

Distr.: Restricted
1 September 2014

English only

Trade and Development Board
Working Party on the Strategic Framework and
the Programme Budget
Sixty-eighth session
Geneva, 3–5 September 2014
Item 4 (b) of the provisional agenda

External evaluation of UNCTAD subprogramme 2: Investment and enterprise

Supporting materials¹

Executive summary

This document contains supporting materials to the external evaluation of the United Nations Conference on Trade and Development (UNCTAD) subprogramme 2: Investment and enterprise.

¹ This evaluation was prepared by an independent evaluation team: Mr. Thierry Noyelle and Mr. Achim Engelhardt, with Mr. Jüri Seilenthal and Ms. Preeti Rahman. The related main report can be found in document TD/B/WP/264.

GE.14-15325 (E)



* 1 4 1 5 3 2 5 *

Please recycle 



Annex I

Evaluation criteria and main questions

A. Relevance

1. How useful are the services provided by subprogramme 2 on investment and enterprise (SP2)?
2. To what extent is SP2 meeting the needs of its constituencies, in particular African countries and the least developed countries (LDCs), landlocked developing countries, small island developing States and other structurally vulnerable economies?
3. What is UNCTAD's role, strengths and weaknesses, in comparison to other development actors, in the specific substantive areas of SP2?
4. What would have happened to beneficiaries without support from SP2?
5. To what extent is SP2 supportive of internationally agreed development goals such as the Millennium Development Goals?

B. Impact

1. To what extent does SP2 contribute to the objective of strengthened capacities to effectively ensure development gains from increased investment flows, enhanced competitiveness and increased productive capacities?
2. To what extent do SP2 activities have a positive impact on job development?
3. What indications are there of the actual (or potential) impact of SP2, in particular at the national level?
4. How are expected outcomes and impacts identified? How are they monitored?
5. How are risks and risk mitigation factored into the operation of SP2?
6. Would beneficiaries have been worse off without support in the areas of expertise of SP2?

C. Effectiveness

1. To what extent is SP2 effective in achieving the planned outcomes (expected accomplishments) suggested in the United Nations Strategic Framework?
2. What challenges and constraints are encountered during implementation?
3. What programme management and delivery best practices may be singled out?

D. Efficiency

1. How efficiently are human and financial resources used to achieve programme outcomes?

2. To what extent does SP2 make use of enhanced information technology tools and networking?
3. To what extent does SP2 make use of synergies among Division on Investment and Enterprise (DIAE) branches?
4. To what extent does DIAE help beneficiaries identify synergies between SP2 and other UNCTAD subprogrammes?
5. To what extent do SP2 and other development organizations coordinate support?

E. Sustainability

1. To what extent does SP2 lead to changes in beneficiaries' understanding of key investment and enterprise development policy issues, through its research, consensus-building or technical cooperation?
2. To what extent do such changes lead to lasting, sustainable reforms among beneficiaries?
3. To what extent are national institutions able to sustain technically and financially the assistance they receive?
4. To what extent are conditions specific to LDCs, landlocked developing countries, small island developing States and other vulnerable economies taken into account to ensure maximum sustainability?

F. Cross-cutting issues (gender equity and sustainable environment)

1. To what extent does SP2 incorporate dimensions of gender equity and women's empowerment in its work and technical support?
2. To what extent does SP2 have a measurable impact on gender equity and women's empowerment?
3. To what extent does SP2 incorporate dimensions of the green economy/environmental sustainability into its work and technical support?
4. To what extent does SP2 have a measurable impact on the green economy/environmental sustainability?

Table 3
E-regulations (Business Facilitation Programme) as of 2014

Country/province/ city	E-regulations				Re-engineering and simplification: Business registration only**					E-registration	
	Start year of UNCTAD technical assistance	Number of procedures online*	Number of steps online	Website hits (unique visitors), 2012 versus 2013	Start year of simplification	Reduction in steps	Reduction in agencies involved	Reduction in required documents	Reduction in required days	Year online single window established	Number of companies e-registered through online single window
Argentina/Lomas de Zamora/Buenos Aires	2012	223	518	From 91,747 to 242,786 (+ 63%)	2013	From 13 to 3 (-77%)	From 4 to 1 (-75%)	From 14 to 2 (-85%)	From 82 to 3 (-96%)	2014	
Argentina/Chubut	2012	39	76	From 2,251 to 1,097 (-51%)							
Benin	2011	68	279	From 15,221 to 26,223 (+72%)	2011	From 7 to 4 (-43%)	From 5 to 1 (-80%)	From 10 to 8 (-20%)	From 4 to 1 (-75%)		
Burkina Faso	2011	63	179	From 7,881 to 11,773 (+49%)	2011	From 13 to 13 (-0%)	From 3 to 3 (-0%)	From 16 to 16 (-0%)	From 5 to (-0%)		
Cameroon	2011	103	377	From 29,400 to 42,686 (+45%)	2012	From 10 to 3 (-70%)	From 3 to 1 (-67%)	From 10 to 4 (-60%)	From 8 to 3 (-63%)		
Cape Verde	2010	24	38	From 11,223 to 9,262 (-17%)							
Comoros	2009	31	100	From 19,115 to 20,869 (+9%)							
Congo	2011	30	119	From 353 to 1,912 (+442%)							
Costa Rica	2011	125	225	From 67,485 to 90,263 (+ 25%)							
Côte d'Ivoire	2012	78	327	From 13,378 to 41,722 (+212%)	2012	From 11 to 4 (-64%)	From 4 to 2 (-50%)	From 15 to 10 (-33%)	From 16 to 2 (-88%)		

