

International Trade Centre

Diversifying trade in time of crisis

Update to DCED members
22 June 2023

Robert Skidmore, Chief
Sector and Enterprise Competitiveness

ITC at a glance

Joint agency of the United Nations and the World Trade Organization established in 1964.

Only international agency fully dedicated to the development of **MSMEs in developing countries**.

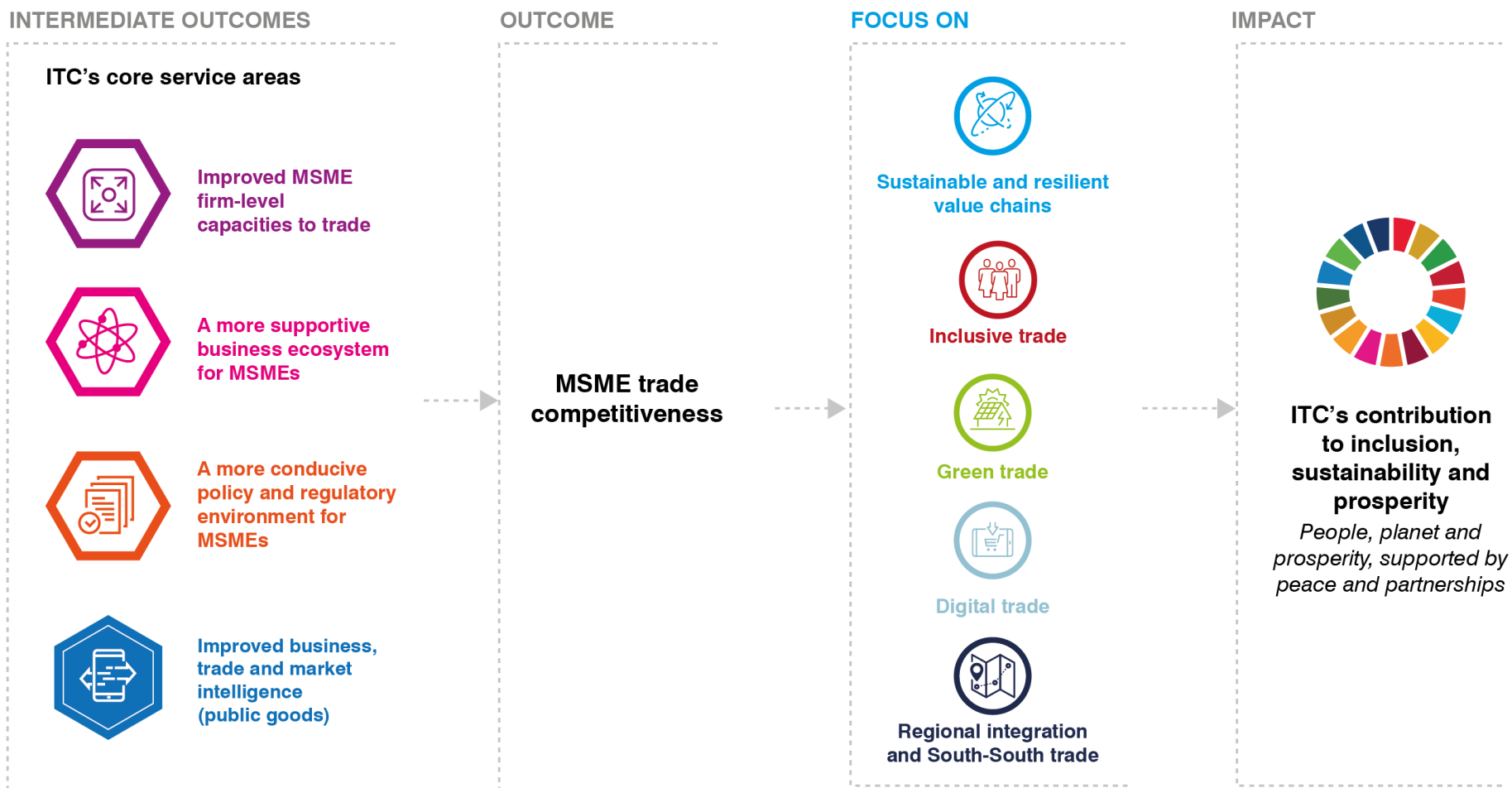
Core services:
firm-level capacity building, ecosystem development, enabling policy environment, trade and market intelligence

