

Terms of Reference

Evaluation of CBI (2005-2012)

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1 Background and rationale

1.1 Rationale and objective of the evaluation

The Centre for the Promotion of Imports from Developing Countries (CBI, the acronym of *Centrum tot Bevordering van de Import uit ontwikkelingslanden*) is one of the Private Sector Development (PSD) programmes of Dutch development cooperation. These programmes are currently receiving a lot of attention in international cooperation. It is therefore important to know whether, how, and for whom they work best.

CBI is an agency of the Ministry of Foreign Affairs. Formally, the Regulation of the Minister of Finance on the establishment, organization and operation of agencies (Regeling agentschappen¹) requires that agencies are evaluated periodically and at least once every five years.² CBI has last been externally evaluated in 1999 by the Ministry of Foreign Affairs, covering the period 1990-1996.³ CBI itself issues on a regular basis external evaluations of its work (see also paragraph 5.1).

As an agency, CBI acts on behalf of the Ministry of Foreign Affairs.⁴ The Minister of Foreign Affairs, being the owner ('eigenaar'), is responsible for the operational management of CBI. He approves the budget and is accountable to Parliament for expenditures made. The Minister for Foreign Trade and Development Cooperation is the principal ('opdrachtgever') to CBI and is responsible for the assignment (e.g. results formulation) and monitoring of the results of CBI. In the budget of the Ministry of Foreign Affairs the assignment is formulated as: "to lastingly strengthen the competitiveness of companies from developing countries on the European market". As of October 2007 detailed arrangements between CBI on the one hand and the owner and principal on the other hand were laid down in two documents.⁵

This evaluation of CBI intends to assess independently the results of the CBI programme and the extent that it contributes to the realization of the objectives of the Dutch PSD policy⁶.

1.2 CBI and its intervention logic

The establishment of CBI (1971) should be seen in the context of the UNCTAD II (New Delhi, 1968), where the pursuit of developing countries to increase their market shares in developed countries extensively was discussed (Trade, not Aid). CBI was the first Import Promotion Organisation (IPO) in the world. CBI is an agency of the Ministry of Foreign Affairs of the Netherlands and receives funding from the budget for development cooperation (ODA). According to CBI, its mission is to contribute to sustainable economic development in developing countries through the expansion of exports from these countries to more developed countries.⁷ CBI's intervention strategy follows a multilevel approach that simultaneously involves support to beneficiaries at the micro level (individual companies) and capacity development for institutional actors in the respective field (business support organisations – BSOs, both private and public).

¹ Regeling van de Minister van Financien van 28 september 2012 over instelling, opzet en werking van agentschappen (Regeling Agentschappen). Staatscourant Nr. 20668; 15 oktober 2012

² Article 7 of the regulation

³ IOB (1999). *Hulp door Handel; Evaluatie van het Centrum tot bevordering van de Import uit Ontwikkelingslanden (CBI), 1990-1996*. IOB Evaluations 281. The Hague: Inspectie Ontwikkelingssamenwerking en Beleidsevaluatie. Oktober 1999.

⁴ The reason for introducing agencies in The Netherlands was to have lower cost levels of services provided, without giving in on quality. The Ministry and CBI have agreed upon a 'result based control model' (price x quantity) per product or service. The indicators set by CBI itself to monitor its performance (Key Performance Indicators) actually serve two goals: 1) project monitoring (content) and 2) project administrative purposes (ex-ante price setting of services).

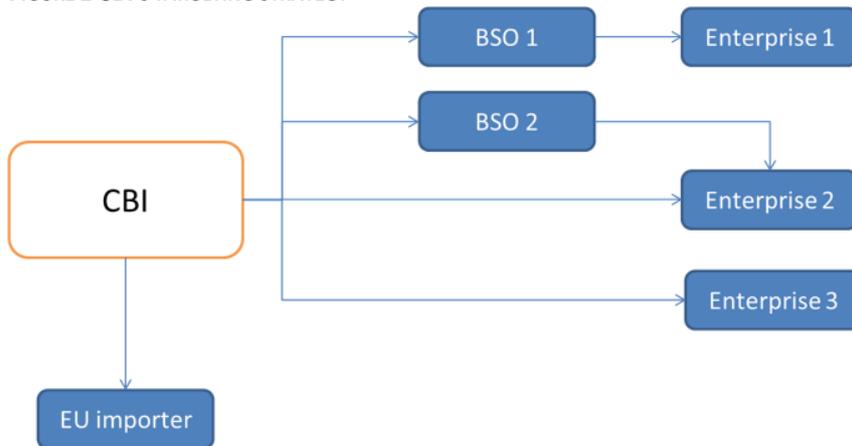
⁵ Managementafspraken tussen de Plaatsvervangend Secretaris Generaal van het Ministerie van Buitenlandse Zaken en de Directeur van het Centrum ter Bevordering van de Import uit Ontwikkelingslanden (CBI), signed The Hague, 22 October 2007.

Raamafspraken tussen de Directeur Generaal Internationale Samenwerking van het Ministerie van Buitenlandse Zaken en de Directeur van het Centrum ter Bevordering van de Import uit Ontwikkelingslanden (CBI), signed The Hague, 23 October 2007.

⁶ See also chapter 2 and annex 4 of these Terms of Reference.

⁷ <http://www.cbi.eu/About%20CBI>.

FIGURE 1 CBI'S TARGETING STRATEGY



Source: IOB based on information CBI

Since 2010, CBI also intends to address structural bottlenecks in the local policy arena (laws and regulations, sector policies), (re)formulating its objectives as⁸:

- Organising an effective business support, from both within the private sector and government,
- Advising (local) policy makers, with the aim of enhancing the business climate,
- Strengthening the link with the market, focussing on the link between exporters and the European market.

Traditionally, the main services delivered by CBI are: (1) Export coaching for Small and Medium-sized Enterprises (ECP); (2) Institutional development for Business Support Organisations (BSOD programmes); (3) Human resource development (HRD) (4) Market Intelligence.^{9 10}

TEXTBOX 1 CBI SERVICES

1. **Sectoral export development** (Export Coaching Programmes -ECP). These programmes offer SMEs technical assistance directed at various parts of the production process (logistics, quality control, marketing, etc.) to strengthen their competitive capacity on European markets, and to support them to connect with potential European buyers.
2. **Business Support Organisation Development** (BSOD). These programmes aim at improving the enabling business environment for exporters, by enhancing the efficiency and effectiveness of the BSO in its export development and export promotion activities towards Europe and increase in this respect the number and quality of the services offered by the BSO to exporters.
3. **Human Resources Development** (HRD). HRD activities are offered to transfer knowledge and skills in the field of exporting to Europe to exporters, government officials and staff of BSOs. Activities are also mentioned as 'training programmes'.
4. **Market Information** (MI). CBI aims to enlarge the knowledge of exporters and BSOs on EU markets as well as to create awareness regarding opportunities and threats on these markets. Participants in ECPs, BSODs and training programmes are informed on CBI's market information and how to use the information in their export process. In addition, market information is available to a wider audience via the CBI website and CD-ROM's.

Source: CBI

⁸ CBI 2010 Annual Report. As of 2011, CBI tries to achieve its objective by offering an integrated, programmatic approach, which is applied to individual companies (SMEs), Business Support Organizations (BSOs) and governmental authorities. CBI furthermore acts as a match-maker between suppliers and buyers. Since 2011 it also pays attention to South-South trade, upon request of the Ministry of Foreign Affairs. This evaluation will not address the results (outcomes) of these recently introduced areas of operation.

⁹ See textbox for additional information on the four main product categories.

¹⁰ Apart from managing its own integrated programmes, CBI manages the Dutch contribution to and works together with the International Trade Centre (ITC) in the framework of the Partnership Agreement between CBI and ITC under the auspices of the Netherlands Trust Fund (NTF) that was developed in late 2004. CBI also collaborates with other trade promotion organisations in Europe and is founding member of the European TRIC-network (Trade Related Instruments Connected).

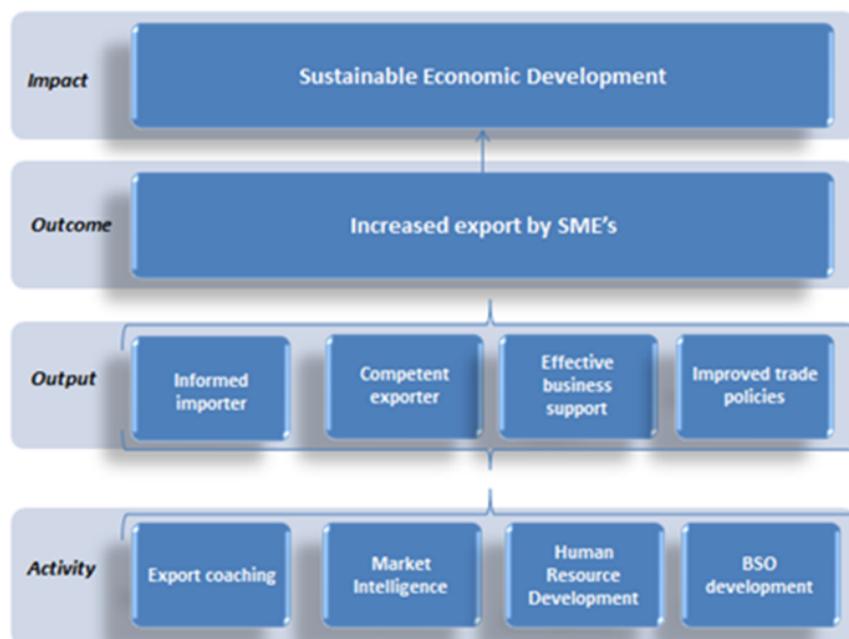
Within these services, interventions are directed at: (a) SME exporters in developing countries, (b) Business support organizations in developing countries, and (c) Importing trade and industry in EU/EFTA countries. SME¹¹ exporters in developing countries are the ultimate beneficiaries of the programme. They are reached either through direct interventions (e.g. ECP) or indirectly, through strengthening of business support organisations (BSO).

