executive Summary of the Independent Evaluation of ITC 2014 3. ITC Strategic Plan 2015-2017 4. 'One ITC' Intervention Logic for SME International Competitiveness, 2014 5. Operationalizing the Strategic Plan 2015-2017, Defining projects and programmes 6. CCITF discussion on 28 October 2014 7. Related communications between ITC and stakeholders
Consultation process with Members	The present Management Response has been drafted in consultation with Members both informally as well as in the context of the CCITF. This exercise has been conducted in an inclusive and transparent manner to ensure the support of ITC clients and partners. ITC Donors have decided to contribute to this Management Response by providing a Common Donor Statement which is available at the end of the ITC Management response, pages 10 to 12.
Follow up reporting	Progress on the implementation of these recommendations will be regularly reviewed and reported to the JAG.
Note: The implementation of the below-described recommendations, in particular the pace in moving to more strategic, better prioritized, more impact-driven, more coherent programmatic approach will be greatly aided by longer term financial commitments from funders. The same applies to the coverage of the deployment of ITC services in a wide range of countries and regions.	

Strategic Recommendation 1

Move to a strategic base for supporting and deploying ITC's unique strengths in the global Aid for Trade effort.

- The six clustered focus areas in the current ITC Operational Plan and Case for Support should be provided with substantial longer-term financial support (5 year minimum) and should be developed and deployed by ITC in genuinely strategic ways for a wide range of countries and regions.
- De-emphasize ambitions for conventional country programmes, in favour of capitalizing on proven ITC strengths globally and regionally.

Recommended Actions to ITC's Management:

- I. Use a small high-level programme-development and support unit, made up of experienced operational officers, to flesh out 6-10 year strategic programmes and longer-term support under the clusters, in pro-active dialogue with potential beneficiaries, operational staff and donors.
- II. Task this unit with reporting in one year to management and JAG on initial experience, including lessons for the responsibilities and working relationships of technical and geographical units, any suggested pruning of non-strategic services or products, and possible structural or other implications.
- III. Do not accept shorter-term, one-off projects that do not capitalize on ITC's potential contributions, but instead detract from its strategic effectiveness.

ITC actions	Completion date	Responsible parties	Means of verification
<p>1. <u>Strategic Plan:</u> The new Strategic Plan 2015-2017 has articulated ITC's unique strengths and cemented its strategy around the six focus areas. It reinforces ITC's key role in the Aid for Trade landscape. The focus areas are underpinned by a programmatic approach which aims to clarify the ITC portfolio and align it with its strategic goals.</p>	Done	SPPG	Strategic Plan 15-17
<p>2. <u>Theory of change:</u> ITC has also developed an intervention logic that further details the corresponding theories of change that ITC deploys as set out in the Strategic Plan.</p>	Done	SPPG with input from divisions	"One ITC" Intervention Logic
<p>3. <u>Programmatic Approach:</u> Under each of the six focus areas relevant programmes will be developed. ITC's programmatic approach will include an intervention logic that analyses and organizes current ITC services into a logical and coherent sequence, identifying needs for improvement and innovation, as well as gaps to be addressed for each programme. This will determine standard success criteria attributable to activities delivered by ITC Sections at each step of beneficiaries' change process, and support evaluations of the impact of ITC's interventions on the ground. It will also include the introduction of programme management standards such as programme boards and sponsors.</p>	H2 2015	DBIS, DMD and DCP	Programme documents

