

**Independent Commission for Aid Impact (ICAI)**  
**Evaluation of DFID's Trade Development Work in Southern Africa**  
**Inception report**

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## **1. Introduction**

1.1 The Independent Commission for Aid Impact (ICAI) is the independent body responsible for scrutinising UK aid. We focus on maximising the effectiveness of the UK aid budget for intended beneficiaries and on delivering value for money for UK taxpayers. We carry out independent reviews of aid programmes and of issues affecting the delivery of UK aid. We publish transparent, impartial and objective reports to provide evidence and clear recommendations to support UK Government decision-making and to strengthen the accountability of the aid programme. Our reports are written to be accessible to a general readership and we use a simple ‘traffic light’ system to report our judgement on each programme or topic we review.

1.2 We have decided to review the Department for International Development’s (DFID’s) trade development work in Southern Africa. This inception report sets out the evaluation questions, methodology and a work plan for the delivery of the review. It is, however, intended that the methodology and work plan be flexible enough to allow for new issues and questions that emerge over the course of the review.

## **2. Background**

2.1 The background to this review is provided in section 2 of the Terms of Reference.<sup>1</sup> It details the wider context within which DFID’s trade-related work in Southern Africa is implemented, provides information on DFID’s previous work in the region and summarises its current programmes.

## **3. Purpose of this review**

3.1 To assess the effectiveness of the trade-related elements of DFID’s current regional integration programmes in Southern Africa, in order to maximise the impact for the intended beneficiaries and value for money for the UK taxpayer.

3.2 Within the context of this review, the intended beneficiaries are the poor of Southern Africa. It should be noted that, for trade-related work in Southern Africa, the direct beneficiaries will be regional economic communities and governments creating opportunities and benefits for traders, transport companies and producers. This, in turn, may benefit the intended beneficiaries, the region’s poor. In order to assess the impact on the intended beneficiaries, the review will, as far as is possible, follow the impact along the entire chain.

## **4. Relationships to other initiatives and evaluations**

4.1 Details of selected previous evaluations of DFID’s trade-related work are provided in section 4 of the Terms of Reference.<sup>1</sup> This evaluation will examine the relevant findings of these and other evaluations and assess whether lessons from these have informed DFID’s current assistance in Southern Africa.

## **5. Methodology**

### *Analytical Approach*

5.1 Our evaluation will review two of the current regional integration programmes being implemented by DFID Southern Africa (DFID SA): TradeMark Southern Africa (TMSA) and

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<sup>1</sup> Terms of Reference: Evaluation of DFID’s Trade Development Work in Southern Africa, ICAI, January 2013, <http://icai.independent.gov.uk/wp-content/uploads/2011/11/DFID%E2%80%99s-Trade-Development-Work-in-Southern-Africa.pdf>.

the Mozambique Regional Gateway Programme (MRGP). Given the broad range and complexity of trade impacts from direct to intended beneficiaries, the focus of this evaluation will be on the trade-related aspects of DFID's work. We will, therefore, not explicitly include the Making Financial Markets Work for the Poor Programme (FinMark) in this review, as FinMark addresses the economic aspects of regional integration.

5.2 In addition, the review will examine the results of the previous DFID programmes in Southern Africa upon which the current work is based, to assess the extent to which lessons have been learnt from these programmes. These are the Regional Trade Facilitation Programme (RTFP); the Regional Standards Programme; and the Making Commodity and Services Markets Work for the Poor Programme.

5.3 The review will also evaluate, based on desk research, the relationships and cross-learning between the trade-related work in Southern Africa and the related programmes within the UK Government's wider Africa Free Trade initiative (AFTi). Specifically, the review will compare TMSA and MRGP with DFID's trade-related work in East Africa, including TradeMark East Africa (TMEA).

5.4 The evaluation will focus on four broad themes:

- Have the programmes been designed and implemented to deliver a sustainable impact for the region's poor?
- Is there effective co-operation and alignment of objectives between the trade-related elements of DFID SA's regional integration programmes and the wider DFID Africa trade agenda to support the Tripartite 'Cape to Cairo' Free Trade Area?
- Is the prioritisation of DFID's support in addressing the obstacles to trade expansion proportional to actual needs and sufficient to make an impact on intended beneficiaries (for example through increased employment opportunities for the poor and lower prices of goods that the poor consume)?
- Do the different delivery channels ensure efficiency, value for money and good governance?

5.5 We will evaluate how well the programmes have been designed and implemented to deliver a sustainable impact for the region's poor. The first step is to examine whether the programmes are designed to improve trade and are having positive impacts. Recent literature indicates that trade is an essential tool for boosting growth and reducing poverty. Few countries have generated long-term economic growth without first experiencing a large expansion in trade and most developing countries with rapid poverty reduction have sustained high economic growth.

5.6 It is widely agreed, however, that the linkages between trade expansion and poverty alleviation are not automatic. The poverty impact depends on a range of factors and any changes in trade flows will directly and indirectly affect households. A simple framework (see Figure 1 on page 4) illustrates how changes in trade can positively and negatively affect households. From a positive perspective, changes in trade (trade expansion or liberalisation) pass to households by means of three channels: the distribution channel (lower price, greater choice), the enterprise channel (higher wages, employment and profits) and the government channel (increased taxes spent on social programmes). In reality, changes in trade are likely to bring both positive and negative impacts but, in general, the net impact has overall been shown to be positive.<sup>2</sup>

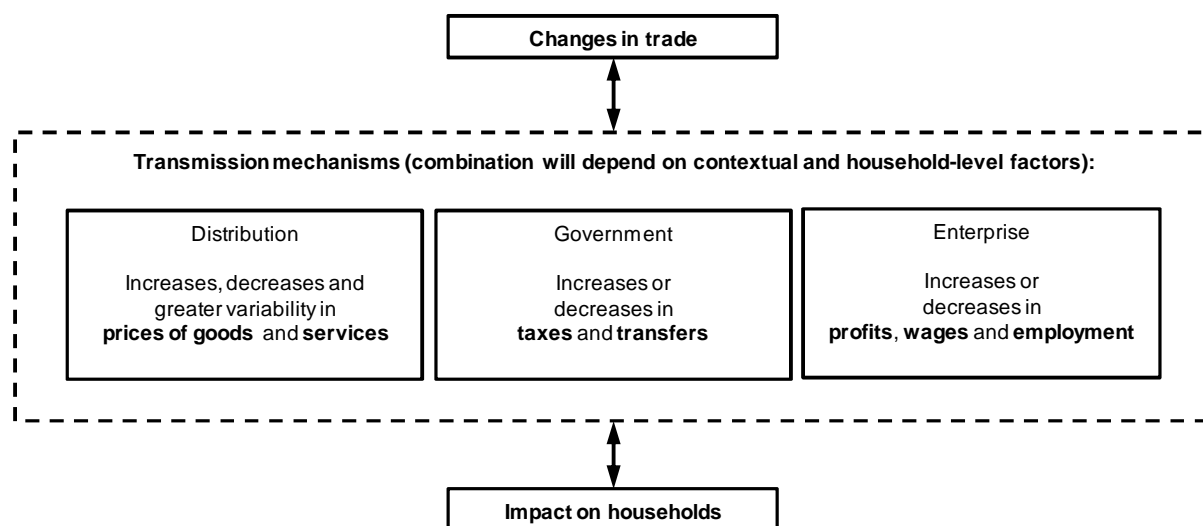
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<sup>2</sup>Trade, Income Distribution And Poverty In Developing Countries: A Survey, United Nations Conference on Trade and Development, 2012, [http://unctad.org/en/PublicationsLibrary/osgdp20121\\_en.pdf](http://unctad.org/en/PublicationsLibrary/osgdp20121_en.pdf).

