

# **Final Report of the Independent Evaluation of ITC**

Presented by:  
Bernard Wood, Evaluation Team Leader

**SAANA CONSULTING**

**June 2014**

# Outline

- Purposes and scope of the Evaluation
- The evaluation process and methodology
- Main findings and conclusions
- Strategic recommendations

# Purposes of the Evaluation

- i. Assess change since the 2006 Joint Evaluation
- ii. Evaluate results of ITC's work over the period
- iii. Draw out relevant lessons and guidance

Apply the key evaluation criteria: Relevance, effectiveness, efficiency, impact & sustainability

## Scope of the Evaluation

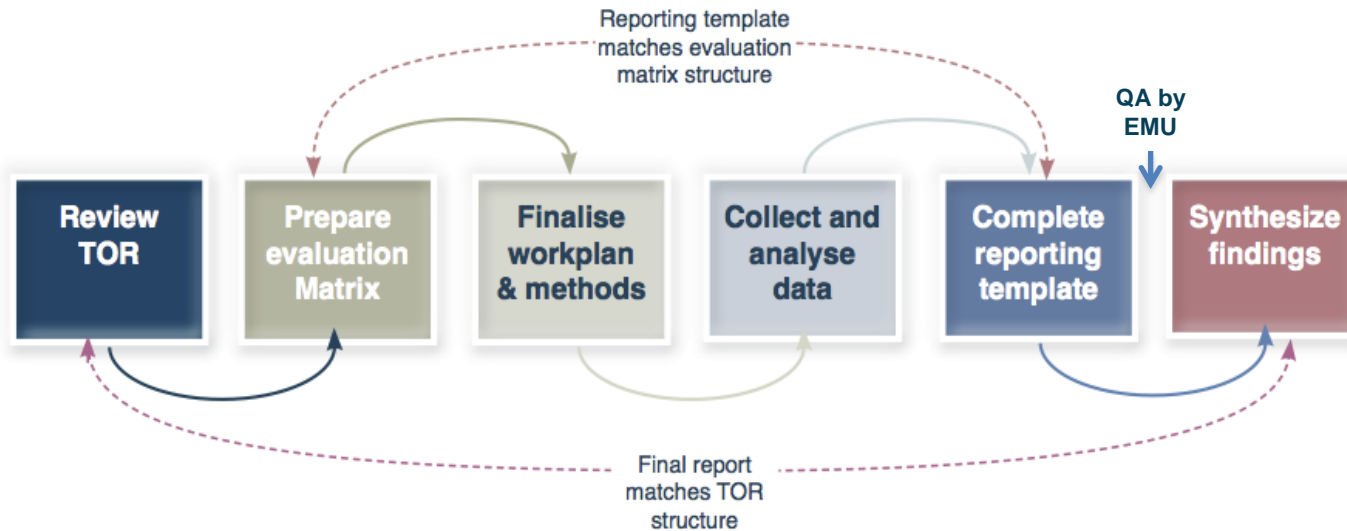
- All projects and programs of ITC (2006-end 2012) as well as its governance, legislative, organizational and operational structures and processes, at HQ and in 7 countries (2006-Nov. 2013).
- A “progress report”: lean, streamlined process with short, simple, useful and clear reports.