<p>4. <u>Catalogues of ITC Products and Services:</u> It will focus on areas where ITC has greater value added and discontinue in the areas with lesser comparative advantage. The programmatic approach and the catalogue will ensure better prioritisation, fewer 'shorter-term, one-off projects', and ultimately, greater impact</p>	<p>H1 2015</p>	<p>SPPG</p>	<p>Catalogue of ITC Products and Services</p>
<p>5. <u>Programme Development:</u> A task force will be set up charged with programmes / project design to ensure coherence and efficiency.</p>	<p>H1 2015</p>	<p>ITC Mgt</p>	<p>Setting up of task force with objectives and success criteria</p>
<p>6. <u>Annual Operational Plan:</u> The goals outlined in the Strategic plan will be implemented via Annual Operational Plans. The implementation and accomplishments will be reported to members through Annual Reports.</p>	<p>H2 2017</p>	<p>OED and DPS</p>	<p>Operational Plan Annual Report</p>
<p>7. <u>Serving Country Needs:</u> At the country and regional level, each programme within each of the six focus areas will be adapted and customized into client-focused integrated solutions.</p>	<p>H2 2017</p>	<p>ITC Mgt</p>	<p>Annual Report</p>
<p><u>Recommended Actions to ITC's Governors and Supporters:</u></p>			
<p>I. Provide substantial funding for the overall programme or individual clusters and designated financing to ensure adequate medium-term support for the internal programme development unit.</p>			
<p>II. Promote and ensure its active engagement and cooperation with their own and other Aid for Trade supporters championing an ITC role that is 'outside the box' of conventional development cooperation agencies and a leader in specialized collaborative TRTA.</p>			
<p>III. The CC:ITF, at ambassadorial level, needs to take on a stronger role and deliver on the reciprocal responsibility to ITC to generate adequate, predictable and sufficient funding to support a high quality, results oriented and accountable ITC programme.</p>			
<p>ITC's Governors and Supporters actions</p>			
<p><i>See the Common donor statement to the informal Joint Advisory Group (JAG), of the International Trade Centre (ITC) by donors and members of ITC Evaluation Steering Committee 26 January 2015, below pages 10 to 12.</i></p>			

Strategic Recommendation 2

Protect and develop ITC's main and distinctive working assets: its special capacity to deal with the private sector in trade and its excellence in technical expertise and appropriate technical assistance.

Recommended Actions to ITC's Management:

- I. Regularly maintain and use the new Client Relationship Management System as an essential pillar of ITC's private sector advantage and its worldwide network of clients and partners.
- II. Stage and phase further reforms and growth to existing and developing capacities to avoid overload and constant improvisation.
- III. Building on progress to date; rapidly finalize "good enough" systems of project cycle management, results-based management and reporting and knowledge management together with the other key challenges identified.
- IV. Resolve anomalies in management practice and in the status, recognition and deployment of the whole ITC workforce and managers. Build in the time, resources and incentives for proper performance appraisal and staff development.

ITC actions	Completion date	Responsible parties	Means of verification
<p>8. <u>Improvement in CRM:</u> In 2013 ITC rolled out an organisation-wide Customer Relationship Management system. This vital tool is steadily being integrated into daily operations. In 2015 the focus will be on making this tool work even better: workflows and processes to update data will be established; new reports will be enabled allowing better management information; and modifications will be made to enhance core processes such as the Note for File, and the scanning of business cards.</p>	H2 2015	DMD	CRM meeting development criteria
<p>9. <u>Quality Control Process:</u> Since 2012 ITC has followed a quality control process for all TRTA projects. This has significantly raised the quality of project development. Every project has a logframe, which shows direct contribution of that project to the overall corporate goals. Since 2013 key features of successful projects (risks, exit strategies etc.) are systematically considered. In 2014 the quality assurance process was streamlined, quality assurance was placed at the heart of the Project Appraisal Committee (PAC), core information needs were redefined, and a scoring system to grade proposals on their quality was introduced.</p>	Done	OED	Communication on quality control process at ITC
<p>10. <u>Project Cycle Management:</u> As part of its commitment to continuing to improve project cycle management, ITC is further integrating all steps of the project cycle for all ITC projects in an updated version of its Project Portal. It will be upgraded in three stages. The first stage will deliver all the core functions needed design, implement and report on projects and programmes. This is due to be completed in the first half of 2015. The second stage will add better management reporting and the full migration of projects. The last stage will add workflow automation and Umoya integration. This should reduce internal transaction costs, increase the usability of the system and produce better management information, including monitoring, evaluation and impact data.</p>	H1 2016	OED	Roadmap for ITC's New Project Portal Accomplishment of new Project Portal