5.7 This evaluation will, therefore, include an assessment of whether DFID’s trade-related work in Southern Africa is based on a sound analysis of the linkages between activities and the ultimate intended beneficiaries.

5.8 An increase in imports in countries of the region may displace national producers in these countries (being out-competed by cheaper regional imports). This evaluation will examine whether the programmes seek to mitigate and compensate for the adverse impacts of trade changes, particularly when these changes affect poor people.

**Figure 1: Changes in trade flows – transmission channels to the poor**



Source: adapted from Higgins and Prowse (originally developed by McCulloch et al.), *Trade, growth and poverty: making Aid for Trade work for inclusive growth and poverty reduction*, ODI Working Paper 313, February 2010.

5.9 This review will go on to examine the relationships between these programmes in Southern Africa and DFID’s trade-related work in other parts of Africa under the AFTi. In particular, we will look at TMEA which provides support to one of the three regional economic communities (the East African Community (EAC)) in the Tripartite negotiations – with TMSA providing support to the other two. It will also examine the relationship between DFID SA’s infrastructure funding and its contribution to multi-donor regional infrastructure funds, including the EU-Africa Infrastructure Trust Fund, the Infrastructure Consortium for Africa and The New Partnership for Africa’s Development’s (NEPAD’s) Infrastructure Project Preparation Facility. DFID’s contribution to these funds currently amounts to £39 million.

5.10 This review will investigate the way in which DFID prioritises its support in addressing the three key obstacles to trade expansion described in Section 2 of the Terms of Reference: red tape, weak infrastructure and high tariffs. Transport costs typically<sup>3</sup> add 19% to product prices in Africa, compared with 5% in most developed countries. Three-quarters<sup>4</sup> of this difference is due to the excessive red tape and bureaucracy which is required for goods to cross the border, with the remainder due to poor infrastructure. Tariffs, meanwhile, add an average of 8% to African product prices. Given this background, the evaluation will examine the logic of allocating over 50% of funds across regional integration programmes to infrastructure when it addresses only 16% of the defined higher costs.<sup>5</sup>

<sup>3</sup> *Transport and Transport-related Costs of Trade in Africa*, Background Paper for African Development Bank, 2009, Oliver Morrissey.

<sup>4</sup> *De-Fragmenting Africa: Deepening Regional Trade Integration in Goods and Services*, World Bank, 2000, <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/0..contentMDK:23092452~pagePK:146736~piPK:226340~theSitePK:258644,00.html>.

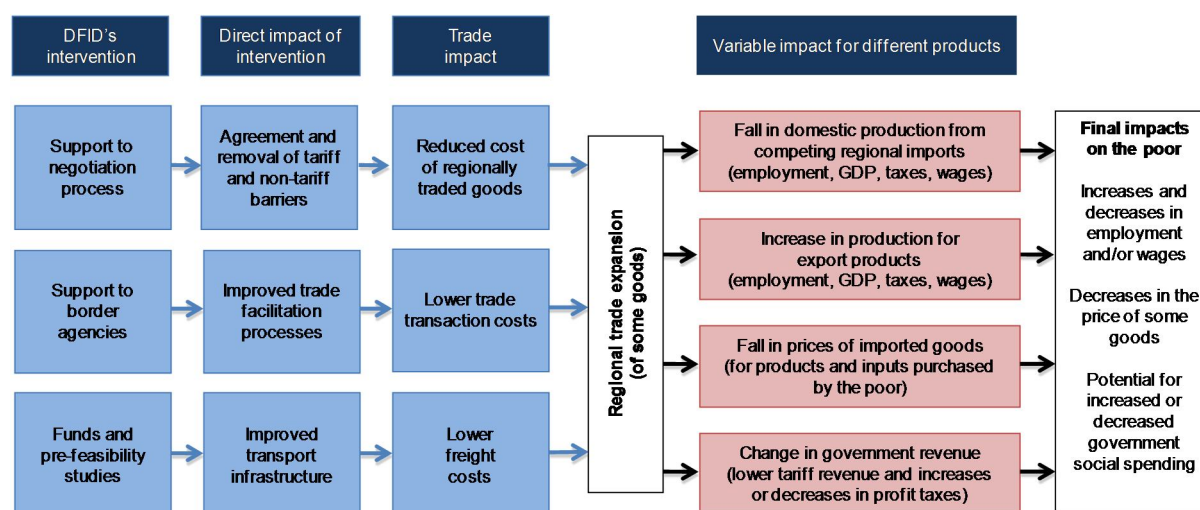
<sup>5</sup> Based on these figures, addressing trade facilitation, infrastructure and tariffs could reduce the cost of regionally traded goods by up to 22% (10.5% from trade facilitation (three quarters of 14%), 3.5% from infrastructure (one quarter of 14%) and 8% by removing tariffs altogether). This

5.11 Finally, the evaluation will examine the efficiency and value for money of the different delivery channels used by DFID. We will examine the adequacy of financial management, procurement, fiduciary risk mitigation, project management and monitoring and evaluations undertaken by the implementing partners and their contractors. By comparing the different delivery channels and partners used in DFID’s trade development portfolio and the strategies DFID employs for managing its trade-related work across Southern Africa, we will seek to draw lessons on effective trade development programme delivery in a regional context.

5.12 It should be noted that it can take a long time for the costs and benefits of trade-related work to be realised. We will, nonetheless, compile and analyse the results data that are available, assessing the strategies used by DFID to measure impact. We will also meet with intended beneficiaries or, where that is not possible, representative groups to get their views on impact.

5.13 Figure 2 shows the different levels of impact that should be followed to understand fully the impact of trade development activities on intended beneficiaries.

**Figure 2: Impact of trade interventions**



5.14 The review will include both UK-based work and visits to direct and intended beneficiaries, DFID offices and implementing agencies in South Africa, Mozambique, Botswana and Malawi.

5.15 In order to assess the effectiveness and value for money of TMSA and MRGP, discussions with a broad range of stakeholders in the countries of the region will be held. The stakeholders will fall into four categories (see Figure 3 on page 6):

- programme strategy and management (DFID);
- programme implementation (delivery agents);
- direct beneficiaries (market access negotiators, trade facilitation service providers, businesses and employees); and
- other donors.

implies that infrastructure improvements play a relatively small role in the reduction of costs, accounting for 16% of possible savings (3.5 as a proportion of 22).