Clear geographic focus:
>70% of country-specific interventions in priority countries* and >39% in LDCs (in 2022). Active in 134 countries in 2022

HQ in Geneva and project offices in partner countries.
In 2022, 424 staff members, representing 93 nationalities (59% women).

** ITC priority geographies are LDCs, Landlocked developing countries (LLDCs); Small island developing states (SIDS); Small, vulnerable economies; Sub-Saharan Africa; and Post-conflict states*

ITC's Core Services deployed Across Impact Areas



ITC's results framework and corporate indicators



INTERMEDIATE OUTCOMES

Improved MSME firm level capacity to trade

- # of MSMEs having made changes to their business operations for increased competitiveness as a result of ITC support

A more supportive business ecosystem for MSMEs

Business support organizations

- # of cases in which BSOs improved their services for the benefit of their members as a result of ITC support
- # of MSMEs served by BSOs that are directly supported by ITC
- # of business support ecosystems created or improved as a result of ITC support

Market partners

- # of MSMEs benefiting from a service/product/initiative put in place by a market partner in the framework of a partnership with ITC

A more conducive policy and regulatory environment for MSMEs

- # of policies, strategies, rules or regulations, improved for the benefit of MSMEs with business sector input, in process of agreement, as a result of ITC support
- # of policies, strategies, rules or regulations, improved for the benefit of MSMEs with business sector input, and promulgated or implemented, as a result of ITC support

Improved business, trade and market intelligence

- # of clients gaining greater awareness of international trade from using ITC's business, trade and market intelligence

Note: This indicator measures the output "increased awareness."

- # of new markets/countries/sectors that became more transparent through coverage in ITC's business, trade and market intelligence

OUTCOME

MSME trade competitiveness

- # of MSMEs having transacted international business as a result of ITC support
- \$ value of international business transactions of ITC client MSMEs, including national business transactions that are part of international or global value chains as a result of ITC support
- # of MSMEs that have accessed new markets (including through e-commerce) as a result of ITC support

IMPACT

Contribution to people, planet and prosperity, supported by peace and partnerships

Qualitative and quantitative reporting on improvements in ITC projects and operations for:

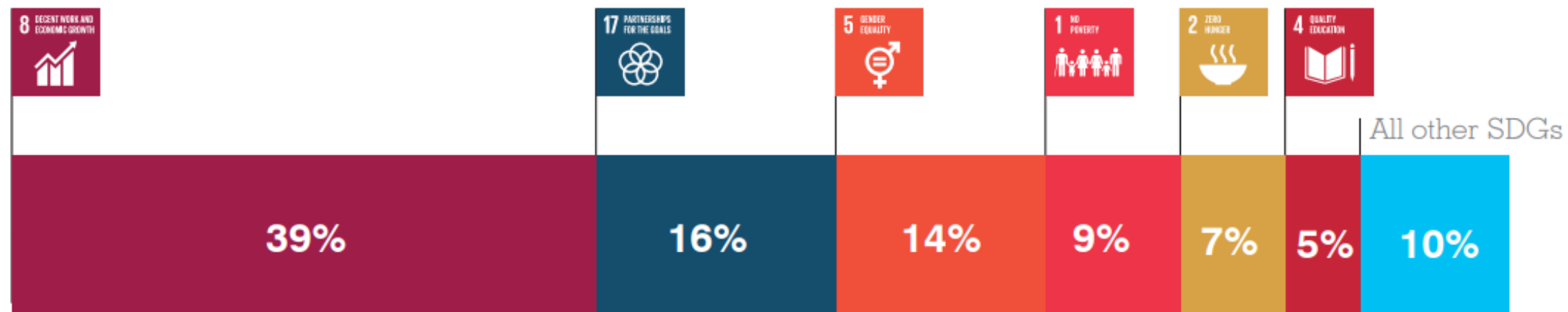
- Prosperity: # of jobs created, supported or maintained;* changes to value chains that support development
- People: Focus on women, youth and other people in vulnerable situations (the poor, refugees, internally displaced persons, people with disabilities and other marginalized groups)
- Planet: Sustainable resource management, sustainable production and consumption, climate change action
- Peace: ITC % delivery in countries in armed conflict or at risk of lapsing or relapsing into conflict
- Partnerships: Agreements with partners that commit to extending services to MSMEs

