International Trade Centre

TRADE IMPACT
FOR GOOD

2018 Annual Evaluation Synthesis Report

ITC Independent Evaluation Unit

ASSESSMENT

PERFORMANCE

RESULTS

IMPROVEMENT

CRITERIA

ANALYSIS

Contents

Acronyms

Note: unless otherwise specified, all reference to dollars ($) are to United States dollars.

ABePEC	Agence Béninoise de Promotion des Echanges Commerciaux *(Agency for the Promotion of Business Trade of Benin)*
AEGAT	Association des Exportateurs de la Gomme Arabique du Tchad *(Association of Exporters of Gum Arabic of Chad)*
AESR	Annual Evaluation Synthesis Report
AFEM	Association des Femmes Chefs d'Entreprises du Maroc *(Association of Women Entrepreneurs of Morocco)*
AFI	Access to Finance and Investment
ANM	Agence Nationale de Métrologie et du Contrôle de Qualité (Benin)
ASEPEX	Agence Sénegalaise pour la Promotion des Exportations *(Export Promotion Agency of Senegal)*
ASN	Agence Sénégalaise de Normalisation *(Standardization Agency of Senegal)*
ATPGA	Association Tchadienne pour la Promotion de la Gomme Arabique *(Association for the Promotion of Gum Arabic of Chad)*
AVC	Agricultural Value Chains
B2B	Business-to-business
BIDC	Barbados Investment and Development Corporation
BMZ	Federal Ministry for Economic Cooperation and Development (Germany)
CDB	Caribbean Development Bank
COOPETAB	Coopérative des producteurs, exportateurs et transformateurs de l'ananas et dérivés du Bénin *(Cooperative of Producers, Exporters and Processors of Pineapple and Derivatives of Benin)*
DFID	Department for International Development (United Kingdom)
DHORT	Direction de l'Horticulture (Sénégal) *(Horticulture Department [Senegal])*
DPV	Direction de la Protection des Végétaux (Sénégal) *(Directorate of Plant Protection [Senegal])*
DSQA	Department of Standards and Quality Assurance (Lesotho)
EC	European Commission
ECOWAS	Economic Commission for West Africa
EDEC	Export Development for Employment Creation (Morocco)
EIF	Enhanced Integrated Framework
EPC	Export Promotion Council (Kenya)
ERP	Enterprise Resource Planning
EU	European Union
EUD	European Union Delegation
FAO	Food and Agriculture Organization of the United Nations
FFV	Fresh Fruits and Vegetables

FOS	Fondation Origine Sénégal *(Origin Senegal Foundation)*
GIZ	Deutsche Gesellschaft für International Zusammenarbeit *(German Society for International Cooperation)*
GLN	Global Location Number
GTIN	Global Trade Item Number
HCD	Horticultural Crops Directorate (Kenya)
HPTD	Horticulture Productivity and Trade Development Project (Lesotho)
IAC	Institutions d'Appui au Commerce *(Trade Support Institutions)*
IEU	Independent Evaluation Unit
IFTWA	Improved and Facilitated Trade in West Africa
IRW	Islamic Relief Worldwide
IT	Information Technology
ITA	Institut de Technologie Alimentaire (Sénégal) *(Institute of Food Technology [Senegal])*
ITC	International Trade Centre
ITES	Information Technology Enabled Services
JAG	Joint Advisory Group
JIU	Joint Inspection Unit
LDC	Least Developed Country
M&E	Monitoring and Evaluation
MCE	Ministère du Commerce Extérieur du Maroc *(Ministry of Foreign Trade of Morocco)*
MOU	Memorandum of Understanding
MSME	Micro, Small and Medium-sized Enterprise
NSDP	National Strategic Development Plan (Lesotho)
NGO	Non-Governmental Organization
NPC	National Project Coordinator (Kenya)
NTF	Netherlands Trust Fund
NTM	Non-Tariff Measures
OECD-DAC	Organisation for Economic Co-operation and Development - Development Assistance Committee
OSS	One Stop Shop
PACMS	Project d'Amélioration de la Compétitivité de la Mangue Sénégalaise (Project for the Improvement of the Mango Sector Competiveness in Senegal)
PCR	Project Completion Report
PRCCFGAT	Projet de Renforcement des Capacités Commerciales de la Filière Gomme Arabique du Tchad *(Capacity Building Project for the Gum Arabic Sector of Chad)*
PRCPC	Projet de Renforcement des Capacités Productives et Commerciales du Bénin *(Production and Trade Capacity Building Project of Benin)*
PSC	Project Steering Committee

S-G	Secretary-General of the United Nations
SDG	Sustainable Development Goal
SECO	State Secretariat for Economic Affairs (Switzerland)
SMC	Senior Management Committee, ITC
SME	Small and Medium-sized enterprise
SPPG	Strategic Planning Performance and Governance Section
SPS	Sanitary and Phytosanitary
T4SD	Trade for Sustainable Development
TBT	Technical Barriers to Trade
TISI	Trade and Investment Support Institution
TRTA	Trade Related Technical Assistance
TOAM	Trade Obstacles Alert Mechanism
UEMOA	Union Economique et Monétaire d'Ouest Africaine *(West African Economic and Monetary Union)*
UMOCIR/T	Unité de Mise en Œuvre du Cadre Intégré Renforcé du Tchad *(Implementation Unit of the Enhanced Integrated Framework of Chad)*
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNEG	United Nations Evaluation Group
UNIDO	United Nations Industrial Development Organization
VSS	Voluntary Sustainability Standards
WARIET	West Africa Regional Economic Integration and Trade
WATIP	West Africa Trade Integration Programme
WB	World Bank
WEDF	World Economic Development Forum
WTO	World Trade Organization
WTPO	World Trade Promotion Organizations Conference
YEP	Youth Empowerment Project (The Gambia)

Executive Summary

i.   **Purpose –** The underlying approach of the Annual Evaluation Synthesis Report (AESR) is to examine ITC's accountability for contributing to realizing the Sustainable Development Goals (SDGs) through the ITC Results Framework (see Annex II). The objective of the AESR is to convey the critical learning points generated through evaluations (independent, funder-led, and self-evaluations) and Project Completion Reports (PCRs). It distils the emerging findings and their potential implications, includes recommendations to senior management, and aims at generating informed discussions within ITC and together with ITC stakeholders on further enhancing ITC's position and results in the trade and development arena.

ii.   **Qualifying the Evaluations Reviewed –** The synthesized learning in the 2018 AESR is based on 10 recently completed evaluations (within the period April 2017 – March 2018) as well as 12 PCRs (of projects ending in 2017). Of the 10 project evaluations, five were funder-led evaluations, four were independent evaluations carried out by the Independent Evaluation Unit (IEU), and one was a self-evaluation undertaken by the project manager. Six of these evaluations were midterm and four were final. Considering the five funder-led evaluations, they were of projects in which ITC was one among several implementing agencies, and the evaluations did not focus on ITC's work specifically. This implies that the evaluations used in the meta-analysis were very heterogeneous, with different types of evaluation perspectives. The evaluations cover unlike types of projects, with diverse – and often volatile – local contexts and roles for ITC's support. This year's AESR includes projects that were initiated as early as 2010, and as recent as 2017.[1] By its nature, evaluation assesses the performance of projects that were designed in the past. The majority of projects evaluated were launched before 2015 before the programmatic approach in ITC was launched. Therefore, it is worth to keep in mind that the present findings might not fully reflect the current situation regarding ITC's performance.

iii.   **The Key Learning Theme of Sustainability –** With these caveats in mind, for drawing conclusions from such diverse sources and contexts, the AESR is nevertheless in a credible position to assess the overall project performance as moderately satisfactory. This reflects the balance between satisfactory and unsatisfactory elements, that were identified in the 10 evaluations and the PCRs, where relatively good results existed for the evaluation criteria of Relevance and Effectiveness and average or unsatisfactory results for Efficiency, Sustainability and Impact. In recognition of Sustainability's importance for achieving impact, and as a repeated focus of discussion of past AESRs, this year's AESR focuses on the key learning theme of sustainability.

iv.   **Small and Medium-sized Enterprises –** As in 2017, the 2018 AESR observes that funders and partners fully recognize ITC's comparative advantage in providing support to Small and Medium-Sized Enterprises (SMEs) as they endeavour to trade internationally. Evaluation found improvements in SMEs' marketing capacity, exports and competitiveness through effective actions, such as the dissemination of improved practices among smallholder producers or new business and stakeholders' market links having been established. The majority of evaluations emphasized however – in line with past AESRs – that shortfalls in achieving sustainability and impact are an issue for a significant proportion of SMEs, suggesting a need for improvements in ITC's support and engagement strategy (sometimes referred to as 'exit strategy') for longer-term results.

v.   **Trade Investment and Support Institutions –** For Trade and Investment Support Institutions (TISIs), the focus of evaluation was on their uptake and absorption of good practices, through training, coaching and information systems development. As noted in the 2017 AESR, and further confirmed with the PCRs, a major challenge continues to be project implementation periods, which are too short to allow for the achievement of outcomes. In future, ITC projects need to benchmark TISI capabilities more systematically, in recognition that many are organizational start-ups, and have, in essence, limited capability and resources (both human and financial). For TISIs, aligning and building resource mobilisation capability in a timely manner, while fostering

---

[1] For further details, see the list (starting on page 7) of Evaluations and PCRs carried out in 2017 used in this AESR in the analysis below.

ownership, is essential for ensuring sustainability.

vi.   **Sustainability challenges –** Technical and operational challenges affecting sustainability were identified at each stage of the project cycle, from inception to completion, highlighting the need for an improved effectiveness that is more focused on results and is anchored in robust theories of change. At project inception/launch, the problems that undermined sustainability were overly ambitious objectives, weak initial buy-in by either beneficiaries or other stakeholders, and insufficient appreciation of local conditions. During project implementation, evaluation observed a variety of sustainability-related problems, including shortcomings in ensuring and solidifying quality local engagements of implementing partners and beneficiaries on the ground; weaknesses in coordination, and/or the failure to harness local capacity/leveraging opportunities, including those with the private sector. These are decisive factors because their fulfilment is necessary to address the myriad of other challenges that traditionally emerge during the course of a project. At project exit, it was not uncommon for the evaluations to highlight the need for project extensions, as the project results were not considered to be sufficiently effective and anchored to be sustainable. Relatedly, a common observation was the shortage of baseline data, which has made it difficult to measure outcomes during or after a project. Finally, post project evaluation is not a general practice, though the PCRs have somewhat filled that gap.

vii.   **Building Sustainability –** Robust risk assessment and contingency planning are considered ways of managing many of these challenges. Additionally, flexibility was an important feature of some project successes and is to be encouraged. Robust theories of change rest on a clear understanding of the local conditions, i.e. beneficiaries and partners' state of readiness to receive and develop trade and take ownership of the improved support services and infrastructure. It cannot be assumed that simply by being involved in a project the 'beneficiaries' can adopt ownership at some point without measures to ensure it is possible and effective. By the end of a project, the necessary local resources may still not be available.

viii. **ITC Results Framework –** ITC's Results Framework defines the progression of activities, expected outputs and intermediate outcomes that generate outcomes related to ITC's mandate, with the longer-term impact objective of inclusive and sustainable growth (contribution to the achievement of the SDGs). However, for beneficiaries and partners, the changes required of them to accomplish this, are formidable. They may involve transformation in multiple dimensions, economic, social, cultural and political. ITC's interventions aim to achieve substantial change made up of a multitude of small, interrelated changes and adaptive innovations, where failure in any one part can affect others. Moreover, the benefits for beneficiaries may not seem obvious to them at first, especially when they are faced with limited resources.

ix.   **An Innovation Approach for Projects –** In descriptive terms, it is a more open approach that focuses on local conditions and continuously adapts to beneficiaries and partners; an approach less the scientist/engineer and more the social innovator/entrepreneur. Since evaluation indicates that sustainable results are hard to reach within the project life span and project framework, what is required is an innovation cycle approach that goes beyond the limits of the project cycle. Fortunately, there are many indications that ITC is heading in this direction. It is for example worth mentioning that the activities undertaken by ITC to implement last year's AESR recommendations (Annex VIII) clearly address some of challenges of sustainability identified in this year's AESR.

x.   **Recommendations –** The central recommendation of the AESR suggests to incentivize the use of innovation in ITC projects and programmes in a more widespread and systematic way.[2] In the table below, four specific recommendations and one optional recommendation are suggested to ITC's senior management, project managers and ITC stakeholders, including project funders and project partners and beneficiaries, who also have a role to play.

---

[2] For ITC, the 2017 Operational Plan has provided a definition of innovation consisting in: "…novel products, services, methodologies or processes that are initiated with the objective to bring about positive change to ITC's efficiency and/or effectiveness both internally and externally."

Table 1: Recommendations

Evidence/analysis	Lessons	Recommendations
High level recommendation: Consider incentivizing the use of innovation in ITC projects and programmes in a more widespread and systematic way.		
Funders and partners fully recognize ITC's comparative advantage in providing support to SMEs as they endeavour to trade internationally. However, to gain the full benefits of ITC interventions a clear assessment of needs; an appreciation of local conditions; and of the beneficiaries' and partners' state of readiness, pre-launch and during project implementation, is imperative. Solutions often require a longer-term than project perspective.	Continuous appreciation of local conditions, and of the capacities and relationships of beneficiaries and partners, is essential for the success of ITC interventions.	1. Consider including innovation into the criteria for the allocation of the Business Development Fund (BDF) to support project designers and managers in incorporating innovation needs, specifically for the development of creative solutions in the field, working with beneficiaries and partners, for activities such as: - workshops, - design thinking field visits, - participation in innovation events.
Evaluation observed a variety of sustainability-related problems: shortcomings in ensuring and solidifying quality local engagements of implementing partners and beneficiaries; insufficient coordination; and/or the failure to harness local capacity/leveraging opportunities. In addition, other challenges exist. However, the most fundamental requirement to enhance the prospect of sustainable change is an effective local ownership. Therefore, for performance measurement the degree of local ownership of outputs and outcomes is important, it is the outcomes of local ownership, levels of engagement and buy-in, and the changes over time that represent the performance measures of satisfactory appropriation, and project exit, where changes are sustained.	Sustainability is rooted in the successful transfer of capacity, skills and competencies to beneficiaries and partners in a way that fosters local ownership and long-term commitment.	2. Consider a revamped sustainability-focused project monitoring and evaluation (M&E) scheme to more effectively track the progress of local ownership. This could be done through: (a) New indicators measuring the satisfactory appropriation of capacity, skills and competencies to beneficiaries and partners, using measurements such as: - local oversight, - local resources invested, - outputs of local ownership, (b) Inclusion of the crosscutting issue of innovation in the Project Completion Report (PCR) template.
The need for flexibility and adaptability is imperative in the complex and generally weakly resourced environment where ITC projects operate. Often, at both the institutional	Beneficiaries and partners are in essence, 'start ups' embarked on a cycle of complex innovation and change in an often risky and uncertain environment.	3. Consider a more responsive and adaptable support to the needs of partners and beneficiaries, by proposing to funders and other stakeholders: - The inclusion within W2

3

Evidence/analysis	Lessons	Recommendations
and enterprise level, ITC may find itself dealing with 'start-ups' –organizations of limited capacity and high vulnerability that are often resource-weak and maybe even risk and change averse. Such situations require responsive and adaptable types of support on an on-going and 'as needed' basis including for funding.		projects of an innovation budget component, - The availability for ITC's beneficiaries and partners of patient/risk capital to support them in innovative activities.
Project Impact overall continues to be assessed as insufficient, or not assessable. It is not until projects reach a state of self-perpetuating sustainability that longer-term goals and objectives (impact) can be reached. This raises the question of going beyond the constraints of the project framework into an approach that would be more open, flexible and responsive to local situations and risks. An Innovative Project cycle – offers such a framework. ITC's Innovation Lab is advocating for a Human Centred Approach (including Design Thinking, Lean, and Agile Management) to project design and implementation.	An innovation-enabling approach to project management, where risk and contingency planning are central, is suited to beneficiaries and partners' needs to meet sustainability challenges.	4. Consider the development of an innovation-enabling project development and management approach: (a) integration of innovation in the project design template and guidelines, including project theory of change, (b) promotion of an innovation leadership training for ITC project managers.
Targets are well understood, and the possibilities articulated through a theory of change. However, the theories often assume local capacity to implement and engage, leading to inappropriate design and gaps in management. This highlights the essential role of ITC's beneficiaries and partners in the development of the project theory of change. There is a connection between ITC's own cycle of innovation and that of ITC's beneficiaries and partners, as one reinforcing the other. The starting point for a Theory of Change is not, can we do this? It is, with our support, can they (or you) do this?	The Theory of Change remains a vital tool in the fostering of innovation and sustainable transitions	

Optional recommendation:[3] Consider strengthening the elements of entrepreneurship and innovation leadership under the current HR competency framework and performance appraisal systems:

(a) Consider entrepreneurship skills and experience requirements in the ITC's Competency Framework and in Job Description Questionnaires (JDQs);

(b) Incentivise the inclusion of targets related to entrepreneurship and innovation leadership in the Performance Appraisal System (PAS), including by taking into consideration for career development;

(c) Promote an innovation training for all ITC staff; and

(d) For interns, make "innovation" an integral part of the internship programme by making engagement at the Innovation Lab an option when signing the internship contract.

---

[3] This recommendation on entrepreneurship and innovation leadership is considered as optional since this behavioural dimension was not included within the scope and the analysis of the present AESR.

Introduction

1.   This is the sixth edition of the Annual Evaluation Synthesis Report (AESR), which aims to consolidate findings expressed in performance evaluations of ITC's projects and convey the key lessons learned to ITC management, project managers and stakeholders. This is in keeping with the commitment of ITC to improving performance towards achieving inclusive and sustainable development.

2.   With the aim to promote broader learning, this report presents synthesized lessons and consolidated findings derived from 10 evaluations completed in 2017. The report also considers findings from 12 Project Completion Reports (12) that provide brief self-evaluations of projects, by the project managers, after project closure (Annex IV). The titles of the evaluations and PCRs are listed below, and further details on each are available in Annex I.[4]

3.   Contrary to last year's AESR, this document does not provide aggregated performance ratings. The value of ratings depends on consistent application and interpretation. This year's batch of evaluations included in the AESR was very heterogeneous: Of the 10 project evaluations, five were funder-led evaluations that did not apply ratings, or used different rating scales; four were independent evaluations carried out by the Independent Evaluation Unit (IEU), and one was a self-evaluation undertaken by the project manager. Six were midterm and four were final evaluations. In the projects evaluated by funders, ITC was one among several implementing agencies, and the evaluations did not focus on ITC's work specifically. Hence, where they exist, the ratings for individual evaluations are shown in Annex I, but an aggregation of the performance ratings was not possible.

