

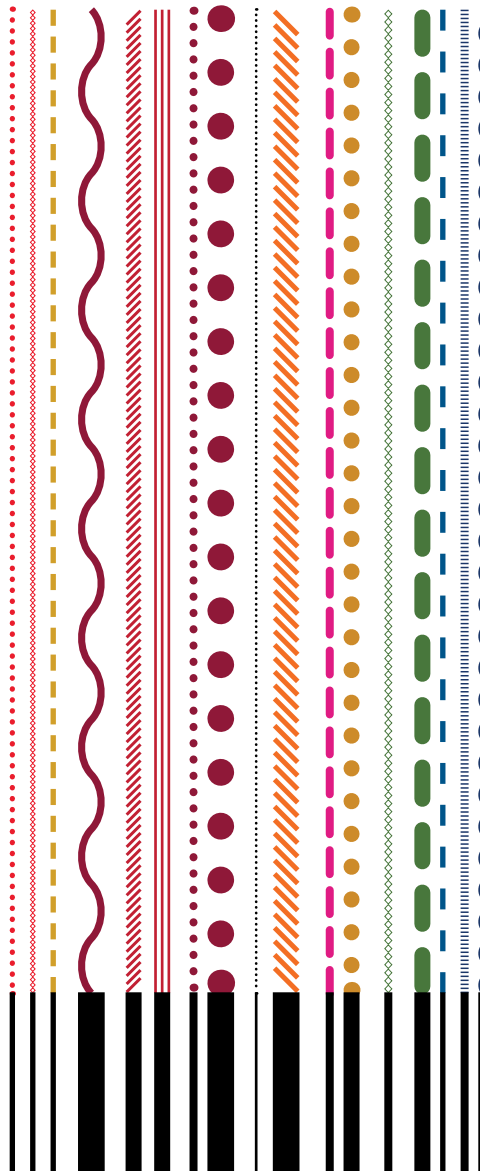



International
Trade
Centre

TRADE IMPACT FOR GOOD

Annual Report 2022

Diversifying trade in times of crisis

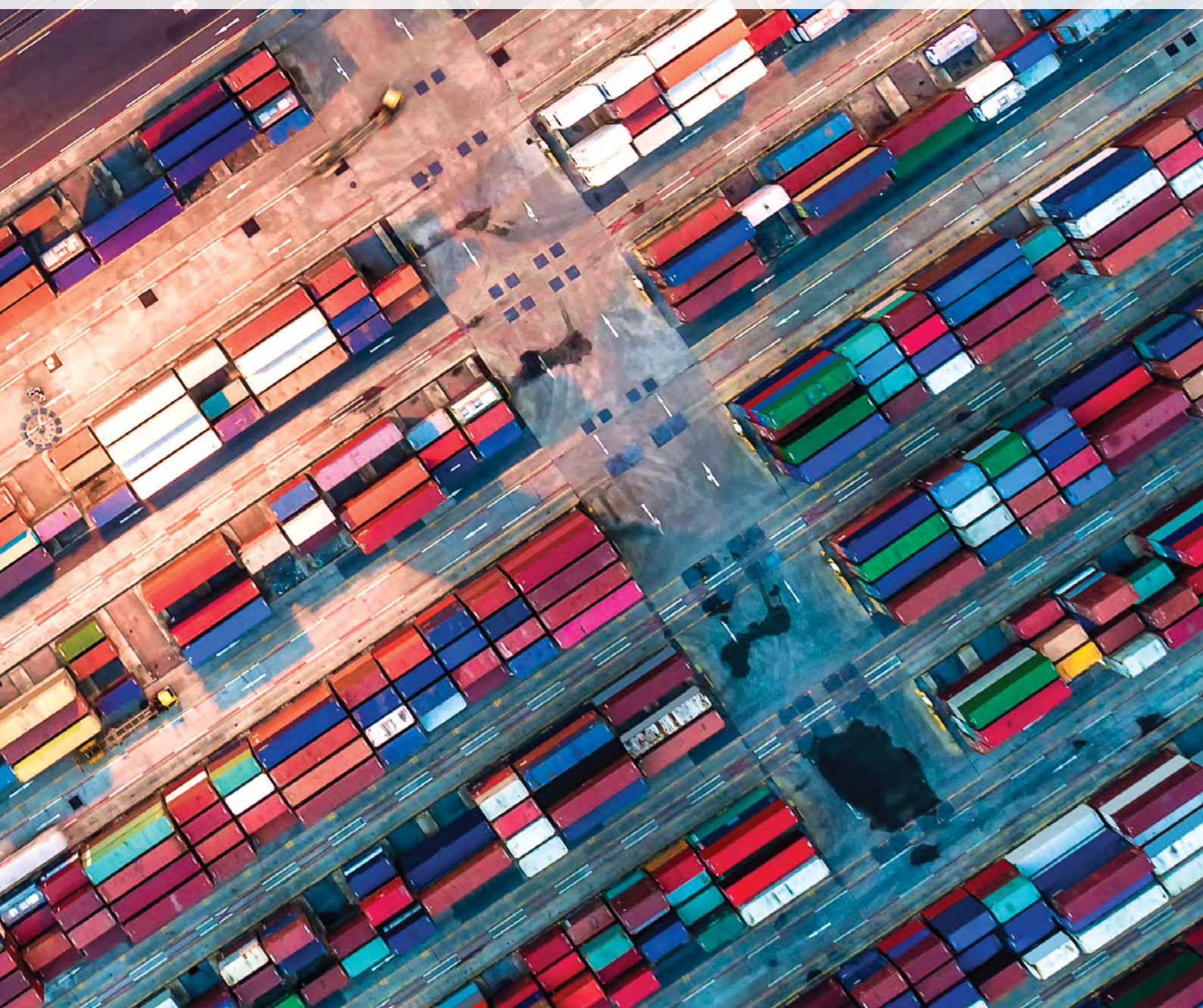


An aerial, high-angle photograph of a port at night. A large container ship is docked at a pier, its deck illuminated by bright lights. The ship's hull is dark, and its deck is covered with stacks of colorful shipping containers in shades of blue, red, yellow, and green. Several large gantry cranes are positioned along the pier, their long jibs extending over the ship. The ground in the foreground is a busy yard filled with more stacks of colorful containers, some of which are being moved by yellow forklifts. The overall scene is a vibrant display of industrial activity and global trade.

The International Trade Centre is the only international agency fully dedicated to the development of micro, small and medium-sized enterprises (MSMEs) through aid for trade. Working with partners to strengthen the trade competitiveness of MSMEs, we help to build vibrant, sustainable export sectors that provide entrepreneurial opportunities, particularly for women, youth and vulnerable communities.



Trade impact for good



Contents

Foreword.....	6
Our strategy at a glance	8
How we work.....	9
How our projects link to the Sustainable Development Goals	10
Our year in review	12

OUR INTERVENTIONS: DIVERSIFYING TRADE IN TIMES OF CRISIS..... 15

Our 2022 results	16
Our impact areas	17

Sustainable and resilient value chains..... 18

CASE STUDIES



20

Matching grants give poor farmers of Pakistan access to finance



22

Unique Caribbean sounds showcased at international music festival



24

Bright future for Chyangra farmers and pashmina in Nepal

Inclusive trade.....26

SPOTLIGHT – Leading on women’s economic empowerment.....28

CASE STUDIES



30

Football: Power for youth



32

The fruits of peace: From Colombia to the world



34

Making borders work for women traders in Central Asia

Green trade36

CASE STUDIES



38

From opium to organic coffee:
The new hope for
Houaphanh farmers



40

Linking buyers
with green suppliers
in a climate-smart network



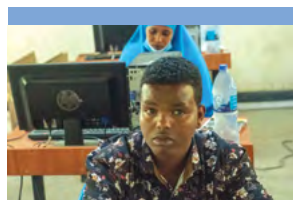
42

A rewarding journey
towards resource efficiency
in Egyptian textiles

Digital Trade44

SPOTLIGHT – Taking digital connectivity to the next level.....46

CASE STUDIES



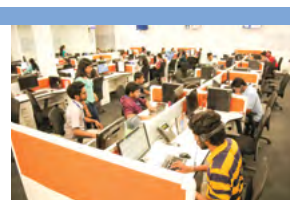
48

Refugees and youth join
the digital freelance economy



50

When tech goes to farm



52

Sri Lanka adopts comprehensive
data protection legislation

Regional integration and South-South trade and investment54

SPOTLIGHT – Putting the African Continental Free Trade Area into action.....56

CASE STUDIES



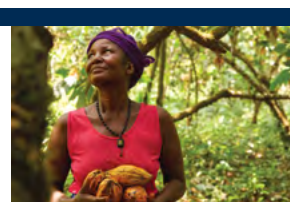
58

Made by Africa:
Value chains to boost
intra-African trade



60

Kenyan skincare brand
wins over Chinese market

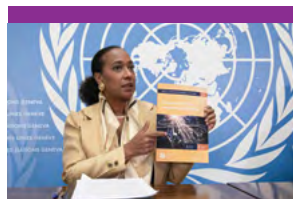


62

Business support
organizations underpin
integration in ECOWAS

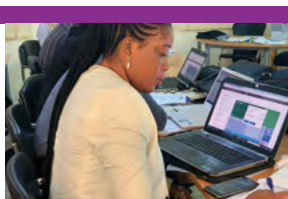
Non-impact area specific64

CASE STUDIES



66

SMECO 2022:
A pathway to growth
through connected services



68

All least developed countries
equipped to exploit free trade
intelligence tools



70

Opening new horizons for
small firms in Iraq

MANAGING FOR RESULTS	73
Our value proposition	74
Trust	75
Risk management	75
Internal controls.....	75
Results-based management.....	76
Independent evaluation	76
Mainstreaming.....	78
Expertise.....	79
Human resource management	79
Innovation	81
Data management.....	82
Connectedness	83
Partnerships	83
Communications and outreach	85
SPOTLIGHT – Empowering a community through partnerships	88
Agility	90
Resource mobilization.....	90
Financial overview	90

Appendices

- APPENDIX I: ITC technical cooperation by region and impact area
- APPENDIX II: Profile of ITC staff
- APPENDIX III: Distribution of assignments by nationality and gender of experts
- APPENDIX IV: Schedule of voluntary contributions to the ITC Trust Fund
- APPENDIX V: ITC 2022 publications and contributing organizations



To access the appendices, scan the QR code or visit: intracen.org/annual-report.

Abbreviations

ABLI-G	Area Based Livelihood Initiative–Garissa	ITC	International Trade Centre
AESR	Annual Evaluation Synthesis Report	JIU	Joint Inspection Unit
AfCFTA	African Continental Free Trade Area	LDC	least developed country
ASEAN	Association of Southeast Asian Nations	MPTF	Multi-Partner Trust Fund
ATO	African Trade Observatory	MSMEs	micro, small and medium-sized enterprises
B2B	business-to-business	NTF	Netherlands Trust Fund
BSO	business support organization	PSC	programme support cost
CIIE	China International Import Expo	RB	regular budget
CO2	carbon dioxide	RECP	Resource Efficiency and Circular Production
COMESA	Common Market for Eastern and Southern Africa	RESI	Refugee Employment and Skills Initiative
COP27	2022 United Nations Climate Change Conference	SAAVI	Strengthening the Agriculture and Agri-food Value Chain and Improving Trade Policy
D&I	Diversity and Inclusion	SDG	Sustainable Development Goal
ECOWAS	Economic Community of West African States	T4SD	Trade for Sustainable Development
EFI	Ethical Fashion Initiative	TPO	trade promotion organization
EU	European Union	UNCTAD	United Nations Conference on Trade and Development
FAO	Food and Agriculture Organization of the United Nations	UNDP	United Nations Development Programme
GRASP	Growth for Rural Advancement and Sustainable Progress	UNIDO	United Nations Industrial Development Organization
HR	human resources	UN-SWAP	United Nations system-wide Action Plan
IEU	Independent Evaluation Unit	WTO	World Trade Organization
ILO	International Labour Organization	XB	extrabudgetary

Foreword

For many societies, businesses and governments around the world, 2022 brought even more volatility, uncertainty and complexity than the previous year. For so many of ITC's clients, the “four Cs” of COVID, climate, conflict and cost-of-living tested their resilience like never before.

