

Preparing for the Next Normal

DCED Update Presentation 10 June 2022

ITC at a Glance



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



ITC is the only international agency **fully dedicated to the development of MSMEs in developing countries.**



ITC **provides four core services:** firm-level capacity building, business ecosystem development, creating a more conducive policy environment, and trade and market intelligence



ITC has a **clear geographic focus** with >80% of country-specific interventions in priority countries* and >45% in LDCs (in 2020).



Geneva-based with project offices in partner countries and ~400 staff members, representing 88 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

ITC's core service areas



Improved MSME firm-level capacities to trade

ITC addresses the managerial, strategic and operational needs of MSMEs to tap into value addition opportunities
And helps create market linkages



A more supportive business ecosystem for MSMEs

ITC supports Business Support Organizations (BSOs) to expand their services for MSMEs, including management training, skills development, providing guidance in implementing ESG factors, increasing digital literacy, and providing effective advocacy



A more conducive policy and regulatory environment for MSMEs

ITC works with government institutions and other stakeholders to craft inclusive and country-owned trade and investment strategies, monitor the implementation of strategies and make policy and regulatory frameworks more conducive.



Improved business, trade and market intelligence (public goods)

Building on its long-standing expertise in data collection, ITC provide tools and publications that support informed and evidence-based business decisions, policymaking and advocacy, as well as online learning platforms

A New Strategic Direction 22-25

“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”

Women

Green
Transition

Connectivity

Youth

Every Woman Everywhere

Widening the focus from supporting women entrepreneurs to focusing on wider system change



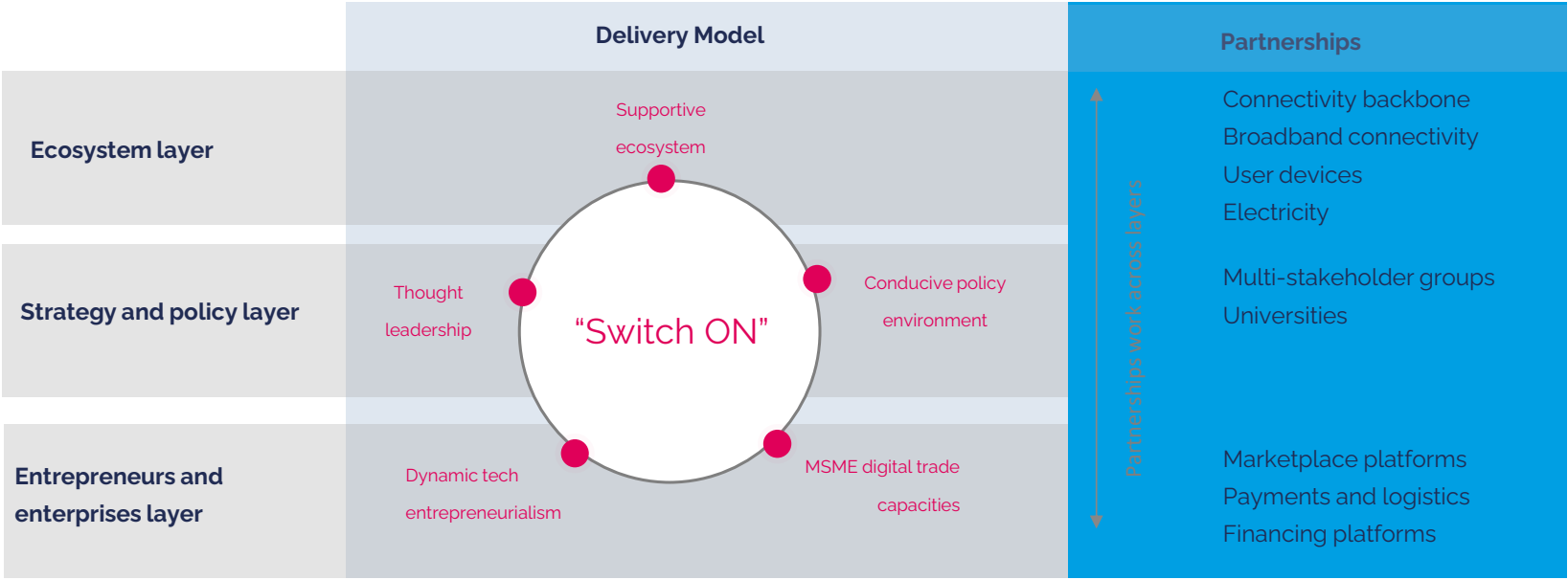
- SheTrades reached the goal of bringing 3m women to market in 2021
- New strategy to 2025 builds on 3 strengths:
 - Partners –private sector (e.g. Maersk) and public (e.g UK)
 - Tools – Shetrades outlook, Shetrades invest, shetrades.com
 - Ecosystem approach –Institutional work amplifies SME work
- The new strategy will:
 - Expand from SME owners to include workers, young women & cross border traders
 - Add new sectors like blue economy and tech
 - Focus on regional trade agreements and regional markets
 - Invest more in digital and green with women