Supporting small businesses competitiveness through trade

Our contribution to the UN Global Goals

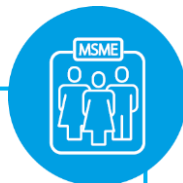
ITC directly contributes to 11 of the United Nations Sustainable Development Goals.

ITC financial delivery distribution by SDG in 2022:



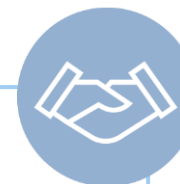
Our 2022 results

MSME action



> 27,000 MSMEs improved competitiveness out of which 10,000 MSMEs led by women
>9,600 MSMEs transacted international business out of which more than 3,000 MSMEs led by women
>500 improvements in institutional performance
>73% country-specific interventions in priority countries
>39% interventions in least developed countries

Consensus, plans to act, policy actions



58 cases of trade-related policies, strategies, regulations introduced or changed in favour of MSME competitiveness, with business sector input

Awareness



>520,000 clients gained greater awareness of international trade from using ITC's business, trade and market intelligence, more than 40% of registered users of Global Public Goods are women

Knowledge, skills and capacity building



>4,200 days of trainings and workshops
>77,000 SME Trade Academy participants, of which 23% are certified and 48% are women; many pursue more than one course

How our approach is evolving 2022-2025

ITC's Strategic Plan 2022-2025 [here](#)



'Over the next four years, this strategic plan will push our business model even further. Thematically, it will deepen our already cutting-edge work on the economic empowerment of women, [and] youth and [...] turbo-charge our offer on digital connectivity and the green transition'

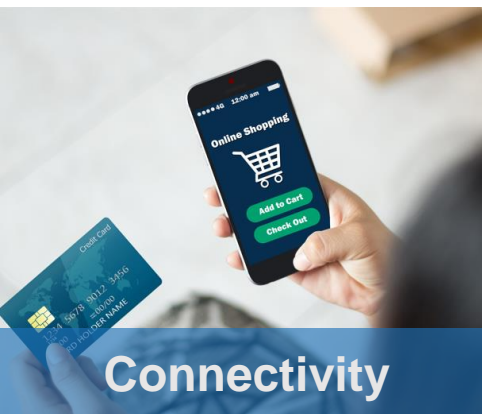
Pamela Coke-Hamilton, ITC Executive Director



Women



Green Transition



Connectivity



Youth



Gender Moonshot 2022 -25



Key Features

- High-impact interventions: new areas plus scale up what works
- Future-proof: Gender transformative goal: Beyond counting women. We aim to re-shape business and policy ecosystems
- Cross-cutting themes include youth, digital, green

7 Pillars of the Gender Moonshot

1. **Innovative services for new target groups of women** including young women and cross-border traders
2. **SheTrades Hubs:** 13 Hubs, across Latin America, Caribbean, Africa and Asia
3. **Partnerships:** Managing successful network of 250 partner organizations; Supplier diversity, matchmaking
4. **Gender-responsive Public Procurement:** Global GRPP Campaign
5. **Women in AfCFTA:** Empowering an Africa-wide network of Women's business associations to seize AfCFTA markets
6. **Visibility for and uptake of ITC trade & gender data tools:** A coordinated approach to the collection and analysis of trade and gender data across projects
7. **Strengthening Gender mainstreaming across ITC:** An all-ITC approach to gender mainstreaming, and methodologies for women-led businesses and young women, TPOs, agricultural value chains, data and policy, invest, trade facilitation and export strategies.