# Guiding approach

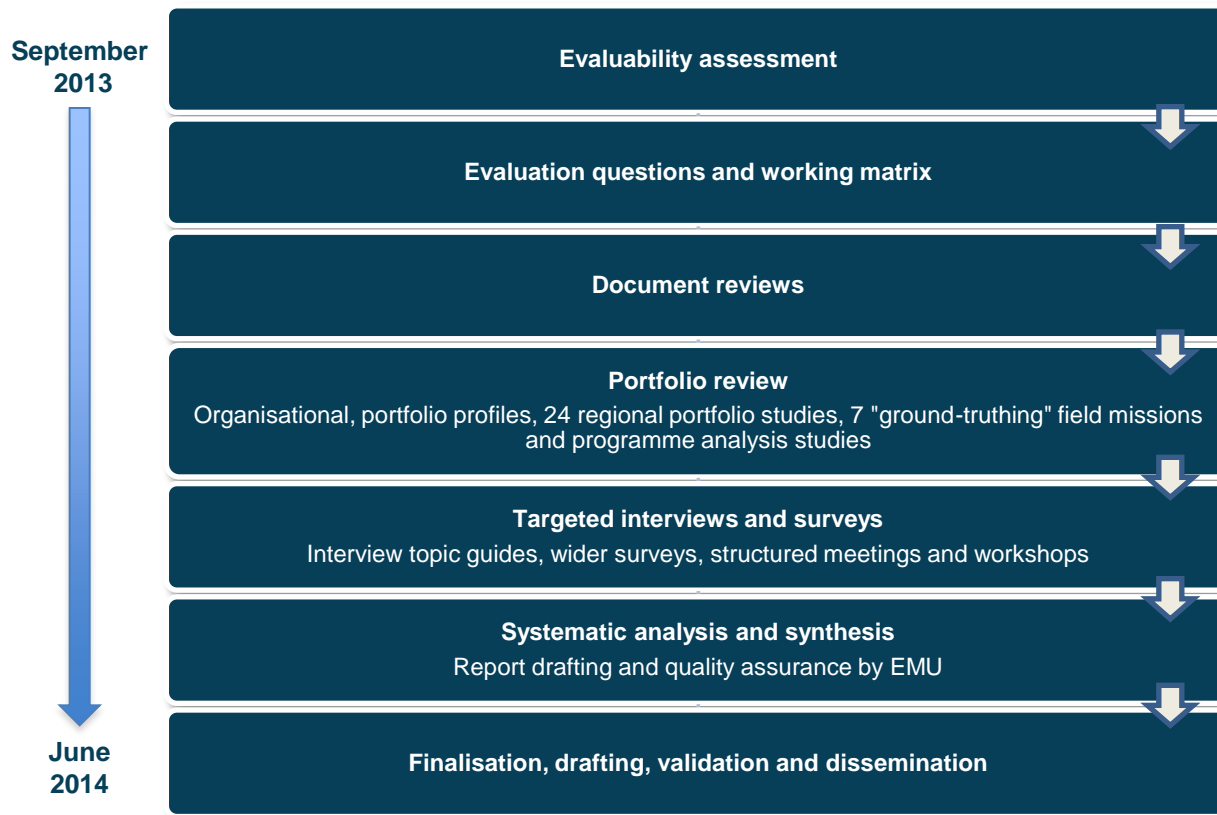
- **Principled and professional:** Applying UN Evaluation Code of Conduct and Ethical Guidelines (including confidentiality).
- **Strictly independent, impartial and evidence-based:** Team from 9 countries with strong trade and evaluation expertise.
- **Rigorous:** Relying on a clear evaluation matrix as the “spine” of the evaluation, diverse tools and methods to triangulate findings, specifying limitations and evidence for conclusions and recommendations, adhering to work plan and schedule.
- **Transparent and participatory:** stakeholder engagement at all stages including detailed responses to 240 comments on Draft.
- **Relevant and useful:** of practical use to the Centre itself, its beneficiaries, partners and donors. Clear and jargon-free drafting.

# Methodological approach

(See Annex V)



# Building blocks of the methodology



# Analysis & synthesis of findings

- Transparent and systematic processes for analysis, validation and synthesis outlined in Inception Report (all well-tested).
- Lifting results back up to the programme and policy levels.
- Drafting criteria and standards clearly set out and applied.
- A focus on clear, straightforward and conclusions and recommendations – traced back to findings.
- Quality assurance process carried out by ITC Evaluation Unit.



# Limitations, risks and mitigation

- Fragmentary information base on ITC activities up to the last two years. Finding ITC's actual and intended clients, particularly exporters, mostly impossible. *Team candidly rated the strength of supporting evidence behind each finding. Featured these problems in its recommendations.*
- Different expectations around comprehensiveness, depth and a lean, simple strategic level “progress report” evaluation. *Matrices and the explicit sampling allowed for touching all key aspects enough for informed outside assessments, but as a progress report, it does not claim to go into them all in depth.*
- Possible defensiveness around the Evaluation and its findings. *Pro-active transparency and consultation, Team independence and impartiality, assured confidentiality.*

ITC Independent Evaluation – Final report

---

# Main findings and conclusions

# 1. Understanding the distinctive ITC, its work and its place in Aid for Trade

- A relatively small organization, with a complex international governance structure and an unconventional delivery model, but quite a focused mission of practical support for trade by developing countries, especially through SMEs.
- Small-scale pioneer in aid for trade 50 years ago, now surrounded by larger programmes, but can still claim special relevance, quality and thoughtful delivery as the only “100% Aid for Trade” provider.

## But...

- Knowledge of ITC's work still limited and scattered.
- Struggles to serve a wide and growing set of needs in well over 100 eligible beneficiary countries.
- So thinly spread, only intermittently present in countries, and deserving requests go unmet.
- Technical services mostly drive, geographical programming roles/capacities often unclear.
- Not a tenable situation if ITC is to carry out its mission effectively.