El Salvador	2011	332	373	From 146,192 to 139,636 (-9%)	2012	From 10 to 3 (-70%)	From 8 to 1 (-87.5%)	From 7 to 1 (-85%)	From 7 to 3 (-57%)	2012	6,000
Guatemala	2011	208	907	From 111,637 to 213,086 (+47%)	2012	From 41 to 4 (-90%)	From 5 to 1 (-80%)	From 15 to 1 (-93%)	From 30 to 15 (-50%)	2013	2,000
Guinea Bissau	2013	15	22	From 1 to 276 (+37,500%)							
Honduras	2012	36	174	From 28,411 to 48,473 (+41%)	2012	From 11 to 3 (-72%)	From 4 to 1 (-75%)	From 4 to 1 (-75%)	From 5 to 2 (-60%)	2014	—
Mali	2009	172	107	From 32,642 to 37,374 (+14%)	2011	From 9 to 9 (-0%)	From 4 to 4 (-0%)	From 14 to 14 (-0%)	From 5 to 5 (-0%)		
Morocco/Rabat	2011	7	23	From 7,333 to 11,803 (+61%)							
Morocco/L'Oriental	2010	49	106	From 4,046 to 5,539 (+37%)							
Nicaragua	2011	224	624	From 124,428 to 70,426 (-43%)							
Niger	2011	107	25	From 3,644 to 5,651 (+55%)							
Panama	2012	112	558	From 29,484 to 117,634 (+74%)							
Rwanda	2009	145	277	From 37,708 to 43,154(+14%)							
Senegal	2011	38	72	From 2,017 to 11,146 (+453%)	2012	From 7 to 5 (-29%)	From 4 to 4 (-0%)	From 8 to 7 (-13%)	From 4 to 3 (-25%)		

Togo	2011	103	212	From 11,669 to 23,653 (+103%)	2011	From 15 to 4 (-75%)	From 5 to 1 (-80%)	From 27 to 11 (-59%)	From 41 to 1 (-98%)		
United Republic of Tanzania	2012	105	157	From 7,067 to 29,374 (+316%)	2013	From 20 to 2 (-90%)	From 8 to 2 (-75%)	From 27 to 3 (-89%)	From 30 to 2 (-94%)	2014	—
Viet Nam/Danang	2010	32	153	From 7,183 to 6,152 (-14%)							
Viet Nam/Hanoi	2010	40	205	From 4,926 to 5,013 (+2%)							
Viet Nam/Ho Chi Minh City	2010	22	93	From 11,973 to 7,397 (-38%)							
Viet Nam/Binh Dinh	2013	24	249	From 0 to 616 (+616%)							
Viet Nam/Hai Duong	2013	27	170	From 0 to 741 (+741%)							
Viet Nam/Phu Yen	2013	20	87	From 0 to 479 (+479%)							
Viet Nam/Vinh Phuc	2013	26	168	From 0 to 497 (+497%)							
Number of countries/ provinces/cities where e-regulations were established	31				12					4	

Note: Dark highlights indicate UNCTAD technical assistance provided in 2010–2013; light highlights indicate outcomes.

* Typically a regulatory procedure requires several steps, includes multiple documents, and involves multiple agencies. For instance, business registration is one procedure involving multiple steps and documents.