In a mid-year op-ed co-authored with the WTO Director-General and UNCTAD Secretary, we argued that these overlapping crises had undone years of hard-fought development gains. They had created the toughest economic conditions since the creation of the multilateral system. We said that ‘countries that had seemed on track to prosperity and stability now stare into the abyss of debt distress, fragility and uncertainty about the future.’

For the first time in three decades, the UNDP Human Development Index declined globally for two years in a row, reversing progress towards achievement of the Sustainable Development Goals (SDGs). In 2022, floods in Pakistan killed more than 1,700 people and displaced a further 7 million. A drought in East Africa affected more than 36 million people, pushing many to the brink of famine. A record-breaking heatwave in China threatened lives and food production. These and many other extreme weather events caused tens of billions worth in damages as well as severe human suffering, especially among the most vulnerable.

2022 was a wake-up call. A call to remember why multilateralism matters – but only if international organizations “walk the talk” and deliver for developing countries, particularly the least developed, small island states, land-locked and fragile states. A call for coordinated, impactful action on the ground to set the SDGs back on track. A reminder that aid, trade and private sector development are three essential pillars of any country's prosperity.

That's why, in 2022, the International Trade Centre (ITC) delivered above and beyond the call of duty to shore up the SDGs. In an unprecedented time of crisis, my staff and I supported our core constituency of micro, small and medium-sized enterprises (MSMEs) to continue finding new pathways to prosperity through trade.

This annual report presents results from the first year of implementation of ITC's Strategic Plan 2022–2025. The four-year plan – which pushes ITC's value proposition and business model even further than before – lays out a bold



roadmap for creating trade that is sustainable, inclusive and transformative. The new Strategic Plan sets out a framework of five impact areas for ITC's work, squarely focused on maximizing the competitiveness and resilience of MSMEs.

During 2022, we launched four “moonshots” to ensure that ITC continues to set a global agenda linking MSME trade to digital connectivity, gender, green and youth. During the year, the moonshots already yielded promising results: our digital connectivity moonshot, Switch ON, which aims to connect and support 20,000 MSMEs and 4,000 digital entrepreneurs to compete online, successfully implemented a pilot in Zambia where micro-entrepreneurs received investments topping \$572,000. Over the coming years, our moonshots will amplify our impact in revitalizing the SDGs.

In Ghana, our Sankofa Project empowered by Alliances for Action supported smallholder cocoa farmers to replant dynamic agroforestry plots and adopt climate-smart cropping systems, thereby connecting them to sustainable and resilient value chains. By training herders and enabling market linkages, we helped strengthen the value chain of Nepal's traditional Chyangra pashmina wool products.

In 2022, inclusion continued to be at the heart of everything we do. We launched SheTrades hubs across Africa, Asia, the Caribbean and Latin America. ITC Ye! Chapters were strengthened to deliver services for youth in Africa, Asia and the Middle East. Our Refugee Employment and Skills Initiative enabled Palestinian and Somali refugees to join the digital freelance economy. Through Colombia PUEDE, smallholders from regions previously ravaged by conflict were able to reap the benefits of peace.

At COP27, we brought the voice of trade and MSMEs into the climate debate. We also launched the Climate Smart Network which features close to 10,000 enterprises in developing countries committed to a low-carbon transition. More than 90,000 active users of Standards Map and Sustainability Map enhanced awareness on voluntary sustainability standards. In Egypt and Jordan, we provided the tools for clothing companies to transition to circular production models.



1. Pamela Coke-Hamilton speaks at the AfriCaribbean Trade and Investment Forum 2022, Barbados 2. Visiting ITC beneficiary companies in Viet Nam
3. Visiting Coco Hill Forest, a beneficiary company in Barbados 4. Group photo with young women and men at Africa Industrialization Week 2022, Niger

Through trainings, public-private dialogues and advisory services, we fostered a more conducive regulatory environment for MSMEs with respect to e-commerce and digital trade. We assisted Sri Lanka in formulating and adopting the most comprehensive data protection legislation in South Asia.

In 2022, ITC continued to play a pivotal role in the implementation of the African Continental Free Trade Area. Our One Trade Africa programme sensitized the private sector in more than 40 countries on the agreement. We helped establish the ECOWAS Trade Promotion Organization Network to create a strong regional alliance to deliver trade support services to small firms.

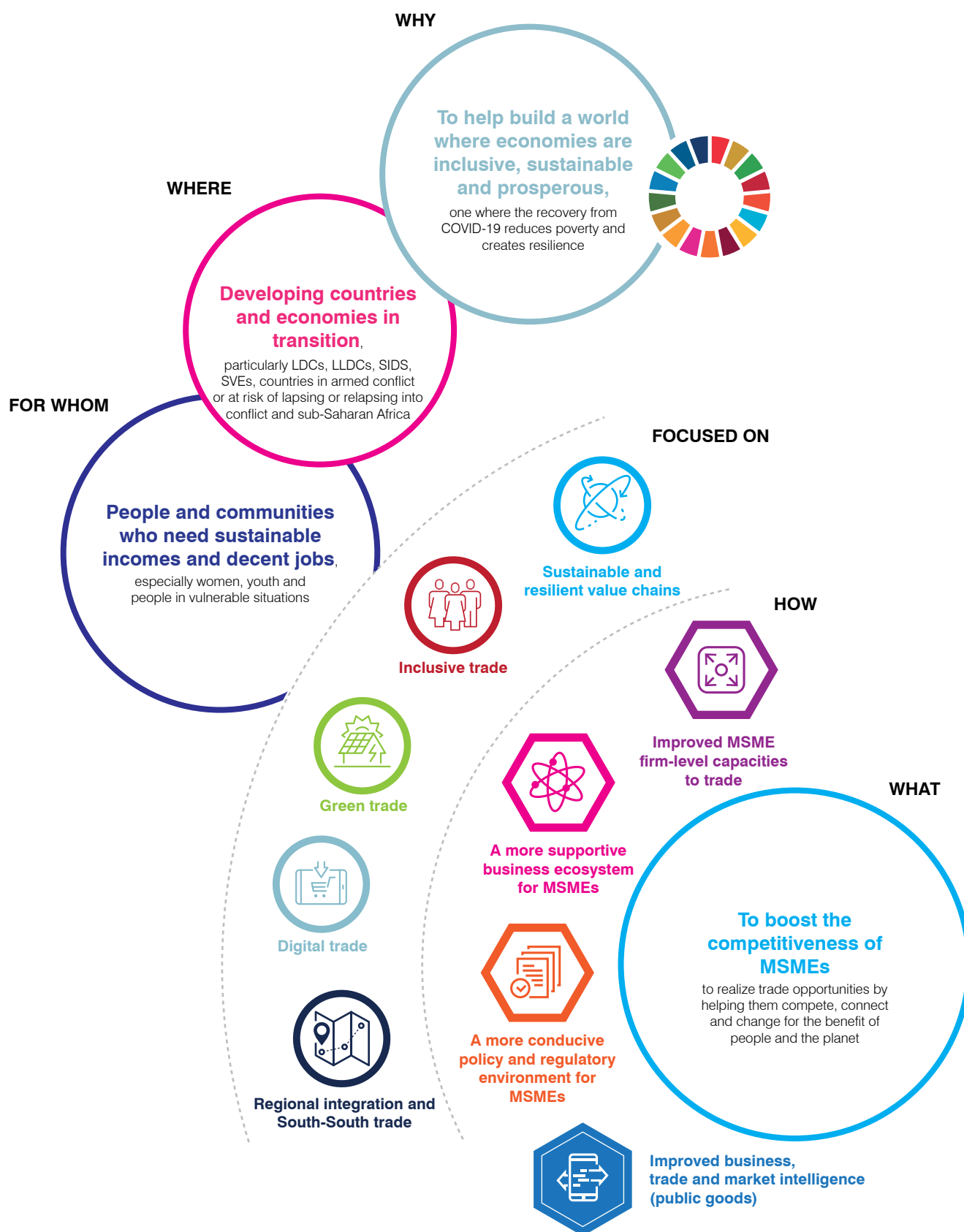
Over the past year, we continued to develop the Global Public Goods that have remained at the core of ITC's mandate for nearly 60 years. As of end-2022, our Global Public Goods – including the suite of Market Access Tools, Standards Map, Sustainability Map, Trade Strategy Map and e-Ping – had attracted 1.4 million regular users from 190 countries and territories, increasing their awareness on issues related to international trade. During the year, we reached a major milestone by achieving our goal of building the capacity of all 46 least developed countries to fully exploit our Market Analysis Tools.

Our flagship SME Competitiveness Outlook 2022 directly addressed the critical question of how to reignite growth in the era of the “four Cs” by showing that connected services are emerging as a powerful force for economic transformation. SMECO 2022 showed how policy choices could help small firms take part in this change.

I wish to thank ITC staff in Geneva and in our partner countries for their dedication and commitment during a year when our trade and development optimism was severely tested. The energy and resolve they brought to their work; their humbling dedication to their clients; their understanding of why and how to raise the bar day in and day out: all these helped ITC deliver exceptional results of which we can all be proud. ITC's work in 2022 has laid the foundations for the ambitious roadmap set out in our Strategic Plan and put the SDGs back on track.

Pamela Coke-Hamilton
ITC Executive Director

Our strategy at a glance



Note: LDCs = least developed countries; LLDCs = landlocked developing countries; SIDS = small island developing States; SVEs = small, vulnerable economies

How we work

MSME competitiveness for the Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs), adopted by all United Nations member states in 2015, are an urgent call for action. The International Trade Centre (ITC) directly supports the SDGs and implementation of the 2030 Agenda for Sustainable Development.

ITC contributes to the SDGs by working with policymakers, business support organizations (BSOs), enterprises and market partners to support the trade competitiveness of micro, small and medium-sized enterprises (MSMEs). We have systems in place to monitor results and track progress, supporting accelerated implementation of the SDGs in their final decade.

Our core services

MSME competitiveness is at the centre of ITC's work, generating change, improving livelihoods and contributing to the SDGs. This is achieved through the tailored solutions we offer via our **core services**.

We group our core services around the three intervention levels that influence MSME competitiveness: firm-level capacities, business ecosystem and policy environment. The fourth core service offers global public goods on business, trade and market intelligence. Together, these four areas of technical expertise make up the fundamental building blocks for supporting our clients.

ITC's simplified results framework

IMPACT



ITC's contribution to inclusion, sustainability and prosperity

People, planet and prosperity, supported by peace and partnerships

FOCUS ON



Sustainable and resilient value chains



Inclusive trade



Green trade



Digital trade



Regional integration and South-South trade

OUTCOME

MSME trade competitiveness

INTERMEDIATE OUTCOMES

ITC's core service areas



Improved MSME firm-level capacities to trade



A more supportive business ecosystem for MSMEs

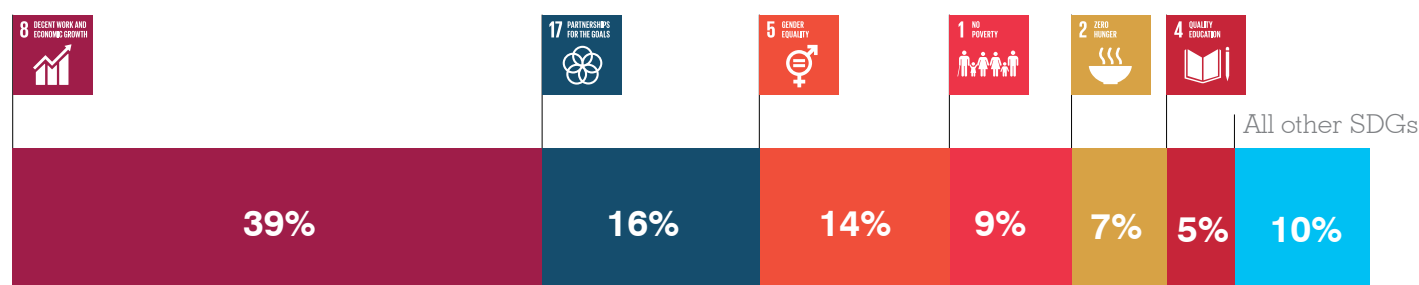


A more conducive policy and regulatory environment for MSMEs



Improved business, trade and market intelligence (public goods)

How our projects link to the Sustainable Development Goals



ITC financial delivery distribution by SDG in 2022 (%)

ITC's interventions contribute to multiple SDG targets simultaneously and illustrate how trade and MSME competitiveness support Agenda 2030. Our core work advances in particular SDGs 8, 17, 5, 1 and 2, which are present in most ITC projects. In addition, depending on their nature, ITC projects may also link to other SDG targets. Here we present a selection of project highlights for 2022.