<p>11. <u>Evaluation</u>: Since the end of 2013 ITC has been implementing a more systematic approach to evaluations that is better aligned with corporate goals and strategies. By 2015 this will comprise in-depth evaluation through a limited set of strategic-level independent evaluations, focusing on priorities defined in the ITC Strategic Plan. ITC is also increasing the extent of evaluation coverage through self-evaluations. These will be subject to a formal validation process to ensure that they meet quality standards. ITC evaluation function will support the gradual development of standard corporate practices governing the use and development of impact measurement techniques i.e. selection criteria, questionnaires and methods that establish clear attribution of observed changes to ITC activities.</p>	<p>H2 2016</p>	<p>OED</p>	<p>Evaluation guidelines and development of standard corporate practices for impact evaluation</p>
<p>12. Improve 'evaluability' of projects: ITC is also building better logic chains to establish clearer attribution between ITC activities and claimed results, building in better 'evaluability', embedding impact into every project and ensuring the integration of evaluation recommendations back into the project cycle.</p>	<p>H2 2015</p>	<p>SPPG with DBIS, DMD, DCP</p>	<p>Project/Programme plans as approved by SMC</p>
<p>13. <u>Development and Retention of ITC Expertise</u>: ITC places the development and retention of its expertise at the heart of its approach. The Strategic Plan 2015-17 places the development of expertise as one of its top five priorities for increasing the effectiveness of its interventions. Increasing investment in staff training on critical knowledge areas such as project management, SME competitiveness and functioning of supply chains will be a priority moving forward. In addition to its regular staff satisfaction surveys, ITC will implement 360 degree feedback starting with senior management in 2015.</p>	<p>H2 2017</p>	<p>DPS</p>	<p>Annual Reports</p>
<p><u>Recommended Actions to ITC's Governors and Supporters:</u></p>			
<p>I. Invest the financial and moral and political support to enable ITC to maintain and build its networks and special, flexible working relationships with private sector actors in trade.</p> <p>II. Allow for the time and resources for the Centre to strengthen quality, plan better, recognize and develop its staff, and to follow-up its projects to evaluate results, accompany beneficiaries and ensure sustainable benefits.</p>			
<p>ITC's Governors and Supporters actions</p>			
<p>See the Common donor statement to the informal Joint Advisory Group (JAG), of the International Trade Centre (ITC) by donors and members of ITC Evaluation Steering Committee 26 January 2015, below pages 10 to 12.</p>			

Strategic Recommendation 3

Pragmatically strengthen governance and continue to strengthen accountability while minimizing bureaucracy.

Recommended Actions to ITC's Management:

- I. Strengthen the information to JAG and CCITF on plans, performance and results – under each of ITC's funding streams, including the Regular Budget – as well as on internal management and economical operation.
- II. Be transparent and assertive about both the real progress and the limits in defining, advancing and reporting results in ITC's work and in making and defending adjustments and adaptations to standardized UN requirements that may be necessary to accommodate its distinctive mission and essential business requirements.

ITC actions	Completion date	Responsible parties	Means of verification
<p>14. <u>Improvements in Accountability:</u> ITC Management is committed to improving accountability. To this end in 2014 it commissioned an accountability framework, in conjunction with OIOS. The framework was delivered in 2014 and is currently being implemented. ITC is also preparing to carry out a similar process on risk management.</p>	H2 2015	DPS, OED	ITC Accountability Framework ITC Risk Management Framework
<p>15. <u>Better Reporting:</u> The new strategic focus areas and the underpinning programmatic approach introduced in the Strategic Plan 2015-17 will significantly aid reporting and accountability. ITC has improved its reporting on results and impact to the CCITF and JAG and will continue to do so.</p>	H2 2017	OED	Reports to CCITF and JAG
<p>16. <u>Transparency and Impact:</u> In 2013 ITC provided online transparency on all its technical assistance projects including development targets and results. This transparency will be further improved in the new project portal currently being developed. ITC has already improved reporting on its impact, with the 2013 Corporate Impact Survey, and will continue to find innovative ways to better understand, and measure, its impact. ITC will continue to work on a set of 'impact stories' to better tell the ITC story publicly and will continue to build on this in the coming years.</p>	H1 2016	OED	Reports to CCITF and JAG, Annual Report, Impact Stories
<p>17. <u>Improved Accounting Practices:</u> In 2015 ITC will complete the full transition to accrual based accountability following International Public Sector Accounting Standards (<u>IPSAS</u>) principles.</p>	H1 2015	DPS	Annual Reports and accounts 2014 and 2015

	H2 2016	DPS	Annual Reports
<p>18. Enterprise Resource Planning: ITC will implement the new UN Enterprise Resource Planning application, Umoja, and will finalize the initiative to assess the full costing of its programmes and projects. It will continue to reduce and automate internal processes and change paper processes into electronic ones. Together these elements will deliver a more transparent, leaner, more efficient ITC.</p>	<p><u>Recommended Actions to ITC's Governors and Supporters:</u></p>	<ul style="list-style-type: none"> I. Rather than attempting formal change in ITC's heavy but manageable governance system, convene small and informal, "friends of the Chairs" groups (balanced between engaged beneficiary and non-beneficiary countries) to allow for advance and follow-up discussion of formal ITC governance meeting agendas and management reports, and to encourage active engagement wherever necessary by the representatives of those countries in Geneva, capitals and UN New York. II. Convene a regular annual meeting of the three Heads of ITC, WTO and UNCTAD and their close collaborators, in advance of JAG meetings, which could also serve to ensure synergies among the Geneva trade institutions. III. Be prepared to support necessary adjustments or adaptations in standardized UN requirements to accommodate a smaller, more entrepreneurial, private sector-oriented organization like ITC. 	<p>ITC's governors and Supporters actions</p>
<p>See the Common donor statement to the informal Joint Advisory Group (JAG), of the International Trade Centre (ITC) by donors and members of ITC Evaluation Steering Committee 26 January 2015, below pages 10 to 12.</p>			

