

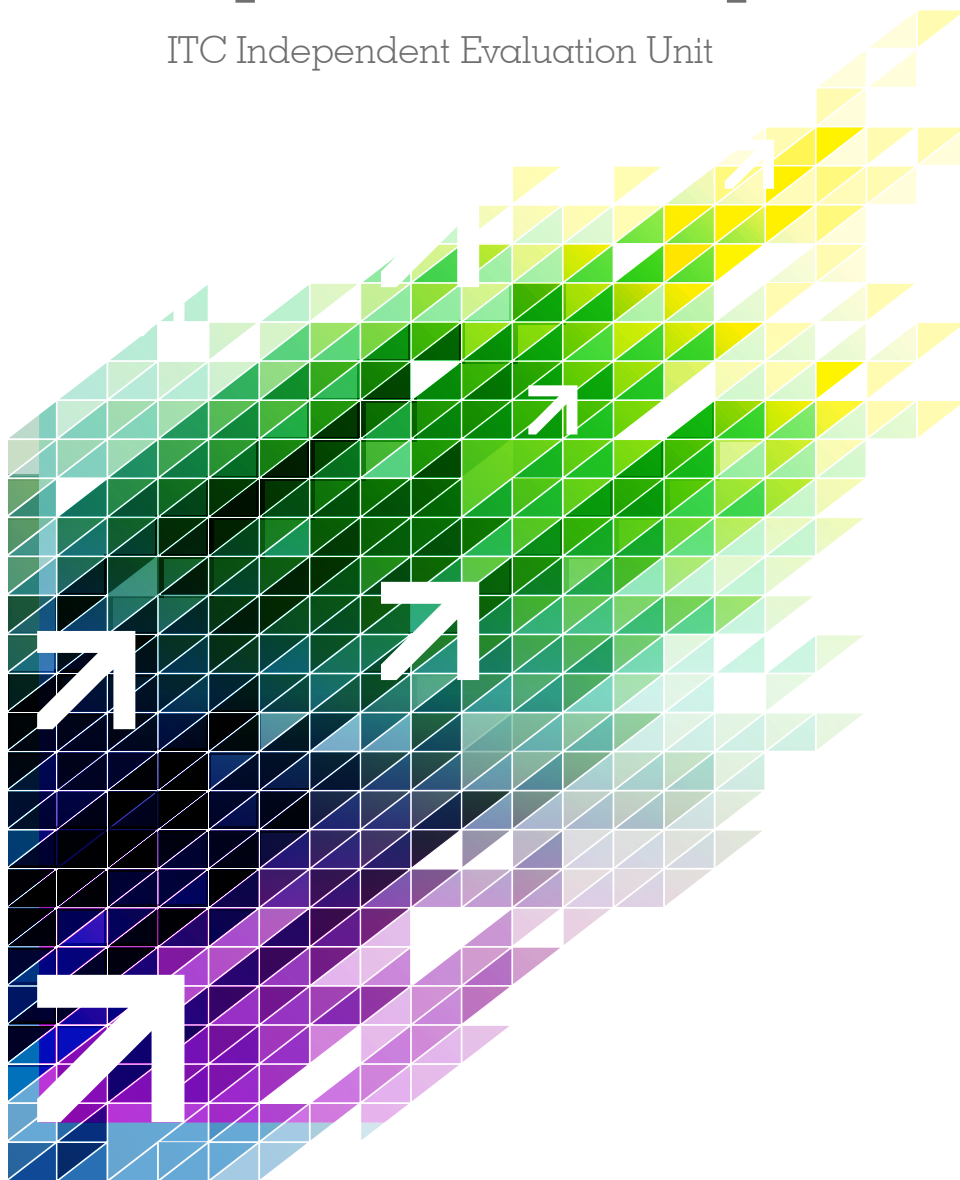


International
Trade
Centre

TRADE IMPACT
FOR GOOD

2017 Annual Evaluation Synthesis Report

ITC Independent Evaluation Unit



The designations employed and the presentation of material in this publication do not imply the expression of any opinion whatsoever on the part of the International Trade Centre concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

June 2017
Original: English

Joint Advisory Group on the International Trade Centre
Fifty-first session
Geneva, 29 June 2017

© International Trade Centre 2017

Table of contents

Acronyms	ii
Executive Summary	1
I. Background and methodology	3
II. Development of ITC's evaluation function	4
III. Performance and results of ITC's operations	6
Relevance	8
Effectiveness	9
Efficiency	10
Sustainability	10
Gender equality and women's empowerment	13
Lessons learned on performance and results	14
IV. Learning theme on agriculture value chain in trade development	17
V. Key recommendations to ITC management and operational managers	20
Annex I. Evaluation criteria and crosscutting dimensions	23
Annex II. Evaluation rating system	24
Annex III. Brief description of projects evaluated in 2016	25
Annex IV. Implementation status on the recommendations of the 2016 Peer Review of the ITC Evaluation Function	28

Acronyms

AESR	Annual Evaluation Synthesis Report
AEWPB	Annual Evaluation Work Programme and Budget
AVC	Agricultural value chains
BASIS	Bangladesh Association of Software and Information Services
B2B	Business-to-business
CARDI	Caribbean Agricultural Research and Development Institute
CBI	Centre for the Promotion of Imports from Developing Countries, the Netherlands
CEDEP	Cambodia Export Diversification and Expansion Programme
DANIDA	Danish International Development Agency
EIF	Enhanced Integrated Framework
ESA	European Spice Association
EU	European Union
IEU	Independent Evaluation Unit
IFAD	International Fund for Agricultural Development
ITC	International Trade Centre
IT/ITES	IT and IT enabled services
JAG	Joint Advisory Group
M&E	Monitoring and evaluation
NTF II	Netherlands Trust Fund Programme Phase II
NUCAFE	National Union of Coffee Agribusinesses and Farm Enterprises, Uganda
NSP	National Stakeholder Platform
OECD-DAC	Organization for Economic Co-operation and Development – Development Assistance Committee
PCR	Project completion report
SDG	Sustainable development goal
SECO	Swiss Secretariat for Economic Affairs
SMC	Senior Management Committee, ITC
SME	Small and medium-sized enterprise
SPPG	Strategic Planning Performance and Governance
TISI	Trade and investment support institution
TRTA	Trade related technical assistance
UNEG	United Nations Evaluation Group
UNIDO	United Nations Industrial Development Organization
UCDA	Uganda Coffee Development Authority
WTO	World Trade Organization

Executive Summary

- i. This is the fifth edition of ITC's Annual Evaluation Synthesis Report (AESR) since 2013. The purpose of the report is to consolidate findings expressed by recently completed evaluations on ITC's project performance and results, and convey the key learning messages to ITC management, project managers and stakeholders. In this year's AESR, findings from all together 23 ITC projects are considered. It includes learnings from both ITC and funder-led external evaluations of ITC operations. This year, the learning scope has been further extended to cover also insights from project managers, shared through project completion reports. The methodology is explained in Chapter I.
- ii. Looking at the rating of project performance in the ten ITC and external evaluations, an overall average score of 4.7 was achieved on a rating scale of 1-6, with 6 indicating the best performance. Comparing ITC and external evaluations, external evaluators gave higher ratings: on average 5, as compared with 4.25 by ITC evaluators. Looking at the ratings for each specific evaluation criterion, applied in line with the OECD/DAC and UNEG evaluation standard, average ratings were highest for project relevance (5), and lowest for performance on improving gender equality & women's empowerment (3.88). The latter result was driven by two projects with limited gender-segregated monitoring and results data. It is important to note that the recently-completed evaluations (especially mid-term evaluations for on-going projects) indicated improvement in the project theory of change, project level monitoring and evaluation and gender mainstreaming, which could be attributed to the programmatic approach being applied in newer projects. Details of the findings and to be drawn are available in Chapter III.
- iii. ITC's comparative advantage in providing internationalisation support to MSMEs is well recognized by funders and partners. Improvements in SME's marketing capacity, exports and competitiveness have been witnessed in a majority of the 10 internal and external evaluations, be it in Bangladesh's IT sector, Cambodia's high-value silk sector, Tunisia's textile sector or Uganda's coffee sector. Several evaluations emphasized that, in a complex trade development context, ITC's projects have to continue further improving the tailoring of ITC's SME competitiveness and marketing services to SME needs and capacity.
- iv. TISI capacity building has been identified as a challenging performance area by a few project evaluations. A common message expressed by recent evaluations and PCRs is that TISI capacity building takes longer than the typical three-year project implementation period (as seen in the cases of SECO Nepal, EIF Cambodia, EIF Chad projects), especially in countries where TISIs were not yet full-fledged. Therefore, there is a need for future projects to build on the existing in-house analytical tools to benchmark TISI capacity at the outset of a project, and design project interventions in view of realistic objectives matching the timespan and resources available. Beyond that, projects should address the need to build a strong ownership of TISIs, in their role as implementing partners, which is a critical approach to enhancing sustainability and the probability to realize impact.
- v. Regarding project management, the significant advancement of applying a programmatic approach in ITC's six focus areas of operations has been acknowledged in the AESR 2016; however, there is still a need to further improve the project theories of change, especially of older projects, and programme and project monitoring and reporting. Two project evaluations (Caribbean and Eastern Africa projects) indicated the need for more focused theory of change and the related drawbacks in project implementation as major challenges for improving project effectiveness and for measuring and reporting results.
- vi. This year, the AESR dedicates a chapter to learning on agriculture value chain (AVC) in trade development (Chapter IV). ITC's interventions in AVCs indicate its commitment to development

and poverty reduction, and the evaluations highlight some important lessons that can guide future interventions in AVC development. Among the 10 evaluations completed in 2016, four interventions were directly working on agricultural value chains; cumulatively, the four projects were implemented across 14 countries over the period 2009-2016, with a total cost of USD 13.73 million

- vii. One important lesson on AVC development is the need for systematically incorporating a gender-sensitive approach at each stage of the production and marketing process. The AESR 2016 noted that ITC had made great strides toward mainstreaming gender equality and women's empowerment in trade development interventions and in staff capacity development. Nevertheless, the evaluations showed that in the agribusiness and rural development context, a gender-sensitive approach was not always thoroughly considered. Some projects did end up addressing gender inequality in the course of the project, without having it planned explicitly at the design stage. For example in the Caribbean project, two women's organizations were specifically identified and they received customized technical assistance. The support was more extensive in the NTF II Uganda project where NUCAFE in partnership with UCDA held radio programmes and training sessions educating farmers on gender equality and women's critical role in the coffee sector, a gender equity manager was recruited, and an M&E system was designed to collect gender disaggregated data.
- viii. Collective marketing for smallholder farmers is another lesson learnt on ACV, as it proved effective to link smallholder farmers to agricultural value chains, to ensure their bargaining power facing large players, improve farming techniques, product quality and marketing acumen, and to translate small farm products into profits for farmers. In promoting agriculture-based SME export, certain ITC interventions (NTF II Uganda, Caribbean, EIF Cambodia projects) promoted and supported collective marketing through national and local apex bodies, such as national farmers' associations and trade associations, and achieved the expected results.
- ix. In Chapter V., this report provides strategic recommendations based on the meta-analysis, following the feedback on last year's AESR, with the request to provide such a summary of recommendations. Aiming at promoting good practices and improving ITC's performance and results on the ground, the recommendations link to the points highlighted above, such as:
 - To systematically verify and further improve the quality of project level theories of change;
 - To consistently emphasise project monitoring and reporting as a major, budgeted and assigned task in project management;
 - To better tailor ITC's SME competitiveness and marketing services to the needs and capacity of beneficiaries;
 - To position a phased and realistic TISI capacity building plan within the project implementation cycle, in view of the specific project context;
 - To systematically develop and implement gender-sensitive strategies in all projects, for ensuring gender equity within the agribusiness value chains, and other types of projects;
 - To continue with building partnerships with a leading national or local institution in supporting collective marketing of farmers; and
 - To ensure greater participation of the private sector in agricultural value chain development projects.
 - To include public and commercial financial services providers as external partners in AVCs.
- x. In terms of the development of ITC's evaluation function, in 2017 ITC started implementing a three-tier evaluation system to expand evaluation coverage. Another advancement has been the evaluation methodology development. The Evaluation Guidelines 2017 have elaborated the process and methodology for independent evaluations and self-evaluations, and form the basis of evaluation training for ITC staff. To better understand and measure the impact generated by trade development interventions, ITC conducted its first formal impact evaluation as a pilot for testing and customizing ITC's impact assessment methods. More details are provided in Chapter II.