People



- Over 3,000 women-led enterprises transacted international business with the support of ITC. (5.5)
- In Egypt, 10 women-owned businesses established digital stores on Amazon, in cooperation with the European Bank for Reconstruction and Development, benefitting from increased opportunities from e-commerce; and over 30 businesses developed skills on meeting buyer demands through better design, quality, packaging, marketing, access to finance and pricing, which will lead to increased sales and exports. (5.5)
- More than 60 Somali refugees increased their income through a Bootcamp, Amazon MTurk assignment and Study Tours. They earned around \$60,000 in 2022 through digital and artisanal value chains. (1.1) (4.4)
- 44 women entrepreneurs executed business deals valued at \$1.29 million on the SheTrades website and mobile app. (5.5)
- 350 Zambian farmers adopted techniques to double their cotton yields and boost earnings from sales of both cotton and seeds. (2.3)
- 342 farmers from Ghana adopted proper coffee harvesting and post-harvesting techniques, leading to better quality green beans, which sell at higher prices. (2.3)
- The East Africa network of artisans, which includes 67 communities and more than 1,200 artisans, harnessed new weaving skills. In Burkina Faso, 7 artisan community members of social enterprise CABES earned in excess of \$4,800, and 26 artisans from six communities earned upwards of \$5,000. (2.3)

Peace



- ITC provided production-related technical assistance, farming infrastructure and commercial advice to 12 signatories of the Colombian Peace Agreements (former members of the Revolutionary Armed Forces of Colombia who were reintegrating into civil society) who sold 26 tonnes of coconut for \$7,000 to national value chains in 2022. (16.4)
- ITC provided technical and advisory support to the Government of Iraq on WTO accession, leading to a revision of Iraq's tariff structure in collaboration with customs and the revision and submission of Iraq's services offer to the WTO by the Ministry of Trade. (16.7) (17.10)
- In South Sudan, 838 (392 female) cooperative members were sensitized on cooperative structures and group cohesion. (16.7)

Prosperity



- In the Gambia, at least 356 jobs for youths were created and a further 1,285 youths – including returning migrants – strengthened their job-relevant skills through enhanced technical and vocational training. (8.6)
- The first Trade Information and Border Assistance Office was established in Guéckédou, Guinea, at the border with Sierra Leone and Liberia, supporting small-scale traders, particularly women and youths, on border formalities. (8.2)
- A new version of the Marketplace Explorer tool was launched in Latin America and the Caribbean, benefiting MSMEs and policymakers by opening opportunities in digital markets and increasing understanding of e-commerce trends. (8.3)
- In Kyrgyzstan, an e-commerce strategy was launched to bolster digital entrepreneurship in the country. (9.b)
- In Ethiopia, tech companies supported 745 jobs in 2022, with annual sales valued at \$12.8 million, representing a 50% increase over the previous year. (9.c)
- In Iran, 100 companies (directly) and more than 400 fisheries cooperatives (indirectly) benefited from aquaculture tests conducted in a laboratory approved by the European Union (EU), enabling them to export to the EU and non-EU countries. (8.5)
- The Global Textiles and Clothing Programme (GTEx) and its related work in the Middle East and North Africa (MENATEX) worked with over 200 textiles and garment manufacturers that increased sales by \$75.5 million and created 3,897 jobs during 2018–2022. (8.2) (9.3) (10.1)
- The National Quality Policy was developed for Burundi and approved by the government. (8.2)
- Government and business endorsed and launched the Curaçao National Export Strategy. (8.2)

Planet



- In Ghana, 174 smallholder farmers (of whom 65 were women) adopted climate-smart cropping systems for increased incomes, food security and nutrition. Farmers in the Sankofa project harvested and sold more than \$25,000 worth of diversified crops including yam, maize, mucuna, canavalia and pigeon peas. In addition, 285 smallholder farmers replanted 556 plots representing 139 hectares of dynamic agroforestry with cocoa seedlings, timber trees and fruit trees. (12.6)
- The capacity of Malaysia's Department of Agriculture was strengthened to support agricultural MSMEs to implement sustainable production practices, through training on fertilizer standards and regulation, standards for supplements and plant biosecurity. (12.6) (15)
- The critical role of small businesses in curbing global temperature rises was highlighted at the 2022 United Nations Climate Change Conference, where ITC also signed a memorandum of understanding with the United States government to advance the Connecting Climate Entrepreneurs Initiative and launched the beta version of the Climate Smart Network tool, which links buyers to small businesses that mitigate or adapt to climate change. (13.3)
- In Jamaica, upwards of 40 farmers improved their capacities to conserve land and marine ecosystems (including blue economy) and adapt to climate risks, including rising sea levels, cyclones and unseasonal rains, due to expanded collaboration with the Alligator Head Foundation and the Coconut Industry Board to diversify farmer livelihoods, restore communities and increase food production through sustainable environmental management. (2.4) (12.2)

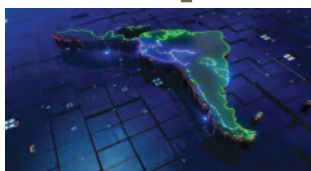
Partnership



- Uzbekistan progressed towards accession to the World Trade Organization (WTO) with ITC support. (16.8) (17.10) (17.13)
- Through its suite of free online market analysis tools, ITC contributed to a significant increase in exports of developing countries. A user survey indicates the tools facilitated \$194 million in trade transactions in 2022. (8.2) (17.11)
- Kazakhstan, Nigeria and Uzbekistan launched trade information portals, bringing the total number of such systems to 26. The portals contribute to greater transparency in trade. The three new portals received upwards of 500,000 visits in 2022. (17.10) (17.11)

Our year in review

January



- ITC and Mercado Libre partner for digital literacy of women-led businesses in South America
- Pan-African Payment and Settlement System launched with ITC support

March



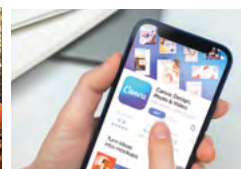
- SheTrades Rwanda wraps with impressive results for women entrepreneurs and farmers
- Data protection legislation enacted in Sri Lanka with ITC support
- International Telecom Union and ITC award SheTrades Hackathon winner from Nigeria

May



- 13th World Trade Promotion Organization Conference and Awards held in Ghana
- Launch of NTF V Ghana project to boost tech and agribusiness sectors
- At Davos, ITC Executive Director speaks on forging multistakeholder partnerships for radical climate action
- African Continental Free Trade Area Secretariat and ITC sign agreement to ensure roll out of free trade area works for small firms

February



- ITC and the Commonwealth Secretariat sign memorandum of understanding to promote private-sector development
- Pilot of new partnership with design platform Canva to upskill entrepreneurs
- ITC's One Trade Africa programme to support Africa Business Council after partnership signed

April



- ITC and DHL partner to drive e-commerce sales in Central Asia
- ITC Executive Director at launch of Georgetown University Center on Inclusive Trade and Development

June



- ITC leads global celebration of MSME Day
- At 12th World Trade Organization (WTO) Ministerial Conference, ITC Executive Director and WTO Director-General spotlight the work of women entrepreneurs

July

- ITC contributes to Aid for Trade Global Review publication with Going GreenToCompete

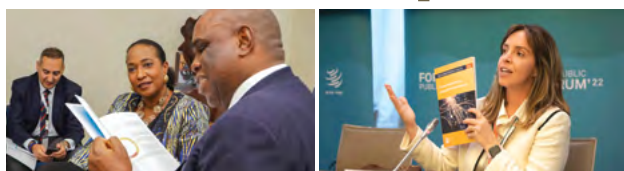


August



- Pakistan launches National Priority Sectors Export Strategy with ITC support
- Sixth edition of *The State of Sustainable Markets* released
- ITC partners with World Intellectual Property Organization to organize an International Youth Day webinar on intergenerational solidarity

September



- Trade for Sustainable Development Forum delves into sustainability governance and regulatory landscape
- SME Competitiveness Outlook* on connected services released
- Expanding African-Caribbean Trade* report identifies \$1 billion export potential over five years
- First graduates earn ITC trade diploma in Ghana
- Launch of new e-commerce project in South America to empower women entrepreneurs



- At G20 Indonesia, ITC Executive Director speaks on digital trade and sustainable global value chains
- ITC and the International Committee of the Red Cross sign a letter of intent to expand collaboration at humanitarian and development nexus
- Small Business Champions Initiative award winners announced



October



- ITC and United Nations Capital Development Fund partner to unlock financing for small businesses

November



- At the 2022 United Nations Climate Change Conference, ITC spotlights the role of trade and small businesses to achieve the Paris Agreement
- Launch of Climate Smart Network platform linking buyers with green suppliers
- Gambian youth entrepreneurship project Tekki Fii wraps up after creating thousands of jobs
- Launch of *Made by Africa* report at the African Union Summit in Niger
- ITC co-organizes first-ever Iraq National Trade Forum
- ITC and Unilever partner to increase gender-responsive procurement in Indonesia

ITC was active in 134
countries in 2022





Our interventions

Diversifying trade in times of crisis

Our 2022 results



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



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

Source: Report to the Consultative Committee of the ITC Trust Fund for 2022.










Our impact areas

To maximize the contribution of MSME competitiveness to the SDGs, the ITC Strategic Plan 2022–2025 focuses on five **impact areas** as well as a body of work that is non-impact area specific. To deliver sustainable results in these areas, we combine our technical expertise in our four core services with specific tools, methodologies and approaches.

The combination of impact areas and core services is illustrated in the figure below – with examples from the green trade impact area and the public goods core service. The figure depicts ITC's new matrix approach to service delivery.

In this section of the *ITC Annual Report 2022*, we show how our core services delivered results in each of our impact areas in 2022.

ITC's matrix approach across impact areas and core services: Selected examples

IMPACT AREAS	CORE SERVICES			
	 Improved MSME firm-level capacities to trade	 A more supportive business ecosystem for MSMEs	 A more conducive policy and regulatory environment for MSMEs	 Improved business, trade and market intelligence (public goods)
Sustainable and resilient value chains 	Standards Map ...
Inclusive trade 	SheTrades Outlook ...
Green trade 	Sustainable Finance for SMEs ...	Green Trade Strategy ...	GreenToCompete Hubs ...	Sustainability Gateway ...
Digital trade 	ecomConnect ...
Regional integration and South-South trade 	Africa Trade Observatory ...
Non-impact area specific	SME Trade Academy ...

Note: This figure provides a very narrow illustrative sample of ITC tools and methodologies for the 'Green trade' impact area and 'Public goods' core service. The core service and impact area intersect in the matrix field 'public goods on green trade'. The tools and services developed for a particular impact area can be mainstreamed into other impact areas. The ellipses in each box stand for the tools, methodologies and services that ITC offers for that particular matrix field.



Sustainable and resilient value chains

Connecting MSMEs to value chains and helping them succeed in global trade is central to ITC's mission. Our methodologies are designed around sustainability and resilience. ITC targets sectors with the greatest potential to achieve developmental change, especially for women, youth and people in vulnerable situations.

We work with stakeholders to improve income, increase employment and stimulate positive spillovers to other sectors of the economy. We jointly formulate the appropriate response for sector and enterprise development, aligning client aspirations, capabilities and market dynamics. In light of recent supply chain disruptions, we have sharpened our tools to improve the resilience of enterprises.