In countries where both BSOD and ECP are run in the same region, one could expect that both services can also reinforce each other. Importers in the EU/EFTA could also be regarded as beneficiaries, although these companies are not assisted by CBI experts. Importers (could) benefit from potential new suppliers introduced to them through the CBI programme, or improved quality of product supply (sourcing).

Interventions in the two remainder product categories (Human Resource Development and Market Information) are also subservient to both ECP and BSOD.

The services mentioned in textbox 1 relate to each other such as presented in the following result chain, which CBI currently uses (Figure 2). Annex 5 gives an overview of the key performance indicators and quality indicators per intervention area and level, applied by CBI in the period 2007 up to now.

FIGURE 2 RESULT CHAIN (CBI)¹²



Source: CBI

1.3 Budget and expenditures

In the 2013 Budget, the contribution to CBI from the Ministry of Foreign Affairs (DGIS) is €25 million. The programme budgets received from DGIS for 2011 and 2012 were €25 and €27.5 million respectively (Figure 3).¹³ In total, nearly €180 million was received between 2005 and 2012. The contribution to the Netherlands Trust Fund for ITC¹⁴ was recently renewed. For a four year period (2013-16) € 6 mln is made available for export promotion in five countries.¹⁵ The contribution is

¹¹ As of 2005 the European Commission has defined a SME as a company with 10-250 employees.

¹² The result chain reflects CBI's so called 'Integrated Approach', which has been implemented since 2011.

¹³ CBI Jaarrekening 2012.

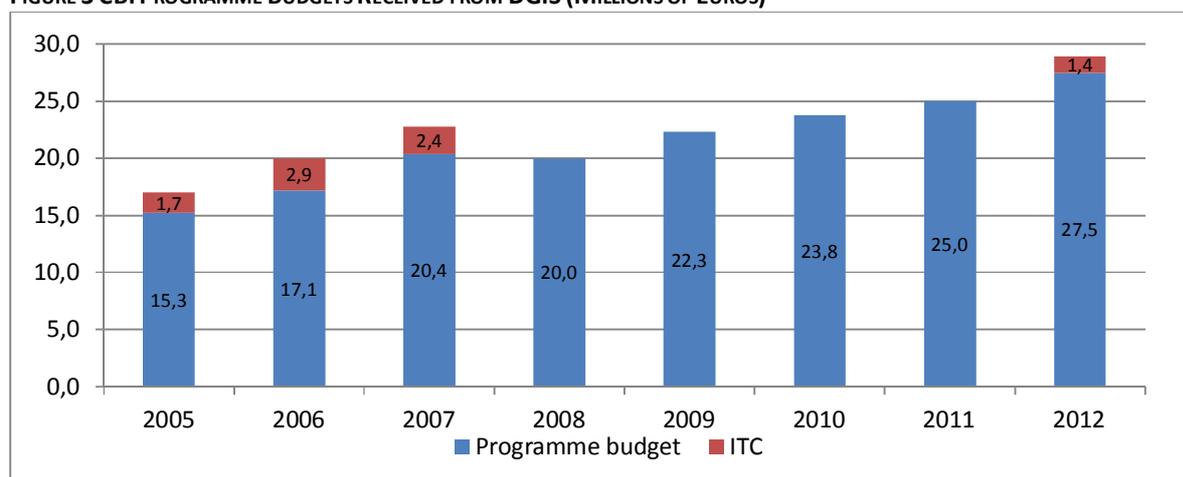
¹⁴ See also footnote 8.

¹⁵ See more at: <http://www.intracen.org/layouts/searchresults.aspx?searchtext=CBI#sthash.g1OvXVz8.dpuf>

currently €3 million per year and was about €2.7 million per year in 2005-2008.¹⁶ Before 2010 DGIS made a reservation of € 3 mln. per year for ITC on top of CBI's budget. Since 2010, the ITC budgetshare has become an integrated part of CBI's budget.

Total expenditure have increased over the years, as did expenditures on most of the separate products. Expenditure on BSOD and Market Intelligence initially rose, but subsequently remained more or less stable until 2011 (Figure 3).

FIGURE 3 CBI PROGRAMME BUDGETS RECEIVED FROM DGIS (MILLIONS OF EUROS)



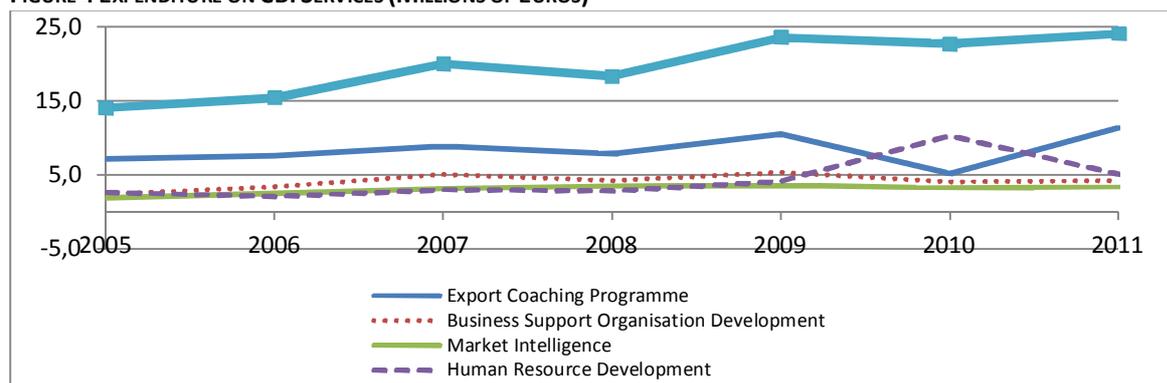
SOURCE: ANNUAL REPORTS (VARIOUS ISSUES)

A total of €138.2 million was actually spent on CBI services between 2005 and 2012, of which €58.5 million on ECPs, €21.2 million on Market Intelligence, and nearly €30 million each on BSOD and HRD.¹⁷

1.4 The portfolio of CBI interventions

From the listing of expenditures of the four main CBI services it can be derived that ECPs are the main cost driver (Figure 4).¹⁸

FIGURE 4 EXPENDITURE ON CBI SERVICES (MILLIONS OF EUROS)



Source: Data provided by CBI

A total of 245 CBI interventions were completed in the period 2005-2013, of which 51 ECPs, 71 BSODs and 76 trainings. The number of completed activities was high in 2008, when 19 ECPs were

¹⁶ In the years 2008 - 2011, the contribution to ITC was not made available via CBI but directly by the Ministry of Foreign Affairs, see CBI (2007) *Productie 2007 en Offerte 2008-2013*.

¹⁷ Spending on ITC is not included in the total.

¹⁸ The explanation for the HRD hiccup and sharp ECP decrease in 2010 has an administrative background.

completed, and in both 2009 and 2011, due to the completion of a large number of trainings. In contrast, only two interventions were completed in 2007 (Table 1). An additional five BSODs were completed in the period January-October 2013, and one ECP January-March 2013¹⁹.

TABLE 1 NUMBER OF INTERVENTIONS COMPLETED – 2005-2013

Type of intervention	2005	2006	2007	2008	2009	2010	2011	2012	2013	Grand Total
ECP	0	0	1	19	4	6	4	2	13	49
BSOD modules	4	1	1	12	6	17	10	10	13	74
MI	8	1	0	2	1	0	1	0	0	13
HRD modules	8	7	0	0	26	1	29	0	0	71
IP	0	0	0	0	0	0	1	1	2	4
Total	20	9	2	33	37	24	45	13	28	211

Source: Elaboration on the basis of data provided by CBI

1.4.1 Export Coaching

From the expenditures (Figure 4) it can be concluded that sectoral export development (by means of Export Coaching) forms the backbone of the CBI programme. Export Coaching Programmes are directed at clusters of enterprises (often coming from different countries) that are active in a specific economic sector²⁰ and that have the capacity (or potential) to export with a focus on the EU/EFTA. A company has to comply with a range of selection criteria in order to qualify for participation.²¹

During the approximately five years' ECP intervention, selected companies are assisted in the development of an improvement plan (based on an initial audit), and offered sector specific technical assistance by means of export marketing training, as well as market entry strategies (participation in international trade fairs, buying missions).

Selected participants receive individual support by means of on-site consultancy, distant coaching, market information, trade fair participation and business to business activities. Depending on their specific needs, companies may also receive technical assistance in the field of business development, certification and product and production improvement. No financial assistance is delivered.