I. Background and methodology

1. The Independent Evaluation Unit (IEU) has provided an Annual Evaluation Synthesis Report since 2013, making this report the fifth edition. The purpose of the annual report is to consolidate findings expressed by recent evaluations on ITC's project performance and results, and convey the key learning messages to ITC management, project managers and stakeholders. The practice of disseminating annual evaluation learning reflects the commitment of ITC to improving performance towards achieving sustainable development goals (SDG); it is also in line with the good practices promoted by the United Nations Evaluation Group (UNEG) in terms of facilitating organizational learning and knowledge management.
2. The synthesized learning in this edition is based on interpreting findings extracted from recently completed evaluations. Since last edition, in addition to the independent evaluations conducted by the Independent Evaluation Unit (IEU) of ITC, the AESR includes a section on interpreting learning from external evaluations of ITC operations, commissioned by ITC funders, with a view to broadening institutional learning and enhancing common understanding with funders and partner organizations. This year the learning scope has been further extended to cover project completion reports (PCRs) to gain insights from the perspectives of project managers.
3. With this extended coverage, the AESR has been significantly enhanced in this year's report. The learning scope of this report covers: four ITC's programme and project evaluations, six evaluations commissioned and managed by ITC funders, and 15 PCRs for 13 programmes and projects.¹ All together 23 ITC projects are included in this year's learning scope. A brief description of the 10 projects evaluated in 2016 can be found in Annex III.
4. It should be noted that the IEU does not validate the self-ratings in PCRs, or includes them in the AESR performance ratings analysis. However, the lessons learnt and highlighted in PCRs by project managers were integrated in Chapter III – the performance and results review, as complementary evidence testifying to ITC's project performance and results.
5. The other chapters of the AESR comprise an overview of ITC's progress in developing its evaluation function (Chapter II), a learning theme on agriculture value chain development (Chapter IV), and key recommendations to ITC management and operational managers (Chapter V).
6. Following the analysis and learning themes, this report presents for the first time strategic recommendations to ITC management and project managers for future operations, based on the consolidated evaluation analysis (Chapter V).
7. The expected users for the AESR are ITC's management, staff and stakeholders, and, in a broad sense, development practitioners and policy-makers in the aid-for-trade development sector. This report is presented to ITC's Senior Management Committee (SMC) and disseminated at the Annual Meeting of ITC's Joint Advisory Group (JAG). It is also published on ITC's website.

¹ As the initial draft report was prepared in the period mid-March to early May 2017, the report includes PCRs received by 30 April 2017.

II. Development of ITC's evaluation function

8. In 2016, the UNEG and OECD-DAC Professional Peer Review of ITC's Evaluation Function found a high level of commitment from ITC management to the evaluation function, and noted that this function had made significant advances in the past years in terms of independence, credibility and utility. The Peer Review report and the ITC Management Response were presented and discussed at the 2016 JAG. The developments concerning ITC's evaluation function since then are summarized in this chapter. A detailed update on the implementation status of the accepted Peer Review recommendations is available in Annex IV.
9. **A three-tier evaluation system.** As outlined in the 2017 Annual Evaluation Work Programme and Budget (AEWPB), the evaluation coverage in ITC has been expanded through the implementation of a three-tier evaluation system, which includes independent evaluations conducted by IEU, self-evaluations for large programmes and projects, and project completion reports for all technical assistance projects (as a form of self-evaluation). Beyond that, IEU has also integrated funder-led evaluations into evaluation planning and into the AESR. With time, this expanded evaluation scope will generate a broader evidence base for ITC's development results.
10. In terms of self-evaluation, the IEU has developed quality compliance rules for self-evaluation in the new 2017 Evaluation Guidelines. Another advancement is the launch of a standardized template for project completion reports (PCR). Since 2017, all trade related technical assistance (TRTA) projects need to submit the report within three months of project completion. Learning points emerging from the first batch of PCRs have been integrated in the 2017 AESR.
11. **Enhancing communication, learning and utility.** IEU has taken various measures to enhance communication and knowledge management, and the "Evaluation Guidelines 2017" has emphasized organizational learning, communication and knowledge management as evaluation objectives, and elaborated on related activities in evaluation practice. For example, Evaluation Communication Notes have been produced since 2016 for major evaluation products, including evaluation reports and publications.
12. **Evaluation methodology development.** The new Evaluation Guidelines 2017 define the process and methodology for independent evaluations and self-evaluations, including PCRs. The Guidelines provide information on the scope, practice and use of evaluation to serve management decisions and policymaking. The intended users of the guide are evaluation practitioners, project managers, aid-for-trade development practitioners, and ITC funders, partners and clients. Building on the 2015 Evaluation Policy, the Guidelines contribute to further embedding evaluation within ITC and supporting an evaluative culture that encourages evidence-based decision-making.
13. Based on ITC's results framework and corporate theory of change, and the related programme theories of change the "Evaluation Guidelines 2017" has tailored a theory-based approach to ITC project evaluations. In association with these Guidelines, IEU has designed an on-line training course on self-evaluation, to demonstrate how a project manager can use the guide in evaluation activities, and apply evaluation concepts and methods in project management practice. The training course will be made available on ITC's SME Trade Academy from late 2017.
14. **Collaboration with operational teams and advisory services.** To enhance the quality of various evaluation and self-evaluation processes and products, IEU provides advisory services to project managers. Within the SPPG team, IEU has participated in the development of an improved results-based management (RBM) methodology at corporate and programme levels. IEU also contributes in the interdivisional Planning and Performance Coordination Meeting, to update evaluation activities and advisory services, and collect feedback.

15. **Evaluation resources.** ITC’s management has ensured that the evaluation function has an adequate level of predictable budgetary resources at its disposal. Predictability of evaluation resources has improved with the inclusion of a specific evaluation budget in the “ITC Programme Budget for the Biennium 2016-2017”, approved by the UN General Assembly and by the WTO General Council. The IEU uses these resources for evaluations that contribute best to ITC’s corporate learning and risk management interests.
16. Beyond the regular budget, project budgets include provisions for project-level evaluations. Since 2015, ITC has requested that all large projects (i.e. above USD 2 million), in agreement with the funder, allocate a budget for evaluation in the Project Plan. This budget is dedicated to conducting either a self-evaluation or financing an independent evaluation, managed by the IEU.
17. The 2017 AEWPB has also taken into consideration funder-led evaluations, to pursue closer coordination with funder agencies in evaluation practices. To ensure active collaboration IEU plans to present the draft 2018 AEWPB to the CCITF before finalizing it. In 2017, the IEU will also liaise with funders on their respective evaluation plans in relation to ITC’s operations to ensure coordination.
18. **Implementation status of recommendations.** The IEU tracks regularly the implementation status of the evaluation recommendations accepted by the operational teams and stakeholders, and reports the consolidated implementation status to ITC management. The follow up on implementation status does not include the recommendations rejected by the operational teams, which happened in a few cases. Within the agreed implementation timeframe, if a recommendation has been implemented by the operational team in a way which 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, the implementation could not fully address the original recommendation and had to make suitable changes, it may be considered as partially implemented. If an accepted evaluation has not been implemented within the agreed timeframe due to various reasons, it is regarded as not implemented.

Table 1: Implementation status of project evaluation recommendations (As of April 2017)

Evaluations (date of completion)	Recommendations				Implementation Status			
	Total	Accepted	Partially Accepted	Rejected	Not started	Ongoing	Final Status	
							Partially implemented	Implemented
South-South (2012)	12	7	5				1	11
Export Strategy (2013)	12	11	1				3	9
EIF Lesotho (2015)	12	8	3	1		6		5
EIF Gambia (2016)	7	3	4			2	1	4
EIF Nepal (2016)	10	7	2	1		7		2
Total	53	36	15	2	0	15	5	31

19. This year’s report followed up on the five evaluations completed in the previous years, as seen in the table above. The two evaluations conducted before 2015 have seen all the recommendations fully or partially implemented. For the three evaluations completed after 2015, all the recommendations have been either implemented or are in the process of being implemented. The utility of evaluations could also be reflected in the high rate of acceptance for the recommendations, as 96 percent of evaluation recommendations were fully or partially accepted.

III. Performance and results of ITC's operations

Overview

20. This chapter presents the performance and results of ITC's operations, based on the findings of ITC evaluations and funder-commissioned external evaluations.² The self-evaluation perspectives expressed by ITC's project managers in project completion reports contribute with a complementary angle; all sources together provide for a more representative picture of ITC's corporate-level performance and results in recent years.
21. The performance and results of ITC's operations are presented according to the major evaluation criteria applied in ITC evaluations, in line with OECD/DAC and the UNEG recommended practice: relevance, effectiveness, efficiency, impact and sustainability, and the crosscutting dimension of gender equality and women's empowerment.
22. A summary view of the projects' evaluation results is given in the Table 2 below; indicating the level of achievements for each indicator on a scale of 1-6, where 6 indicates the best level of performance.³ Five of the six external evaluations had to be adjusted to this rating scale: the AESR reconstructed the rating on each of the evaluation criterion for the three evaluations that did not provide explicit ratings, based on the original judgement provided in the evaluation reports, and it converted the ratings on the scale of 1-6 for those two which provided ratings on a scale of 1-4.⁴
23. Comparing ITC and funder-led evaluations, it is visible that the funder-led evaluations consistently rated ITC's project performance higher, except for the cross-cutting criterion gender equality & women's empowerment.
24. Especially in terms of effectiveness and efficiency, the mean ratings given by external evaluations are significantly higher than those of ITC evaluations; one grade higher in the case of effectiveness and two grades higher in the case of efficiency. This significant difference could be possibly explained by the fact that the six projects evaluated by funders (three are mid-term evaluations for ongoing projects) are more recent than the four evaluated by ITC; the newer batch of projects could have benefited from ITC's experience in learning and improvement in project design.
25. Impact is an evaluation criterion for which the two streams of evaluations provided almost equal ratings — 4.33 and 4.67. This convergence in ratings is an indication that ITC and external stakeholders share similar views on the long-term economic, social and environmental impact generated by ITC projects. To corroborate the findings on whether there is sizeable evidence of impact generated by projects, ITC in 2016 conducted its first formal impact assessment.⁵ This assessment, which took place three years after project completion, delineated a substantial impact pathway, supported with reliable data and rigorous analysis, of an ITC project in generating long-lasting economic and social impact on small coffee farmers, a private coffee trade association and a government coffee development agency, as well as on policymaking for coffee business in Uganda.

² A full list of project descriptions is seen Annex III.

³ In a scale of 1 to 6, 6 indicates highly satisfactory, 5 satisfactory, 4 moderately satisfactory, 3 moderately unsatisfactory, 2 unsatisfactory and 1 highly unsatisfactory. A more detailed description is seen in Annex II.

⁴ EIF Cambodia project evaluation applied a 6-point rating; SECO Tajikistan Kyrgyzstan project evaluation and SECO Tunisia project evaluation applied a 4-point scale; EU Caribbean, EIF Chad and EU Pakistan external evaluations did not provided a rating.

⁵ In 2013, an experimental assessment was deployed by the ITC Evaluation Unit to address the impact of the Poor Communities and Trade Programme through a Mid-term Evaluation, which applied some impact assessment methods; however it was not considered an impact assessment in overall evaluation design.