Key results

- In Ghana, 285 smallholder farmers replanted 556 dynamic agroforestry plots and 174 smallholder farmers (56 women) adopted climate-smart cropping systems and diversification.
- 6,859 enterprises (944 women-owned and/or managed) in the textiles and garment sectors in Asia, including South Asia, adopted a new social and labour auditing system.
- In the Ethiopian coffee sector, a deal worth \$1.3 million was concluded for 3,000 farmers, followed by an additional sale of \$914,291. A total of 2,723 Ethiopian coffee farmers improved their practices through training and diversification.
- 350 Zambian cotton farmers adopted a technique to double their cotton yield, increasing their earning potential.
- Pakistan adopted a roadmap to improve compliance with the WTO Trade Facilitation Agreement. Curaçao and Micronesia endorsed national and sector export strategies.

2022 highlights

To achieve the objectives of the sustainable and resilient value chain impact area, ITC mobilizes policymakers, BSOs and the private sector to develop strategies and build alliances. At the enterprise level, we reinforce supply and production in view of market opportunities, strengthen managerial practices and drive innovation. We support MSMEs in their sourcing, marketing and market linkage activities.

In response to rising demand for sustainable production and trade, we help MSMEs understand and adhere to social and environmental sustainability standards along value chains and in benefit from related market opportunities, production upgrades and efficiencies. We also seek to influence how value is created and distributed, helping MSMEs in developing countries capture higher value goods and services.

The **Sankofa Project** in Ghana, empowered by **Alliances for Action**, works along the cocoa value chain and associated crops to promote value addition and value chain integration for smallholder farmers. In 2022, the project continued to strengthen partnerships with local processors Niche Cocoa, Premium Foods, Sankofa Snack Foods and Musa Yams, among others, and worked with exporting and buying companies KKFU and Chocolats Halba to support the integration of sustainability information into their reporting cycles.

Eleven public-private partnerships were strengthened through the Alliances for Action approach for the purchase of associated crops.

In terms of beneficiary results, 285 smallholder farmers replanted 556 plots representing 139 hectares of dynamic agroforestry systems with cocoa seedlings and timber and fruit trees. In addition, 174 smallholders adopted

climate-smart cropping systems and diversification in the production of cocoa and associated crops for improved income, food security and nutrition. More than 1,100 farmers (404 women) sold \$97,863 worth of yams and 270 farmers (129 women) sold associated crops for a value of \$6,844. Smallholder farmers further harvested and sold \$25,569 worth of diversified crops.

Building on its successful collaboration with the Social & Labour Convergence Program, **Trade for Sustainable Development** (T4SD) increased the number of profiles hosted on the SLCP Gateway by a third to reach nearly 10,000 facilities. Now available in 59 countries, the gateway is an online tool developed with ITC that facilitates transparency and traceability in textile and garment value chains by enabling factories to securely store and share their verified social and labour assessment data with brand partners.

In 2022, 6,859 MSMEs adopted the auditing system, thereby increasing their international competitiveness, with the number of facilities reporting the most changes located in China, Türkiye, India, Viet Nam, Bangladesh, Indonesia, Pakistan and Sri Lanka.

In Ethiopia, the **Netherlands Trust Fund V** (NTF V) value chain development project aims to improve the livelihoods and competitiveness of smallholder farmers and agribusiness MSMEs in the coffee sector, with a focus on digitalization. A deal for 15 containers of Djimmah coffee – equivalent to about \$1.3 million paid at origin – was concluded in 2022 through Alliances for Action with List + Beisler coffee merchants. The price was almost 4% above comparable commercial quality coffee, with 3,000 farmers benefiting.

Another transaction with the Oromia Coffee Farmers Cooperative Union amounted to nearly \$1 million. At the 2022 World of Coffee event in Milan, Oromia, supported by ITC, closed a deal worth more than \$900,000 with Swiss Cafema International.

Since 2018, ITC has implemented a five-year **ACP Business-Friendly** project in partnership with the African, Caribbean and Pacific Group of States Secretariat and the European Commission, supporting value chains through inclusive policies, investment promotion and alliances. In 2022, 350 Zambian cotton farmers adopted a technique to enhance yields after receiving training and observing the results from demonstration plots set up by ITC in 2021, where yields more than doubled. The technique adoption will increase potential earnings from sales of cotton and seeds.

In 2022, ITC co-created with the European Commission Directorate-General for International Partnerships the publication *Making mandatory human rights and environmental due diligence work for all – Guidance on designing effective and inclusive accompanying support to due diligence legislation*. The publication highlights the importance of shared responsibility in this era of mandatory human rights and environmental due diligence, and integrates the perspectives of consumer-facing companies in Europe and those of MSMEs, farmer cooperatives and business organizations from developing countries.



Cotton farmer at Zambia Agricultural Show

In relation to strategies and policies, the Government of Pakistan developed and endorsed – with ITC support – a detailed roadmap to improve compliance with the World Trade Organization (WTO) Trade Facilitation Agreement and technical support to strengthen the National Trade Facilitation Council continued. The Curaçao National Export Strategy was endorsed in 2022. The Government of Micronesia formalized and activated an institutional framework for the design of its Coconut National Export Strategy, a milestone for national sector development.

2022 funders for impact area: Sustainable and resilient value chains

ITC Trust Fund Window 1 funders

Canada, Finland, Germany, Iceland, Ireland, Norway, Sweden, Switzerland

Project-specific funders

European Union, Switzerland, United Kingdom of Great Britain and Northern Ireland (the), Netherlands (the), Republic of Korea, Germany, Sweden, Belgium, Qatar Development Bank, United Nations Industrial Development Organization (UNIDO), China, Enhanced Integrated Framework, African Export-Import Bank, Japan, United States of America (the), Chocolats Halba/Coop Genossenschaft, Italy, Curaçao, UNESCO, Federated States of Micronesia Petroleum Corporation, United Nations Development Programme (UNDP), Standards and Trade Development Facility, Multi-Partner Trust Fund (MPTF), International Textile Manufacturers Federation, Sustainable Agriculture Initiative, Fédération Européenne des Fabricants d'Aliments Composés (FEFAC), Swisscontact, Bhutan, Saint Lucia Trade Export Promotion Agency, Finland, International Labour Organization (ILO), Global Coffee Platform, Flanders Investment & Trade

CASE STUDY

Matching grants give poor farmers of Pakistan access to finance



The challenge

Small firms and farmers in the agricultural sector in Pakistan are often unregistered. Misconceptions and lack of awareness of sources of finance prevent such MSMEs from getting the resources they need to expand their business. This is especially true in underserved, remote regions of the country where agri-based MSMEs can remain excluded as untapped potential for inclusion and growth.

The solution

To finance the development needs of farmers and MSMEs, ITC's Growth for Rural Advancement and Sustainable Progress (GRASP) project has earmarked \$5 million for matching grants, through a competitive process. The grants are designed to provide growth capital to MSMEs in the horticulture and livestock sectors, including for the

installation of facilities, purchase of equipment and adoption of green technologies.

A matching grant is a transfer of funds to small farmers, producers and MSMEs – that they do not have to repay – that matches their own contribution and is used to boost productivity, integrate into value chains and unlock growth opportunities. The grants, disbursed in partnership with the Pakistan Poverty Alleviation Fund, are distributed in selected districts in Sindh and Balochistan provinces in the south-eastern and south-western regions of Pakistan.

To ensure that rural farmers and MSMEs derive the greatest benefits and impact from these grants, GRASP provides mentoring on developing business plans and improving financial literacy. It also shares best practices on engaging with financial institutions.



Matching grant distribution ceremony in Karachi



1. Farmer in rural Pakistan 2. Bula Khan, matching grant recipient from Sindh province in Pakistan 3. The Pakistan Poverty Alleviation Fund and ITC offer financing solutions for remote farmers in rural Pakistan

The results

So far, 55 matching grants worth \$645,455 have been disbursed to MSMEs in Sindh and Baluchistan, including 16 women for female-owned firms.

Through these grants, GRASP enables market growth in economically vulnerable areas and creates job opportunities. Beneficiaries have also reported greater sales and adoption of green technologies. For example, the introduction of trickle irrigation as an alternative to traditional methods for grape farmers in Balochistan has enabled savings of up to 80% in water use.

Bahauddin Agha, a farmer from Pishin, used a matching grant of 7 million Pakistani rupees (\$25,000) to install a drip irrigation system powered by solar panels for his grape nursery:

‘I am now getting maximum yields with the least amount of water used; this was unheard of. Neighbouring farms often visit to study the system and are inspired to make the investment. I started off by hiring one person to help exploit my farm, now I am proud to say that six people work with me, and they have bought shares in the farm.’

Bahauddin Agha – farmer from Pishin

His goal is to expand his nursery and encourage the farming community in Pishin to adopt more sustainable farming practices. With the lack of water in the province, he hopes to raise awareness around the issue of water conservation by developing a model farm.

The future

As GRASP beneficiaries continue to receive matching grants to meet their specific business development needs, more farmers and small firms in the horticulture and livestock sectors will be able to improve their livelihoods – in a sustainable way.

‘I am grateful to the European Union and ITC for investing in the region to improve the business environment and strengthen agricultural value chains in the target districts.’

Nadir Gul Barech –
Chief Operating Officer, Pakistan Poverty Alleviation Fund, Pakistan

LINK

- <https://intracen.org/our-work/projects/pakistan-growth-for-rural-advancement-and-sustainable-progress-grasp>



Funder

European Union

CASE STUDY

Unique Caribbean sounds showcased at international music festival



The challenge

Artists and producers from the Caribbean often struggle to access music markets in the United Kingdom and the European Union (EU). Creative industries in the Caribbean have much to offer and can often benefit greatly from a stepping stone to reach new audiences around the world. Global engagement at international events to build networks and harness inspiration and ideas can be valuable to enhance their visibility and help them secure deals and develop their artistic ventures.

The solution

Sherwin 'Dupes' Brice from Saint Lucia blends pop, reggae and R&B to produce unique sounds of the modern Caribbean. His company, Dupes Did It Music, was one of six Caribbean companies to perform at the WOMEX international music festival in Lisbon in October 2022 as part of ITC's United Kingdom Trade Partnerships Programme.

The annual WOMEX festival brings together emerging artists and veterans of the music industry to maximize the benefits of networking, knowledge sharing and skills development opportunities. The festival – one of the most culturally diverse music meetings in the world, with more than 2,000 artists, recording studios and musicians from upwards of 90 countries – provided a unique platform for these Caribbean companies to showcase their music and their businesses.

'We are very excited to participate in this great event and to be a part of such an important platform, which for us, as independent Saint Lucian artists, represents a transformative experience.'

Sherwin 'Dupes' Brice – Singer, songwriter and producer, Saint Lucia

Music producers, artists and label managers from across the Caribbean joined Dupes Did It Music in Lisbon. Companies including Caribbeanmecca, Wai'tu Media, Masterroom Media and Mediumship Music shared their experiences with like-minded artists working to build the creative industries in the region.

As artistic leaders, many of these Caribbean companies wanted to ensure that their experiences at the festival would translate into greater business and employment opportunities at home.

The results

Marlene Mercedes and Carlos Monción Alfonso of Dominican Republic-based Mediumship Music said they aim to encourage other independent artists working on Afro-Dominican fusion music and to grow the industry for emerging artists.





1-3. Music companies from the Caribbean participate in the WOMEX international music festival

‘This event gave us the opportunity to show more widely the services of our Caribbean indie music production company and our catalogue of artists and, at the same time, thanks to their masterful conferences, we were able to expand our knowledge and obtain new work tools, which are vital for the growth and development of our company in today’s global music market,’ Mercedes said.

Thanks to ITC support in marketing and the acquisition of new industry knowledge, Mediumship Music was able to expand its service offer and enter new areas of music production such as soundtracks for the Film Industry.

‘Attending WOMEX 2022 was a very enriching and transformative experience, since it allowed us to demonstrate and enjoy the extensive cultural and musical diversity that this important platform offers.’