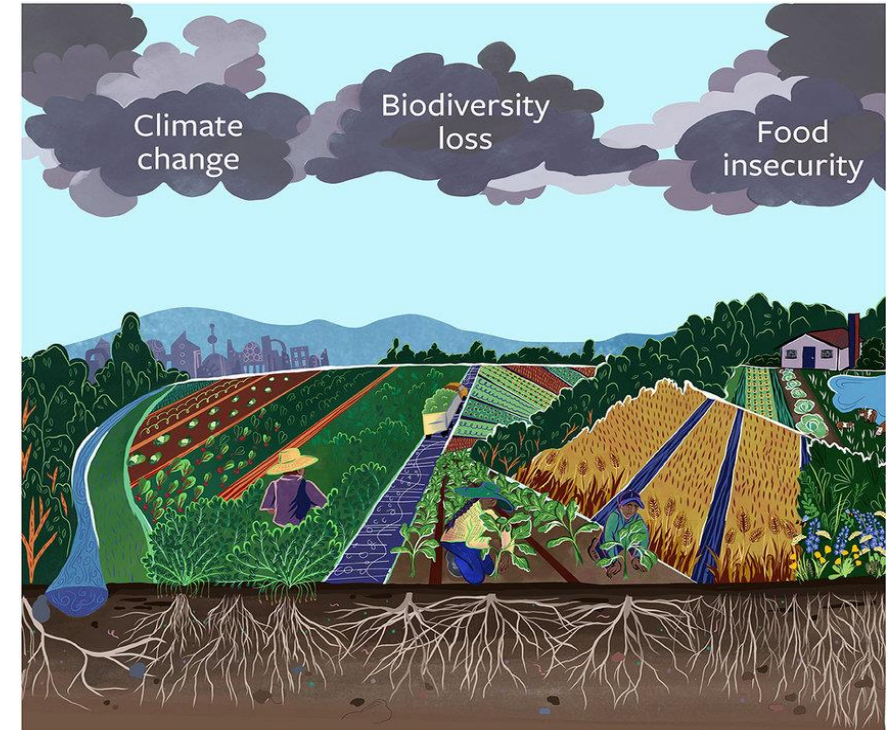
Green Moonshot 2022 -25

Key highlights on ITC's work on green trade in 2022:

- Green moonshot launched to catalyse 100,000 climate actions by MSMEs
- Boost the capacity of MSMEs to build climate competitiveness and resilience through a Green Working Group
- Raise the profile and voice of MSMEs in global trade, climate and development forums. (ITC@COP27)
- ITC's decentralized network of GreenToCompete Hubs supported 8 BSOS to integrate green services in their portfolio impacting over 400 MSMEs.
- ITC convened four rounds of private-public consultations in 2022, the ITC Roundtables on Deforestation-free Global Value Chains.

ITC's contribution to DCED green working group in 2022

- Contribution to the Green PDS Navigator of 4 approaches showcasing ITC's work on green trade.
- Task team member of the sub-group on 'Nature-based solutions for climate adaptation'.