Due to data limitations (see paragraph 1.6) the evaluation of ECPs will concentrate on those started in or after 2005. From the total of 51 ECPs (table 1), 36 ECPs were completed between 2005 and 2012, out of which only 17 started since 1 January 2005. The portfolio accounted for totals € 24,5 mln. (see Table 2).²² The expenditures are cross tabulated by country income groups²³ and economic sectors.

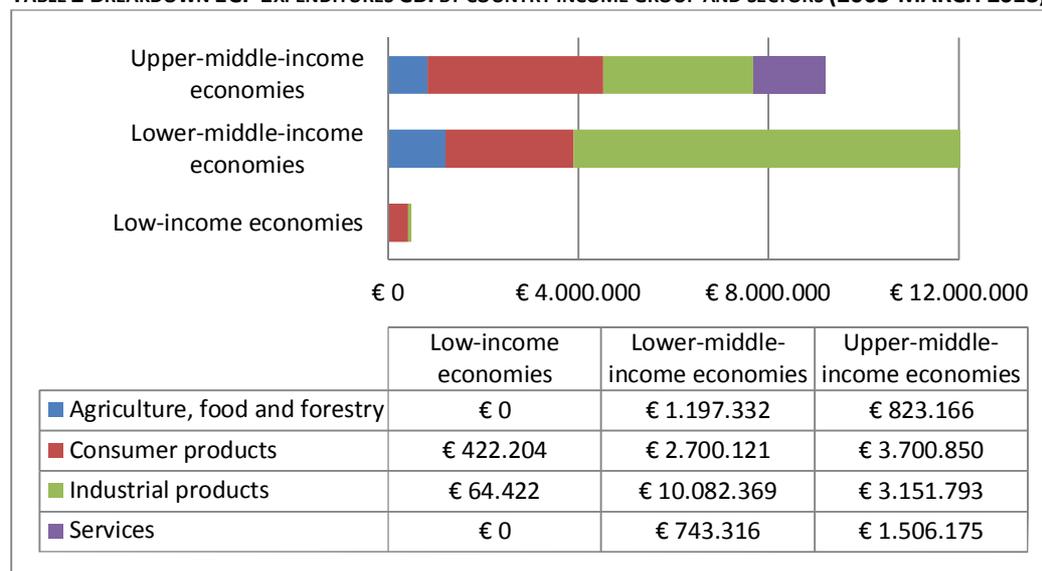
¹⁹ A substantial number of ECPs will be finalised by the end of 2013 (between March 2013 and January 2014). As no evaluations will be available for these ECPS they will not be part of current evaluation.

²⁰ All ECPs can be aggregated into 4 main sectors of attention: Agriculture and food, Manufacturing, Consumer products, Services.

²¹ At least 51% locally owned, or (co-) owners who reside in another developing country (excluding developing countries characterized as UMIC or higher*); 25 to 500 employees; No joint venture with a company based in a country with a classification of UMIC or higher; Compliance or the willingness to comply with EU market requirements; No licensing commitments that prohibit or limit export possibilities of products to the EU competitive prices and sufficient production capacity; A management which is able to communicate in English; The willingness and capacity to invest in adaptations of, for instance, product assortment and production processes, if and as required by the European market.

²² The tables on ECPs in the remainder of this ToR only refer to 13 out of the 17 ECPs mentioned, as 2 ECPs have been splitted and another two were cancelled.

²³ <http://data.worldbank.org/about/country-classifications/country-and-lending-groups>.

TABLE 2 BREAKDOWN ECP EXPENDITURES CBI BY COUNTRY INCOME GROUP AND SECTORS (2005-MARCH 2013, TOTAL €24,5 MLN.)

Source: Data provided by CBI , edited by IOB

From the above presented portfolio of completed ECPS worth € 24,5 mln. 2,6% of total expenditures in the period 2005-March 2013 was realised in low-income countries. The budget breakdown by economic sector indicates that the main focus lies with industrial products, and that the portfolio in upper-middle income countries is more balanced across different economic sectors.

1.4.2 BSOD and other services

BSOD aim at improving the enabling business environment, by enhancing the efficiency and effectiveness of the BSOs in their export development and promotion activities towards Europe and improve the service delivery to exporters. The exact results that are to be achieved by a BSOD will depend on the particular organizational needs of the BSO, as well as the country and/or sector needs. A wide variety of BSOs has been supported, varying from smaller private organisations to larger public ones that are active in the public domain. These needs are assessed during the preparatory phase. In this stage, one or more of the four available BSOD modules (Strategic Planning for the EU (SP), Export Marketing and Management (EMM), Market Information (MI), and Market Development - MD) are identified that would best address these particular needs of selected BSOs. A module may last three to five years.

Most of the BSODs completed between 2005 and 2013 were executed in a single country. In the remaining cases the BSOD was either regional or the information is insufficient to identify to which particular country, countries, or geographical region the BSOD relates.

In some countries, several BSODs were completed in the period under evaluation. To the extent that it can be identified with the information in the data base received from CBI, the most prominent countries among them in terms of number of completed BSODs, with the number of BSODs that at least could be identified given between brackets are: Indonesia (5), Peru (3), India (4), The Philippines (4) and South Africa (4). In addition, two BSODs were completed in the following countries: Ecuador, Egypt and Sri Lanka.²⁴ Other countries in which several BSODs were completed are Bolivia (2), Moldavia (3), Mozambique (2) and Vietnam (2).

The Market Information and HRD (Training) interventions completed between 2005 and 2012 are usually not country-, but region and sector specific.

²⁴ From the database, it cannot be identified that BSOD modules were completed in Colombia. However, the CBI's Annual Report 2012 states that "programmes were completed by Colombian national trade promotion organization Proexport. CBI (2013a:29).

1.5 Monitoring and Evaluation at CBI

A selection of CBI interventions has been externally evaluated. Various trainings have been evaluated by ProFound (2007), MDF (2007) and EvaluatieGroep (2008).²⁵ These evaluations make use of the evaluation forms filled-out by course participants and interviews right after the interventions took place, instead of sometime after completion of the training. Similarly, EIM (2007), MDF (2007b) and Panteia (2013) evaluated market information, which are largely based on stakeholder perceptions.²⁶

Triodos Facet (2009) reviewed the reports of 26 CBI evaluations conducted between 2003 and 2009. These concern evaluations of Training (7), BSOD (5), Market Intelligence (1) and ECP (13).²⁷ The review consistently makes 'use of a distinctive set of common indicators to facilitate comparison' and follows 'the authors' assessment as much as possible'.²⁸

Bank and Tersteeg (2009) report on the external evaluation of the Partnership Agreement between CBI and ITC covering the period 2005-2008. An overview of external evaluations of CBI interventions conducted in recent years is presented in Annex 3. Most recently, external evaluations have been carried out of BSOD in Asia and Latin America.²⁹ In the evaluations of BSODs, use is made of client satisfaction surveys as well as documents (a.o. start- and closing documents).

In 2011, CBI developed a new management system, which is in line with the Managing for Development Results (MfDR) Principles to which CBI agreed in 2010. As of 2012, every CBI programme is managed according to the new system.

1.6 Data limitations

A selection of the above mentioned evaluations has been assessed by IOB in order to determine the usability for the current evaluation. Although the quality of the evaluations has been improved over time, the currently available information is too limited to measure effectiveness or impact of the interventions.³⁰

ECPs are started in tranches. From the group of 36 ECPs that were completed between 2005 and 2012, those ECPs that did start before 2005 (17), all started around the year 2000 and finished around 2008, lasting almost 8 years on average. The tranche of ECPs that is currently under review, and started during 2005/06, are different in set up and last 5 years on average.

From a practical point of view, the previous management system (before 2005) did not meet the current standard in terms of result measurement and evaluation. No survey data is specifically collected for establishing a baseline or an end line situation related to CBI interventions – at least not systematically. Moreover, from a methodological point of view, the evaluations are also of limited use, as they do not systematically address issues of attribution, additionality and sustainability. Despite this, the quality of the evaluations has been improved over recent years.

²⁵ ProFound (2007). *Final Evaluation of CBI's Human Resource Development Programme Workshops 2000-2006*. Utrecht: ProFound, June 2007; MDF (2007a). *On the Path to Fame. Evaluation CBI Training Course Facilitators and Advisors for Marketing and Export Promotion (FAME) 2003 – 2007*. Rotterdam: MDF, November 2007; and Evaluatiegroep (2008). *Evaluation of the CBI Commercial Attaché Training Programme*. Utrecht: Evaluatiegroep Overheid en Bedrijf, April 2008.

²⁶ EIM (2007). *CBI Market Information Programme. Final Evaluation Report*. Zoetermeer: EIM, May 2007; MDF (2007b). *Evaluation CBI Market Access Requirement seminars and workshops – MASTER and MAR 2003 – 2006*; and Panteia (2013). *Towards better MI products. Results of the survey on the quality of CBI's MI products*. Zoetermeer: Panteia, January 2013.

²⁷ Triodos Facet (2009). *Review and Summary of CBI Evaluations 2003-2009*. Zeist: Triodos Facet, October 2009.

