

United Nations Conference on Trade and Development

5 June 2008

English only

# **Evaluation of UNCTAD's International Trade Programme**

by

John Burley  
External Consultant

UNCTAD/DITC/2007/3

GE.08-51130

## Contents

	<i>Page</i>
I. Introduction.....	3
II. Performance assessment .....	7
A. Relevance.....	7
B. Impact.....	11
C. Sustainability.....	15
D. Effectiveness and efficiency .....	16
E. Other issues .....	22
F. Best practices .....	25
III. The three pillars of the Division on International Trade in Goods and Services, and Commodities .....	27
A. Consensus-building.....	27
B. Research and analysis .....	27
C. Technical cooperation.....	29
IV. Summary: conclusions and recommendations.....	33
A. Conclusions.....	33
B. Recommendations.....	34
Annex. List of people interviewed.....	37

## **I. Introduction**

1. In late 2004, the Division on International Trade in Goods and Services, and Commodities decided to include, in its proposed 2006–2007 programme budget, provision for an independent in-depth internal evaluation of subprogramme 3 on international trade. The evaluation was intended to shed light on the Division's performance in achieving the subprogramme's overall development goal: "to assure development gains from international trade, the trading system and trade negotiations in goods and services, and to enhance the commodity sector's contribution to the development process for the effective and beneficial integration of developing countries and countries with economies in transition in the global economy", and the associated expected accomplishments.
2. The aim of the evaluation was to focus on all Division activities provided in the area of trade, namely intergovernmental activities, research and analysis, and technical assistance during the 2006–2007 biennium.
3. The evaluation process – self-evaluation, internal evaluation or external evaluation – is not sufficiently widespread in UNCTAD. It is to the Division's credit that it voluntarily took it upon itself to have its performance assessed with a view to improving its work.
4. The terms of reference for the present evaluation were broad and very comprehensive, with a common thread of measuring performance against mandates and objectives. Points to be examined included the relevance, impact and sustainability of the Division's activities; whether the activities were planned and carried out efficiently and effectively, and in cooperation with others; and whether there were any best practices and recommendations that could be drawn upon to enhance programme implementation within the Division.
5. The methodology focused on interviews with staff members from the Division and other UNCTAD divisions, and representatives of member States (see annex I); a compilation of relevant evidence of performance; and a desk review of available documentation. It was not possible to conduct interviews with beneficiaries and other stakeholders in developing countries: the evaluation thus relies on responses to existing questionnaires and other sources of information.
6. Partly for this reason, the evaluation cannot be said to have done full justice to the terms of reference. Parts of the evaluation which could have been developed more fully are identified in the report.
7. The report is divided into four sections: part I contains the introduction; part II, assesses performance against the various elements listed in paragraph 4; part III summarizes these findings in light of the three pillars of the Division's work as stated in paragraph 2; and part IV presents the conclusions and recommendations of the evaluation, and can be regarded as an executive summary.
8. In 2006–2007, the Division monitored and analysed the evolution of the international trading system and trends in international trade from a development perspective. It provided a forum for policy discussion and consensus-building on core and

emerging issues of international trade, commodities, trade in services and new and dynamic sectors of international trade. It helped some countries develop their capacities to participate effectively in trade negotiations, and lent support to others seeking accession to the World Trade Organization. It conducted analyses on the interface between the multilateral trading system and regional trade agreements, on the coherence between global and regional processes especially as regards the new geography of international trade, on trade preferences, on non-tariff preferences and on the preparation of trade and development benchmarks. The Division addressed the concerns of least developed countries and promoted South–South trade. It helped countries examine the relationship between trade, environment and development, in particular with regard to environmental norms and standards, and launched several bio-trade initiatives and bio-fuels partnerships. It monitored developments in commodity markets and fostered work on commodities development, diversification, commodity-related financing and risk management, although some African countries indicated that a more practical orientation to this work would be helpful. In addition, the Division provided assistance in competition policy and consumer protection and conducted voluntary peer reviews of national competition policies. It helped boost capacity-building by means of technical assistance projects in the above-mentioned areas, inter alia, through the Joint Integrated Technical Assistance Programme (JITAP) and the Integrated Framework for Technical Assistance to Least Developed Countries.

9. These activities were carried out against a backdrop of external factors beyond the Division's control, which nevertheless affected its capacity to fulfil its mandate. They are by no means unique to the Division, for they are relevant to UNCTAD as a whole and are well-known. Five of those factors are listed below:

- (a) The Division's mandate quoted in paragraph 1 is a broad development objective or vision statement.<sup>1</sup> The Division can support a large range of potential beneficiaries with widely differing interests and needs, and high expectations. Since available resources fall short of what is needed to carry out the mandate, the Division needs to find a way to leverage its available resources significantly.
- (b) Other organizations, both intergovernmental and non-governmental, are working on issues related to trade and development, such as trade negotiations, a long-standing UNCTAD concern. This may be regrettable from an UNCTAD perspective, but it is a fact. It means that the Division must deal with issues in a unique and specialized manner so as to demonstrate clear comparative advantage, and to stand ready to cooperate with various development partners. It also makes more urgent the call for greater global coherence within the United Nations system, in that all agencies should respect each other's mandates.
- (c) Developed countries are not genuinely willing to engage in a meaningful dialogue on trade issues with their partners in UNCTAD. Developing countries with often limited capacities in Geneva-based diplomatic missions to deal with trade issues are understandably more concerned with the multilateral trade negotiations in the

---

<sup>1</sup> In many respects, this is advantageous as it allows the secretariat some freedom to determine detailed work programmes within a certain framework. However, it is disadvantageous to evaluation exercises such as the present one, since it is more difficult to assess performance.

- World Trade Organization than with consensus-building in UNCTAD, especially if their development partners are not truly committed to the process. While substantive issues are addressed in UNCTAD intergovernmental meetings, powerful member States tend to focus on in-house work programmes rather than policy recommendations. This in turn limits the impact of UNCTAD's work.
- (d) The Division's technical cooperation activities are financed through a variety of extra-budgetary resources, most of which are earmarked for specific projects and/or areas of work. The Division has been successful in mobilizing technical cooperation resources and support in all areas, which reflects well on its performance. However the extra-budgetary resources are often unpredictable and subject to donor preferences. This may reflect reality, but it complicates division-wide priority setting and the triangulation of beneficiary needs, divisional capacities and available resources.
  - (e) There is no direct UNCTAD presence in regions or sub-regions that could assist the Division in its activities, apart from the UNCTAD India project on trade and globalization, which has an office in New Delhi. In particular, the absence of an UNCTAD country presence obviously affects the Division's capacity to usefully contribute to the One United Nations Initiative at the country level. In contrast to other bodies, especially the World Bank, the United Nations Development Programme or the European Union, UNCTAD and the Division have a limited impact on how developing countries seek to incorporate the trade dimension into their development programmes.



## **II. Performance assessment**

10. The terms of reference called for the evaluation of 6 criteria and 16 points. These are considered point by point.

### **A. Relevance**

11. The evaluator was asked to ascertain whether activities had been selected on the basis of appropriate decision-making criteria that reflected beneficiary needs, of possible impact and of effectiveness; and whether the Division had played a relevant role in helping beneficiary countries, in light of assistance from other sources. The first point is discussed in paragraphs 12–16; the second, in paragraphs 17–21. The criteria for and the selection of Division activities in 2006–2007 is discussed below.

12. Discussions with the Division staff confirm that some criteria are explicit and transparent – the most obvious example being that of references to mandates stemming from UNCTAD X and/or UNCTAD XI, the mid-term review of UNCTAD XI and the programme budget. Several criteria appear to be more general across the Division, namely:

- (a) Availability of staff skills and time;
- (b) The timing and origin of requests for advice and/or assistance;
- (c) The availability of resources for consultants and travel whether under the regular budget, or from extra-budgetary resources;<sup>2</sup>
- (d) Requester commitment, that is, whether the request is serious;
- (e) Whether the Division can make a difference.

13. In other cases, the Division staff use criteria relevant to the case at hand, such as comparative advantage<sup>3</sup> and opportunities for strategic and catalytic interventions. For example, they indicated the following criteria:

- (a) Opportunities for a multiplier effect, that is, wider application to obtain scale effects;
- (b) Linkages with related activities in the unit, division or elsewhere in UNCTAD, so as to achieve economies of scale or broader impact;
- (c) Geographical coverage, that is, the effect on the overall distribution of the Division's activities worldwide.

14. The evaluation does not conclude that the selection of activities was faulty (see paragraph 15). However, it is recommended that the Division adopt a set of transparent criteria based on paragraphs 12–13 above – not all of which would necessarily be relevant to each case – to link the application of such criteria to priority setting (see recommendation 1, paragraph 104).

---

<sup>2</sup> This means, in practice, whether resources are available in previously approved projects that are deployable, that is, that are consistent with the substance of the request – or can be mobilized from an interested donor(s) within an acceptable time frame.

<sup>3</sup> See paragraph 17(b).