Table 2: Ratings of ITC's project performance and results

Evaluation criteria Project acronyms	Relevance	Effectiveness	Efficiency	Impact	Sustainability	Gender equality & women's empowerment	Overall project achievement
Average rating of 10 projects	5.00	4.70	4.50	4.50	4.30	3.88	4.70
Independent evaluations conducted by ITC							
NTF II Bangladesh	5	5	5	5	5	5	5
NTF II Uganda	5	4	4	5	4	4	4
Finland Eastern Africa	4	4	3	3	4	4	4
EIF Nepal	5	4	3	N/A	4	4	4
Average rating	4.75	4.25	3.75	4.33	4.25	4.25	4.25
Evaluations commissioned by funders and co-financiers							
EIF Cambodia	6	5	5	5	4	4	5
SECO Tajikistan Kyrgyzstan	5	5	6	4	5	4	5
SECO Tunisia	6	5	4	N/A	4	3	5
EU Caribbean	4	5	5	N/A	5	3	5
EIF Chad	5	5	5	N/A	3	N/A	5
EU Pakistan	N/A	5	5	5	5	N/A	5
Average rating	5.20	5.00	5.00	4.67	4.33	3.50	5.00
Difference between external and ITC ratings							
External - ITC ratings	+0.45	+0.75	+1.25	+0.33	+0.08	-0.75	+0.75

26. Gender equality and women's empowerment, with an average rating of moderately satisfactory (3.88), scored the lowest among six criteria in this year's report, which indicates that an explicit gender-sensitive approach should be further enhanced in future project design and implementation. It is also the only criterion which ITC evaluations rated higher than external evaluations. The lower average rating for external evaluations was mainly related to the Swiss Secretariat for Economic Affairs (SECO) funded Tunisia project, and the EU-financed Coconut Industry for the Caribbean project, based on the common reason that no gender disaggregated data were available. Two other external evaluations did not consider this indicator at all.

Relevance

27. Among the evaluation criteria, 'relevance' has shown the highest ratings. 'Relevance' assesses the consistency of the objectives of an intervention with ITC's corporate goals and comparative advantages, the client country's development strategy or policy priorities, and the needs of beneficiaries. The adequacy and coherence of the components of the intervention and the related strategy to achieve those objectives should be assessed as well.
28. With an average rating of 5.00 for ten evaluations, the relevance of ITC's projects has been well recognized. As witnessed in the last three AESRs, this solid performance has been consistent over recent years. Based on the 10 evaluations, the main reasons are that ITC's project designs were considered highly relevant to the country context and trade policy framework in which ITC's projects were implemented, the requirements of beneficiaries (SMEs and TISIs) and the emerging trade trends in developing countries.
29. Several PCRs highlighted the importance of the alignment of implementation plans with national and also regional strategies, such as the Pan-African roadmap in the case of the Africa regional cotton sector strategy project.
30. In some reports, room for improvement was seen in relation to setting realistic objectives and result indicators (Caribbean Project), the need to form long-term partnerships in project countries with key TISIs and leading public and private agencies (PCR of East African Community: Trade Facilitation for Women Informal Cross-border Traders and MSMEs (Phase II)); through private-public dialogue, both nationally and regionally. (PCR of the East African Community – Trade and Regional Integration Project)
31. In demonstrating what makes a project highly relevant, the external EIF Cambodia evaluation and the SECO evaluation of the Tunisia project serve as examples. They illustrate not only good alignment to client countries', ITC's and funders' policies and priorities, but also a practical and inclusive strategy in organizing resources and cooperating with partners for achieving the stated objectives.
32. The evaluation commissioned by the EIF Secretariat and the Cambodia Government rated the relevance of CEDEP highly satisfactory (6). The evaluation considered that the project clearly identified government priorities and responded to the priorities of the target beneficiaries and funders. Intended impacts were regarded as relevant to the country's national development plans and addressing the priority areas. In particular, silk products are highly relevant to Cambodian traditional rural culture and as an important off-farm activity to generate additional income for women and farmer households. CEDEP was also assessed as relevant in terms of its alignment with the EIF principles of country ownership, with measurements in the EIF Logical Frameworks, and with the Revised 12-point Action Plan for Trade Facilitation and Investment, particularly by enhancing coordination between ministries and institutions, and strengthening relationships with the private sector.
33. The SECO-commissioned evaluation of the Tunisia project found that the project design and strategy responded well to the needs of the textile and clothing sector, which is a key industry and export sector in the country. The project design was consistent with government policies on export promotion, industrial development and job creation, and the project objectives were well aligned with the strategic priorities of SECO in Tunisia, and the key priorities and competences of ITC. Stakeholders interviewed in country stressed the importance of the trade intervention package to the sector, including the legal framework, and government and ITC-support measures, and Tunisia's participation in international agreements. The project decision to focus during Phase I on practical business support rather than at the strategic level was regarded as appropriate, although for Phase II, it would be important to address issues related to the business environment. The issues beyond

the scope of the project, such as competition from Turkish producers in the EU market, are acknowledged by the project design.

Effectiveness

34. The criterion 'effectiveness' assesses to what extent an intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance. ITC evaluations and external evaluations diverge on ratings. Three out of four ITC evaluations rated effectiveness as moderately satisfactory (4), while all the six external evaluations rated project effectiveness as satisfactory (5).
35. Based on ITC's evaluations, one cause for moderate marks on project effectiveness was that the stated project objectives were overly ambitious, as seen in the case of the EIF Nepal project. The evaluation of the Eastern Africa project emphasized the need to take into consideration the limited time span and resources of a project when designing activities and sequences of activities. The PCR of the Zimbabwe: Support to Trade and Private Sector Development project also reflected on the issue of overly ambitious objectives, stating that the number of activities and beneficiaries need to be in proportion to the resources available in order not to become an impediment.
36. Among the four projects evaluated by ITC, the Netherlands Trust Fund (NTF) II Bangladesh Project was distinguished for good performance in effectiveness, which is largely based on the project's impressive achievements in connecting IT and IT enabled services sector (IT/ITES) companies with buyers in Europe, enhancing the capacity of TISI in matchmaking services, and building synergies with other projects.
37. In explaining the performance on achieving the three project objectives (namely, export, TISI capacity and synergy with others), the NTF II Bangladesh project evaluation found that the project had built a good base for IT/ITES outsourcing companies to do international marketing, which had actually transformed the IT/ITES export landscape in the country within a few years. At the beginning of the project, it was a daunting challenge for the small IT/ITES enterprises to seek business connections with foreign clients. Now, three years after project completion, multiple beneficiary companies recounted that they were able to secure business orders from the EU, Australia, South Korea, Saudi Arabia and the United States, based on the marketing techniques learned from NTF II.
38. For the 2nd project objective, as confirmed by all partners, the capacity of a leading TISI, the Bangladesh Association of Software & Information Services (BASIS), has improved significantly in the past years, especially in arranging B2B events and matchmaking. In terms of synergy with the Netherlands' Centre for the Promotion of Imports from Developing Countries (CBI) and other projects, during the NTF II period, the Bangladesh project manager and the country coordination played an active role in collaborating with CBI in various co-sponsored activities and sharing information with the Danish International Development Agency (DANIDA). The complementary services of CBI and NTF II in supporting marketing and coaching are exemplary in these cases.
39. Among the funders' evaluations, a representative example of a differentiated assessment of ITC's effectiveness can be found in the SECO-funded Tajikistan and Kyrgyzstan projects, both rated 'satisfactory'. The projects made great achievements at the company level in both countries. The number of training activities and workshops provided was vastly overachieved. About 14 trade fairs were organized (target was six), 2,200 new contacts with buyers facilitated, as well as 500 contracts with suppliers signed. The projects also succeeded in developing the institutional support structure by promoting business associations, improving universities' capacities and private sector linkages, and by expanding the function of a trade facilitation government unit. Through a participatory process with stakeholders, high quality sector strategies were developed, such as the National Export Strategy in Kyrgyzstan and Textile and Clothing Industry Development Strategy in Tajikistan.

40. The project interventions at the enterprise level were seen as extremely valuable by the beneficiaries. But despite the achievements on the meso level, the TISIs were considered still fragile; in particular the sectoral associations faced challenges that were beyond the control of ITC. Further, the sector strategy was not aligned with the National Development Plan, which was pending for approval and without funding scheme and implementation plan. Market diversification had been limited, with Russia and Kazakhstan remaining the major markets.

Efficiency

41. Efficiency is another criterion where ITC's internal evaluations and external evaluations diverge on ratings. 'Efficiency' assesses that to what extent the intervention has converted its resources and inputs (funds, expertise, time, etc.) economically into results. The average rating of ITC evaluations is 3.75, while that of the six external evaluations is 5.00. Two of five ITC evaluations rated 'efficiency' as moderately unsatisfactory; while all external evaluations rated the project's efficiency as moderately satisfactory or higher.
42. The main factors accounting for less good performance in efficiency were slow project starts, repeated delays in implementation of specific components, and challenges in in-county coordination. These issues were found to be inter-related. In the case of the EIF Nepal project, a massive earthquake caused a delay, which was unforeseen, and the project could not have prepared for such incidents. However in addition to external reasons, the project did not estimate negotiations with the Ministry of Commerce in the project timeline, which required an extra five month delay to the launch of the project. Moreover, the field office was only equipped with regular staff one year after project approval, which had an impact on implementation too.
43. The evaluation of the Eastern Africa Project also pointed to a need to better sequence project activities at the design stage; it recommended to ensure that SMEs were sufficiently prepared to attend matchmaking events where they would meet serious buyers, and that the TISIs needed to be able to provide the SMEs with pre-event guidance. Doing so would multiply the added-value of the events for the SMEs.
44. In the example of the externally evaluated EU-funded Caribbean project implementation mechanisms were found to be efficient, the support from state institutions made project outputs cost-efficient, the financial arrangements were clear, and a well-balanced budget corresponded to the planned activities and outputs. Some non-significant delays occurred with the formulation and endorsement of the roadmaps, and corrective measures had been taken to address the delays. Also, the evaluation noted that an effective M&E system had been set up, which supported project efficiency.
45. Several PCRs include reflections on how to deal with implementation delays: The PCR of the Zimbabwe: Support to Trade and Private Sector Development project recommended that potential delays and back-up plans should be considered in the project design, in order to react quickly in a changing environment in project countries. Other PCRs emphasized the advantages to work with national consultants and other local partners for an efficient and effective implementation process, and follow-up.

Sustainability

46. The criterion 'sustainability' is used to assess the likelihood of continued long-term benefits of the interventions and the resilience to risk of net benefit flows over time. The challenges for implementing a practical and effective exit strategy, with a view to ensuring long-lasting project benefits could not be overestimated, as evidenced by recent evaluations. One encouraging finding

in this respect is that all 10 projects evaluated last year had made plans and efforts to improve sustainability prospects, which is a significant improvement compared to the findings in past AESRs.

47. Among other factors, national and local ownership and institutional capacity have been the most frequently referred to considerations in determining the sustainability prospects of project benefits. As revealed in a few evaluations (e.g. EIF Nepal), the individual beneficiaries (SMEs, producers) are capable of sustaining the business activities introduced by the projects and therefore the project benefits. The PCR of the Tanzania project: Integration of Horticulture Value Chains into the Tourism Industry highlighted lessons on national and local ownership. The PCR considered that the achievement of expected changes was heavily dependent on local management and the encouragement of local communities towards youth self-employment for youth.
48. However the national and local institutions, as implementation partners in trade promotion and business support, often needed continued capacity building support to ensure a continuation of services introduced by the projects. The example of EIF Cambodia illustrated some of the key challenges in enhancing ownership and institutional capacity. The evaluation found that good sustainability prospects were largely relying on the capacity of companies directly supported by the project. It was noted that the creation of the national bodies was a promising step, but there was a strong need for continued technical assistance. The institutional and financial mechanism put in place by ITC was assessed as adequate by the evaluation; however, sustainability lies in local institutional capacity to implement the silk strategy, and to provide and charge for membership services to maintain operations. The evaluation recommended that the government should continue working with partners to build the capacity of national bodies established by the project.
49. The external evaluators of the EU-funded Caribbean project found that there was a high level of ownership and the governance structures were in place, which together resulted in positive prospects for sustainability. However, in acknowledging that discussions for further financial and technical support with the Inter-American Development Bank and Institute for Private Enterprise Development were ongoing, it was clear that significant public investments and foreign investments were still needed. The evaluation of the Eastern Africa project found that many of the mid-term review's recommendations were relevant and useful but there had not been sufficient time to implement them and to ensure sustainability. It considered that sustainability of the results at the enterprise level was dependent on the continued services of the TISIs and recommended to allow for sufficient time and resources, and focus on TISI support, for realizing the impact and sustainability.