²⁸ Triodos Facet (2009:8).

²⁹ See iLumtics (2013). *BSOD Programme Evaluation 2012-2013 TEDO (India), DGNED/IETC (Indonesia) and HCACS (Vietnam)*. iLumtics Vietnam, March 2013, and EFECE (2013). *External Evaluation of the BSOD Programme in Latin America (2006 – 2011)*. Final Report. La Paz: EFECE & Asociados s.r.l., May 2013.

³⁰ CBI has started to implement its M&E plan only as of 2012. The new adapted M&E protocol of 8/1/2013 was approved by DDE on January 25th, 2013. It is expected that after a few years, this will deliver data on outcome and impact levels.

2 Purpose, scope and research questions

2.1 Purpose

The evaluation has the twofold objective to account for the results of programme expenditure and to learn. Since CBI was lastly evaluated by the Ministry of Foreign Affairs comprehensively over the period 1990-1996 the focus the current evaluation lies with accountability, attribution, additionality³¹ and sustainability³² of the programme. This focus should not leave unaddressed those issues that may generate lessons in order to improve policy and programme implementation.

2.2 Scope of the evaluation

CBI is one of the instruments³³ to realise the objectives of the policy on private sector development in developing countries. Recently a result chain was reconstructed of this policy (see annex 4). The ultimate goals of this policy are inclusive economic growth through realisation of higher investments, a less informal economy, decent jobs, growth of productivity, and competitive enterprises. This policy is divided in five so called thematic clusters, 'Market development' being one of them. CBI is by far the most important programme to promote market development. Results at outcome level for market development are defined as: improved quality of the production process and of the products/services of the beneficiary companies; growth of sales on national, regional and international markets.

The evaluation will cover the period 2005-2012. It will address the results of programme implementation and institutional aspects of CBI in the context in which it operates. The evaluation will give extra attention to Export Coaching. For this instrument primary data will be gathered and analyzed, in order to get a better insight of results at outcome level. Further, we will make use of existing (monitoring) data and evaluations conducted on behalf of CBI. The central research question of the evaluation is:

To what extent does the CBI programme contribute to the realization of the Dutch PSD objectives?

This question will be addressed using the following evaluation criteria³⁴:

- relevance,
- effectiveness, and
- efficiency.

2.2.1 Relevance (ex ante)

In order to determine the relevance of the CBI programme, its objectives and operations shall be reviewed against insights in the scientific literature, as well as against the policies of the Dutch Ministry of Foreign Affairs and export promotion policies of recipient governments. The aim is to assess in which (groups of) countries and institutional settings, CBI has a competitive advantage as compared to other service providers.

The following evaluation questions address the relevance of the programme:

- 1) Was the programme (objectives, indicators, targets) consistent with the:
 - findings of the scientific literature on export promotion?
 - priorities set by the PSD policy of the Ministry of Foreign Affairs?
 - priorities set by the home countries of the companies and BSODs supported?

³¹ Additionality: the extent to which the market is willing to finance the intervention.

³² Sustainability: the degree to which facilities are in place to guarantee the operations in the future.

³³ In these terms of reference we will use the following definitions, unless otherwise stated in the text:

- PSD policy: policy as stated by the Ministry of Foreign Affairs;
- Policy on market development: policy stated by the Ministry in the so called cluster Market development en market access;
- CBI programme: one of the instruments of the Ministry related to Market development;
- CBI services: the four services CBI provides. See also textbox 1;
- CBI interventions: the activities of CBI related to one of the services it provides

³⁴ See: <http://www.iob-evaluatie.nl/sites/iob-evaluatie.nl/files/000%20Evaluation%20Policy%20and%20Guidelines%202009.pdf> for a description of these criteria.

- findings from earlier/other evaluations (to what extent have recommendations been adopted in CBI policies)?
- 2) How has the Ministry of Foreign Affairs operated with regard to formulating the assignment, controlling the budget, and informing CBI of changes in policy, as well as monitoring the results agreed upon with CBI?
- 3) Could the objectives of the programme have been achieved through other means, e.g. direct support to export promotion agencies in target countries (either initiated by the private sector or through government)?

2.2.2 Effectiveness

Secondly, this evaluation will shed light on the effectiveness of the services CBI provides. Effectiveness is defined here as the extent to which the outputs have contributed to the project's expected results or objectives at outcome level. For activities that relate to the private sector, effectiveness should also be judged by the additionality of the programme.

Apart from increased sales to export markets, export diversification (at company level) is one of the central aims of CBI. The current evaluation also intends to assess if CBI beneficiaries successfully diversify in terms of destination markets and/or product range. Special attention will be given to the main service CBI provides (Export Coaching), targeting issues which are less systematically focused on in regular programme evaluations, such as: attribution, additionality, and sustainability of the programme.

Evaluation questions guiding this part of the evaluation are:

- 4) How were clients selected? What are the profiles of the selected beneficiaries?
- 5) To what extent did participating companies increase exports to EU/EFTA as a result of the CBI interventions? Was this increase also in new markets and/products not yet exported/ or new products (diversification)? Which company types benefitted most (company size class, sector, export experience, export share of total turnover, policy context, country income category)? What are the employment effects resulting from the interventions?
- 6) Besides direct effects, what kind of indirect effects (net income, net output, net export to other destinations than EU/EFTA) can be linked to CBI interventions? How did these indirect effects contribute to the programme objectives?
- 7) To what extent did benefits (exports, jobs) continue after CBI's interventions were completed?
- 8) To what extent did CBI collaborate with other development partners, and to what extent have beneficiaries of the CBI intervention also been assisted by other trade promotion agencies, donors/stakeholders; before, during or after the CBI intervention?

2.2.3 Efficiency

Efficiency concerns the outputs of an intervention, i.e. the direct results of the intervention achieved by means of the inputs. It measures the extent to which the achieved outputs have been realized by the inputs as agreed, and whether the achieved outcomes could have been delivered more cheaply (cost effectiveness).

- 9) How do costs per service and per realised extra unit of (added) export value compare to that of other trade promoting organizations?

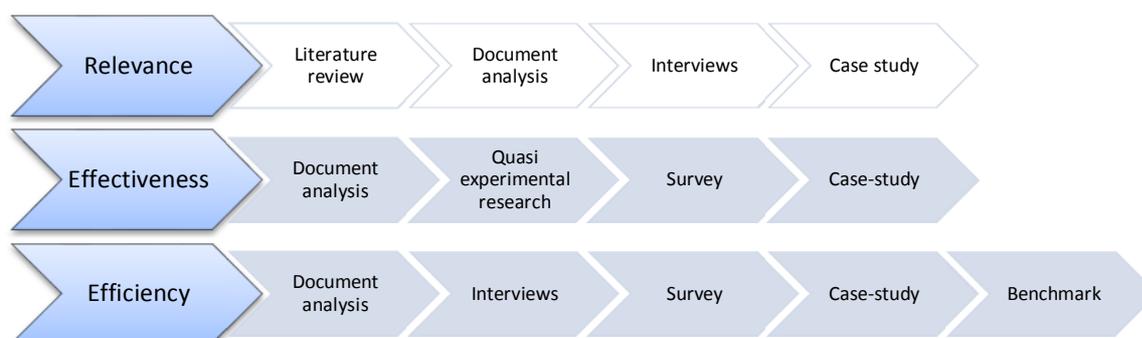
3 Approach and methodology

3.1 General approach

The evaluation set up follows an approach starting with a review of the literature³⁵ on export promotion, in-depth case-studies in 4 countries, followed up by a survey among ECP beneficiaries and EU/EFTA importers and a benchmark. A quasi experimental research will compare changes in specified development indicators between CBI beneficiaries and a comparison group of non-beneficiary companies in one country.

This evaluation will be based on a mixed-method approach, using insights gained from qualitative evaluation methods (literature review, document analysis, interviews, survey, and case-study), combining this with quantitative methods where possible (quasi experimental research, benchmarking). Evaluators will make use of information that is readily available and/or that can reasonably be collected. The main methods for answering the evaluation questions are listed according to the three main evaluation criteria (Figure 5).

FIGURE 5 EVALUATION METHODS



3.2 Specific approach

3.2.1 Relevance

This will be done by:

- Reviewing literature on the role and impact of trade promotion agencies,
- A reconstruction of Dutch governmental policies and guidance that have set the framework for CBI to formulate and implement its development interventions,
- Interviews with policy makers, CBI staff, exporters and other stakeholders.

3.2.2 Effectiveness

This will be done by:

- Document analysis, reviewing evaluations (ECP, BSOD, HRD, MI) and other relevant documentation a.o., monitoring and evaluation of documents of interventions started and finalised between 2005- and 2012,
- Semi-structured interviews with CBI staff, specifically with responsible managers for ECP interventions and external consultants during the given period,
- A telephone or internet survey under exporters,
- A telephone survey under importers,
- Quasi-experimental research covering both ECP beneficiaries and non-beneficiaries; and

³⁵ Paragraph 5.1 points out what is done by IOB and what part of the research is tendered.

- Case-studies in 4 beneficiary countries to do in-depth interviews with client enterprises and BSO representatives, in order to get a deeper understanding of the mechanisms that resulted in the changes in export performance. These missions will also be instrumental in collecting primary and/or secondary enterprise/sector statistics from regional/national sources.