15. Selection of activities. The evidence available for the evaluation confirms that the Division's activities were based on mandates stemming from UNCTAD X and UNCTAD XI. The activities supported the implementation of the São Paulo Consensus, and to that extent were relevant. However, this is a judgment without meaning, since the São Paulo Consensus is sufficiently open-ended as to permit the selection of sensible proposals that assure development gains from international trade.<sup>4</sup> Hence the need for more explicit criteria linked to priority setting so that the Division can demonstrate even more clearly its commitment to implementing intergovernmental mandates.

16. More importantly, has the Division neglected part of the São Paulo Consensus? Two instances are worth mentioning:

- (a) According to paragraph 95 of the São Paulo Consensus, UNCTAD should “enhance support to ..... countries in the formulation, implementation and review of national trade and trade-related policies and options”, and “assist developing countries to integrate trade and development concerns into their national development plans ....”. The Division provides advice and assistance in specific areas of trade policy, for example, competition policy, environmental standards, national service assessments or the impact of the European Union-Economic Partnership Agreements on the development of the African, Caribbean and Pacific States, and disseminates trade data relevant to the formulation and implementation of trade policies. These are indeed trade-related. However, the Division does not appear to be undertaking significant work as regards overall national trade policies and strategies for incorporating the trade–development nexus into national development plans. This latter São Paulo Consensus mandate was not explicitly mentioned in the relevant section of the Trade and Development Board's stocktaking of the São Paulo Consensus.<sup>5</sup> This was probably for good reason: the Division has little inbuilt capacity on the matter and in reality, little comparative advantage compared with organizations such as the World Bank with a country presence and with access to infinitely greater resources.<sup>6</sup> Nevertheless, as some interviewees pointed out, developing countries and countries with economies in transition do look to UNCTAD for alternative trade policy options. The Division needs to find a way to resolve this inconsistency between expectations and reality (see also paragraphs 65 and 87);
- (b) An international task force on commodities was mandated in 2004 by UNCTAD XI “on the understanding that implementation of this partnership would depend on the availability of the necessary resources, to be provided by UNCTAD and other partners”.<sup>7</sup> Since the necessary resources have not been mobilized, the condition set in the São Paulo Consensus has not been met.

---

<sup>4</sup> One delegate commented that UNCTAD was engaged in mission creep, uncontrolled by member States, a refrain heard for many years.

<sup>5</sup> TD/B(S-XXIII)/7 (Vol. 1), Paragraph 19, 11 October 2006.

<sup>6</sup> Of course, it remains the prerogative of the country to identify trade as important and to mainstream it into its development strategy – UNCTAD, the World Bank or any other agency can only assist the country in this regard.

<sup>7</sup> São Paulo Consensus, paragraph 114, footnote 7 and annex, footnote 8.



17. Before addressing the relevance of the Division's role in 2006–2007, the following points should be taken into account:

- (a) The Division is the key UNCTAD division. Its view on developments in the international trading system –given short- and medium-term global economic trends – needs to be made even more coherent and forceful. Further, it needs to work closely with other UNCTAD divisions to spread its core message throughout the Organization;
- (b) The Division's comparative advantage resides in its ability to draw on years of experience in addressing the interrelationship between trade and development, including acknowledged expertise in selected technical areas, and in not being responsible for the implementation of any legally binding international policy measures.<sup>8</sup> This therefore enables the Division to address issues in an objective and neutral manner without the burden of vested interest; generate trust and confidence from beneficiaries, a capacity that should be preserved at all cost; and conduct its operations by integrating analysis, technical cooperation and intergovernmental legitimacy. As noted in paragraph 9, other organizations deal with trade and development, but the Division occupies a place in the international system that no other intergovernmental, research institute or non-governmental organization can fill;
- (c) Because of the emphasis in the São Paulo Consensus on assuring development gains from trade, it is necessary to look at international trade and the systemic issues inherent in the functioning of the international trading system. The Division seeks to bind the work of the five units into a coherent whole by addressing issues that are both abiding and new. Whether the rules of the game benefit development in the areas of competition, services or standards is an abiding issue, for example. New issues include the “new geography of trade”, the impact of migration or of climate change on trade flows;
- (d) As in UNCTAD as a whole, the three pillars of the Division's work are research and analysis, consensus-building and technical cooperation. These activities should be carried out in a mutually reinforcing manner;
- (e) The Division responds to requests and considers potentially useful areas of work in a context of insufficient resources. All beneficiaries covered in the evaluation offered suggestions for further work or requests for additional assistance, largely of a practical nature, for their own countries. Staff indicated that all requests had been handled; some beneficiaries said that some requests had not been fulfilled, however.

18. Parties outside the Division reported that developing countries continued to trust the advice and support provided by it, especially in relation to the World Trade Organization. Likewise, the 2006 independent evaluation of the Division's assistance to countries acceding to the World Trade Organization was extremely positive as regards the relevance and impact of the Division's activities. Its ground-breaking work in services is widely respected: the Division has contributed to national policymaking and supported

---

<sup>8</sup> Except of course that of the Generalized System of Preferences.

the building of supply capacities and trade in services. However, it needs to maintain its capacity to leverage its credibility among developing countries, especially since other organizations now lend assistance to disadvantaged countries on World Trade Organization issues. Multilateral trade negotiations involve complex technical and analytical issues; therefore, the Division should make sure that it has the right mix of skills and experience to enable it to continue providing the level and depth of policy and technical advice developing countries rightly expect.

19. Some interviewees said that the Division appeared to be focusing unduly on World Trade Organization issues and that too many divisional resources were being used for this purpose. They agreed that member States could seek the Division's support on the Doha Round negotiations, especially when the negotiations were gathering momentum or facing difficulties. Nevertheless, some suggested that the Division might apply more of its expertise to other important areas of work in the trade–development nexus not specifically related to the World Trade Organization, such as bilateral and regional trade agreements, the implications of significant developments in South–South trade, i.e., the new geography of trade; and the possibility of a new trade architecture. Others commented that the Division should focus more on how trade could contribute to the achievement of the Millennium Development Goals, with an emphasis on the trade–poverty relationship, in part to enhance UNCTAD's influence and presence in headquarter-driven processes.

20. The Division is working on all these issues, given its wide and comprehensive mandate. Balance in the allocation of the limited resources available to the Division is essential. Should the Division concentrate available resources on a more limited number of subjects or should it continue to spread the resources more thinly in an effort to respond to as many as possible of the decisions set out in the São Paulo Consensus? These remarks on “widening” versus “deepening” are reflected in the concern expressed with regard to the Division's capacity for research and analysis, which is discussed in paragraphs 77–88.

21. Based on information provided in the three evaluation reports cited in paragraph 56, it can be concluded that the Division's role was relevant in view of assistance available from other sources. The independent evaluation found the Division's contribution to helping countries prepare for and act on accession to the World Trade Organization to be “very relevant, focused, timely ... and highly responsive” to needs. The Division did not duplicate assistance from other sources: one of the recommendations was that donors use UNCTAD as the main institution for support in acceding to the World Trade Organization. The Division's contribution to the Joint Integrated Technical Assistance Programme was based on a clear division of labour that reflected each organization's appreciation of its comparative advantage. The bio-trade facilitation programme, which the 2006 evaluation lauded for its relevance and results, was described as one of the few international programmes to promote responsible trade in native species. The relevance of the Division's role may also be judged from the Division's capacity to work with other trade-related organizations: this is a positive experience, as summarized in paragraphs 67–68.

## **B. Impact**

22. The following points were reviewed:
- (a) The extent to which the Division's activities have facilitated the subprogramme's development objective (see paragraphs 23–29);
  - (b) The conditions under which the activities have yielded the largest impact or faced problems in making an impact (paragraphs 31–36);
  - (c) The adequacy of the geographical coverage of activities (paragraphs 37–38).
23. To what extent did the Division's activities facilitate the development objective? This is perhaps the key question of the evaluation and it will have to go unanswered in part, for the reasons explained below.
24. The Division, like other parts of UNCTAD, has a large range of constituencies, beneficiaries and target audiences that vary also among its units. Potential beneficiaries or constituencies may not necessarily share common interests: an interesting or useful piece of the Division's work to one may be uninteresting or useless to another. Potential beneficiaries include government officials in Geneva and in capitals from ministries of trade, foreign affairs, economy, agriculture, and the like; officials of service organizations and of regulatory bodies; officials of regional and subregional integration and cooperation organizations; business people engaging in manufacturing and exporting; representatives of non-governmental organizations; and academics. One staff member stated that 40 per cent of his unit's beneficiaries were World Trade Organization delegates (Geneva and capitals); 20 per cent were exporters from major firms; 20 per cent were standard offices and 20 per cent were small producers in quest of export markets. Another estimated that 80 per cent were government institutions and officials and 20 per cent were private-sector individuals and institutions. The Division also provides inputs to other United Nations agencies, such as the Department of Economic and Social Affairs, regional commissions, the United Nations Environment Programme and the Office of the United Nations Secretary-General.
25. Measuring impact therefore means assessing the results for each of these constituencies or audiences according to the specific programmes of interest to them. Because of time and resource constraints, such an assessment could not be done in a meaningful or scientific manner.
26. In addition, the official performance measures have severe methodological deficiencies. In most cases, the expected accomplishment, the achievement indicator and the performance measure cannot be uniquely assigned to UNCTAD's specific contributions. For example, of the six performance measures set out in the programme budget, only one is uniquely measurable by the Division. This concerns the number of registered and subscribing users of the Trade Analysis and Information System, the World Integrated Trade Solution and the Agricultural Trade Policy Simulation Model. These are also programmes for which UNCTAD is responsible, directly or in cooperation with other organizations.
27. More information is needed on the performance measures. For example, five of the Division's performance measures relate to actions taken by developing countries. If progress is made in 10 countries, for example, it would be useful to know which