**Figure 3: Trade development stakeholders**

Type of stakeholder	Tentative list of stakeholders
Programme strategy and management	DFID Southern Africa DFID Trade Policy Unit DFID offices in countries of Southern Africa
Delivery agents	Project management units Trust funds Contracted firms Governments (sector budget support), if appropriate
<b>Direct beneficiaries:</b>	
Market access	Tripartite chairperson (currently the Southern African Development Community (SADC) Secretary General) Secretary General of the Common Market for East and Southern Africa (COMESA) Tripartite units within each regional economic community National government negotiators Regional and national business representatives
Trade facilitation	National and regional government policy makers (regional integration, trade, transport) National trade facilitation service providers (public and private, for example, freight companies) Regional transportation and freight forwarding associations, including the Federation of East and Southern African Road Transport Associations (FESARTA) and the Federation of Clearing and Freight Forwarders Associations of Southern Africa (FCFASA) Business representatives engaged in export or regional trade
Business/employees	Business representatives (especially in land-locked countries which are a specific target), including those representing small business, small-holder farmers and labour intensive sectors Labour representatives (such as trade unions) Non-governmental organisations (NGOs) working with business, smallholders and workers aiming for regional trade or exports
Consumers	Consumer representative organisations Food security agencies
Other donors	Multilateral organisations (including the European Union (EU), World Bank, African Development Bank and the Development Bank of Southern Africa) Key bilateral donors (including the Japan International Cooperation Agency (JICA) and the United States Agency for International Development (USAID))

*Evaluation Framework*

5.16 The evaluation framework for this review is set out in the table below. This has as its basis the standard ICAI guiding criteria and evaluation framework, which are focussed on four areas: objectives, delivery, impact and learning. It also incorporates other pertinent questions we want to investigate in this review. The questions which are highlighted in bold are those on which we will focus in particular.

Relevant ICAI Evaluation Framework Questions	Evaluation Questions	Criteria for Assessment	Sources of Evidence
(1) Objectives: what is the programme trying to achieve?			
Does the programme have clear, relevant and realistic objectives that focus on the desired impact? (1.1)	<p><b>Has DFID's funding been allocated effectively across the three strategic goals of trade facilitation, improved infrastructure and better market access? (ToR 6.2.1)</b> In other words, does this allocation reflect the relative importance of each strategic goal?</p>	<ul style="list-style-type: none"> <li>• Clear research and analysis of the trade constraint issues and their relative importance</li> <li>• Adequacy of criteria for activity selection</li> <li>• Evidence of appraisals of costs and benefits of each activity, how they will contribute to reduced transaction costs and trade expansion</li> <li>• Leverage of other funds</li> </ul>	<ul style="list-style-type: none"> <li>• Project design and business case material</li> <li>• Literature review</li> <li>• Interviews with DFID staff</li> <li>• Consultation with external experts</li> </ul>
	<p><b>Has wider poverty analysis been explicitly incorporated into programme strategies? (ToR 6.2.2)</b></p>	<ul style="list-style-type: none"> <li>• Clear research and analysis of how the expected trade impacts from each activity will affect the poor (positively and negatively)</li> </ul>	<ul style="list-style-type: none"> <li>• Project design and business case material</li> <li>• Interviews with DFID staff</li> </ul>
Is there a clear and convincing plan, with evidence and assumptions, to show how the programme will work? (1.2)	<p><b>Is the analysis of poverty linkages rigorous? How certain are the linkages between trade impact and poverty (assumed or estimated)? Have potential advantages and disadvantages to the poor been taken into account? (ToR 6.2.2)</b></p>	<ul style="list-style-type: none"> <li>• The level of detail and analysis undertaken on trade poverty linkages (compared with best practice/reasonable approach)</li> <li>• The extent of analysis of likely impacts on the poor, by country and sector</li> <li>• Existence of trade sector guidance on project design from DFID centrally</li> </ul>	<ul style="list-style-type: none"> <li>• Project design and business case material</li> <li>• Interviews with DFID staff</li> <li>• Consultation with external experts</li> <li>• Literature on methodological approaches to trade and poverty analysis</li> </ul>

Relevant ICAI Evaluation Framework Questions	Evaluation Questions	Criteria for Assessment	Sources of Evidence
	<p>Is there a clear DFID AFTi strategy within which these programmes fit? Do the objectives contribute to the UK Government's wider AFTi?</p>	<ul style="list-style-type: none"> <li>• Evidence of co-ordination and guidance relating project design in Southern Africa with AFTi and other initiatives (such as TMEA)</li> <li>• Adequacy of guidelines and co-ordination between DFID departments and offices responsible</li> <li>• Alignment of project activities and objectives with the broader AFTi objectives</li> </ul>	<ul style="list-style-type: none"> <li>• Policies, strategies and guidance materials</li> <li>• Project design and business case material</li> <li>• Interviews with DFID staff</li> </ul>
	<p><b>Were the specific programme interventions selected on the basis of evidence? Was the experience from similar, earlier programmes integrated into the design of these interventions? (ToR 6.2.4)</b></p>	<ul style="list-style-type: none"> <li>• Evidence and recommendations from previous evaluations referred to and reflected in programme design</li> </ul>	<ul style="list-style-type: none"> <li>• Project design and business case material</li> <li>• Interviews with DFID staff</li> <li>• Relevant literature relating activities to trade and poverty impact (globally and in Southern Africa)</li> </ul>
	<p>Was there an assessment of the suitability and effectiveness of the different delivery channels?</p>	<ul style="list-style-type: none"> <li>• Evidence of options appraisals and clear plan showing how each component would work and interact with each other (including across countries)</li> <li>• Risk analysis to include governance issues, objective alignment, capacities and motivations</li> </ul>	<ul style="list-style-type: none"> <li>• Project design and business case material</li> <li>• Interviews with DFID staff</li> <li>• Interviews with external stakeholders including delivery channels</li> </ul>



Relevant ICAI Evaluation Framework Questions	Evaluation Questions	Criteria for Assessment	Sources of Evidence
Does the programme complement the efforts of government and other aid providers and avoid duplication? (1.3)	Do DFID country-level programmes take account of the trade opportunities to be provided by the initiatives (particularly capacity building but also flanking policies to mitigate negative impacts, particularly on the poor)?	<ul style="list-style-type: none"> <li>References and evidence of linkages of national programme design with expected regional project impact</li> <li>Adequacy of communication between DFID SA and other offices in the region on project progress</li> </ul>	<ul style="list-style-type: none"> <li>Country-level strategies and programmes</li> <li>Interviews with DFID staff in countries (as well as DFID's Africa Unit and DFID's Trade Policy Unit (TPU))</li> </ul>
	<b>Do the initiatives complement other DFID trade work in Africa (particularly TMEA and infrastructure funds)? (ToR 6.2.3)</b>	<ul style="list-style-type: none"> <li>Clarity on the role of each programme and its contribution to AFTi</li> <li>Evidence of co-ordination and co-operation amongst different programmes</li> <li>Existence of unnecessary duplication of activities</li> </ul>	<ul style="list-style-type: none"> <li>Project and programme documents (design, terms of reference and annual review)</li> <li>Interviews with DFID staff</li> <li>Interviews with project management units</li> </ul>
	Does DFID work with other donors at the country and regional levels to ensure that their trade development programmes are complementary, effectively co-ordinated and meet the needs of the recipient government, direct and intended beneficiaries?	<ul style="list-style-type: none"> <li>Activities complement those of other donor trade programmes in the region</li> <li>Evidence of collaboration and co-operation with these programmes</li> </ul>	<ul style="list-style-type: none"> <li>Project design and annual review documentation</li> <li>Project documentation from other donors</li> <li>Interviews with DFID staff</li> <li>Interviews with other donors</li> </ul>

