Recommendation Action Plan

Report of the Office of Internal Oversight Services on the Evaluation of the International Trade Centre (ITC)

IED-15-0034

<mark>**18 March 2015**</mark>

IED Recommendation	Anticipated Actions	Responsible Entity(ies)	Target date for Completion
[See paras. 3, 7-9, 14-17, 25-30, 42, 48, 54] **Recommendation 1** ITC's Office of the Executive Director should directly and regularly monitor operational units' implementation of the action plans in response to ITC's 2014 evaluation as well as the present evaluation, and regularly report on both action plans' implementation status to its parent organizations and donors through the Joint Advisory Group. Indicator of achievement: Implementation of actions plans regularly monitored, and implementation status regularly	**The recommendation is Accepted.** ITC Actions: 1. ITC will monitor the implementation of the actions described in the management response to the independent evaluation of ITC, including reporting regularly to the Joint Advisory Group (JAG).	SPPG	H2 2017

reported to the Joint Advisory Group, directly by the Office of the Executive Director			

[See paras. 5, 12, 14-17, 25, 29, 31-45]
Recommendation 2
To enhance efforts to strengthen its results orientation, ITC should incrementally adopt a more holistic, data-driven approach to planning and budgeting while still seeking alignment with donor and client priorities. Anchored in the 2016-2017 Strategic Framework and 2015-2017 Strategic Plan, this approach should include:
 	
• A needs assessment methodology to ensure that ITC prioritizes its corporate work, programmes and projects across regions, countries, and industries based on where its expertise is most needed and where it can make the most difference in relation to other actors; and
• A medium-term strategy for gradually moving the organization toward this more holistic, needs-based and data-driven approach, to complement the demand-driven model.
	<u>The recommendation is Accepted,</u> with the following important caveats:
	
	• ITC's current approach does already consider needs. It does in a combination of the following ways:
	   o By having a clear set of priority countries, based on needs, as expressed in the ITC Strategic Plan 2015-17
	   o By prioritizing following a programmatic as defined in the ITC Strategic Plan 2015-17.
	   o By analyzing needs of countries. See the publicly available Country Pages launched in 2014 (e.g. http://www.intracen.org/country/Afghanistan/)
	   o By using National Export Strategies, value chain diagnostics, trade and investment support institution assessments , surveys and assessments of non-tariff measures, regulatory frameworks, trade facilitation, and trade and market intelligence
	   o By using other needs assessments carried out by strategic partners, including Diagnostic Trade Integration Studies prepared under the Enhanced Integrated Framework
	   o By pooling its extensive insight technical, social, economic and political knowledge to assess needs
	   o By working closely with beneficiary countries and funders *who themselves have priorities based on needs*.
	
	That said, as a small, highly operational agency ITC's modus operandi is to pragmatically broker a nexus of need, demand		

Indicator of achievement: Documents drafted and their meaningful implementation monitored	and funding. ITC Actions:		
	1. Re-vamp the needs assessment aspect of project and programme quality control procedures.	SPPG	H2 2015
	2. Develop a new resource mobilisation strategy that incorporates analysis of country needs.	SPPG	H1 2015
	3. At the country and regional level, each programme within each of the six focus areas will be adapted and customized into client-focused integrated solutions.	ITC Management	H2 2017
	4. The quality of the monitoring and evaluation plans at project entry level will be assessed periodically.	SPPG	H1 2016
[See paras. 16-17, 26, 31-41] **Recommendation 3** To ensure the cascading of overall corporate priorities to the operational level, the programme and project approval protocol should be revised to ensure that all projects adequately address the following areas before being approved: • A clear indication of how the intervention's objectives align with identified corporate priorities; • Evidence that a needs	**The recommendation is Accepted,** noting the following points: • Alignment with corporate strategic objectives are already considered in every new project • Needs assessments are already part of standard practice in designing new projects • A new Programme Development Taskforce has been created to help to implement a programmatic approach • Risks are already identified in ITC's standard project design templates and processes • A monitoring and evaluation plan is already required in the design phase in every ITC project ITC Actions:		

assessment has been undertaken, alongside beneficiary and donor consultations, in prioritizing the country and industry at hand with the specific intervention; • Evidence that key risks have been identified and assessed, and a corresponding risk management plan enacted; • A monitoring and evaluation plan for the intervention, commensurate with the intervention's size and overall risk profile, including indicators speaking to results achieved for assisted beneficiaries. Indicator of achievement: Revised programme and project approval protocol reflecting a clear cascading of overall corporate priorities, resulting in strong alignment between projects and corporate priorities in an increasing number of projects	1. Review project design templates and related processes to ensure greater alignment to corporate strategy. 2. Introduce a portfolio review phase to the annual planning process.	SPPG SPPG	H2 2015 H2 2015
[See paras. 13, 18-24, 26-30, 42-45, 53-54] **Recommendation 4** ITC should improve its capacity to	**The recommendation is Accepted,** noting the following points: • Risks are already considered in formulating ITC		