countries, why those countries and not others, what progress was made and why these results are specifically attributable to action by the Division. In general, Integrated Meeting and Documentation Information System reports cannot provide objectively verifiable data of this kind. All indicators in that database report the achievement of targets by drawing on informal or official records or documents, interviews, personal communication and the like. Indicator 3(b), relating to the number of registered and subscribing users of the Trade Analysis and Information System, the World Integrated Trade Solution and the Agricultural Trade Policy Simulation Model, uses quantitative data. Indicator 3(d) referring to countries making progress in competition provides the names of the five countries reported to be making progress. That is the only hard data provided on this issue in the Integrated Meeting and Documentation Information System.

28. With regard to the results of individual activities as opposed to the collective result, most of the activities – expert group meetings, technical cooperation projects, publications or workshops – produced useful results, thus contributing to the expected accomplishment and achieving development gains from trade. However, it does not seem possible to aggregate these results at the Division level into a meaningful summary. The Division's activities in 2006–2007 represent the aggregation of a series of mandates, events and resources. This does not mean that the individual activities are not worthwhile, but it does make it very difficult to define the extent of the Division's contribution to the subprogramme's development objective.<sup>9</sup>

29. Three further comments can be made with regard to the Division's activities:

- (a) Activities are often planned and implemented without indicators, baseline data or timelines, thereby limiting attribution and measurement of results. Links between expected results, resources, and monitoring and evaluation could also be improved<sup>10</sup> (see also paragraph 92 (b));
- (b) The Division is taking steps to bring about more coherence in its work programme, as illustrated by the Director's very useful presentation to the Working Party on the Programme Budget and Medium-term Plan on 29 January 2007. Many of the findings of the present evaluation are reflected in that presentation;
- (c) The Division units can provide very good examples in 2006–2007 of ensuring a mutually reinforcing relationship between the three pillars of the Division's work, for example:
  - (i) The work on services carried out by the Trade Negotiations and Commercial Diplomacy unit;
  - (ii) The work on new and dynamic sectors conducted by the Trade Analysis unit;
  - (iii) The collection and dissemination of market-based information by the Commodities unit;

---

<sup>9</sup> Much the same argument would apply to other UNCTAD divisions.

<sup>10</sup> This comment is common to other evaluations of United Nations system organizations. See for example, the evaluation of the Regional Cooperation Framework for Africa conducted by the United Nations Development Programme in May 2007.

- (iv) The voluntary peer reviews performed by the Competition and Consumer Policies unit;
- (v) The work on environmental standards done by the Trade, Environment, Climate Change and Sustainable Development unit.

30. The interrelationship, and in some instances, the integration of the three pillars, is well-established in the Division. However, two questions arise. Under what conditions did the Division's activities yield a significant impact? Was there adequate geographical coverage of activities?

31. Although there are a number of other factors to be considered, the question of depth versus breadth is very important. Should activities be focused on a limited number of subjects or countries? Since geographical distribution of activities is part of this issue, it is useful to discuss both questions together.

32. According to the findings of the evaluation, the activities with the following characteristics were likely to yield a positive impact:

- (a) Clearly defined activities responding directly to identified beneficiary needs and interests and exploiting the Division's comparative advantages;
- (b) Well-funded activities over several years with provision for follow-up when necessary;
- (c) Activities involving cooperation with like-minded organizations that lead to wider constituencies and audiences;
- (d) National activities benefiting from clear government commitment and support from all vested interests.

33. In contrast, one or more of the following conditions generally produced less impact:

- (a) Failure to incorporate the requirements identified above;
- (b) Isolated, small, or ad-hoc activities specific to a country or sector, often without follow-up or continuity, unless a specific request was made for an ad-hoc activity;
- (c) Inability to generate multiplier effects, sometimes because of the inadequate initial design or definition of activities;
- (d) Special cases, such as the requirement to accept government nominees for training programmes.

34. A number of interviewees commented that capitals lacking Division activities were unaware of the Division's specialized expertise and knowledge. Programmes that do not generate a recognized flagship report also affect the Division's visibility. The Division has taken steps to enhance its media outreach: such efforts are key to enhancing the Division's impact and must be maintained, and where possible, reinforced.

35. The dilemmas of depth versus breadth and of ad-hoc processes can be illustrated by several Division activities:

- (a) The Competition and Consumer Protection Policies for Latin America programme is clearly making a difference in the five beneficiary Latin American countries.<sup>11</sup> The relevant Divisional unit does not have the capacity to carry out similar projects for other countries in need, although it is making an important contribution to developing competition legislation in the countries of the West African Economic and Monetary Union. What can be done to extend its reach to other countries?
- (b) As a result of the second sectoral review of new and dynamic sectors of world trade in 2005, the Trade Analysis unit and Royal Philips Electronics joined forces in the exploratory phase of an energy-saving light-bulb industry in the Southern African Development Community. The work was useful to both parties: the unit acquired real world experience and learned how to switch from analytical work in dynamic sectors to the practical issues of creating supply capacities; Royal Philips Electronics gained new insights as a potential investor. Similarly, the BioFuels Initiative was a positive development. These examples illustrate the need for forward planning so that all regions can benefit from these types of initiative.
- (c) Each of the Division units organized in 2006 and 2007 a considerable number of seminars and workshops. A few were one-time events with little or no follow-up by the Division, although they were often part of wider programmes and objectives.

36. The impact of the Division's work could be enhanced significantly if beneficiaries would encourage donors to duplicate successful programmes in other countries and regions by calling on the Division or on other organizations that receive its technical advice and guidance. Likewise, the impact of Division training programmes would be strengthened if such seminars and workshops were to become integral parts of long-term capacity-building programmes in each country. Applying elsewhere the lessons learned would expand the Division's influence and impact.

37. In 2006, the Division carried out 53 technical cooperation projects worth \$9.7 million. Eighty per cent of the projects and 68 per cent of the value were incurred through interregional projects, an unknown part of which was incurred in specific countries and for regions. Of the 14 regional and country projects under way in 2006, \$1.1 million was spent in Africa, mainly on trade negotiations and commercial diplomacy, and \$1.3 million in Asia-Pacific, primarily on a Division project in India. Some \$0.6 million were spent in Latin America and the Caribbean on the Competition and Consumer Protection Policies for Latin America Programme and on the bio-trade facilitation programme. The regional shares were as follows: Africa, 36 per cent; Asia-Pacific, 43 per cent; and Latin America-Caribbean, 21 per cent.<sup>12</sup> The Division carried out 8 country projects in 2006; four were implemented in least developed countries for a total value of \$145, 234.

38. In reality, the Division can determine only a small part of the geographical distribution of technical cooperation resources, since donors attach conditions that often

---

<sup>11</sup> Bolivia, Costa Rica, El Salvador, Nicaragua and Peru.

<sup>12</sup> Based on an arbitrary assumption that the regional distribution of interregional projects is the same as that for country and regional projects.

pre-select the choice of beneficiary countries. To the extent that these small amounts have any meaning, it is reasonable to conclude that Africa and the least developed countries would benefit from an increased share of technical cooperation resources.

### **C. Sustainability**

39. Another aim of the evaluation was to ascertain whether the design and implementation of technical cooperation activities ensured maximum sustainability in beneficiary countries.

40. Capacity development is a long-term process requiring the acquisition of individual and institutional capacities, and of social capital. An example drawn from an area central to the Division's work – multilateral trade negotiations and commercial diplomacy – can be used to make the point. In the Kennedy and Tokyo Rounds of trade negotiations, Malaysia, like most developing countries, was largely a bystander. In the Uruguay Round, it benefited considerably from support provided, *inter alia*, by UNCTAD; by the time of the Doha Round it was almost fully self-sufficient and able to help other developing countries. This was a 20–30 year process carried out under very favourable domestic conditions. This example underscores the need to ensure that technical-assistance and capacity-building programmes are provided in a continuous and sustained manner on a medium- to long-term basis.