Relevant ICAI Evaluation Framework Questions	Evaluation Questions	Criteria for Assessment	Sources of Evidence
	Do the different implementing institutions manage multi-donor programmes effectively, ensuring that there is co-ordination and that DFID objectives are not marginalised (especially in pooled funds)?	<ul style="list-style-type: none"> <li>• Lack of duplication of activities between donor programmes managed by each implementing institution</li> <li>• Synergy between objectives of different projects managed by implementing institutions</li> <li>• DFID objectives are prominent in implementing institutions' strategies and plans (for example for the Tripartite Trust Account)</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews with DFID staff</li> <li>• Interviews with implementing institutions</li> <li>• Interviews with other donors</li> </ul>
Are the programme's objectives appropriate to the political, economic, social and environmental context? (1.4)	<b>Do the blockages to regional trade being addressed by the programmes reflect the specific concerns of business? (ToR 6.2.5b)</b>	<ul style="list-style-type: none"> <li>• The issues being addressed by DFID programmes are prioritised by national business and consumer representatives</li> <li>• Evidence of lobby within each country to address these issues</li> <li>• Analysis and consultation of business, employees and consumers during the design phase</li> </ul>	<ul style="list-style-type: none"> <li>• Literature and analysis of trade constraints in each country of the region</li> <li>• Project design and business case material</li> <li>• Interviews with business, employee and consumer representatives</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> </ul>

Relevant ICAI Evaluation Framework Questions	Evaluation Questions	Criteria for Assessment	Sources of Evidence
	<p><b>Do these interventions complement the political agenda of the region (regional economic communities and national governments)? (ToR 6.2.5a)</b></p>	<ul style="list-style-type: none"> <li>• The Tripartite Free Trade Area, reducing red tape and trade infrastructure are high priorities for governments and regional economic communities</li> <li>• These strategies form part of each government's own national economic development strategy</li> <li>• Commitment to the processes and activities by each government and regional economic communities</li> </ul>	<ul style="list-style-type: none"> <li>• National government policy statements</li> <li>• Literature review and analyses of government policy</li> <li>• Interviews with government officials in the region</li> <li>• Interviews with regional economic communities (interacting with member governments)</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> <li>• Relevant Parliamentary reports</li> </ul>
	<p>Do governments outside the region politically engage in the wider Tripartite process (including Egypt which is part of COMESA but outside sub-Saharan Africa)?</p>	<ul style="list-style-type: none"> <li>• Evidence that regional integration, reducing red tape and trade infrastructure are stated high priorities for governments and regional bodies</li> <li>• Evidence that these strategies form part of the governments' national economic development strategy</li> <li>• Evidence of a commitment, from each government, to the processes and activities</li> </ul>	<ul style="list-style-type: none"> <li>• National government policy statements</li> <li>• Literature review and analyses of government policy</li> </ul>

Relevant ICAI Evaluation Framework Questions	Evaluation Questions	Criteria for Assessment	Sources of Evidence
(2) Delivery: is the delivery chain designed and managed so as to be fit for purpose?			
Is the choice of funding and delivery options appropriate? (2.1)	<p><b>Is the choice of funding and delivery options appropriate, including delivery through other agencies (e.g. the Tripartite Trust Account for infrastructure programmes)? (ToR 6.3.1)</b></p>	<ul style="list-style-type: none"> <li>• Assessment of capacity of each implementing agent</li> <li>• Appraisals of alternative implementing partners</li> <li>• Quality and appropriateness of implementing agents</li> </ul>	<ul style="list-style-type: none"> <li>• Project design and business case material</li> <li>• Literature review of assessments of capacity of implementing institutions</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> </ul>
	<p>Does DFID provide added value, specific expertise or flexibility in delivering trade activities (such as transport infrastructure)?</p>	<ul style="list-style-type: none"> <li>• Level of support, monitoring, guidance and management of activities by DFID managers during implementation of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> </ul>
	<p><b>Do the managers of the different delivery channels understand and specifically target pro poor activities? (ToR 6.3.3)</b></p>	<ul style="list-style-type: none"> <li>• Explicit reference to poverty is identified and detailed in management reports and annual reviews</li> <li>• Specific studies and monitoring undertaken targeting poverty impact assessments</li> <li>• Specific actions undertaken with a focus on poverty impacts</li> </ul>	<ul style="list-style-type: none"> <li>• Project management and monitoring documents</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> </ul>

Relevant ICAI Evaluation Framework Questions	Evaluation Questions	Criteria for Assessment	Sources of Evidence
	Can the implementation agencies (including COMESA) include and take account of other stakeholders (such as SADC and EAC)?	<ul style="list-style-type: none"> <li>• Synergy of the objectives, mandates and goals of each of the regional economic communities</li> </ul>	<ul style="list-style-type: none"> <li>• Policy, mandates, statements and constitutions of each regional trade body</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> <li>• Interviews with regional economic communities</li> </ul>
	Is there effective co-ordination between implementation of MRGP (DFID SA and DFID Mozambique components)? Would alternative funding arrangements have been more efficient?	<ul style="list-style-type: none"> <li>• Clarity of division of implementation responsibility of the project by each management office</li> <li>• Appraisal and analysis of options for alternative implementation</li> <li>• Adequacy of co-ordination and communication between offices and implementation units</li> </ul>	<ul style="list-style-type: none"> <li>• Project design and business case material</li> <li>• Interviews with DFID staff in South Africa and Mozambique</li> <li>• Interviews with project implementation units</li> </ul>
Does programme design and roll-out take into account the needs of the intended beneficiaries? (2.2)	<b>Are the needs of all the regional economic communities (particularly SADC, COMESA and EAC) taken into account in programme delivery? (ToR 6.3.8)</b>	<ul style="list-style-type: none"> <li>• Reference to needs in design and project concept and evidence of consultation</li> <li>• Inclusion of SADC and EAC in annual planning decisions for spending allocations</li> <li>• Needs of SADC and EAC reflected in operational decision making</li> <li>• Existence of formal and informal consultation mechanism between the implementing agents, COMESA and SADC and EAC</li> </ul>	<ul style="list-style-type: none"> <li>• Project design and business case material</li> <li>• Project management and monitoring documents</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> <li>• Interviews with SADC</li> <li>• Video conference with EAC and COMESA</li> </ul>

Relevant ICAI Evaluation Framework Questions	Evaluation Questions	Criteria for Assessment	Sources of Evidence
	<p>In particular, does COMESA adequately include national governments during implementation (especially of non-member states)?</p>	<ul style="list-style-type: none"> <li>• Reference to needs in design and project concept and evidence of consultation</li> <li>• Inclusion of governments in annual planning decisions for spending (including non COMESA members)</li> <li>• Needs of governments reflected in operational decision making</li> <li>• Existence of formal and informal consultation mechanism between the implementing agents, COMESA and national governments</li> </ul>	<ul style="list-style-type: none"> <li>• Project design and business case material</li> <li>• Project management and monitoring documents</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> <li>• Interviews with SADC</li> <li>• Video conference with EAC and COMESA</li> <li>• Interviews with government officials in the sample countries</li> <li>• Relevant Parliamentary reports</li> </ul>
	<p><b>Are the needs of direct beneficiaries (regional economic communities, national governments and businesses in each country) taken into account in programme management? (ToR 6.3.4)</b></p>	<ul style="list-style-type: none"> <li>• Reference to needs in design and project concept and evidence of consultation</li> <li>• Inclusion of government and/or other regional economic community representatives in annual planning decisions for spending</li> <li>• Inclusion of business representatives from all countries in annual planning decisions for spending</li> <li>• Needs of business reflected in operational decision making</li> <li>• Existence of formal and informal consultation mechanism between the implementing agents, COMESA and business</li> </ul>	<ul style="list-style-type: none"> <li>• Project design and business case material</li> <li>• Project management and monitoring documents</li> <li>• Minutes from planning meetings</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> <li>• Interviews with SADC</li> <li>• Video conference with EAC and COMESA</li> <li>• Interviews with business representatives in different countries</li> <li>• Relevant Parliamentary reports</li> </ul>