SWITCH-ON

An integrated approach to supporting digitalization of trade with a much higher level of ambition

1 A delivery model which considers this to be an integrated set of proposals...

2 ...an ambition to include non traditional partners



5 ... the implicit expansion of our focus to include digitally disadvantaged communities*...

6 ...and to scale our support

3 Explicit linkages reinforced between:

- Research, strategy and policy
- Digital entrepreneurship and ecommerce

4 ... the positioning of ITC as a contributor to the case for investing in connectivity, and ensuring this contributes to sustainable economic growth....

...and the teams that work on these

Investing Big on Green

Merging and integrating ITC work on sustainability standards, trade and environment and agribusiness



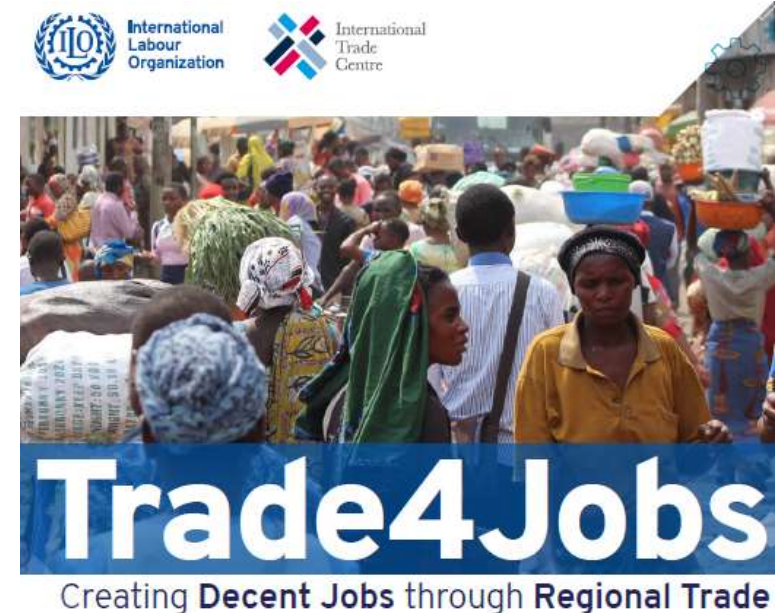
Mainstreaming	Trade & Environment	Alliances for Action	T4SD
<p>ITC's strategy on trade and environmental sustainability was adopted in late 2020. The strategy is implemented and mainstreamed across the organization.</p> <p>Approaches:</p> <ul style="list-style-type: none">• Build ITC internal capacity.• Embed sustainability in ITC project design process.• Mainstream sustainability across key core areas e.g., trade policy, sustainable packaging, textiles & clothing value chains.• Results-based management.	<p>Trade and Environment programme focuses on climate change as a core determinant of MSME competitiveness.</p> <p>Approaches:</p> <ul style="list-style-type: none">• Coordinating the environment and social aspects of the mainstreaming agenda.• Leveraging analysis of climate risks and opportunities to influence the global climate and trade agendas.• Tools and methodologies e.g., resource efficiency for MSMEs, value chain climate competitiveness, Climate resilience for MSMEs etc. <p>Partnering with local institutions to build their capacity and service offering on sustainability (seven Hubs in three continents).</p>	<p>Alliances for Action (A4A) is an ITC initiative to establish a network that transforms production systems and advances the SDGs through producer partnerships that cultivate ethical, climate-smart, sustainable value chains.</p> <p>A4A Approaches:</p> <ul style="list-style-type: none">• Understand market & value chains system• Convene public-private actors – from farm to fork• Transform MSMEs & TISIs capacities to compete• Invest – promote responsible investment, de-risk investment & finance• Impact - M&E for responsible production and trade; traceability of impact from farm to fork, promotion, and ethical business model	<p>T4SD is a strategic resource within ITC with specialized, technical expertise in aligning sustainability efforts in trade, specifically for the benefit of MSMEs.</p> <p>T4SD is the trustee of the most comprehensive, neutral and accurate dynamically evolving database on (voluntary) sustainability standards in trade in the world.</p> <ul style="list-style-type: none">• Value chain transparency and traceability solutions benefitting 60,000+ MSME suppliers through private-sector partnerships• Over 6,600 beneficiaries trained directly through workshops across 28 countries over the past 5 years under T4SD.