41. Thus, it is unrealistic to expect that activities carried out in a single biennium will lead to sustainable results: whether the Division activities performed in 2006–2007 will lead to sustainability remains to be seen. Some of the outputs will probably lead to sustainable results (see next paragraph). Clearly, the Division should continue to plan activities in such a way as to facilitate sustainability.

42. The Division's efforts to seek sustainability appear to be generally good. Those activities described in paragraph 32 will help ensure sustainability, for example:

- (a) As regards the work on accession, where in several countries, UNCTAD's contribution has led to lasting results as reported by the 2006 evaluation;
- (b) The biotrade initiative, which seeks to promote the sustainable use of biodiversity;
- (c) The Competition and Consumer Protection Policies for Latin America Programme, with its direct, intensive support of national focal points;
- (d) Aspects of the work on trade negotiations, for example, in services;
- (e) Encouragement of public/private partnerships as in the case of e-waste disposal in the Thai electronics industry;
- (f) Commodity exchanges in India, where there was strong national commitment and support;
- (g) The new phases of the Joint Integrated Technical Assistance Programme and the Integrated Framework for Technical Assistance to Least Developed Countries;
- (h) The East African Organic Agriculture Standard.

43. In contrast, the Division's *ad hoc* interventions – for example the various training programmes and workshops – have not led to sustainable results, and will probably not.

One-time events may not necessarily mean a lack of sustainability: they may make a useful contribution to sustainability depending on the relevance of the activity and the quality of the technical advice. Nevertheless, the Division is sometimes obliged to accept government nominees who may not necessarily be those best equipped to benefit from training. Developing countries experience the inevitable turnover of staff, leading in turn to requests for repeat training courses. In these circumstances, the Division should continue to facilitate sustainability by providing support in policy and regulatory capacity-building and technical know-how in cooperation with other relevant organizations such as the United Nations Development Programme with a country presence and greater aptitude for capacity-building as now understood.

#### **D. Effectiveness and efficiency**

44. Another aim of the evaluation was to examine whether the objectives of the activities had been met and beneficial results were produced; whether the action taken had been appropriate; whether the coordination of internal resources and expertise had been optimal; whether efficient means had been deployed to deliver activities; and whether projects had been completed within a reasonable time frame.

45. These are legitimate questions, but they are very difficult to answer in a systematic and evidence-based manner given the limited resources available to the present evaluation. Therefore, the next-best approach was to collect information on the Division's performance, as summarized below. Whenever possible and relevant, such information is juxtaposed with identical information for UNCTAD as a whole. Timelines vary, depending on the source and availability of information.

46. Conventional achievement indicators include the following:

- (a) The objectives, expected accomplishments and indicators of achievement for the 2006–2007 programme budget. For the Division, there are five expected outcomes – one for each of the five Division units – and six indicators, two for Trade Negotiations and Commercial Diplomacy and one for each of the other four units. The Division was on target for each of the indicators in 2006 and thus, presumably, were the outcomes. Of a total of 28 indicators, UNCTAD was above target for 6, on target for 18 and below target for 4.<sup>13</sup>
- (b) According to data from the Integrated Meeting and Documentation Information System, the Division was responsible in 2006 for 51 per cent of the Division's total outputs during the biennium as a whole: the overall UNCTAD implementation rate was slightly below 50 per cent. By early August 2007, the Division could be credited with 732 of the biennium's programme outputs of 1,088, or 67 per cent, compared with UNCTAD-wide figures of 1,670 outputs, against a total of 2,691, or 62 per cent. The Division is responsible by far for the largest number of UNCTAD programme outputs, 40 per cent of the total, compared with 21 per cent each for the Division on Globalization and Development Strategies and the Division on Investment Technology and Enterprise Development. The breakdown per unit, based on August 2007 figures, is as follows: Trade Negotiations and Commercial Diplomacy, 194 outputs, or 61

---

<sup>13</sup> UNCTAD Annual Report, 2006 (UNCTAD/DOM/2007/1), annex F.



per cent of the total; Trade Analysis, 71 outputs, or 65 per cent; Trade, Environment, Climate Change and Sustainable Development, 148 outputs, or 66 per cent; Competition and Consumer Policies, 98 outputs, or 78 per cent; and Commodities, 148 outputs, or 64 per cent.

- (c) In terms of workload by different type of activity expressed as work months, it is estimated that 60 per cent of Division resources were spent on technical assistance-related activities, 29 per cent on research-related work and publications, and 11 per cent in support of intergovernmental-related activities.<sup>14</sup>
- (d) The Division in 2006 achieved 46 per cent of the biennium programme of 167 planned publications: non-recurrent and information materials were prepared at above-average implementation rates, whereas recurrent publications and technical materials were prepared at below-average implementation rates.

47. The above data shows that the Division is producing its mandated outputs in the required amounts and largely on schedule (see paragraphs 59–61 below).

48. Another way to express outputs is to recall the Division's work in 2006, as outlined below:

- (a) The Division issued 35 publications, slightly less than half of the UNCTAD total of 77 publications;
- (b) It organized 10 intergovernmental and other meetings and contributed to several Trade and Development Board meetings out of a total of 43 such meetings for UNCTAD as whole;
- (c) It set up and/or substantively supported 95 seminars and workshops attended by 2,657 participants, more than half of such UNCTAD-related events (181) in 2006.

49. The titles of these publications, meetings and seminars/workshops are provided in the UNCTAD Annual Report 2006.

50. With regard to the use of resources, information is presented according to the funding source.

- (a) Regular budget resources: the General Assembly approved some \$23 million in such resources for the Division. In 2006–2007, the Division was using all available resources for its 58 professional and 25 general-service posts at an average rate of 99 per cent.<sup>15</sup> It spent 99 per cent of its non-post resources in 2006 and was on target to spend all such resources in 2007.<sup>16</sup> The data show clearly that the Division, like UNCTAD as a whole, was fully using all available regular budget resources.
- (b) Extra-budgetary technical cooperation expenditures: during 2006, the Division carried out technical cooperation activities valued at \$9.7 million, exclusive of

---

<sup>14</sup> The accuracy of work-month statistics depends on the ability of Integrated Meeting and Documentation Information System focal points to estimate the time and number of staff involved in each activity.

<sup>15</sup> The resources of one post have remained on average unutilized during the biennium. On 15 September 2007, however, all posts were encumbered.

<sup>16</sup> As of 30 June 2007, the Division had committed or spent 79 per cent of such resources available for the second year of the biennium.

programme-support costs, or 27 per cent of the total UNCTAD programme of \$35.2 million. The 2006 figure represented a significant increase over the levels of the early 2000's. Out of 280 UNCTAD-run technical cooperation projects, the Division was responsible for 53, with an aggregate budget for 2007 of \$9.2 million. Expenditures amounted to some \$4.7 million as of September 2007, implying an annualized delivery rate of slightly less than 70 per cent, compared with equivalent UNCTAD figures of \$23.4 million and 62 per cent, respectively. While the Division's technical cooperation project delivery rate is higher than the overall UNCTAD average, it is still below what should be considered as acceptable.

- (c) Some interviewees commented that Division staff travelled a great deal. From information provided to the evaluation, they travelled as much as the staff of the Division on Globalization and Development Strategies, the Division on Investment, Technology and Enterprise Development and the Division for Services Infrastructures for Development and Trade Efficiency put together. However, in the first 17 months of the biennium, Division travel represented only about 15 per cent of the number of working days in the year,<sup>17</sup> which does not appear to be unreasonable given the Division's mandate and work programme.

51. The following information regarding the filling of vacancies was provided:

- (a) On average, based on data available on 15 September 2007, it took 484 days to fill vacant posts in the Division in that year, compared with 390 days for UNCTAD as a whole.<sup>18</sup> A number of posts were encumbered without regular staff for long periods of time.
- (b) As a result of these delays, the Division's vacancy rate<sup>19</sup> on 15 September 2007 was 15.5 per cent, as opposed to 12.1 per cent for UNCTAD as a whole.

52. Some explanations were given for the time required to fill certain posts; responsibility needs to be shared between the Division, the Secretary-General's Office and the Division of Management of UNCTAD. Whatever the explanation, the time required to fill posts in the Division is too long and its vacancy rate is too high, both in absolute terms and in relation to UNCTAD averages.

53. Gender statistics. Forty per cent of regular professional posts in the Division are currently occupied by women, which is slightly above the overall UNCTAD average of 37 per cent. Some 1,683 women, or 39 per cent, attended Division training events in 2006.

54. Submission of official documents. About 60 per cent of the documents were issued behind schedule by the Division in 2006. Some documents were submitted up to two weeks late; others over one month late. This is obviously unacceptable. However, performance improved in 2007: two thirds of the documents were submitted on time.

---

<sup>17</sup> Data for UNCTAD staff travelling more than 20 days between January 2006 and May 2007, net of weekends, official holidays and leave.

<sup>18</sup> Recruitment time from date of vacancy to occupancy. Time taken from date of vacancy announcement to occupancy was on average 284 days for the Division and 237 days for UNCTAD as a whole.

