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# INDEPENDENT EVALUATION OF THE INTERNATIONAL TRADE CENTRE

**TERMS OF REFERENCE** 





# 1. BACKGROUND

The International Trade Centre's (ITC) mandate is to enable small business export success in developing and transition-economy countries, by providing, with partners, sustainable and inclusive development solutions to the private sector, trade support institutions and policymakers.

The diagram below<sup>1</sup> shows how ITC's mission, strategic objectives and areas of intervention are related to each other. The circle in the centre summarizes the mission, which ITC is working towards in partnership with ITC three groups of beneficiaries: Policymakers, Trade support institutions and Enterprises. The next level includes the five strategic objectives, along with the service areas underpinning each objective. ITC's actual interventions fall under one or more service area.



In 2006, a comprehensive evaluation of the ITC was undertaken, co-financed by Canada, Denmark, Finland, Germany, Norway, Switzerland and the United Kingdom.<sup>2</sup> Denmark was the lead agency in the evaluation. The evaluation forwarded 34 recommendations for follow-up, including putting a stronger emphasis on impact and results, a move to larger, more

<sup>&</sup>lt;sup>1</sup> Annual Report 2011, ITC at a glance, page 6. http://www.intracen.org/about/annual-report/

<sup>&</sup>lt;sup>2</sup> Evaluation of the International Trade Centre. DMI Associates, in association with Ticon DCA, Copenhagen DC & ACE-Global. February 2006. http://www.itcevaluation.org/pub/

integrated programmes, and a focus on sustainable development and the Millennium Development Goals (MDGs). Following the evaluation, ITC experienced a change in senior management, which subsequently undertook to implement many of the 2006 evaluation recommendations, including through an ITC-wide change management process. Six years later, ITC has emerged from this process having significantly re-worked its internal systems and its approach to programming.

In 2012, ITC and donors decided on a joint independent evaluation of ITC. The rationale for such an evaluation is to follow up on progress made by ITC since 2006, with a view to enhancing ITC's ability to deliver on its mandate. The present evaluation is to be viewed as an opportunity to take stock of progress in implementing the recommendations of the 2006 evaluation while also giving direction for the years to come, and identifying any issues that remain to be addressed. It may serve to give guidance and direction to the new Executive Director who will replace the current Executive Director in 2013.

This document contains the proposed Terms of Reference (TOR) for the evaluation. It is intended to ensure consensus between donors, beneficiaries and ITC management of the evaluation's objectives, the consultant selection process and the division of roles and responsibilities for the evaluation Steering Committee and the Management Group.

The evaluation will take into account the legislative framework of ITC, which is:

- A subsidiary organ of the World Trade Organization (WTO) and the United Nations Conference on Trade and Development (UNCTAD) and;
- Subject to the United Nations financial and staff regulations and rules.

# 2. PURPOSE

The purposes of the ITC evaluation are threefold:

- 1. Review progress made and lessons learnt in the follow-up to the previous ITC evaluation in 2006;
- 2. Support accountability to parent organizations, donors and beneficiary countries of ITC by demonstrating the results and impact of ITC's activities since 2006; and
- 3. Recommend strategic and operational direction to the organization for the years ahead.

The results of the evaluation are intended to be used by ITC staff and management, as well as by ITC's beneficiaries, and by existing and potential donors.

# 3. SCOPE AND EVALUATION QUESTIONS

The evaluation will focus on the time period 2006-2012.

The evaluation will follow a comprehensive approach. Through desk studies<sup>3</sup>, it will cover all projects and programmes developed by ITC as well as the entirety of its governance, legislative, organizational and operational structures and processes. The evaluation will also take into account other evaluations of ITC activities undertaken in the 2006-2012 period<sup>4</sup>.

In order to verify the preliminary conclusions of the desk studies and to undertake a more indepth and detailed analysis, the evaluation will cover a representative sample of ITC's operations, both through an assessment of ITC programming at its headquarters in Geneva as well as in the field. This will include approximately six to ten field missions to countries or regions where the organisation is active, in particular countries in Africa. Location of the field missions will be selected in collaboration with the evaluation Steering Committee (see section 6 – Management Arrangements). Input should also be solicited from the ITC donors and beneficiaries.