Our clients: MSMEs | Smallholder farmers | Ecopreneurs | BSOs | Policymakers

Trade4Jobs

Moving from Jobs to Decent Jobs

- Co-created with ILO
- Creates decent jobs by supporting MSMEs to become more competitive, better understand decent work, and participate more in regional trade.
- Integrates a decent work into regional trade promotion bringing together the strengths of ITC and ILO.
- Focuses on sectors with high potential for regional trade, job creation and value added, especially connected services sectors such as tech.
- Moving into initial pilot in one selected regional grouping in Africa in 2022-2023.



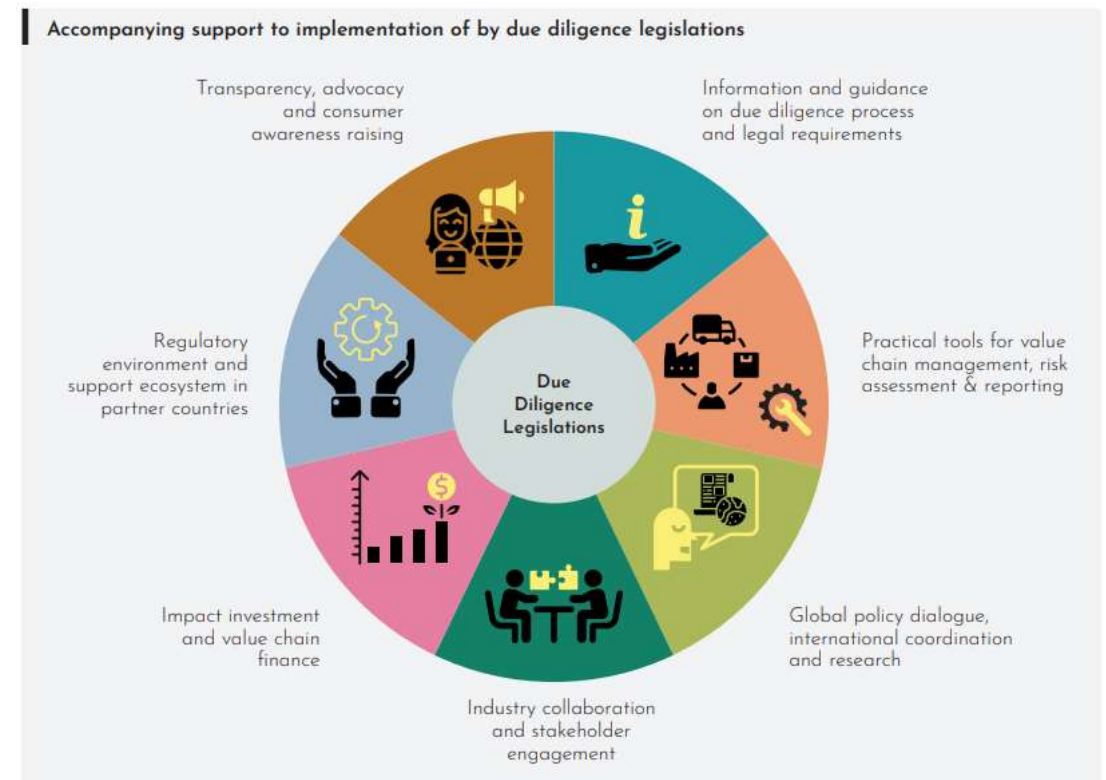
Rebalancing Risk in Value Chains

- The Pandemic reemphasized the imbalance in risk and reward in global value chains.
- As part of the new Strategy, ITC will focus on developing alliance networks, discussing risk distribution and identifying opportunities to create platforms for transformative value chain development.
- Examples:
 - Working with the International Apparel Federation and large buyers to reduce supply chain risks and reduce waste
 - Creating the Alliances for Action Coffee network to discuss to identify how to retain more value at origin
 - Analysis and consultations with the support of the EU to identify and support priorities in developing continental value chains under the AFCFTA

