Sustainability reviews of ITC projects

Synthesis note

Lessons from Sustainability Reviews 2021-2023

OVERVIEW

- To compensate the weaknesses and/or lack of assessment in terms of sustainability of projects and Programmes, the ITC has developed Sustainability Reviews to understand: What has been the sustainability of the project’s results, i.e., outcomes and impact, and of their contribution to organizational and systems capacity for trade? 5 reviews were carried out in 2021-2022, providing findings, conclusions, lessons and actionable recommendations to strengthen the sustainability of ITC’s interventions.

- Key lessons from these Reviews i.e., principles extrapolated from multiple and independent valid sources, that add to cumulative knowledge and that can be applied generally, to improve the sustainability of ITC’s interventions, are as follows:
  1. Improve understanding of country specific variables, beyond specific VC.
  2. Focus on capacity building beyond developing skills and capabilities.
  3. Integrate sustainability from the design stage, through the development of exit strategies.
  4. Monitor and assess sustainability, including attention to environmental and climate change issues.

BACKGROUND

For projects to have a lasting impact, they must be sustainable. Unfortunately, however, sustainability is often not adequately assessed in project evaluations and rarely assessed once projects have ended. To fill this gap, the ITC Independent Evaluation Unit (IEU) developed an approach to assess the sustainability of projects 3-4 years after their completion.

PROJECTS DESCRIPTION

The Sustainability Reviews (SR) carried out in 2021-2023 covered 5 projects implemented in various countries, touching upon the work of two divisions at the time across different sectors. The reviews were implemented on small budget projects or on project components (< 1,000k).

Table 1. Projects details

<table>
<thead>
<tr>
<th>Country</th>
<th>Project</th>
<th>VC/sector</th>
<th>Budget (USD)</th>
<th>Start – Completion</th>
<th>Division</th>
<th>Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senegal</td>
<td>A996, Improving the competitiveness of the Mango Industry</td>
<td>Mangos</td>
<td>856 k</td>
<td>Aug. 2015 Mar. 2018</td>
<td>DCP (EIF)</td>
<td>Connecting Senegalese mango producers and exporters (in the Niayes, Centre and Casamance areas, the main mango producing areas in Senegal) to international value chains.</td>
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</tbody>
</table>
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Tanzania  B265. Integration of horticulture VC into the tourism industry  Horticulture & Tourism  +/-945 k  Feb. 2013 Dec.2018  DCP (EIF)  Helping local smallholder farmers to improve the quality and quantity of their fruit and vegetables production, and enabling them to gain market supply access to the country's tourism industry.

Sri Lanka  B630. National Export Strategy  Multisector  500 k  Nov. 2016 Feb 2021  DMD  Supporting the design and official endorsement of the multisector strategy (including support to set up of a Strategy Management Unit to strengthen coordination and tracking for implementation).


METHODOLOGY

Sustainability Reviews carried out in 2021-2023 used a comprehensive methodology, to produce an assessment of the sustainability of ITC’s projects by addressing the overall question: What has been the sustainability of the project’s results, i.e., outcomes and impact, and of their contribution to organizational and systems capacity for trade? The sustainability of interventions was assessed on four key dimensions: value-addition, outcomes, impact, context.

Approach

Sustainability depends on the capacity of the institutions and organizations to maintain results achieved by projects and to build on these. Accordingly, ITC Sustainability Reviews take into account the capacity of the institutional and organizational arrangements in countries where projects were implemented e.g., between ITC, the ministries and project implementers, to sustain processes and systems that achieve results.

Data collection

The sustainability reviews were based on a) a systematic review of relevant documentation including project documents and documentation related to the technical field of the project, b) a selection of a dozen of in-depth semi-structured interviews with key informants, i.e., those most able to contribute additional information (beyond what is provided by documentation), c) site visits for observation and interviews.

Limitations

The main limitations faced by the reviews was generally the absence of accessible, reliable and sufficient post-project monitoring data to establish findings of fact appropriate to some of the review questions. The reviews lacked also precise and sufficient data at project completion, and hence were overall not provided with a clear baseline on projects results to facilitate tracking of their sustainability.

The elapsed time between the completion of ITC’s support and the period of some reviews completed more than four years after project completion significantly affected the availability, timeliness and quality of available data. The overriding effects of the Covid-19 pandemic over the periods considered by the reviews, as well as economic downturns and political instability, increased the difficulties of clearly identifying the direct effects of ITC’s trade development strategy support.

LESSONS ON PROJECTS SUSTAINABILITY

1. UNDERSTANDING OF COUNTRY-SPECIFIC CONTEXTUAL VARIABLES

Lesson 1 (Senegal): For decades, and until recently, sustainability was conceived and applied by donors as the expectation of post-project financing. This pervasive and dominant view permeated relationships with partner countries and their institutions is still prevalent today in many administrations. The review found that there was a general expectation among in-country stakeholders, of a second phase of the project based on external financing.
The design stage should also incorporate considerations of key contextual variables such as administrative culture and managerial capacity [to sustain results], for example, and as referred to above, in the absence of a clear definition of, and agreement on, what is meant by sustainability, administrations may likely understand the term to mean continued external financing.

**Recommendation**

*Project design and planning:* Improve the understanding of country specific variables beyond specific VC, through systematic involvement of intended beneficiaries of the project, as well as project implementers and key stakeholders, at the intervention design stage, including on project management and performance monitoring aspects. The project proposal process should consider sustainability and of country specific contextual factors – that have an influence on the functioning of local markets and on the implementation of activities.