Marlene Mercedes – Co-Founder, Mediumship Music, Dominican Republic

The future

Masterroom Media has secured sales in the United Kingdom for the first time. The company was set to host a songwriting workshop in Saint Vincent and the Grenadines in April 2023. The workshop was designed to give local Caribbean artists the opportunity to collaborate with publishers and agents in the United States and the United Kingdom.

Among the lasting results of the project are the various partnerships and the creation of a network of music industry professionals who can share opportunities, information and inspiration.

Wai’tu Media has developed its own music sales platform and added a feature to fund musicians. As a result of brainstorming on how to generate revenues for artists following the WOMEX experience, the company created an artist-centred promoter programme on ComeSeeTv, a Caribbean video content delivery platform. Wai’tu Media hopes to strengthen the programme and expand it to the indigenous musicians it encountered at WOMEX.

LINK

- <https://intracen.org/our-work/projects/united-kingdom-trade-partnerships-programme-uktp>

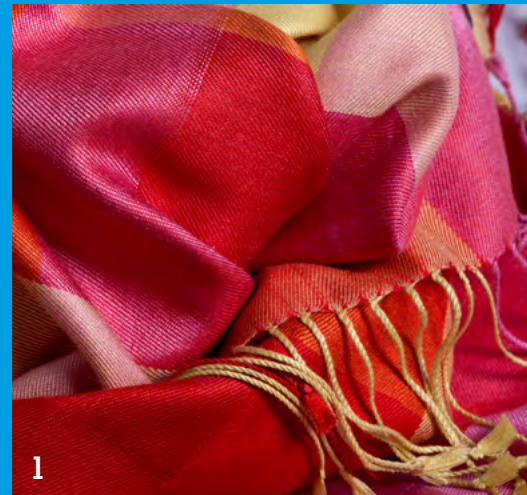


Funder

United Kingdom of Great Britain and Northern Ireland

CASE STUDY

Bright future for Chyangra farmers and pashmina in Nepal



The challenge

Nepal exports about \$27 million of pashmina products annually using imported cashmere yarns from neighbouring countries. At the same time, Nepal has an estimated 140,000 Chyangra goats whose fibres are not used.

To address the challenge of the country's broken supply chain for pashmina, ITC is working with various partners, bringing together farmers, manufacturers, traders and exporters of pashmina products. Together with the Nepal Pashmina Industry Association, the Nepal Pashmina Fibre Processing Company and the Mustang Chyangra Farmers' Association, ITC's EU-Nepal Trade and Investment Programme provides the know-how, tools and market linkages for farmers to harvest the fibre for profit.

The solution

Most farmers did not recognize the value of their goats' fibre as there was no ready market for the product. There was also limited information on the benefits to the animals of actions such as combing, which helps remove the cashmere while leaving coarse overcoat hairs intact. ITC therefore organized a series of trainings to raise awareness of the fibre's value and its income potential, including teaching the farmers how to comb and even produce their own combing tools.

As part of the training, an international expert from Kyrgyzstan taught farmers harvesting, grading and storage techniques. Trainees included 150 farmers from the Mustang district, one of the remotest areas of Nepal. The farmers also connected with pashmina manufacturers and members of the Nepal Pashmina Industry Association and the Nepal Pashmina Fibre Processing Company.

The results

Thanks to the long-term partnership with ITC, the Nepal Pashmina Industry Association and the Nepal Pashmina Fibre Processing Company now buy all the pashmina fibre that farmers harvest. This harvest amounted to 3.5 tons of fibre in 2021 and was expected to double in 2022.

Harvesting high-quality cashmere fibre was not the only challenge, however. Nepal had no processing plant that could wash, dehair and card the fibre for yarn to be spun. To establish a local value chain for the pashmina sector, the country needed to invest in technology and equipment for cashmere processing facilities. This upgrading could help transform Nepal's pashmina value chain, enabling the establishment of backward linkages, retention of value, creation of quality jobs and development of skills through the promotion of pashmina wool exports.

After conducting a feasibility study, ITC approached the Government of Nepal and the World Bank to secure financing for the processing machines. Nepal is providing around 9.5 million Nepalese rupees (\$76,650) to finance technology and equipment. The World Bank is matching the



Goat farming in Mustang district, Nepal



1. Chyangra pashmina scarf 2. Chyangra goat in Mustang district 3. Pashmina fibres 4. ITC has trained Nepalese farmers from the remote Mustang district to harvest quality pashmina fibre and connect to markets

grant with 10 million Nepalese rupees (\$80,685) to co-finance the processing equipment and for the Nepal Pashmina Fibre Processing Company to establish collection centres in Mustang.

The future

The Government of Nepal, with ITC support, is implementing a five-year strategy to boost exports of the country's traditional Himalayan Chyangra pashmina wool products into regional and global luxury markets. Nepal exported Pashmina shawls worth \$19.31 million in 2021. The goal is to reach \$75 million worth of sustainable pashmina exports by end-2026.

There are challenges to expanding the market for Nepali pashmina and strengthening its reputation for excellence. The value chain must be reorganized and the capacity of small businesses and farmers to improve productivity and quality needs to be built up.

The National Pashmina Sector Export Strategy 2022–2026 envisages increasing the supply capacities of entrepreneurs, integrating them into relevant markets and creating greater economic and business opportunities for small businesses working throughout the pashmina value chain.

‘Before the training, farmers did not know the importance of combing their goats’ fibres and were also used to selling their fibres to Tibet. Now, they are aware of the national market interest and the benefits for the animal and final product of fibre combing.’

Karan Tangbe – President, Mustang Chyangra Farmers’ Association, Nepal

‘Every farmer is welcome to come to our collection centre and sell their fibre to the Nepal Pashmina Industry Association. Regardless of the amount, we will pay a competitive price. The better the quality, the higher the price will be. Together, we can boost the Nepali pashmina sector.’

Vijoy Dugar – President, Nepal Pashmina Industry Association, Nepal

LINK

- <https://intracen.org/our-work/projects/nepal-trade-related-assistance>



Funder

European Union



Inclusive trade

A commitment to inclusion is essential to bridge economic, social and environmental gaps. The rise in inequalities in recent years has added urgency to this commitment.

Our work on inclusive trade focuses on economic empowerment and creation of entrepreneurial opportunities for women, youth and people in vulnerable situations, such as the poor, refugees, internally displaced persons, people with disabilities and other marginalized groups.

Key results

- 5,823 women producers and entrepreneurs in 28 countries were empowered through in-country projects and hubs.
- 11 SheTrades Hubs across Africa, Asia, the Caribbean and Latin America were revamped; four hub representatives, representing 39 women entrepreneurs in the horticulture sector, generated some \$1.6 million in trade leads.
- 44 women entrepreneurs reported transacting business worth \$1.3 million owing to the SheTrades website and mobile app. More than 100 BSOs onboarded SheTrades.com, which has 100,000 active users and 42,000 profiles, gaining access to knowledge and e-learning courses.
- Members of the Ye! Community, which counts over 42,000 young entrepreneurs, increased awareness on trade-related topics, including through training and capacity building. Additionally, 17 Ye! chapters were strengthened to deliver services for youth and young entrepreneurs in Africa, Latin America, South Asia and Southeast Asia.

- In Kenya, more than 60 Somali refugees, internally displaced persons and host community members of the Dadaab Collective earned about \$60,000, and 120 youth from the displaced population were supported to join the digital freelance economy.
- The East Africa network of artisans, which includes 67 communities and more than 1,200 artisans, harnessed new weaving skills. In Burkina Faso, seven artisan communities members of women-owned CABES earned in excess of \$4,800, and 26 artisans from six communities earned upwards of \$5,000.

2022 highlights

SheTrades works to connect millions of women entrepreneurs to markets while promoting their full participation in international trade. In 2022, SheTrades continued to position ITC as a market leader on harnessing opportunities for women to engage in trade. ITC launched a **gender moonshot** that maps our vision for women and trade support in 2022–2025 (for an introduction to ITC's 'moonshots', see the spotlight on digital connectivity, page 46; for more information on the gender moonshot, see the spotlight on women's economic empowerment, page 28).

The initiative relaunched 11 **SheTrades Hubs** with which ITC co-delivers activities. The hubs, which promote women's trading interests and improve their export readiness, benefited from institutional strengthening services, a new governance structure and improved coordination with host institutions. During the year, four hub representatives helped 39 women entrepreneurs in the horticulture sector advance deals totalling \$1.6 million.

The hubs also used new tools to build capacity in areas such as crisis management and risk assessment, export readiness and digital marketing.

With the entry into force of the African Continental Free Trade Area (AfCFTA), women must be well positioned to seize opportunities in regional trade. The SheTrades project **Empowering Women in the African Continental Free Trade Area** contributes to ITC's One Trade Africa strategy. In 2022, the Commission of the Economic Community of West African States (ECOWAS) and the Federation of Business Women Entrepreneurs, with ITC support, identified priority areas to build the capacity of women traders and entrepreneurs from Benin, Liberia, Niger, Nigeria and Togo.

In partnership with SheTrades, women's business associations including the Private Sector Federation Specialized Cluster in Rwanda and the Malawi chapter of the Common Market for Eastern and Southern Africa (COMESA) Federation of Women in Business addressed gaps in market access information on regional markets, market requirements and standards, and regional supply chains.

SheTrades Invest launched an innovative matchmaking functionality that uses digital tools to automate previously manual processes. Through the platform, women can learn about available financing opportunities in their countries and be matched with capital providers based on selected criteria. SheTrades Invest unlocks an average of \$4 million a year for women.

Youth and Trade positions young people in developing countries as a competitive force for the future. The initiative supports youth to benefit from opportunities and acquire the necessary skills needed to reach their potential. ITC initiated a **youth moonshot** in 2022 to ensure that our interventions add maximum value in helping young people shape an inclusive and sustainable future.

The **Ye! Community**, powered by ITC, is a global community of young entrepreneurs with more than 42,000 members – through the online platform, social media groups and in-person local communities. Seventeen Ye! Chapters – localized networks of young entrepreneurs and partners – were strengthened to deliver services for youth in Botswana, Burundi, Cameroon, Colombia, Gaza, the Gambia, Ghana, Guinea, Kenya, Malawi, Nigeria, Pakistan, the Philippines, Rwanda, Sierra Leone, Uganda and Zambia. In addition, the Ye! Chapters Leadership Programme was launched in partnership with the Centre for Creative Leadership.

In collaboration with Hive Collab, a local incubation hub in Kampala, ITC launched the **Youth Startup Academy** Uganda, which aims to incubate 1,000 young entrepreneurs by 2024. Implemented in partnerships with the governments of Uganda and Republic of Korea, the project will adapt the Korean Youth Startup Academy programme, a highly successful incubation and acceleration programme.

The **Refugee Employment and Skills Initiative** deploys innovative ways to address self-reliance and economic resilience in protracted humanitarian situations.

The **RESI Dadaab** project provides support to entrepreneurship and business development to address the phasing out of humanitarian assistance in the Dadaab refugee camp in Garissa by the Somali border in Kenya.

The project supports Somali refugees to earn income, including as members of the Dadaab Collective, an online freelancing agency formed with previous RESI graduates. In 2022, more than 60 members of Dadaab Collective earned about \$60,000 in digital and artisanal value chains.

The **Ethical Fashion Initiative** acts as a bridge, connecting marginalized artisan communities in emerging economies with discerning global lifestyle brands, creating meaningful work and fair, decent working conditions. EFI's Charter of Ethical Business and Code of Conduct, which draws together key elements of internationally recognized human rights conventions and labour law, has underpinned the initiative's interventions in the last decade.

The East Africa network of 1,200 artisans in Kenya, Uganda and United Republic of Tanzania harnessed new skills in hand-weaving cotton to custom designs and weaving natural and upcycled fibres. In Burkina Faso, the brand Studio 189 engaged with seven artisan communities, members of the women-owned CABES social enterprise, ordering more than 550 metres of Faso Danfani – the national fabric of Burkina Faso – for its 2022 collection, earning the artisans more than \$4,800.

In addition, 26 Burkinabe artisans from six communities produced more than 650 metres of woven cotton for the 2022 collection of fashion designer Laurence Airline, earning upwards of \$5,000.