Case studies

Next to the survey under the population of exporters that participated in the ECPs, case studies shall be executed in a limited number of countries, allowing for a more in-depth analysis. Since the case studies will be dealing with a relatively limited number of (company) observations, the aim is to get a deeper understanding of the mechanisms and context that resulted in the changes in export performance.

A case study shall be based upon the findings from 20 enterprises³⁶ in a country, covering 2-4 different economic sectors (i.e. ECPs). Besides ECP beneficiaries (10-15 enterprises), the group of enterprises to be visited should also comprise those that initially qualified for the programme, but were not selected (if any), and some enterprises that 'dropped out' of the programme (so called 'leavers', if any).

In total 4 country case-studies will be prepared. If BSOD's (could) have been instrumental in supporting ECP beneficiaries, the study will also address the functioning of the intermediate support organisation (see Figure 1, BSO #2). Given the fact that case studies are qualitative in nature, the evaluation team is urged to make use of methods that can help build a plausible case that indeed the intervention caused an increase in export value (i.e. specifically addressing attribution, additionality and sustainability).³⁷ Before entering the field, company fiches will be prepared by the consultant (and approved by CBI), based on existing information. Field visits will a.o. be instrumental to validate and complete this information.

On the basis of the results of the portfolio analysis (Table 3), and taking into consideration that up to four ECPs per selected country will be studied in-depth and that some spread is desired between low and middle income countries, the following countries have been (tentatively) selected for case studies:

1. Low-income countries (Uganda/Kenya³⁸),
2. Lower-middle-income countries (India³⁹, Egypt⁴⁰),
3. Upper-middle-income countries (Colombia⁴¹).

This selection also takes into account that for some of these countries use can be made of recent evaluations carried out of BSOs, as well as of existing evaluations of ECPs in some of these countries. The Indian case study will be more elaborate than the remaining three, as primary data shall be collected for about 100 ECP beneficiaries and companies that qualified but were not selected and programme leavers (see also under heading 'Quasi-experimental research').

Survey

The findings from the case studies will be instrumental to formulating the survey questionnaire. The questionnaire shall be approved by IOB. The survey will cover in a portfolio analysis the total population of exporters that participated in the ECPs that started and finalised between 2005- and March 2013 (N = 408, see table 3), as well as program leavers and/or qualified but not selected enterprises (N = 248⁴²). A net response of 25-30% is expected, at least for the beneficiary group (competent exporters). The survey will be tailor made for different of the abovementioned target groups of respondents, and amongst others address the following topics:

³⁶ The total number of beneficiaries in Uganda is 5, and Kenya 2. It remains to be seen if Kenya can be included in the case study.

³⁷ For more information on qualitative evaluation methods, see also 'Addressing attribution of cause and effect in small n impact evaluations: towards an integrated framework', White, h. and Phillips, D. International Initiative for Impact Evaluation.

³⁸ It remains to be seen if Kenya can be included. See also footnote 33.

³⁹ For some countries with large numbers of beneficiaries, like India, a selection needs to be made on which beneficiary companies to include in the sample.

⁴⁰ Depending on how the situation in Egypt develops over the coming months, Pakistan is likely to be selected as alternative.

⁴¹ In addition to the 4 case studies, IOB will test the case study approach in one country.

⁴² Based on initial CBI database. The number is still to be verified with CBI.

- Modules offered within the ECPs,
- Current export status, and status before entering the ECP (in terms of export sales, diversification of markets and products, jobs created),
- Indirect effects of CBI intervention,
- Export constraining factors encountered,
- Extent to which beneficiaries have also been assisted by other agencies before, during and after the CBI intervention.

An overview of the ECP portfolio is provided below (Table 3).

TABLE 3 ECP PORTFOLIO (2005-MARCH 2013)

Country	Total expenditure	Beneficiaries	Agriculture, food	Consumer products	Industrial products	Services
Low-income economies			average cost per exporter			
Uganda	360.768	5	€ 74.833	€ 70.367		
Kenya	140.735	2		€ 70.367		
Tanzania	70.367	1		€ 70.367		
Bangladesh	64.422	1			€ 64.422	
Lower-middle-income economies			average cost per exporter			
India	8.991.396	155	€ 74.833	€ 73.663	€ 55.933	€ 72.871
Egypt	1.683.366	30		€ 85.196	€ 56.884	€ 38.870
Pakistan	1.547.943	26	€ 74.833		€ 55.894	
The Philippines	755.672	10		€ 76.723		€ 72.871
Sri Lanka	677.972	9	€ 74.833	€ 78.841	€ 51.251	
Indonesia	441.499	6	€ 74.833	€ 73.333		
Bolivia	299.333	4	€ 74.833			
El Salvador	85.196	1		€ 85.196		
Honduras	85.196	1		€ 85.196		
Vietnam	85.196	1		€ 85.196		
Ghana	70.367	1		€ 70.367		
Upper-middle-income economies			average cost per exporter			
Colombia	2.511.200	44	€ 74.833	€ 75.928	€ 56.900	€ 38.870
Macedonia	1.479.812	27		€ 56.934	€ 55.332	€ 38.870
South Africa	1.315.755	24		€ 70.367	€ 59.858	€ 45.052
Ecuador	1.192.763	19	€ 74.833	€ 79.265	€ 56.981	€ 38.870
Tunisia	714.409	10		€ 85.196	€ 62.271	
Peru	597.242	8	€ 74.833	€ 79.265	€ 51.251	
Thailand	425.982	5		€ 85.196		
Jordan	421.139	7			€ 60.163	
Serbia	287.091	7			€ 53.874	€ 38.870
BiH	236.591	4			€ 59.148	
Total	24.541.414	408	€ 74.833	€ 72.587	€ 56.511	€ 44.990

Source: Elaboration IOB on the basis of data provided by CBI

The table contains information on the ECP beneficiary countries for three specified income country groups, the total expenditures on ECP in the country, total participants (exporters), and the average cost per competent exporter by economic sector.

Virtually all ECPs are implemented in more than one country. CBI reports the total expenditure for each ECP. In total €24,5 million was spent on 13 ECPs started and completed between 2005 and March 2012. Over half (55 per cent) of expenditure on the completed ECPs took place in the sector 'Industrial products.'

A sectorial breakdown of the ECPs indicates that 'Agriculture, food and forestry' and 'Consumer products', 'Industrial products' and 'Services' accounted for 1, 4, 7 and 2 ECPs, respectively. Also in terms of number of participating exporters, 'Industrial products' is the dominant sector. The 'Industrial products' sector is more dominant especially in India and Pakistan, while most exporters in the Former Republic of Macedonia participate (almost) exclusively in ECPs in 'Consumer products.'

A specialised global data collection company will have to be recruited to collect the survey data.

Besides a survey under beneficiaries, leavers and qualified but not selected enterprises, a survey is also to be held amongst EU/EFTA importers that have (or have not) participated in ECPs (net response N= 50). One of the aims is to assess if, and to what extent substitution effects have taken place.

Quasi-experimental research

As indicated, regular evaluations commissioned by CBI hardly address 'attribution'; making sure that observed changes in outcome variables have been caused by the CBI interventions under evaluation and not by outside influences.

TEXTBOX 2 EXAMPLE EXTERNAL INFLUENCES

Many outside influences can affect the identification of an intervention. For instance, an export promotion scheme put in place in 2007 would see its positive effect influenced by the negative effect of the global crisis of 2008–2009; a simple before/after comparison of outcomes would likely suggest a negative effect of the intervention. In order to filter out these influences, one would want to know how beneficiary firms would have performed in the absence of the intervention (presumably worse). But the data needed for this counterfactual do not exist, because firms cannot be both beneficiaries and non-beneficiaries at the same time. This missing data problem is solved by using as a counterfactual the performance of other comparable firms that are motivated to export but that did not benefit from the intervention.⁴³

Apart from implementing case-studies and surveys, a quasi-experimental research will be conducted by IOB in which ECP beneficiaries (treatment group) are compared to a comparison group. While the possibility for such an analysis is driven by availability of data, it is foreseen to concentrate this part of the evaluation on India, also being the largest beneficiary of the intervention.

It is foreseen that for a substantial share of the treatment group (an estimated 100 Indian companies which have not responded to earlier evaluations of individual ECPs), qualifiers but not selected and programme leavers, export data need to be reviewed and/or reconstructed. This data collection will be organised as part of the Indian case study (to be implemented by the consultant), making this case study more elaborate than the three remaining.

It is important from the former research steps to get a clear understanding of selection effects, since these determine the definition of the comparison group. Data to establish such comparison group can be derived from following primary and secondary data sources:

1. ECP leavers: the last evaluation by IOB showed that quite a substantial number of companies that had entered the ECP, fell out during the course of the 5 years' intervention. CBI will finish a comprehensive database with project beneficiary information soon, which includes data from 2005 onwards. Also included will be some information on companies that left the ECP. Based on its content, it can be assessed whether these companies can be included in the comparison group. Based on the data it should be estimated to what extent these leavers perform systematically less than the stayers;
2. Qualified but not selected: on average 20-30 companies- often from different countries- participate in an ECP. This means that an even smaller number of companies from one and the same country take part. Those companies that do qualify for ECP entry, but cannot be

⁴³ When matching pairs of treatment and comparison group companies, the inventory should also be directed at assistance received by comparison group companies from other sources.