<p>Strategic Recommendation 4</p> <p>Move ITC up to the next level of visibility, engagement and effectiveness as a key player in the global Aid for Trade effort.</p>			
<p>Recommended Actions to ITC's Management:</p> <p>I. Keep a steady focus and ITC's substantive expertise and credibility aimed at the strategic horizon suggested in Recommendation 1 and supported by the other Recommendations.</p> <p>II. To realistically enhance ITC's links among beneficiary countries and regions, recognizing its constraints, consider a very few carefully-designed, justified and evaluated liaison arrangements for key regions.</p> <p>III. With JAG and CCITF, enlist a small but representative group of engaged representatives of intended beneficiary countries and institutions, in Geneva and/or in capitals, to advise at regular intervals on cooperation possibilities, strategic design, key contacts and expertise and profile-raising opportunities.</p> <p>IV. Continue to tell the ITC story publicly, highlighting promising innovations and breakthroughs as justified, while also using them to focus attention on the less glamorous, longer-term work of building sustainable results in supporting trade.</p>			
ITC actions	Completion date	Responsible parties	Means of verification
<p>19. <u>Enhancing Visibility of ITC</u>: In the past year ITC has substantially raised its visibility. It completely revamped its website and its' Annual Report, significantly raising its social media presence – Twitter, Facebook and LinkedIn followers have grown to the many thousands each - and making a much greater impact across traditional print and online media. In 2013, close to 3,000 articles relating to ITC were published in printed and online media, which was up six-fold on 2012.</p> <p>ITC also successfully held its World Export Development Forum for the first time in Africa, in a landlocked country, Rwanda. ITC celebrated its 50th anniversary in 2014 with a high level event, an ethical fashion show and the publication of a 50th anniversary book on SME competitiveness. ITC also co-hosted the bi-annual WTPO in Dubai.</p> <p>ITC will also host an Annual Open-Door Day to provide Geneva-based stakeholders with a better understanding and interaction with the organization.</p>	2015-2017	OED	Progress on enhancing visibility will be reported in Annual Reports
<p>20. <u>Strategic Partnerships</u>: ITC will, in addition to enhancing its direct interaction, ensure its links with beneficiary countries and regions are enhanced by strengthening strategic partnerships with other international organizations through joint initiatives for greater impact in the field. This will include stronger collaboration with UN agencies through the One UN and UNDAF initiatives, and also continued involvement with in the Enhanced Integrated Framework, STDF and other similar programmes. ITC will also continue to enhance its collaboration with the private sector.</p>	2015-2017	OED with all divisions	Annual Reports

<p>21. Interaction with ITC Stakeholders: In addition to the regular avenues of CCITF and JAG, ITC Management will undertake regular strategic dialogues with its Parent Organizations, funders of the ITC, beneficiaries, as well as the private sector and trade support institutions. It will also continue to reach out to the country/regional groups in Geneva. During visits to the field, ITC will also reach out to local stakeholders to enhance the visibility and effectiveness of the organization.</p> <p>ITC will also actively participate in the on-going dialogue to craft a post-2015 development agenda.</p>	2015-2017	OED	Annual Reports
<p>22. Liaison with Regions: ITC Management is exploring enhancing liaisons with stakeholders in particular priority regions.</p>	2015-2017	OED	Annual Reports
<p>23. Branding and Outreach: ITC will continue to improve its branding and global visibility through the development and implementation of a comprehensive communication strategy. Central to this will be the re-definition of ITC's strategic approach in the Strategic Plan 2015-17 around the six focus areas. This will enable ITC to provide beneficiaries and would be supporters with a clearer understanding on the scope and impact of ITC's technical assistance.</p>	2015-2017	OED	Annual Reports
<p><u>Recommended Actions to all Aid for Trade donors, especially multilateral and large donors:</u></p>			
<p>I. Take greater advantage of ITC in these programmes as a distinctive asset to the global aid for trade effort, with its strengths in skills attuned to practical exporter needs and adaptable to different country situations.</p>			
<p>II. Call on ITC to support and complement major programmes while helping support the necessary duration and follow-up of ITC's contributions.</p>			
<p>Aid for Trade donors, especially multilateral and large donors actions</p>			
<p><i>See the Common donor statement to the informal Joint Advisory Group (JAG), of the International Trade Centre (ITC) by donors and members of ITC Evaluation Steering Committee 26 January 2015, below pages 10 to 12.</i></p>			