4.   The AESR also includes a report on the status of the implementation of past ITC evaluations recommendations (Annex V), on the status of the implementation of JIU recommendations issued to ITC (Annex VI) and the report on the implementation of the 2017 AESR recommendations (Annex VIII).

5.   Regarding this year's key learning theme, the AESR addresses the challenge of sustainability together with the emerging theme of innovation and the link between the two. Both, innovation and innovative approaches to change, have been an increasing feature of ITC development interventions. Innovation has been gradually making its way into ITC discourse and structure, and organizationally, ITC set up its Innovation Lab in January 2015. In the ITC Operational Plan 2018, "innovation" is defined as novel products, services, methodologies or processes that are initiated with the objective to bring about positive change to ITC's efficiency and/or effectiveness both internally and externally."

6.   Performance effectiveness is seen as particularly important to project sustainability: truly effective outputs are more likely to translate (with the necessary appropriation of implementing partners and beneficiaries) into the intermediate outcomes that lead to lasting changes in local (implementing partners and beneficiary) conditions. With this in mind, the factors that reduce project effectiveness are given special attention in this AESR. In summary, the objective is to identify the issue areas – especially those affecting effectiveness – that lead to underperformance with respect to sustainability. This paves the way for making the case for an innovation approach to ITC projects and programmes, an approach already in alignment with ITC's Results Framework.[5]

---

[4] Also considered in the analysis were:

United Nations (2018), *Triennial review of the implementation of the recommendation of the programme evaluation of the International Trade Centre*, Report of the Office of Internal Oversight Services. New York. E/AC.51/2018/8. Available from: https://oios.un.org/page?slug=evaluation-report

International Trade Centre (2018), *Operational Plan 2018*. Geneva. Available from: http://www.intracen.org/itc/about/working-with-itc/corporate-documents/operational-plan/

International Trade Centre (2018), *Strategic Plan 2018-21: Trade Routes to Sustainable and Inclusive Development*. Geneva. Available from http://www.intracen.org/itc/about/working-with-itc/corporate-documents/strategic-plan/

International Trade Centre (2018), *The Innovation Lab Strategy; Innovation Lab: Review of 2017 and outlook for 2018*. Presented to SMC. Geneva, 4 December 2017

And a number of Guideline Documents such as the ITC Evaluation Guidelines 2018, Guidelines to Evaluation Terms of Reference (2008), Guidelines for Evaluation Report (2008), ITC Evaluation Policy (2015).

[5] See ITC's Results Framework on Annex II.

Evaluations used in this AESR

External Evaluations

- Evaluation à mi-parcours du Projet de Renforcement des Capacités Productives et Commerciales du Benin (PRCPC)

  This was a midterm evaluation of a three-year (05/2015 to 12/2018) project funded by the Enhanced Integrated Framework (EIF), jointly implemented by ITC, UNIDO, and UNCTAD. The project had four outcomes, and ITC was allocated $641,774 to implement one of seven activities contributing towards outcome 2 (strengthening TISI capacities), and three of six activities contributing towards outcome 3 (improving SME competitiveness) of the project.

- Evaluation finale du Projet de Renforcement des Capacités Commerciales de la Filière Gomme Arabique du Tchad (PRCCFGAT)

  This was a final evaluation of a three-year (07/2014 to 06/2017) EIF-funded project, jointly implemented by ITC, and three other implementing partners. The project had six outcomes, and out of a total project budget of $4,465,810, ITC was allocated $350,000 to implement activities which contributed to outcomes 3 (organization of distributions channels and supply regulation) and 5 (development of new export markets).

- Evaluation à mi-parcours du Projet d'Amélioration de la Compétitivité de la Mangue Sénégalaise (PACMS)

  This was a midterm evaluation of a three-year (08/2015 to 03/2018) EIF-funded project, jointly implemented by ITC, and the government of Senegal. The total budget of the project was $3,109,056 of which ITC was allocated $856,000 to implement three of the six project outcomes, including outcome 3 (TISI strengthening), 5 (identification of new markets), and 6 (creation of business relationships for exporting enterprises)..

- Final Evaluation of Creating One-Stop-Shop for sustainable businesses in the State of Palestine

  This was a final evaluation of a two-year project (01/2015 to 04/2017), funded by the SDG-Fund, jointly implemented by ITC, the Food and Agriculture Organization (FAO), and UN Women. The total budget for the project was $3 million of which ITC was allocated $346,700. The project had two outcomes and five outputs, and ITC was responsible for one output (women-owned/run Micro, Small and Medium-sized Enterprises [MSMEs] and cooperatives increase their participation in trade).

- Midterm Evaluation of the Support to West Africa Regional Economic Integration and Trade Programme

  This was a midterm evaluation of a five-year (02/2017 to 07/2018) project funded by the European Union (EU), jointly implemented by Deutsche Gesellschaft für International Zusammenarbeit (GIZ), World Bank (WB), Union Economique et Monétaire d'Ouest Africaine (UEMOA), and ITC. The total budget of the project is Euros 18.5 million, and has four major results and 16 sub-results. ITC was allocated $3 million to implement three of the sub-results over a period of 18 months. The sub-results 4.1, 4.4, and 4.5 aim at strengthening the effectiveness of the UEMOA customs union.

Internal Evaluations

- Auto-évaluation de mi-parcours Développement des Exportations pour la Création de l'Emploi (EDEC) du Maroc

  This was a self-evaluation of a five-year (03/2013 to 06/2018) project funded by Global Affairs Canada. The total budget of the project was $4,907,205.

- Final Evaluation of the Lesotho Horticulture Productivity and Trade Development (HPTD) Project

  This was intended to be a final evaluation of a three-year (10/2013 to 12/2016) EIF-funded project, allocated a total budget of $2,735,685. However after data was collected and analysed, in later 2016 and early 2017, the project had been extended to March 2018. Hence,

the evaluation became more of a midterm rather than a final evaluation, and recommendations could be addressed in the extension phase. Reasons for the project extension were to complete activities towards project closure and prepare a sustainability plan

- Final Independent Evaluation Promoting Intra-Regional Trade in Eastern Africa (Kenya, Tanzania, and Zambia)

This was a final evaluation of a three-year (01/2014 to 12/2016) project funded by the Government of Finland. The total budget allocated was $5,502,561 to implement sector development projects in three countries.

- Evaluation of the Trade for Sustainable Development (T4SD) Project (2013 – 2016)

This was an evaluation of an on-going project, which covered a three-year (01/2013 to 12/2016) period, covering one funding cycle. The project has core funders (the State Secretariat for Economic Affairs [SECO], the German Federal Ministry for Economic Cooperation and Development [BMZ], the European Commission Directorate-General Trade [EC DG Trade]) and other contributors, with a total budget of $2,771,584 for the period under evaluation.

- Evaluation of the Non-tariff Measures Programme

This was an evaluation of an on-going programme, which covered a six-year period (01/2010 to 09/2016). In this period, the UK Department for International Development (DFID) was the main funder, with a budget contribution of $6.9 million.

PCRs used in this AESR

7. In addition to the 10 evaluations, 12 Project Completion Reports (PCRs) presenting a summary, ex-post self-assessment of project performance were included in the analysis. The analysis in the PCRs confirmed issues affecting sustainability that were raised in the mid- and end of project evaluations. Further details on the PCRs, are found in Annex IV.

- Myanmar: National export strategy implementation management support
- Lao PDR: Enhancing sustainable tourism, clean production and export capacity
- Partnership for Investment-led Growth in Africa (Scoping and design phase)
- Africa: Regional cotton sector strategies
- Tchad: Projet de renforcement des capacités commerciales de la filière gomme arabique Tchadienne
- Myanmar: Inclusive tourism - focusing on Kayah State (NTF III)
- Kenya: Enhancing the export competitiveness of the avocado industry (NTF III)
- Bangladesh: IT and ITES Export Competitiveness (NTF III)
- Uganda: Enhancing export competitiveness of the IT and ITES industry (NTF III)
- Barbados: enhancing the food safety and quality infrastructure in the condiments sub-sector
- Kenya: Enhancing export competitiveness of the IT and ITES industry (NTF III)
- St. Vincent and the Grenadines: Market, technology and food safety compliance assessment for the arrowroot industry

ITC's Performance and Results

Overview

8.   This chapter provides a picture of ITC's overall operational performance across a spectrum of projects evaluated in 2017.   Its central focus is to identify issue areas that affect project sustainability in order to improve ITC's performance and results to generate longer-term impact. The criteria applied to ITC evaluations through which issues related to sustainability are identified, include relevance, effectiveness, efficiency, impact and sustainability, and the crosscutting dimensions of Human Rights and Gender Equality, and Environment and Climate Change.   In addition, and in keeping with the key learning theme of this report, innovation itself is a cross-cutting dimension, with two evaluations, NTM and T4SD performing very high on the innovation scale.

9.   The distinguishing feature emerging from the analysis is the observed lower performance for Impact and Sustainability compared with the other evaluation criteria – a finding similar to past years and elsewhere, as demonstrated in table 2.[6]

Table 2: Sustainability Analysis: AESRs 2014-2018

Year	*Performance on Sustainability as reflected in previous AESRs*
2014	2.3 - An Impact rating reflective of insufficient performance on sustainability
2015[*]	"The sustainability prospects…are weaker"; An exit strategy …would enhance sustainability prospects" "…sustainability prospects at risk"
2016[*]	"…the sustainability of results seemed unlikely": "sustainability prospect was constrained…"
2017	4.3 - This rating reflected the "…plans and efforts to improve sustainability prospects…" not the sustainability of the projects themselves which was still low.
2018	3 – sustainability remains a challenge

[*] No rating provided in 2015 and 2016

10.   Sustainability (and Impact) are dependent variables to relevance, effectiveness, and efficiency hence 'causality' in the shortfalls in sustainability rests those domains.   It is for this reason that when analysing each of the performance criteria (see the sections below), the analysis was carried out with a view to understanding what it means for sustainability.   The recurring issues indicate where problems for achieving sustainability lie, while simultaneously suggesting limitations rooted in an overly narrow project approach.   On the one hand such an approach can appear to have high relevance and effectiveness yet on the other it may fall short where sustainability and impact is concerned.

11.   Finally, the report would be amiss if it did not address the crosscutting themes of Human Rights and Gender Equality, Environment and Climate Change and Innovation.[7]   The evaluations showed large variations with satisfactory results at one end and low to non-existent results at the other.   As for environment, it is not taken sufficiently into account in many projects, suggesting

---

[6] For example, in the words of the OIOS "While significant steps were taken to strengthen impact assessment, it remained work-in-progress and required continued attention" Formal Draft Report OIOS-IED Triennial Report ITC 20 Feb 2018.

[7]   Since evaluation criteria are neutral in terms of the cross-cutting dimensions, evaluations do not automatically assess these dimensions. Since 2014, the United Nations Evaluation Group (UNEG) has provided guidance in integrating the Human Rights and Gender Equality dimension into evaluations, paving the way for the systematic examination of this cross-cutting dimension within ITC evaluations. Cf. United Nations Evaluation Group (2014).   Integrating Human Rights and Gender Equality in Evaluations, New York.   Available from: http://www.uneval.org/document/detail/1616

the need for greater mainstreaming. Climate change and associated extreme weather conditions put efforts at risk everywhere in the world as Chad (desertification) testifies.

Relevance

> Relevance is "the extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs, global priorities and partners' and donors' policies. Note: Retrospectively, the question of relevance often becomes a question as to whether the objectives of an intervention or its design are still appropriate given changed circumstances."[8]

12. In terms of ITC's projects, the success in relevance is a success at the capacity-building level, where accomplishing local buy-in and ownership enables taking advantage of the capabilities of partners and beneficiaries.

13. The relevance of ITC's projects continues to be a strong feature of project development and design almost without exception. The reasons remain the same as in past years: projects reflect the context and trade policy framework of the targeted country or region; the requirements of partners and beneficiaries (SMEs and TISIs) are addressed and they tap into emerging trade trends inclusive of a focus on women in trade.

14. WARIET (ECOWAS) was an illustration of a highly relevant project, not only in terms of good alignment with priorities and needs, but also in terms of cohesion. It was aligned with the ECOWAS Commission Strategy of 2011-2015 and the UEOMA Treaty, and at the same time it was deemed coherent with the 10th EDF Regional Indicative Programme. This led to very strong commitment by both ECOWAS and UEOMA. Likewise, the beneficiaries of the 'One Stop Shop' project in Palestine described the capacity building interventions planned under the Joint Programme as being "perfectly aligned" with their needs, while the programme remained in line with SDG-Fund Guidelines. Similarly, all beneficiaries of the 'Senegal: Mango competitiveness improvement project' 'unanimously' praised the project for undertaking activities that met their very practical needs.

15. If an initiative is relevant, then how can that pose problems for sustainability, especially when all the proposed activities are in line with what is required to achieve the targeted outcomes? The evaluations observed two main interlinked factors that have played against performance in relevance with implications in terms of sustainability.

16. Factors of technical/operational nature can affect the quality of the outputs at the capacity building level. These include weak selection processes or poor training design, making offerings less relevant to some beneficiaries in particular SMEs, and consequently, having SMEs making the right business decisions more unlikely. There was a general call for more refined and customized training where beneficiaries understood the need for the training. Relevance was also impeded when a project failed to include suitable target populations in the project design phase (Morocco)[9] or did not recognize low capability as a non-sufficient state of readiness (Benin),[10] resulting in selected beneficiaries not being able to participate. In the case of Eastern Africa, a more targeted needs assessment with respect to financial trainings could have strengthened the ability of trainees to access contracts.

17. On the other hand, relevance factors undermining sustainability can be related to the misunderstanding or non-recognition of local realities where assumptions made about capacity or capability were inaccurate resulting in over-ambitious objectives. This is a problem identified

---

[8] Organisation for Economic Co-operation and Development (2010). Glossary of key terms in evaluation and results based management, p. 32. Paris, OECD. Available from https://www.oecd.org/dac/evaluation/2754804.pdf
[9] Companies interviewed felt that it would have been relevant to include them in the design of the program and its activities in order to ensure their relevance to beneficiaries' expectations, particularly in terms of identification of target markets for orientation tours and B2B missions. Additionally, and despite efforts to focus on women entrepreneurs, AFEM (Association of Women Entrepreneurs of Morocco) was not a participant in the project (a selection process problem).
[10] The proposed beneficiaries were in need of the materials of production and financial support to strengthen and equip their production units.to improve supply capacities.

for the Palestine project, which, in addition to concerns related to interagency relationships and funding allocation, may have made it more difficult for ITC to contribute to the fullest of its ability.[11] In some cases, outcome expectations of the projects were viewed as beyond the absorptive capabilities of the target groups (a state of readiness issue). The message was reinforced in the PCR analysis noting the importance to adapt to community rhythms and the need for flexibility and patience as with the Myanmar Tourism project. Finally, failure to include the private sector in a planning event affected relevance for the Eastern Africa project.

Effectiveness

> Effectiveness is "the extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance. Note: Also used as an aggregate measure of (or judgement about) the merit of work of an activities, i.e. the extent to which an intervention has attained, or is expected to attain, its major relevant objectives efficiently in a sustainable fashion and with a positive institutions development impact."[12]

18.   Performance in effectiveness relates to the achievement of objectives and is likely to be linked with the ability of the intervention strategy to support partners and beneficiaries to improve their own conditions and actions.

19.   The evaluations overall suggest a strength in ITC's performance related to effectiveness, yet this apparent strength does not wholly translate into sustainability. On the one hand, variability exists (ranging from unsatisfactory to satisfactory), while on the other, some evaluations measured effectiveness by the level of planned activities having been undertaken, rather than the actual improvement of partners' and beneficiaries' conditions and actions, thereby perhaps overstating effectiveness.

20.   In the case of WARIET-ECOWAS (this is a programme designed to accelerate the process of achieving a customs union in West Africa), strong coordination and cohesion among the various actors, including with the private sector, were described as 'fluid and cooperative' for the most part and highlighted the importance of coordination for effectiveness. For the Eastern Africa project, the project conveyed the importance and value of good business and market intelligence for SMEs, in that it stimulated interest in the international market rather than the regional market. It also illustrated how flexibility and adaptability were important to TISI development, especially with regard to training. In recognition that projects could only be deemed truly effective if they became sustainable, the Eastern Africa Project singled out sustainability as an important issue to be addressed by beneficiaries[13] and was a major theme in the evaluation.

21.   The evaluations outlined often-interlinked factors related to project coordination and management, which can undermine performance on effectiveness with implications for sustainability: a common observation is the numerous calls for project extensions. This seems to be mainly due to delays and issues in project coordination, which can be deemed as efficiency problems with implication for effectiveness. In some cases, activities resulted in some actors not getting what was promised (shortcomings in adaptation). In PRCCGAT (Chad), there was an inability to solve problems,[14] and conflicts between traders and producers, reflecting difficulties in coordination, decision-making capacity and engagement. For the PACMS (Senegal), despite flexibility and a real capacity of adaptation, frequent delays led to the recommendation that the project be extended. There was low readiness and capacity/engagement and an insufficient time horizon to address the issues. HPTD (Lesotho) success in technology transfer was partially undercut by complications in implementing many of the planned support activities leading to calls

---

[11] With reference to ITC not having "…played a greater role in leading the enterprise and competitiveness development activities of the JP".

[12] Organisation for Economic Co-operation and Development (2010), op. cit.: pp 20-21.

[13] The project had exit strategies developed together with all project stakeholders in Sustainability Workshops held in each country in June 2016

[14] Including in areas of transport acquisition, warehouse construction, water management, and conflicts between traders and producers.

for more time. Similarly, for OSS (Palestine), it was noted that indicators of effectiveness were sometimes misplaced or unrealistic "given the long time it usually takes for economic policies to start showing results". The other projects considered in this AESR were also assessed for the issues that compromised effectiveness, with very similar results. Specifically, there were coordination issues for Morocco, with insufficient time allowed for outcomes for the T4SD test project in Colombia.

22. On the other hand, when discussing sustainability, since effectiveness is "doing the right thing", the evaluations identified that the most important thing that compromised sustainability was the failure in gaining local buy-in and commitment/engagement, often due to insufficient oversight, the lack of locally committed resources and also in some cases, repeatedly changing counterparts at the local level. In PRCCGAT (Chad), environmental management had insufficient buy-in.[15] Success in PRCCFGAT (Benin) was achieved in some training and in developing branding (Quality Label of Benin Pineapple) but overall, local project oversight and operations processing remained weak, reflecting inadequate coordination, insufficient local capacity, and buy-in. Unsatisfactory communications and paucity of local commitment (ineffective managerial oversight) also undermined effectiveness of the HPTD (Lesotho) project. In the NTM (Non-tariff Measures) programme, the deployment in Ivory Coast of the Trade Obstacles Alert Mechanism (TOAM) demonstrated that training did not lead to understanding (training design issue) and the use of the tool fell off over time, and of 'obstacles' identified (some 32 in all) only a few were addressed. The root of the problem for NTM was seen as insufficient engagement with stakeholders making for insufficient impact (engagement/coordination issue).

