



## **Management response to the Independent Evaluation of: Global Initiative towards post-Covid-19 resurgence of the MSME sector (DA project 2023W)**

### ***Overall response to the evaluation***

The UNCTAD Secretariat extends its sincere appreciation for the comprehensive evaluation of the project “Global Initiative towards post-Covid-19 resurgence of the MSME sector” it coordinated. The Secretariat commends the evaluation team for their thorough and highly valuable evaluation report. Furthermore, the Secretariat acknowledges the professional approach, dedication, and transparency demonstrated by the evaluation team in addressing the multifaceted, intricate, and encompassing array of matters covered by the project.

The evaluation of the project analyzed its relevance, coherence, efficiency, effectiveness, and sustainability of the project and its mainstreaming of gender, human rights and disability considerations. The evaluators concluded that the implementing agencies ensured high relevance of their interventions, with the project responding to the needs of Governments and MSMEs, although the relevance of the interventions was somewhat mitigated by the mandates and capacities of implementing UN entities better equipped for supporting medium- and long- term policy changes rather than immediate crisis responses. They noted that the coordination and complementarities established by the project among the implementing entities contributed to expanded dissemination and outreach of outputs, avoided overlaps between them, and allowed significant knowledge exchanges aligned with and supportive of a “One UN” system.

Further, the coordination of the project was found to be efficient, particularly considering the circumstances and available resources. The evaluators pointed out that the project was effective in producing identifiable results at the outcome level and that the delivery rate was high. They further identified that the high effectiveness results could be partly attributed to the conceptual framework provided by the UNCTAD Entrepreneurships Policy Framework. There was also strong evidence of the sustainability of the project’s achievements, as it developed approaches, tools and capacities that are being transferred at multiple levels. However, the project found very little evidence of the outreach, participation, or impact of project activities for people with disabilities or other vulnerable groups.

### ***Response by recommendation***

In this section, Project Management should address each recommendation that is addressed to UNCTAD, discussing them in the order presented in the evaluation report. This should be done in the format of the Management Response matrix below (see Box 1) and include:

- a. The recommendation number and text copied from the evaluation report;
- b. Indication of whether the recommendation is accepted fully, partially, or rejected;
- c. Description of the actions to be taken, with comments as required on the conditions to be met during implementation, or on reasons leading to a partial acceptance or rejection of a recommendation;
- d. The responsible party for implementing the action/s;
- e. The time-frame for implementation and/or an implementation schedule, if required;
- f. Indication if and what resources are required for implementing the recommendation.

**Box 1. Management response matrix<sup>1</sup>**

Management response to the Independent Evaluation of Global Initiative towards post-Covid-19 resurgence of the MSME sector (DA project 2023W)					Date
Evaluation Recommendation (a)	Management response (b) <b>Accepted</b> , partially accepted or rejected	Management plan			
		Actions to be taken, and/or comments about partial acceptance or rejection (c)	Responsible unit (d)	Timeframe (e)	Resources required (Y or N) (f)
Recommendation 1:	Accepted	<p>UNCTAD will continue leveraging on the experience gained through the project and support MSMEs in their recovery from various types of crises. UNCTAD will build on previous successful experience implementing its Entrepreneurship Policy Framework to promote a conducive environment for MSMEs development.</p> <p>The Organisation remains committed to collaborate with DESA and other regional economic commissions on joint initiatives on MSME development, will further promoting exchange of experiences across regions as well as global policy responses on MSME development, including in the framework of dedicated session of its intergovernmental machinery and the World Investment Forum.</p>	All	Ongoing	Yes

<sup>1</sup> Each column is cross-referenced to the bullet letters above.

<p>opportunities for broadening the uptake of EPF components at the regional level based on national needs. UNCTAD, DESA and the Regional Commissions could further consider identifying areas of joint interventions that would trigger complementarities and synergies between the agencies. This could involve collaborating on the development of capacities of all national and sub-national actors, i.e. Governments, MSMEs, other partners (e.g. Chamber of Commerce, Business Incubators, etc.) in line with United Nations Sustainable Development Cooperation Frameworks (SDCF) in respective countries; strengthening or contributing to facilitate access to finance for the MSMEs (including seed money, grants, access to credit, etc.); improving the coordination of MSMEs related policies across ministries; increasing interventions at the local level, such as by supporting NGOs or MSMEs outside of the main cities. The application of a human rights-based approach, gender responsiveness and inclusion of other vulnerable groups (LNOB) should be ensured.</p>		<p>Specific attention will continue to be paid to gender-based perspectives, including in the context of a dedicated EPF for Women and to the application of human rights-based approaches.</p>			
<p><b>Recommendation 2:</b> UNCTAD should continue building on the momentum generated by the project to continue fostering knowledge</p>	<p>Accepted</p>	<p>UNCTAD remains committed to working with UN System partners and DESA and sharing good practices and lessons learned on the demand-driven support they provide to the MSME sector, including on areas such as green/circular</p>	<p>UNCTAD, DESA and regional commissions</p>	<p>Ongoing</p>	<p>Yes</p>