The evaluation will be independent and, in line with internationally accepted norms and standards, will evaluate the extent to which ITC's work has been relevant, effective, and efficient, what impact its activities have had, and assess the sustainability of the interventions. To ensure coherence with the three purposes of the evaluation, questions have been grouped according to the three purposes. While efforts have been made to avoid overlap, aspects of some questions may overlap somewhat with others.

The evaluation will address what lessons with regard to impact, strategy and management can be learned from ITC's operations over the past six years, and will generate related recommendations.

Tendering companies should indicate how each of the evaluation questions will be answered; indicating what methodology / analysis and data will be used in each case. The following series of questions have been determined on the basis of the recommendations of the 2006 evaluation, and on the input of donors and beneficiaries through consultation<sup>5</sup>.

# Purpose 1: Progress Relevance

- To what extent has ITC changed its orientation and its management approach to focus more fully on the rapidly changing needs of beneficiaries? How are ITC and its products considered to be useful for its beneficiaries?
- To what extent is ITC undertaking systematic needs assessments to ensure products and services it delivers are relevant to beneficiaries and cost-effective? To what extent are the results of needs assessments embedded in ITC's strategy?
- To what extent has ITC improved its communications, planning and reporting of activities to make its operations more visible and relevant?

<sup>&</sup>lt;sup>3</sup> A list of relevant reference material including documents, websites, publications etc. is to be established by the Management Team.

<sup>&</sup>lt;sup>4</sup> A list of such evaluations is to be established by the Management Team.

<sup>&</sup>lt;sup>5</sup> See the Evaluation of the International Trade Centre UNCTAD/WTO Synthesis Report at http://www.itcevaluation.org/pub/?id=12&sid=26&lid=539

#### **Effectiveness**

- To what extent has ITC's change management process rendered the organisation more effective in terms of its programme delivery and capacity to report on results?
- Has a relevant performance management framework been established at the corporate level at ITC? What improvements, if any, could be made in this area?
- To what extent has ITC strengthened its evaluation function, including separating it from operations and linking it to RBM, as recommended by the previous evaluation? What improvements, if any, could be made in this area?
- To what extent has ITC integrated gender considerations into its planning and programming processes? Has this included collection and disaggregation of data and reporting?
- To what extent has ITC's change management process helped to build common values for the organisation among staff at all levels?
- To what extent has ITC improved its use of partnerships with other multilateral, regional, and country-level actors?
- To what extent does ITC use performance standards for partner organisations as a condition for their certification to partner with ITC?
- To what extent has ITC organized and managed its internal resource allocation process to ensure that the system of financial incentives consistently supports the achievement of the organisation's strategic goals?
- To what extent are timely responses to beneficiary countries hampered by travel and multiple assignments when the person in charge is responsible for several programmes in different countries?

# **Efficiency**

- To what extent has ITC improved in concluding its projects and programmes within the stipulated timeframe and agreed funding?
- How efficient are ITC's processes for priority identification and approval of activities?
   Could improvements be made to speed up project approval while ensuring overall strategic coherence?
- What progress has been made in the implementation of an efficient accountability framework in ITC, including cost transparency?
- To what extent are ITC's communication and publication expenditures cost-efficient, particularly compared to the scale of its projects and programmes?

# **Impact**

- To date, to what extent has ITC's investment in RBM enabled the organisation to more effectively demonstrate impact of its work?
- In particular, has it established indicators that help demonstrate results, and have these indicators been implemented such that they can be measured at end-user/beneficiary level?

# **Sustainability**

 To what extent has a Human Resource Management function been developed since 2006 to ensure efficient recruitment and professional staff development within United Nations Staff Rules and Regulations?

- Has ITC trained relevant local stakeholders to ensure results in beneficiary countries once ITC interventions are completed?
- To what extent is the RBM system at ITC operating in a way that is contributing to organizational learning and improvements in programme delivery?

# **Purpose 2: Results**

#### Relevance

- To what extent is ITC's contribution to the MDGs, including gender equity, environmental sustainability, and poverty reduction effective? Operationally, has the organization sufficiently integrated relevant MDGs in its programming and operations?
- From the perspective of its beneficiaries, donors, and other organizations operating in this field, what is ITC's reputation and how could this be strengthened?