Impact

50. Impact criterion measures the changes that partners and beneficiaries have achieved or are expected to achieve as a result of the project support, and indicates the positive or negative, direct or indirect, intended or unintended medium- to long term results, caused by the interventions. To a varied extent, impact has been addressed in all project evaluations, except in two mid-term evaluations. However, a lack of reliable project-level monitoring data on key impact indicators, especially baseline data, and insufficient means for a meaningful comparison between beneficiary and non-beneficiary groups are the common challenges encountered when complementing the evaluation data with reliable quantitative data and rigorous analysis of projects generating long-lasting economic and social impact on beneficiaries.
51. The evaluation of the SECO-funded Tajikistan and Kyrgyzstan Project indicated that "a clear distinction 'before' and 'after' is difficult and the sample size of the various categories is small", and that "the attribution of project effects is difficult, because the project often has contributed small but relevant technical assistance inputs. In the case of Tajikistan one (spinning) company dominates the picture of the core beneficiary SMEs and was responsible for more than 60 percent of all company level exports."

52. Regarding impact on policymaking, the evaluations acknowledged that it was likely to take longer than the project implementation period to materialize and cannot be assessed confidently at the completion of a project (Tajikistan and Kyrgyzstan Project and NTF II Uganda Project). However, the impact assessment of the NTF II Uganda project revealed that the policy influence could be shown three years after project completion.
53. What is clear in the findings on impact is that the majority of the 10 evaluations considered that ITC's projects were generating long-term impact on trade and for intended beneficiaries. One representative case among the evaluations is the impact generated by the Cambodian high value silk export, which was considered as satisfactory by the evaluation commissioned by the Government of Cambodia. According to the evaluation, the results for direct beneficiaries on income generation and job creation were significant; nevertheless, the potential could have been further realized if there had been better understanding and measurement for the impact on poverty reduction.
54. To better understand and therefore measure the impact generated by trade development interventions, in 2016 ITC conducted its first formal impact evaluation, as a pilot for testing and customizing ITC's impact assessment methods. The impact evaluation for the NTF II Uganda project (2010-2013), taking into account the necessary time lapse for the expected impact to mature, revealed a solid example of long-term impact generated at SME, TISI and policy advocacy levels.
55. In terms of collecting data and enabling comparisons, the impact assessment on the NTF II Uganda project benefited from three factors: (i) an effective monitoring function, carried out by the two implementation partners in the country: this enabled good traceability of the progress and results at beneficiary household level; (ii) a maturing period after project completion for long-term results to realize: the 3-year period after completion was necessary for realizing the improved quality of coffee beans (similar for many horticultural and seasonal agricultural products); and (iii) continued operation (a new project phase) in the same sector after project completion: this facilitated the evaluation in confirming the project population and designing stratified sampling techniques, with meaningful comparisons of "before" and "after", and "beneficiary" and "non-beneficiary". Some of these factors may exist partially in other projects; however it is not common to have all these factors available for evaluation methods using counterfactuals.
56. Impact 1 of NTF II Uganda: Sustained increase of coffee export by the TISI: A major impact was the increased exports. Coffee exports by NUCAFE, all supplied by coffee farmers' associations, increased by 204 percent, from 190 tons in 2010 to 577 tons in 2015; in market value, from USD 0.30 million to USD 1.28 million. The increase in export volume was largely attributed to improved coffee quality (particularly related to training in 4C certification) and enhanced export marketing, such as outbound missions and participation in international coffee fora.
57. Impact 2: Increased sales of coffee farmers: The impact survey sampled 398 coffee households, using a stratified randomization method, across all the four coffee growing regions including Central, South Western, West Nile and Eastern Uganda; it found that each beneficiary farming household had earned an average of USD 1,808 per year from coffee sales in the period 2011-2015, compared to an average of USD 683 by non-beneficiary farmers. Beneficiary farmers received relatively higher prices from coffee sales for both processed and unprocessed coffee beans, compared to non-beneficiary farmers.
58. Impact 3: A strong footprint in policymaking: In 2016 the government endorsed a National Coffee Policy and National Coffee Development Strategy, which were prepared by the Uganda Coffee Development Authority (UCDA) based on the policy paper delivered by NTF II and advocated by UCDA and NUCAFE. A budget for implementing the new strategy is being earmarked by the Ministry of Finance, Planning and Economic Development and it is supported with a strong political commitment.

59. Across all ten evaluations, a major factor explaining project impact was engagement with a motivated private sector implementation partner. This was critical to servicing the end beneficiaries in trade development and to making the project benefits sustainable. As seen in the evaluations of Bangladesh, Chad, Nepal and Uganda, private sector partners often have a comparative advantage in servicing small producers in marketing and in implementing new trade standards for high-value export products. As implementation partners, they provide suppliers (often small producers, farmers and SME owners) not only with export outlets, but also with customized packages of production and quality services.
60. Another factor explaining strong impact was the improved value chain approach, as seen in the projects of Cambodia, Uganda, Tajikistan and Kyrgyzstan. In these cases, ITC's value chain development projects built more organized and inclusive value chain models in selected sectors (textile, clothing, silk, coffee). As modest as these models could be in some cases, they were well connected with international demands and buyers, and ensured that smallholder beneficiaries actually benefited from the profits generated by increased production.

Gender equality and women's empowerment

61. This indicator assesses whether gender equality and women's empowerment have been sufficiently embedded in the interventions, and the extent to which interventions have contributed to better gender equality and women's empowerment. The average rating on gender equality was a moderately satisfactory (3.88). A lower rating was provided in the external evaluations for the SECO-funded Tunisia project and EU-financed Caribbean project, based on the common reason that gender disaggregated data were not available. In the four ITC-evaluated projects, the gender equality approach was more explicitly applied in project design and in monitoring and evaluation activities.
62. As indicated in the evaluation of the Caribbean Project, there was neither a gender specific approach in the project and nor gender-disaggregated data, despite the differentiated roles that men and women played in the coconut value chain. However, two women's organisations were identified for further assistance by the project, with a potential positive impact in terms of income generation and greater financial independence for their members.
63. The evaluation of the EIF Nepal project is a representative case on ITC's gender approach in the recent past. The project design did not particularly address gender aspects; however, all marketing and training activities targeted a women participation rate of at least 30 percent (in 2016-17 the ITC target was raised to 40%). It nearly achieved this goal with 26.24 percent female participants. Therefore, the evaluation found that the project contributed to gender mainstreaming in the Pashmina sector in Nepal.
64. Concerning the NTF II Bangladesh project, historically, there has been limited participation of women in the Bangladeshi IT workforce — only 13 percent of the workforce was female and only one percent of IT/ITES companies are led by women. From the beginning, the project made significant efforts to encourage the participation of women. For instance, during the selection of the beneficiary companies, particular attention was given to companies with female leadership and companies that adopted a female-sensitive and family-acceptance work environment for its employees. According to the evaluation survey, the total number of female employees in the sample beneficiary companies increased from 61 to 159, and among them about 40 new female employees were hired as a direct result of NTF II. The project also gave visibility to successful women in the industry, who became role models to motivate other female professionals, as seen in the case study below.

Case Study: A women-led IT company in Dhaka, NTF II Bangladesh Project

UY Systems was the one of the few beneficiary companies led by a woman. It was established in 2003 and currently mainly provides comprehensive solutions in iPhone/iPad apps development, Android apps, mobile optimized websites, e-Commerce web development, image editing, graphics design services and software development. It successfully exports to a wide range of countries including Denmark, the Netherlands, the UK, Norway, Saudi Arabia, Malaysia and Ireland.

Initially, the company attempted to access the domestic market; however, potential clients were very hesitant to engage in business with a woman-led company. As a result, the company changed its focus to international clients and was able to get positive responses from foreign buyers. NTF II helped UY Systems to make contacts with a wide range of European clients and also helped in showcasing the success of UY Systems in both local and international platforms, which further motivated and inspired women IT graduates across the country.

The CEO of the company also undertook a wide variety of initiatives herself to promote women entrepreneurship in the IT sector. She worked with the Asia Foundation's Bangladesh training programme to motivate young women to become entrepreneurs and also mentored young entrepreneurs and freelancers, and pioneered an online healthcare portal that over 130 Bangladeshi businesswomen used to promote and sell their services. Her active work has been recognized at both local and international levels. She was the first woman to be elected as Board Director in BASIS and she also served as Vice President of Bangladesh Women in Technology. More recently, due to her corporate success and mentorship work, she was invited to Nairobi to receive the International Centre for Trade and Sustainable Development's prestigious Women Exporter of the Year Award.

Lessons learned on performance and results**Lesson I: Consistent use of theory of change and effective M&E in project management is key for achieving and measuring results**

65. The recent evaluations have noted the improvement made by ITC projects in applying M&E tools and processes for reporting results, as commended by the evaluations of the NTF II Uganda project, SECO Tunisia Project and EU-funded Caribbean project. However, as attested by successive AESRs since 2013, the collective challenges in project M&E — such as data availability and reliability, a lack of a consistent theory of change throughout the project life, a tendency to reporting activities and outputs instead of intermediate outcomes and SDGs, and inconsistency among projects in using outcome indicators — are still found as issues in project management by ITC's and external evaluations.
66. The problem of overly ambitious objectives, referred to by several evaluations, limited project performance in terms of effectiveness, sustainability and impact. This issue is often found to be related to a lack of rigour in articulating the programme and project theory of change, and is sometimes also related to external pressures. The Caribbean project evaluation recommended adjusting the project logframe and setting SMART⁶ indicators based on baseline information and more focused goals; the Eastern Africa project evaluation also recommended setting more focused targets.
67. The evaluation of the Eastern Africa project stated that when conceptually designing a project, moving upwards in the results chain (from activities and outputs to intermediate outcomes, outcomes, development impact) equated to an increase in stakeholders' (outside the project management team) influence and role in reaching the set targets. Thus, it was important to generate

⁶ Specific, Measurable, Achievable, Realistic, Timebound

ownership over the project among these stakeholders to increase the chances of reaching outcome and impact level results. To create a context in which this became possible, the project design had to develop a theory of change that specifically addressed the needs of all stakeholders, was understood by all stakeholders, and ensured the outputs logically link with one another. The evaluation recommended that, to reach the set targets, such a project had to be implemented in conjunction with other initiatives in the selected countries and region. Beyond mapping what other development work was being accomplished, it was important to design and implement activities in a jointly structured manner, leveraging the results of other funders/implementers to increase the potential of the ITC project's results.

68. "Managing for development results requires an expected level of verifiable contribution".⁷ The challenges regarding data availability and quality were especially explicit in the impact analyses. Except the impact evaluation of the NTF II Uganda project, evaluations often made general judgements on impact using reasoning based on the end status of the project, instead of using comparisons based on reliable M&E data and a consistent theory of change. In some other cases, the evaluations preferred to take a safe stance by mentioning that it was still too early to assess project impact at the end of project implementation.
69. As seen in a few evaluations and some PCRs, the lack of an explicit and realistic theory of change with intermediate outcome indicators was another challenge for measuring results, which led to unclear project strategies, mismatching indicators and unrealistic objectives. The Cambodia project evaluation suggested that the expected impact should be better articulated; and the evaluation of the EIF Chad project mentioned the need to revisit the indicators and make sure they conform to the SMART principles.