** Reductions shown are those achieved as a result of simplifications introduced by Governments

Appendices

Appendix 1 Results of survey questionnaires

Survey sample country composition versus countries receiving technical assistance from SP2

IIAs	Survey sample	3 African countries (including 1 LDC), 4 middle-income developing countries, 3 regional groupings: total, 10
	SP2 support	Number of countries/groupings receiving SP2 support 2000–2014: total, not applicable
IPRs	Survey sample	3 African countries (including 1 LDC + 1 landlocked LDC), 3 landlocked Commonwealth of Independent States, 3 middle-income developing countries: total, 9
	SP2 support	17 African countries (including 13 LDCs + 2 landlocked LDCs + 1 landlocked middle-income), 1 Asian LDCs + 1 Asian landlocked LDC, 17 middle-income developing countries and CIS (including 6 landlocked): total, 36
Empretec	Survey sample	4 African countries (including 3 LDCs + 1 landlocked LDC), 3 middle-income developing countries, 2 high-income developing countries: total, 9
	SP2 support	13 African countries (including 7 LDCs + 2 landlocked LDC + 1 landlocked + 1 small island), 16 middle-income developing countries + Commonwealth of Independent States (including 2 landlocked), 5 high-income developing countries, 2 developed countries: total, 36
E-regulations	Survey sample	6 African countries (including 6 LDCs), 2 middle-income LDCs, 1 high-income developing country: total, 9
	SP2 support	15 African countries (11 LDCs + 1 landlocked LDC + 2 small island LDCs), 7 middle-income developing countries or regions, 7 low-income developing countries or regions, 2 high-income developing countries: total, 31

A. International investment agreements

Relevance

- Nearly all IIA beneficiaries rate the usefulness of UNCTAD technical cooperation on IIAs as very high.
- Very high relevance is partly based on the very high timeliness of IIA support, high value added of UNCTAD support and high relevance to the specific needs of LDCs, African countries, landlocked developing countries, small island developing States and vulnerable economies.

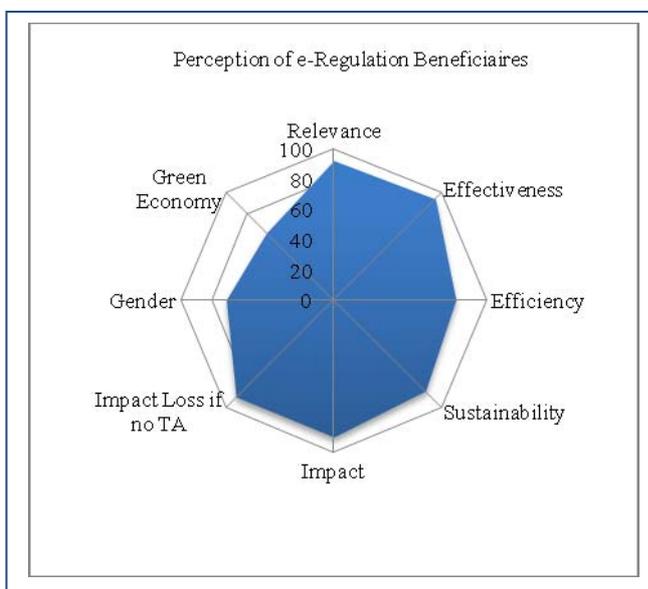
Green economy

- Empretec centres see medium integration of green economy objectives into Empretec training; Empretecos perceive a stronger focus (which may be the result of the particular training programmes in the countries where the small group of Empretecos were surveyed).

D. E-regulations

Relevance

- E-regulations support services come in a mostly timely manner, are very useful in meeting demands from beneficiaries and have very high value added.
- According to beneficiaries, the high relevance of UNCTAD’s e-regulations technical cooperation is rooted in (i) the selection of highly skilled national and international consultants; (ii) a working environment of mutual respect and dialogue; and (iii) improved transparency and better interaction between citizens and the public administration.



Abbreviation: TA, technical assistance.

Effectiveness

- Beneficiaries perceive very high effectiveness of e-regulations in terms of increasing countries’ ability to (i) create an investment-friendly environment conducive to development; and (ii) stimulate enterprise development and business facilitation.
- Country stakeholders stress the importance of enhanced transparency following work on e-regulations.
- Attainment of results is enhanced by learning from other countries how they tackle problems in business procedures through UNCTAD’s regional approach to implementation

(West African Economic and Monetary Union and Central America). The spirit of

both competition and cooperation within each region strengthens the effectiveness of UNCTAD e-regulations support.

Efficiency

- Beneficiaries are pleased with the very high efficiency demonstrated by UNCTAD in deploying technical cooperation for e-regulations. This is helped by very good use of an enhanced ICT approach.
- UNCTAD is perceived to be slightly less efficient in leveraging additional funding for implementing e-regulations. However, specific stories from LDCs and middle-income countries suggest many countries manage to get funding from donors or other United Nations agencies to implement e-regulations.

- Beneficiaries indicate a high assessment of overall efficiency in the delivery of e-regulations support.