- accommodated in a given ECP because of limited resources, in principle can be considered for the comparison group;
3. Business Support Organisations assisted by CBI: CBI has assisted a number of BSO's through its BSODs. Some of these organisations, which have proven to be strong and reliable counterparts, can be instrumental in the selection of comparison group companies. The assumption is that these companies, which the BSO is in contact with, are likely to have a comparable market orientation and general motivation to export;
 4. Pipeline: this approach exploits variation in the timing of implementation, using a comparison group with eligible participants who have not yet received the service. In this specific case one could consider the implementation of two ECPs in the same (sub)sector, both of which have companies from the same country as beneficiaries, establishing a comparison group;
 5. Secondary information (enterprise-level surveys and other data sources). As an example, panel data are available within the framework of the ongoing World Bank Enterprise Surveys⁴⁴. Apart from World Bank datasources, for which the use is free of charge, a country specific dataset for India has been identified.⁴⁵

The selection of the method to establish a comparison group and a justification of the (econometric) estimation technique to be used during the analysis, depends on the quality of the data.⁴⁶ It is foreseen that the chosen analytical approach will be implemented for India, having the largest number of beneficiaries.

The double-differences (or difference-in-differences) technique is one of those to be considered for use. Under that technique, the effect of an intervention is assessed by comparing the performance of beneficiary firms before and after the treatment (first-difference), and then benchmarking that difference by comparing it to the difference in performance over the same period of non-beneficiary firms (difference-in-differences). In the earlier example of an export promotion scheme put in place just before the onset of the crisis, its effect would be captured (and thus filtered out) by the decrease in the performance of non-beneficiary firms during the intervention period. The intervention's effect would then be measured by how much less badly beneficiary firms performed than non-beneficiary ones.

If the collected data is of sufficient quality, the aforementioned difference-in-difference method can be used, in which a comparison group is constructed to create a counterfactual. This method relies however on the assumption that, without project intervention, the export performance of control and treatment groups would have behaved under similar trends. The key assumption for the effect estimated by this method to be unbiased is that selection into the ECP is based only on observable firm characteristics. In order to make this assumption more likely, comparison and treatment companies shall be matched using propensity score matching (PSM).⁴⁷ However, in case there will not be a common dataset underlying both treatment and comparison group (i.e. whenever CBI data will be enriched with external panel data), PSM might not be the most efficient matching procedure. The options for choice during this part of the evaluation will be highly data-driven.⁴⁸ A go/no go decision is therefore foreseen for this part of the evaluation.

⁴⁴ <http://www.enterprisesurveys.org>. The standard Enterprise Survey topics include firm characteristics, gender participation, access to finance, annual sales and export percentage of sales, costs of inputs/labor, workforce composition, bribery, licensing, infrastructure, trade, crime, competition, capacity utilization, land and permits, taxation, informality, business-government relations, innovation and technology, and performance measures. The strata for Enterprise Surveys are firm size, business sector, and geographic region within a country. Firm size levels are 5-19 (small), 20-99 (medium), and 100+ employees (large-sized firms). Since in most economies, the majority of firms are small and medium-sized, Enterprise Surveys oversample large firms since larger firms tend to be engines of job creation. Sector breakdown is usually manufacturing, retail, and other services. For larger economies, specific manufacturing sub-sectors are selected as additional strata on the basis of employment, value-added, and total number of establishments figures. Geographic regions within a country are selected based on which cities/regions collectively contain the majority of economic activity.

⁴⁵ The PROWESS database (India) contains a lot of enterprise level data, for many datapoints. This dataset is not free of charge.

⁴⁶ By the end of January 2014 CBI will deliver its comprehensive database, after which a more elaborate justification can be given.

⁴⁷ The difference-in-difference estimator allows for time-invariant unobserved firm heterogeneity to affect selection and outcomes. But it does not address the problem that selection - as well as outcomes - may depend on unobserved time-varying firm heterogeneity.

⁴⁸ IOB will be responsible for the implementation of the quasi-experimental research.

3.2.3 Efficiency

From an institutional perspective CBI's organizational set up and cost structure can be benchmarked with that of other trade promotion organisations.⁴⁹ At service level efficiency can be expressed as the cost per extra unit of export value. If data allow for it, a further refinement could be made specifying unit costs at sector level. Differences in average costs per ECP participant (bottom Table 3), seem to indicate that price differences exist at sector level.

⁴⁹ CBI is initiator of the 'Trade Related Instruments Connected' network. Partners in this network could be considered for benchmarking purposes (a.o. www.sippo.ch; www.importpromotiondesk.de; www.finnpartnership.fi; www.chambertradesweden.se; www.btctb.org; www.virke.no). The evaluation of SIPPO can be made available by IOB.

TABLE 4 EVALUATION MATRIX

Evaluation questions (full text paragraph 2.2)	Operationalisation /indicator(s)	Literature review	Document analysis	Interviews	Survey	Case-study	Quantitative analysis	Benchmark	Source(s) of evidence
Relevance: does CBI do the right things?									
Was the program consistent with international academic literature, findings from evaluations, priorities set by the Minister for Development Cooperation, priorities set by the resident countries of the companies and BSODs supported?	policy reconstruction, literature review	x	x	x					strategic guidance documents, policy briefs, annual plans, grant agreements
How has the Ministry of Foreign Affairs operated with regard to formulating the assignment, controlling the budget, and informing CBI of changes in policy, as well as monitoring the results agreed upon with CBI?	policy reconstruction		x	x					idem
Could the objectives of the program have been achieved through other means, e.g. direct support of export promotion agencies?	policy reconstruction			x	x	X			counterfactual, interview- and survey data, case-study
Effectiveness: is CBI doing the things right?									
How were clients selected? What are the profiles of the selected beneficiaries?	CBI selection process and procedures followed		x	x	x	x			monitoring data collected as part of the programme management process
To what extent did companies increase exports to EU/EFTA as result of the CBI programmes? Was this increase also in new markets and/or new products (diversification)? Which company types did benefit most (company size class, sector, export experience, export share of total turnover, policy context, country income class)? What are the employment effects resulting from the interventions?	additional export value / export diversification/ additional jobs		x		x	x	x		(primary) survey data, secondary data (e.g. enterprise panel surveys); counterfactual analysis; enterprise level employment figures
To what extent did benefits (exports, jobs) continue after CBI's intervention were completed?	additional export value and jobs/ export diversification				x	x	x		case-study, project administration, secondary data (such as large scale enterprise panel surveys)
Besides direct effects, what kind of indirect effects (net income, net output, net export to other destinations than EU/EFTA) can be linked to CBI interventions? How did these indirect effects contribute to the programme objectives?	net income, net output, net export to outside EU/EFTA		x		x	x			case-study, project administration
To what extent did CBI collaborate with other development partners, and to what extent have beneficiaries of the CBI intervention also been assisted by other trade promotion agencies, donors/stakeholders; before, during or after the CBI intervention?	partnerships between CBI and other donors, local service providers inventory of other company assistance of any kind		x	x	x	x			interview data, strategic documents, project administration, case-study, survey
Efficiency: does CBI execute its programmes efficiently?									
How costs per service and per realised extra unit of export value compare to that of other trade promoting organizations?	unit cost of services (e.g. cost price differentials at sector level, cost per additional export turnover)		x	x		x		x	CBI annual (budget)reports, financial allocation and realizations to different types of activity, evaluation of other IPO's such as SIPPO

4 Structure and organization

4.1 Structure of the evaluation

The CBI evaluation will be implemented under the responsibility of IOB and will be led by Max Timmerman and Peter Henk Eshuis as evaluators and research assistant Rob Kuijpers. Piet de Lange and Otto Genee from IOB will comment and give advice as internal peer reviewers on the terms of reference and (draft) reports.

To support IOB, external contractors will be recruited who will be responsible for conducting a) case studies; b) implementation of surveys, and c) benchmarking.

4.2 Reference group

The main task of the reference group will be to provide advice to the director of IOB and the evaluation team regarding the quality and relevance of the terms of reference, the inception report, the case study reports, and the (draft) evaluation report. The reference group will be chaired by the Director of IOB and meet when required. The reference group will be composed as follows:

External experts:

Dr C.H.M. (Clemens) Lutz – RUG

Dr. R. H. (Remco) Oostendorp – VU

Mrs. Drs. M. (Micha) van Lin – FME

Ministry of Foreign Affairs:

Drs. S (Sjoerd) Smit/ Mrs.Drs. H (Henny) de Vries – DDE

CBI:

Mr. D (Dick) de Man – Deputy Managing Director

IOB:

Prof. Dr. R (Ruerd) Ruben – Director and chair reference group

5 Deliverables and phasing

5.1 Deliverables

The evaluation is expected to produce the following outputs in English:

- Literature review (IOB),
- Policy reconstruction (IOB),
- An inception report for the conduct of the case studies (consultant),
- Field visit reports country case studies (consultant),
- Survey (data set and short analyses) amongst ECP beneficiaries (consultant),
- Survey (data set and short analyses) amongst importers (consultant),
- Benchmark report (consultant) of max. 10 pages (excluding annexes),
- A (draft) final report based on the literature review, desk research, policy reconstruction, interviews, case studies, surveys (IOB).