Lesson II: ITC's strengths in SME competitiveness and marketing is confirmed but a more consistent tailoring to SME needs and capacity is required

70. The good progress and results achieved at the SME level has been consistent, as attested to in the AESRs in the past three years. Improvements in SME's marketing capacity and exports have been witnessed by a majority of the 10 evaluations, be it in Bangladesh's IT sector, Cambodia's high-value silk sector, Tunisia's textile sector, Uganda's coffee sector, etc. For instance, the EIF Cambodia project boosted income by 100 percent and created 88 new jobs for the SME suppliers contracted by the beneficiary export companies; for the 14 beneficiary companies, there was a 74 percent increase in average annual exports from 2012 to 2014. Another example is that the EIF Nepal project reported an increase of export revenues by 23 percent and overall revenues by 21 percent for project beneficiaries.
71. However, it is necessary to build on this strength to achieve better performance as exemplified by paying increased attention to SMEs needs and capacity. As emphasized in evaluations, working on increasing SMEs export competitiveness, requires SMEs to be taken into account when making sure every element of the project (activities and outputs) are well integrated, sequenced, harmonized and delivered in a holistic approach, and when ensuring SMEs have been previously well equipped to respond to the requirements of the destination markets.

Lesson III: Longer term support needed for TISI capacity building

72. The capacity building for TISIs had been considered, by evaluations and PCRs, as being a weaker performance area than capacity building for enterprises, and in need of continued project support after a typical three-year intervention. The weakness in this respect was generally related to the discrepancy between the long-term nature of capacity building for TISIs and the limit of a three-year lifetime for an average ITC country project. This discrepancy was even more visible in emerging

⁷ Results and Performance of the World Bank Group 2016, IEG, World Bank Group

export sectors where TISIs were less prepared for supporting export, such as the IT/ITES sector in Bangladesh and the high-value silk sector in Cambodia.

73. The evaluation of the Cambodia project considered that sustainability remained the most challenging area due to the fact that the national body established by the project was not self-sufficient. According to the evaluation, the institutional and financial mechanism put in place by ITC was assessed as adequate, but this national body was not self-sufficient to implement the silk strategy, and to provide and charge for membership services to maintain its operations; therefore, there was a need for further support to the body. Some project managers expressed similar views in PCRs. The PCR of the East African Community: Trade facilitation for women informal cross-border traders and MSMEs mentioned that, for achieving shifts to the formal economy, capacity building in border locations and reinforcement of associative structures, the project should be designed for a longer than three-year period. In view of the continuous support which TIPOs, sector associations or Chambers of Commerce receive from their governments in developed countries, this finding is not surprising. However, it comes back to the question whether the objectives that are formulated at the project design stage are realistic.

IV. Learning theme on agriculture value chain in trade development

74. Among the 10 projects evaluated in 2016/17, four worked on agricultural value chains (AVC);⁸ cumulatively, the project activities were implemented across 14 countries over the period 2009-2016, with a total cost of USD 13.73 million. Supporting AVCs is an effective way to integrate smallholder farmers into national and international production and trade processes. AVCs are instrumental in boosting countries' trade competitiveness but they also contribute to alleviating poverty and promoting financial inclusion.⁹ ITC's interventions in AVCs indicate its commitment towards development and poverty reduction, and the evaluations highlighted some important lessons that can guide future interventions in AVC development.
75. The agricultural sector has been one of the major sectors in ITC's technical cooperation interventions. ITC's intervention focus in AVCs is on international marketing, which is complementary to the services of many other development agencies. In March 2017, the Division of Enterprises and Institutions convened a global forum on "Inclusive and sustainable agribusiness development: Are we fit for purpose?" to deepen in-house discussions on AVCs. This event on sustainable agriculture received feedback from a diverse range of stakeholders, and a follow-up discussion paper will be prepared for management review.

Lesson IV: Collective marketing for smallholder farmers proved to be an effective approach to empower smallholder farmers and strengthening their linkage with markets

76. Smallholder producers in developing countries face great difficulties in participating efficiently in markets that raise their marketing costs and expose them to various risks associated with commercialization. More specifically, smallholders often do not have sufficient access to information on prices and due to fragmented production systems, individual farmers are not able to meet quantity and quality standards requirements.¹⁰ Market interventions, in the form of collective marketing, can deal with such market failures for smallholder farmers. Through a common network, collective marketing mainly helps to closely match supply and demand to market requirements, assist in marketing and selling to a larger range of local and international buyers, and co-ordinate management of transport, processing and logistics.
77. In the NTF II Uganda project, the collective marketing model was promoted through NUCAFE, a coordination body of local coffee farmers' associations. The project activities were geared to improving NUCAFE's business capacity and enhancing its service portfolio to coffee farmers. The training and support under NTF II through NUCAFE improved farmers' awareness of coffee quality and export requirements. Thus, this enabled them to export in bulk through NUCAFE to buyers from Europe. Evaluation shows that the coffee exports by NUCAFE members increased by 204 percent, from 190 tons in 2010 to 577 tons in 2015. This increase in export volume is largely attributed to the improved coffee quality (particularly supported by the training in 4C certification) and enhanced export marketing via outbound missions and international coffee fora.
78. In addition, NUCAFE has embarked on the first investment phase of the Centre for Agribusiness and Farmer enhancement (CAFÉ Factory) to provide coffee processing services to members and generate incomes. The CAFÉ factory includes a coffee roasting plant and a modern coffee sorting

⁸ NTF II Uganda project; Promoting Regional Trade in Eastern Africa; EIF Chad; Caribbean project

⁹ African Development Bank. 2013. Agricultural Value Chain Financing (AVCF) and Development for Enhanced Export Competitiveness.

¹⁰ Minot, N. and Hill, R. 2007. Developing and Connecting Markets for Poor Farmers. 2020 Focus Brief on the World's Poor and Hungry People.

and grading facility. With the CAFÉ, coffee farmers will have the option of roasting their own coffee and selling it on the market to the final consumer, or sorting and grading for the export of coffee beans. This is expected to further integrate the farmer into higher nodes of the coffee value chain.

79. ITC also supports the apex bodies to contribute at the national policy level. For instance, the NTF II Uganda project supported the Uganda Export Promotion Board and the Uganda Coffee Development Authority (UCDA) in developing and implementing a national coffee export strategy that is expected to secure government commitment to supporting coffee producers and exporters in the long term. In the Caribbean project, nine National Stakeholder Platforms (NSP) were set up and they analysed the specific problems pertaining to each country, under the guidance of the project, and developed roadmaps for the strategic development of the coconut sector.

Lesson V: A strong need for incorporating a gender-sensitive approach at each stage of the production and marketing process

80. With the increasing rural to urban migration, dominated by men looking for work, women have taken up a more critical role in AVCs. Recent evaluations also indicate greater participation of women in project activities. Unfortunately, pervasive discrimination, gender stereotypes and women's low social standing create barriers for women to reach their full potential. For instance, discrimination denies small-scale female farmers the same access men have to agricultural inputs, credits and membership in cooperatives and farmers' associations, and this eventually deters potential productivity gains.
81. Among the evaluated projects, it was noticeable that gender issues were not always fully considered within the project design. Nonetheless, some projects did end up addressing gender inequality with varied levels of emphasis. In the Caribbean project, two women's organizations were specifically identified and they received customized technical assistance. The support was more extensive in the NTF II Uganda project where NUCAFE in partnership with UCDA held radio programmes and training sessions educating farmers on the importance of gender equality and women's empowerment in the coffee sector. Moreover, a gender equity manager was recruited and an M&E system was designed to collect gender disaggregated data. Furthermore, field visits revealed that many coffee farmers adopted gender-sensitive practices in their coffee enterprises and interviewers largely confirmed that women's participation in decision making on coffee production has improved and participation in activities of farmers' associations has reduced gender-based violence in households of some coffee farmers.
82. The evaluation of the Eastern Africa Project recommended to ITC's Project Design Task Force to earmark project budgets for specific work within each project, to reach a critical mass of gender-sensitive results. In addition, these results need to be logically linked with the others to ensure they contribute to expected changes. It is also recommended that such projects need to provide gender-sensitive support not only to women but also men, for example in efforts to sensitize male beneficiaries in the importance of the role of women in exports.

Lesson VI: Effective collaboration with private sector partners is essential to connect business transactions along the AVCs and to ensure business vitality of AVCs

83. In alignment with the ITC programmatic approach, evaluations observed that project efforts to accelerate agribusiness development are effective when external private sector partners play an active role in increasing business opportunities for SMEs and business linkages between supply and destination markets. For example in Zambia, the project helped the beekeepers organize themselves with the establishment of "bulking centres". ITC generated the interest of a large honey buyer from Argentina, Parodi Group, to buy from Zambian honey processors. As a result, beneficiary SMEs managed to secure export deals.

Lesson VII: Including support to access to credit services in AVC project design and enhancing the financial sustainability of the AVC

84. Access to financial services is critical to the establishment of a functional and sustainable AVC. Due to the perceived high risks for agricultural production and lending, access to financial services remains a challenge for small stakeholders in developing countries, including farmers, small-scale processors and retailers, storage operators and traders. The risks include seasonality and the associated irregular cash flows, high transaction costs and systemic risks, such as floods, droughts, plant diseases, etc.¹¹
85. The Eastern Africa project, among its services of business improvement and TISI support, supported SMEs through training on better access to finance so that they could be in a better position to understand, negotiate and draft contracts. However, the training was not sufficiently adjusted to the limited capacity of the SMEs. In the NTF II project in Uganda, there was a micro-credit component that supported training on preparing a business plan, which could then be used for credit application. Some of the supported farmers' associations were able to access credit to finance and effectively repay such credits. In the Dominican Republic, through the Caribbean project, opportunities for complementary financing were identified through BANRESERVAS via a credit line "PROSPERA", which was reportedly willing to prioritise the coconut sector for investment; and through PRORURAL, financed by the International Fund for Agricultural Development (IFAD), which supported developing business plans, training and technical assistance.

¹¹ International Finance Corporation (IFC). 2014. Access to Finance for Smallholder Farmers.

V. Key recommendations to ITC management and operational managers

86. The recommendations provided in this chapter are based on the analysis of evaluation results and lessons learnt, as presented in the previous chapters. Some recommendations are intended to reinforce and scale up the good examples identified by evaluations, while others aim to draw attention of ITC management and staff on how to enhance existing practices in ITC's services portfolio. The views expressed by the AESR, as impartial as possible, could be corroborating the ongoing improvement in project operations or provoking cross-learning and innovative actions.
87. In line with the two building blocks of the performance analysis presented above - performance and results of ITC's projects, as per the six commonly used evaluation criteria (Chapter III) and a specific focus on extracting lessons learnt from evaluations of agricultural value chain projects (Chapter IV), the strategic recommendations below are also provided in two sections..

Recommendation I: To systematically verify and improve the quality of each project's theory of change

88. The significant progress in applying a programme approach in each of the six focus areas of ITC, with programme level theories of change, has been acknowledged in the AESR 2016. Nevertheless, there is still a need to further improve many projects' theories of change, especially of those that started before the application of the programmatic approach. Two project evaluations (Caribbean and Eastern Africa projects) indicated the need to improve the theory of change and the related drawbacks in project implementation as challenges for improving project effectiveness and for measuring and reporting results.
89. The implementation of the programmatic approach necessitates consistent efforts to verify and reinforce the programme and project theories of change and the respective implementation strategy, under consideration of the specific project context. It is also necessary for project managers to review and verify the validity of the project theory of change during the implementation process, to ensure that the implementation strategy remains relevant and the project objectives can be realistically achieved.
90. In this regard, it is important to further enhance national and local ownership, through discussions of needs, related initiatives of other parties, the logic of the results chain, proposed interventions and strong involvement in delivering these interventions. This may slow down the project design or inception phase, but will increase the chances of reaching outcomes and ensuring sustainability. To create a context in which this becomes possible, the project theory of change has to address the specific needs of all stakeholders.

Recommendation II: To ensure the integration of systematic project monitoring and reporting as one of the major tasks in project management

91. In terms of project management, the recent evaluations have noted the improvement made by projects in applying M&E tools (e.g. EIF Cambodia and NTF II projects). While crediting the progress made in recent years, ITC can further improve monitoring and reporting at the project level, which should focus on measuring the results and potential contribution to impact as outlined in the project's theory of change, and use corporate indicators and other relevant project-specific indicators and methods.
92. In this regard, a project management team member, or an outside M&E resource person, should be made responsible (with an earmarked budget) for the monitoring and reporting function, to facilitate the development of tools and collection of data on progress and results. The monitoring function should be accountable for establishing project baselines to set realistic targets, report on pre-defined

results targets for all indicators in the progress reports, and review monitoring data to make sure it is accurate, reliable and consistent.