23. The common feature that undermine effectiveness and hence sustainability is that they occur at the first layer of the ITC results framework – capacity-building outputs (see Annex II). At the same time, the outputs of local ownership, degrees of engagement and buy-in, and the changes in those over time, are the appropriate measures of satisfactory knowledge and capacity transfer and project exit where changes can be sustained.

Efficiency

Efficiency is "a measure of how economically resources/inputs (funds, expertise, time, etc.) are converted to results."[16]

24. The effect of performance on sustainability in combination with effectiveness can be profound, making the difference between failure, partial success, or complete success.

25. Overall, the evaluated projects were deemed less efficient than effective. This may echo, in part, ease of measurement (measuring activities rather than outcomes, looking at short terms rather than longer term impacts). It is also reflective of a few projects, notably Lesotho, Benin, Chad and Senegal that had trouble gaining traction for a host of reasons, mainly to do with difficult local conditions.

26. Trade missions for EDEC Morocco went smoothly and effectively, while WARIET – ECOWAS showed great efficiencies in cost management over its four components. Similarly, for T4SD, overall project management performed well in delivering innovative solutions within a limited time span and budget and creating value-addition to clients and to ITC.

27. However, as explained in the previous section on effectiveness, it is seldom a project does not experience at some place or time a delay in the implementation of one or another activity, deployment, or allocation. Delays can have a variety of causes: an unexpected smaller budget; policy documents not produced; equipment not delivered, meetings not held; under and slow staffing, and organizational problems. In some cases, delays were also due to the onerousness of the contracting process and/or a volatile political context with frequent changes of

---

[15] Impressing on producers the need to preserve gum trees
[16] Organisation for Economic Co-operation and Development (2010). op. cit.: p. 21.

counterparts (Lesotho).

28. The need for flexibility and adaptability is imperative in the complex and generally weakly resourced environment in which ITC projects operate. It must be driven by strong coordination anchored in effective communications, sometimes in the context of projects where ITC is only one of the implementing agencies. For PRPCP (Benin), activities were carried out without knowledge of all concerned making it difficult for project coordination to make needed adjustments. In Palestine joint implementation, mutual ownership of results, and collaborative implementation and learning did not fully materialize leading to some inefficiencies in coordination at the strategic level. WARIET – ECOWAS suffered from lack of coordination among its four components in part due to a failure to activate a Sector Policy Review Committee. For PRCCFGAT (Chad), institutional oversight was inadequate and there was inadequate synchronization among the different executing agencies. Taking account of the limitations incurred by the project context, an efficient and flexible ITC project coordination is greatly aided by a comprehensive and realistic risk management strategy.

29. Finally, there must be financing for partners and beneficiaries – a point that has been identified in previous AESRs. Project design needs to include a consideration for the financial needs of the beneficiaries, to take action. At the same time beyond planning considerations, the key to successful 'start-ups' be they institutions or enterprises (the reality in many LDCs), is patient/risk capital, which pertains to project risk management. In both cases, limiting financial considerations to project administrative needs, where recourse to lenders is limited or costly, and when the environment for development is high risk, suggests the need for greater financial contingency and creativity in project design and budgeting (comprehensive risk management).

Sustainability

> Sustainability is "the continuation of benefits from a development intervention after major development assistance has been completed. The probability of continued long-term benefits. The resilience to risk of the net benefits flows over time."[17]

30. Both the UN System and ITC, are addressing sustainability in new and creative ways. The last few years have seen extensive discussions and increased focus on exit strategies and how to build resilience as projects are 'handed over'. From the ITC Results Framework perspective, sustainability would mean that skills and competencies transferred through trade-related technical assistance (TRTA), would result in behavioural and organizational changes at the organization or firm level that are lasting and, ideally, transferred to other actors.

31. The issue has been central to analysis in previous AESRs (2016 and 2017) and a focus of assessment and analysis in almost all evaluations including the PCRs. What this reveals is that to achieve sustainability, a broader and deeper understanding of the forces and factors that limit or undermine sustainability is required. This is even more important as ITC is developing new and innovative products and approaches in support of its mission. It is also suggestive of a new approach to development interventions. As noted by the NTM evaluation, it "raises the issue of ITC's savoir faire in managing the life cycle of a successful innovative donor-supported pilot technical project into a more strategic and integrated corporate solution, as this pilot technical project becomes more mature and with higher potential in terms of development impact".

32. In 2016, the AESR outlined the factors that contributed to ensuring that ITC-funded projects had long lasting benefits. Among them were; national and local ownership; building of institutional capacity and, Skills and competencies transferred. Each of these is examined in turn.

33. 'National and local ownership' occurs when a number of self-reinforcing factors are evident including whether goals and missions of the project are well integrated into national or regional strategies and plans, to the point where they melt with, or are mainstreamed into, national/regional efforts. Locally, it means that beneficiaries and partners view the new

---

[17] Organisation for Economic Co-operation and Development (2010). op. cit.: p. 36

requirements or practices and procedures as their own because they are seen as necessary, and in their own interest.

34. 'Building of institutional capacity' to sustain efforts and ensure impact is reflected in the availability (exiting or planned) and commitment of beneficiaries and partners to provide resources - financial, human, material - to the project on an on-going basis. Of great importance would be whether the individual beneficiaries (SMEs, producers, marketers) are capable collectively, or through TISI-like institutions, of sustaining the business activities introduced by the project and thereby retaining project benefits.

35. Factors that undermined sustainability included staffing shortages and changes leading to reduced capacity and visibility of the projects, and smallholder farmers or enterprises being unable to buy into the trading systems and production upgrades due to the scarcity of beneficiaries' own resources.

36. Incidentally, in often quite difficult specific circumstances, ITC successfully achieved the establishment of markets linkages within the sector value chain. This corresponds to ITC's comparative advantage, donors' expectations and thus, direct project accountability. The paradox in terms of sustainability, is that however commendable these achievements might be, they do not entail per se the durability and the scaling up of the obtained positive change.

37. Ultimately, while running through all these sustainability dimensions, there is the challenge of contributing to improve the enabling environment by achieving ambitious production and quality targets in an enabling environment that is sometimes so adverse, that outcomes at the production level are sometimes difficult to achieve, let alone sustain. This suggests a need for greater attention to ensuring an enabling environment, which can exist beyond project timelines.

Impact

> Impact is the "positive and negative, primary and secondary long-term effects produced by a development intervention, directly or indirectly, intended or unintended."[18]

38. Performance in achieving impact is related to the ability of the intervention strategy to contribute to long-term transformation of partners and beneficiaries in improving the conditions and actions of others, at a wider level. Measuring the degree of success remains a challenge because of two factors: first, the lack of reliable project-level monitoring data on key impact indicators, especially baseline data, makes meaningful comparison between beneficiary and non-beneficiary groups difficult. Secondly, causality becomes more difficult to identify over longer periods where post-project information is lacking.

39. With these caveats in mind, impact has been addressed in all the evaluations included in this AESR and focusing to varying degrees on ITC's three corporate intermediary outcomes of strengthening the integration of the business sector, improving the performance of TISIs and improving the international competitiveness of SMEs.

40. At the national/Ministry level, there was evidence of absorption of good practices (Morocco, Lesotho); or of continued commitment to project objectives (Senegal, ECOWAS, Benin), and some strengthening of conditions (the broader enabling environment) for OSS-Palestine. These look like changes with prospects of positive medium to long term effects.

41. For TISIs and related institutions, East African and Moroccan partners were in a position to replicate results, whereas and in addition, there were improved TISI company relationships for Morocco, Benin, and Senegal, and with the NTM programme. For NTM high quality data did not translate into knowledge and capacity transfer to policy makers, TISIs and academia in terms of an increased ability to conduct NTM-related surveys and analysing NTM data.

42. At SME level, trade missions generated real effects by building linkages (Morocco) and local

---

[18] Organisation for Economic Co-operation and Development (2010). op. cit.: p. 24

market linkages were created in Palestine. Improved techniques of production were noted in Chad and Lesotho for farmers and contractors.

43. In the end, project impact overall remains insufficient reflecting that the successes remain partial. At the same time, it is not until projects reach a state of self-perpetuating sustainability that longer-term goals and objectives (impact) can be reached. The issue of limited impact raises the question of going beyond the constraints of the project framework calling for an approach that would be more open, flexible and responsive to local situations and risks. An Innovation Approach – the Innovative Project cycle– offers such a framework (Annex III).

Cross-Cutting Dimensions

> **Human Rights and Gender Equality**. This is to assess whether human rights and gender equality are sufficiently embedded in the intervention, and the extent to which the intervention has contributed to their enhancement.
>
> **Environment and climate change.** This is to assess, in the trade development context, to what extent the interventions have contributed to protection and rehabilitation of natural resources and the environment, and to climate adaptation and resilience.
>
> **Innovation.** This is to assess to what extent the intervention has introduced innovative approaches to achieve ITC's goals or better adapt to emerging contexts, and the innovations have been replicated or scaled up by development partners.

44. Evaluation questions are organized both according to the evaluation criteria outlined above, and by cross cutting dimensions. These cross-cutting dimensions or themes include: Human Rights and Gender Equality, Environment and climate change and Innovation, replication and scaling up. External evaluations do not always assess all of these cross-cutting dimensions.

45. ITC to its credit has made gender mainstreaming a major theme of its interventions and with good reason. While it is a difficult and complex challenge within an already difficult and complex development agenda, experience has shown that including women in the development process ensures greater probability of success (and sustainability). As was noted earlier, integration of and consequent reporting on gender for the 10 projects was unequal, with no reference or 'in passing' reference e.g. Chad, or it was the major theme of the project (OSS-Palestine). ITC's commitment to gender equality is worthy of strengthening, and in and of itself is reflective of ITC's adaptive and innovative capabilities to obtain better intervention outcomes. A future AESR may want to develop the theme of issues facing Gender Equality and Human Rights in ITC projects, much the way this AESR is focused on sustainability.

46. Environment and climate change are featured themes in East Africa and T4SD. In other cases, environment is often addressed from the perspective of a specific aspect such as production quality issues with gum Arabic in Chad. The focus of the projects might have been too narrow and their means too limited to satisfactorily address environmental mainstreaming issues and climate change, not to mention of carbon neutral strategies for example.

47. Considering innovation at the project level, some evaluations analysed in the AESR discussed how projects were innovative, both in the sense that they represented new ways of doing things for the beneficiary country and target populations (Chad). In addition, other evaluations demonstrate how ITC has embraced innovation in distinct ways, e.g. in the form of customized product development (T4SD, NTM). Innovation was evident in the creativity and adaptability of project managers to local conditions (Chad, Morocco) and, in the recommendations for future action (Benin, Palestine, East Africa). Innovation is seen as important to sustainability as ITC also looks to innovations being replicated or scaled up by development partners.

15

Lessons Learned

48. Some of the 10 projects evaluated in 2017 were initiated as early as 2010. Therefore, when conducting its analysis, the AESR is not a simplistic assessment of yesterday's interventions based on today's understanding and practices. Evaluation findings were interpreted in relation to a wider concern – sustainability of ITC's initiatives. Lessons learned are generalizations that go over the narrow project approach and can be transferred to the next cycles of similar interventions, beyond the projects having been evaluated in 2017. The purpose of the following lessons learned is to improve sustainability performance in future ITC's activities:

Lesson 1: Continuous appreciation of local conditions, capacities and relationships, be this for SME's, TISI's or even governance institutions, is essential for the success of ITC interventions.

49. SMEs have been consistent beneficiaries of ITC's interventions as the past four AESRs have testified. Even in Chad, despite difficult conditions, there was uptake of new technology and improved returns on sales of Gum Arabic to producers. However, to gain the full benefits of ITC interventions a clear assessment of needs and an appreciation of local conditions and the beneficiaries and partners' state of readiness both pre-launch, and over the course of project implementation, is imperative.

Lesson 2: Sustainability in implementation is rooted in the successful transfer of capacity, skills and competencies to beneficiaries and partners in a way that fosters local ownership and long-term commitment.

50. Our analysis and those of previous AESRs have identified the conditions necessary to achieve sustainability and implement a successful exit strategy. They include local governments committing resources (esp. re: dedicated management) and creating strong enterprise hubs (TISIs).[19] Also important was maintaining an effective communication with, and good understanding of, ITC clients and an ability to retain a critical mass of expertise –from both inside and outside the ITC. Financial depth also matters (ability to cover risks).[20] Ultimately, the basis for sustained success is local support, in recognition that the capacity for support at project start may not wholly exist and must be created by project end.

51. In terms of performance measurement and monitoring, it is the outcomes of local ownership, levels of engagement and buy-in and their changes over time that are indicators for a likely satisfactory project exit, where changes are sustained by partners and beneficiaries who own the results and have the motivation to maintain and grow them.

Lesson 3: Beneficiaries and partners are in essence, 'start ups' embarked on a cycle of complex innovation and change in an often risky and uncertain environment.

52. Often, at both the institutional and enterprise level, ITC may find itself dealing with 'start-ups' - organizations of limited capacity and high vulnerability[21] that are often resource-weak and maybe even risk and change averse. Such situations require responsive and adaptable support on an on-going and 'as needed' basis including for funding. Additionally, for start-ups, it is often the case that other actors in the surrounding (enabling) environment may also have weak capacity requiring greater patience and even resource commitments toward them, which may not have been part of the original plan.

53. Innovation is about change, alteration - the introduction of something new. It can be in any aspect of life and can occur on many fronts simultaneously. When that occurs, as with ITC projects that advocate change among SMEs, TSIs, and governments simultaneously, it can take time for all to adjust and they may not do it at the same rates. Change, especially disruptive change on multiple fronts, takes time to see fruition. The innovation approach to change – the

---

[19] AESR of 2016
[20] AESR of 2014
[21] As the 2017 AESR pointed out for a Cambodia project "…the national body established by the project was not self-sufficient…". This is a very common problem for many projects.

innovation cycle – recognizes this and in this serves to strengthen the programmatic approach.

54. However, within the innovation cycle, it is important to distinguish between ITC as an agent of innovation and ITC's beneficiaries and partners as agents of innovation. According to ITC's Results Framework (see Annex II) the role of ITC is understood as a change facilitator that supports its partners and stakeholders to realize their own development objectives and to contribute towards sustainable development – the SDGs. Hence, the need to shift ITC's interventions perspective from experiment (testing and replicating approach) – to innovation (supporting organic change approach).

Table 3: Experiment vs. Innovation, Characteristics

EXPERIMENT – PROJECT	INNOVATION – ORGANIC CHANGE
Outcome focused	Need or baseline focused (initially)
Rigid (except in some ways)	Flexible
Closed architecture	Open architecture
Time limited	Time flexible
Risk limiting	Risk taking
Outside existing environment	Integral to environment
Engineer	Entrepreneur
Small contingency	Medium to large contingency
ITC products stand alone	ITC products built in
The local is assumed	The local is identified and integrated
Prescribed solutions	Adaptive and creative
Feasibility Study/needs analysis	State of Readiness Report

Lesson 4: An innovation-enabling approach to project management, where risk and contingency planning are central, is suited to beneficiaries and partners' needs to meet sustainability challenges.

55. Robust risk management and contingency planning helps manage change. In a 'start-up' environment, the need for large risk-related contingencies is to be expected. Several projects cited how flexibility in project management, in appreciation of emerging risks, was important to achieving successes big and small.

56. Focusing on the needs of the beneficiaries and taking cognizance of the risks they face, as opposed to the ability of the project to be managed by project management (the project approach), will highlight the strengths and weaknesses of the targeted organizations and populations and allow for realistic goal setting. Thorough understanding of the local situation, including its capacities for change and adaptation, is important to successful management of the innovation cycle.

Lesson 5: The Theory of Change remains a vital tool in the fostering innovation and sustainable transitions

57. The variety of factors that can affect effective transfer and consolidation of results to beneficiaries and partners highlights the importance of every element of a project being well integrated, sequenced, harmonized and delivered through a holistic approach, as well as incorporating the capabilities (or lack thereof) of the enabling environment.

58. As explained earlier, the framework for sustainability in ITC projects relies on the combination of two innovation agents: ITC and ITC's beneficiaries and partners. On the one hand, ITC is gradually adopting innovation as a priority for itself, to achieve impact and sustainability through enhanced relevance (new and better things to do) and effectiveness (new and better ways of doing things). On the other hand, the nature ITC's theory of change requires that ITC's partners and beneficiaries to go through a similar process. Therefore, the appropriate operationalization of project theories of change should aim at connecting between ITC's own cycle of innovation and that of ITC's partners and beneficiaries, as one reinforcing the other.

59. The AESR of 2017 highlighted the need to "systematically verify and improve the quality of each project's theory of change" in the context of the programmatic approach. At the same time, it was calling for 'a more focused approach' that 'specifically addresses the needs of all stakeholders'. Given the observed challenges to sustainability, and the lessons above, this is imperative.

Key recommendations

60. Building on the ITC Results Framework (Annex II), in which the highest level goal is inclusive and sustainable development, in line with the 2030 Agenda for Sustainable Development; ITC interventions aim to provide partners and beneficiaries with the capacity-building services that increase their ability and likelihood to act. The nature ITC's theory of change promotes sustainability since project stakeholders often include policy makers, TISIs and local SMEs as well as clients in destination markets.

61. Building capacities in complex environments requires adopting an innovation approach to programming, which is as much a cultural shift in an organization as an operational one. In the words of UN Secretary General António Guterres "If the United Nations is to truly lead, it must work across organizational boundaries, harnessing the full power of its available resources, capacities and partnerships. Critical to its success will be a profound transformation of culture, and visionary and principled United Nations leadership – at all levels and across the system". [22] For ITC it means breaking out of the control-seeking project mindset to the problem-solving mindset of the innovator/social and enterprise entrepreneur.

62. ITC's Strategic Plan of 2018-2021 recognizes this, noting how "ITC has put more emphasis on women, young entrepreneurs and displaced people as well as on a finer analysis of our client groups to target their specific needs". Additionally, ITC is building on its strengths by "…investing in new partnerships, fostering innovation, and incorporating lessons from evaluations into our daily work". The objective is to focus on impact "…through larger, deeper and longer-term country and regional interventions…(that) align our work with other actors…". ITC is making greater efforts to include both public and private sector actors together. It does not only help craft a conducive business environment, including engaging the private sector in contributing to development as funders, buyers, investors and providers of technical expertise, but also enhances its own capacity for rapid change and adaptation to the needs of its partners.