<sup>19</sup> The time between advertising the post on Galaxy and occupancy.

55. Participation in intergovernmental meetings: 90 countries were represented at the Trade Commission meetings in 2006 and 2007.<sup>20</sup> Some 20 per cent of the participants travelled from capitals. Division expert meetings attracted a higher percentage, between 33–40 per cent, of participants from capitals. Some topics, for example, services and competition, attracted greater participation from capitals, especially in the case of the Intergovernmental Group of Experts on Competition Law and Policy. Annex II provides a summary of participation in Division meetings in 2006–2007, with comparative data on selected UNCTAD meetings.

56. Information available from evaluations: at least three important evaluations of Division programmes conducted in 2006–2007 praised the Division's work.

- (a) In 2006, at the request of the Working party on the medium-term plan and the programme budget, an independent evaluation was conducted on UNCTAD's trade-related technical assistance and capacity-building activities on accession to the World Trade Organization.<sup>21</sup> According to the report, the Division's contribution to helping countries prepare for and act on accession to the World Trade Organization was "very relevant, focused, timely, pro-development and highly responsive to changing needs and priorities of beneficiary countries ... [who] .... have indicated they rely heavily on UNCTAD to provide objective, evidence-based and development-focused support". The report also stated that "donor coherence in utilizing UNCTAD as the main institution for accession support is essential to avoid overlapping of programmes and competing efforts, minimize strain on the limited absorptive capacity of countries and avoid confusing and conflicting advice". The report recommended steps aimed at improving programme delivery. The Working Party welcomed with "appreciation the timely, comprehensive, demand-driven and developed focused assistance" provided by UNCTAD. The Trade and Development Board subsequently approved<sup>22</sup> the Working Party's decision to endorse the findings and recommendations of the report.
- (b) JITAP-II was subject to a mid-term evaluation in 2006. The report of the independent evaluation<sup>23</sup> indicated that module 1, for which the Division/UNCTAD had lead responsibility, "performed satisfactorily in most countries ... several results are attributed to JITAP by involved stakeholders".
- (c) An independent interim evaluation was conducted in mid-2006 on the Division's Biotrade Facilitation Programme. The evaluation<sup>24</sup> found that the Programme, "through its work on guidelines and policies ... is becoming an international reference centre for biotrade ..... it has been able to provide effective support to [biotrade-related] producers, processing enterprises and exporters". The

---

<sup>20</sup> Roughly similar to meetings of the other two Trade and Development Board commissions.

<sup>21</sup> Evaluation conducted by the representatives of Malaysia, Norway and Yemen. See TD/WP/190 of 21 July 2006. The representative of Norway confirmed that the Division had performed very well at the country level, compared with the reality of UNCTAD intergovernmental meetings in Geneva.

<sup>22</sup> Action taken by the Board at its meeting of 29 September 2006.

<sup>23</sup> JITAP-II Mid-Term Evaluation, Main Report, 30 August 2006.

<sup>24</sup> UNCTAD Biotrade Facilitation Programme, Interim Evaluation, Praximondo Consultants, 27 July 2006.

evaluation contained a number of observations on the Programme which are also relevant to other Division programmes.

57. Files were provided with information obtained from questionnaires on the following points:

- (a) Evaluation sheets containing comments of participants in six UNCTAD intergovernmental meetings organized by the Division in 2006–2007.<sup>25</sup> On average, 18 participants per meeting completed the questionnaire, ranging from 9 participants in the 2006 Trade Commission meeting to 30 participants in the 2007 meeting of the same commission. Forty-six per cent of respondents rated the meetings “very good”, while 54 per cent rated them “excellent” and “good”. Less than one per cent of respondents gave them a poor rating. A number of comments praised aspects of the meeting, such as preparatory work or presentations. Respondents, who were mainly from developing countries, often commented on the time-management of the meetings, which often started late. There were too many presentations, hard copies of the presentations were not always available, not enough time was allotted to allow a genuine exchange among participants and some meetings were too short to do justice to the topic discussed.
- (b) Comments by readers of official documents of the Division: copies of 129 questionnaires containing readers’ evaluations of 13 official documents submitted to 5 intergovernmental meetings held in 2006–2007, or on average 13 respondents per document. Some documents, in particular those on services or on the Trade and Development Index, prompted more interest than others. Two thirds of the replies rated the documents very useful, the balance being of some use. As regards quality, 51 per cent of the documents were rated good, 37 per cent excellent and 11 per cent adequate. There were a number of interesting comments containing requests for more analysis and information as regards greater country coverage, specific case studies, better statistics and greater comprehensiveness.
- (c) Evaluation by participants in workshops held by the Division or the Trade Negotiations and Commercial Diplomacy unit: The Unit provided a synopsis of evaluation forms completed by 632 participants or 90 per cent of total participants in 25 workshops and training sessions. Participants were satisfied with the courses or training sessions. Logistics, duration, course content, delivery by Division staff/experts, stimulation exercises and relevance received ratings ranging from 66–80 per cent or more. Participants rated the contribution of the courses to capacity-building at 90 per cent.
- (d) Participants’ evaluation of Division presentations at UNCTAD flagship training courses on key international economic issues. Division presentations to the training courses held in 2006–2007 appear to have been greatly appreciated by participants. Comments include “good”, “excellent”, “clear”, “knowledgeable”, “responsive”. Participants often rated their learning experience in the top range (5–6) and much less frequently in the middle range (3–4). While not all participants were equally enthusiastic – there some comments complaining about

---

<sup>25</sup> Two meetings of the Commission on Trade in Goods and Services, and Commodities in 2006 and 2007; three expert groups meetings in 2006 and one ad hoc meeting in 2007.

the lack of structure in some of the presentations and the dullness of the delivery style – it is clear from the available data files that Division presentations were well-prepared, comprehensive and responsive to beneficiary needs. There was one general complaint – namely that insufficient time was allocated to World Trade Organization issues.<sup>26</sup>

58. Information on the Division's public outreach. The evaluation included information on the following points:

- (a) Press coverage of the Division's activities. Between April 2006 and July 2007, 55 articles on the Division's activities appeared in 31 English, French and Spanish newspapers, magazines and wire reports around the world, many of these in influential media outlets in the developing world.<sup>27</sup> There were apparently no Division-inspired articles in the major media outlets of Europe, the United States and other developed regions. These figures exclude the extensive press coverage of the May 2007 Global Initiative on Commodities sponsored by the African, Caribbean and Pacific Group of States, the Common Fund for Commodities, the United Nations Conference on Trade and Development and the United Nations Development Programme. In an impressive example of the benefits of inter-agency cooperation, the four organizations planned and coordinated their media campaigns, resulting in significant press coverage of the event around the world.
- (b) Visits to Division websites. Neither time-series nor comparative data regarding visits to Division websites were available at the time of writing. Two sites, TRAIN and INFOCOMM, an Internet portal providing market information in the commodities area, receive many hits and are clearly useful. There are 10 main websites of the Division, all mutually exclusive. Some are clearer and better maintained than others. Several sub-sites are not always up-to-date, for example, the website on commodities does not post publications issued in 2007; the "About TED" page of the eponymous website quotes the UNCTAD X mandate but not the São Paulo Consensus; and the trade-related capacity-building page of the Trade Negotiations and Commercial Diplomacy website appears to have no information subsequent to 2002.
- (c) Peer reviews of Division publications. Information was sought from the Internet on the extent of peer reviews of Division publications. However, not much information was immediately available, perhaps because the search may not have been fully exhaustive or because research publications were not being posted. The Social Science Research Network lists seven Division publications from the past four years, with information on the number of abstract views and downloads (see annex III). The 2006 publication with the first version of the Trade and Development Index was posted on the Social Science Research Network electronic library<sup>28</sup> in May 2007: its abstract was viewed 56 times and the

---

<sup>26</sup> This is essentially an internal issue within the Division, that is, between the time allotted to presentations on commodity problems (two days) and on World Trade Organization matters (two days).

<sup>27</sup> This is probably a considerable understatement of the actual coverage: it represents only what the Communications and Information Unit was able to gather by checking UNCTAD's online press review under "Puri" and "trade".

<sup>28</sup> <http://papers.ssrn.com/sol3/displayabstractsearch.cfm>.

document downloaded 26 times. The Division might consider a new policy whereby all research publications are automatically posted on suitable websites to give them as wide a dissemination as possible.

59. Comments on the use of quantitative information. The Integrated Meeting and Documentation Information System indicators are positive, suggesting that the Division is working efficiently, in particular as regards the implementation of the regular work programme and of technical cooperation activities. Evaluations of the Division's activities are positive. The delivery rate for technical cooperation projects is above the UNCTAD average. Negative indicators include excessive time taken to fill vacancies and lateness in submitting official documents, although the record on the latter measure improved in 2007 over 2006. In general, the Division's performance is highly satisfactory.

60. Quantitative data tell only a part of the story, however. Bean-counters can give us numbers, but they tell us little about the quality of the beans, how the beans came to be there in the first place, or what should be done with them.