Connectivity Moonshot 2022 -25: Switch On



Bringing it all together in Zambia, 2022

In 2022 we have piloted approaches and activities to effectively work towards increased participation of MSMEs in the online trade of goods and services in Zambia

Outcomes

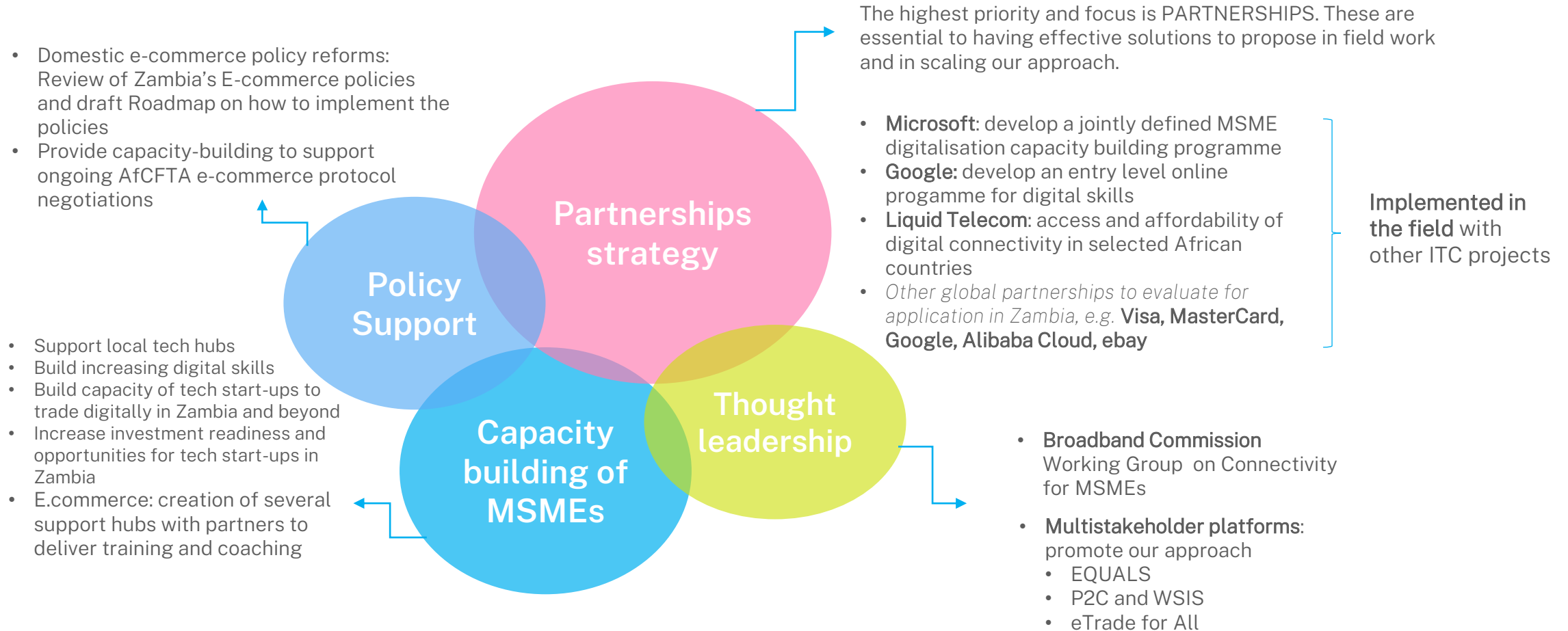
- 1. Improved capacity of stakeholders to manage the implications of the digitalization of trade
- 2. A more supportive business ecosystem to the digitalization of MSMEs and affordable and accessible connectivity
- 3. A more conducive policy and regulatory environment for MSMEs in the e-commerce and digital trade sector
- 4. Improved MSMEs firm-level capacity to trade digitally

Highlights

1. Towards an integrated delivery model: Four ITC teams – covering Trade Facilitation, Digital Entrepreneurship, eCommerce and Institutional Support collaborated on an approach to boosting uptake and usage of digital connectivity
2. Building stronger ecosystems through stronger tech hubs, boosting tech startup growth, and building digital skills for freelancers
3. Identification of policy bottlenecks were deployed through meetings and workshops, e.g. a two-day workshop was held on E-commerce legal and regulatory frameworks, including an assessment of key gaps, and discussions on priorities.
4. Connecting the “Unconnected”: 4 devices were tested to provide offline Wi-Fi and phone charging points in urban and rural areas
Boosting the “Connected”: Ecommerce training for MSMEs and digital presence audits were conducted