Recommendation III: To more consistently tailor ITC's SME competitiveness and marketing services to SME needs and capacity

93. ITC's comparative advantage in providing internationalisation support services to SMEs is well recognized by funders and partners, as testified to in recent evaluations (e.g. SECO Tunisia, EIF Cambodia, EIF Nepal, Eastern Africa, NTF II projects). However, to improve the performance SME competitiveness and marketing services, it is necessary to more systematically focus project management attention on SMEs needs and capacity.
94. While undertaking project appraisal and consequently when preparing project design and work plans, project management should conduct periodical in-depth and comprehensive SME needs assessments and capacity verification throughout the project cycle, to integrate SMEs needs and capacity within project design, or when the Project Plan is approved before the completion of the project planning process, at the end of the project inception phase, and during project implementation.

Recommendation IV: To position a phased and realistic TISI capacity building plan in a three-year project implementation cycle.

95. A common message expressed by recent evaluations and PCRs is that TISI capacity building takes longer than a three-year project implementation period (as seen in the cases of SECO Nepal, EIF Cambodia, EIF Chad projects), especially in countries where TISIs were not yet full-fledged. Therefore, there is a need for future projects to build on the existing in-house analytical tools to benchmark TISI capacity at the outset of a project, and design project interventions in view of realistic objectives matching the timespan and resources available.
96. Furthermore, the need of post-project capacity support should be anticipated, especially in countries where TISIs are not yet sufficiently mature to provide effective support to the internationalisation of SMEs. A realistic plan for TISI capacity development and an enhanced role of TISIs within the project results chain could improve the match between TISIs' services and SMEs' business needs; and it could reduce the occurrence of overly ambitious project objectives in the areas of TISI capacity building and policy advocacy, as well as improve sustainability.

Recommendations on agricultural value chain development

97. With changing market requirements and shifting policies, interventions on AVCs are becoming more inclusive, more complex and more challenging. Meanwhile, rising demand for high-value and differentiated agricultural products is creating unprecedented opportunities in AVCs in developing countries. The following recommendations, aligned with the lessons learned outlined in the previous chapter, aim to facilitate future ITC interventions in AVCs to achieve greater results.

Recommendation V: To build partnerships with leading national or local institutions in supporting collective marketing of farmers.

98. Collective marketing proved to be a solution to link smallholder farmers to agricultural value chains, to ensure their bargaining power facing large players, and to translate small farm products into profits for farmers. In promoting agriculture-based export, certain ITC interventions (e.g. NTF II Uganda, Caribbean, EIF Cambodia projects) promoted and supported collective marketing through national and local apex bodies, such as national farmers' associations and trade associations, that helped smallholder farmers to improve their bargaining power, farming techniques, product quality and marketing acumen, and that allow them to link with other stakeholders, thereby ensuring a more

integrated and efficient market system. Future agriculture value chain in trade development projects should identify and assist similar entities to have the capability to secure access to markets over the long term so that producer members realise the economic benefits of staying within the organized structures.

Recommendation VI: To enhance gender-sensitive strategies for ensuring gender equity within the AVCs

99. The AESR 2016 noted that ITC had made great strides in recent years toward mainstreaming gender equality and women's empowerment in trade development interventions and in staff capacity development, and it recommended to replicate and scale up these innovations in broader operations at ITC. In terms of enhancing gender strategies in AVCs, it entails having the project conduct gender-conscious needs assessment and intervention strategy and allocate a budget for specific work to reach a critical mass of gender-sensitive results. More importantly, the projects need to ensure that the integration of gender equality issues becomes an added-value moving up the results framework; the evaluation of the Eastern Africa project made this point regarding future projects, and it also recommended that a gender expert should be systematically involved in the project management teams.

Recommendations VII: To continue with a focus on engaging the private sector in improving MSMEs' access to international AVCs

100. Commercial models for effective public-private partnerships should be generally promoted within the agriculture sector. As seen in the cases of the Caribbean and NTF II Uganda projects, leading private sector players are nimble and active in ensuring quality and securing new buyers and markets. It is necessary to leverage the strengths of leading private sector players in AVCs to enhance the vitality and sustainability of project-supported export activities. In the same vein, the evaluation of the Eastern Africa Project recommended to ensure that private sector partners' and beneficiaries' priorities and needs are always addressed in project design; and it concluded that having TISIs and other private and public-sector representatives involved in delivering training and disseminating information to the SMEs was important for achieving results.

Recommendation VII: To include public and commercial financial services providers as partners in AVCs.

101. It is advisable to include public and commercial financial services providers as partners in AVCs, so that SMEs and farmers can establish a credit record with local financial services — be it a credit union, agricultural bank or commercial bank. A good credit record is a precondition for rural SMEs and farmers to access financial services in a sustainable manner. Project design could also include assistance to farmers' associations in obtaining a credit line for procuring production facilities, such as packaging centres and storage units that streamline the value chain processes.

Annex I. Evaluation criteria and crosscutting dimensions

The evaluation criteria applied at ITC are consistent with the OECD-DAC evaluation criteria and the UNEG Norms and Standards.¹² ITC applies the standard five evaluation criteria in project evaluation:

- *Relevance*. It is to assess the consistency of the objectives of an intervention with ITC's corporate goals and comparative advantages, the client country's development strategy or policy priorities, and the needs of beneficiaries. The adequacy and coherence of the components of the intervention and the related strategy to achieve those objectives should be assessed as well.¹³
- *Effectiveness*. It is to assess that to what extent the intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance.
- *Efficiency*. It is to assess that to what extent the intervention has converted its resources and inputs (funds, expertise, time, etc.) economically into results.¹⁴
- *Sustainability*. It is to assess the likelihood of continued long-term benefits of the interventions and the resilience to risk of net benefit flows over time.
- *Impact*. It is to measure changes that have occurred or are expected to occur upon the partners and beneficiaries, and to indicate the positive or negative, direct or indirect, intended or unintended medium- to long term results, caused by the interventions.¹⁵ The impact domains aligned to UN 2030 SDGs will be considered in assessing impact.

For the purpose of the present report, Evaluation criteria are complemented with the gender equality and women's empowerment crosscutting dimension:

- *Gender equality and women's empowerment*. It is to assess whether gender equality and women's empowerment are sufficiently embedded in the interventions, and the extent to which interventions have contributed to better gender equality and women's empowerment through interventions.

¹² OECD-DAC Glossary of Key Terms in Evaluation and Results-Based Management

¹³ ECG, Good Practice Standards for the Evaluation of Public Sector Operations, 2012 Revised Edition

¹⁴ The concept of value for money could be largely covered by assessing the efficiency, effectiveness of and impact of the intervention.

¹⁵ IFAD, Evaluation Manual, 2015 edition

Annex II. Evaluation rating system

A 6-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 considerations for different elements of the criterion. For example, the rating for Relevance should be based on balanced considerations for its 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.¹⁶

Rating scale for evaluation

<i>6-point rating system</i>	
6 Highly satisfactory	A project with Overwhelming 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 results, clearly outweighing positive results.
1 Highly Unsatisfactory	A project with material negative results and with no material redeeming positive results.

¹⁶ "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." Guidelines for the Evaluation of Public Sector Operations, Asian Development Bank.

Annex III. Brief description of projects evaluated in 2016

EIF Cambodia project on high value silk export

The EIF-funded Cambodia Export Diversification and Expansion Programme Part I (CEDEP) was implemented in 2012-2016, consisting of three components: (i) milled rice export capacity enhancement, (ii) high value silk export capacity enhancement, and (iii) monitoring and evaluation capacity strengthening. ITC was in charge of the second component, which accounted for 41 percent of the programme budget. The intervention logic of the component was to increase the competitiveness, income and employment of the silk sector through raising sales, improving product quality and enhancing capacity for public and private stakeholders to jointly manage the strategic direction of the sector. The main activities entailed the creation of a national silk board, development of a silk sector strategy, identification of new market opportunities, participation in trade fairs, and organization of training workshops for both exporters and weavers, the primary suppliers of silk products.

Tunisia project in textile and clothing sector

The Tunisia Project to Support the Competitiveness of the Value Chain of the Textile and Clothing Sector is funded by SECO with 3 million USD, for implementation from December 2014 to March 2018. An additional contribution of 0.4 million USD comes from the Tunisian Ministry for Commerce and Industry. The objective is to improve and strengthen the sector value chains, diversify product ranges, consolidate existing and access new markets, and optimize the services of TISIs. The intervention strategy consists of three components, all implemented by ITC: 1) increasing the export competitiveness of 37 (potentially) exporting enterprises; 2) capacity-building of TISIs; and 3) support of educational institutions for improved vocational training.

NTF II Bangladesh Project

The NTF II Bangladesh project aimed to support increases in exports from the growing IT/ITES sector to the EU and other markets. With more than 400 outsourcing companies in the sector and a wide pool of trained IT engineers, this sector possessed export potential. The major challenge was that the majority of companies had no international marketing experience or business connections. Besides, the IT/ITES trade and investment support institutions (TISIs) in the country were not prepared to provide business-to-business (B2B) matchmaking services to connect Bangladeshi companies with EU buyers. The project was designed to address these difficulties faced by existing and potential exporters.

NTF II Uganda Project

The NTF II Uganda project was supporting coffee export. It aimed at better connecting small coffee farmers to the international coffee value chain, through improving Ugandan coffee production to a critical level in both quantity and quality. The project reinforced the collective marketing operated by the Uganda National Union of Coffee Agribusinesses and Farm Enterprises (NUCAFE), a coordination body of coffee farmers' associations. Through capacity building support to NUCAFE on enhanced services to coffee farmers, small farmers — as coffee producers and exporters — were put in the position to sell, in bulk, good quality coffee beans through NUCAFE to the European markets. Another parallel result chain of the project targeted policy advocacy.

SECO-funded Tajikistan and Kyrgyzstan project

ITC implemented on behalf of SECO the second phase of one project in the Kyrgyz Republic (USD 2.5 million) and one in Tajikistan (USD 2.15 million) from 2013-2016. The first phases started in 2009. The overall objective of both projects was to contribute to income generation and job creation. The intervention used a multi-level approach, intervening at 1) the micro level to promote the export competitiveness of garment and textile-related handicraft SMEs; 2) the meso level to improve and broaden capacities of TISIs; and 3) the macro level to contribute at the policy level through better sectoral policies and export promotion. Main instruments were training and technical assistance with sourcing, marketing and quality management, the organization of trade fairs, establishment of new contacts and sector strategies, and financing of studies.

Promoting Intra-regional Trade in Eastern Africa Project

This project was funded by the Government of Finland with USD 5.5 million in the period of December 2013-June 2016. It was comprised of three initiatives in the agri-business sectors of Kenya (mango & chili), Tanzania (honey, mango and spices), and Zambia (honey). Its objective was to develop inclusive economic value chains and foster trade integration that would be achieved through a twofold outcome strategy: 1) Increased export competitiveness of SMEs through improved and more professional management that implicate product and productivity gains; and 2) Increased performance of trade and investment support institutions through enhanced managerial and operational capacities and a service portfolio. For some activities, ITC partnered with organizations and companies such as the Bosch Group, which invested funds for the delivery of training.

Coconut Industry Development for the Caribbean: Development of value added products and intra-regional trade to enhance livelihoods from coconuts

The recipient countries are nine coconut producing countries: Belize, Dominica, Dominican Republic, Guyana, Jamaica, St. Lucia, St. Vincent and the Grenadines, Surinam, and Trinidad and Tobago. The project 2014-2018 is entirely funded with 3.5 million Euros by the 10th European Development Fund (EDF). ITC is the lead implementing partner responsible for the overall implementation of the project. It contracted additionally the Caribbean Agricultural Research and Development Institute (CARDI) for implementation assistance.