63. These actions undertaken at the corporate level seem to be co-evolving with actions and ideas from ITC sections. ITC's Innovation Lab is trying to implement a framework that would support project managers to adopt a more Human Centred Design approach to better consider the end beneficiary in the design phase of the project. It is also worth noting that the reporting on the

---

[22] United Nations (2017). *Shifting the management paradigm in the United Nations: ensuring a better future for all.* New York (p. 6) (A/72/492). Available at http://www.un.org/en/ga/search/view_doc.asp?symbol=A/72/492

implementation of last year's AESR recommendations (Annex VIII) already addresses some of the 2018 recommendations. This, together with the other elements mentioned above, suggests the emergence of a more adaptive, open and far-sighted mindset, better integrating specific local circumstances, enhancing local ownership into larger/longer-terms approaches and systems.

64. With this encouraging background in mind, however, the projects that were evaluated in 2017 have either struggled to generate an expectation of lasting impact (in mid-term evaluations and evaluations of on-going ITC corporate programmes), or have not shown strong signs of producing sustainable results (in final evaluations). This assessment is also in line with the findings in previous AESRs. This recommends an organic adaptation to incorporate a detailed understanding of local cultures and market conditions, the 'start up' nature of many TISIs and SMEs, and the limited resources of many local and national governments.

65. Specifically, there is a need for bringing beneficiaries and partners to the very centre of the project/product design and development process and for more flexibility in project management. This suggests the following priorities:

   o Greater attention to the needs and capabilities of the beneficiaries and partners;

   o Greater integration into the local environment;

   o Flexibility in operations, including project timelines;

   o A willingness to see things through to the end (often related to timelines); and

   o Risk taking in combination with robust and thorough risk management and contingency planning.

   Operationally this would mean:

   o Medium to large project contingency budgets and timeframes;

   o Adaptive and creative/less prescribed actions and interventions, including intermediary outcomes, when pertinent; and

   o State of readiness analyses based on a 'whole of society' approach enhanced by good business analysis at all levels.

66. To meet the challenges of sustainability recommendations are suggested below. They are addressed to ITC's senior management, project managers and ITC stakeholders, including project funders and project partners and beneficiaries, who also have a role to play. The recommendations are specific in terms of attaining the final result and at the same time, they are not prescriptive considering the means in which to achieve them, so as to enable flexibility and adaptation.

67. In alignment with ITC's 2018 Operational Plan, the recommendations address the need for enhancing incremental innovation within ITC's current operations and systems. They focus on enhancing flexibility and room for adaptation in project design, management and exit. They also call for ITC and its stakeholders to embark into larger and longer-term alliances, interventions and systems to overcome the somehow tentative nature of projects.

68. Finally, it is important to note that more flexibility and a larger/longer-term scale of ITC's interventions should go in hand with a more entrepreneurial and innovative behaviour. This is why, in addition to the first four recommendations, a fifth recommendation is added on entrepreneurship and innovation leadership. The latter being considered as optional since this behavioural dimension was not included within the scope and the analysis of the present AESR:

Recommendation 1: Consider including innovation into the criteria for the allocation of the Business Development Fund (BDF) to support project designers and managers in incorporating innovation needs, specifically for the development of creative solutions in the field, working with beneficiaries and partners, for activities such as:

- o Workshops;

- o Design thinking field visits; and

- o Participation in innovation events.

Recommendation 2: Consider a revamped sustainability-focused project monitoring and evaluation scheme to more effectively track the progress of local ownership. This could be done through:

(a) New indicators measuring the satisfactory appropriation of capacity, skills and competencies to beneficiaries and partners, using measurements such as:

- o - Local oversight;

- o - Local resources invested; and

- o - Outputs of local ownership.

(b) Inclusion of the crosscutting issue of innovation in the Project Completion Report (PCR) template.

Recommendation 3: Consider a more responsive and adaptable support to the needs of partners and beneficiaries, by proposing to funders and other stakeholders:

(a) The inclusion within W2 projects of an innovation budget component; and

(b) The availability for ITC's beneficiaries and partners of patient/risk capital to support them in innovative activities.

Recommendation 4: Consider the development of an innovation-enabling project development and management approach:

(a) Integration of innovation in the project design template and guidelines, including project theory of change; and

(b) Promotion of an innovation leadership training for ITC project managers.

Recommendation 5 (optional): Consider strengthening the elements of entrepreneurship and innovation leadership under the current HR competency framework and performance appraisal systems:

(a) Consider entrepreneurship skills and experience requirements in the ITC's Competency Framework and in Job Description Questionnaires (JDQs);

(b) Incentivise the inclusion of targets related to entrepreneurship and innovation leadership in the Performance Appraisal System (PAS), including by taking into consideration for career development;

(c) Promotion of an innovation training for all ITC staff; and

(d) For interns, make "innovation" an integral part of the internship programme by making engagement at the Innovation Lab an option when signing the internship contract.

Annex I. Brief Description and Evaluation Findings of Projects Evaluated

---

EXPORT DEVELOPMENT FOR EMPLOYMENT CREATION (EDEC) MOROCCO

Project objective: The overall objective of the project is to contribute to the creation of sustainable jobs, especially for women and young people, by strengthening the competitiveness of small and medium-sized enterprises (SMEs) and strengthening their ability to penetrate regional and global value chains in the processed food, seafood and leather sectors. The project also focused on building the capacity of TISIs to provide better export support services.

ITC Focus Areas

4. Connecting to international value chains

5. Promoting and mainstreaming inclusive and green trade

Start date: 31 March 2013

End date: 30 June 2018

Total budget: $4,907,250, implemented by ITC

Midterm Self-Evaluation findings (October 2017): According to the midterm self-evaluation (which took place in the fourth year of the five years of project duration); the project had a clear preponderance of positive results, with some minor shortcomings. The objectives of the project were still valid, although progress was difficult to evaluate due to lack of baseline data. The project design was highly relevant to the needs of the partners, with the exception of a lack of clearly focused activities on gender. There was a lack of a clear correlation between employment and export volume for the seafood sector. The activities of the project were mostly implemented, on time, and with a high satisfaction rate among beneficiaries. The PSC managed to make progress on all outputs despite a reduced budget (due to exchange rates). The quality of coordination and flexibility in delivery were key factors in the success of the project to date, although some activities could have been organized with more advanced notice for better selection. The potential impact of the project on the employment of women and young people will take time to evaluate. However, there was tangible impact of the project on the export capabilities of enterprises through training and commercial contacts. Similarly, according to all stakeholders, TISI services to businesses were better today than four years previously. The project would have contributed to the creation of an export culture in Morocco by developing new knowledge and facilitating collaboration between MCE, IAC and exporting companies. On the other hand, the sustainability of project results would depend on the willingness of Moroccan stakeholders to continue to build on the achievements made so far, and to continue to report statistics on the employment of women and youth in these 3 sectors.

Ratings of Evaluation Criteria[23]:

Relevance	Effectiveness	Efficiency	Potential Impact	Sustainability
4	5	5	4	4

PROJET DE RENFORCEMENT DES CAPACITÉS COMMERCIALES DE LA FILIÈRE GOMME ARABIQUE TCHADIENNE (PRCCFGAT)

Project Objective: This project, jointly implemented by the Unité de mise en Œuvre Cadre Intégré Renforcé du Tchad (UMOCIR/T) in cooperation with Islamic Relief Worldwide (IRW), the Association Tchadienne pour la Promotion de la Gomme Arabique (ATPGA), SOS Sahel, ITC, and UNIDO. The project aimed to increase exports and make Chadian Gum Arabic competitive and sustainable, while increasing all actors' profits in the production and commercialization process simultaneously. UMOCIR/T and the NGOs are responsible that producers are better organized, that they take a greater role in the development of value chains and master sustainable production techniques. UNIDO increases the product added value and production quality standards, whereas ITC strengthens structured and organized distribution channels, and promotes export to emerging markets. ITC's activities were focused on outcomes 3 (i.e., distribution channels are better structured and supply better regulated), and 5 (export growth in non-traditional markets, especially emerging countries).

ITC Focus Area

4. Connecting to international value chains

---

[23] Note: for further details on ITC's six-point rating system see Annex VII

Start date: 1 July 2014

End date: 30 June 2017

Total budget: $4,165,810. Implemented by Islamic Relief Worldwide (IRW) ($36,000), Association Tchadienne pour la Promotion de la Gomme Arabique (ATPGA) ($86,000), SOS Sahel ($314,300), ITC ($350,000), UNIDO ($350,000), and UMOCIR/T ($3,065,510)

External Final Evaluation (June 2017): The final evaluation covered the entire project. The evaluation observed that the project was very relevant for the diversification of the country's sources of income and the fight against poverty of the most vulnerable populations.

Findings related to ITC: Regarding Outcome 3, it represents an innovation to connect poor producers with international markets. However, ITC's results would have been more sustainable if the project would have better taken environmental concerns into account and better adaptation to a particularly complicated local context. It is worth mentioning poor coordination and synchronisation between the different executing entities, in particular at the start if this joint-project. As for its own activities, ITC had created and reinforced cooperative societies in coherence with the marketing scheme(s) adopted by the actors of the sector: 77 groups, 10 unions, 2 cooperatives, 3 regional associations and 1 national association in the process of legalization. There was a precise inventory of the capacities of these structures; motivated members created the highly dynamic structures. A Gum Arabic marketing centre was established in N'Djamena with motivated members, and is commercially operational. A wireless market was also created, including other outputs related to the improvement of distribution channels and supply. At the time of the evaluation, out of a number of planned workshops to convey the best contractual practices, only one workshop, in preparation for a trade mission to India, had taken place. Regarding Outcome 5, ITC planned to organize two guidance and counselling visits to emerging countries, and a visit to a trade fair. However, at the time of the evaluation there had been only one promotional visit to India in 2017. ITC developed a marketing plan with exporters, including and a communication and visibility plan that was implemented. ITC was to help to create purchasing contracts between Chadian exporters and buyers in new markets. By the end of the project, five partnerships in new markets had been created. Although no purchase contracts with new markets had materialized yet, an MoU between AEGAT and Indian Traders Association on Gum Arabic had been signed. Overall, the evaluation found:

- all of the outcomes of the project were consistent and compatible, and the overall project objective and specific objectives were well founded;

- the interest the project has aroused among the country's Authorities and Donors is justified; the administrative and institutional organization set up to manage the project was very appropriate;

- Gum Arabic is a source of income for the country and for the people;

- Gum Arabic is mainly for export now, and is a good source of financial income, and improvement of the country's macroeconomic aggregates.

Rating of Evaluation Criteria: The external evaluators did not rate the criteria or the project overall.

PROJET DE RENFORCEMENT DES CAPACITES PRODUCTIVES ET COMMERCIALES DU BENIN (PRCPC)

Project Objective: To contribute to poverty reduction by strengthening the productive and export capacities of Beninese enterprises. Four Specific Objectives are to contribute to the achievement of this overall objective: 1) The Ministry in charge of Trade and Industry is better equipped to develop and promote Trade; 2) The capacity of the public, para-public and private support structures for the selected sectors/sectors is strengthened with a view to the implementation and sustainability of the capacity-building program for the supply of exportable products; 3) The competitiveness of enterprises in priority sectors with high export potential is upgraded and improved internationally; and 4) Support coordination and monitoring - evaluation of project activities. ITC has contributed to activities supporting specific objectives 2 (activity 2.5 the Agence Béninoise de Promotion des Echanges Commerciaux [ABéPEC] business intelligence system is reinforced), and 3 (activities 3.1 – reinforced capacities of targeted sector actors: Pineapple and Cashew nuts in production, processing and marketing; 3.2 - a Benin pineapple quality label developed; and 3.3 - developed and consolidated business relations between Beninese exporters and their partners in target markets).

ITC Focus Area

4. Connecting to international value chains

Start date: 12 May 2015

End date: 31 December 2018

Total budget: $2,999,089. Implemented by UNIDO ($1,353,015), ITC ($641,774), UNCTAD ($404,460), and the Government of Benin ($599,840)

External Midterm Evaluation (October 2017): The midterm evaluation covered the entire project. The evaluation observed that the project was very relevant for the diversification of the country's sources of income and the fight against poverty of the most vulnerable populations.

Findings related to ITC: Regarding objective 2, and specifically activity 2.5, strengthening of the business intelligence system for high export-potential products, the data available did not inform the evaluation in terms of the achievement of the activity. It will also be necessary to support the publication of commercial information on the identified high export potential products. Regarding Objective 3 (3.1) capabilities of actors in accounting management, marketing, quality, etc. need to be strengthened. Activity 3.2 results in the production of the label of quality for pineapple of Benin, which was validated. Concerning Activity 3.3, actions aimed at developing and consolidating business opportunities between exporters and international partners were not yet fully implemented.

Rating of Evaluation Criteria: The evaluator did not use the same rating scale as ITC to rate this project.

SUPPORT TO WEST AFRICA REGIONAL ECONOMIC INTEGRATION AND TRADE PROGRAMME ECOWAS

Project Objective: The specific objectives of the programme are to accelerate the process of achieving a customs union in West Africa by supporting the adoption of a common trade policy and regulations, the removal of obstacles to intra-regional trade, and the harmonisation of trade-related policies and statistical data. The programme is divided into four components and is implemented by Deutsche Gesellschaft für International Zusammenarbeit (GIZ) through its Promoting West Africa Trade Integration Programme (WATIP) (components 1 and 2), the World Bank (WB) through the Improved and Facilitated Trade in West Africa (IFTWA) project (component 3), and the Union Ecoomique et Monétaire d'Ouest Africaine (UEMOA) and ITC (component 4). Under component 4, the ITC sub-components covers results 4.1, 4.4, and 4.5, and aims at: (i) designing an alternative mechanism for trade surveillance and resolution of trade disputes; (ii) developing a community instrument to provide market information on trade across borders; and (iii) promoting intra-regional trade through increased strengthening of trade promotion institutions.

ITC Focus Area

6. Supporting regional economic integration and South-South links

Start date: 1 February 2017

End date: 31 July 2018

Total budget: Euro 18.5 million. Implemented by GIZ (EUR 10 million), WB (EUR 3.5 million), ITC (EUR 3 million), and UEMOA (EUR 2 million).

External Midterm Evaluation (June 2017): The midterm evaluation covered the entire project. After a long period of "incubation" to achieve full implementation, which was influenced primarily by factors external to the programme, is arriving to roughly 36 months of effective implementation in Component 3 (IFTWA); more than 30 months in Component 1 and 2 (WATIP); and between 4 to 6 months in Component 4 (UEMOA's PE and ITC Project).   As a result, the evaluation only marginally assesses ITC's contribution. The analysis of the findings of the midterm evaluation, lead to conclude that the programme is certainly gaining momentum, which should allow ITC to build on results which should be seen at the final stage.

Findings related to ITC: The project was on the right track to accelerate the process of achieving a Customs Union in West Africa. However, interactions between implementing partners were found to have been ineffective. The different languages spoken in the region were posing barriers to communication as few people were found fluently bilingual in English/French (even more distance exists with the Portuguese speaking countries); and supervision by EU Delegations located in Abuja (for Components 1, 2 and 3) and Ouagadougou (for Component 4) create a de-facto separation of responsibilities. The midterm evaluation noted that to prevent this from happening, the financing agreement had foreseen the establishment of an overall Policy Committee, with high-level attendance and meeting at least once a year, but this committee had not met yet. The short time available for the implementation of Component 4 (18 months) was considered sub-optimal for the development of local capacities in the UEMOA Commission and member states.

Rating of Evaluation Criteria: The external evaluators did not apply a rating.

PROJET D'AMÉLIORATION DE LA COMPÉTITIVITÉ DE LA MANGUE SÉNÉGALAISE (PACMS)

Project Objective: To increase the offer of exportable mango and products derived from quality and diversify export markets through the identification of new opportunities at the regional and international levels. The project was designed with six outcomes, and implemented by Agence Sénégalaise de Normalisation (ASN), Direction de l'Horticulture (DHORT), Direction de la Protection des Végétaux (DPV), Agence Sénégalaise des Exportations (ASEPEX), Fondation Origine Sénégal (FOS), Institut de Technologie Alimentaire (ITA), and ITC.   ITC was responsible for the delivery of outcome 3 (TISIs have sufficient capacity to offer their trade-related services, adapted to export markets, traditional markets and new markets), outcome 5 (new markets for Senegalese mangoes are identified), and outcome 6 (business relationships are created in traditional markets and new target markets for companies exporting Senegalese mangoes).

ITC Focus Area

4. Connecting to international value chains

Start date: 12 August 2015

End date: 11 March 2018

Total budget: $3,109,056. Implemented by ITC ($856,000)

External Midterm Evaluation (February 2017): The midterm evaluation covered the entire project.

Findings related to ITC: As reported in the midterm evaluation, the level of progress for Outcome 3 is satisfactory. The implementation of the activities related to this outcome calls for international expertise (ITC) and the engagement and availability of ASEPEX which is the main pillar of the achievement of this result. Although an international consultant was recruited for this purpose, the implementation of the ASEPEX business intelligence system was slow. A reorganization of the ASEPEX in view of supporting the business intelligence system would be required, which had not taken place during the period covered by this mid-term evaluation. However, it was expected that implementation would accelerate by the end of the first half of 2017. Regarding Outcome 5, new markets for Senegalese mangoes were identified, and the outcome was fully achieved. However, for it to bear fruit, the business intelligence system must be in place. The achievement of Outcome 6 was mainly subject to the implementation of a marketing strategy that was not yet effective. The level of progress towards achieving this outcome was evaluated as not satisfactory. However, it was acknowledged that the time was too short for the development of international relations. The formulation of the project should have taken this into account, and planned for a longer period of time to achieve this result.

Ratings of Evaluation Criteria: The evaluator applied a 4 point scale to the overall project:

Project design and preparation	Effectiveness of management arrangements	Relevance	Progress of the project and effectiveness	Efficiency	Outlook for Sustainability
3	3	4	3	3	2

Very good = 4; Good = 3; Problems = 2; Serious shortcomings = 1

STATE OF PALESTINE, CREATING ONE-STOP-SHOP FOR SUSTAINABLE BUSINESSES

Project Objective: Public and private sectors have enhanced policies and practices for inclusive socio-economic development of women owned/run MSME's and cooperatives (Outcome 1); and increased access and competeiveness of women run MSME's and cooperatives' products in local, regional and international markets (Outcome 2). The project had three outputs under Outcome 1, and three outputs under Outcome 2. ITC's role in the project was as a technical trade organisation providing direct technical support to the targeted MSMEs and cooperatives to enhance their competitiveness, promote their products, and establish market links in regional and international markets, thereby enhancing their participation in trade. ITC provided support to UN Women and FAO in Output 2.1 (Women owned/run MSME's and cooperatives strengthen their capacity to improve their competitiveness in a sustainable and environmentally responsible way), and was solely responsible for Output 2.2 (Women owned/run MSME's and cooperatives increase their participation in trade).