**Common donor statement to the informal Joint Advisory Group (JAG)
of the International Trade Centre (ITC)
by donors and members of ITC Evaluation Steering Committee
26 January 2015**

Delivered by Chair of ITC Evaluation Steering Committee, Ralph Osterwoldt (Canada)

Happy New Year, and welcome all. As chair of the ITC Evaluation Steering Committee, I have been asked to read this common statement by its members, which include donors and interested developing country partners.

Donors to the International Trade Centre (ITC) have together decided to present their response to the Evaluation in this common statement. These points may be elaborated in individual country statements. As we all know, this informal Joint Advisory Group (JAG) meeting is focussed on your ITC management response to the Independent Evaluation. Donors found both to be comprehensive, useful and well-done.

To follow up on the ITC Evaluation, endorsed at the JAG of June 2014, we welcome and support the ITC Management Response (MR), circulated by ITC on 28 November. Donors have analyzed and discussed this at donor coordination meetings in December and in January 2015.

We are pleased to note that ITC management agrees with the Evaluation's recommendations, both strategic and action-oriented ones, and indicates that it is already implementing most of them. We have carefully compared the Evaluation and the Management Response. ITC management has indeed incorporated the recommendations of the Evaluation into its forward planning and operations. Next, for ITC management, donors, and partners alike, our common focus is on implementation for results.

The ITC independent evaluation contained 4 Strategic Recommendations (SRs) with Action Points (APs) clustered under each, adding up to 24 further, more specific, action-oriented recommendations. These were divided into two categories: first, actions for ITC and, secondly, actions for ITC's "governors and supporters", i.e. donors. This statement first covers the actions expected of ITC itself, and addresses the second group later.

This common donor statement serves as our acknowledgement and approval of the ITC management's plan; it thus also serves as the donor response to the Evaluation. Accordingly, for the record, this statement now recaps items proposed in ITC's response to the Evaluation.

Regarding the ITC actions, the ITC management response provides an action matrix, as donors requested at the CCITF on 30 October. For each action item, it specifies: "completion dates, responsible parties, and means of verification" (by when? by whom? how do we know?). ITC's MR proposes 23 separate actions in respect of the 13 action points recommended by the Evaluation to ITC.

The matrix details the proposed ITC actions under each of the 4 strategic recommendations. In our recap and endorsement of ITC actions, we use the ITC's enumeration for ease of reference. This listing provides a useful baseline for monitoring progress and future evaluation.

Strategic Recommendation (SR) #1 calls for a more strategic programming approach, rather than one-off, country-specific projects. The Evaluation proposed 3 action points,

and ITC plans 7 actions: 1. Its Strategic Plan; 2. a logical framework 'theory of change', 3. a programmatic approach with 6 baskets or programme areas; 4. a catalogue of products and services; 5. a task force for programme development (this responds to the Evaluation call for a "high-level programme development support unit"). Further, 6. annual Operations Plans, and 7. adapting programmes to country and regional needs. We note that these satisfactorily address the Evaluation's action points.

SR #2 calls for building up ITC's assets, engagement with the private sector, and technical expertise. Responding to the Evaluation's 4 recommended action points, ITC undertakes 6 actions, as the Executive Director has said, "to invest in its people and processes". Continuing here with the enumeration of ITC actions, we take note of and approve of: 8. ITC improving its Client Relationship Management (CRM) system; 9. continuing its Quality Control process, which is already in place; 10. improved management of its project cycle; 11. evaluations which also assess programmes in light of corporate objectives; 12. Better logical frameworks to aid results-based management; and 13. developing and retaining ITC expertise with 360 degree feedback and appraisals. Donors view these to be logical and appropriate.

