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 evaluation report was overall good, comprehensive, and balanced. However, there were factual inconsistencies in parts of the text in relation to UNECA and errors in Figure 7, though inputs and supporting documentation were provided to the evaluators in a timely manner. These factual inconsistencies remained, though edits were sent to evaluators on the draft version in October 2023 and on a second version in January 2024. UNECA has resubmitted these edits to the UNCTAD Evaluation unit to address these inconsistencies in May 2024. For instance, in the January 2024 version, based on inputs by UNECA, paragraph 38 states: “At UNECA, the project was complementary to another ongoing UNDA13th tranche project focusing on the role of technology and innovation on MSME competitiveness”. Furthermore, paragraph 39 states “The UNECA Sub-regional office for Southern Africa leveraged the project to build complementarities with an existing UNDA 13th Tranche project on innovation and technology for SMEs, which had been approved for funding at the start of 2020”. However, in the May 2024 version, it read as follows in paragraph 39: “The UNECA Sub-regional office for Southern Africa leveraged the project to build the foundations of a UNDA 12th Tranche project on innovation and technology for SMEs, which had been approved”.

Figure 7: Surge Project outputs delivered per implementing entity and implementation phase**[[1]](#footnote-1)**.

In the May 2024 version, outputs reported for UNECA under Phase 3 (by end 2022) should be 4 and not 3 (as misreported in Figure 7 in the May 2024 version). These relate to Phase 3 output # 4,2. 4.4, 4.6 and 4.8. Three outputs were delivered after December 2022 (#4.1, 4.5 and 4.7) but these were misreported as “five” in paragraph 59 of the May 2024 version.

In table 7 (May 2024 version), under Phase 2, 4.3 should be replaced by 4.1.

In paragraph 81 of the May 2024 version , it is stated that “An additional unplanned output, at the request of the Government of Mauritius, was a regional seminar on “The impact of Covid-19 on MSMEs in Southern Africa: Country Experiences and a Focus on Building Back Better in Mauritius” was held at the margins of Dubai Expo 2020, in collaboration with the SADC Business Council and the Ministry of Industrial Development, SMEs and Cooperatives of Mauritius”. This was misreported as an unplanned output when it corresponds to Output #4.2 in Phase 3. UNECA has since requested for these inconsistencies to be corrected in an email to UNCTAD Evaluation on June 6, 2024

##### 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:

1. The recommendation number and text copied from the evaluation report;
2. Indication of whether the recommendation is accepted fully, partially, or rejected;
3. 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;
4. The responsible party for implementing the action/s;
5. The time-frame for implementation and/or an implementation schedule, if required;
6. Indication if and what resources are required for implementing the recommendation.
7. Management response matrix[[2]](#footnote-2)

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| 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)Accepted, 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 1:1. (i) UNCTAD should further leverage the experience gained through the project to map out how components of the Entrepreneurship Policy Framework relate to and can be best positioned to support MSMEs in their recovery from different types of crises and (ii) DESA and the Regional Commissions should add their analysis of how their work can contribute towards the objective.
2. UNCTAD, DESA and the Regional Commissions could build on the project to map their areas of intervention in support of the MSME sector, as well as capacities and knowledge on the implementation of the EPF components, including in a crisis context, and 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.
 | Accepted | 1. ECA shall, whenever relevant, leverage on UNCTAD *Entrepreneurship Policy Framework* (EPF) to strengthen its analysis on MSME development issues.
2. ECA remains committed to collaborate with UNCTAD and other regional economic commissions on joint initiatives on MSME development, to promote cross-sharing of experiences across regions and promote global policy responses on MSME development, with attention paid to gender-based perspectives and application of human rights based and LNOB approaches as relevant for its member states and based on demand from its member states.
 | UNECA  | 2 years  | Y |
| Recommendation 2:UNCTAD should continue building on the momentum generated by the project to continue fostering knowledge exchanges and promoting the Entrepreneurship Policy Framework. 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 that promote the achievement of SDG 8.3 as an avenue to further promote the EPF. | Accepted | ECA remains committed to collaborate with UNCTAD and other regional economic commissions on joint initiatives on MSME development, to promote cross-sharing of experiences, good practices, and lessons across regions and promote global policy responses on MSME development 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, and youth. | UNECA | 2 years | Y |
| Recommendation 3: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. 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, 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. | N/A |  |  |  |  |
| Recommendation 4: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. The results framework should have one objective and ideally have one outcome per cluster/workstream. The objective 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, 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. | Accepted  | ECA remains committed to the promotion of intra-UN collaboration on issues of global interest and with regional specificities, while noting that more resources should be allocated within the project on M&E.ECA will use the lessons from this project implementation and evaluation recommendations to strengthen project design and delivery. | UNECA | 6-12 months | N |
| Recommendation 5:Implementing UN entities should ensure that sufficient resources are allocated to project coordination, technical collaboration, and partnership building. 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 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. | Accepted  | ECA shall continue to sensitize current staff to the need for strengthened partnerships among UN entities and strive to mobilize additional resources to strengthen project coordination, technical collaboration and cross-learning across agencies, while noting the challenges and strains on financial resources from the Regular Budget.  | UNECA | 2 years | Y |

1. Figure 7 presents the number of outputs fully delivered as stated in the project’s final report. In addition, 6 outputs were still in progress when the final report was submitted (ECLAC 1 output, UNCTAD 1 output, UNECA 4 outputs in progress). [↑](#footnote-ref-1)
2. Each column is cross-referenced to the bullet letters above. [↑](#footnote-ref-2)