

MOPAN
2019 ASSESSMENTS

Organisational Performance Brief
United Nations Conference
on Trade and Development
(UNCTAD)

UNCTAD's technical co-operation performance at a glance

UNCTAD's technical co-operation is an integral part of the organisation and interlinked with its two other pillars. Drawing on robust economic data and analysis, UNCTAD's knowledge, expertise and technical assistance are viewed positively by member states. Generally speaking, national ownership is strong. UNCTAD enjoys solid support from member states for its technical co-operation products – not only the major programmes ASYCUDA and DMFAS, but also others such as e-commerce and the digital economy, trade and transport facilitation, and business and investment facilitation. These interventions have demonstrated positive results, and the fact that many have become (partly) self-financed is evidence of strong performance.

Within UNCTAD, technical co-operation is de facto decentralised. Divisions, branches and sections have autonomy to engage with partners, mobilise resources and implement activities. Consequently, different operating models at the divisional level have evolved over time and co-exist alongside each other. Attempts to develop a more uniform approach to technical co-operation, including a corresponding set of tools and instruments, are noteworthy but still work in progress. There is evidence of emerging examples of improved practice among some sections and branches, with the potential for scaling up. However gaps remain. A significant one is the absence of an up-to-date corporate technical co-operation strategy, and of comprehensive oversight mechanisms and other tools, such as a fundraising strategy, and an external relations and partnerships strategy for technical co-operation.

Diversity of demands by member states, lack of predictable funding, and the decentralised operating model's characteristics have led to a partially fragmented technical co-operation portfolio. This fragmentation combined with the absence of a common corporate strategy limits the potential of UNCTAD's technical co-operation to increase its strategic focus on areas of comparative advantage and niches of innovation. Another consequence is that donor funding availability influences implementation priorities.

Overall, there is evidence that UNCTAD's technical co-operation is making a difference for many member states. The main questions this assessment raises are around the missed opportunities, in terms of organisational effectiveness, for making an even greater contribution.

UNCTAD KEY FACTS

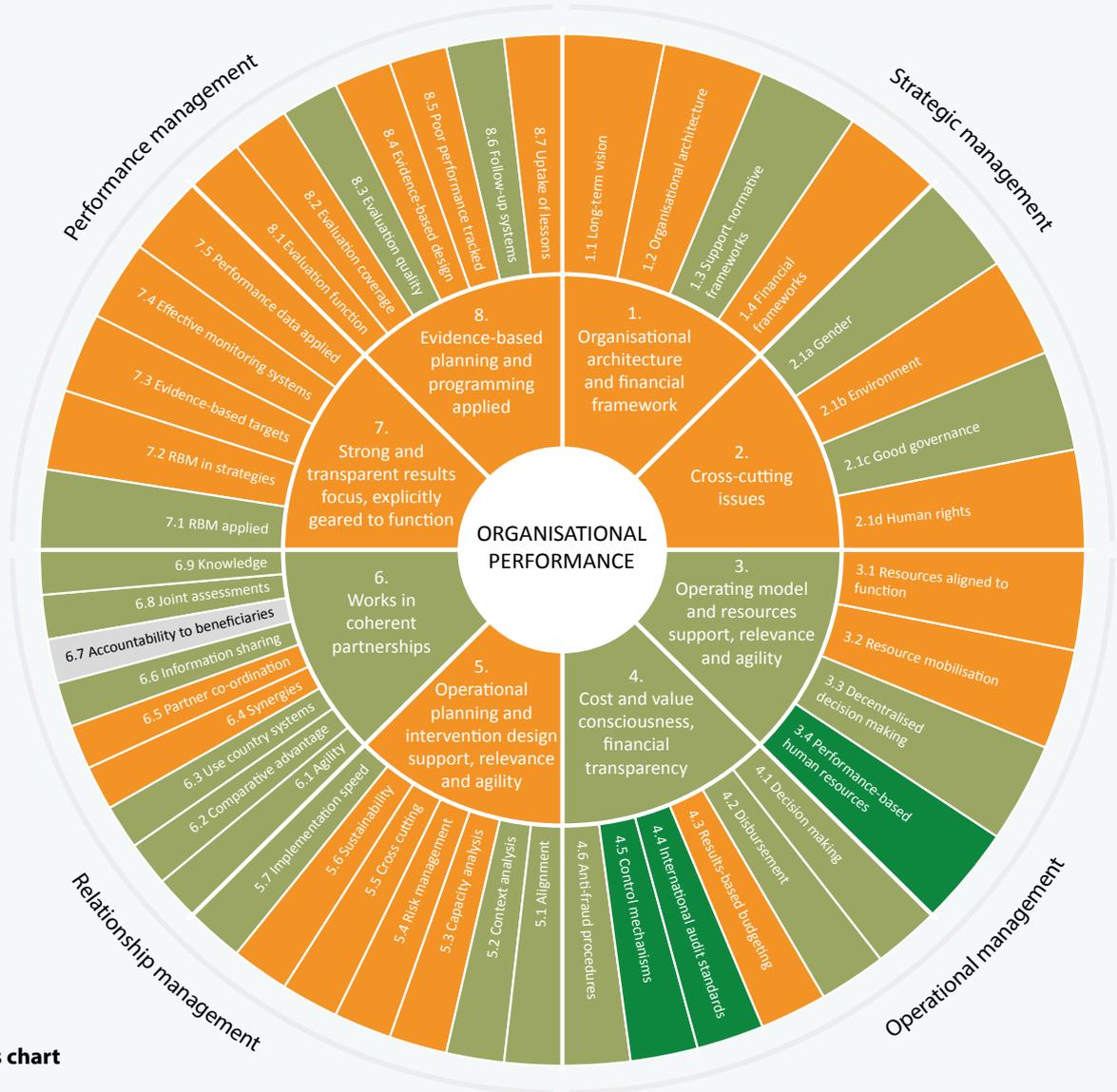
MISSION AND MANDATE: Established by the General Assembly in 1964, the United Nations Conference on Trade and Development (UNCTAD) is a subsidiary organ of the United Nations General Assembly. Its mission is to support economic growth and development, particularly of developing countries, as well as to provide policy analysis, facilitate consensus-building and offer technical co-operation.