During the year, EFI presented its Accelerator Designers at Paris Fashion Week for the first time. Bravo, Burkina!, a film produced by EFI and with the involvement of EFI social enterprise partners CABES and Lai Momo, was officially selected for the Sundance Film Festival.

2022 funders for impact area: Inclusive trade

ITC Trust Fund Window 1 funders

Canada, Finland, Germany, Iceland, Ireland, Norway, Sweden, Switzerland

Project-specific funders

European Union, United Kingdom of Great Britain and Northern Ireland (the), Germany, Republic of Korea (the), MPTF, Danish Refugee Council, Belgium, Netherlands (the), Japan, United States of America (the), Switzerland, International Islamic Trade Finance Corporation, Enhanced Integrated Framework, UPS Foundation, UNDP, COMESA, Norwegian Refugee Council, Food and Agriculture Organization of the United Nations (FAO), UNIDO, World Bank, Sweden, Finland, UNESCO, United Nations Conference on Trade and Development (UNCTAD), China, Chocolats Halba/Coop Genossenschaft, Federated States of Micronesia Petroleum Corporation, Saint Lucia Trade Export Promotion Agency, Curaçao, ILO, Flanders Investment & Trade

Leading on women's economic empowerment

Bringing trade and gender together

Gender equality is a right in and of itself and a requisite for sustainable development. All women everywhere have the right to a decent income, employment, working conditions and voice in shaping their economic context.

In 2022, ITC adopted a gender moonshot – a four-year plan to support women across the world by leveraging trade and public procurement, mobilizing SheTrades Hubs and high-level champions, and tapping into partnerships.

The ITC vision by 2025 is as follows:

- Through the SheTrades Initiative, ITC is recognized as an agenda-setter on empowering women to trade.
- With ITC support, BSOs, market partners and financial institutions develop world-class women in trade programmes.
- Women trade more and on better terms, hold more decent jobs and have a stronger voice in trade.
- ITC is a trusted and effective partner delivering on the aid for trade and gender agenda.
- ITC has an effective, coordinated response to addressing the trade and gender challenge

Empowering women on the ground

ITC directly empowered 5,823 women producers and entrepreneurs in 28 countries in 2022 through in-country projects and hubs. ITC also strengthened online offerings to support a global community of women producers and entrepreneurs, and worked with BSOs to ensure they are better able to service women entrepreneurs.

‘Thank you for believing in us, reminding us to believe in ourselves, reminding us of the value of what we have at our fingertips and teaching us to brave the odds to achieve our goals. I wish you all the best for all the good that you bring to women entrepreneurs like me, especially in the textile field where we do not easily find support programmes for our activities.’

Welcome Guie – Founder, Rene Namado, Senegal

‘The guidance and skills learned through the SheTrades Accelerator Programme has been highly beneficial – no other programme tells you that you can do it yourself. I now understand how retailers think and how to structure my business strategy to target them successfully.’

Nisrine Mourad – Founder, Alanina Fine Jewellery, Lebanon

SheTrades Hubs are decentralized platforms of the SheTrades Initiative that are hosted, funded and driven by local institutions and aimed at creating country-level impact. There are 11 SheTrades Hubs across Africa, Asia, the Caribbean and Latin America with which ITC co-delivers activities.

ITC implemented a new governance structure for the hubs in 2022, with a restructured Geneva-based team and improved coordination with host institutions. SheTrades Hubs received institutional strengthening services on cross-cutting issues (e.g. digitalization) and gender-specific topics (e.g. tailoring services, gender-inclusive export competitiveness).

SheTrades has a network of 200 partner organizations that help extend the initiative's reach, impact and sustainability. In 2022, through partnerships with markets partners such as UPS, Maersk, Visa and Bamboo Capital, ITC reached even more women around the world. ITC launched a new partnership with Unilever to increase sourcing from women-led businesses in Indonesia. Under **SheTrades Invest**, regulators, financial institutions and women associations were sensitized on gender-lens investing to narrow the gender financing gap.

SheTrades Outlook, ITC's flagship policy tool on trade and gender, reached 52 developing and developed countries across all continents. ITC has collected more than 100 good practices and is creating a network of trade and gender focal points across countries to share experiences.

Public procurement is estimated to be 10%–15% of gross domestic product in developed countries and up to 40% in developing countries. Yet women account for just 1% of public procurement opportunities worldwide due to multiple barriers. In 2022, ITC provided technical advisory services to countries in Africa to reform policies and regulations.

For example, ITC trained policymakers in Côte d'Ivoire to identify ways to improve the gender-responsiveness of current procurement processes and worked with public and



1. Woman farmer from Mel-O Africa company harvesting cashew nuts, Sierra Leone Africa

2. Digital marketing training for business owners, SheTrades West Africa

private stakeholders in Liberia to develop recommendations to revise the Public Procurement Act of Liberia. In 2022, ITC co-hosted with Women20 the first Global Summit on Gender-Responsive Public Procurement, where countries shared experiences in establishing and scaling up inclusive public procurement programmes.

‘I am committed to ensuring that equality and inclusion is a lived reality for all who work at ITC. We can achieve this together by building a culture of empathy and care, one that promotes equal participation, authentic dialogue and connections at every level of the organization.’

Pamela Coke-Hamilton – ITC Executive Director

ITC interventions strengthen the voice of women in the negotiation and implementation of the AfCFTA. This includes securing commitments by policymakers for this agenda, forming a continental network of women’s business associations, supporting gender mainstreaming across all AfCFTA protocols and enabling the export readiness of women-led businesses to take advantage of the AfCFTA.

SheTrades.com is the go-to place for women entrepreneurs looking to expand their networks, strengthen their knowledge and export skills, and connect to markets. SheTrades.com has 100,000 active users and 42,000 profiles. Through the SheTrades Virtual Learning Space, which counts more than 100 free online courses, ITC has provided training to women in 134 countries in English, French and Spanish.

Pursuing gender equality in all areas of work

At the corporate level, ITC is committed to pursuing gender equality and women’s empowerment across all organizational functions. The United Nations system-wide Action Plan on Gender Equality and the Empowerment

of Women (UN-SWAP 2.0) serves as an accountability framework for the United Nations and is a means by which ITC tracks and monitors its gender-related efforts. The 17 performance indicators capture gender mainstreaming over six functional areas.

In its 2022 publication on good practices, UN Women showcased ITC as an exemplar in several UN-SWAP performance indicators:

- Leadership (PI 7), highlighting ITC’s leadership in championing gender equality within and outside the organization.
- Financial resource allocation (PI 10), setting an official benchmark for gender-related expenditure across all budgets to equal at least 20%.
- Gender architecture (PI 11), forming a functional gender unit in support of UN-SWAP 2.0 activities and formalizing guidance to activities in support of SDG 5 (gender equality).
- Organizational culture (PI 13), naming its facilitative family-friendly policy related to breast and bottle feeding and to its work–life balance arrangements.
- Capacity assessment (PI 14), recognizing the development process, which included generating insights through ITC’s 100 Coffees for Inclusion initiative.
- Capacity Development (PI 15), highlighting ITC’s enabling workspace-related training, such as through ITC’s Male Engage programme, which is a component of ITC’s Mentoring Programme for Women that has also received recognition.
- Coherences (PI 17), acknowledging ITC’s peer review process with the World Health Organization and ITC’s overall support of sister agencies.

CASE STUDY

Football: Power for youth



The challenge

When ITC's Youth and Trade programme sought to tackle irregular migration in Guinea and the Gambia back in 2018 through a project funded by the EU Emergency Trust Fund for Africa, the team faced a fundamental challenge: although there were job opportunities in the local mining and fishing industries, concepts such as entrepreneurship, business plans and access to finance were not part of the young entrepreneurs' language. Internet access was spotty and there was a need to deliver on skills such as communication, teamwork, presentation or writing a resume while connecting better with beneficiaries.

When connecting with employers, local authorities or financial service providers, the Youth and Trade team heard that youth needed employable life skills as well as core knowledge to kick-start their businesses. This is when the UEFA Foundation stepped in.



Youth in the Gambia participate in Kick for Trade

The solution

After signing a memorandum of understanding in 2019, ITC and the UEFA Foundation were ready to create the Kick for Trade curriculum, which uses sport as a tool for development. Kick for Trade trains coaches in the methodology of life skills for employability and entrepreneurship. The curriculum includes topics such as resilience, self-confidence, communication, adaptability or teamwork.

Each life skill module has 11 sessions, focusing on skills that will help young people develop attributes to gain and remain in employment and/or to pursue their personal ventures. The partnership benefited from UEFA gear, a network of experts and the involvement of local authorities.

The results

Five hundred youths in Guinea and the Gambia received valuable life skills for the labour market. Building on this success, the UEFA Foundation and ITC decided to scale their partnership through an ITC project in Iraq called Strengthening the Agriculture and Agri-food Value Chain



Youth in Basra, Iraq, are equipped with life skills



1. Playing football at the Basra International Stadium, Iraq 2-3. New Kick for Trade curriculum launched to use football to teach life skills, the Gambia

and Improving Trade Policy (SAAVI). This new collaboration has improved the life skills of 637 young entrepreneurs from a gender-balanced group working in agriculture in Baghdad and Basra governorates.

By training 10 coaches through Kick for Trade to mentor 200 youth in Baghdad and 20 coaches for 400 youths in Basra, the young participants have developed invaluable skills for their professional development, learning innovative ways to overcome challenges and adapt as entrepreneurs. With the support of Iraq's Ministry of Youth and Sports, the project demonstrates how youth can develop personal and business skills through sports. ITC has since built the capacity of 15 local institutions to implement the Kick for Trade curriculum for youth agripreneurs in Iraq.

The future

Just like in football, this collaboration has shown the importance of working as a team. Through the partnership with the UEFA Foundation, sports has shown itself to be a powerful force for youth empowerment in Africa and the Middle East. The project's overall goal is to scale the support to other young entrepreneurs worldwide along with also considering sport as an economic sector. This will be further enabled through complementary activities such as job fairs to facilitate the matching of employers/investors with young employees/entrepreneurs invigorated by their newly acquired skills.

'It was great to play a football game with rules changing every five minutes. With the team, we had to adapt to the change and find ways of succeeding in the new circumstances. Like in work or business, the world is always changing, and as entrepreneurs, we are able to adapt to survive and thrive as things change.'

Maha al Tamini – Participant, Iraq

LINK

- <https://intracen.org/our-work/projects/inclusive-trade-youth-and-trade-initiative>



Funders

Canada, Finland, Germany, Ireland, Norway, Sweden, Switzerland

CASE STUDY

The Fruits of peace: From Colombia to the world



The challenge

Luz Denis Gómez is a 34-year-old rural dweller who owns a small plot of land in the community of Limonar, Leiva, Department of Nariño in southwestern Colombia. This is a region where the effects of the armed conflict are still felt, and poverty and disenfranchisement remain high.

Gómez used to dedicate her time to housework and to basic agricultural activities caring for the Tahiti lime trees she had planted years before on her land. But she had limited knowledge and technical capacities for production, marketing or collective organization, so she would simply collect the fruit and sell it to local, informal intermediaries who occasionally passed by her village.

Much like Gómez, other smallholders in the area had very low productivity, lacked environmental awareness and did not understand market requirements. The situation for most of these smallholders was similar: the price paid for their produce was very low, but these sales generated a small income they could not afford to miss, even if the conditions were disadvantageous.

Despite having created farmer associations such as Gómez's own Asoprocal, farmers in the area remained subject to the market power of intermediaries. Not only was their produce inferior in quality, consistency and volume, due to years of conflict and violence they lacked trust in each other and could not agree how to work together.

The solution

In early 2019, ITC invited Gómez and her association to participate in Colombia PUEDE, a project financed by the European Trust Fund for Peace in Colombia. This project aimed to improve the livelihoods of more than 2,000 smallholders in Nariño by enhancing their competitiveness and increasing their sales in national and international markets. Asoprocal was one of 20 farmer associations in the Department of Nariño benefiting from the project.