61. A quantitative summary should thus be accompanied by a qualitative analysis of the relevance, impact and usefulness of the Division's work in assuring development gains from trade. Further, the analysis should reflect the diversity of the Division's programmes and activities. However, because of the diversity and range of mandates and programmes, it is very difficult to make a generalization about the Division as a whole.

#### **E. Other issues**

62. The evaluator was asked to examine whether projects had taken into account wider objectives of the United Nations and whether there was cooperation with other organizations.

63. The Division has contributed to wider objectives of the United Nations, such as the Millennium Development Goals and poverty reduction, in the following manner:

- (a) By helping implement the outcomes of major United Nations conferences and summits with regard to consensus-building, as reported to the Trade and Development Board;<sup>29</sup>
- (b) By acting as convener of the United Nations Executive Committee on Economic and Social Affairs Working Group on Trade;
- (c) By seeking to integrate Millennium Development Goal considerations into the three pillars of its work. Some examples are listed below:
  - (i) The Expert Meeting on Enabling Small Commodity Producers and Processors in Developing Countries to Reach Global Markets, held in Geneva in December 2006, was directly related to several of the Millennium Development Goals;

---

<sup>29</sup> TD/B/54/6 of 27 August 2007 covering, inter alia, international trade, commodities and competition policy.

- (ii) The Expert Meeting on Universal Access to Services held in Geneva in November 2006 was relevant to several Millennium Development Goals including access to health and water, and poverty reduction;
- (iii) Analytical work represented by papers such as Anti-competitive practices and the attainment of the Millennium Development Goals: implications for competition law enforcement and inter-agency cooperation<sup>30</sup> or Developments and issues in the Doha work programme of interest to Arab countries in the context of Millennium Development Goals;<sup>31</sup>
- (iv) In the area of technical cooperation, the Division is carrying out a development account project which focuses on the interface between trade and the Millennium Development Goals in general, and on trade negotiations, commodities, trade and environment, and competition policy in particular. The project on strategies and preparedness for trade and globalization in India run jointly by the Division and the Department for International Development of the United Kingdom has taken into account these wider objectives. Whether other Division projects have done so explicitly and with cause is not clear. The above-mentioned report to the Trade and Development Board (see footnote 29) made no mention of whether the Division's operational projects took action to address these wider objectives.

64. Cooperation with other UNCTAD divisions. While the examination of issues relating to the Division's cooperation with other UNCTAD secretariat divisions was not part of the evaluation, comments were received on the matter. Leaving aside such generalities as "there is no coordination", which do not lend themselves to useful analysis, there appear to be two areas of work within UNCTAD which directly involve the Division and where inter-divisional cooperation is not as effective as it should be.

65. The first of these relates to UNCTAD's contribution to the Enhanced Integrated Framework involving cooperation between the Division and the Division for Africa, Least Developed Countries and Special Programmes. The latter takes the lead on the integrated framework: it has the knowledge and contacts to facilitate UNCTAD actions, but it needs the technical support and know-how of other UNCTAD divisions, especially of the Division on International Trade in Goods and Services, and Commodities. The lack of funds and of specific UNCTAD representation in least developed countries have undoubtedly affected UNCTAD's capacity to contribute effectively to integrated-framework processes: it did not take part, for example, in several diagnostic trade integration studies. However, now that all trade-related technical cooperation will be channelled through the Enhanced Integrated Framework for which significant funding will be made available, it is incumbent upon the Division and the Division for Africa, Least Developed Countries and Special Programmes to cooperate as closely as possible to exploit their respective comparative advantages. Given the new expectations relating to the integrated framework, it may also be necessary for the Division to strengthen its focal

---

<sup>30</sup> UNCTAD/DITC/CLP/2006/4: Implementing competition-related provisions in regional trade agreements: is it possible to obtain development gains?, Chapter 3.

<sup>31</sup> UNCTAD/DITC/TNCD/2005/9.

point for integrated-framework activities and to encourage all units to be pro-active towards the integrated framework. If not, the Division may well find itself unable to contribute in areas of its expertise, to trade-related technical cooperation in integrated-framework countries. Further, and to facilitate UNCTAD's contribution to the Enhanced Integrated Framework, it is recommended that the organization consider establishing on a case-by-case basis<sup>32</sup> direct country representation according to the necessary extra-budgetary resources. This would undoubtedly contribute to enhancing the Division's impact in integrated-framework countries.

66. The second instance concerns the cooperation between the Division and the Division on Globalization and Development Strategies as regards responsibility for the generation and use of statistics. There are a number of cases in which this cooperation has benefited both sides, for example, with regard to the long-standing work on tariff barriers, or on the data required to support the expert group meeting on financial services; or collaborative efforts on creative industries data. There are other areas where the required cooperation has not been as productive, specifically with respect to the work on the Trade and Development Index and the proposed South-South trade information system. Differences in methodology, definition and data-collection procedures should be resolved in a professional manner in line with standing instructions for greater in-house coordination on statistical methodology and on the compilation, interpretation and dissemination of UNCTAD statistics.<sup>33</sup>

67. Cooperation between the Division and other organizations. From the Division's viewpoint,<sup>34</sup> it has a highly satisfactory record in establishing and maintaining cooperative arrangements with other organizations. Good examples may be found throughout the Division:

- (a) From the Trade Negotiations and Commercial Diplomacy unit: the tripartite International Trade Centre/UNCTAD/World Trade Organization Joint Integrated Technical Assistance Programme;
- (b) From the Trade Analysis unit: the multi-agency support team on non-tariff barriers, and the inter-agency work on trade data conducted by the International Trade Centre, UNCTAD, the World Bank and the World Trade Organization;
- (c) From the Commodities unit: the Sustainable Commodity Initiative and the Global Commodity Initiative; see also paragraph 16(b) above;
- (d) From the Trade, Environment, Climate Change and Sustainable Development unit: the Consultative Task Force on Environmental Requirements and Market Access for Developing Countries, the UNCTAD-United Nations Environment Programme capacity-building task force and the biotrade initiatives.

---

<sup>32</sup> In light of the extent of UNCTAD technical cooperation in each Enhanced Integrated-Framework country.

<sup>33</sup> Memorandum of Secretary-General of 20 October 2005.

<sup>34</sup> Time constraints inhibited the collection of views on such matters from cooperating/partner organizations.



68. These and other similar networking and collaborative activities<sup>35</sup> have added value to the Division's programmes and enabled the Division to enhance its impact.

#### **F. Best practices**

69. Another aim of the evaluation was to identify best practices that could be generalized in the Division and in other UNCTAD divisions and to list areas that needed improvement. Some of what follows is well known.

70. For the purposes of the present evaluation, best practices include the following:

- (a) The Division's work on competition policies has been immeasurably enhanced by the internationally recognized credibility of the Intergovernmental Group of Experts on Competition Law and Policy. This standing body may be an "old boy's network" and occasionally lack innovative capacity, but this is not as important as the continuity, stability and legitimacy that the Group offers the Division. The lesson is clear: standing expert groups are essential to the Division's other key mandates, as recommended in the Report of the Panel of Eminent Persons;<sup>36</sup>
- (b) The annual consideration of specific services-related issues in the context of regular and ad hoc expert meetings have led to the development of a body of knowledge and best practices, and a community of policy makers, researchers and negotiators in services, trade and development;
- (c) *The Trade and Environment Review* allows for commentaries by experts. This innovative approach enhances the impact of the publication and facilitates networking. It could well be applied in other Division publications, and elsewhere in UNCTAD;
- (d) The work on the Trade and Development Index will be conducted under the guidance of an advisory body of eminent trade economists. A similar approach could be used to develop a research and analysis programme.
- (e) The voluntary peer review of competition policy, like the investment policy review conducted by the Division on Investment, Technology and Enterprise Development, gives UNCTAD an opportunity to act in a meaningful way at the country level. Perhaps a similar approach could be considered in the area of commodities, so as to respond to the needs and interests of commodity producers and thereby enhance the Division's work on commodities;
- (f) The annual African oil and gas conferences, which bring together high-level players directly involved in the two industries, to examine and develop this sector;
- (g) The work with regional groupings on matters such as services with the Southern African Development Community, and competition policy with the Common Market for Eastern and Southern Africa and the West African Economic and Monetary Union.

71. It is important to carry out the following improvements:

---

<sup>35</sup> See the Division's Activity report for 2006, UNCTAD/DITC/MISC/2006/14.

<sup>36</sup> UNCTAD/OSG/2006/1, Recommendation No. 14.

- (a) Enhance the coherence of the Division's activities;
  - (b) Resolve the breadth–depth dilemma between focusing activities on a limited number of issues and/or countries in order to achieve greater impact versus spreading activities more widely so as to cover as large a number of countries as possible;
  - (c) Further strengthen the Division's research and analysis functions.
72. These issues are further discussed in section IV, Summary: Conclusions and Recommendations.