#### **Effectiveness**

- What areas of intervention and solutions delivered by ITC have been most effective in terms of meeting the needs of its beneficiaries and contributed to government justification for donors towards taxpayers and Parliaments?
- What lessons can be drawn from those activities that have been less effective?
- To what extent have performance indicators/benchmarking been established for TPOs, and what further can be done to ensure impact from this work?
- How do UN procedures for staffing, procurement and finances relate to ITC's effectiveness?
- Has ITC improved its effectiveness in disseminating and publishing the results of its intervention in different countries?
- To what extent has ITC analysed national strategies of beneficiary countries and integrated them into the design of its projects and programmes to ensure that its services and products generate more impact?
- To what extent is there effective coordination among the different stakeholders for proper implementation of projects and making them more sustainable?

# **Efficiency**

- Does ITC deliver value for money? Is there a savings-and-efficiency policy in place which safeguards value for money?
- Are ITC's projects targeted at the right size for the capacity of the organization?
- How have larger programmes performed vis-à-vis smaller ones, in terms of impact, transaction costs and overall coherence and effectiveness? To what extent do larger programmes represent an opportunity to achieve a more efficient allocation of ITC resources while maximizing impact?

#### **Impact**

- To what extent have ITC's activities had a social, environmental and economic impact with beneficiaries? Are sufficient tools and support in place to enable reliable and continuous monitoring of results?
- To what extent has ITC's change management process helped the organization achieve greater impact?

- To what extent has ITC strengthened its field presence, including through the establishment of a regional office in Mexico and through partnerships?
- Are there any impacts, positive or negative, of ITC's field presence, and how do
  these impacts relate to the efficiency of operations in terms of human and other
  resources versus produced impacts or development results?
- From the point of view of ITC beneficiaries, to what extent have ITC's interventions met the objectives set for them?

# **Sustainability**

- To what extent has ITC's programming developed a more sustainable and lasting impact with beneficiaries, including by involving beneficiaries in all parts of the programme cycle?
- To what extent are ITC's programmes sustainable once activities have ended, including through increased trade and financial viability?
- To what extent has ITC improved its capacity to manage risk?

# **Purpose 3: Guidance**

#### Relevance

- What is the added value of ITC in the rapidly-changing global economic and trade environment, and in particular vis-à-vis other organizations delivering similar types of support, in particular UNCTAD, IFC, UNIDO and WTO? What is its 'niche' and how can it further develop this?
- What improvements could be introduced in ITC country assessment, the methodology for project selection and in the approach for choosing potential beneficiary countries in which these projects are to be carried out, based on their needs and areas of interest?

#### **Effectiveness**

- In terms of establishing effective governance and accountability structures for programme review and assessment and policy guidance, what would be the pros and cons of additional structures, such as a formal Board?
- How can country-wide assessment maximise the potential impacts of the involvement of public sector for facilitating ITC's activities and ensure country ownership?

# **Efficiency**

- How can ITC best ensure that its services and products integrate beneficiaries' needs and demands, in the spirit of the Paris, Accra, and Busan Declarations?
- How can ITC ensure an efficient project/programme cycle that maximizes the organisation's comparative advantages while avoiding overlap and time-consuming internal competition for resources?
- What further improvements are needed in ITC's financial management, its program monitoring systems and the way it structures project expenses to ensure efficient programme delivery and reporting?
- To what extent are disbursements of ITC funds tied to the achievements of specific milestones?

Since ITC's work is spread over different entities of the beneficiary countries, could
efficiency be improved through a focal point to be designated by the Government to
ensure coherence and coordination in streamlining the work of different entities
in-country?

# **Impact**

- To what extent will ITC's new corporate logical framework help the organisation measure its impact at corporate level? Is it adequately structured to ensure on-going improvements in reporting and programme delivery?
- How can the follow-up of projects and programmes be improved to enable more impact, with special emphasis on the dissemination of lessons learnt and their uptake and application by the public sector and, the private sector, in recipient and donor countries?

# **Sustainability**

- To what extent will ITCs' innovations with respect to funding (including longer-term, multi-donor programming, soft-earmarking, etc.) broaden the sources and enhance the sustainability of contributions by new donors, both public and private?
- What else can ITC so to enhance the sustainability of its interventions?