Relevant ICAI Evaluation Framework Questions	Evaluation Questions	Criteria for Assessment	Sources of Evidence
	<p><b>What evidence is there of the longer-term intended beneficiaries (the poor) being involved in programme delivery? (ToR 6.3.5)</b></p>	<ul style="list-style-type: none"> <li>• Degree to which activities explicitly target impact on the poor</li> <li>• Inclusion of representatives of the poor from all countries in annual planning decisions for spending</li> <li>• Existence of formal and informal consultation mechanism between the implementing agents, regional economic communities and representatives of the poor</li> </ul>	<ul style="list-style-type: none"> <li>• Project management and monitoring documents</li> <li>• Project guidance manuals</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> <li>• Interviews with representatives of the poor in countries (employees, consumers and civil society)</li> </ul>
<p>Is there good governance at all levels, with sound financial management and adequate steps being taken to avoid corruption? (2.3)</p>	<p><b>Is there good governance at all levels, with sound financial management and adequate steps being taken to avoid corruption, including in procurement? (ToR 6.3.2)</b></p>	<ul style="list-style-type: none"> <li>• Strong oversight of implementing partners, including reporting requirements</li> <li>• Specific anti-corruption measures</li> <li>• Existence of open and transparent decision-making processes for allocation of funding within programmes</li> <li>• Clear and transparent procurement rules and guidelines</li> </ul>	<ul style="list-style-type: none"> <li>• Project guidance materials</li> <li>• Annual Reports of Tripartite Trust Account</li> <li>• Published procurement guidelines and internal rules/manual on procurement</li> <li>• Minutes of planning decision meetings</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> </ul>
	<p>Are Tripartite Task Force (TTF) projects procured effectively, without corruption? What measures has DFID taken to ensure this?</p>	<ul style="list-style-type: none"> <li>• Effective criteria for selection of projects funded under the TTF</li> <li>• Existence of open and transparent procurement procedures (including complaints procedures, publication and award criteria)</li> <li>• Transparent decision-making processes open to public scrutiny</li> </ul>	<ul style="list-style-type: none"> <li>• Project guidance materials</li> <li>• Published procurement rules</li> <li>• Annual reports and other reporting mechanisms</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> </ul>

Relevant ICAI Evaluation Framework Questions	Evaluation Questions	Criteria for Assessment	Sources of Evidence
Are resources being leveraged so as to work best with others and maximise impact? (2.4)	<b>Is DFID acting as a catalyst for other resources from international agencies or the public and private sectors? Are resources being leveraged so as to work best with others and maximise impact? (ToR 6.3.7)</b>	<ul style="list-style-type: none"> <li>Extent of leveraged funding from other donors, government and private sector into the TTF</li> <li>Extent of other complementary funding of activities alongside DFID-funded activities</li> </ul>	<ul style="list-style-type: none"> <li>TTF annual reports</li> <li>Interviews with DFID staff</li> <li>Interviews with TTF manager</li> </ul>
Do managers ensure the efficiency and effectiveness of the delivery chain? (2.5)	Do managers monitor the different trade and poverty impacts? If so, how; and does this inform changes to the programme direction?	<ul style="list-style-type: none"> <li>Effective monitoring mechanisms in place to estimate and attribute trade and poverty impacts to project activities</li> <li>Changes in project activities to take account of global economic dynamics</li> </ul>	<ul style="list-style-type: none"> <li>Project monitoring reports</li> <li>Interviews with DFID staff</li> <li>Interviews with project implementation units</li> </ul>
	Do managers co-ordinate effectively with other programmes, internationally and at a national level?	<ul style="list-style-type: none"> <li>Existence of donor co-ordination committees (for example with USAID's Southern Africa Trade Hub)</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with DFID staff</li> <li>Interviews with project implementation units</li> </ul>
	Do DFID regional managers follow all the programmes, especially those implemented outside South Africa?	<ul style="list-style-type: none"> <li>Extent of information flow on activities and results between DFID regional programmes and DFID national programmes and regional programmes outside the region.</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with DFID staff</li> <li>Interviews with project implementation units</li> </ul>
Is there a clear view of costs throughout the delivery chain? (2.6)	<b>What are the costs of delivery/management? (ToR 6.3.1)</b>	<ul style="list-style-type: none"> <li>Costs of delivery proportional to the activities undertaken</li> </ul>	<ul style="list-style-type: none"> <li>Terms of reference and contracts with implementing agencies</li> <li>Project management and monitoring documents</li> <li>Interviews with DFID staff</li> </ul>



Relevant ICAI Evaluation Framework Questions	Evaluation Questions	Criteria for Assessment	Sources of Evidence
Are risks to the achievement of the objectives identified and managed effectively? (2.7)	Are risks to the achievement of the objectives identified and managed effectively?	<ul style="list-style-type: none"> <li>• Effective risk analysis (especially in the light of changing political dynamics)</li> <li>• Programme and project designs incorporate adequate risk analysis</li> </ul>	<ul style="list-style-type: none"> <li>• Project design documents</li> <li>• Project management and monitoring documents</li> <li>• Interviews with DFID staff</li> </ul>
Is the programme delivering against its agreed objectives? (2.8)	<b>Are the programmes delivering against their objectives? (ToR 6.3.6)</b> Are interventions leading to an increased pace of regional integration, deeper market access improvements and better infrastructure?	<ul style="list-style-type: none"> <li>• Evidence activities have contributed to regional integration and infrastructure improvements (considerable progress compared with expected progress without support)</li> </ul>	<ul style="list-style-type: none"> <li>• Project management and monitoring documents</li> <li>• Interviews with DFID staff</li> <li>• Interviews with SADC</li> <li>• Interviews with government officials in sample countries</li> </ul>
	<b>Are the programmes delivering against their objectives? (ToR 6.3.6)</b> Have activities led to an expansion in trade (or reduction in transaction costs)?	<ul style="list-style-type: none"> <li>• Evidence activities have led (or are likely to have led) to a reduction in transaction costs (e.g. across the single border post at Chirundu) or trade expansion</li> </ul>	<ul style="list-style-type: none"> <li>• Project management and monitoring documents</li> <li>• Interviews with DFID staff</li> <li>• Interviews with freight companies and traders</li> </ul>
Are appropriate amendments to objectives made to take account of changing circumstances? (2.9)	Is there any flexibility in programme delivery to take account of the dynamics of global trading environment, political will and business interest/focus? How does DFID monitor this and make informed choices?	<ul style="list-style-type: none"> <li>• Evidence of individual projects or activities being adapted to take account of changing economic and political circumstances</li> </ul>	<ul style="list-style-type: none"> <li>• Project management and monitoring documents</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> </ul>