### **III. The three pillars of the Division on International Trade in Goods and Services, and Commodities**

#### **A. Consensus-building**

73. The Division organized in 2006–2007 two meetings of the Trade Commission, five expert meetings and one ad hoc expert meeting. The meetings demonstrate the Division's capacity to convene a wide group of senior government officials and technical experts for relevant and worthwhile discussions.

74. However, two questions arise. First, is the Trade Commission effective in establishing trade-related policies for development? Second, how can developing countries benefit more fully from the useful technical discussions in the expert meetings?

75. With regard to the first question, the outcome of the Trade Commission, as for other UNCTAD commissions, is focused on work-programme issues in UNCTAD. For reasons beyond the scope of the present evaluation, but noted in paragraph 9(c), the lack of consensus among member States means that the Commission cannot make any policy recommendations. This may be regrettable, but it is now the status quo. Information received for the evaluation indicated that efforts were under way among member States in the preparations leading up to UNCTAD XII to make sure that the outcome of Commissions was more policy oriented and practical.

76. Under the circumstances, every effort should be made to continue enhancing the usefulness of expert meetings through the application of recommendations 13 and 14 of the Panel of Eminent Persons. Although the establishment of standing expert groups is an intergovernmental decision, the Division can develop best practices inventories by building on expert group discussions on reconciling trade and environment objectives, or by seeking compatibility among multilateral trade rules and regional or bilateral trade agreements, for example. The Division can also draw up check-lists to help countries take advantage of dynamic new sectors, or establish criteria and principles for bio-trade initiatives. These are but a few examples: they are no doubt others. What needs to be done is to further improve the Division's intergovernmental work based on sound technical preparatory contributions from the Division.<sup>37</sup>

#### **B. Research and analysis**

77. The Division collects and disseminates much trade-related data obtained from various sources, namely the Agricultural Market Access Database, the Agricultural Trade Policy Simulation Model, the Common Analytical Market Access Database, the World Tariff Profiles, INFOCOMM, INFOSHARE, the Trade Analysis and Information System and the World Integrated Trade Solution. This work is carried out in close cooperation with several bodies, including the Food and Agriculture Organization of the United Nations, the International Trade Centre, the Organization for Economic Cooperation and Development, the World Bank and the World Trade Organization. The data and

---

<sup>37</sup> One area of work within the Division prefers to organize joint meetings with the World Trade Organization rather than expert group meetings on the same subject in UNCTAD, arguing that participation and impact are greater. This is all the more reason to go beyond the convening power of the Division and obtain increasingly practical results from the expert group meetings.

associated analytical tools are highly appreciated by academics and trade practitioners alike.

78. The Division is also conducting analysis on new and dynamic sectors of international trade. It has produced ideas on a “Marshall Plan” for least developed countries and has defined the development dimension of the Doha Round in terms of common denominators for developing countries.

79. More importantly, it has established a new Trade and Development Index. The Index was first published in early 2006; the second version was published in November 2007. Like all indices of this type, it has and will continue to be contested; it observes, but cannot explain causal relationships. It helps attract attention and provides an idea of where countries are in the trade–development relationship. It should be used as a time-series, indicating change over time. The recent establishment of a trade and development advisory board is an excellent initiative that will help ensure professional credibility. The development of the Index is work in progress which should take into account the technical views of other UNCTAD statisticians and economists.

80. The Division has also conducted a number of useful country-specific and regional studies on issues, such as national services assessments, country assessments under the biotrade and biofuels programmes, competition policy peer reviews and reviews of the impact of World Trade Organization agreements on trade policies of several African countries.

81. However, this evaluation emphasises that while the Division must be true to its mandate – and it is succeeding in a satisfactory manner – it also has to think innovatively. Several observers commented that the Division’s think-tank function so sorely needed by developing countries should be vigorously reinforced.

82. Developing countries would benefit from a coherent view on how the Division – hence UNCTAD – sees the trade–development nexus in the context of globalization, and how the dramatic recent new patterns of trade involving Brazil, Russia, China and India and other countries are changing systemic issues in the world economy. They need a firm analytical foundation on which they can conduct trade negotiations. They need to focus more on the forest and less on the trees. They need help in translating research on trade issues into firm policy options at the national and international levels. Other international organizations – the United Nations Development Programme, the World Bank or the World Trade Organization – cannot provide the disinterested objective analytical work that the Division is exceptionally well placed to provide.

83. The problems are well-known. Suitable research, for example, testing hypotheses, and proper analysis, such as drawing policy conclusions, require time and stability. However, staff are busy carrying out mandates or responding to other pressing tasks such as technical cooperation. Staff recruitment and the placement of highly qualified trade economists are difficult with the emphasis at the United Nations on all-rounders rather than specialists.

84. A major effort is needed to fill the gap and to protect the Division’s future work in trade. Some ideas on how to proceed are provided below:

- (a) Use vacant posts on a short-term basis and mobilize extra-budgetary funding to expand the current research team to 4–6 full-time researchers;
- (b) Develop links with research institutes<sup>38</sup> focusing on an agreed research agenda supervised by a panel of expert advisers;
- (c) Develop synergies among interested colleagues within the Division and within UNCTAD by seeking comments on draft research publications an encouraging discussion on the internal research seminar programme;
- (d) Designate a senior staff member of the Division as research coordinator who will put in place the above measures.

85. An expanded policy research programme would naturally require leadership at the appropriate level on a full-time basis.

86. Such an approach would enable the Division to have a say in setting the global trade agenda by focusing on development issues in the context of trade. The agenda would be established independently of issues related to the World Trade Organization. It would help the Division address issues such as to how to mainstream trade into national development strategies more effectively, why countries are not taking advantage of market access opportunities, the measurement of development gains from trade or issues related to the trade architecture based on the emergence of major new trading countries in the South.

87. Even so, the Division should not try to compete with other organizations with regard to country-based analytical work on trade. Instead, it should position itself to conduct specific country analysis, for example in Enhanced Integrated-Framework countries on the basis of targeted extra-budgetary resources.

88. Another issue concerns the quantity of Division publications: does the Division produce too many publications? There is probably a relationship between quantity and quality. However, it is beyond the scope of the present exercise to review the quality and relevance of Division publications. Without an independent assessment of Division research- and policy-related outputs, it is not possible to judge their quality, and thus decide whether fewer publications would inevitably mean higher quality. The Division may wish to undertake such an assessment, employing methodologies commonly used in academia and/or other international organizations.

### **C. Technical cooperation**

89. The following comments relate to the Division's management of technical cooperation. As of September 2007, 53 projects were under way, 17 of which had budgets under \$50,000, and 9 had budgets over \$250,000. They range from very small, highly targeted operations to large country projects spanning several years, such as the aforementioned India project that represented a new departure for the Division and UNCTAD. There are some 13 bilateral donors, several developing country donors, mainly to the Global System of Trade Preferences among Developing Countries trust fund managed by the Division, and 7 institutional donors. Some of the Division's activities are structured and can be planned as long as resources and beneficiaries are

---

<sup>38</sup> See Panel of Eminent Persons, recommendation 7.

known: for example the Joint Integrated Technical Assistance Programme, the Competition and Consumer Protection Policies for Latin America programme and the joint Capacity Building Task Force on Trade, Environment and Development carried out by UNCTAD and the United Nations Environment Programme. Other activities are more unpredictable, especially those which respond directly to ad hoc requests from beneficiaries for which a rapid and targeted response is required. This range of projects, donors, partners and activities pose significant management challenges for a technical cooperation programme of some \$9 million annually.

90. The Working Party's recent review of technical cooperation has led to the decision to proceed with the establishment of thematic trust funds: this is a welcome development, which if implemented by donors, should materially enhance the Division's capacity to prioritize and manage its technical cooperation.

91. This approach could also help deal with donor influence over the choice of activities and/or countries to benefit from extra-budgetary resources. However, this not should be exaggerated. The Division can always make good use of contributions for advice to developing countries on aspects of the Doha Round agricultural negotiations or for work on accession or the extension of the bio-trade initiative to African countries, for example. However the choice should be made by the management of the Division on the basis of a well-defined list of priorities. Prioritization is essential if coherence is to be promoted and mandates implemented in a balanced manner.

92. Evaluations of the Division's technical cooperation activities mentioned in paragraph 56 and the UNCTAD-wide technical cooperation strategy point to several important issues:

- (a) The share of least developed countries in the Division's programme is probably not commensurate with their needs (see paragraph 37). The Division should become more actively involved in the Enhanced Integrated Framework (see paragraph 65) to reverse this trend;
- (b) Few project documents have satisfactory benchmarks, performance indicators and timelines for implementation. These are all standard monitoring tools, which if introduced on a systematic basis, would also help the Division manage its technical cooperation effectively;
- (c) Efficient implementation of technical cooperation requires high-quality intensive backstopping for which resources may not always be available. Therefore, the Division may need to trade off more projects for better backstopping. Although clustering projects into fewer thematic trust funds will clearly help, it will not reduce the need for backstopping.