# 4. EVALUATION NORMS, DATA AND METHODS

The evaluation will be undertaken in accordance with internationally accepted norms and standards, as well as with ITC's own Evaluation Policy and Guidelines. The evaluation is thus required to relate its findings and recommendations credibly to reliable evidence.

The evaluation will apply a diversity of methods to answer the evaluation questions raised above. Triangulation of methods will help ensure ideal coverage and assessment. The bidding evaluation companies should, in their technical proposals/offers, outline what methods, norms and data they will apply to conduct the evaluation. These could include both quantitative and qualitative methods, as well as comparative analysis.

It is expected that the evaluation will first undertake a comprehensive review (desk study based) on ITC documentation (strategic plans and programmes, project documents, logical frameworks [or equivalent performance, outcome and results management tools], appraisal reports, procedures, financial reports and audited financial statements, review and evaluation reports [since 2006] as well as ITC's internal guidance and reference material and relevant internal and external websites). Also, an analysis of information on the full portfolio of projects within ITC will take place.

The evaluators are encouraged to take advantage of the desk research stage to take stock of the progress made since 2006 using the recommendations in the 2006 evaluation as a baseline to develop the further stages of the evaluation process. In addition, it is suggested that four distinct but complementary perspectives of ITC performance be considered: (1) at the field level (country and regional); (2) fulfilment of ITC's five strategic objectives; (3) corporate capacity (e.g. organization, governance, budgeting, implementation,

monitoring, communication); and (4) ITC positioning and partnerships within the context for trade and development.

The evaluation will furthermore undertake a number of field missions (approximately six to ten field visits). The criteria for the selection of countries should be decided in consultation with the Steering Committee when presenting the inception report and include categories and levels of activities, types of beneficiaries (private sector, public/semi-public institutions), geographic regions and level of development of the countries. The ITC will put aside a budget to cover the cost of these missions with the purpose of isolating missions-related costs from the financial appraisal of the submissions to be presented by the competing service providers.

Among other tools, he evaluators are also expected to interview key stakeholders (beneficiaries, in particular trade support institutions and private companies in the field, donors, staff and management of ITC).

# 5. MANAGEMENT ARRANGEMENTS

The evaluation of the International Trade Centre will be independent. The management arrangements are as follows.

# **Steering Committee**

A Steering Committee will be established. It will comprise: the representatives from (i) donors that have contributed to the evaluation; and (ii) the Chair of the Joint Advisory Group (JAG) and interested and invited observers. The role of the Steering Committee will be to provide guidance and oversee the evaluation process. Meetings of the Steering Committee will also be attended by members of the Management Team. The Steering Committee will meet at key stages of the evaluation. The duties of the committee will be to:

- 1. Give input to the Terms of Reference (TOR) of the evaluation;
- 2. Endorse the Statement of Work for selecting a service provider;
- 3. Endorse the selection of the service provider proposed by the Management Team;
- 4. Provide input to the selection of field missions and methodologies used for the evaluation;
- 5. Have regular contacts with the service provider during the evaluation process;
- 6. Review the draft evaluation report;
- 7. Provide feedback to the management response to the ITC evaluation, and
- 8. Ensure with the assistance of the Evaluation and Monitoring Unit (EMU) in ITC that the evaluation is undertaken in due respect of the ITC Evaluation Policy and internationally accepted norms and standards.

# **Management Team/Secretariat**

The evaluation will be managed and quality controlled by the Evaluation and Monitoring Unit (EMU) EMU in ITC. The EMU will act as:

- 1. The management team for the daily management of the evaluation; and
- 2. Secretariat for the Steering Committee.

The Evaluation team in ITC will act as a focal point for gathering all documentation for the evaluation.