Relevant ICAI Evaluation Framework Questions	Evaluation Questions	Criteria for Assessment	Sources of Evidence
(3) Impact: what is the impact on intended beneficiaries?			
Is the programme delivering clear, significant and timely benefits for the intended beneficiaries? (3.1)	<p><b>Are the specific trade objectives (lower trade transaction costs, greater regional integration and market access and improved infrastructure) being measured? If so, how? (based on ToR 6.4.1)</b></p>	<ul style="list-style-type: none"> <li>• Existence of adequate monitoring mechanisms to estimate and report trade impact (either within the project or as a separate exercise)</li> <li>• Evaluations and studies by independent research organisations</li> </ul>	<ul style="list-style-type: none"> <li>• Project management and monitoring documents</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> <li>• Independent experts</li> </ul>
	<p><b>Are DFID interventions leading to trade expansion? (ToR 6.4.2)</b> Is this expansion new trade, displacing national production or third country imports?</p>	<ul style="list-style-type: none"> <li>• Existence of adequate analysis of whether the lower costs/trade opportunities can be attributed to trade expansion</li> <li>• Detailed impact assessment of the trade effects in terms of expansion and displacement (who gains and who loses)</li> </ul>	<ul style="list-style-type: none"> <li>• Project management and monitoring documents</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> <li>• Interviews with business representatives and transport associations</li> </ul>
	<p><b>Are the programmes having (or are they likely to have) an impact on the poor? If so, by how much? How is this being measured? (ToR 6.4.3)</b> Have broader stakeholder groups (such as business or employee representatives and consumer groups) been involved in measuring the potential impacts on the poor?</p>	<ul style="list-style-type: none"> <li>• Existence of adequate analysis of the likely impact of these trade effects on the poor</li> <li>• Any monitoring of impact on the poor is based on current best practice</li> </ul>	<ul style="list-style-type: none"> <li>• Project management and monitoring documents</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> <li>• Interviews with regional experts/observers on trade and poverty linkages</li> <li>• Interviews with trade unions, consumer groups and civil society representatives</li> </ul>

Relevant ICAI Evaluation Framework Questions	Evaluation Questions	Criteria for Assessment	Sources of Evidence
Is the programme working holistically alongside other programmes? (3.2)	Are the programmes linking to other programmes, both within the region and within the tripartite area?	<ul style="list-style-type: none"> <li>No duplication of effort with other programmes by DFID (nationally) and other donors</li> </ul>	<ul style="list-style-type: none"> <li>Project management and monitoring documents</li> <li>Review of documents of other donor projects</li> <li>Interviews with staff in DFID SA and other country offices</li> <li>Interviews with project implementation units</li> <li>Interviews with other donors (such as the World Bank, the EU, USAID and JICA)</li> <li>Interviews with Donor Project Management Units such as USAID's Southern Africa Trade Hub</li> </ul>
Is there a long-term and sustainable impact from the programme? (3.3)	Are there measures to ensure sustainability of the actions taken under the programme? For example, avoidance of generating new red tape in the future, maintenance of infrastructure developed and implementation of commitments under trade agreements	<ul style="list-style-type: none"> <li>Existence of specific commitments by direct beneficiaries associated with project activities</li> <li>Plans and strategies in place to ensure sustainability by, for example, preventing the generation of new red tape, maintenance of infrastructure developed and implementation of commitments under trade agreements</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with staff in DFID SA and other country offices</li> <li>Interviews with project implementation units</li> <li>Interviews with governments and regional economic communities</li> <li>Interviews with border authorities in country</li> <li>Literature review to examine the experiences in other countries</li> <li>Opinions of independent experts</li> </ul>

Relevant ICAI Evaluation Framework Questions	Evaluation Questions	Criteria for Assessment	Sources of Evidence
Is there an appropriate exit strategy involving effective transfer of ownership of the programme? (3.4)	Is there an appropriate exit strategy for the programmes? Are the interventions dependent upon continued DFID support (e.g. negotiation process) or will they continue effectively after the end of the programme with appropriate transfer of learning?	<ul style="list-style-type: none"> <li>• Extent to which progress is dependent upon continued DFID support</li> <li>• Existence of exit strategy including adequate transfer of knowledge during implementation</li> <li>• Quality of exit strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> </ul>
Is there transparency and accountability to intended beneficiaries, donors and UK taxpayers? (3.5)	Are all the programmes operating with an appropriate level of transparency and accountability to national authorities, intended beneficiaries and UK taxpayers?	<ul style="list-style-type: none"> <li>• Good level of knowledge of activities by representatives of national governments, business and poor (employees and consumers) on activities and aims of the projects</li> <li>• Publication and awareness raising of impact of the projects (and spending data)</li> <li>• Degree of visibility of activities funded by DFID (especially where disbursed through other implementing partners)</li> </ul>	<ul style="list-style-type: none"> <li>• Project management and monitoring documents</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> <li>• Interviews with national governments</li> <li>• Interviews with regional economic communities</li> <li>• Interviews with business representatives in different countries (traders, producers and transport)</li> <li>• Interviews with representatives of the poor in sample countries (employees, consumers and civil society)</li> <li>• Relevant Parliamentary reports</li> </ul>

Relevant ICAI Evaluation Framework Questions	Evaluation Questions	Criteria for Assessment	Sources of Evidence
(4) Learning: what works best and what needs improvement?			
Are there appropriate arrangements for monitoring inputs, processes, outputs, results and impact? (4.1)	<p><b>Are there appropriate arrangements for monitoring inputs, processes, outputs, results and impacts? Are there feedback mechanisms in place to adjust programme plans and actions in light of monitoring and review processes? (ToR 6.5.1)</b></p> <p><b>To what extent are the different target beneficiaries a part of the learning process within each programme? (ToR 6.5.4)</b></p>	<ul style="list-style-type: none"> <li>• Activities designed with clear intended results to support ease of evaluation and learning</li> <li>• Adequacy of project reporting and monitoring (scope and level of detail)</li> <li>• Use of learning in other programmes being developed by DFID</li> <li>• Adequate use of independent assessment and evaluation</li> </ul> <p>• Extent to which monitoring and reporting include business and intended beneficiaries (the poor)</p>	<ul style="list-style-type: none"> <li>• DFID guidance on results management of trade (and linkages to poverty)</li> <li>• Review of project logical frameworks</li> <li>• Interviews with DFID TPU</li> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> </ul> <p>• Project and organisational annual reviews</p> <ul style="list-style-type: none"> <li>• Interviews with DFID staff</li> <li>• Interviews with project implementation units</li> </ul>
Is there evidence of innovation and use of global best practice? (4.2)	<p><b>Is there evidence of innovation and use of global best practice? What lessons were taken from previous trade programmes in Southern Africa? What account was taken of previous evaluations (such as that by the Organisation for Economic Co-operation and Development (OECD)) and has this been incorporated into these programmes? (ToR 6.5.2)</b></p>	<ul style="list-style-type: none"> <li>• Extent to which the project designs took account of and incorporated lessons from evaluations of previous projects</li> <li>• The extent to which DFID incorporates lessons from other evaluations into project design</li> </ul>	<ul style="list-style-type: none"> <li>• Project design documents</li> <li>• Previous evaluations of programmes in Southern Africa and OECD evaluation of trade projects</li> <li>• Interviews with DFID TPU</li> <li>• Interviews with DFID staff</li> <li>• Interviews with independent experts</li> </ul>