Connectivity Moonshot Priorities for 2023

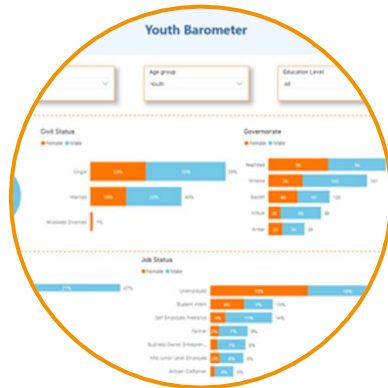
Building on the outcomes of the work done in 2022, we are proposing the following focus and activities for 2023:





Youth Moonshot 2022 -25

Strategic pivots and areas of integration for scale and impact



Better positioning the initiative into policy (AfCFTA)



Enhance and package the offering around entrepreneurship and access to finance



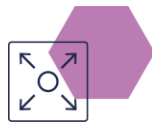
Decentralization through hubs (YE! Chapters)



Sector specific approach and bring up new or nascent ones (e.g. creative industries, sports)

Market Systems Development (MSD)

Capacity Building



Raising awareness of staff about MSD and building their capacity

- Springfield Centre MSD training
- In-house training for middle management/ operational teams
- Internal MSD working group meeting quarterly
- Presentation by ILO on their MSD journey

Research



Deepening understanding of MSD in international trade, in fragile contexts, across existing portfolio

- **MSD in ITC's existing portfolio:** projects analysed by AGORA consulting via SIDA MSD helpdesk; Found that MSD is relevant for some parts of ITC's portfolio, less so for others (public goods)
- **MSD and Fragility:** ITC's SME Competitiveness Outlook (SMECO) 2023 discusses the topic of Fragility from an SME perspective and how it affects ITC's work.
- **New corporate indicators in ITC 2022-2025 strategy:** focus attention on scale and systemic change through ITC influence on business support organizations, ecosystem actors and market partners.

Projects

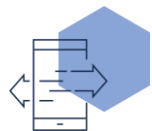


Current portfolio is a mix

- Several ITC's projects use some principles of MSD / reaching scale and sustainability through market actors
- Other projects (global public goods, policy-focused work) less directly applicable to MSD framework
- A well tested ecosystem mapping methodology that includes dialogues with stakeholders and actors: for improved connectedness

More future activities with MSD lens: Iraq housing market, Trade4Jobs, GTEX/MENATEX II (Textile and clothing), Digital and REMI (Refugees Empowerment through Markets Initiative)

Structural



Putting in place an internal structure that enables joint learning on MSD topics

Systemically embedding MSD and lessons learned at ITC

- **Define ambition:** finding joint understanding / agreement about the extent to which ITC seeks to embed MSD in its programming
- **Structure of support:** Finding a way to make MSD support available to colleagues seeking advice in design or implementation
- **Build internal community:** Extract lessons from projects that are applying MSD thinking

Empowering a community through Partnerships

Private-sector partnerships :
pivotal to generating impact for MSMEs:

- greater engagement in value chains
- access to markets
- improved business processes
- better networking power

ITC continued to build on and develop this private-sector engagement strategy in 2022. The **Partnerships4Purpose** strategy seeks to identify **private sector partners**, mapping them against ITC impact areas and generating cross-team collaboration across the house. In 2022, ITC launched its centralized partnerships dashboard.





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[ITC Website](#) - [ITC LinkedIn](#) - [ITC Twitter](#)



Sustainable and
resilient value
chains



Inclusive trade for
women, youth and
vulnerable groups



Green transition
and trade solutions



Digital connectivity
and e-commerce
for all



Regional integration
to spur trade in
developing countries