The EMU will manage all travel and logistical arrangements for the evaluation team. The roles and responsibilities of the management team/secretariat for the evaluation will be the following:

- 1. Manage the evaluation and manage the evaluation budget;
- 2. Issue a tender for the evaluation;
- 3. Facilitate the endorsement of the service provider by the Steering Committee via a transparent tender process;
- 4. Establish contracts with the evaluation company;
- 5. Establish all logistical arrangements for the evaluation regarding meetings and travel arrangements;
- 6. Liaise between the evaluation team and the Steering Committee;
- 7. Consult with stakeholders about eventual factual errors, omissions or misunderstandings in the evaluation draft
- 8. Provide technical comments to the evaluation draft:
- 9. Coordinate the process of the Management Response,
- 10. Ensure there is no conflict of interest in any selection processes,
- 11. Ensure the diffusion of the Evaluation, and
- 12. Under the responsibility of the Senior Management of ITC, ensure follow up of the implementation of the accepted recommendations.

# 6. Technical and financial proposals from bidding companies

Qualified companies can through a bidding process compete to win the tender for the evaluation. Companies wishing to participate in the bidding process will be given the TOR outlining the requirements for the evaluation. According to the UN rules for procurement, the budget for the evaluation will not be disclosed to any bidding company.

Bidding companies have to respond to the below minimum response requirements. The minimum response requirements for the bidding companies are the following:

The companies have to answer the following questions as part of their technical Proposal:

- a) Please describe your expertise in Evaluation and Aid for trade. Please attach relevant supporting material: references, examples, etc.?
- b) Please describe in detail your expertise in undertaking change management and institutional evaluations for international organizations. Please attach relevant supporting material: references, examples, etc.?
- c) Please describe your knowledge your understanding of the purpose of the evaluation and describe how your company will address the different evaluation questions?

- d) Please describe your expertise in evaluation methodologies? What methodology and research strategy and information sources would your company propose for the above mentioned evaluation?
- e) Please describe the proposed team members' experience and expertise. Please attach relevant supporting material: CVs, references, examples, certificates etc.
- f) Kindly list your expectation from ITC for the purpose of conducting the ITC Evaluation. Do you need a workspace in ITC or access to phones etc.?
- g) Kindly provide your view on the timeline and explain how your company will be able to achieve it or propose an alternative plan.
- h) Kindly provide information on how your company will design and implement dissemination and communication strategy.
- i) Please submit at least 3 evaluation reports of similar nature and scope for our studies.
- j) Please submit at least four references with contact details from your previous clients.

The bidding companies have to answer the following questions as part of their financial Proposal

- a) Fixed price for the complete ITC Evaluation and any additional costs if any.
- b) Any additional relevant information and/or analyses, that are not included in the above deliverables and that you would like to propose as an option, has to be priced separately.
- c) Hourly and daily rates for provision of additional services, if required, at the sole discretion of ITC.
- d) Financial Statements of your company the last 3 years.
- e) ITC preferred payment schedule is:
  - o 30% upon contract signature
  - o 30% upon acceptance of the final draft by ITC
  - o 40 % upon completion of the diffusion of the evaluation finding

Failure to provide the minimum required information may lead to disqualification of the proposal. Proposals submitted by various competing vendors will be rated according to pre-established criteria, both technical and financial.

# 7. SELECTION OF A SERVICE PROVIDER

ITC will execute an open international tender to select a qualified service provider with established systems and experienced human resources of different profiles. The service provider will be contracted in accordance with UN rules, particularly according to following principles:

- Best Value for Money;
- Effective International Competition;
- · Fairness, Integrity and Transparency; and
- The Benefit of the Organization (ITC).

The tendering process will be managed by ITC Procurement Services with significant technical input and oversight from the Steering Committee via the Management Team/Secretariat (see section 6 – Management Arrangements).

The Management Team/Secretariat will submit to ITC Procurement Services a final Statement of Work that includes the requirements to perform the evaluation of ITC, the deliverables and final evaluation criteria of the proposals.

Proposals submitted by competing service providers will be rated according to pre-established criteria, both technical and financial, as set out in the following table:

Tender Evaluation Criteria	Maximum Points <sup>6</sup>
Service provider	10
Experience with IGOs in field of trade and development	
2. Experience in the field of institutional development and change management processes	
3. Expertise in undertaking evaluations	
The solution	30
1. Proposal responds to the terms of reference (scope, specifications, outputs)	
2. Proposed research and analysis methodology	
3. Planned dissemination of findings and recommendations	
The team	25
Specialized team with detailed profiles and assigned responsibilities	
2. Profile of team leader	
3. Experience with a range of methodologies, including both quantitative and qualitative, and market analysis	
4. Balance in terms of language and North-South representation	
5. References	
The risk	5
Reasonable and achievable plan	
2. Acceptance of ITC General Terms and Conditions	
The cost*	30
Maximum total:	100

<sup>&</sup>lt;sup>6</sup> These figures might be subject to adjustments in the drafting of the statement of work.