SR # 3 calls for strengthening governance, reducing bureaucracy. The ITC MR offers: 14. an improved 'accountability framework', 15. better reporting on results and impact; 16. more transparency through its project portal and corporate impact survey; 17. accrual-based accounting using the International Public Sector Accounting Standards (IPSAS); and 18. use of the UN's new "Umoja" Enterprise Resource Planning application. All are sensible responses, working within the existing governance and UN system, which the Evaluation report authors felt would be too difficult or impossible to change more broadly, and certainly not specifically for the ITC here in Geneva.

SR #4 calls for raising ITC's visibility in Aid for Trade. Responding to the Evaluation's 4 action points, ITC undertakes the following 5 actions: 19. improving the website, its annual report, and use of social media. ITC cites its first ever Forum in Africa (Sept 2014) and Open Door event (2 Dec 2014); 20. strengthening strategic partnerships with joint initiatives, such as with WTO and its Standards and Trade Development Facility (STDF); UNCTAD with which ITC recently signed an MoU; and the Enhanced Integrated Framework (EIF), which is embarking on its second phase. ITC also promises 21. interaction with stakeholders, such as private sector actors and trade-supporting institutions (TSIs) via dialogues in addition to the standard governing meetings of CCITF and JAG; 22. exploring liaison arrangements within key regions; and finally 23. branding and outreach through its communications strategy. These build on or continue efforts which have borne fruit so far.

In summary, then, the donor countries are pleased with the ITC's management response, both in its substance and form. It covers all of the Evaluation's recommendations directed to ITC and the action matrix enables tracking of actions: by when, who is responsible, and how to verify compliance. Specifically, the ITC MR provides an acceptable menu of 23 planned actions by ITC with respect to the 13 evaluation-recommended action points, and thus to their four umbrella Strategic Recommendations.

With respect to the second group of the Evaluation recommendations mentioned earlier, donors reiterate the views made at the CCITF and donor coordination meetings that the ITC MR should not include or cover "actions recommended for ITC's governors and supporters." Each donor's support to ITC is subject to policy, programmatic and political considerations. As principles of aid effectiveness, donors understand and respond to calls for coordinated, predictable, and

demand-driven funding. But no large, long-term, un-earmarked funding can be committed to in this format -- especially not in an ITC Management Response document, which is purely a reaction and commitment from ITC management.

Thus donors ask that the empty boxes and rows entitled "ITC's Governors and Supporters Actions" be deleted from the ITC Management Response document. Instead, in their place, donors consider this common statement to be our own donor response. This statement, which endorses the Evaluation recommendations and approves of the Management Response list of actions, constitutes our response. We also state our recognition, as supporters of ITC, of the importance of continuing efforts: -- to coordinate and to complement each other's funding where possible, and to endeavor to support ITC with longer-term, sustained, and predictable funding.

Further, now that the Evaluation and the Management Response to it have been completed, with an Action Matrix setting out actions, responsibilities, timelines and indicators, we take note that the Strategic Plan for 2015-17 covers the main issues. Donors look forward to the promised action items being reflected in the more detailed Annual Operational Plans. Donors invite ITC management to consult ahead of the next Strategic and Operational Plans so that we can liaise with other interested parties, such as our capitals and representatives at the relevant UNGA committees in New York, to support those adjustments which fit ITC's distinctive nature.

We appreciate the ITC Executive Director's offer for informal preparatory and follow-up discussions for "engagement" of donors and recipient countries with ITC officials on any issues arising from the Management Response, the Evaluation, or the Strategic Plan. We will also continue to express our support and "champion" the innovative work which ITC does, within its mandate, for SMEs in developing countries. Such support conforms with the Evaluation recommendation to us as "friends of the Chair".

In conclusion, the ITC Evaluation Steering Committee appreciates the hard work that went into the Evaluation and its Management Response. While the steering committee has completed its assigned task with respect to the Evaluation, we will continue, as donors, to monitor progress on implementing the listed action items. To that end, we note the MR reference to progress reports to the JAG, and we look forward to receiving regular updates on results, and, if necessary, on how plans are adjusted to ensure the desired results are achieved.

Thanks to you at ITC for a job well done, during this long process of evaluation and response, which will assist ITC operations for some years to come.

I take this opportunity to thank all of you who have assisted in making the work of the ITC Evaluation Steering committee constructive and helpful to ITC and all its stakeholders. I enjoyed very much serving as its chair. Thank you.

Presented on behalf of donors by Ralph Osterwoldt (Canadian permanent mission, Geneva), chair of ITC Evaluation Steering Committee, 26 January 2015.



FSC is an independent, non-governmental, not for profit organization established to promote the responsible management of the world's forests.

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