## **Key features over 2006-2013 (I)**

- Built on continuing products and services of strength and developed and adapted a number of new areas and emphases.
- Progressed in conceptually grouping multiple lines of business around a clearer organising logic in ITC's strategic objectives.
- Still hard to identify, list and categorize all of ITC's different projects and products, and thus for ITC to "market." No systematic means, and only restricted scope, for matching the supply of ITC's services and the demand for them in client countries.

## Key features (II)

- Projects deployed opportunistically in an imperfect kind of “market” process where and when contacts, political initiatives and especially donor funding possibilities may steer them.
- Technical products and services are still the main organising and programming elements in ITC’s work.
- Conventional “country programming” would not be feasible for ITC at anything like its present size in more than a very few countries or sub-regions.

## **2. ITC's Organisation and Management and changes since 2006 (I)**

Assessed through research, 60+ interviews on 29 key indicators in Matrix 1 around:

- the enabling environment for ITC;
- organisational capacity;
- organisational motivation; and
- organisational performance.

Linked to assessments on results, JAG/CCITF and staff surveys.

# ITC's Organisation and Management and changes since 2006 (II)

- “Positive change” achieved on 23 of 29 points since 2006, five showed “little or no change” and one showed “major positive change.” No regression was found. On many points improvement has accelerated since 2011.
- On ITC's “current fitness” the ratings were “fair” on 13 of 29 criteria; “good” on six; “very poor” on three; “poor” on four; “fair/poor” on two: and “excellent” and fair/good” on one each. The weakest area was the Centre's financial viability, it was strongest in short-term client relationships and vision and mission.
- Average rating for the strength of evidence/ confidence in these findings was between “medium” and “high.”



# Conclusions on Organization and Management and changes

- Significant progress since 2006, but from a very low base at that time, leaving substantial further improvement work to be completed.
- Responsibilities for further improvement shared by ITC's governors, members, supporters and "parent" institutions as well as the Centre itself and its head, management and staff.

### 3. ITC's Performance and Results since 2006

- ITC's current fitness around performance and results is rated as "fair" on eight points (of a total 26 in Matrix 2); "good" on five; "fair/good" on three; "poor/fair" on three; "poor" on four; "excellent", "very poor" and "can't say" on one point each.
- Since 2006, "positive change" was found on 11 points; "little or no change" on seven; "can't say" on six; and "major positive change" and "mixed" on one point each. No regression found. On many points improvement accelerated since 2011.
- Average rating for the strength of evidence/ confidence in these findings was between "low" and "medium".
- Activities have generally achieved their intended immediate capacity-building outcomes with clear prospects in most cases of contributing to their higher-level goals.

# Conclusions on Performance and Results

- In spite of limited resources and heavy external and internal constraints, the Centre has been able to continue providing high-quality services in its specialized field that are relevant and responsive, effective and relatively efficient.
- ITC's overall resource situation limits the greater use of this asset by developing countries, slows management improvements, reduces its efficiency, contributes to distortions in the organisation and its results, and weakens the sustainability of its contributions.
- Financial insecurity and excessive bureaucratic costs, delays and restrictions prevent ITC from delivering up to its potential and sustaining its contributions, or applying fully the kinds of good practice that ITC's members press on the organisation.

## 4. Integrated main conclusions

Growing demand for ITC-type services and the Centre better-placed to respond with its strengthened management base, providing that it can secure sufficient and predictable funding for a coherent strategy. Key challenges for ITC's strategic management, effective performance and sustainable growth in the next 5-10 years:

- Coherent and pro-active programming geared to ITC's unique strengths and its strategic objectives - not scattered, reactive & often funding-led selection of countries, projects & partners;
- Fully rooting the developing the RBM system in ITC's work, and strengthening the full project management cycle;
- "Mainstreaming" appropriate ITC approaches to poverty reduction, gender equity, youth, environment and climate change.
- Greater attention & resources to sustainability & exit strategies around ITC interventions, as well as learning & staff development.

ITC Independent Evaluation – Final report

---

# Recommendations

# Recommendations

- Four major strategic Recommendations and 27 supporting action points addressed to ITC management, governors and others.
- 16 narrower, “specific recommendations” highlighted in the text, preceded by the supporting findings and evidence.
- See Executive Summary pages xvi-xxiii

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

Focus 5 year minimum support on the six clustered areas in the current ITC Plan, developing projects in pro-active dialogue with potential beneficiaries, operational staff and donors and deploying them strategically for a wide range of countries and regions. De-emphasize ambitions for conventional country programmes, in favour of proven ITC strengths globally and regionally.