5.2 Phasing

The evaluation will contain the following phases:

- An inception phase,
- A research phase including field visits and surveys,
- A drafting phase.

5.2.1 Inception phase

In preparation of the field studies, the consultant will produce:

- A survey method for the 4 selected in-depth case studies, specifying the main evaluation questions, as well as an evaluation matrix making reference to following topics:
 - Relevant performance indicators,
 - Data sources and methods of collection,
 - Limitations of the proposed research approach and methodology.
- A detailed work plan (including planning and human resources) and budget for the 4 country visits. Given the limited time available, the consultant is requested to form two evaluation teams headed by a different team leader, each team implementing 2 in-depth case studies.
- Company fiches based on existing program information materials, to be validated before country visit by CBI.
- Concept-content of the final report
- A short workplan for the survey and the benchmark

A go/no go decision will be made bij IOB.

5.2.2 Research phase

Assuming a positive decision to proceed after the inception phase, the preparations for the 4 *case studies* (field visits to be implemented by two evaluation teams) should start. Case study results will feed into the survey questionnaire amongst ECP beneficiaries and EU/EFTA importers. It is recommended that a specialised global data collection company, experienced in the business sector, will collect the *survey* data. Thirdly, the consultant will implement the *benchmark* study.

5.2.3 Drafting phase

The consultant will present main findings and conclusions with regard to the case studies and benchmark. Based on these inputs and the work executed by IOB staff itself, a draft final report will be written by IOB. The main findings and conclusions will be shared in a meeting with the reference group.

The draft final report will contain an executive summary (not exceeding 5 pages), a main report of approximately 50 pages, and relevant annexes including summary tables of the field visit reports and surveys, relevant statistical information, the portfolio analysis and the policy reconstruction, etcetera. The final evaluation report will also contain a summary in the Dutch language.

6 Planning, team and budget

6.1 Planning

It is foreseen that both the 4 in-depth case studies, the survey and the benchmark study will be tendered within the framework agreement on impact evaluation. The planning is as follows:

TENTATIVE PLANNING

Date / period	Activity
January	Terms of Reference – final version
7 February	Invitation for submission of Expression of Interest (framework agreement on impact evaluation)
13 February	Deadline for submission of Expression of Interest (framework agreement on impact evaluation)
21 February	Deadline for submission of Concept Note (in case of more than three interested Framework Contractors)
14 March	Deadline for submission of full (technical and financial) proposals (for three candidates with best Concept Notes)
21 March	Appraisal full proposals
End of March	Contract signing with selected Contractor
April	Start of inception phase
11 April	Submission of inception report
15 April	Go/ no go decision by IOB
April-May-June	<ul style="list-style-type: none"> • Case studies • Survey • Benchmark
30 June	Submission of the draft final report

6.2 Consultants team

IOB will tender the research within the framework agreement on impact evaluation. The contractor needs to demonstrate to be able addressing the evaluation questions in a methodologically sound and timely manner. The consultant has to describe the composition of its team and the proposed roles of the team members in the execution of the research. The team members must not have been involved in any way in the design or implementation of the CBI-programme (knock-out criterion).

Team leader

The contractor shall appoint a team leader. The tasks of the team leader are:

- Assure the compliance of the activities of all team members with the contract;
- Assure the availability of the team members for the implementation of the activities agreed upon;
- Handling complaints (by stakeholders) and problems in a satisfactory way;
- Assure the quality of the research of the whole team;

- Being the single point of contact to IOB (consultation, reporting, decisions, handle complaints, solving problems with stakeholders, team members, IOB).

To assure that the research is conducted at high standard, it is necessary that the team leader meets the following qualifications:

- Extensive experience as a team leader in conducting qualitative sound, multi-stakeholder evaluations in developing countries. The team leader shall have lead at least three such evaluations in the last five years. One report, accepted by the contracting authority of published, most relevant to the present research will be send to IOB;
- Expertise in trade related research (provide two references).

The quality of the team leader (experience, expertise) will be assessed separately.

Case studies

The 4 in-depth case studies will assess the impact of the CBI programmes for the ECPs to be specified. The responsibility for the assignment and the field studies rests with the two case studie team leaders of the consultant (one of whom will be also contact person to IOB for the whole contract as stated above). Each team shall visit two countries. The main tasks of the two case studie team leaders include:

- Designing the evaluation approach and methodology,
- Drafting the relevant part of the inception report that includes the evaluation methodology and elaborating an evaluation matrix and (simplified) results chains and theory of change,
- Planning, coordinating and performing quality control of the case studies in the selected countries,
- Submitting separate evaluation reports of the case studies.

The team members responsible for implementing case-studies, should have extensive experience in conducting qualitative, multi-stakeholder evaluations, management of multi-disciplinary evaluation teams and avail of a network of experienced evaluators, where possible also from the 4 countries selected for a field visit and/or with expertise in the subsectors concerned. The consultant is encouraged to involve local experts for the case studies.

To ensure that the case studies are conducted at a high standard, it is important that the consultants' team meets the following qualifications:

- Extensive experience of both team leaders in leading and conducting effect evaluations in developing countries. List of relevant research in the last five years will be submitted,
- Evaluation expertise (qualitative research designs),
- Sector/country expertise,
- International trade research expertise.

Survey

Given the scope of the survey under ECP beneficiaries being entrepreneurs, the complexity resulting from the wide country coverage, and the requested net response rates (see paragraph 3.2.2), it is foreseen that a specialised data gathering company will have to be assigned. The deliverables are short analyses of two datasets; one on ECP beneficiaries and one on EU/EFTA importers. The questionnaires will be based on proposals from the consultant implementing the case studies.

Benchmark

The responsibility for the benchmark study includes the development of a research approach and associated methodology (inception report), ensuring a proper conduct of the evaluation process, and producing accurate evaluation reports that meet IOB standards and answer the evaluation question. The main tasks of the consultant include:

- Designing an evaluation methodology,
- Identifying comparable trade promotion organisations (at least two), that make a reasonable benchmark partner for CBI,
- Planning, coordinating and performing quality control of the benchmark study,
- Submitting the outcomes of the benchmark in a brief report (10 pages, excluding annexes and digital databases).

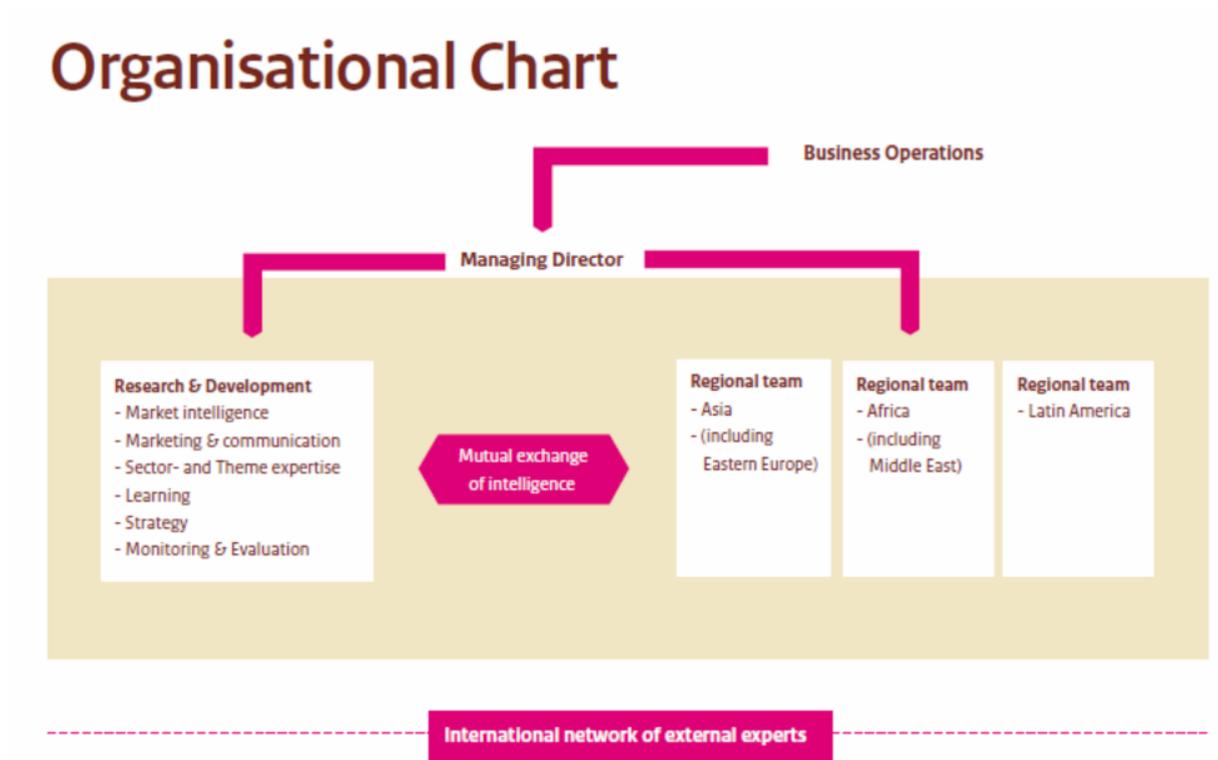
To ensure that the benchmark study is conducted at a high standard, it is important that the consultant team meets the following qualifications:

- Extensive experience of conducting benchmarks. List of relevant research in last five years and submission of one report tot IOB,
- Evaluation expertise (quantitative and qualitative research designs),
- Financial and cost-effectiveness analysis expertise.