ITC Focus Areas

3. Strengthening trade and investment support institutions; and

5. Promoting and mainstreaming inclusive and green trade

Start date: 1 January 2015

End date: 30 April 2017

Total budget: $1,500,000. Implemented by the Programme Secretariat ($225,000), UN Women ($501,600), ITC ($346,700), and FAO ($426,700)

External Final Evaluation (May 2017): The evaluation covered the entire project.

Findings related to ITC: Output 2.1, (FAO and UN Women were the lead and ITC was supporting FAO) was largely achieved for MSMEs, but not so for cooperatives. MSMEs targeted achieved increased sales much as planned, but cooperatives –overall- did not. A total of 43 MSMEs, 18 cooperatives, and 2 private marketing companies (connected to cooperatives) were assisted by the joint project to improve their competitiveness through a wide range of activities implemented at both the supply and demand side of the market. FAO and ITC collaborated on supporting cooperatives to achieve Output 2.1, demonstrating good synergies between the two agencies. FAO led on the joint project activities aiming at enhancing the competitiveness of women-owned agricultural and food processing cooperatives, focusing mainly on strengthening the regulatory environment through working with the Palestinian Standards Institute (PSI) to develop quality standards for products produced by targeted cooperatives, and by enhancing cooperatives' production capacity in line with market demand. Output 2.2, was delivered as planned, using a range of market-led approaches and activities that were implemented in parallel to competitiveness strengthening activities. In addition to the formal linkages made between cooperatives and enterprises, activities included supporting MSMEs' and cooperatives' participation in local, regional, and international fairs and exhibitions. This enabled them to establish linkages with various buyers, including traders in the United States, Germany and Canada. The project also provided market

intelligence, facilitated business matching and meetings with potential buyers (B2B); and the hiring of sales agents for Europe, the United States and the Gulf. The evaluation notes that significant (and commendable) efforts have been made by the implementing partners (particularly ITC who led and contributed the highest co-financing for output 2.2) to create market linkages for both MSMEs and cooperatives during the lifetime of the project. Overall, the support provided to MSMEs and cooperatives, under Output 2.2, to enhance their participation in trade has resulted in increasing their sales and enabled a few of them to create new market linkages.

Rating of Evaluation Criteria: This external evaluation did not include a rating, neither for the project overall nor for the components of each of the three implementing agencies.

HORTICULTURE PRODUCTIVITY AND TRADE DEVELOPMENT PROJECT IN LESOTHO

Project Objective: The overall objective of the project was to contribute to the development objective of reducing rural poverty and enhancing economic growth on a sustainable basis, in accordance with the Government's Vision 2020 and its National Strategic Development Plan (NSDP). At the outcome level, the purpose of the project was to build capacity of Lesotho cooperatives and their members to deliver to the markets high-value Fresh Fruit and Vegetables (FFVs), through improved commercial and competitive value/supply chains. The project had five outcomes. Outcome 1: Enhanced skills and knowledge of Smallholder farmers (SMEs) and their cooperatives in the use of appropriate technology in production of high-value FFVs; Outcome 2: Masianokeng Mushroom laboratory provides greater volumes of Mushroom Spawn for the ever growing demand for the spawn in Lesotho; Outcome 3: Strengthened capacity of the Department of Standards and Quality Assurance (DSQA) to deliver Quality Assessment support services to SMEs; Outcome 4: Strengthened consolidation/commercial market centre that manages an inclusive supply chain linking cooperatives to domestic and international markets; and Outcome 5: Improved financial management skills among target farmers and enhanced capacity to repay bank loans.

ITC Focus Area

4. Connecting to international value chains

Start date: 1 February 2013

End date: 31 December 2016 (extended to 31 March 2018)

Total budget: $2,735,685, implemented by ITC

Independent Final Evaluation Findings (December 2017): It should be noted that during the data collection period of the evaluation (Nov. 2016 – Feb. 2017) the project was extended and findings from this final evaluation were integrated into project activities during the extension period.

At the time of the evaluation, it was found that while ITC tried to effectively and efficiently implement the project, it encountered significant problems that pertained to local conditions. The evaluation observed that very good results were achieved regarding horticulture production, but few positive results emanated from the trade development aspect of the project. The evaluation team found the project was relevant but over-ambitious. A thorough preliminary feasibility study and baseline data were absent. Some aspects of project conceptualization and design, including the development of export links to South Africa, had lost relevance given the modest progress at the time of the evaluation and the political climate in Lesotho. The evaluation found that the project was efficient in the procurement of greenhouses and hail nets. However, more rigorous procedures could have been applied in the selection of farmers and cooperatives for greenhouse distribution. Contracts between the beneficiaries and the project were not signed; and vehicles were procured but were never used during project implementation (as at December 2016). The evaluation estimated that approximately 85% of the beneficiaries had adopted the production technology effectively. However, the mushroom laboratory faced a setback due to a failure to rekindle production, and the skills developed to produce mushroom spawn were not being sustained. The Department of Standards and Quality Assurance (DSQA) fulfilled their activities related to the project. The Market Centre site was developed on an impressive scale, but there was concern that it might be too big for the quantities being produced by farmers. The evaluation raised concerns related to project oversight, coordination and communication. Finally, changes to the project's logical framework were never formally recorded, resulting in a lack of a guiding document for implementation and evaluation purposes. Positive impact has been on 115 farmers and their cooperatives and associations being able to produce horticultural products, which has led to cash income for farmers. The evaluation team estimated that the typical monthly net income from a greenhouse is approximately $80.00, and about one-third of farmers earned more (in some cases around three times as much). Impact was also seen in local contractors being trained and equipped to help install greenhouses, with beneficiary farmers and project staff being able to offer advice and training to farmers outside the project. The evaluation concludes that real capacity development has taken place beyond greenhouse recipients. The greatest weakness of the project was related to the variable and unpredictable participation of local stakeholders. The core activity of greenhouse production was expected to remain sustainable, as farmers had been able to produce continuously even without government support services. However, in the absence of the company that supplied greenhouses and training to the farmers, and with the ministry extension officers having had little training in greenhouse techniques, it was questioned whether the farmers' skills would be sustained. The mushroom laboratory initially had a positive impact on both local capacity to operate the laboratory and to contribute to the continuous production and sale of mushroom spawn. However, the project failed to reproduce spawn for over 13 months. Knowledge was created within the DSQA.in international standards requirements.

There were significant concerns regarding the sustainability of the Market Centre given the very low volumes of FFV produced. As the centre was not operational at the time of the evaluation, it was difficult to draw any conclusions. No exit strategy or sustainability plan was shared with the evaluation team, and these were still being developed during the final extension period of the project.

Ratings of Evaluation Criteria:

Relevance	Effectiveness	Efficiency	Potential Impact	Sustainability
3	2	2	2	2

PROMOTING INTRA-REGIONAL TRADE IN EASTERN AFRICA PROJECT

Project Objective: To contribute to inclusive and sustainable export-led growth in Kenya, Tanzania, and Zambia by improving the competitiveness of their producers, small and medium-sized enterprises (SMEs), and trade support institutions (TSIs), by increasing income and employment for stakeholders along the entire export value chain, with women and youth in rural communities being the prime beneficiaries targeted by the project. In addition, special emphasis was to be placed on sustainable and environment-friendly production. The project was designed to contribute to this impact objective by delivering on the following two outcomes: 1) Increased export competitiveness of SMEs in selected agri-food value chains in Kenya, Tanzania and Zambia; and 2) Enhanced performance for trade and business support service providers in selected agri-food value chains at national and regional levels.

ITC Focus Area

6. Supporting regional economic integration and South-South links

Start date: 1 January 2014

End date: 31 December 2016

Total budget: $5,502,561, implemented by ITC

Independent Final Evaluation Findings (December 2017): The project was relevant for the stakeholders involved. Its design correlated with ITC's objectives, strategies, and strengths and aligned with the national priorities, programmes and policies. The design phase of the project was not conducted using a fully structured and participative approach (mainly lacking participants from the private sector) and encountered delays. This created challenges during implementation which could have been avoided. To ensure the project was relevant at a macro level, ITC worked in coordination with other initiatives in the region. However, this coordination was not always orchestrated systematically. To a certain extent, the selected sectors fostered participation of women in trade, however, the project had no specific strategies which linked to gender-related themes. Concerning Outcome 1, although there were a number of success stories, the project faced shortfalls in terms of actually providing holistic support to a critical mass of SMEs. Outcome 2 results were reached in a satisfactory manner. Overall, the project was implemented efficiently, however, the pace of implementation, was lower than expected. It is to be noted that the flexible, responsive, and demand-driven implementation was one of the major strength of the project. Good practices were seen in conducting baseline studies, the project management team performing a midterm review, and producing progress reports on a biannual basis. Tangible contributions to impact-level result are for now limited. Some elements to eventually enhance the inclusiveness of export-led growth in the three countries have been put forward by the project, but there is more to be done. Obstacles to achieving impact-level results are, among others: the limited number of SMEs involved in the project, and the limited timeline of the project's lifecycle that hindered the stakeholders to substantively assimilate the full package of support the project was offering. The project contributed to setting a context in which the results reached can eventually be sustained over time. Due to a good choice of institutional partners for implementation, the project created a good context for replication of its results, i.e. a large amount of work done through the learning-by-doing approach.

Ratings of Evaluation Criteria:

Relevance	Effectiveness	Efficiency	Potential Impact	Sustainability
4	4	4	3	4

TRADE FOR SUSTAINABLE DEVELOPMENT (T4SD)[24]

Project Objective: At the impact level, the project aims to contribute to the achievement of the Sustainable Development Goals (SDGs) # 2 (sustainable agriculture and food security), #8 (sustainable economic growth and decent work) and #12 (sustainable consumption and production). At the outcome level, the business and trade community makes better-informed decisions vis-à-vis voluntary sustainability standards (VSS); including codes of conduct and audit protocols).

ITC Focus Area

5. Promoting and mainstreaming inclusive and green trade

Start date: 1 January 2013

End date of evaluated interventions: 31 December 2016 (this is an ongoing corporate programme and the current phase has an end date of December 2020)

Total budget: $4,365,000, implemented by ITC

Independent Evaluation (December 2017) Findings: The VSS repository primarily responds to the public interest of transparency on VSS and their requirements. It represents an innovative public good highly relevant to ITC's mission and related sustainable development goals (SDGs), and ITC's impartiality and expertise are essential to the credibility of the repository. The global VSS Repository is T4SD's unique core product, and it has evolved into a brand of service, which positions ITC as one of the key international public stakeholders in the VSS field. Transparency on VSS greatly complements World Trade Organization (WTO) rules relating to transparency of mandatory standards of Sanitary and Phytosanitary (SPS) Measures and Technical Barriers to Trade (TBT). Publicizing credible and neutral information on VSS increases their transparency and credibility. Easily accessible, reliable and neutral information on VSS potentially contributes also to achieving a variety of trade-related policy objectives. Better consumer information, improved market access information, and other elements of a sound market environment are examples that are relevant to most countries. The T4SD Forum and related events have created a valuable global forum to discuss VSS-related topics among a wide range of stakeholders. The Forum serves as an important networking and communication platform, which significantly improves the utility of the VSS Repository. In the past four years, the T4SD Forum, a three-day event held at ITC and WTO, has established itself as an influential global event among a wide range of VSS stakeholders, including international trade and standard organizations, policy makers of donor and client countries, the private sector, NGOs, consumer associations and research institutions. Today, the T4SD Forum has evolved into one of four ITC global events (besides WEDF, WTPO and She Trades Global). The development of customized assessment tools for private and non-governmental sectors added value to the core T4SD services in terms of promoting the use of VSS Repository, networking, internal learning, and data collection for the VSS Repository. Private sector contributions to these activities were, although classified as funding sources, essentially a service fee for establishing customized tools for individual companies. Some activities of the private sector tools may have a development impact, but this is not a primary objective of commercial businesses. Looking forward, it is pivotal that partnerships with the private sector are not only for fund-raising purposes, but also for explicitly aligned to specific development objectives, such as SDG 12 on responsible consumption and production. T4SD's management recognized the importance of linking the VSS services to trade promotion activities in developing countries, and piloted activities to facilitate trade of MSMEs and small producers. Interviews and surveys confirmed the challenges of small producers in meeting VSS requirements and the high demand for capacity building in developing countries. In this regard, VSS-related technical assistance in developing countries is highly relevant to ITC's mission and potentially contributes to the broader socio-economic development objectives of SDGs.

Ratings of Evaluation Criteria:

Relevance	Effectiveness	Efficiency	Impact	Sustainability	Innovation	Gender Mainstreaming
6	5	5	n/a	5	6	n/a

---

[24] Since 2016 ITC has a T4SD Programme that incorporates the Trade for Sustainable Development project and the project activities included in the Trade and Environment programme related to climate change and biodiversity.

NON-TARIFF MEASURES (NTM) PROGRAMME

Programme Objective: "The international competitiveness of SMEs in developing countries and transition economies is improved in an inclusive and sustainable manner by enabling policy makers and other international and international stakeholders to take concrete actions to enhance inclusiveness and sustainability of trade." To contribute to this outcome level result, the NTM Programme was to achieve the following intermediate outcome level results: a) "Increased stakeholders' common understanding of SME's concerns with regulatory and procedural trade obstacles." This intermediate outcome was to be covered through components 1 (NTM Data) and 2 (NTM Surveys and Related Analyses); and b) "Enhanced capacity of decision-makers to take actions to overcome the identified NTM barriers." This intermediate outcome was to be covered through component 3 (initiatives to mitigate NTM-related trade obstacles).

ITC Focus Area

1. Providing trade and market intelligence

Start date: 1 January 2010

End date of evaluated interventions: 30 September 2016 (this is an ongoing corporate programme and the current phase has an end date of December 2021)

Total budget: $4,300,000, implemented by ITC

Independent Evaluation (May 2018) findings: The Programme has been very innovative in developing high quality tools and products. It has contributed to shape the analytical methods used by the multilateral trade community to understand NTMs from the business sector perspective. Despite excellent achievements, under the present architecture, the Programme has not been able to change relevant stakeholders' actions sufficiently to achieve the overall objective. Addressing the negative effects of NTMs requires a multi-player engagement and multi-layered strategies, the design and management of which go beyond the capacity of a single ITC technical Section, however technically competent and operationally efficient it might be in delivering good quality outputs. As the Programme evolved from a pilot technical project into a full-fledged strategic Programme, it would have required an organically embedded management and coordination function with the required capability, understanding and authority to adapt and change resource commitments as situations evolve and ensure the contribution of other ITC specialized services. These services include the support to ITC traditional stakeholders (governments, TISIs and enterprises), services specialized in technical fields necessary for follow up activities, such as quality and trade negotiations, and last but not least, those services focusing on country intelligence and country guidance. More fundamentally, this evaluation raises the issue of ITC's savoir faire in managing the life cycle of a successful innovative donor-supported pilot technical project into a more strategic and integrated corporate solution, as this pilot becomes more mature.

Ratings of Evaluation Criteria:

Relevance	Effectiveness	Efficiency	Potential Impact	Sustainability	Innovation and replicability	Human Rights and Gender Equality
4	3	4	3	3	6	5

Annex II: ITC Results Framework

Impact: Highest level goal

<table>
<tr><td colspan="4">ITC's contribution to the SDGs

Enhanced inclusive and sustainable growth and development in developing countries, especially LDCs, and countries with economies in transition through trade and international business development</td></tr>
</table>

↑

Outcome: Related to ITC mandate (raison d'être)

<table>
<tr><td colspan="4">Improved international competitiveness of SMEs in developing countries and transition economies for inclusive and sustainable development (C3 and C4)</td></tr>
</table>

↑

Intermediate Outcomes:

Defined for each category of partner

Objective: Partners have changed their conditions and actions as a result of ITC support.

Policymakers and regulators introduce pro-competitive changes to the business environment and/or succeed in negotiating improved market access. **(A2)**	*TISIs and private trade/business support providers extend and improve their offering, including advocacy for a pro-competitive business environment.* **(B1)**	*Female and male SME owners/managers take and implement business decisions that improve international competitiveness, and take advantage of market opportunities.* **(C1 and C2)**	*External parties increase business opportunities for SMEs and business linkages between supply and destination markets.*

↑ ↑ ↑ ↑

Achieved through capacity-building projects:

Objective ➔ Partners are empowered to change their conditions and actions as a result of ITC support.

Improved consensus and feasible plans to act

↑

Increased knowledge, skills and exchange

↑

Increased awareness and interest (A1)

↑ ↑ ↑ ↑
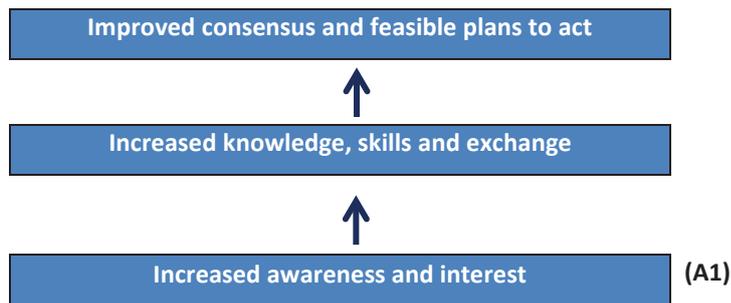
Capacity-building outputs:

Objective ➔ To support change in partners conditions and actions

Group trainings	Advisory services	Technical material	Publi-cations

Annex III. Characteristics of the Innovative Approach

The Framework

Key elements to bear in mind when outlining the difference between the experimental and the innovative approaches to development assistance interventions include:

- The need to adopt a more holistic, data-driven approach to planning and budgeting;

- Ensuring alignment with client and funder priorities;

- Employing a needs assessment methodology with a view that ITC corporate priorities and value-added expertise is employed across regions, countries and industries;

- Strengthening and making more granular needs assessment and benchmarking surveys while enhancing the risk-based approach and the ability to leverage and complement other initiatives thereby ensuring that corporate priorities link up with conditions on the ground;

- Making financing longer term, flexible and needs driven;[25] and

- Moving beyond the measurement of outputs to address the shortfalls in sustainability and impact.