The objective is to increase food availability and reinforce incomes of small scale farmers. Its achievement is based on the intervention logic of enhancing small scale coconut producers' competitiveness through better regional integration and improved production performance. Outcomes assigned to ITC are the establishment of synergy effects between economic actors and programmes, improved dissemination and access to information and advisory services. This entails activities such as training on management, the creation of National Stakeholder Platforms (NSP) and country roadmaps, value chain analyses, the provision of information services and development of financial mechanisms. As a complement, CARDI conducts training, research and development on production and risk management for greater access to and application of respective instruments and methods.

EIF Chad: Projet de renforcement des capacités commerciales de la filière gomme arabique Tchadienne / Project to strengthen the commercial capacities of the Arabic Chadian rubber sector

The project has been jointly funded by the special fund (*Fonds d'Affectation Spéciale*) of the Chadian Enhanced Integrated Framework (Unité de mise en Oeuvre Cadre Intégré Renforcé du Tchad (UMOCIRT)), the Chadian government and the UNDP for a period of three years (July 2014-May 2017). The objective is to increase exports and make Arabic Chadian rubber competitive and sustainable, while increasing all actors' profits in the production and commercialization process simultaneously. Implementation bodies are UMOCIRT in cooperation with local NGOs, ITC and UNIDO. UMOCIRT 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 include consultation during the project design, training and guidance for enterprises, the provision of informational services, and the identification of market opportunities.

Pakistan: Assistance to the design and implementation of trade policy and regulatory reform to improve export possibilities

The Pakistan Trade Related Technical Assistance Programme (TRTA II) was funded by the EU and covered the period from 2009 to 2016. With an overall objective to reduce poverty, create job and better working condition in Pakistan, the programme consisted of three components: (i) trade policy capacity building, (ii) quality infrastructures and export promotion, and (iii) intellectual property. ITC was responsible for component 1, while UNIDO and WIPO implemented respectively components 2 and 3. The intervention logic of the ITC component was to "increase the relevance and effectiveness of trade policy" through capacity building for government officials and trade related institutions (Pakistan Institute of Trade and Development, PITAD and Competition Commission of Pakistan, CCP), as well as contributing to the development of a national export strategy, the Strategic Trade

Policy Framework (STPF). The main instruments used were trainings, developing training modules, conducting research studies and holding public-private dialogues (PPD).

EIF Nepal: Pashmina enhancement and trade support (PETS), mid-term evaluation

The PETS project has been funded by the Enhanced Integrated Framework (EIF), with in-kind contribution from the Government of Nepal. Commenced in 2013, the project aims at contributing to economic and social development through export growth and market diversification of Chyangra Pashmina (CP) products manufactured in Nepal, through interventions along its value-chain and through strengthening the capacity of the sector association, Nepal Pashmina Industries Association (NPIA). The main activities involved are the development of NPIA's business development plan and member services, enhancement of CP manufacturers' product design and development capacities by partnering with a local design institution, and the promotion of CP label and products in priority markets.

Annex IV. Implementation status on the recommendations of the 2016 Peer Review of the ITC Evaluation Function

June 2017

Recommendations provided by the Peer Review Report	Management Response (Agree, Partially Agree, Disagree)	Action planned / taken Justifications for partially agreed and disagree (indicative timeline)	Update by June 2017
<u>Independence</u>			
<p>Evaluation Policy</p> <p>182. It would be prudent to conduct reviews of the evaluation policy periodically to align it with the evolving international standards and gradual embedding of evaluative norms within the organization. The evaluation policy in its next iteration should consider more clarity on the independence dimension of EU, as elaborated below.</p>	Agree	<p>1. The Evaluation Policy 2015 is aligned with international standards. Future periodical updates of the policy will ensure the same.</p> <p>2. The next iteration of the policy will describe the independence dimension of the EU more clearly.</p>	<p>1. To be implemented. As per the recommendation on reviewing the Evaluation Policy, the review of the Policy 2015 will take place in 2019. This tentative plan is based on the consideration that the work in 2018 on promoting the use Evaluation Guidelines and conducting staff training on evaluation, self-evaluation and project completion report will generate useful lessons and feedback for revising the Policy. The experiences and learning accumulated in the process of testing Guidelines and conducting training, together with the recommended issue of independence dimension, will be reflected systematically in this review.</p>
<p>Structural and functional independence</p> <p>183. On the strength of the evidence-based observations and arguments made in paras 79 and 89, and taking note of the organizational context and needs, the Panel strongly recommends that the Evaluation Unit should be granted a distinct functional status, ideally separate from</p>	Agree with option two	<p>3. The EU will continue to have a distinct functional status within SPPG, with a direct reporting and communication line with ED/DED. The SPPG setting and support will be a strategic leverage for the EU to implement the Evaluation Policy and Guidelines and to support the corporate results framework.</p>	<p>2. Implemented. Late 2016, and in line with the recommendation, ITC has assigned in ITC organigram a direct reporting and communication line with ED/DED, and renamed the EU as Independent Evaluation Unit (IEU). The Unit has a distinct functional status within SPPG, as the SPPG setting and support is a strategic leverage for the IEU to implement the Evaluation Policy and Evaluation Guidelines and to support the corporate results framework.</p>

2017 ANNUAL EVALUATION SYNTHESIS REPORT

<p>SPPG and located within the office of and reporting directly to the Executive Director. Alternatively, at a minimum, continue within SPPG but with a separate functional status with direct reporting/communication line with ED/DED. Given the current state and importance of Results Based Management in ITC, EU's technical advisory role on methodology of RBM should be pursued in full strength. Given its technical competence EU should spearhead the impact assessment initiatives in ITC drawing from experience of other UN system organizations.</p>		<p>4. Within SPPG, EU has contributed to the discussions on an improved RBM methodology at corporate and programme levels and will remain engaged in future discussions.</p> <p>5. EU will further elaborate ITC's impact approach, based on a broad literature review and practical learning from an ongoing ITC impact assessment, and will present the approach as part of the Guidelines for Independent Evaluation and Impact Assessment, which are currently being drafted. (The Guidelines will be issued within 2016.) Once the methodology on impact assessment is finalized, EU will develop a Working Note on how to enhance ITC's impact and results assessment through collaboration with operational divisions and external stakeholders. (2017-2018)</p>	<p>3. Within SPPG, IEU has continued to participate in the activities for an improved RBM methodology at corporate and programme levels. For example:</p> <ul style="list-style-type: none"> - Since 2017, IEU is participating regularly in the SPPG-divisions Planning and Performance Coordination Meeting, to update on evaluation activities and advisory services, collect feedback and benefit from the discussions on monitoring and planning matters. - Also in 2017, the IEU has implemented the practice of Project Completion Report (PCR), and has reviewed and aggregated the learning points in the PCRs. <p>4. Taking into account the ITC results Framework and ITC corporate Theory of Change, the Evaluation Guidelines 2017 have tailored ITC's evaluation approach to assess impact at ITC. These impact methods are also included in the 2017 staff training on evaluation and self-evaluation.</p> <p>5. To enhance the understanding and practical use of impact assessment for ITC's projects, IEU has piloted a formal impact assessment in 2016, and the methodological learning from this practice has been integrated in the Guidelines.</p>
<p>184. EU's pursuit of methodological rigour in evaluation should be enhanced by allowing its Head to exercise his/her full autonomy (without interference) in managing evaluation process, choice and application of robust</p>	<p>Agree</p>	<p>8 In line with the Evaluation Policy 2015, the full autonomy of EU's Head is already supported and respected by ITC's management, in terms of managing evaluation process, including evaluation clearance and diffusion, choice and application of robust methodologies, seeking and leveraging</p>	<p>6. Implemented. In terms of managing the evaluation process, proceeding to the choice and application of robust methodology, seeking and leveraging collaboration of other units/ entities, the autonomy of IEU's Head is encouraged and supported by ITC's management.</p>

<p>methodology, seeking and leveraging cooperation/collaboration of other units/ entities.</p>		<p>cooperation and collaboration of other units and entities. Furthermore, the EU has the authority to issue guidelines and establish its work plan.</p>	<p>7. The IEU independently implements all proposed evaluations and other tasks in compliance with the Evaluation Policy and Guidelines, which stipulate the evaluation methodology, process and quality expectations.</p> <p>8. In line with the Evaluation Policy 2015, the Head of IEU has the authority, in consultation with ED/DED, to issue Evaluation Guidelines, evaluation reports and evaluation communication products, and to conduct training and other support to project teams on evaluation and self-evaluation matters.</p>
<p>185. The Panel considers that the position level of the Head of EU should be upgraded to P5 to provide a level of seniority equivalence which would facilitate exercise of functional independence in managing this function.</p>	<p>Partially agree</p>	<p>9 In line with the Evaluation Policy 2015, the autonomy of the Head of the EU over the evaluation function in ITC has been, and will continue being strongly supported and respected by ITC's management.</p> <p>10 The post level is dependent on ITC's organizational development needs and resources available, and in line with UN/WTO rules.</p>	<p>9. Implemented in ITC's organizational context. In respect to the Evaluation Policy 2015 and as supported by the ED and DED, the Head of IEU has recognition, autonomy and budget to implement the annual evaluation work programme properly.</p>
<p>Evaluation Work Plan</p> <p>186. The finalization of the work plan should be independently vested with the Chief of EU. The Panel also recommends that the current dichotomy between funder led evaluation and EU managed ones should be minimized and bridged through establishing proper consultation mechanisms. This would facilitate addressing the commonly perceived issues</p>	<p>Agree</p>	<p>11 The Head of the EU has the autonomy to finalize the Evaluation Work Programme and Budget based on broad consultations, organizational development needs, and resources available.</p> <p>12 The EU will exchange information with funders on ITC evaluation plans and will coordinate ITC evaluation plans taking into consideration stakeholders' interests. The Evaluation Work</p>	<p>10. Implemented. The IEU proposes every year, an Annual Evaluation Work Programme and Budget (AEWPB), which is presented by the IEU's Head to the Senior Management Committee (SMC). The Head of the IEU has the autonomy to finalize the AEWPB, based on broad consultations, organizational development needs, and resources available. Since 2014, the draft AEWPB has been presented by the Head of IEU to SMC for comments and endorsement.</p> <p>11. The 2017 AEWPB has included funder-led evaluations in ITC's work programme, in view of</p>

<p>and help generate recommendations which are relevant and mutually reinforcing.</p>		<p>Programme and Budget will be shared with JAG/CCITF members for information. (From 2017 onwards)</p>	<p>closer coordination with funder agencies in evaluation practices.</p> <p>12. To be further implemented. From 2017, IEU will present the draft 2018 AEWPB to CCITF before finalizing it, to ensure active collaboration. In 2018, the IEU will liaise with funders on their respective evaluation plans in relation to ITC's operations to assure coordination.</p>
<p>Budget for Evaluation</p> <p>187. Predictability of resources and autonomy for managing it is important for the independence and credibility of the evaluation function. The ITC management should ensure that the evaluation function has an adequate level of predictable budgetary resources at its disposal. For transparency and accountability purposes, the annual evaluation work plan should be budgeted and resources should be specifically allocated to various types of evaluations under EU's control. All projects and programmes considered strategically important or above a minimal financial level (as decided by ITC management and prescribed in the Evaluation guidelines) should have a mandatory budget for evaluations.</p>	<p>Agree</p>	<p>13 Predictability of resources and autonomy for managing them has been enforced as of 2016: For the first time, an evaluation budget is included as a separate item in the regular budget "ITC Programme Budget for the Biennium 2016-2017", approved by the UN General Assembly and by the WTO General Council.</p> <p>14 The 2016 Evaluation Work Programme and Budget has already moved towards results-based evaluation planning. It provided a budget allocation for each deliverable, categorized as independent evaluations, advisory services, self-evaluations, impact survey, training, etc. In future, the EU shall further enhance the results-based budget for each item in the Evaluation Work Programme and Budget. (from 2017)</p> <p>15 Beyond the regular budget, other budgets are available for programme</p>	<p>13. Implemented. The ITC management ensures that the evaluation function has an adequate level of predictable budgetary resources at its disposal. Predictability of evaluation resources and autonomy for managing them have been enhanced since 2016: an evaluation budget is included as a separate item in the regular budget "ITC Programme Budget for the Biennium 2016-2017", approved by the UN General Assembly and by the WTO General Council. This practice is continued in preparing the ITC Programme Budget for the Biennium 2018-19.</p> <p>14. For transparency and accountability purposes, the 2016 and 2017 AEWPBs are budgeted and resources are specifically allocated to various types of evaluations under IEU's control. The 2016 and 2017 AEWPB have already moved towards results-based evaluation planning. They provided a budget allocation for each deliverable, categorized as independent evaluations, advisory services, self-evaluations, impact survey, training, etc.</p> <p>15. In line with Evaluation Policy 2015 and the Evaluation Guidelines 2016, beyond the regular</p>