Sustainability

- From a beneficiary's perspective, the institutions managing e-regulations are technically and financially viable to continue the work initially supported by UNCTAD. One middle-income country indicated that the agency in charge of e-regulations ended up hiring the expert working on the original UNCTAD support as staff to ensure continued technical capability. The high level of public funds commitments by beneficiaries to continue with maintaining the system shows the high degree of ownership and sustainability.
- Beneficiaries assess the sustainability of change as a result of e-regulations as high to very high.

Impact and impact loss if UNCTAD had not provided technical assistance

- Beneficiaries indicate a very high positive impact of e-regulations on enterprise creation at the country level.
- Beneficiaries believe that, in the absence of UNCTAD technical cooperation on e-regulations, the results for job and enterprise creation would have been significantly different.

Gender

- The inclusion of the gender dimension in e-regulations is perceived as close to high by beneficiaries.

Green economy

- Beneficiaries see medium integration of green economy objectives in e-registration and related impacts.

be required. Still “we need to advance with information technology: young people are into information technology”.

Lessons learned:

- The institutional presence of UNCTAD is key and desired. UNCTAD’s presence in the region is lacking; things tend to move when UNCTAD staff come to the field and talk to high-level government authorities.
- For Empretec to impact public policies, UNCTAD needs to provide sufficient support and puts its trademark on the efforts of the national partner, Asociación de Gerentes de Guatemala. This could help tap into concrete funding opportunities with the new Government with the aim of scaling up Empretec.
- The Vice-Minister is very open, but so far there is insufficient support from UNCTAD to create a policy environment.
- Some upgrading of the Empretec product is needed. Empretec has big potential in Guatemala due to very good alignment with government policies. There are opportunities for strategic alliances between UNCTAD and the Government, as the Government gets funds from the donor community and could spend it on issues such as Empretec (e.g. funds from Germany, IADB and United States Agency for International Development).
- UNCTAD could get more involved even through Skype. Empretec would benefit from UNCTAD being more proactive and taking more leadership.
- There would be much more weight vis-à-vis the government cabinet if the Empretec centre/Asociación de Gerentes de Guatemala came with UNCTAD’s blessing.

C. E-regulations

Key message:

- E-regulations has led to an increase of 33 positions in the World Bank’s Doing Business ranking, through UNCTAD support and financing by Luxembourg. The national e-regulations partner has received an IADB credit to continue work recommended by UNCTAD.
- UNCTAD has contributed to a wider process. The understanding of high-level authorities has increased. The President received an award from IADB for improvements in the investment environment.
- E-regulations is getting financing support through the IADB project (\$0.5 million for 2014–2016), with a business climate component under that project also providing support to Pronacom. E-regulations is helpful in the implementation of a set of reforms diagnosed by the World Bank.
- E-regulations is being publicized by several Guatemalan embassies, including in Danish in Denmark.

Regional knowledge sharing:

- Central American countries implementing e-regulations are networking to share knowledge. Honduras learned from El Salvador. Guatemala learned from El Salvador: it took 12 months to implement one element in El Salvador, but only 3 months in Guatemala. Use of open source software keeps cost down.

UNCTAD instrumental for change:

- Guatemala would not have embarked on e-regulations/e-registration without UNCTAD.
- E-regulations/e-registration have put enormous pressure on ministries to become more transparent. It would not have happened otherwise.

Opportunities for future engagement:

- Guatemala is looking into creating a one-stop online investment window in addition to the e-registration online window to assist foreign investors; the country is also looking at developing an investment guide with UNCTAD.

IV. Key findings from field mission to the Dominican Republic (12–14 May 2014)

A. Investment Policy Review

Relevance:

- IPR was needed in the absence of coordination for investment promotion among government departments.
- When new administration started in office in 2004, it saw the need for a baseline.

Timeliness:

- The IPR was requested by the Government in 2005, started in 2007 and a report was received in 2009 when the Government left office (the new Administration reaped the fruits of the previous Government's efforts with little ownership of recommendations).

Main results:

- Creation of a one-stop shop for investors.
- Major change in IIAs, thanks to synergies within DIAE. No new IIA has been signed since the IPR. There are serious concerns about the arbitration clause in old model IIAs. In the past, there was an IIA signed with each foreign visit of the President. The Dominican Republic is looking at new model IIAs.
- Counterparts in the Dominican Republic wanted to implement the IPR-recommended Business Linkages Programme; however, finding the relevant interlocutor in SP2 took too much time and only became clear when the Administration left office.

Implementation:

- About \$100,000 – 70 per cent funded by donors – facilitated by UNCTAD.
- Full IPR implementation of recommendations: good technical expertise, but there is a lack of funding.

Lessons learned:

- Quick wins should have been pursued immediately after the IPR, but funds were exhausted.