GOVERNANCE: The UNCTAD secretariat is an entity within the UN Secretariat. It reports to the UN General Assembly and the Economic and Social Council, but it has its own separate governing body, the Trade and Development Board, a permanent subsidiary organ of UNCTAD. The secretariat operates through three main pillars of work: consensus building, research and analysis, and technical co-operation.

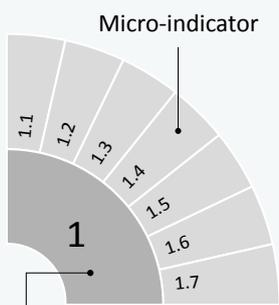
STRUCTURE: The Secretary-General, assisted by a Deputy Secretary-General, heads the UNCTAD secretariat in Geneva. The secretariat's organisational structure includes the Office of the Secretary-General (OSG) that provides executive direction and oversight; five substantive divisions that implement subprogrammes of work; and two programme support services: the Intergovernmental Support Service and the Resources Management Service. The Technical Co-operation Section is located in the OSG.

FINANCE: UNCTAD's overall resources proposed for 2018-19 were USD 138.06 million. Technical co-operation is largely funded through extrabudgetary sources (91%): trust funds, the United Nations Regular Programme of Technical Cooperation and the Development Account, and the United Nations "Delivering as One" funding mechanisms. In 2018, MOPAN members contributed USD 9.8 million (or 28.9% of the total amount) to the trust funds, and developing and transition countries 50%. In the same year, over 80 sources of funding contributed to 249 TC projects, and TC expenditures totalled USD 43.7 million. The two main TC programmes of UNCTAD, ASYCUDA and DMFAS, accounted for about 58% of this total.