93. In all fairness, each of these concerns may also apply to other UNCTAD divisions.

94. In the competitive world of multilateral technical cooperation, the Division enjoys recognition in several areas of policy advice – including, but not limited to accession to the World Trade Organization, services, and the conduct of competition policy reviews. It is also known for its expertise in providing data bases and trade information, and in building capacity in areas such as competition law, bio-trade and other dimensions of the

trade–environment relationship. It would help cement the Division’s comparative advantage if it identified the uniqueness of these various programmes and presented them as products and services unavailable from other sources.





## **IV. Summary: conclusions and recommendations**

### **A. Conclusions**

95. In 2006–2007, the Division carried out its activities according to the São Paulo mandates, the relevant programme budget and the outcome of the 2006 mid-term review. According to the formal performance indicators summarized in part II of this paper, the Division has done what it was expected and requested to do. Its record on the quantitative aspects of programme delivery is exemplary. Evaluations of the Division's activities are positive. Delays in filling vacancies and in submitting official documents on time, and perhaps inadequate media coverage are the only negative indicators (paragraphs 44–56).

96. The evaluation therefore concludes that at this level of abstraction, the Division is performing well. However, bean-counting is only part of the story (paragraphs 59–61).

97. Like other parts of the organization, the Division operates under a series of well-known factors external to UNCTAD (paragraph 9). After taking those factors into account, what can be said about the qualitative aspects of the Division's performance?

- (a) The work programme is wholly relevant, judged by its adherence to the São Paulo Consensus. However, two points are not being fully implemented: there is a lack of significant work on national trade policies and difficulties in establishing the proposed task force on commodities (paragraphs 11–21);
- (b) The activities do create an impact and make a difference. However, methodological problems and a shortage of firm evidence make it difficult to measure the extent to which the programme as a whole is facilitating the programme's overall development objective (paragraphs 22–38);
- (c) Most activities are sustainable; some less so (paragraphs 39–43);
- (d) The Division is contributing to wider United Nations objectives (paragraph 63);
- (e) Its cooperation with other UNCTAD divisions could be institutionalized, in particular, the Division for Africa, Least Developed Countries and Special Programmes with regard to the integrated framework, and with the Division on Globalization and Development Strategies on statistical issues (paragraphs 64–66);
- (f) The Division has an excellent record of cooperation with other trade-related organizations (paragraphs 67–68);
- (g) Some divisional best practices could be deployed more generally (paragraph 70);
- (h) The main areas for improvement are coherence, prioritization and division-wide research and analysis (paragraph 71).

98. The Division convenes well-attended intergovernmental meetings characterized by useful and highly relevant discussions. However, since there is no consensus among member States on the outcome of their deliberations, the useful dialogue in the Trade Commission does not result in agreed policy conclusions, thus limiting the impact of UNCTAD's intergovernmental work on trade. The valuable technical exchanges in the expert group meetings could be more effectively translated into practical measures for action at the national and international levels (paragraphs 73–76).

99. The Division's research and analysis work is carried out in accordance with its mandates. There is a need, however, to reinforce the think-tank function of research on trade issues from a development perspective that only UNCTAD can provide and which many developing countries badly need. In addition, steps should be taken to ensure that the Division's publications are relevant, targeted and ahead of the curve (paragraphs 77–88).

100. The Division's technical cooperation includes a variety of very useful and relevant activities often producing a considerable impact that beneficiaries clearly welcome and request more of. Donors likewise remain ready to contribute to Division programmes when there is clear comparative advantage, sound technical expertise and management, and deep commitment from the Division, but the impression remains of a scattered programme (see paragraphs 89–94).

101. Clearly, there are areas of excellence in the Division's portfolio of activities that are indeed relevant to the integrated treatment of trade and development. Fitting such activities into a coherent whole and ensuring both breadth and depth remain objectives to be achieved.

102. The Division's message is not as sharp and as clear as it should be, and those likely to be interested in and supportive of the Division's work are not necessarily aware of the services and products it provides (paragraph 34).

103. One option is for the Division to continue to function on its current basis. The work would continue to respond to beneficiary needs, but the overall impact would be limited. Another option is to try to do better by implementing the recommendations below.

## **B. Recommendations**

104. Recommendation 1: an attempt should be made to streamline and clearly define the secretariat's work programme. If successful, this should result in greater coherence, fewer outputs and therefore, an ability to address issues in greater depth. Specifically, criteria, weighted on a scale of 1–10 per criterion, for example, should be established and each work programme output ranked accordingly. The criteria would include the application of comparative advantage; the scope for differentiation from and complementarity with other organizations; the opportunity to make strategic and catalytic interventions,<sup>39</sup> whether there is a broad range of countries interested in a specific activity and in using the results; whether the Division has expertise in the area; and whether there is donor interest. There may well be other criteria. The ranking exercise would not apply to an on-going programme budget<sup>40</sup> but rather to two distinct instances: at the time of the initial preparation of the biennial programme budget, that is, in October or November of the first year of the biennium; and at the beginning of each year, to accommodate new proposals for work programme outputs and technical cooperation requests not included in the approved programme budget. This approach could be used on an experimental basis after UNCTAD XII in October–November 2008 for the preparation of the 2010–2011 programme budget.

---

<sup>39</sup> See Panel of Eminent Persons, recommendation 4, with regard to the first three criteria.

<sup>40</sup> By definition, all outputs included in an approved programme budget are a priority.

105. As stated in paragraph 35 of the Report of the Panel of Eminent Persons, “prioritization is a painful process ... every organization has to go through [it]. Sharpening the focus ... [helps] to strengthen the organization by increasing its relevance, efficiency, effectiveness and impact. The ultimate objective of prioritization should be to put the organization’s strengths to the best use in achieving development results”.

106. Recommendation 2: efforts should be made to enhance the Division’s research and analysis capabilities, as proposed in paragraph 84–86 above.

107. Recommendation 3: Changes are under way with regard to the clustering and funding of UNCTAD’s technical cooperation. These are likely to result in positive gains for the Division, and should therefore be vigorously pursued. The Division should strive to be the model for improved management of technical cooperation in UNCTAD.

108. Recommendation 4: along with streamlining work programmes and introducing greater coherence, the Division should make a determined effort to clarify and disseminate its core message on trade and development, using the print media in countries without adequate information technology facilities and the Internet. This should be promoted from the Director’s Office, which should also oversee regular updating of Division web pages and posting of the Division’s research publications on suitable websites such as the Social Science Research Network.



## **Annex**

### **List of people interviewed**

#### **I. Division for International Trade in Goods and Services, and Commodities**

Office of the Director	Lakshmi Puri Bonapas Onguglo Lucian Cernat
Trade Negotiations and Commercial Diplomacy	Mina Mashayekhi Norbert Lebale Thomas Mathew Taisuke Ito
Trade Analysis	Victor Ognitvsev Hiroaki Kuwahara Sudip Ranjan Basu Marco Fugazza
Commodities	Harman Thomas Olle Ostensson Frida Youssef
Competition and Consumer Policies	Hassan Qayaya Ana-Marie Alvarez Rajan Dhanjee
Trade, Environment, Climate Change and Sustainable Development	Lucas Assuncao Ulrich Hoffmann

#### **II. Other UNCTAD staff**

Secretary-General's Office	Taffere Tesfachew
Division of Management	Oluseye Oduyemi Manuela Tortora Maria-Sabina Yeterian-Parisi Masahiro Igarashi Yuen Ching Ho Lisanne Losier Jean-Marc Humblot Muriel Scibilia Cathy Peck-Orme Marina Cartier-Kayayan Juliette Sunthorn
Division for Africa, Least Developed Countries and Special Programmes	Habib Ouane Marcel Nafua
Division on Globalization and Development Strategies	Henri Laurencin
Division for Services Infrastructure for Development and Trade Efficiency	Peter Faust Mohan Paniker

### **III. Permanent missions and organizations**

Permanent Mission of Brazil	Pedro Luis Dalcero, First Secretary
Permanent Mission of Honduras	J. Delmer Urbizo, Ambassador and Permanent Representative Mauricio Alfredo Pérez Zepeda, Second Secretary
Permanent Mission of Indonesia	Dinar Henrika Sinurat, First Secretary (Economic Affairs)
Permanent Mission of the Islamic Republic of Iran	Mohammad Ali Zarie Zare, Second Counsellor
Permanent Mission of Norway	Fredrik Arthur, Counsellor (Development)
Permanent Mission of the Russian Federation	Dmitry Godunov, First Secretary
Permanent Mission of Switzerland to the WTO and EFTA	Darius Kurek Counsellor
Permanent Mission of Uganda	Elly Kamahungye, First Secretary Laurean Butubira Bategana, Senior Commercial Officer Benjamin Wako Mukabire, Third Secretary
Permanent Mission of Zambia	Mathias Daka, Deputy Permanent Representative Peggy Mlewa, First Secretary Isabelle M.M. Lemba, First Secretary
South Centre	Rashid Kaukab Vice Yu