		<p>and project-level evaluations managed by the Evaluation Unit. Since 2015, ITC's project appraisal committee (PAC) has enforced the requirement that all large projects allocate a budget for evaluation in the Project Plan. This budget is to be used under EU's control when the evaluation is included in the Evaluation Work Programme and Budget as an independent evaluation.</p>	<p>budget, dedicated parts of project budgets are available for project-level evaluations managed by the IEU.</p> <p>16. Since 2015, ITC's project appraisal committee has enforced the requirement that all large projects with budget above USD 2 million allocate a budget for evaluation in the Project Plan, subject to the agreement of the funder. This practice will be continued by the newly-created project Design Taskforce. In the case of a self-evaluation, the budget is reserved for the purpose. When the evaluation is included in the AEWPB as an independent evaluation, this budget is to be used for the evaluation and under IEU's authorization.</p>
<p>188. Enhance EU's technical leadership and coordination role in bringing all evaluation streams (projects, funder-led) in ITC under a coherent structure and ensure compliance with same quality standards, although implementation may be decentralized.</p>	<p>Agree</p>	<p>16 Through various in-house consultations in 2015, it was agreed by ITC Management, SPPG and the EU that the EU should include funder-led evaluations in the learning scope of future Annual Evaluation Synthesis Reports. The EU has started working on this task in 2016, as evidenced by the 2016 Annual Evaluation Synthesis report.</p> <p>17 In line with the Guidelines on Self-evaluation, the EU will provide advisory services on self-evaluation, mid-term review, and project completion reports at ITC, and will conduct quality validation on self-evaluation products.</p> <p>18 The EU will also liaise with funders on their respective evaluation plans in relation to ITC's operations.</p>	<p>17. Implemented. As seen in the practice of developing 2016 and 2017 AEWPBs, the funder-led evaluations together with ITC's planned independent evaluations and self-evaluation are included in ITC's structure for evaluation planning.</p> <p>18. Concerning quality standards for evaluation, the IEU has developed ITC-tailored quality standards taking into account the specificities of ITC's Results Framework and ITC's corporate Theory of Change. These have already been used in IEU's advisory services to project managers undertaking self-evaluation or subject to a funder-led evaluation.</p> <p>19. In terms of the learning scope of evaluation, the IEU has included since 2016, ITC's independent evaluations, self-evaluations and funder-led evaluations in the learning scope of ITC's Annual Evaluation Synthesis Reports, including a</p>

2017 ANNUAL EVALUATION SYNTHESIS REPORT

		(From 2016 onwards) to assure unified quality standards and coordination.	dedicated learning section on external evaluations. 20. To be further implemented. Concerning quality standards for evaluation, the IEU will liaise with funders on the quality standards that are used in ITC within the context of ITC's Results Framework.
Utility			
Evaluation coverage 189. External Independent Evaluation (2014) and the OIOS review of ITC (2015) both pointed out the paucity of evidence of results of ITC initiatives as a critical issue for the organization. This would require the Evaluation Unit to do more in terms of volume and coverage to generate credible evidence of results and impact. The introduction of self-evaluation should be effected as planned and their quality compliance should be monitored by EU.	Agree	19 EU has taken the initiative to expand the volume and coverage of evaluations in ITC through pursuing and facilitating three types of evaluations: independent evaluations, EU quality validated self-evaluations and project completion reports (as a form of self-evaluation). In the coming years, the effective implementation of this strategy will enable: (i) the independent evaluation to increasingly focus on strategic themes and policies at corporate level, including country evaluations and ITC programmes; (ii) self-evaluation to gradually cover all large projects, and, (iii) all projects to be subject to a project completion report. 20 With time, this three-tier evaluation and self-evaluation framework will generate a broader evidence base for ITC's development results. (From 2017 onwards)	21. Implemented. As outlined in the 2017 AEWPB, the volume and coverage of evaluation in ITC has been expanded through pursuing and facilitating independent evaluations conducted by IEU, self-evaluations of large projects, and project completion reports (PCRs) for all project (as a form of self-evaluation), and by integrating funder-led evaluations within the AEWPB. With time, this expanded scope of evaluation will generate a broader evidence base for ITC's development results. 22. In terms of self-evaluation, the IEU has developed quality compliance rules for self-evaluation within the 2017 Evaluation Guidelines, which have been put into practice in the monitoring of self-evaluations undertaken in 2017. In addition, the IEU has expanded the coverage of self-evaluations with the launch of PCRs for projects to be submitted within 3 months period after project closure. Learning points emerging from this first cohort of projects have been integrated in the 2017 Annual Evaluation Synthesis Report. In future, the IEU will continue expanding the scope of self-evaluation, including the PCR with a view to

<p>190. To the extent that the project evaluations are delegated at the Departmental level and funder managed evaluations are carried out in seclusion, a corporate mechanism should be instituted and managed by EU that ensures that these different evaluation streams comply with an integrated set of methodological and quality standards.</p> <p>191. The EU should be informed of the process of evaluations commissioned elsewhere within ITC and be involved with their quality assurance. Consideration should be given to identifying explicit criteria for selection of evaluations that ensure good coverage of ITC's work programme and thematic priorities and include strategic evaluations, evaluations of sub-programmes and country-level evaluations.</p>	<p>Agree</p>	<p>21 As mentioned above, the Evaluation Unit is working to build a three-tier evaluation and self-evaluation framework at ITC. The Guidelines for independent evaluations and self-evaluations will be implemented accordingly for enhancing quality, and the EU will conduct quality validation on self-evaluation and project completion reports. (From 2016 onwards)</p> <p>22 As mentioned above, on funder-led evaluations, the EU will engage with funder representatives and evaluation offices, to ensure the compliance with an integrated set of methodological and quality standards. (From 2016 onwards)</p> <p>23 On selection criteria for independent evaluations managed by the EU, EU's strategy is to increasingly cover strategic evaluations, evaluations of sub-programmes and country-level evaluations. The EU will also develop a Strategic Note and a plan on country-level evaluations and sub-programme evaluations. (2017-2018)</p>	<p>encourage project teams to reflect and learn on project performance.</p> <p>23. Implemented. The Evaluation Guidelines 2017 has elaborated the process and methodology for independent evaluations and self-evaluations, including PCRs. A related training programme, designed for project managers and staff, is in the process of being deployed.</p> <p>24. To enhance quality of various evaluation and self-evaluation processes and products, IEU provides regular and ad-hoc advisory services to project managers on funder-led evaluation and self-evaluation, including PCRs.</p> <p>25. As evidenced in the 2017 AEWPB, the IEU has launched its first strategic evaluation in 2017. As a result, IEU's strategy is increasingly covering strategic evaluations, evaluations of sub-programmes and country-level evaluations.</p> <p>26. To be further implemented. A regular training programme is planned to start in Q4 2017.</p> <p>27. In addition, the IEU will develop a Strategic Note and a plan on country-level evaluations and sub-programme evaluations during the biennium 2018-2019.</p>
<p>Management Response and Follow-Up</p> <p>192. The management response system for evaluations established and refined over</p>	<p>Agree</p>	<p>24 The upcoming Guidelines for Independent Evaluation and Impact Assessment will provide clarifications on the responsibility between the evaluation function and</p>	<p>28. Implemented. IEU has been following up on management responses to evaluation recommendations. The Evaluation Guidelines 2017 provides further clarifications on the responsibility between the evaluation function and the line management</p>

2017 ANNUAL EVALUATION SYNTHESIS REPORT

<p>years since inception seems to have gained currency. ITC should establish a clear division of responsibility between the evaluation function and the organization's line management regarding the management of the response to evaluations. While the macro data on status of implementation of management responses is maintained and periodically reported to SMC by EU, the responsibility for ensuring compliance of implementation of agreed actions remains with the line department. This accountability for implementation needs to be enforced at the same time.</p>		<p>the line management regarding the management of the response to evaluations. (2016)</p> <p>25 The EU will continue following up periodically on the implementation status of evaluation recommendations, and report to SMC annually. The accountability for ensuring compliance of implementation of agreed actions remains with the Divisional directors and sector Chiefs. EU supports them through technical support and follow-up actions.</p>	<p>regarding the management of the response to evaluations. The accountability for ensuring compliance of implementation of agreed actions remains with the Divisional directors and section Chiefs. IEU supports them through technical support and follow- up actions.</p> <p>29. IEU continues following up periodically on the implementation status of evaluation recommendations, and the implementation status is also reported in the Annual Evaluation Synthesis Report.</p>
<p>Organizational learning and Knowledge Management</p> <p>193. The EU should establish mechanisms to systematically harvest and share lessons from existing evaluations. Annual evaluation synthesis report has been institutionalized and has been an effective mechanism for sharing evaluation results with SMC and within the organization. However the essence of lessons and organizational learning must percolate to the higher layers and governance for informing and enriching their perspective for decision making. The strategic and thematic evaluations of organizational significance and</p>	<p>Agree</p>	<p>27 A Strategic Plan on Evaluation Learning, Communication and Knowledge Management will be developed by the EU in close consultations with ITC management, staff and stakeholders. (2017)</p> <p>28 Among others, one key initiative to be addressed in the Plan is the consultation and communication with ITC stakeholders and evaluation clients through JAG, CCITF, bilateral meetings, and various occasions in project countries.</p> <p>29 The EU has been exploring various approaches to enhance learning</p>	<p>30. Implemented. The Evaluation Guidelines 2017 has emphasized organizational learning, communications and knowledge management, and elaborated on related activities in evaluation practice. IEU has been taken various measures in enhancing communications and knowledge management. For example:</p> <ul style="list-style-type: none"> - IEU explored various approaches to enhance learning through the Annual Evaluation Synthesis Report (AESR) mechanism. Since 2014, it has been disseminated to JAG members. - Evaluation Communication Notes have been produced for major evaluation products, including evaluation reports and publications. <p>31. To be further implemented.</p>

<p>annual evaluation synthesis reports should be presented to JAG in a systematic way as part of organization's substantive accountability and evidence of ITC's development effectiveness.</p>		<p>through the Annual Evaluation Synthesis Report (AESR) mechanism. Since 2014, it has been disseminated to JAG members. EU also employed various innovative evaluation approaches such as piloting a rating system in AESR 2014, highlighting selected learning themes in AESR 2015, and including learning from external evaluations in AESR 2016. There is a need to further develop communication products and reach out to ITC stakeholders and evaluation clients through regular consultations and customized products.</p> <p>30 In 2016, the EU also issued the first Evaluation Communication Note. Evaluation Communication Notes will be produced for all major evaluation products, including evaluation reports and publications. (2016-2017)</p>	<p>During the biennium 2018-2019, a Strategic Plan on Evaluation Learning, Communication and Knowledge Management will be developed by the IEU in consultations with ITC management, staff and stakeholders.</p> <p>32. IEU plans to pilot innovative communications through social networks and online fora in 2018-2019.</p>
---	--	---	--



Street address
International Trade Centre
54-56 Rue de Montbrillant
1202 Geneva, Switzerland



P: +41 22 730 0111
F: +41 22 733 4439
E: itcreg@intracen.org
www.intracen.org

Postal address
International Trade Centre
Palais des Nations
1211 Geneva 10, Switzerland