**PERFORMANCE RATING SUMMARY FOR UNCTAD
(MOPAN 3.0* – new rating scale system)**



How to read this chart



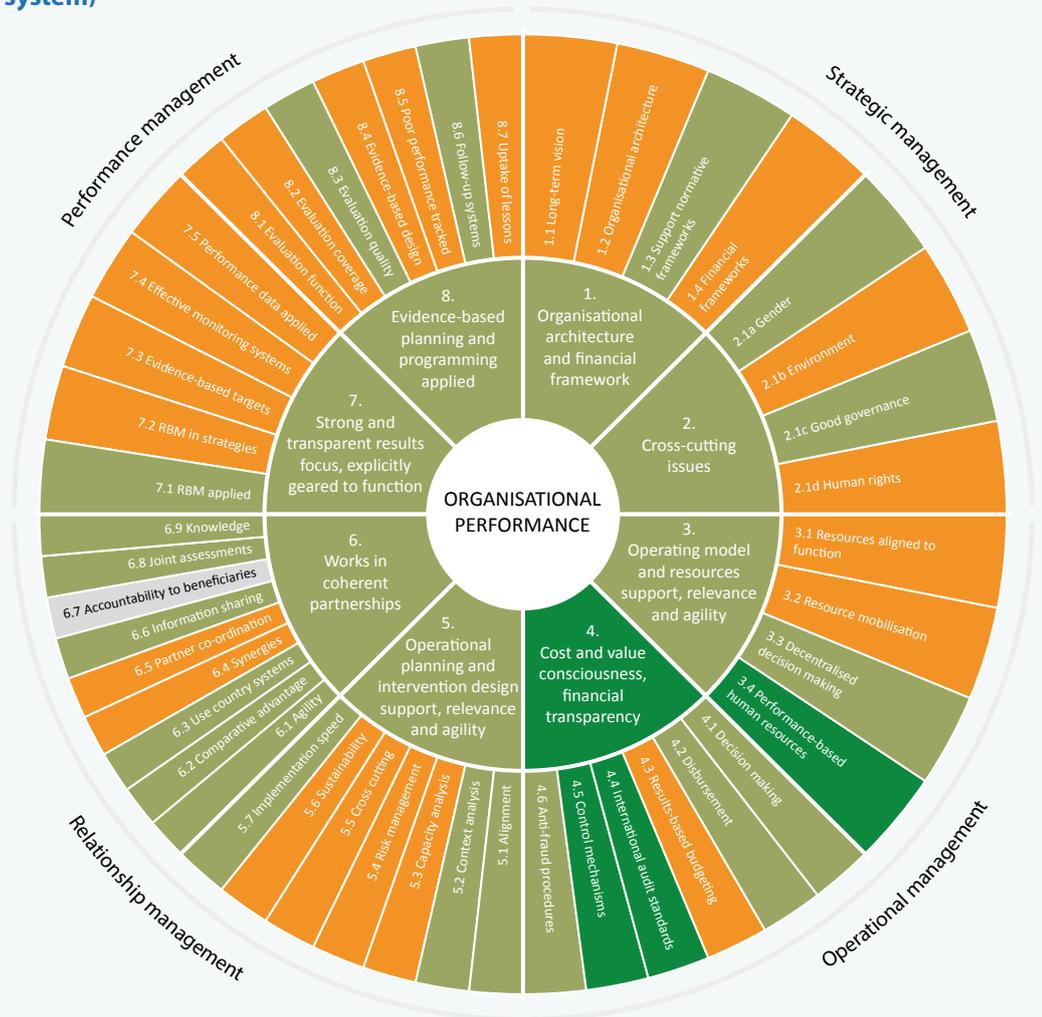
Key Performance Indicator

-  **Highly satisfactory**
(3.51-4.00)
-  **Satisfactory**
(2.51-3.50)
-  **Unsatisfactory**
(1.51-2.50)
-  **Highly unsatisfactory**
(0-1.50)
-  **No evidence / Not applicable**

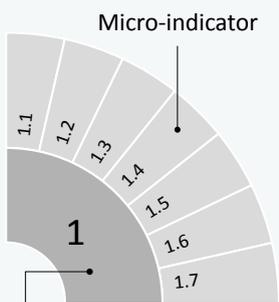
**PERFORMANCE RATING SUMMARY FOR UNCTAD
(MOPAN 3.0 – old rating scale system)**

**Changes to MOPAN rating system
(MOPAN 3.0* scales)**

The 2019 Assessment Cycle under MOPAN 3.0* includes a notable change on how ratings (and their corresponding colours) are applied based on the scores at MI and KPI level. Compared to previous cycles, the threshold for a rating has been raised to reflect the increasing demands for organisational performance in the multilateral system. The underlying scores and approach to scoring are unaffected. Further information can be found in the MOPAN 3.0* methodology manual.