generate credible evidence on the results its interventions have achieved for its beneficiaries and clients, and on these interventions' cost-effectiveness. Such improvements entail, at minimum: • Development of a risk-based evaluation plan, identifying higher-risk interventions requiring individualized evaluation attention and lower-risk interventions for which a bundled evaluation approach is adequate; • A monitoring and evaluation capacity development plan for equipping programme staff with monitoring and evaluation skills; • Continued roll-out of the integrated project portal, including finalization and use of the costing methodology; • Completion of the impact assessment methodology, ensuring that these methods include non-perceptual, verifiable documentary evidence of impacts to complement the perceptual evidence garnered through the Client Relationship	evaluation plans. Every project and programme has a risk register, which inform evaluation priorities. • ITC's current evaluation work plan already has capacity development as part of it. • The New Project Portal project is well underway and will be launched in June 2015. • The Costing project will be completed in 2015. ITC Actions: 1. Develop and introduce a new risk management framework, as part of OIOS advisory service. 2. Review ITC evaluation policy, including to introduce risk more explicitly as a key factor in planning ITC evaluations. 3. In 2013 ITC provided online transparency on all its technical assistance projects including development targets and results. This transparency will be further improved in the new project portal currently being developed. ITC has already improved reporting on its impact, with the 2013 Corporate Impact Survey, and will continue to find innovative ways to better understand, and measure, its impact. ITC will continue to work on a set of 'impact stories' to better tell the ITC story publicly and will continue to build on this in the coming years. 4. Rollout training for ITC staff on evaluation and impact assessment.	SPPG SPPG OED SPPG	Q1 2016 H2 2015 H1 2016 H2 2015

		DMD	H2 2015
Management database; • Development of clear guidelines on what constitutes a client in the Client Relationship Management database; • Revision of ITC's 2008 evaluation policy and of the Evaluation and Monitoring Unit's reporting lines, to ensure that this Recommendation 4 (and aspects of Recommendation 5) are adequately implemented at the direct behest of ITC's ED.	5. ITC will focus will be on making CRM work even better: workflows and processes to update data will be established; new reports will be enabled allowing better management information; and modifications will be made to enhance core processes such as the Note for File, and the scanning of business cards. In addition definitions of what constitutes a client will be reviewed.		
	6. ITC will implement the new UN Enterprise Resource Planning application, Umoja, and will finalize the initiative to assess the full costing of its programmes and projects. It will continue to reduce and automate internal processes and change paper processes into electronic ones. Together these elements will deliver a more transparent, leaner, more efficient ITC.	DPS	H2 2016
Indicator of achievement: Actions described in recommendation are undertaken, and their meaningful follow-through monitored, resulting in credible evidence on the results interventions have achieved for ITC's beneficiaries and clients, and at what cost.	7. As part of its commitment to continuing to improve project cycle management, ITC is further integrating all steps of the project cycle for all ITC projects in an updated version of its Project Portal. It will be upgraded in three stages. The first stage will deliver all the core functions needed design, implement and report on projects and programmes. This is due to be completed in the first half of 2015. The second stage will add better management reporting and the full migration of projects. The last stage will add workflow automation and Umoja integration. This should reduce internal transaction costs, increase the usability of the system and produce better management information, including monitoring, evaluation and impact data.	OED	H1 2016

[See paras. 46-52] **Recommendation 5** ITC should accelerate the integration of cross-cutting issues into ITC projects. This includes: • Strengthened capacity-development support for promoting integration of cross-cutting issues into project design; • Incorporating into the project approval process an appraisal of proposals' attention to all three cross-cutting areas, in accordance with ITC's 2014 guidance on PAC development markers on the cross-cutting issues; • Sharpening conceptual clarity on ITC's approach to the environment, clearly articulating whether the 2013 environment mainstreaming strategy implies heightened attention to minimizing ITC's environmental footprint, explicitly supporting small and medium-sized enterprises and/or innovations that address environmental challenges, or something else.	**The recommendation is Accepted,** noting the following points: • Development markers (gender, environment, youth) are included in every new project design, and considered as part of the standard project appraisal process. • Gender in particular has been successfully mainstreamed. ITC made significant progress against UNSWAP norms (number of UNSWAP areas where ITC 'meets requirements' is up 67% since 2012). Gender focal point has been appointed. Responsibilities for gender are distributed across core functions, not isolated. • Training in mainstreaming gender into TRTA projects has been carried out. • There is conceptual clarity on mainstreaming environment as evidenced by the published 2014 Environmental Mainstreaming Strategy with its three clear objectives. • ITC has made a commitment to environmental mainstreaming through the appointment of an Environmental Economist in the Trade and Environment Program (TEP) with responsibilities for mainstreaming and publication of the Environmental Mainstreaming Strategy in 2014. As part of this, TEP has reviewed numerous large ITC programs and incorporated environmental considerations such as a systematic approach to environmental audits. • The TEP has continued to develop methodologies to integrate climate resilience and sustainable sourcing into ITC Aid for Trade (AfT) project design, as evidenced by training manuals on climate smart AfT in agro-export		

Indicator of achievement: Actions described in the recommendation are undertaken, and their meaningful follow-through monitored, resulting in a clearer integration of cross-cutting issues in an increasing number of projects.	sectors, a survey of agro-food exporters needs on climate change and planned publication (with IUCN) of a framework on analyzing impacts of trade on biodiversity.		
	1. Develop and promulgate key gender sensitive policies, including more flexible work-life balance policies, a mandatory exit questionnaire, mandatory basic gender training and the terms of reference for a Gender Focal Point complemented with terms of engagement for UNSWAP Business Owners.	HR	Completed
	2. Appoint a Gender Focal Point focused on gender parity in the workplace, in line with the requirements of the UN-SWAP framework, as well as an alternate.	HR	Completed
	3. Strengthen accountability mechanisms at the senior level through the development of gender parity metrics and promoting the Women's Empowerment Principles both inside and outside the organization.	HR / ITC Management	H2 2015
	4. Develop and roll out a training course on mainstreaming youth employment issues for ITC staff.	DMD/TIS/ HR	Q4 2015
	5. Develop a Youth and trade programme plan as part of the six thematic baskets of ITC's strategic plan 2015-17.	DMD/TIS	Q3 2015
	6. Adoption of an Emission Reduction Strategy.	DMD/SC	H2 2015