With the support of Colombia PUEDE, between 2019–2022, Gómez and the other smallholders enhanced their knowledge and technical capacities for production and post-harvest handling, including pest management, food safety and quality control, packaging and processing. To complement these capacities, the project invested in the infrastructure, equipment and tools necessary to increase productivity and facilitate quality certification.

Gómez and her peers improved their collective organization, business management and negotiation capacities. Groups of committed farmers were trained as managers, and the associations established agribusiness and financial management committees. Farmer-led technical sustainability units were created to provide technical services to farmers within and outside their own organizations.

To facilitate commercialization and provide much-needed cash flow to farmers, the project established a revolving seed capital programme managed by each association. In parallel to this work, farmer organizations met and developed commercial relationships with large national buyers and exporters.



Evangelina Quiñonez, Cocoa producer, Colombia



1-4. The livelihoods of smallholder farmers and farmer associations in Colombia are improved by enhancing their competitiveness and the quality of their produce

The results

Due to their hard work and commitment, Gómez and 349 other producers – including 144 women – from 11 associations exported their products for the first time, reaching a total volume of nearly 3,200 tons. An additional 1,789 farmers (496 women) secured business transactions within national value chains under much more favourable conditions thanks to 16 strategic commercial alliances established through the project.

These results were made possible because the project dedicated important resources to enhance the agricultural practices of farmers, which led to a 200% increase in productivity and rejection rates as low as 10% for export-quality produce. Likewise, Colombia PUEDE facilitated the issuance of 332 certifications for export, including national and international quality and sustainability standards such as GLOBALG.A.P., Organic Certificate and Fairtrade.

Farmers are now working more closely and creating alliances with other associations in a bid to consolidate larger volumes and gain market power. The professionalization of managers and leaders such as Gómez means the associations are stronger and have won the trust of their members. Like her, farmers in the area no longer sell poor quality limes to local intermediaries. They are now exporting certified organic limes at prices four times higher than before. This means that the average income of project beneficiaries increased by 247% in 2019–2022.

‘The Colombia PUEDE project changed the quality of life of many people. It was a very nice experience, full of challenges, fears and joys. We shared many beautiful things with the whole team. I was a person who did not have much knowledge about exports or how to have clients. The only thing I expected was that the intermediary would come and pick up the limes at the farm and that was it. But thanks to the project, we were able to learn how to sell our fruit more directly. I can’t thank the project enough.’

Luz Denis Gómez –
Smallholder lime producer, Limonar, Department of Nariño, Colombia

The future

The capacities developed and infrastructure received by Gómez and other beneficiaries will serve to achieve more certifications, obtain new and better commercial alliances, and, above all, motivate other producers to continue betting on the productive development of Colombian rural areas.

LINK

- <https://open.intracen.org/projects/XM-DAC-45001-B599>



Funder

European Union

CASE STUDY

Making borders work for women traders in Central Asia



The challenge

More than half of women traders in Central Asia struggle to understand or even access information on official border regulations. About 35% of these women say training government officials on procedures and communication with traders could improve their cross-border experience. These are some of the findings from the survey of more than 1,500 women in Central Asia conducted by the EU-funded Ready4Trade Central Asia project.

‘Entrepreneurs, especially businesswomen, usually face challenges when crossing borders. We are happy that our border officials have this great opportunity to study gender-responsive trade facilitation.’

Elnura Mambetjunusheva –
Deputy Head, State Customs Service, Kyrgyz Republic

One of the root causes of these challenges is that trade facilitation is traditionally considered gender neutral, and customs is often a male-dominated environment that does not properly account for gender-based constraints. In fact, 75% of surveyed trade-related agencies in Central Asia do not integrate gender analysis and/or indicators in their work. To break this gender-neutral mentality, trade policymakers, border regulatory agencies and the business community must work together to create a women-inclusive border environment.

The solution

ITC initiated work with customs administrations and women business associations in Central Asia to introduce gender-responsive trade facilitation and make a difference on the ground. The project developed the training programme Gender-Responsive Trade Facilitation for Border Officials that was fully adapted to regional needs.



Officials of the State Customs Committee of the Republic of Uzbekistan attending a workshop on gender-responsive trade facilitation in Tashkent



1-3. Border officials in Central Asia participate in technical workshops on gender-responsive trade facilitation

It then conducted a training of trainers for experts from each customs administration to equip them with appropriate technical and pedagogical tools to facilitate discussions with their colleagues across their respective countries. This was crucial to ensure the sustainability and reach of the intervention.

The results

The master trainers successfully delivered capacity-building sessions under ITC supervision to more than 600 border officials across five Central Asian countries. They learned how to analyse constraints that women face in cross-border trade and develop fair and ethical trade facilitation practices for creating a gender-responsive border environment. In the spirit of inclusive public-private dialogue, women entrepreneurs also took part in the workshops and had the opportunity to share their experiences and the challenges they face directly with border officials.

Many stakeholders noted that the sessions brought a new perspective to their daily work and expressed interest in incorporating this gender-responsive approach in future activities.

One year after the training, 60% of beneficiaries reported gender-responsive changes in border operations. For example, among many other actions, additional consultations for women traders are provided, more women officials conduct inspections and gender-sensitive behavioural practices at the border are being applied. Some participants went so far as to admit better understanding their wives and providing more support to their daily activities.

‘Understanding the gender dimension of cross-border trade and defining the roles that civil servants can play in creating more sustainable trade environments is extremely important. It will greatly help to increase the competitiveness of our women entrepreneurs.’

Chemen Bayramova –
Representative, State Customs Service, Turkmenistan

The future

Customs administrations, initially sceptical, are satisfied with the results and will incorporate the programme as part of their curriculum for sustainability. They have also established stronger partnerships and continuous dialogue with women business associations. Beneficiaries are requesting more training of this type, including for women leaders to emerge and to attract young talent in customs administration. ITC will provide more support to women traders to help build their understanding of customs procedures and their rights at the border, thereby driving a gender-responsive trade facilitation agenda in Central Asia.

LINK

- <https://open.intracen.org/projects/XM-DAC-45001-B723>



Funder

European Union



Green trade

Environmental sustainability and climate resilience are increasingly becoming key determinants of firm competitiveness, making a green shift of MSMEs a 'must' rather than an option. While balancing environmental and developmental goals, ITC helps MSMEs gain a competitive advantage by promoting sustainability and strengthening their ability to adapt, build resilience and manage risks.

MSMEs must be incorporated in the just and inclusive transition both to support environmental efforts and to ensure that greening the economy is achieved in a manner that creates decent work and leaves no one behind. ITC has a unique role to play in this transition through its knowledge of the work needed to help MSMEs in developing countries find viable strategies to maintain and develop their trade competitiveness, the support governments need to integrate sustainability into their trade and investment policy formulation and implementation, and the analytical and research capabilities required to improve understanding of the relationship between trade and environment. For a truly just and inclusive transition, the voice of small businesses has to be an integral part of the dialogue.

Key results

- In Viet Nam, MSMEs supported by a GreenToCompete hub reported cumulated international business transactions of \$1.3 million. An organic spice firm realized \$6 million in sales of ginger thanks to ITC support. In Peru, MSMEs supported by a GreenToCompete hub reported business transactions, with one generating \$300,000 in environmentally sustainable product sales.
- In Nepal, GreenToCompete Hub facilitated access to finance for 3,000 MSMEs affiliated with the

Agro Enterprise Center; the first time in Nepal's banking history that a national commercial bank specifically agreed to design and offer a green loan product for agro-entrepreneurs.

- 334 cocoa smallholders in Peru adopted more sustainable production practices and 181 transacted new business thanks to improved technical support provided by nine cooperatives.
- More than 90,000 active users of Standards Map and Sustainability Map enhanced awareness on voluntary sustainability standards.
- 200 Gambian women and youth seeking employment gained new knowledge and skills on environmentally sustainable production and practices.

2022 highlights

ITC launched a **green moonshot** with the vision of catalysing within four years 100,000 climate actions by MSMEs. ITC's unique value in committing to this vision stems from a long history of cumulated technical expertise and tangible assistance on the ground to boost the capacity of MSMEs to build climate competitiveness and resilience. A Green Working Group was established at ITC to steer implementation of the green moonshot in the coming years.

Among its achievements during the first year of moonshot implementation, ITC built the capacity and knowledge of small firms operating in sectors ranging from tourism and agribusiness to textiles and crafts to implement green business practices. Their actions included installing solar panels, recycling water in production processes, adopting climate-smart agricultural practices and using firewood shade to improve fuel efficiency.

The MSMEs were supported by ITC's decentralized network of **GreenToCompete Hubs** – active in the Caribbean, Ghana, Kenya, Lao People's Democratic Republic, Nepal, Peru and Viet Nam – which are operated by local BSOs and aim to create impact at the country level. ITC collaborated with eight BSOs to help them integrate green services in their portfolio of offerings for MSMEs.

In addition, in response to stakeholder demand regarding emerging regulations on 'deforestation-free' products, ITC convened four rounds of private–public consultations as part of a series of roundtables focused on determining the state of play in key sectors, unpacking methodologies and approaches and discussing regulatory priorities. Overall, the events brought together 500 representatives from more than 70 countries.

Understanding and adhering to social and environmental sustainability standards is ever more critical for MSMEs to compete, participate in value chains and benefit from market opportunities. Our assistance in this critical area for MSME competitiveness includes work by the **Trade for Sustainable Development** initiative, widely recognized as the go-to source of information on voluntary sustainability standards.

T4SD continued to support implementation of the **Basic Guidelines for Sustainable Cocoa** platform in Peru. The tool, which is integrated in ITC's Sustainability Map, helped cooperatives of smallholders from Peru improve their service portfolio of technical support to their members on sustainable production of cocoa and chocolate for export. As a result, cooperative members adopted more sustainable practices in the use of chemicals and seed varieties, for example. Smallholders can boost their incomes through these services by engaging in higher-value trade.

During the year, **Sustainability Map** also unrolled a valuable new feature. A virtual network designed to link communities committed to sustainable production and trade was developed to allow users to share their general business and sustainability profiles with buyers, traders, standards organizations, certification bodies, financiers and others. The network includes 50,000 profiles.

Ten years after its initial launch, ITC released in 2022 the upgraded **Benchmarking Platform**, a digital tool created to measure and improve the performance of BSOs. The expanded platform, which offers a set of diagnostic tools to assess and improve performance on trade development, includes new social and environmental sustainability parameters.

Beyond the assessment methodology, one of the key upgrades is the inclusion of a sustainability 'deep dive' providing information on organizations' practices on gender equality, green growth and the SDGs. Any organization can now assess its performance and understand how to improve against global standards.

The principal focus of the project **The Gambia: Jobs, Skills and Finance for Women and Youth** is to promote a green economy and green growth by supporting Gambian youth and women in rural areas. Interventions include working with a range of technical and vocational education



Coffee producers, Makisapa company, Peru

and training institutions to upskill women and youth on environment-friendly production and business practices, thereby improving their employment prospects and opportunities. Beneficiaries gained new skills and knowledge in sectors including agribusiness, animal husbandry, arts and crafts, and gardening.

At the 2022 United Nations Climate Change Conference (COP27), ITC launched a new report that outlines a 10-step plan to build small business climate resilience. *Small Business in Value Chains: From Climate Risk to Resilience* underscores the importance of collaboration between small firms and a broad range of public and private actors to manage risk and boost climate resilience. The report was released as a practical follow-up to ITC's flagship research on small firms in SMECO 2021 on empowering the green economy. More broadly, ITC's engagement at COP27 helped raise the profile and voice of MSMEs and trade in the climate agenda.