Relevant ICAI Evaluation Framework Questions	Evaluation Questions	Criteria for Assessment	Sources of Evidence
Is there anything currently not being done in respect of the programme that should be undertaken? (4.3)	Is there anything currently not being done in respect of the programme that should be undertaken?	<ul style="list-style-type: none"> <li>• The importance of any identified trade constraints not being addressed by the projects</li> <li>• The extent to which national priorities and needs in relation to trade negotiations, trade facilitation and trade infrastructure are not being addressed in DFID's regional or national programmes</li> </ul>	<ul style="list-style-type: none"> <li>• Analysis and literature study on trade in Southern Africa</li> <li>• Interviews with DFID staff</li> <li>• Interviews with business representation in the region</li> <li>• Interviews with officials in sample governments</li> <li>• Interviews with independent experts</li> </ul>
Have lessons about the objectives, design and delivery of the programme been learned and shared effectively? (4.4)	<b>Is there lesson learning between DFID's East and Southern Africa trade development work and are these lessons taken into account in the development of new programmes? (ToR 6.5.3)</b>	<ul style="list-style-type: none"> <li>• The extent to which lessons from DFID's trade-related work in East Africa (including TMEA's initial phases) were incorporated into the design of DFID SA trade development projects</li> <li>• The extent to which lessons from DFID's trade-related work in Southern Africa (including TMSA and its predecessors) informed the design of the current TMEA project</li> </ul>	<ul style="list-style-type: none"> <li>• Project design documents</li> <li>• Previous evaluations of programmes in Southern and Eastern Africa</li> <li>• Interviews with DFID Africa Division</li> <li>• Interviews with DFID staff and country office staff</li> <li>• Interviews with independent experts</li> </ul>

5.17 The evaluation methodology will comprise the following elements.

### ***Literature review***

5.18 We will undertake a literature review to identify best practice in trade instruments for economic growth and the relationships between trade expansion and poverty. This will enable us better to understand the extent to which poverty impacts can be realistically integrated into trade programmes. We will also examine the literature related to the regional integration process (political and economic) within the Tripartite region, as well as in Africa in general. We will examine programme reviews and evaluations to understand the activities undertaken and impact of trade interventions in Southern and Eastern Africa. These investigations will outline the regional context, motivations and commitment to regional integration and will indicate what, from past programmes, could have informed DFID's approach to trade development in Southern Africa.

### ***Review of programme management systems***

5.19 We will review all available documentation relating to the implementation of TMSA and MRGP (including project concepts, business cases, economic appraisals, terms of reference and annual reviews).

5.20 Given that TMSA followed directly from DFID's previous trade-related work in Southern Africa, we will review available documentation on the RTFP, including the project completion report and materials used to inform and shape the design of TMSA. We will also review broader strategic documents on DFID's trade policy, the AFTi and regional approaches to programming. The analysis of these documents will be used to inform lines of questioning during our consultations with DFID and identified stakeholders both in the UK and during country visits.

### ***Consultations with peers and stakeholders***

5.21 We will identify a range of experts in trade and its related poverty impacts to discuss methodological approaches to the design and implementation of trade-related programmes, with particular emphasis on ensuring impact for the poor. These will include meetings and telephone calls with individuals in international think tanks as well as research organisations in Africa. These will include: the Overseas Development Institute (ODI), the Institute of Development Studies (IDS), the Centre for Research in Economic Development and International Trade (CREDIT) in the UK; the Africa Trade Centre at UNECA in Ethiopia; the South African Institute of International Affairs in South Africa; the European Centre for Development Policy and Management (ECDPM) in Belgium; the North South Institute in Canada; and the International Centre for Sustainable Trade and Development in Switzerland. From these discussions, we will gather evidence about the latest thinking on trade impact and trade-poverty linkages.

5.22 We will identify key advisers within DFID who provide thinking and policy on both the AFTi and trade and poverty interventions. These are likely to be within the DFID Africa Unit and the DFID Trade Policy Unit based in London. Interviews will be undertaken with relevant individuals to gather information about the context and policy framework within which DFID's trade-related work in Southern Africa is undertaken; as well as how DFID's wider policy objectives have informed the design of these programmes. In addition, information regarding other trade-related work that DFID supports will be gathered, including evidence of learning and co-ordination across programmes. This will include: TMEA, the EU-Africa Infrastructure Trust Fund, the Infrastructure Consortium for Africa and NEPAD's Infrastructure Project Preparation Facility.

### ***Preliminary consultations***

5.23 In order to maximise the benefit of face-to-face meetings during country visits, initial consultations with DFID's country offices (South Africa, Mozambique, Botswana and Malawi) will take place via video conference to develop early themes for investigation following the review of management documentation. Time in country can then be used efficiently to target important questions.

### ***Field research***

5.24 We will carry out country visits to South Africa, Mozambique, Botswana, Zambia and Malawi to discuss and assess the TMSA programme and the MRGP.

5.25 South Africa and Mozambique have been selected as DFID's management of these projects, as well as the project implementation units, are based in these countries. Botswana has been selected in order to visit the SADC Secretariat (the current chair of the Tripartite negotiation process). We will visit Zambia in order to meet with the COMESA Secretariat and to visit the Chirundu one-stop border crossing. Finally, the team will also visit Malawi, a least developed country in the region. This will provide the opportunity to discuss, in detail, the impacts of the review projects with direct beneficiaries, in a country that forms a part of the planned transport corridor.<sup>6</sup>

5.26 For each of these programmes, we will review the design, assess the quality of implementation and evaluate the impact on both the direct and intended beneficiaries. We will interview the managers for these programmes within DFID, implementing partners, programme management units and a range of beneficiaries: from direct beneficiaries to the intended beneficiaries (the poor) or their proxies (for example, employee representatives, consumer groups and civil society groups).<sup>7</sup>

5.27 Given that not all of DFID's offices in Southern Africa will be visited during the field mission, the remaining offices in Lesotho and Zimbabwe will be consulted by video conference. These discussions will examine how the regional programmes interact and impact on intended beneficiaries in these countries, how they are linked to national economic development programmes and the level of co-ordination with DFID SA. Where DFID has no offices (Namibia, Swaziland), the nominated Foreign and Commonwealth Office (FCO) co-ordination point will be contacted.

## **6. Roles and responsibilities**

6.1 KPMG will provide oversight of this review under the overall leadership of the ICAI Project Director.

6.2 It is proposed that this evaluation be undertaken by a core team of two (marked in bold below), together with a researcher to assist with the literature review, analysis and collation of materials. Country experts in each country will provide national context and be responsible for identification of likely beneficiaries. A peer reviewer familiar with the issues of trade development will be used as part of the team, with responsibility for supporting the literature review, developing the technical trade framework and providing advice throughout. While lead responsibility for answering sections of the framework is shown, all will contribute to the analysis supporting the findings for each section.

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<sup>6</sup> Zambia is also a least developed country on the transport corridor but has been visited recently by the TMSA Annual review (November 2011) and sufficient details of this are available and will be used by the evaluation team.

<sup>7</sup> See paragraph 3.2 for an explanation of the difference between direct and intended beneficiaries in trade development programming.



Team member	Role
Team Leader	Team Leader: design and management of the evaluation; literature review support; interviews and stakeholder consultations; review of programmes; country visits; delivery of draft evaluation report
Team member 1	Principal Consultant: interviews and stakeholder consultations; review of programmes; country visits; support for drafting and analysis
Team member 2	Peer Reviewer and advisor: Literature review; advice on trade and poverty impact mechanisms; comparison with TMEA.
Team member 3	Researcher: literature review, collation and analysis of research.
Other team members	Regional Experts: identification of appropriate likely beneficiaries, both direct beneficiaries and intended beneficiaries.