6.3 Budget

The maximum budget available for the evaluation is € 249.000 (VAT included).

Annex 1: organisational chart of CBI



Source: CBI (2013a:60)

Annex 2: Documentation reviewed

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Annex 3: Evaluations by CBI**FIGURE RECENT CBI EVALUATIONS**

Year	Interventions evaluated	Some details of the evaluations
2009	4 BSODs	Support programmes in Vietnam, East Africa, The Philippines and Jordan
2011	5 ECPs	ECPs in the areas of mobile equipment parts, engineering products, subcontracting, medical devices and laboratory equipment, and pharmaceutical products, which received extremely high satisfaction ratings from participants
	3 ECPs	IT Outsourcing, Business Processes Outsourcing, Timber and timber related products
	2 BSODs	2006-2009 assistance to CORPEI Ecuador; assistance to IBCE Bolivia
2012	3 ECPs	Three ECPs finalized towards the end of 2012 in the areas of outerwear (Macedonia), food ingredients, and home decoration, accessories & gifts
2013	2 BSOD programmes	Asia (India, Indonesia and Vietnam) and Latin America (Bolivia and Peru)

Source: CBI Annual Reports and various evaluation reports

Annex 4: Result chain Private Sector Development policies 2005-2012 (reconstruction by IOB)

Input BZ	Kanalen	Thematische focus (5 clusters)	Belangrijkste instrumenten/ programma's	Belangrijkste activiteiten	Output	Outcome	Impact	
					'beter ondernemingsklimaat'			
Financiële middelen (ODA)	Bilateraal	Infrastructuur (EUR 1171 mln)	ORET FMO-IDF PIDG ORIO	Meefinancieren van lokale infrastructuur Leveren van (Nederlandse) kapitaalgoederen en technologie	Wegen, bruggen, havens, elektriciteit, ziekenhuizen, water & sanitatie, irrigatie, telecom, etc.	Meer toegang en gebruik van infrastructuur Verlaging van de transactiekosten van bedrijven	Hogere investeringen (nationaal + FDI) Meer levensvatbare bedrijven Meer goedbetaalde banen	E C O N O M I S C H E
		Financiële sector (EUR 736 mln)	FMO-MASSIF NIPP GTLP FMO-CD TCX	Financieren en ondersteunen van bredere dienstverlening door financiële intermediairs Ontwikkelen van innovatieve financiële producten Advisering financiële wet- en regelgeving	Groter, beter en meer divers aanbod van financiële diensten Nieuwe financiële producten Hervorming financieel stelsel en nationaal toezicht	Meer toegang en gebruik van (innovatieve) financiële diensten, in het bijzonder door MKB, armere groepen en vrouwen, en in rurale gebieden		
Menskracht (FTE)	Bedrijven en NGOs	Marktontwikkeling (EUR 550 mln)	CBI IDH Solidaridad IFDC	Adviseren over producten en productieprocessen Opzetten partnerschappen voor verduurzaming van marktketens	Adviezen en rapporten over productie en productieprocessen Partnerschappen rond marktketens	Verbetering kwaliteit van productie en productieprocessen Meer afzet voor bedrijven op nationale, regionale en internationale markten	Productiviteitsgroei Betere bedrijfsresultaten	G R O E I & M I N D E R A R M O E D E
		Kennis en kunde (EUR 615 mln)	PSOM/PSI PUM Agriterra Woord en Daad	Meefinancieren van joint ventures NL-bedrijven Analyseren van de bedrijfsvoering Financieren/opzetten beroepsonderwijs Ondersteunen producentenorganisaties	Joint ventures Bedrijfsadviezen Getrainde ondernemers en werknemers Beter georganiseerde producentenorganisaties	Innovatie in productie Betere bedrijfsvoering en sterker ondernemerschap Steviger sociale dialoog	Grotere formele economie	
	Wet- en regelgeving (EUR 60 mln)	Bilaterale programma's in Bolivia, Rwanda, Zambia, etc. ICF-Africa	Analyseren van knelpunten in ondernemingsklimaat Advisering en technische assistentie aan overheden (waaronder op <i>land governance</i>)	Rapporten, voorstellen, seminars, etc. gericht op hervorming wet- en regelgeving	Hervorming van wet- en regelgeving (indicator: Doing Business score)			

Annex 5: Brief description CBI evaluation framework

CBI evaluates its programmes, for which the results are judged according to the defined result indicators of the programme interventions. The relevance and quality of these indicators are not at stake during these regular evaluations. CBI programme Indicators (result/ effect/ impact) have been formulated to serve two goals: 1) project monitoring (content) and 2) project administrative purposes (ex-ante price setting mechanism). The *CBI Programme Management Manual* lists some Key Performance Indicators per intervention area at both the output and outcome level.⁵⁰ These KPIs are presented in the table below. However, this set of indicator was defined in 2012, while the period under evaluation is 2005-2012. Hence, it would not be fair to assess the CBI interventions on the basis of these indicators if they were not used in the preceding years as well.

Table A: Key Performance Indicators per Intervention Area

Intervention Area	KPIs	Measured by
ECP (Exporters)	<ul style="list-style-type: none"> # of competent exporters # of exporters that have established number of relevant business contacts with EU/regional importers increase in exports (outcome indicator) 	<ul style="list-style-type: none"> Internal audits & external client satisfaction surveys External exporters survey
BSOD (Chain supporters)	<ul style="list-style-type: none"> # of clients of BSOs that use related service (uptake) increase in exports (outcome indicator) 	<ul style="list-style-type: none"> Internal reporting/assessments external client satisfaction surveys
Policy (Chain influencers)	<ul style="list-style-type: none"> # of improved trade policies increase in exports (outcome indicator), if relevant⁵¹ 	<ul style="list-style-type: none"> Internal assessment Documentation or exporter surveys
Importers	<ul style="list-style-type: none"> # of ongoing partnerships with BSOs in target export markets increase in exports (outcome indicator), if relevant 	<ul style="list-style-type: none"> External exporters survey External exporters survey

Source: CBI (2012b:22)

Actually, a different, though partially overlapping set was defined earlier.⁵² This set includes indicators at so-called 'result', 'effect' and 'impact' level which were formulated with the introduction in 2006 of the ex-ante price system.⁵³ Table B gives an overview of the 'quality indicators' that were formulated for ECP and BSOD programmes, as well as indicators for Market Information and Training. Norms have been specified for these indicators.

Table B: Quality Indicators per Intervention Area and Level

Intervention Area	'Result' (capacity transfer)	'Effect' (use of capacity)	'Impact' (effect of use of capacity)
ECP (Exporters)	<ul style="list-style-type: none"> Sufficient score (i.e. at least 2 on a scale of 4) for the clusters of the CBI Export Audit Export Marketing Plan elaborated that reflects knowledge of EU/EFTA markets and export marketing Sufficient # of relevant business contacts in the EU market and having gained skills and experience in product marketing 	<ul style="list-style-type: none"> # of businesses with demonstrated exports to the EU/EFTA 	<ul style="list-style-type: none"> Total realized additional exports to EU/EFTA one year after completion of the CBI intervention Total realized additional exports to non-EU/EFTA from the start of the CBI intervention until one year after its completion Additional number of jobs measured from the start of the CBI intervention until one year after its completion
BSOD (Chain supporters)	<ul style="list-style-type: none"> Certification of transfer of competences 	<ul style="list-style-type: none"> Use of competences 	<ul style="list-style-type: none"> Users/clients of the services provided by BSOs judge that they receive a better service provision than they received prior to the support given by CBI
Market information	<ul style="list-style-type: none"> # of received units of market information 	<ul style="list-style-type: none"> Received market information actually read 	<ul style="list-style-type: none"> Usefulness of received market information Enhanced knowledge of EU export market
Training	<ul style="list-style-type: none"> More insight and knowledge of exporting 	<ul style="list-style-type: none"> Use of insight and knowledge 	<ul style="list-style-type: none"> Additional exports or more effective service provision

Source: CBI (2007), Memorandum of 16 November 2007; CBI (2008) Memorandum of 31 March 2008; see also EIM (2012c)

⁵⁰ CBI (2012b: Table 4 and Annex 7).

⁵¹ Policy as well as importer projects may not necessarily contribute *directly* to outcome (i.e. export), but only support the efforts of other (e.g. ECP) projects. In these cases no increase in exports needs to be reported.

⁵² This set is documented in a Memorandum from CBI to DGIS dated 16 November 2007.

⁵³ Memorandum from CBI to DGIS dated 16 November 2007; Memorandum from CBI to DGIS dated 31 March 2008. The three levels appear to be equivalent with the output, outcome and impact levels in a results chain.