How to read this chart



Key Performance Indicator

-  **Highly satisfactory**
(3.01-4.00)
-  **Satisfactory**
(2.01-3.00)
-  **Unsatisfactory**
(1.01-2.00)
-  **Highly unsatisfactory**
(0-1.00)
-  **No evidence / Not applicable**

Key findings

This first assessment of UNCTAD by the Multilateral Organisation Performance Assessment Network (MOPAN) focuses on its technical co-operation (TC) pillar. At the request of the Group of 77 and China, MOPAN agreed with the UNCTAD secretariat to leave the consensus-building pillar and the research and analysis pillar out of the scope of the assessment. Findings from this assessment, including at a programme and project level, are therefore only valid within the technical co-operation pillar.

UNCTAD is strongly committed to implementing its mandate to support least developed countries, landlocked developing countries, small island developing states, and fragile and conflict-affected states in the realm of trade and development.

Member states view UNCTAD's knowledge, expertise and technical assistance positively, including its ability to respond to member states' demands. Member states are united in their call on UNCTAD to engage more in technical co-operation.

Although technical co-operation was not part of UNCTAD's core mandate at its establishment in 1964, it soon became an area of interest, as the proceedings of UNCTAD II and III Conferences illustrate. Since then, the UNCTAD Conferences have set thematic priorities that orient the content and determine the scope of UNCTAD's assistance. In parallel with these mandates, the TC strategy, adopted by the Trade and Development Board in 2003, continues to set the overarching goals, the conceptual framework and the operational modalities. UNCTAD's technical co-operation is based on four principles: (1) demand-driven; (2) embracing country ownership; (3) transparency, efficiency, effectiveness and accountability; and (4) geographically balanced implementation, with priority given to least developed countries, landlocked developing countries, small island developing states and fragile and conflict-affected states.

UNCTAD enjoys strong support from member states for its technical co-operation interventions. During quadrennial conferences and meetings of the Trade and Development Board and Working Party, member states repeatedly stress technical co-operation as an

integral part of UNCTAD's mandate, pointing to its specialised know-how and proven track record. UNCTAD is one of few agencies mandated to address trade and development. It provides highly relevant, specific expertise that would otherwise not be easily available to its prioritised member states. Its staff are highly dedicated to UNCTAD's mandate.

UNCTAD's technical co-operation interventions are generally assessed as relevant, effective, efficient and sustainable. UNCTAD delivers results that contribute towards institutional and policy change and engages with partners to encourage the uptake of TC support. Major TC interventions have demonstrated positive results, and the fact that many have become (partly) self-financed is evidence of strong performance. Evaluations consistently assess the relevance of the programmes and projects as high or very high and are also positive about effects and sustainability. Working with a relatively small TC budget, UNCTAD makes efforts to replicate good results across member countries, enhancing efficiency of original investments. Evidence from subprogramme evaluations show that resources are used efficiently within each area. Both of the main programmes, ASYCUDA and DMFAS, are assessed as being efficient due to the small size of the core team and the broad reach and documented positive results for each programme. Similarly, the work in relation to e-commerce and other information and communications technology products has been assessed as increasing efficiency for member states.

Member states' governments appreciate UNCTAD's responsiveness to their demands and needs, as witnessed through the sometimes decades-long relationships in TC delivery. Besides constantly updating and innovating its flagship programmes, UNCTAD is also adding valuable contributions to innovative TC niche areas, such as e-commerce and the digital economy, bio-trade, and financing for development. Drawing on UNCTAD's own innovative research and intergovernmental discussions, new topics have arisen in which the organisation has developed expertise and a willingness to assist member states by way of technical co-operation.

However, meeting their growing demand in various innovative areas is a challenge for UNCTAD's technical co-operation. Demand for UNCTAD's technical co-operation is very diverse because of the different contexts and dynamics of its member states. As a result, UNCTAD's portfolio of TC products has much diversified. However, like all UN Secretariat entities, UNCTAD's regular budget is under increasing pressure due to budget cuts and contribution shortfalls. Funding for UNCTAD's technical co-operation, most of which is earmarked, has been unstable and unpredictable, even if showing a positive trend over the past twenty years. All combined, the structural mismatch between demand and funding remains salient, and UNCTAD is still unable to meet growing demand in various innovative areas through its technical co-operation.

With the exception of the main programmes, technical co-operation is consequently highly fragmented. The abundance of priorities set by member states, combined with a lack of predictable funding and the decentralised operating model's characteristics, has led to a proliferation of small interventions and a partially fragmented TC portfolio. It is in many cases donor funding availability that ultimately determines the extent to which demand can be met and, in practice, influences implementation priorities.