ITC Preparedness

There are many indications that ITC is already headed in this direction as is evident in the following:

- ITC has created the Innovation Lab which is tasked with "triggering project innovation, enabling an innovation culture and coaching on innovation techniques" including facilitating project innovation. Significant is the adoption of human based design (including Design Thinking, Lean and Agile Management) which starts with the problem - the 'challenge' – which is relevant to the design stage of projects and constantly iterate with users and adapt to ensure impact and sustainability. The lexicon of the innovation approach to intervention is being developed as are the tools and analyses - "incentives for purpose driven collaboration" for example and "project teams to work …through co-creation, research, expert's involvement, client understanding and testing";

- There is momentum for ITC to increasingly mobilize soft earmarked resources, which are preferable to hard-earmarked resources as they give more flexibility in in project design and implementation;

- ITC has shown in the past its ability to change and adapt, strengthening the M&E function and better integrating and aligning its activities with corporate objectives. Taking an innovative approach affects none of that, as this is about the 'how' and not the 'what';

- ITC seems to have many of the tools needed including diagnostic tools and methods such as ITC benchmarking tools for TISI's or the emphasis on well-developed Theories of Change, which will continue to be important; and

- ITC's own mandate 'encourages entrepreneurship'.

Implications for ITC Operations

The features of the innovative approach to TRTA are examined below on a very preliminary basis. Many features are overlapping and self-reinforcing, and while they are suggestive of what is needed, what is essential is also a change in the culture of the organization, something that is less tangible than measurable outputs and hard to achieve.

---

[25] Boosting ITC Resource Mobilization for Greater Impact 2015-2017, ITC, 2015.

Need/baseline focused (initially): The lack of baseline data has been a chronic issue and debilitating to any understanding of project and program impacts. It is also essential to defining many (but not all) needs. As an essential component of the State of Readiness Report (see below), projects should not be launched without it. Considering the engineering analogy, 30-40% of the cost of a concrete wall goes into making the moulds. Baseline data is the mould of a project in which an intervention must fit. At the same time, as more and more baseline studies are made, patterns emerge and when integrated with theories of change can make the latter much more robust. Assessment of needs through participatory formats complement baseline data for the design of interventions that also consider the intricate desires and motivations of partners and beneficiaries.

Flexibility: This includes the ability to adapt the implementation strategy, activities and outputs in the field and to change resource commitments as situations evolve. It may suggest a rapid response capability in human resources, procurement and finance. This implies greater risk and contingency planning on many fronts. It also requires an agreement between stakeholders, whether and to which extent the project outcome objective can be changed.

Open architecture: In many of the local areas where ITC has projects, it was discovered that what was reasonable at the outset might prove difficult or less relevant over time – especially in volatile market conditions. The mill that was planned cannot be procured, or if it was there would be no local resources coming to maintain it. There is a need for extended training and nurturing of SMEs to build Action plans for which there are no resources or the time is too limited. An entrepreneur (project manager) works effectively where they can put resources where they are needed and have an effect, especially when they can do so on a quick response basis.

Time flexible: The limited time to develop TISI's and needed follow ups to interventions to ensure sustainability requires a more programmatic approach to interventions that would allow for longer term commitments when necessary. Using the analogy of the start-up, (and many ITC interventions are in fact start-ups) it is seldom they reach their innovation objectives as plan at the outset.

Risk taking: If the above features exist, the level of risk increases, and so too is there an increased need for risk assessment and management.

Integral to the operating environment: interventions start with an appreciation of the resources and skills base on the ground and works to leverage and build upon those in a way that the local populations and organizations can sustain. If outside resources are needed for sustainability of outcomes, then ways of ensuring that those resources remain available must be built in.

Entrepreneur: The project manager and project team as entrepreneur(s) need to have the capability, understanding and authority to operate in the ways described above. Accountability would be required for maximizing effectiveness and ensuring sustainability towards (possibly evolving) longer term outcomes.

Medium to large contingency: The transformation associated with the IT revolution had projects that had 100% contingency budgets. They were building as they were flying. That is not suggested here, but given the transformative nature of many of the projects ITC sponsors, and given an innovative approach, larger contingencies would be warranted. This is no substitute however for careful baseline work and close monitoring.

ITC products built in: Project managers and project team as entrepreneurs should (a) continuously look for ways to build ITC customized products into their programs, and (b) constantly observe the 'market' to integrate products and services of any external party, which meets the given need best.

Adaptive and creative: Under this approach, implementation is not so much adhering to a template as giving a perpetual mandate for improvement within a defined set of longer term goals and impacts. This is not a substitute for rigour, indeed more and finer detailed rigour is required to maximize effectiveness. But it does require attention, on-going analysis, and an application of imagination.

State of Readiness Report: Getting off to a good start, where the situation is well known and understood, and the possibilities articulated through a theory of change have been spelled out, is essential to any program or project success. This is often where buy-in has been achieved, where allies have been integrated who can later be leveraged, and where initial risks have been assessed. Unlike a feasibility study however - can we do this? - the question becomes - can *they* do this? Does the target

have the absorptive capacity to not just manage participation in this project but to subsume it, and what will have to be done (what level of resources would the local/national population need to make it their own) in the end? How will ITC interventions ensure that the resources for ensuring sustainability will be made available at project/program completion? This is the entrepreneurial challenge.

A State of Readiness report will focus on local capability. Analysis would include:

- the characteristics of the local population especially gender disaggregated data;

- their current marketing structures, locally regionally and internationally;

- environmental assessment;

- how they finance new ventures (or can they);

- local actors and institutions and their mandates and effectiveness;

- other programs operating in the area and their compatibility or incompatibility with ITC goals and objectives and how ITC will work with them;

- availability of skilled resources;

- possibilities for local, organizational and government buy-in and what needs to be done to ensure it;

- the risks and contingencies;

- the theory of change from its starting point; and

- the challenges of handover for sustainability and impact.

Annex IV. Summary Analysis of Project Completion Reports

Background

PCRs are a mandatory step in the ITC project cycle to close a TRTA project. As indicated in the Evaluation Policy 2015, within ITC's current evaluation framework a PCR is considered as a form of self-evaluation. It serves accountability as well as learning purposes. A project manager needs to report on the progress and results of the project under his/her responsibility within 3 months of project completion in a standardized template. The template is tailored to assess the results of the project against the original plan, guide the project manager to self-assess the project implementation against the OECD/DAC evaluation criteria and describe lessons learned. The data for a PCR should be derived from the project M&E system; normally, no additional data collection is anticipated. During the period between April 2017 and March 2018, 12 PCRs were submitted.

Table1. PCRS received and included in the analysis

Project ID	Title	Budget
B284	Myanmar: National export strategy implementation management support	261,269
A853	Lao PDR: Enhancing sustainable tourism, clean production and export capacity	181,500
A513	Partnership for Investment-led Growth in Africa (Scoping and design phase)	1,229,939
A399	Africa: Regional cotton sector strategies	1,413,244
A861	Tchad: Projet de renforcement des capacités commerciales de la filière gomme arabique Tchadienne	350,000
A852	Myanmar: Inclusive tourism - focusing on Kayah State (NTF III)	1,901,108
A869	Kenya: Enhancing the export competitiveness of the avocado industry (NTF III)	1,000,000
A973	Bangladesh: IT and ITES Export Competitiveness (NTF III)	1,901,546
A924	Uganda: Enhancing export competitiveness of the IT and ITES industry (NTF III)	1,025,283
B166	Barbados: enhancing the food safety and quality infrastructure in the condiments sub-sector	136,109
A923	Kenya: Enhancing export competitiveness of the IT and ITES industry (NTF III)	1,260,000
B108	St. Vincent and the Grenadines: Market, technology and food safety compliance assessment for the arrowroot industry	110,380

Quality of the PCRs delivered in 2018.

Compared with the previous year, when PCRs were introduced, the reporting on results and impact in for projects ending in 2017 contained was better aligned to SDGs. This could be largely be attributed to the increased emphasis on SDG alignment for all ITC projects.

The 2017 Operational Plan articulated the specific contribution areas of ITC's TRTA programmes to achieve the SDGs, and SPPG strengthened project-level reporting guidance on indicators of intermediate outcomes, outcomes and impact.

For example, the Myanmar Inclusive Tourism PCR reported that:

> "*According to the final survey carried out in Kayah state and in Yangon between May and June 2017, it is seen that the project is already showing results at impact level:*
>
> *1. In the target level, jobs increased by 11% against the established target of 10%.*
>
> *2. The project created around 90 part-time jobs in the Kayah communities where cultural tourism have been developed which are not included in the 11% increase.*
>
> *These results are in line with SDG 8 "Decent work and economic growth" TARGET 8.9: Implement policies to promote sustainable tourism that creates jobs and promotes local culture and products."*

With the progress of promoting self-evaluation and PCRs in ITC's project cycle, project managers and staff have become more familiar with ITC's evaluation methods and the utility of evaluations. There was a significant improvement in the quality of the PCRs compared with the pilot batch that was included in the AESR 2017.The analysis below applies four criteria to indicate the overall quality of PCRs: scope of the PCR contents; quality of data and analysis; lessons learned; and candour.

Scope of the PCR contents: All PCRs addressed performance in terms of evaluation criteria and lessons learned. In addition, the reports covered the major project components implemented during the project cycle. In certain cases, when a final report was submitted to the donor, the PCR referred to the relevant passages in the donor report, as per the ITC PCR requirement to avoid duplications in reporting. In one case, the final report was not attached, and the PCR itself was incomplete.

Quality of data and analysis: The majority of the PCRs were able to briefly present the major project results achieved against the original objectives, and, in some cases, there were quantitative results reported in terms of SME export volume, price, income, job creation, and are aligned to relevant SDGs. For example, the achievements reported in the PCRs of Bangladesh IT and ITES and Kenya Avocado projects are relevant and concise, and they are consistent with the results reported in recent evaluations. It is noted that multiple PCRs referred the data to ITC's regular M&E reports and risk reports uploaded in the Projects Portal and/or the final reports to funders, which is evidence of improved corporate and project M&E mechanisms achieved in recent years.

Lessons learned: A significant improvement in PCR quality is seen in the reporting of lessons learned. The majority of the PCRs presented the reflections of project team on project performance, and a few PCRs proposed practical and specific recommendations on how to improve in future field operations. Particularly, the PCRs of the Myanmar Inclusive Tourism project, the Laos Sustainable Tourism project, and the Barbados Condiments Project presents lessons and recommendations that are derived from the performance analysis presented in the PCR, addressing the major challenges on performance, and anchored in the specific country and sector contexts.

The analysis presented in the PCRs are mostly consistent and valid, however there are several cases whether the self-ratings do not match the analyses. Moreover, the average ratings on project performance presented in the PCRs are much higher than that in ITC's evaluations and donor-led evaluations.

Key issues and lessons reflected in PCRs

Project coordination with national partners has been a challenge for several project managers. For example, the Kenya: Enhancing the export competitiveness of the avocado industry project found it advisable to establish a National Project Coordinator (NPC) to ensure efficient project implementation in the field, as the recruitment a NPC, in collaboration with partner institutions, facilitated the implementation of activities and the efficient communication between various project stakeholders. The PCR also recommended recruiting the NPC at the beginning of the project, ideally through the local UN system to give him/her the necessary standing and acknowledgement as well as motivation to perform the task.

The sustainability of the project results is closely related to the project's performance in **fostering local capacity and commitment**. The PCR of the Uganda IT and ITES Project, considered that the national institutions that were part of the Project Steering Committee (PSC) needed to continue working together to expand impact. According to the report, the PSC was committed to the project, and the Ministry of ICT expressed support in implementing the Sector Export Plan and the Country Marketing Plan; therefore, the outcomes could be sustained. For instance, the public and private sector stakeholders have improved consensus and acted on feasible plans, SMEs' ability to export has improved, and the supported TISIs were sustainable and able to provide export related services. A positive view of the sustainability of project results was also evident in the PCR of the Barbados Condiment project. The PCR reported that the project seemed to be highly sustainable as it emerged from the concrete opportunities and challenges faced by the companies involved in the condiment sub-sector in Barbados. It was already very high in the priorities of the Barbados Investment and Development Corporation (BIDC) and was part of a long-term commitment by the funder of the project, the Caribbean Development Bank (CDB). CDB and BIDC had an existing long-term engagement plan that would most probably include the release of funds for setting-up a shared-use processing facility, and for following other recommendations.

The PCR of the Myanmar Inclusive Tourism project highlighted the necessity to **adjust to communities' rhythm** while developing Cultural Tourism tours. It stressed that working with local communities demands flexibility and patience, as it is the community that needs to lead the decision-making process (bottom-up approach); the way of working has to be slowed down to suit the mode of the villagers; and ideally communities without any potential internal conflict ought to be selected in the

first place, if feasible. It suggested that to achieve this, it is important to define appropriate selection criteria that include the identification of actual or potential internal conflicts.

The PCR of the Uganda IT and ITES project observed that the national bureaucracies may have had poor sector knowledge and did not always realise the importance of internationalisation of the IT and ITES industry. Hence, **respective awareness and knowledge should be built with the collaboration of the private sector actors.** It recommended that relevant trade promotion actors should take the lead in setting priorities of sector development plans and their subsequent implementation. The Myanmar Inclusive Tourism Project PCR also reported that **working in a post-conflict country requires a truly inclusive approach and collaboration with all relevant stakeholders, including the private sector partners.** The truly inclusive nature of the project is reflected all along the tourism value chain, fostering collaboration and partnerships with state and national level stakeholders. The set-up and operationalization of the Kayah Public Private Dialogue Platform (KPPDP) helped creating a forum for all voices from both public and private sector. According to the PCR, by working with all stakeholders, the project facilitated the peace process in Kayah state.

Other useful lessons

Emphasize the role of national experts in research and report-focused small projects. The St. Vincent and Grenadines Project PCR mentioned that the report-driven nature and the brief duration of the project made the implementation very different from the usual capacity building projects implemented by ITC in the region.

Focus on national and regional markets before or in parallel to expanding exports. The Uganda IT and ITES project PCR stated that the project achieved its objectives using the assigned budget. A sophisticated cost-sharing arrangement with beneficiaries could, however, not be implemented as the sector is new and companies were financially weak. After changing strategy to focus on regional and local markets the results were satisfactory. It was concluded that for beneficiary companies were at early development stage, this approach should be introduced at the beginning and before other markets were being considered.

Introducing coaching services to individual SMEs when the supported sector is at an early development stage. The Kenya IT and ITES project observed that many beneficiary companies had weak management set-ups and experiences due to their infancy; the one-to-one coaching programme was instrumental in providing the managers with an opportunity to step back and reflect on what needs to be done to make their companies more effective.

The importance of training and coaching on the job both community and regional guides was also underlined by the Myanmar Inclusive Tourism project. It considered that the project increased the time devoted to training and coaching on the job of both regional and community guides. Training specifically focused on improving the quality of information provided on cultural highlights. The local tour guides were briefed in advance of the specific needs of the tourists, so that they could pay attention to the group dynamic and demands. It should however be noted that such improvement also develops naturally as the local tour guides collect more experience and confidence.

Working with complementing TISIs and local partners to ensure synergies. The PCR of the Kenya Avocado Project reported that throughout project implementation, two key national TISIs (HCD and EPC) worked together efficiently, resulting in improved collaboration and synergies along their complementing mandates. The two TISIs were able to coordinate activities together. The Myanmar Inclusive Tourism Project PCR considered that using active managers of travel companies as coaches could be complementary to other activities. Instead of retired tourism professionals, most coaches who applied were still active managers of travel companies, and hence provided peer-to-peer coaching for fellow tourism professionals. They were willing to share their knowledge and skills with competitors. There was a general sense of solidarity and willingness to work together towards the common goal of developing and building up the country after decades of military rule.

Annex V. Implementation of ITC Evaluations Recommendations

The IEU regularly follows-up on the implementation status of past IEU evaluation recommendations that were accepted by the project managers, teams and stakeholders. If a recommendation has been implemented in a way that is consistent with the original evaluation recommendation, it is treated as fully implemented. In some cases, due to contextual changes, unexpected situations and operational limitations, when the implementation could not fully address the original recommendation and had to make suitable changes, a recommendation may be classified as 'partially implemented' as a final assessment status after the agreed implementation timeframe.

This year's report followed-up on the seven evaluations completed in the previous years, as seen in the table below. Four of the seven evaluations have seen their recommendations either fully or partially implemented, as the final status. For the three evaluations that are still within the implementation timeframe, either all the recommendations have been implemented, or their implementation is ongoing

It is noteworthy that the final evaluation of the EIF project in The Gambia, the Women and Trade Programme, and the T4SD Programme, have contributed to a new EU-funded project in The Gambia, and successive phases of the Women and Trade and T4SD programmes, and recommendations are being implemented through these new initiatives.

The high rate of partially accepted recommendations is partly due to those that are addressed to more than one person or entity; particularly when it is a final evaluation and recommendations are made for future projects. The project manager of the evaluated project is not in a position to fully accept recommendations on behalf of other project managers, country managers, or implementing partners.

Evaluation (year of issue)	Recommendations				Implementation Status			
	Total	Accepted	Partially Accepted	Rejected	Not started	Ongoing	Final Status	
							Partially implemented	Implemented
EIF midterm evaluation Lesotho (2015)	12	8	3	1			1	11
EIF final evaluation The Gambia (2016)	7	3	4				2	5
EIF midterm evaluation Nepal (2016)	10	7	2	1				9
NTF II Impact (2016)	8	8					1	7
Women and Trade (2016)	5	4	1			2		3
Eastern Africa (2017)	10	4	6			6		4
T4SD (2018)	7	6	1			5		2
Total	**59**	**40**	**17**	**2**	**0**	**7**	**4**	**37**

Annex VI. Implementation of JIU Reviews Recommendations

Implementation Status of recommendations issued to ITC in Reviews from 2013 to 2017, as of June 2018[26]

Key:

Not started:	🔴
In progress:	🟡
Implemented:	🟢

Recommendations for Action *(where not otherwise mentioned these recommendations are directed to the Executive Head of the organizations)*	Reporting Section/ Division	Progress as of June 2018	Comments
Review of the Management of Implementing Partners in the United Nations (JIU/REP/2013/4)			
• Ensure that respective partnership arrangements involving the transfer of UN resources to third parties are clearly defined as being distinct from other types of partnerships not receiving UN funding, as well as from commercial contracts, in order to make sure that appropriate rules and regulations apply in the different cases.	OD/DPS	🟢	
• Ensure that key information on Implementing Partners (IP) such as expenditures by purpose (programme, project, activity etc.), modality (e.g. national government entity, NGO/CSO etc.), and evaluation of their performance are readily available. Such key information should be reported regularly to legislative bodies, within the existing reporting mechanisms.	OD/DPS	🟡	ITC Project Portal (NPP), UMOJA information contained in the ITC MOU database. Reporting on modality already available.
• Establish rigorous IP assessment and selection processes designed to determine the capacity and potential weaknesses and risks of an IP, and ensure its capability to fulfil programme delivery requirements.	OD/DPS	🟡	ITC is in the final stages of development of a framework for assessing and selecting implementing partners.
• Act to strengthen IP agreements and other legal instruments so as to ensure the inclusion of all provisions needed to safeguard the interests and rights of the organization.	OD/DPS	🟢	
• Establish risk-based monitoring frameworks to guide in systematically monitoring programmes and projects delivered by IP. The frameworks shall be adapted by country offices to best fit the types of interventions in the country specific environments.	OD/DPS	🟢	
• Institute training in fraud awareness and prevention, with emphasis on fraud related to third parties, for staff engaged with IP (and especially staff in country offices).	OD/DPS	🟢	

---

[26] Comments for all implemented recommendations (marked in green) and their means of verification have been inserted into the JIU web-based tracking system.