### 2. CAPACITY BUILDING VS. DEVELOPING SKILLS & CAPABILITIES

**Lesson 3 (Tanzania):** Central to sustainability is the autonomy of key actors, i.e., the system of individual capabilities, organizational capacity and institutional enablers, such that context, including the effects of unanticipated and sudden change, can be successfully navigated and practices adapted without necessary external support. **Navigation and adaptation require a level of flexibility in project management that should be reflected in the performance monitoring and reporting expectations of donors. In other words, accountability expectations should focus on adaptive management for impact and value, rather than be limited and constrained to pre-set indicators and targets.**

**Lesson 4 (NES):** Sustainability is, to a large extent, dependent on context and the ability to navigate changes over time to build on achievements and add value. ITC’s NES design process can be characterised as a capacity building approach to enable the country to lead the formulation and implementation of its export strategy. This approach is reflected in ITC’s strategy design principles and in the ways in which the process was carried out in the three case studies countries. The review shows that **ITC’s approach contributes to better capacity and likely increases the probability of better sustainability.** However, the increasingly critical, complex and rapid changes in context place extreme pressures on export trade development and a country’s capacity to sustain it. A key lesson is that a country’s ability to use its export strategy fully and sustainably goes beyond tracking the implementation of the strategy’s action plans. It requires a **systematic and sustained focus on national, organisational, institutional and systemic capacity, and on readiness for dealing with external shocks.**

The involvement of external financing partners over time can positively contribute to a country’s capacity. Moreover, **effective coordination** between a country and its partners, and within partner organisations, greatly improves the quality, efficiency and effectiveness of their support. The review confirms that improved coordination significantly increases the likelihood that a national export strategy will be sustained.

**Recommendation**

*Project design:* Focus on capacity building beyond developing skills and capabilities by systematically considering the assessment of a country’s capacity in terms of performance of its public administration, public expenditure and financial accountability, political economy, vulnerability to climate change, human rights, women’s rights and fragility.

### 3. SUSTAINABILITY FROM THE DESIGN STAGE & EXIT STRATEGIES

**Lesson 5 (Senegal):** Although there is reference to sustainability (durabilité) in the project document, the “sustainability strategy” is presented simply as “ownership by the actors of the concepts, strategies, methods and tools”. The exit strategy states essentially that if there is sufficient capacity, project benefits will be sustained. Although the project document identifies the risk that actors may not take ownership, and hence that capacity may not be developed to the point where it is self-sustaining, there is no reference to alternative or mitigation strategies. **Beyond a confirmation of what we already know, i.e., that sustainability considerations should be an integral part of the design of the project, the review highlights the importance of using a more rigorous definitional and analytical lens for the integration of sustainability into the project.**
Lesson 6 (Tanzania): The essence of the project, which was built-in to its design from the start, was to develop the capacity of key actors in the horticultural value chain so that they could be self-sustaining. This focus was maintained throughout the project which successfully laid the groundwork for the sustainability of its impact after it was completed. This confirms yet again what we already know: the more there is a real focus on sustainability from the design stage, which is maintained through implementation, the greater the likelihood of sustainability of the value generated by the project.

**Recommendation**

*Project planning:* ITC should more effectively coordinate its internal activities relative to trade development strategy, to reinforce the value and sustainability of its projects and programmes over time, including systematic consideration of the effects of climate change and eco-system breakdown on their sustainability – to be reflected in project documents from the stage of project design and planning, including in Exit Strategies.

*Project closure:* Bringing together key actors to share information, knowledge and insights on how to improve strategy implementation based on their project experience (cf. ITC’s Trade Strategies Forum), constitutes a follow up mechanism that ITC should consider repeating, including with its own departments and units to improve coordination and internal synergies.

### 4. MONITOR & ASSESS SUSTAINABILITY INCLUDING ECO-SYSTEMIC VARIABLES

Lesson 7 (Tanzania): Post project monitoring was not systematically planned and carried out, making it more difficult to keep track of and consequently forego opportunities to learn about sustainability issues, provide support if useful, use it in programme design and to share, with other partners, as well as scale up & across. The lesson here, and the challenge, is that a project mindset, i.e., once it’s over it’s over, misses out on the opportunity to generate more value from the intervention on different fronts after its completion.

Lesson 8 (NES): The review also highlights the progressively overriding reality of climate change and eco-system breakdown, its potentially disastrous consequences on all aspects of life, and the urgent need to recognise and integrate this reality into a country’s strategic considerations.

**Recommendation**

*Project management and monitoring:* Monitor and assess sustainability, including attention to environmental and climate change issues, using a data-supported systems view as a critical frame of reference, e.g., a diagnostic tool among others, for understanding, assessing, and enabling sustainability. Being able to monitor, assess and support sustainability [including environmental aspects] should be a key function of project management/coordination at national level. Project monitoring should go beyond the measurement and reporting of intended results using predetermined indicators and targets, to support and inform adaptive management, management autonomy, value creation and post project sustainability.

The International Trade Centre (ITC) is the joint agency of the World Trade Organization and the United Nations. ITC is the only international agency dedicated to expanding trade opportunities for micro, small and medium-sized enterprises (MSMEs) with the aim of achieving sustainable development.

Sustainability reviews are key instruments to support organizational learning and accountability. The results of these reviews are intended to inform ITC’s and funders decision-making in project and programme management, with the purpose of improving performance in terms of sustainability and enhancing their contributions towards achieving the UN Sustainable Development Goals (SDGs).

Reviews considered in this Synthesis note were commissioned by ITC’s Independent Evaluation Unit. They were carried out by Ian Davies and Albine Guitard (external consultants), in collaboration with EIF NIUs in the case of Sustainability Reviews 2021. The reviews were managed by Simon Bettighofer (ITC Evaluation Officer). Oversight and quality assurance was provided by Miguel Jiménez Pont (Head of the ITC Independent Evaluation Unit).