The decentralised operating model for technical co-operation presents both advantages and disadvantages; an important weakness remains the lack of a common future-facing corporate TC strategy. Divisions, branches and sections have autonomy to engage with partners, mobilise resources and implement activities. The fact that UNCTAD's technical co-operation is built on and draws from robust economic data and analysis is a strength. However, this operating model does not actively encourage more strategic internal and external co-ordination. UNCTAD does not have a strategic level TC steering committee of sorts. Nor does it have an empowered co-ordination entity for TC external relations. There have been attempts to strengthen relations with donors and partners, but this is largely done on a supply-driven, project-by-project approach. Thematic experts across the organisation and, on occasion, senior management undertake fundraising. As a result, efforts are not focused and sometimes duplicated. Moreover, because the already limited staff capacity is dispersed,

upscaling of technical co-operation is not always possible. Overall, the lack of a secretariat-wide approach to technical co-operation limits the potential for UNCTAD to increase its strategic focus on areas of comparative advantage and niches of innovation.

Efforts to develop a more uniform approach to technical co-operation are noteworthy but still work in progress. Since 2016, new templates for planning, in-house results-based management training and support, and a growing attention to gender equality have been introduced. Internal results-based management processes for technical co-operation are now largely established and systematised. The recently introduced UN management information system, Umoja, has notably improved transparency and tracking of resources – although, lacking unearmarked resources of its own, UNCTAD is expecting the roll-out of new Umoja 2 modules for further system-wide improvements. Promising initiatives do exist. For example, the Angola Train for Trade II project – a multidisciplinary, multi-product and country-focused programme, co-ordinated by the geographically structured Division for Africa, Least Developed Countries and Special Programmes – is a unique pilot programme that the secretariat wishes to replicate. Still, secretariat-wide initiatives are slow to get off the ground. There is evidence of emergent “ink spots” of improved practice among some sections and branches, but significant gaps remain. Interdivisional co-operation is a persistent challenge. Results management was until recently largely missing at the outcome level. There is no holistic approach to tracking performance, identifying poor performance or overseeing deviations from planned results in TC interventions. Cross-cutting themes are only partially addressed.

Overall, there is evidence that UNCTAD's technical co-operation is making a difference for many member states. The main questions this assessment raises are around the missed opportunities, in terms of organisational effectiveness, for making an even greater contribution. Pursuing secretariat-wide efforts is all the more important that, if only illustrated by demands from its member states, UNCTAD has a strategic global role to play, and with increasing rather than decreasing relevance, in assisting priority countries in their efforts towards sustainable development, in particular through its technical co-operation pillar.

Main strengths identified in the assessment of UNCTAD's technical co-operation

- A key asset, UNCTAD's staff are highly dedicated to the organisation's mandate aimed at bolstering the position of LDCs, LLDCs, SIDSs and other vulnerable and small economies. They spare no effort to respond to member states' demands for technical-co-operation and collaborate closely with member states to find the necessary resources.
- Trade and development are deeply intertwined, and expertise is scarce. UNCTAD is one of few agencies mandated to address these. It provides highly relevant, specific expertise that would otherwise not be easily available to LDCs, LLDCs, SIDSs and other vulnerable and small economies.
- The interlinkages between the research and analysis pillar and the technical-co-operation pillar has meant that UNCTAD's technical-co-operation is grounded in robust, evidence-based empirical data.
- Besides constantly updating and innovating its longstanding programmes ASYCUDA, DMFAS and others, UNCTAD is also adding valuable contributions to innovative technical-co-operation niche areas, such as e-commerce and the digital economy, bio-trade, and financing for development.
- UNCTAD is highly regarded by its development partners. Member states' governments appreciate UNCTAD's sincerity and responsiveness to their demands and needs, as is witnessed through the sometimes decadeslong relationships in delivery of technical co-operation.
- UNCTAD works with a relatively small TC budget and has proven to be cost-efficient in most areas, thanks to its careful management of available funds and tight financial control.
- Evidence from external evaluations and audits is generally positive on relevance, efficiency, effectiveness and sustainability. UNCTAD delivers results that contribute towards institutional and policy change, engaging with partners to encourage the uptake of technical co-operation support.