### **To ITC's Management:**

- Dedicate a small unit of operational officers to flesh out, negotiate and coordinate the longer-term strategic programmes. Review experience after one year. Do not accept short-term, one-off projects.

### **To ITC Governors and Supporters:**

- Engage in CCITF at a senior level and provide substantial funding for the overall programme or individual clusters and for the new ITC unit. Champion the use of ITC by all Aid for Trade providers.

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

### **To ITC management and staff:**

- Maintain and use the new Client Relationship Management System as an essential pillar of ITC's network of clients and partners
- Stage and phase further reforms and growth to existing and developing capacities.
- Rapidly finalize and use "good enough" systems of project cycle management, results-based management, knowledge and learning. Resolve anomalies in management practice and in the management of the ITC workforce. Build in the time, resources and incentives for proper performance appraisal and staff development.

### **To ITC Governors and Supporters:**

- Allow the time and resources for the Centre to solidify its networks, strengthen quality, plan better, recognise and develop its staff, and follow-up its projects.



### **3. Pragmatically strengthen governance and continue to strengthen accountability while minimizing bureaucracy.**

#### **To ITC Governors and Supporters:**

- Convene balanced “friends of the Chairs” groups for advance and follow-up discussion of formal ITC governance meeting agendas. Encourage engagement by the representatives of those countries in Geneva, capitals and UN New York. Convene annual meetings of the three Heads of ITC, WTO and UNCTAD to promote synergies. Support necessary adjustments in UN requirements to accommodate a smaller, more entrepreneurial, private sector-oriented organisation like ITC.

#### **To ITC’s Management:**

- Improve information to JAG and CCITF on plans, performance and results - under each of ITC’s funding streams, including the Regular Budget - as well as on internal management and economical operation. Be transparent and assertive about both progress and limits in defining, advancing and reporting results in ITC’s work and in seeking adjustments to standardized UN requirements if necessary for its distinctive mission and essential business requirements.

## **4. Move ITC up to the next level of visibility, engagement and effectiveness as a key player in the global Aid for Trade effort.**

### **To ITC's Management:**

- Keep a steady focus and ITC's substantive expertise and credibility aimed at the strategic horizon. Consider a very few carefully-designed, justified and evaluated liaison arrangements for key regions. Enlist representatives of intended beneficiary countries and institutions, in Geneva and/or in capitals, to advise the Centre. Tell the ITC story publicly, highlighting promising innovations and breakthroughs as justified, while also focusing attention on the less glamorous, longer-term work of building sustainable results in supporting trade.

### **To All Aid for Trade donors, especially multilateral and large donors:**

- Take greater advantage of ITC in these programmes as a distinctive asset to the global aid for trade effort, attuned to practical exporter needs and adaptable to different country situations. Call on ITC to support and complement major programmes while helping support the necessary duration and follow-up of ITC's contributions.

# Thank you

Reports and other key materials are available at:

[www.intracen.org/about/impact/evaluation/](http://www.intracen.org/about/impact/evaluation/)

[www.saana.com/itc-evaluation](http://www.saana.com/itc-evaluation)

**SAANA CONSULTING**

# The process

- **Inception Report:** finalizes the evaluation questions, the methodology (including Matrices of evaluation questions and selection of country-cases) and the detailed work-plan.
- **Evaluation Matrix:** in two parts sets out the final evaluation questions (striving for a manageable list) each with its indicators; data collection methods; key sources; and methods for analysis.
- **Management & governance:** Within ITC, the evaluation was managed, facilitated and quality controlled by the Evaluation and Monitoring Unit (EMU) with oversight by the Evaluation Steering Committee and active participation encouraged from all parts of the organization, its clients and beneficiaries, “parent” organizations, employees, donors and partners. After documented responses to all comments, the independent evaluation Team had final responsibility for the content of the evaluation report.

# Evaluation Schedule

- September – mid-October 2013: First Core Team missions, Inception Report.
- 4 November 2013: Review and acceptance of the Inception Report, launch of full implementation.
- November- December: ITC and stakeholder consultations in Geneva and preparation of country case-studies.
- January February- Portfolio reviews and country missions.
- 3 April 2014: Draft Report presented. Open for comments.
- 29 April: Comments received.
- 29 May-4 June : Final Report, including responses, submitted and circulated.
- June: Presentation, discussion and dissemination of Report.