• Revise existing oversight function charters to ensure that it has the right to investigate third parties involved in implementing UN funded activities. The revised charters should be submitted to legislative bodies for approval.	OD/DPS	🟢	
• Review the capabilities of existing automation systems, such as ERPs and other database tracking systems, with the aim of consolidating IP-related data among these systems, based on a cost/benefit analysis and taking into account the level of need for such information.	OD/DPS	🟡	Umoja extensionE2 foresees work on a module to capture data on implementing partners, and will be used by ITC once finalised.
• Instruct country offices to act at the country level to establish, in cooperation with other UN organizations, procedures for sharing IP information. Channels for such cooperation should include operations management groups of the UNCT and clusters and working groups established under UNDAF, UNPAF and UNDAP.	OD/DPS	Not relevant	ITC does not have a country office system, only project offices with a limited duration.
Use of Retirees and Staff Retained Beyond the Mandatory Age of Separation at United Nations Organizations (JIU/NOTE/2014/1)			
• Set up effective mechanisms to capitalize on the knowledge and experience of staff due to retire and of retirees when rehired through coaching and mentoring programmes, in line with good practices identified.	HR/DPS	🟢	
• (a) Set up a coherent regulatory framework for the approval of exceptions, to retain staff beyond the mandatory age of separation (MAS) and for the employment of retirees, regardless of the type of contract and funding, based on good practices identified in the UN and other system organizations, taking into account the specific needs of certain highly specialized technical agencies; and (b) ensure strict compliance with this framework.	HR/DPS	🟢	
• (a) Take action to limit cases of staff retained beyond MAS to exceptions which are fully justified and regularly monitored and reported to legislative bodies; and (b) ensure that their employment in senior executive and general service positions is restricted to instances where needs cannot be met by current staff, and that they are rehired as consultants, when applicable, with due regard to the specific needs of organizations.	HR/DPS	🟢	
• Develop effective workforce/succession planning with respect to posts occupied by staff due for retirement, take action to advertise all relevant vacancies at least six months in advance and ensure timely recruitment.	HR/DPS	🟢	
Post-Rio+20 Review of Environmental Governance Within the United Nations System (JIU/REP/2014/4)			
• The S-G as the Chair of CEB should prepare a common policy and related guidelines to prevent the conflict of interest of any members and experts participating in technical and scientific panels and committees in the field of environment.	SIVC/DEI	Not relevant	Addressed to the Secretary General (S-G) as Chair of the CEB. ITC will adopt all policies issued.
• The S-G should submit to the UNEA of UNEP and the high-level political forum on sustainable development proposals for a system-wide framework of measuring and monitoring resources required for the implementation of environment protection and sustainable development within the UN.	SIVE/DEI	Not relevant	Addressed to the S-G.
• Organizations involved in country activities in the UNDAF should: (a) Adopt outreach and training policy; support the establishment of capacity-building in the UN country team; and disseminate the UNDG guidance notes on mainstreaming environmental sustainability and the integration of the three dimensions of sustainable development into the UNDAF process; and (b) Support the operationalization of the above-mentioned policy and the attendant expertise within the framework of the United Nations country team with the effective participation and contribution of specialists and experts of UNEP and MEAs, when feasible, as well as with the active use of sector experts of specialized agencies, funds and programmes, who have environmental knowledge and expertise working under the guidance of the Resident Coordinator.	SIVC/DEI and OD/DCP	🟢	

Analysis of the Evaluation Function in the United Nations System (JIU/REP/2014/6)			
• Co-located and integrated with other oversight functions or integrated with the executive management functions should enhance the function and ensure its quality, integrity, visibility and added value.	SPPG/OED	🟢	
• Adopt a balanced approach in addressing the purpose of evaluation for accountability, and for the development of a learning organization that has the appropriate incentive systems for innovation, risk-taking and the use of multidisciplinary perspectives.	SPPG/OED	🟢	
• Make the use of evaluation an organizational priority based on a well-defined vision, strategy and results framework for the evaluation function, and report to their legislative bodies on the level, nature and impact of use of evaluation.	SPPG/OED	🟢	
• Request evaluation offices to reassess the policies, strategies and priorities of the evaluation function. They should strategically position the evaluation function in their respective organizations so as to enhance its relevance in enabling the UN system to address current changes and challenges, and to achieve impact and sustainability.	SPPG/OED	🟢	
• Develop the institutional framework and necessary support systems to enhance the quality and added value of decentralized evaluation and the role it could play in supporting the United Nations system to address emerging challenges, including those of the post-2015 development agenda, and to enhance coherence and alignments in evaluation within and across United Nations system organizations, and with national institutions.	SPPG/OED	🟢	
Use of Non-Staff Personnel and Related Contractual Modalities in the United Nations System Organizations (JIU/REP/2014/8)			
• Strengthen internal monitoring, control and oversight of the use of non-staff personnel, through the sustained application of effective internal control mechanisms, systematic corporate monitoring and information/data collection, analysis and audits. Ensure that a central department/unit at the corporate level is held responsible for global monitoring, analysis and reporting on the issue.	HR/DPS	🟢	
• Periodic analytical reporting both internally (to senior management) and externally (to the respective governing body) on the use of non-staff personnel in their organizations. Such reports should include detailed data and analysis on the use of non-staff, including the number of non-staff and associated expenditure, their weight in the total workforce, the breakdown of contractual modalities and the areas and locations used, the developing trends and the potential risks and corresponding measures.	HR/DPS	🟢	
Contract Management and Administration in the United Nations System (JIU/REP/2014/9)			
• Incorporate in the annual statements of internal controls certifications, by individuals with procurement and contracts management authority, which the execution of contracts has been in full compliance with the organization's policies, procedures and rules.	CSS/DPS	Not relevant	ITC is part of the UN Secretariat with internal and external audits, which are in line with the UN system. ITC complies with the UN policies, procedures and rules.
• Re-assess the financial and human-resource needs for post-award contract management in terms of current and projected contract volume, value, complexity and type and decide on the best support structures required (e.g. centralized or decentralized) to ensure best value for money and the achievement of the organization's objectives.	CSS/DPS	Not relevant	Post-award contract management (total of 3) is with project managers, there is no requirement for a separate control mechanism to be in place.
• Develop a specific contract-management training programme in their organizations that would include courses offered as a requirement for all persons managing contracts of a certain size, value and complexity.	CSS/DPS	Not relevant	ITC relies on the UN secretariat and follows the procedures and training materials of the UN.

Recommendation	Responsible	Status	Comments
• Ensure that supervisors of persons managing contracts incorporate contract-management criteria in these persons' annual performance evaluations.	CSS/DPS	🟢	
• Ensure that for contracts of a certain value and complexity risk-management plans are in place covering post-award contract activities. These plans should include risk-mitigation measures and also clear designation of responsibility to those persons executing such measures.	CSS/DPS	🟡	A CSS risk management plan for contracts currently being developed, and expected to be completed by end 2018.
• Ensure that a system exists for documenting and reporting on a contractor's performance in meeting contract requirements, and assign responsibility and management accountability for completeness of the contractor's performance reporting.	CSS/DPS	🟢	
• Conduct a study to analyse the causes of modifications in contracts above certain thresholds and identify systemic deficiencies contributing to cost increases and delays. Remedial action should follow to address such deficiencies.	CSS/DPS	Not relevant	Given the number (10-12), volume, and nature of the systems contracts does not call for a study.
• Ensure that appropriate levels of liquidated damages and other remedies are included in the standard clauses of contracts and are judiciously enforced to protect the interests and rights of their organizations.	CSS/DPS	Not relevant	This has been the standard practice at ITC for relevant contracts (i.e., construction works). Very few ITC contracts call for such clauses.
• Augment the capabilities of existing information technology systems such as ERP systems, or consider other specialized contract-management systems, to support the management of post-award contract activities based on a cost/benefit analysis and taking into account the level of need for such functionality.	CSS/DPS	Not relevant	ITC relies on the UN, which uses Umoja, and will not develop an independent system.
Evaluation of mainstreaming of full and productive employment and decent work by the United Nations system organizations (JIU/REP/2015/1)			
• Executive heads of United Nations system organizations should instruct their respective technical units to re-examine their work to identify if there are areas where the decent work agenda can be linked to their activities and to make existing linkages more explicit. Such organizations may wish to cooperate with ILO for support in this process.	SPPG/OED	🟢	
Public Information and Communications Policies and Practices in the United Nations System (JIU/REP/2015/4)			
• Starting with the forthcoming programme and budget cycle, organizations should reinforce in a sustainable manner the strategic role of the public information and communications function within their organization, by adhering to the nine benchmarks proposed in the present report, as applicable.	CE/OED	🟡	ITC is implementing several of the benchmarks. (B2) Public information strategy finalised and approved by management. (B5) Increased use of multilingualism on ITC's website www.intracen.org. (B6) Increased use of multimedia (video) and social media to cover ITC's activities. However, further implementation will depend on funding.

• Take concrete measures to strengthen the public information and communications capacity at the field level within their organizations, when applicable. This in turn, would enable local UNCGs to conduct joint activities with due attention to local circumstances and organizations' mandated priorities, and reinforce the effectiveness and impact of these activities.	CE/OED	🟢	
• Develop an effective social media strategy based on updated guidelines and is properly aligned to the other respective policies and frameworks/strategies of public information and communications.	CE/OEDS	🟢	
• Strengthen the in-house capacity for social media management, with a view to creating specific content and maintaining organizational accounts, as well as to providing advice on the proper use of social media.	CE/DPS	🟢	
Review of Activities and resources Devoted to Address Climate Change in the United Nations System Organizations (JIU/REP/2015/5)			
• Present to the governing bodies of their organizations a long-term United Nations system-wide climate change strategy responsive to the outcome of the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, and request its endorsement and the support necessary for its effective implementation, in order to achieve measurable interim results by 2020.	SIVC/DEI	Not relevant	ITC stands ready to support the development of the "UN system wide climate change strategy" and to implement it. Meanwhile, a range of climate change activities have been implemented at ITC level, including: ITC's programming aligned with the aims of the Paris Agreement; at COP21 and 22, ITC held dialogues with UNFCCC, UNCTAD and WTO on the role of trade as the "means of implementation" to met PA objectives; ITC has mainstreamed climate change into its programming through the 2015 Environmental Mainstreaming – Guide for Aid for Trade Project Managers; and ITC is implementing a climate specific project reducing climate related risks for SMEs funded by GIZ. .
• Organizations involved in areas with clear cross-linkages with climate change should elaborate and agree upon a common methodology to establish criteria to ensure the traceability of specific funding for climate change adaptation and mitigation, seeking consistency and coherence in the context of the climate change regime methodologies.	SIVC/DEI	🟢	This has been implemented at ITC with its actions on Climate Change. When ITC receives notification of a UN-wide initiative to work on a common methodology to establish criteria to ensure the traceability of climate related funding, ITC will support this activity.

• the S-G in his capacity as Chair of the CEB, should promote the development of a common information-sharing system for the measurement and monitoring of the UN system activities and resources aimed at addressing climate change, by sector and type of funding, so as to ensure the most cost-efficient and effective delivery of activities to tackle climate change.	SIVC/DEI	Not relevant	ITC stands ready to support the development of a common information-sharing systems for measuring and monitoring activities and resources aimed at addressing climate change. In ITC, the information is tracked via the project portal.
• Organizations involved in country activities in the UNDAF, should ensure that their organizations follow the UNDG guidance on integrating climate change in the UNDAF and build on existing good practices of engagement with the relevant UNFCCC bodies, for climate change assistance at the country and regional level, in close cooperation with the resident coordinators, to enhance and strengthen capacity-building assistance to developing countries through CCAs/UNDAFs.	SIVC/DEI	🟢	
Review of the Organizational Ombudsman Services Across the United Nations System (JIU/REP/2015/6)			
• In consultation with staff representatives and the existing Ombudsman, review, update and disseminate across their respective organizations the TOR of the ombudsman, giving due consideration to the direction provided by the present report and using a staff-management consultation mechanism.	HR/DPS	🟢	
• In cooperation with the ombudsman offices, include questions relating to the ombudsman service in staff surveys, and responses should be used by the management, staff associations and the ombudsman office to increase staff awareness and promote a better understanding of the ombudsman functions in an organization.	HR/DPS	🟢	
• Request the respective ombudsmen to ensure that field staff have the option of an in-person consultation with the ombudsman of another UN system organization in the same location.	HR/DPS	🟢	
• Request the ombudsman office to include in its work programme the development of a case management manual and to seek the cooperation of other UN system ombudsmen with a view to achieving a certain level of harmonization across the system.	HR/DPS	Not relevant	Recommendation for the ombudsman office (ITC works with the Geneva based regional office of the UN Ombudsman and Mediation Services). Outside the scope of ITC
• Request the ombudsman to include continuous training and certification of ombudsman practitioners in the strategic workplans of ombudsman office.	HR/DPS	Not relevant	Recommendation for the ombudsman office (ITC works with the Geneva based regional office of the UN Ombudsman and Mediation Services). Outside the scope of ITC
• Establish an accountability and appraisal system for ombudsman services and include the relevant provisions in the ombudsman's TOR. The system and provisions should reflect the specific requirements of the ombudsman function by making accountability and the appraisal process inclusive and participatory for all stakeholders.	HR/DPS	Not relevant	Recommendation for the ombudsman office (ITC works with the Geneva based regional office of the UN Ombudsman and Mediation Services). Outside the scope of ITC

• Request the ombudsman to discuss the findings and recommendations of the present review at the UNARIO meeting to be held in 2016 and decide on the course of actions they intend to reflect in their programmes of work, either collectively or individually.	HR/DPS	Not relevant	Recommendation for the ombudsman office (ITC works with the Geneva based regional office of the UN Ombudsman and Mediation Services). Outside the scope of ITC
Succession Planning in the United Nations System Organizations (JIU/REP/2016/2)			
• Instruct their HR management offices to develop and implement appropriate frameworks for succession planning strategies, and devise appropriate guidelines on the succession planning process without any further delay, by the end of 2016.	HR/DPS	🟡	Annual talent reviews initiated by ED, follow-up training provided. Ongoing skills map project and JD review prompting confluence between staff and posts.
• Instruct their HR management offices to adopt the benchmarks set out in the present report with a view to ensuring that their organizations have a sound succession planning process, and report the progress made to their legislative/governing bodies.	HR/DPS	🟡	Annual talent reviews initiated by ED, follow-up training provided. Ongoing skills map project and JD review prompting confluence between staff and posts.
Fraud Prevention, Detection, and Response in United Nations system Organizations (JIU/REP/2016/4)			
• The S-G, in the framework of the CEB, adopt common definitions regarding fraudulent, corrupt, collusive, coercive, and obstructive practices and present these to their respective legislative and governing bodies for endorsement. In this regard, the definitions used by the multilateral development banks should be considered for adoption. Concurrently, a joint statement with a clear and unambiguous position on fraud should be adopted by the CEB to set an appropriate "tone at the top" on a system-wide basis.	OD/DPS	🟢	
• Update or develop a new corporate anti-fraud policy for their respective organizations in line with good practices. The policy should be presented to the legislative/governing bodies for information, adoption and/or endorsement.	OD/DPS	🟢	
• Take expeditious action to designate an overall corporate manager or entity at senior level to be the custodian of the anti-fraud policy and be responsible for the implementation, monitoring and periodic review of the policy.	OD/DPS	🟢	
• On the basis of a comprehensive needs assessment, establish a dedicated anti-fraud training and fraud awareness strategy for all members of the organization. At a minimum anti-fraud training should be mandatory, and on an annual basis, for staff in functional areas most prone to fraud, and staff operating in fragile and high risk field environments.	OD/DPS	🟢	
• Conduct a comprehensive corporate fraud risk assessment, addressing all parts of their respective organization, including headquarters and field levels, as well as internal and external fraud risks. Such assessments, conducted at least biennially, shall form the basis for the development of proportionate anti-fraud strategies to effectively address fraud in their organizations.	OD/DPS	🟢	
• Develop organization-specific comprehensive anti-fraud strategies and action plans for implementing their respective fraud policies. Such anti-fraud strategies should be an integral part of the overall organizational strategies and operational objectives and should incorporate proportionate resources to operationalize them.	OD/DPS	🟢	
• Review their Internal Control Frameworks to ensure proportionate anti-fraud controls are integrated to address fraud risks identified in the fraud risk assessments.	OD/DPS	🟡	This is ongoing.

• When introducing or updating Statements of Internal Controls, organizations should ensure that the statements address the adequacy of organization-wide anti-fraud controls, in line with good practices and applicable international standards. Absent a Statement of Internal Controls, executive heads should certify, in their annual reports to legislative/governing bodies, that their organization has prepared fraud control strategies based on fraud risk assessments, and has in place appropriate fraud prevention, detection, response and data collection procedures and processes.	OD/DPS	🟢	
• Organizations should instruct their legal offices to review and update the legal instruments for engaging third parties, such as implementing partners, with particular attention to anti-fraud clauses and provisions.	OD/DPS	🟢	
• Ensure that fraud prevention and detection capabilities are an integral part of automation systems functionalities, inclusive of automated activity reports and data mining modules in their respective ERP systems.	OD/DPS	🟢	
• Revise whistle-blower policies with a view to adopting good practices, and extend the duty to report fraud and other misconduct to contract employees, United Nations Volunteers, interns and other non-staff, as well as third parties inclusive of vendors, suppliers, and implementing partners.	OD/DPS	🟢	
• Consider implementing the good practice of establishing a central intake mechanism for fraud allegations managed by the investigation function. In organizations where a de-centralized intake mechanism is maintained, action should be taken to, at a minimum, (a) establish an obligation for reporting to central authority any allegations received, ongoing cases under investigation, and closed cases indicating the action taken; and (b) establish formal intake procedures, and guidelines, including: clear criteria for the preliminary assessment, the official/office/function authorized to make the assessment, the process to be followed, and the reporting arrangements on the results of the preliminary assessments.	OD/DPS	🟢	
• In consultation with the audit advisory committees, ensure that the investigation function of their respective organizations establish key performance indicators for the completion of investigations, and have adequate capacity to investigate, based on a risk categorization and type/complexity of the investigations.	OD/DPS	🟢	
• Formalize the protocols and procedures for referrals of fraud cases (and other misconduct) to national enforcement authorities and courts for criminal and civil proceedings, as well as for asset recovery, and ensure that referrals are done timely and effectively.	OD/DPS	🟢	
• Present to their legislative/governing bodies, on a biennial basis, a consolidated and comprehensive management report on the performance of anti-fraud activities, based on key performance indicators, and including the level of fraud exposure, status of compliance with anti-fraud policies, fraud statistics, sanctions imposed, fraud losses and recovery of assets, and lessons learned.	OD/DPS	🟢	
Comprehensive Review of United Nations System Support for Small Island Developing States: Final Findings (JIU/REP/2016/7)			
• Ensure the participation of their organizations in the process led by the Inter-Agency Task Force on Financing for Development to actively contribute to addressing the specificity of SIDS as a special case with tailor-made solutions, and should also ensure that new parameters of eligibility are designed for better access to financing for development for SIDS.	OD/DCP	Not relevant	ITC's contributions are in the form of implementation of projects to promote inclusive and sustainable growth in SIDS, including by attracting investment that takes into consideration the special needs of countries.