Corporate Sustainability Due Diligence

Working with the EU to design accompanying measures for MSMEs

- Co-created between ITC and EU INTPA.
- Describes 8 areas of accompanying measures EU Delegations and others can use to help MSMEs
- ITC will extend to measures from other markets such as US due diligence requirements on forced labor

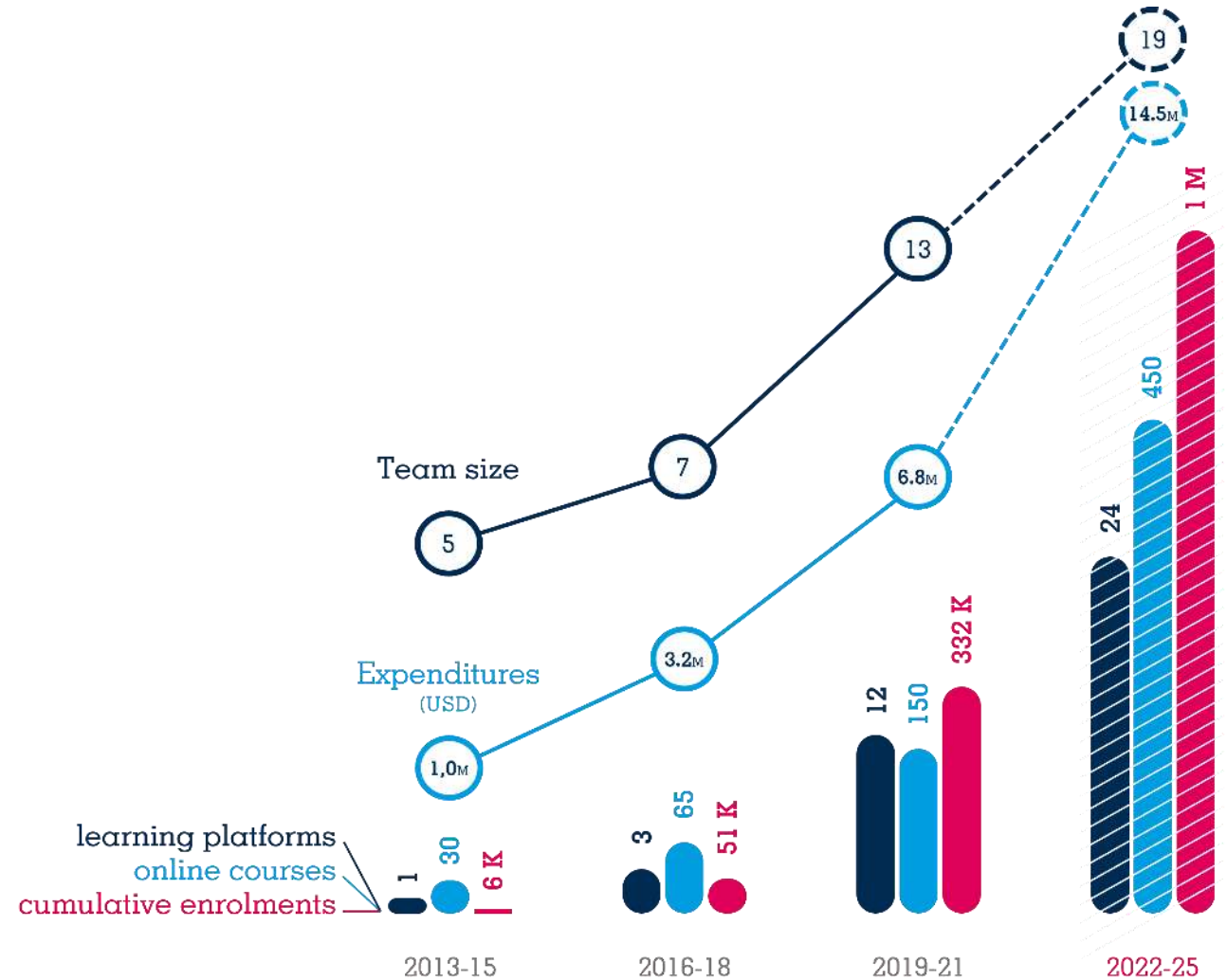
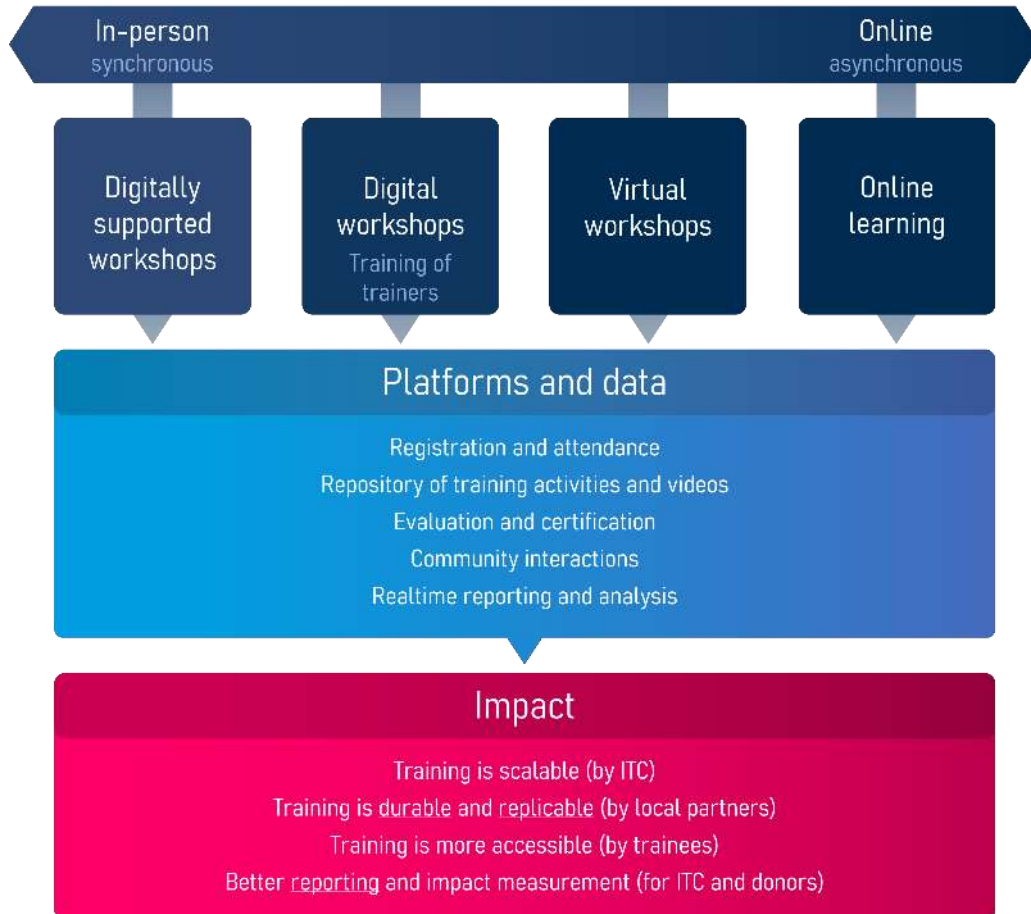


Delivering Remotely

Scaling remote learning through the ITC SME Trade Academy



Digitization of group trainings



Capturing Network Efforts

Adding to ITC corporate indicators on indirect support to MSMEs

- New indicators focus on how we achieve and measure results at MSMEs level through ecosystem improvements and initiatives co-created with partners
- Grew out of successful experience under Shetrades

A more supportive business ecosystem for MSMEs

B1	# of cases in which BSOs improved their performance and services for the benefit of their members/clients as a result of ITC support
B2	# of MSMEs served by BSOs that are directly supported by ITC new
B3	# of business support ecosystems created or improved as a result of ITC support new
B4	# of MSMEs benefiting from a service/product/initiative put in place by a market partner in the framework of a partnership with ITC new

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