<p>exchanges and promoting the Entrepreneurship Policy Framework.</p> <p>UNCTAD, DESA and the Regional Commissions should identify means to more meaningfully continue to share good practices and lessons learned on the demand-driven support they provide to the MSME sector, including on areas such as green/circular economy; innovation policies and ecosystems; MSME formalization and strengthening MSME capacities for the empowerment and leadership of women, youth and groups in vulnerable situations. UNCTAD and the Regional Commissions could also propose organizing regional events and/or a global conference to promote entrepreneurship policy and further advance the goals and impact of the Surge project. Furthermore, learnings from the experiences with the Surge about external partnerships should encourage UNCTAD to promote the EPF and entrepreneurship development to other UN agencies also engaged in this area (e.g. ILO, FAO, UN Women, etc.), to development banks, or to related initiatives such as the recent Global Accelerator on Jobs and Social Protection. UNCTAD could also consider joining and supporting events</p>		<p>economy; innovation policies and ecosystems; MSME formalization and strengthening MSME capacities for the empowerment and leadership of women, youth and groups in vulnerable situations. In addition to cooperation on technical assistance and capacity building projects, this will take place in the context of specific events and undertakings such as the UN International Day for MSMEs, the Decent Jobs for Youth initiative and entrepreneurship events in the context of the UNCTAD World Investment Forum. The scope of collaboration will be based on the specific mandates received by individual organization.</p>		
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that promote the achievement of SDG 8.3 as an avenue to further promote the EPF.					
<p><b>Recommendation 3:</b></p> <p>The DA-PMT should develop a clear framework for assessing the costs and benefits of implementing a global or inter-regional project versus regional projects.</p> <p>As a global crisis can affect regions and countries differently, global or joint projects should be developed only when there are clear benefits of joint implementation. Thus, a global or inter-regional vs. regional response would not be a priori decision, but a result of a clear assessment. A specific guideline or framework should be developed for this. Some of the assessment criteria could include the need or demand from member States for an integrated response; the range of common versus entity-specific activities and added value of complementary interventions (i.e. in terms of geographical coverage, reach of the target population, capacity, and/or coverage of multiple reinforcing technical areas, or networks and partnerships); capability to execute joint interventions (e.g. in terms of time,</p>	-	-	-	-	-

<p>resources, logistics, and flexibility to pivot interventions without bureaucratic procedures); coordination costs (which increase with the number of participating UN entities); project inception modalities and governance and knowledge management requirements to facilitate collaboration and knowledge sharing; scaling and sustainability plans; expected results of spreading resources versus concentrating on fewer countries; and so forth. The time taken to conduct such assessments will increase project coherence and effectiveness and facilitate the identification of the financial and human resources needed for project implementation. The network of DA Focal Points is a key existing asset for this assessment.</p>					
<p><b>Recommendation 4:</b></p> <p>Implementing UN entities should ensure that they have a comprehensive Results Framework for the entire project as well as an adequate monitoring plan, with indicators that are designed to support the ongoing monitoring.</p> <p>The results framework should have one objective and ideally have one outcome per cluster/workstream. The objective</p>	Accepted	<p>Since 2013, having developed and communicated comprehensive results and impact chains (UNCTAD/DIAE/2013/2), UNCTAD's Division on Investment and Enterprise remains fully committed to the monitoring, reporting, and evaluation mechanisms of its services. As highlighted in an external evaluation carried out in 2023, the Division commissioned in-depth studies to evaluate the long-term impact of various flagship products and activities.</p>	All	Ongoing	Yes

<p>should state the intended goal of the project, describe the overall achievement targeted by the project, involving a process of change aimed at meeting the needs of identified beneficiaries, and reflect the overall funding available to the project. Each objective should include reference to the project's beneficiaries and its substantive focus. The objective should not attempt to explain the ways in which the project intends to achieve the objective (i.e. it should not include the word 'through' or describe the internal work of the UN using verbs such as 'support', 'facilitate' or 'contribute'). The outcomes (OCs) should describe the changes that are expected to occur as a result of the completion of outputs. The OCs should be achievable within the project's timeframe and budget, and should be specific enough to be measured by the associated indicators of achievement. The indicators of achievement (IAs) should provide measures for monitoring progress towards achieving the OCs and reporting on them after completion of the project. Every indicator needs to provide clearly defined baselines, units of measurement and targets, detailing the quantity, quality and timing of expected results. The monitoring</p>		<p>In recent times, aiming to systematize data collection on results and impact, UNCTAD has started integrating monitoring and reporting mechanisms as integral components of its products, services and projects and will continue to do so.</p> <p>We recognize that systematic monitoring of data regarding long-term impact also necessitates robust commitment from beneficiary countries. This endeavor also calls for additional resources, beyond those currently allocated for reporting and monitoring as they often require measurement beyond the duration of a project.</p>		
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<p>evaluation, accountability, and learning (MEAL) system should also be designed to capture HRBA, gender and LNOB aspects. In phased interventions or during project execution, any changes in the logframe if/when pivoting activities should be clearly explained to the wider team.</p>				
<p><b>Recommendation 5:</b></p> <p>Implementing UN entities should ensure that sufficient resources are allocated to project coordination, technical collaboration, and partnership building.</p> <p>The absorption capacity of implementing entities can be challenged by crisis response projects which add to the planned programme of work. This is further compounded by projects that come with an extensive UN partnership and a global scope. Sufficient resources should be dedicated to global coordination and to building global partnerships with strategic stakeholders (e.g., UN organisations engaged in supporting the MSME sector; development banks). Capacities should also be directed to</p>		<p>Related guidance is already widely established for UNCTAD's interventions. This is reflected in the project documents and also envisioned in risks management matrix. UNCTAD will continue to follow existing procedure and guidance going forward. It should be noted that at times of crises the Organisation is also profoundly impact by challenging environment, particularly in the context of freeze of resources.</p>		

<p>supporting technical collaboration and the staff implementing interventions, including towards synergy or liaison with the UNCTs. When designing the project, implementing UN entities should consider featuring coordination and partnership-building in the Theory of Change or logframe of the project. Tools to support continuous connections and knowledge exchange, and to ensure institutional memory should be part of the response package, such as a project website, SharePoint space for all team members, and a Yammer network or Teams channel. The integration of cross-cutting aspects (HRBA, gender responsiveness, LNOB) also requires expertise with sufficient and dedicated time and resources. Guidance could be development to project managers on how to do this.</p>				
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