Main areas for improvement identified in the assessment of UNCTAD's technical co-operation

- With the exception of its two main programmes, technical co-operation is fragmented across many small-size projects, with a short lifespan. This has evolved autonomously as a consequence of the *de facto* decentralised operating model.
- There is a growing mismatch between member states' demands and UNCTAD's supply capabilities. An explanatory factor is the absence of a secretariat-wide, integrated, future-facing technical co-operation strategy that sets the direction for external relations and partnerships, and could support prioritisation across the secretariat.
- Because oversight is mostly conducted at the divisional rather than the secretariat level, strategic corporate level co-ordination and decision-making of technical-co-operation is implicit, rather than systematic and robust. Tools and mechanisms are in place but not used to their full potential.
- Cross-cutting themes are only partially addressed. Economic governance is implicitly in-built. Systems to enhance gender equality and women's empowerment are falling into place, but this is not yet reflected in substantive terms. Conversely, human rights as well as environmental sustainability and climate change are only sporadically addressed in UNCTAD's technical-co-operation.
- Until recently, results-based management was largely missing from the outcome level. Although important steps have been taken to enhance RBM, within UNCTAD there is no holistic approach to performance tracking, identification of poor performance or oversight of deviations from planned results.

About this assessment

The Multilateral Organisation Performance Assessment Network (MOPAN) is a network of 19 countries¹ that share a common interest in assessing the effectiveness of the major multilateral organisations they fund, including UN agencies, international financial institutions and global funds.

The MOPAN 3.0* methodology employed in this assessment uses a framework of 12 key performance indicators (KPIs) and associated micro-indicators (MIs). It comprises standards that characterise an effective multilateral organisation.

As part of MOPAN's efforts to ensure its assessments remain relevant to stakeholders and aligned to international best practice, the MOPAN methodology is continuously evolving. The methodology used in the 2019 Assessment Cycle includes two notable changes from the previous iteration. The first is that threshold for the rating (and their corresponding colours) applied has been raised to reflect the increasing demands for organisational performance in the multilateral system. The underlying scores and approach to scoring are unaffected. The second is greater flexibility in the selection of partners and geographies for the survey line of evidence. This approach allows for a more relevant sampling of organisations' external partners and geographic coverage. More details are available in MOPAN's methodology manual 3.0*.²

This first MOPAN assessment of UNCTAD focuses on its technical co-operation pillar. It addresses organisational systems, practices and behaviours pertinent to technical co-operation, as evident within and pertaining to the snapshot period of January 2017 to mid-2019. The MOPAN scoring and rating system for organisational effectiveness (KPIs 1-8) has been applied to the TC pillar only, in accordance with the adjusted scope of the

assessment. For organisational results (KPIs 9-12), no rating or scoring was applied, as UNCTAD's results are a composite of all three pillars: technical co-operation, research and analysis, and consensus building. Instead, the report narrates themes and challenges relating to TC results emerging from external independent evaluations, audits and reviews from 2013 till end-2019.

This assessment relies on three lines of evidence: a document review, interviews with staff and small groups, and an online partner survey.³ It was notably different from other assessments in terms of density (4 months as opposed to about 12). To mitigate related potential limitations, engagement with UNCTAD during and after data collection was more frequent and more intense than usual: three rounds of interviews instead of one, two rounds of discussion on preliminary and high-level findings, and two rounds of review of the draft report.

MOPAN's evidence lines for UNCTAD

- Data extracted from 187 documents out of 561 references reviewed
- 66 interviews and consultations at UNCTAD headquarters level and remotely at country/regional level
- 65 survey responses from 11 countries

This brief accompanies the full report, providing all details on the assessment, which can be found on MOPAN's website at www.mopanonline.org. UNCTAD's management response will be made available on that website as well.

Organisations assessed by MOPAN in 2019:

- CGIAR
- UNCTAD
- UNODC
- MLF
- UNIDO

1: Australia, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Korea, Luxembourg, the Netherlands, Norway, Sweden, Switzerland, the United Arab Emirates, the United Kingdom and the United States.

2: Available at www.mopanonline.org/ourwork/2019assessmentcycle/

3: The online survey was conducted among partners of UNCTAD in Albania, Angola, Bangladesh, Benin, Bosnia and Herzegovina, El Salvador, Equatorial Guinea, Ethiopia, Rwanda, Tanzania, Turkmenistan, and Zambia.