# 8. TIMELINE AND DELIVERABLES

The ITC evaluation will be launched once sufficient funds are committed and will be concluded approximately one year later. A work plan outlining timing of key milestones and expected deliverables, as well as an overview timeline for the ITC evaluation process is outlined below:

Timeline	Deadline
Draft TOR and work plan	TBD
Set up evaluation fund	TBD
Elaboration by SC/MT of the final Statement of Work	TBD
Final SOW and Evaluation Criteria accepted by ITC Procurement	+2 weeks
Initiate tendering process	+2 days
Evaluation and interviewing of bidding companies by Mgt Team	+6 weeks
Complete Technical Evaluation of the proposals	+2 weeks
Complete Financial Evaluation, Legal review and Award Approval by Mgt Team and Steering Committee	+6 weeks
Initiate ITC evaluation process	+2 weeks
Inception report	+6 weeks
Desk research completed	+12 weeks
Field missions completed	+6 weeks
Written update and oral debriefing	+2 weeks
Draft Report	+2 weeks
Comments to the report by Steering Committee, ITC Management and other stakeholders	+2 weeks
Delivery of Final Report	+4 weeks
Diffusion and visibility of ITC evaluation findings	+8 weeks

The present evaluation builds upon complex evaluation of 2006 and uses it as baseline. As a "progress report" however, it is a leaner, more streamlined process in terms of the number and the dimension of deliverables. The deliverables need to be client-friendly, digestible, short and simple, useful and clear while at the same time complying with high-quality evaluation requirements. Deliverables can be described as follows:

Inception report: During the first six weeks of the contract, the evaluation team leader should provide an inception report to the evaluation management team describing in detail the chosen methodology, data resources and the final timeline for the work. This will ensure proper interpretation of the TORs and clear agreement of the evaluation, scope and work plan. The document will include: (1) an overview of the ITC since the 2006 ITC evaluation; (2) the detailed evaluation methodology (in particular, evaluation matrix, description and justification for the choice of methodologies, field missions); their implementation modalities including an explanation of how these different evaluation methodologies (including quantitative and qualitative) will interact at the different steps of the evaluation; (3) a communication strategy and (4) a description of risks that could be met during the evaluation and of mitigation actions and related assumptions; and (5) a detailed work plan for the evaluation process including milestones, the responsibility and assignment of evaluation personnel and requirements for ITC staff cooperation.

<u>Draft report</u> will build on the first draft report and on the feedback from stakeholders. It will add a synthesis chapter that will include an Executive Summary<sup>7</sup> (approximately 30 pages) and will delineate factually-motivated recommendations by drawing on all the analysis and studies conducted in the evaluation. The draft report will be approximately 100 pages.

Materials gathered and generated per country programme during field visits and desk analysis should be accessible for reference and use, and, to a reasonable, cost-effective extent, retained as supplementary volumes or annexes to the final Evaluation report.

<u>Final report</u> is an up-dated version of the previous deliverables taking into account additional information provided by management and stakeholders through feedback. It should highlight the purpose, scope and limitations of the evaluation, and should contain a description of the applied methodologies, evidence-based findings, conclusions, lessons learned and recommendations. This document will be approximately 120 pages, including the synthesis chapter.

<u>Dissemination of findings and recommendations</u>: In order to ensure wider usage and learning from the evaluation findings, the evaluation team leader will be required to deliver presentations tailored to the needs and interests of different stakeholders (governments, private sector, ITC senior management, ITC middle management and ITC staff members). Dissemination should be primarily undertaken through electronic means, though a limited number of printed copies should also be made available. The ITC will ensure the translation in Spanish and French of the Final report using the resources provided by contributors to this evaluation.

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<sup>&</sup>lt;sup>7</sup> Executive Summary model is available on Guidelines for Evaluation Report: http://www.intracen.org/about/impact/evaluation-guidelines/