### Team Leader (Independent)

With over twenty years' experience, he has worked exclusively in trade and private sector development for the private sector (export market development) and governments (trade negotiations and trade policy development) and has been team leader on trade development projects for DFID, the EU, the FCO, the Commonwealth Secretariat and the Ministry of Foreign Affairs of Denmark (Danida). He was previously team leader for the four-year DFID Ghana Trade Capacity Building Project (2001-2004) where he led Ghana's ECOWAS (Economic Community of West African States) and World Trade Organisation (WTO) negotiations. He has advised on and taken part in trade negotiations on behalf of beneficiary countries in Bhutan, Maldives, Moldova, Mauritius, Malawi, Montserrat, South Africa and Ukraine and for the stability pact in the Western Balkans. In the last four years, he has designed and delivered all European Commission Development and Cooperation internal staff training on the design and management of trade and private sector development projects.

He will serve as team leader, take overall management responsibility and ensure delivery of the outputs.

### Team Member 1 (KPMG)

He is a member of KPMG's International Development Assistance Services practice and has spent more than a decade working on and evaluating donor-funded programmes. His knowledge cuts across a number of sectors, including trade development. He has a strong track record in the field of monitoring and evaluation, having led reviews for a range of institutions. This includes a review of trade facilitation programmes for the OECD Development Assistance Committee, as well as similar assignments for the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF) and JICA. He has most recently participated in an ICAI review of DFID's education, health and humanitarian programmes in Pakistan. He also holds a Masters degree in Development Management from the London School of Economics and has experience in a wide range of countries across Africa, Asia, the Caribbean and Eastern Europe.

### **Team member 2 (University of Manchester)**

He has over twenty years' experience of providing advisory and consultancy services on development policy reform issues to a wide range of international organisations and government bodies. These include the European Commission, the World Bank, the Asian Development Bank, DFID, the OECD, the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Industrial Development Organisation (UNIDO). He has specific expertise in trade policy and has published widely on the subject. His most recent work focusses on policy impact assessment, in particular trade policy assessment; and he was responsible for developing the Trade Sustainability Impact Assessment (SIA) for the European Commission (DG Trade). He has also acted as team leader for European Union trade negotiation studies.

### **Team member 3 (KPMG)**

He is a member of KPMG's International Development Assistance Services practice. He is educated to Masters level in both civil engineering and economics, with particular knowledge of international trade and infrastructure development projects (energy, power supply and transport; the relationships between technologies, the environment and sustainable growth).

He has current knowledge of the state of the art relevant to poverty reduction, economic growth, the theory and reality of trade in goods and services, the role of institutions and effects of conflict (political and in terms of violence). This understanding has been taken to a series of policy programmes focussing on trade reform strategies and global trade negotiations – the role and purpose of the WTO in trade negotiations and the interactions between unilateral, bilateral and multilateral trade policy.

## **7. Management and reporting**

7.1 A first draft report for review by the ICAI Secretariat and Commissioners will be produced for 24<sup>th</sup> May 2013, with time for subsequent revision and review prior to completion and sign off in August 2013.

## 8. Expected outputs and time frame

8.1 The following timetable is based on the assumption that the report will need to be finalised in Q3 2013, to meet ICAI's requirements.

Phase	Timetable
<b>Planning</b> Preliminary consultations Planning and methodology Finalising inception report	December 2012 – January 2013
<b>UK research and field work</b> Literature review Interviews with DFID Africa Unit, DFID Trade Policy Unit, ODI, IDS and CREDIT Review of policies, strategies and guidance	January 2013- February 2012
<b>Field research</b> South Africa Mozambique Botswana Malawi and Zambia	11-15 March 2013 18-19 March 2013 21-22 March 2013 25-26 March 2013
<b>Analysis and write-up</b> Roundtable with Commissioners First draft report Report quality assurance and review by Secretariat and Commissioners Report to DFID for fact checking Final report sign off	w/c 22 April 2013 w/c 20 May 2013 w/c 27 May – w/c 8 July w/c 15 July 2013 w/c 19 August 2013

## 9. Risks and mitigation

9.1 The following sets out the key risks and mitigating actions for this evaluation.

Risk	Level of risk	Specific Issues	Mitigation
No outcome data available on impact of programmes	Medium/High	The outcomes of activities in trade development occur over the long term and due to statistical data collection issues – on, for example, trade expansion – there is often a lag between outcomes and published data availability	Whilst hard data and evidence relating to outcomes (lower transaction costs, trade expansion and employment/price changes) may not have been recorded or registered, anecdotal evidence from business (which will invest on the basis of expected outcomes) will be gathered during the field research as proxies to actual data
Intended beneficiary voices not heard	Medium	The intended beneficiaries are the poor. The direct beneficiaries of activities will be negotiators, public infrastructure programmes and border authorities. Traders and businesses could then benefit, leading to potential benefits for the poor. These intended beneficiaries may not currently exist or do not know yet of the potential benefits	Although it is not possible directly to know who the intended beneficiaries will be exactly (what sectors, what consumers), representatives of these groups will be interviewed to gauge knowledge, interest and opinion of the intended beneficiaries
External factors and interdependencies mask the impact of interventions on the intended beneficiaries	Low	There is a complex causal chain which links a range of interdependent activities to direct beneficiaries, to businesses and then ultimately to the poor. Many external factors can also affect these interactions (e.g. global economic growth).	Given that the review programmes are on-going, the ultimate impact on intended beneficiaries is not yet expected to be realised. Views on impact will be sought from key decision-makers in order to address this risk. This will include businesses, which take investment decisions that are based at least partly on programme outcomes and that in turn are likely to impact the poor (e.g. through investment in expanded production for export that leads to higher employment). Business representatives will, therefore, provide a key input to this review

## 10. How will this review make a difference?

10.1 DFID has committed to a high level of spending (£750 million per year) on trade development programmes worldwide. Latest funding figures show that, in 2009, UK funding to trade development programmes amounted to over £820 million. Previous evaluations of trade development projects across donors and of previous DFID trade projects in Southern Africa<sup>8</sup> have highlighted major inadequacies in the design, management and implementation of such projects. This review will seek to assess the extent to which these inadequacies have been – and continue to be – addressed within the context of DFID’s support to trade development in Southern Africa.

10.2 The review will examine how the needs of the intended beneficiaries (i.e. the poor) are being met by DFID’s projects and programmes and determine whether DFID is taking the necessary measures to ensure effectiveness and value for money. The review will assess the alignment of objectives between DFID’s trade development work in Southern Africa and the wider DFID Africa trade agenda. The review will also consider whether the prioritisation of DFID’s support in addressing the obstacles to trade expansion is proportional to the actual needs and sufficient to make an impact.

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<sup>8</sup> *Trade-Related Assistance – What Do Recent Evaluations Tell Us?*, OECD, 2007, <http://www.oecd.org/dac/aidfortrade/37326353.pdf>; and, *A Regional Approach to Aid for Trade: The Regional Trade Facilitation Programme (RTFP)*, ODI, 2009, <http://www.odi.org.uk/sites/odi.org.uk/files/odi-assets/publications-opinion-files/5944.pdf>.