Knowledge Management in the United Nations System (JIU/REP/2016/10)

• Develop knowledge management strategies and policies aligned with the mandate, goals and objectives of their respective organizations, by the end of 2018. Such strategies should be based on an assessment of current and future knowledge management needs and include measures for implementation.	SPPG/OED	🟡	ITC is assessing the current knowledge management practices and their alignment to the mandate, goals and objectives of ITC.
• Take incremental measures aimed at embedding knowledge management skills and knowledge-sharing abilities in their respective staff performance appraisal systems, annual work plans, job descriptions and organizational core competences, by the end of 2020.	SPPG/OED	🟡	Knowledge management and information sharing is already a part of ITC job descriptions and organizational core competencies. These elements are also included in performance appraisals and workplans.
• Establish norms and procedures for the retention and transfer of knowledge from retiring, moving, or departing staff, as part of the organizations' succession planning processes.	SPPG/OED	🟢	

Donor-Led Assessments of the United Nations System Organizations (JIU/REP/2017/2)

• Designate, on the basis of the volume and variety of donor reviews, an appropriate central function in their respective organizations for coordinating the multiplicity of donor assessments, managing the information provided to donors, standardizing communications, ensuring consistency and tracking the follow-up action on findings and recommendations by the responsible organizational units.	SPPG/OED	🟢	
• Engage with donors to determine the key elements in their assessments and should encourage their audit and evaluation bodies, with due regard for their independence, to consider taking these elements into account in their risk assessments and work plans, in order to avoid potential duplication and overlap.	SPPG/OED	🟢	
• Develop a common position for initiating a high-level dialogue with donors to determine shared priorities and define a multi-stakeholder assessment platform with a robust framework and methodology to capture a collective reflection of an agency's performance and reduce the need for additional bilateral assessments.	SPPG/OED	🟢	

Outcome of the Review of the Follow-up to the Joint Inspection Unit Reports and Recommendations by the United Nations System Organizations (JIU/REP/2017/5)

• Introduce appropriate verification and monitoring procedures on the implementation of prior years' accepted JIU recommendations until their full implementation, by the end of 2018.	SPPG/OED	🟢	
• Establish a direct reporting line from the JIU focal point to top management.	SPPG/OED	🟢	

Review of Donor Reporting Requirements Across the United Nations System (JIU/REP/2017/7)

• Heads of UN organizations should put in place measures for ensuring that partnership agreements, concluded at the corporate level with the donors and at the corporate and field levels for individual programmes and projects, spell out the needs and requirements of the donors and the mutual commitments of the organizations and the donors, with respect to the details of reporting on the use of funds provided.	SPPG/OED	🟢	
• Heads of UN organizations should encourage better access to, and dissemination and exchange of, information concerning donor reporting among the member States and should ensure that every organization maintains a corporate repository for all contribution agreements and donor reports.	SPPG/OED	🟢	ITC created a corporate MOU, Grant Agreements, and donor reports repository.

• Heads of UN organizations should regularly update guidance on donor reporting and put in place measures for the professional skills development and training needed to improve reporting to donors, for personnel at headquarters and in the field.	SPPG/OED	🟡	This is an ongoing exercise within ITC.
• Heads of UN organizations should work systematically with donors to include in donor agreements the costs associated with preparing donor reports.	SPPG/OED	🟡	Has been completed for an increasing portion of the portfolio.
• S-G and executive heads of other UN organizations develop and adopt a common report template accommodating the information needs and requirements of donors and the regulatory frameworks and capacities of the organizations, as a basis for negotiations with donors.	SPPG/OED	Not relevant	Addressed to the S-G. ITC will adopt a common report template when it is completed.
The United Nations System - Private Sector Partnerships Arrangements in the Context of the 2030 Agenda for Sustainable Development (JIU/REP/2017/8)			
• S-G and heads of the UN system organizations, assisted by the United Nations Global Compact, should coordinate and streamline a unique, system-wide package of information about the opportunities for partnerships offered to the private sector by the Sustainable Development Goals, for the benefit of interested organizations.	SPPG/OED	Not relevant	Addressed to the S-G. ITC will adopt the system-wide package when made available.
• Heads of UN organizations should enhance the role and responsibilities of the Private Sector Focal Points Network with regard to sharing knowledge, promoting good practices and finding innovative solutions to problems related to partnerships with the private sector, including by entrusting them with specific tasks and agenda items on which to report.	SPPG/OED	🟡	ITC will cooperate with the relevant HQ bodies once a system wide strategy has been developed and the roles of system organizations have been defined.
• Heads of UN organizations, Assisted by the United Nations Global Compact, should jointly create a common database on the profiles and performance of the businesses that are involved, or potentially interested, in partnerships with the United Nations, based on the information voluntarily submitted by the participating organizations.	SPPG/OED	🟡	ITC will cooperate with the development of such a partnerships database once a system wide strategy has been developed and communicated.
• S-G and heads of the UN system organizations Identify and agree on a minimum set of common standard procedures and safeguards for an efficient and flexible due diligence process, to be applied system-wide in a transparent way by the United Nations operational staff engaged in the initiation and implementation of partnerships with the private sector.	SPPG/OED	🟡	ITC has initiated a due diligence process with the relevant forms and procedures to assess partner capacities. This is being piloted by two ITC sections where a pilot programme is currently underway to assess a selected group of partners according to a set of performance standards developed by ITC.
• The S-G should request the UN Staff College Knowledge Centre for Sustainable Development, in cooperation with the International Trade Centre, to host a system-wide online platform to facilitate communication with micro, small and medium sized enterprises on the 2030 Agenda, interaction among enterprises, information on access to funding, promotion of good practices and opportunities to engage with United Nations operations.	SPPG/OED	🟡	Initial discussions held with UN Staff College Knowledge Centre for Sustainable Development on potential points of co-operation in line with recommendation.

Review of Mechanisms and Policies Addressing Conflict of Interest in the United Nations System (JIU/REP/2017/9)

• Direct officials entrusted with the ethics function to map the most common occurrences and register the risks of situations exposing their respective organizations to organizational conflicts of interest, no later than December 2019.	OD/DPS	🟡	This is ongoing.
• Direct HR services to introduce a mandatory conflict of interest disclosure form that should be signed by staff members, along with their declaration of office, by all staff members and other types of personnel joining an organization, whether in a short- or long-term capacity. The form should be developed with the assistance of the ethics function of the respective organization and with other functions, as appropriate, and in consultation with any future inter-agency forum.	OD/DPS	🟢	
• In consultation with the Legal Network of the UN, should take the necessary steps to introduce, by December 2019, adequate legal clauses in contractual agreements with their staff and non-staff, as appropriate, binding them to the period of restriction set for their function that prohibits them from engaging in clearly defined post-employment activities for the duration of that period of time.	OD/DPS	🟢	
• Take the necessary steps, no later than the end of December 2019, to: (a) ensure that all staff members, irrespective of their level and grade, successfully complete the initial and periodic mandatory ethics training course and obtain the respective certification; (b) link certification of the required ethics training course to the annual staff performance appraisal cycle; (c) include ethics training in the induction training of non-staff, including refresher courses after service intervals, as appropriate.	OD/DPS	🟢	

Annex VII. Evaluation Rating System

A six-point rating system is applied in ITC evaluations, covering independent evaluations, self-evaluations and project completion reports. The rating for each given criterion is based on the assessment of different elements of the criterion. For example, the rating for 'Relevance' should be based on balanced considerations of: relevance to the needs of clients (e.g. policy makers, TSIs, SMEs, other beneficiaries), coherence and clarity of the design and relevance to ITC's strategic objectives. It should be noted that for a specific project, the rating for overall performance and results is not necessarily an arithmetic average of the individual ratings. Different weights for different evaluation criteria may have been deliberated at the start of an evaluation in line with the specific evaluation objectives, focus of the project operations and the operational context. In rating practice, it is also necessary to check the consistency among ratings on different criteria.[27]

Rating scale for evaluation

Six-Point Rating System	
6 Highly satisfactory	A project with overwhelmingly positive results, and no flaws.
5 Satisfactory	A project with some strong results, and without material shortcomings.
4 Moderately satisfactory	A project with a clear preponderance of positive results (i.e., it may exhibit some minor shortcomings though these should be clearly outweighed by positive aspects).
3 Moderately unsatisfactory	A project with either minor shortcomings across the board, or an egregious shortcoming in one area that outweighs other generally positive results.
2 Unsatisfactory	A project with largely negative or unattained results, clearly outweighing positive results.
1 Highly Unsatisfactory	A project with material negative or unattained results and with no material redeeming positive results.

---

[27] "Evaluators are encouraged to carefully appraise and, if necessary, modify the ranking if they come up with large differences between the ranking values of the core criteria. The relative rankings of the core criteria also need to be reviewed for logical consistency, for example, for an ineffective project to have a high rating for sustainability would be unusual. At the aggregate level, for a project to be given an overall ranking of highly successful if its sustainability was in doubt or if its relevance was poor at project completion and beyond would also be unusual." *Source:* Asian Development Bank (2006). Guidelines for Preparing Performance Evaluation Reports for Public Sector Operations. Manila, ADB, p.7. Available from https://www.oecd.org/derec/adb/37965974.pdf

Annex VIII: Implementation of the 2017 AESR Recommendations

RECOMMENDATIONS	FOLLOW-UP ACTIONS	SUGGESTED REPORTING DIVISION/SECTION
1. To systematically verify and improve the quality of each project's theory of change.	In the past year, ITC continued its drive towards effective results-based management of projects and programmes. In this context, ITC's Project Design Task Force (PDTF) has systematically engaged with technical sections and country offices in the context of their project design initiatives. In coordination with SPPG's Project Quality Assurance Officer, and in line with the AESR recommendations, PDT focused on projects' theory of change and logical frameworks to ensure better alignment with ITC's strategic objectives, corporate indicators and programmes' individual theories of change. As a result, ITC project proposals pipeline, and confirmed projects, have significantly improved, both in terms of quantity and quality, in response to funders and beneficiaries' requests.	DCP/PDTF
2. To ensure the integration of systematic project monitoring and reporting as one of the major tasks in project management.	In response to internal ITC corporate requirements as well as funders' requirements, ITC's project management guidelines published on ITC's New Project Portal (https://our-intranet.itc-cci.net/oed/sppg/projectmanagement/SitePages/Project%20and%20Programme%20management%20guidelines.aspx) refer to the importance of efficient project monitoring, reporting and evaluation. PDTF's mandate and terms of reference call for close engagement with project managers to ensure that all aspects of project monitoring and reporting are adequately addressed in ITC's project proposals. In addition, ITC's Strategic Planning Performance and Governance section (SPPG) ensures that project managers are provided with detailed project reporting and monitoring timelines. The ITC project portal provides the necessary channel for such monthly/quarterly monitoring and reporting, in addition to specific project requirements demanded by funders.	DCP/PDTF
3. To more consistently tailor ITC's SME competitiveness and marketing services to SME needs and capacity.	ITC has developed a unique tool allowing projects to better know their beneficiaries and monitor their competitiveness over time: the SME Competitiveness Survey. Over the last few years, ITC projects have used this survey to capture information about beneficiaries, such as: size and sector of the enterprise, gender of the top manager, sales and exports destinations, capacity to meet quality standards, ability to access finance, ability to reach out to suppliers and customers etc. This information allows not only for firms' characterization. Conducting the survey at the beginning of a project allows understanding specific SME needs and to identify project activities that can address those needs. Repeating the survey overtime allows ITC to track the performance of beneficiaries and to evaluate the impact of projects. In other words, the SME Competitiveness Survey constitutes an important element in setting baselines for project Results Based Management, in addition to forming part of a needs assessment. It allows ITC to consistently tailor its competitiveness and marketing services to SME needs and capacity. So far, the survey has been applied across six major projects of a joint value exceeding 25 million.	DMD/CEES
4. To position a phased and realistic TISI capacity building plan in a three-	This recommendation recognises that building strong institutions can take may years, and may be	DEI/TISI

year project implementation cycle.	difficult to complete within a project lifecycle. The ITC response has been: 1. Better initial selection of institutional delivery partners is provided through widespread use of new partner assessment tool CUBED so that: • capacity building needs can be better understood early on, and a plan to improve them built into early project planning • Institutions with very low absorption capacity are flagged and can be excluded from the project if appropriate 2. Institutional strengthening interventions are being accelerated through the adaption of the core technical knowledge into more modular solutions that are "right-sized" for the project, the institution and the broader context. 3. A stronger integration between W1 and W2 spend means that institutions can receive ongoing coaching and support to protect project legacy after the project lifetime. **Further improvements in this regards could be expected if:** 1.Project design and choice of targets and indicators can take this time frame issue into account with better management of donor expectations in this regard 2. Building a stronger recognition by funders that project cycles should be extended to allow for institutional strengthening to be meaningful when we are dealing with very low absorption capacity or complex post conflict environments.	
Recommendations specific to agricultural value chain development projects and programmes		
5. To build partnerships with leading national or local institutions in supporting collective marketing of farmers.	In relation to institutional partnerships, the ITC response is exemplified through the Alliances for Action approach with agribusiness work under the Value Added to Trade focus. Under Alliances for Action ITC has consolidated partnerships with the Latin America and Caribbean network of Fair Trade small producers and workers reaching up to 400,000 farmers and with Fair Trade Africa Farmer Organization reaching up to 1 million farmers. Through these partnerships, ITC supports selected national commodity based producer associations to diversify incomes, become more sustainable and improve participation of farmers in trade. In addition, ITC has signed a partnership agreement with FAO and another one with CIRAD to deliver technical support packages through alliances that result in improved farmer organization and marketing practices in the context of projects. Finally, ITC has been adapting its work with Trade and Support Institutions to apply to a wider set of institutions, including cooperatives and other collective marketing associations. An example is adaptation of ITC standard institutional benchmarking tools to chapters of the International Women's Coffee Alliance groups in Africa, small, rural organizations in the coffee sector, and the work carried out to support institutions under the SITA programme, including partnerships and exchanges between Indian and Africa sector associations.	DEI/SEC

6. To enhance gender-sensitive strategies for ensuring gender equity within the Agricultural Value Chains (AVCs).	ITC has been progressively incorporating gender concepts in AVCs including support for smallholder farming families by: • Overcoming information disparities to support productivity improvements, decision-making and marketing by women • Targeting information sources from post harvest collection or processing hubs to ensure gender concepts are understood and used to improve information and support services in ways that are gender appropriate. • Piloting of these concepts in SheTrades then embedding them in other projects	DEI/SIVC
7. To continue with a focus on engaging the private sector in improving MSMEs' access to international AVCs.	In relation to private sector partnerships, one example is the Alliances for Action approach under our Value Added to Trade focus. In Ghana, ITC has been working together with Ghanaian chocolate manufacturer Niche Cocoa, the Kuapa Kokoo Farmer Union and other local partners in Ghana to promote sustainable livelihoods for cocoa farmers and sector upgrading. In order to diversify, attract investments, add value and compete in trade Niche Cocoa now produces cocoa paste and butter, as well as finished confectionary products and employs 600 employees, sourcing from thousands of Kuapa Kokoo farmers and feeding thousands of people. ITC's Sustainable Packaging team and Sustainable Enterprise Development practice are collaborating with new technical partners, leading packaging, logistics and e-commerce providers to turn the challenges Africa faces in traded toxic packaging into opportunities. For example: Companies in Finland, France, Italy, the Netherlands, Germany and the United Kingdom are creating new feedstock materials made from organic material that can be produced in scalable facilities in developing countries under cooperation with ITC development projects. ITC is connecting these innovations with packaging users, manufacturers, business development support services and sector associations to roll-out their use – for example in the Saffron sector in Afghanistan and across food sectors in more than ten African countries under projects funded by the EU and in a joint project with FAO. Under a partnership with GS1, ITC is facilitating easier and more affordable access to international standard product bar codes (GTIN/GLIN) across Africa and in the Middle East so enterprises can comply with market entry requirements in new markets and have access to real time information on the whereabouts and sales of their products. GS1 is a not-for-profit private sector International labelling and traceability organisation that coordinates global labelling and traceability standards for a number of sectors including food and agri-business products. ITC's South-South programme has increased the number of private sector actors from the South, who are being connected to MSMEs in project countries for the mutual benefit of both.	DEI/SEC

8. To include public and commercial financial services providers as partners in AVCs.	Access to AVCs and increasing value addition for ITCs beneficiary countries often requires enterprises to invest in technology, equipment, packaging and labelling, traceability or in upgrading of processing facilities to comply with buyer and market requirements. At the same time, extending products into new markets, or increasing the volume of exports, requires supply chain or trade financing to bridge the gap in liquidity between buying inputs and being paid for export delivery. ITCs Access to finance and investment (AFI) team works with national and provincial financing providers, impact financing organisations and buyers to extend financial support to MSMEs along value chains to develop inter-bank first loss and pari-passu guarantees, support the development of new loan products for capital expenditures, trade and supply chain financing. Examples include ITCs participation in the Zambia green jobs programme, the Gambia YEP project and a project with the African Guarantee Fund across Africa for the implementation of "Green" projects associated with sustainable enterprise growth. ITCs AFI team is also pursuing innovative financing facilities to support the switch to cleaner production, new packaging and green growth through the green impact financing partnerships mentioned above. One example is the Green Financing Guarantees backed by the African Guarantee Fund and Nordic Development Fund to allow banks to reduce risks associated with SME sustainable packaging and enterprise production efficiency projects of $50,000 or more in Africa.	DEI/SEC