2022 funders for impact area: Green trade

ITC Trust Fund Window 1 funders

Canada, Finland, Germany, Iceland, Ireland, Norway, Sweden, Switzerland

Project-specific funders

European Union, Germany, Netherlands (the), United States of America (the), Switzerland, United Kingdom of Great Britain and Northern Ireland (the), Sweden, Republic of Korea (the), Finland, MPTF, UNDP, Enhanced Integrated Framework, Chocolats Halba/Coop Genossenschaft, Curaçao, Standards and Trade Development Facility, International Textile Manufacturers Federation, Sustainable Agriculture Initiative, Swisscontact, Global Coffee Platform

CASE STUDY

From opium to organic coffee: The new hope for Houaphanh farmers



The challenge

The north-eastern province of Lao People's Democratic Republic, Houaphanh, is located in one of the world's major opium-producing regions. The residents of the region's remote villages have relied heavily on opium poppy cultivation for decades. Poverty, marginalization and lack of alternative sources of income drive the cultivation of opium, and opium-growing communities are seeking new and sustainable income opportunities. Spearheading this shift is the Vanmai community, which began a transition to coffee in 2016, supported by the United Nations Office on Drugs and Crime (UNODC).

The Vanmai Coffee Cooperative, which UNODC supports, helps the residents of Houaphanh Province end the circle of poverty and opium addiction, while improving the quality of their lives. So far, the project has empowered almost 400 local farmers from 12 villages to independently process and commercialize their coffee for premium international markets. The cooperative exported more than 19 tons of coffee to France in 2021.

The solution

Coffee demand is expected to exceed production, with growing demand for high-quality coffee – including organic coffee, which is sold at a premium price. The market for organic coffee reached \$6.8 billion in 2018 and is projected to reach \$12.6 billion by 2026. However, introducing and executing organic concepts to the farmers in Houaphanh Province has its challenges.

'I understand the basics of organic farming, for example, not using chemicals. But it is harder to obtain a deeper and more technical knowledge, which involves a growing environment such as land, air and water as well as using only organic fertilizers like manure or compost,' says Tee Yangbliakeng, manager of Vanmai Coffee Cooperative.



Thongma Thepsiri, coffee farmer and producer



Sensory and cupping skills training



Coffee producer



1. Woman farmer selecting coffee beans 2. International Coffee Day in Luang Prabang Province 3. Winners of the Lao Green Coffee Competition

‘Besides learning from experts about relevant theories, the course provided me with opportunities to learn and exchange knowledge with experienced farmers and coffee producers from different parts of the country, like the Bolaven Plateau.’

Tee Yangbliakeng –
Manager, Vanmai Coffee Cooperative, Lao People’s Democratic Republic

The future

The cooperative recently received a licence to trade in Fairtrade products. Yangbliakeng's hope for his local community is to end opium cultivation and escape poverty. He believes that more members of Vanmai Coffee Cooperative will eventually be able to apply for organic certifications and reach more premium markets, which will increase their income sustainably. The journey of the Vanmai community to end poverty by transitioning from opium to organic coffee as a sustainable income alternative has truly begun.

The results

In 2021 and 2022, Yangbliakeng participated in training offered by ITC in the Lao PDR: ASEAN Regional Integration Support (Laos-ARISE Plus) project as part of the country’s Coffee Sector Export Roadmap. The training provided valuable lessons about organic production, processing, marketing and organic certification.

The training also supported local farmers in the cooperatives who face inevitable natural challenges such as coffee pests and climate change, which affect coffee cultivation and thus production and exporting capacity.

LINK

- <https://intracen.org/our-work/projects/lao-pdr-asean-regional-integration-support-laos-arise-plus>



Funders

Canada, Finland, Germany, Ireland, Norway, Sweden, Switzerland

CASE STUDY

Linking buyers with green suppliers in a climate-smart network



The challenge

The latest report by the Intergovernmental Panel on Climate Change warns that the transition to a low-carbon economy is 'now or never' if the world is to avoid climate disaster. Greenhouse gas emissions must peak by 2025 and then halve this decade to give the world a chance of limiting global warming to 1.5°C above pre-industrial levels by the end of the century. Unless actions intensify, current trajectories point to a temperature rise of more than 3°C – well above the Paris Agreement target of 2°C, leading to catastrophic effects for millions around the world.

Beyond the disruptions and material impacts of the climate crisis, which big and small firms are experiencing, there is a push towards building more sustainable supply chains.



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MSMEs and large buyers are both rethinking their approaches with a view on climate-proofing their operations and adopting ambitious climate goals and net-zero commitments. Those suppliers who have not embarked on their sustainability journey, are experiencing increased pressure from buyers to adopt low-carbon practices and comply with sustainability standards and reporting requirements.

The solution

Recognizing the critical need to support MSME visibility in this area, ITC launched the Climate Smart Network at COP27 in collaboration with the U.S. Department of State. The Climate Smart Network is an online platform that gives visibility to certified, climate-smart MSMEs and enables their identification through buyers. Thereby, the platform provides a critical link to enable climate-smart supply chains, including small businesses working to adapt to or mitigate climate change. It enables small businesses to highlight the climate-smart measures they have implemented, and their compliance with third-party standards.

By joining the network, small firms ready to take climate action can connect with some of the world's largest buyers looking for climate-smart suppliers; pledge to lower carbon emissions through the SME Climate Hub, with specific targets and a roadmap for emissions reductions; and access tools designed to help them lower greenhouse gas emissions and/or adapt to the impacts of climate change.

“The private sector has the ability to help win the climate battle. Platforms like the Climate Smart Network play a key role in making this happen.”

John Kerry – United States Special Presidential Envoy for Climate



1-3. ©Shutterstock.com

The results

The initial phase of the network focused on the textile sector, for which ITC partnered with the Global Organic Textile Standard. All businesses certified by the Global Organic Textile Standard are featured on the platform, enabling buyers to identify climate-smart suppliers from emerging markets, or to check the validity of their climate credentials. Buyers keen to offset emissions can also identify Gold Standard projects and go directly to the Gold Standard marketplace to purchase carbon credits.

Since its launch in late 2022, the Climate Smart Network has achieved significant results in promoting climate-smart practices among MSMEs and connecting small firms with buyers. The network has featured about 10,000 enterprises in developing countries that are committed to a low-carbon transition. It has supported the implementation of climate-smart practices and initiatives and promoted best practices that can be scaled and replicated.

‘The Climate Smart Network brings much-needed visibility to small businesses in developing countries that are taking concrete steps to reduce their environmental footprint, enabling them to connect to buyers worldwide.’

Pamela Coke-Hamilton – ITC Executive Director

On top of the partnerships with the standard-setting organizations Global Organic Textile Standard and the Gold Standard as well as with the SME Climate Hub – partner of the United Nations-backed Race to Zero global campaign – businesses featured on ConnectAmericas have joined the initiative.

The future

The Climate Smart Network aims to feature the profiles of more than 100,000 firms in developing economies by the end of 2024. Following textiles, the platform will broaden its scope to include agroprocessing in 2023. T4SD, which supports development of the online infrastructure in collaboration with the ITC textiles team, will scale the platform and enhance outreach to new sectors, including through a roundtable of chief executives. The network plans to expand alliances with sustainability enablers such as certification bodies, standard-setting organizations and climate initiatives.

The Climate Smart Network is poised to become a powerful tool to help small and large businesses reduce their impact on the planet, support their transition to a low-carbon economy and align them with like-minded buyers.

LINK

- climatesmart.intracen.org/



Funders

Canada, Finland, Germany, Ireland, Norway, Sweden, Switzerland, United States of America

CASE STUDY

A rewarding journey towards resource efficiency in Egyptian textiles



The challenge

Esperanza is an Egyptian manufacturer and exporter of knitted garments, running vertically integrated fabric and ready-made garment production. The company must use resources more efficiently, especially amid rising costs associated with high energy demand inherent to the sector and the need to transition to low-carbon, more sustainable production processes. Beyond energy, Esperanza's operations consume vast quantities of water and use chemicals whose application and disposal must be well managed to avoid health and environmental hazards.

The solution

ITC's GTEX/MENATEX programme has designed training and coaching for companies on Resource Efficiency and Circular Production (RECP). The programme helps beneficiaries transition into greener production, thereby increasing international competitiveness and complying with evolving regulatory requirements on due diligence and evolving buyer requirements.

In Egypt, the project offered training and coaching sessions tailored to Esperanza's needs, focused not only on RECP techniques, but also on lean manufacturing to improve production processes and drive down costs. Esperanza's management boarded this journey. The company completed RECP coaching and implemented a strategy based on a cost-benefit analysis of circular concepts 'reduce, reuse, recycle'.

The results

While small firms in developing countries often have fewer resources and capacities to restructure production and align with green practices and requirements, they can show great flexibility in adopting new technologies and business models. This was the experience of Esperanza, which achieved considerable resource and cost savings on energy, water and waste.

Electrical energy: Good housekeeping measures generated an annual cost saving of \$3,800, with savings of 49 megawatt hours/year of energy and 25 tons/year in



Employees at textiles and clothing company Esperanza, Egypt



1-3. Employees at textiles and clothing company Esperanza, Egypt

carbon dioxide (CO₂) emissions. By shifting to natural gas vehicles, the company saved up to \$3,100 and about 10.6 tons/year of CO₂ emissions.

Thermal energy: With the preventive maintenance of its boiler, Esperanza saved an annual \$3,200. In addition, by closely controlling the steam flow through its pipeline system, the company is expected to save costs amounting to \$16,000 a year, with savings of 862 megawatt hours/year of energy and 160 tons/year in CO₂ emissions.

Water: By implementing wastewater treatment measures, the company now re-uses almost 60% of its washing water in the dye house. Esperanza is expected to save \$11,000 of costs with a 16,000 cubic metre reduction in water consumption per year.

‘We have improved our energy management and the way we utilize our waste to create value, and we feel that this will be one of the most important factors that customers will be looking for. The collaborative process in the project is ideal, the outcomes are everywhere and we feel that industry needs are really being heard and attended to.’

Mohamed Magdy – Executive Director, Esperanza, Egypt

Waste: Investment in special machinery to produce drawcords from knitting production waste has tripled the value of yarn waste previously sold in raw form.

The introduction of lean manufacturing enabled Esperanza to identify unused inventory and capital, saving nearly \$119,000, optimize space utilization, shorten lead times and lower production costs.

The future

Fortified by this success, Esperanza is confident it will be able to expand into demanding green markets and secure relationships of trust with buyers. ITC will continue to support companies in their transition to resource efficiency and low-carbon production, preparing them to comply with existing and emerging industry standards and legislation in export markets.

More than 66 companies in the Middle East and Africa have benefited from RECP since 2019. Good progress has been made – including environmental improvements of 49 firms leading to yearly cost and energy savings exceeding \$2 million and 1 million kilowatt hours, respectively. Sustainability, however, remains a continuous journey.

LINK

- <https://intracen.org/our-work/projects/egypt-improving-the-international-competitiveness-of-the-textile-and-clothing>



Funders

Sweden, Switzerland



Digital Trade

Digital has been high on the development agenda for many years. The COVID-19 pandemic and rapid technological developments have accelerated the need for MSMEs to exploit and master digital technologies as the world shifts to conducting its business online. Digitalization has created vast opportunities, but has also left many behind. Many people in the least connected countries and regions, especially in rural and remote areas, do not have access to the opportunities of the digital economy. At ITC, we therefore see digital and the inclusion of the digitally unconnected as a priority.

ITC's efforts in this area centre on the digitalization of trade, especially e-commerce of goods and services, and the specific constraints facing MSMEs. To facilitate inclusive participation in digital trade, ITC enables firm growth and simultaneously addresses challenges faced at the enterprise, business ecosystem and policy levels. Connectivity is a key element in the digital transformation where ITC has a leadership role to play across the value chain, especially last mile access.

Key results

- More than 7,300 beneficiaries have made active use of ITC's digital trade-related tools.
- Micro-entrepreneurs in Zambia received investments topping \$572,000 following the rollout of Switch ON. A start-up in Zambia clinched a deal worth \$300,000 and another secured seed investment of \$85,000. In United Republic of Tanzania, a start-up closed deals worth \$141,000.
- 56 beneficiaries, including 11 women, from Benin, Côte d'Ivoire, Mali and Uganda reported increased income of \$4 million thanks to NTF V-sponsored

activities. Overall, NTF V supported 1,151 jobs; beneficiaries reported raising \$3.1 million in investment.

- 240 jobseekers from displacement-affected communities in Somalia and the State of Palestine increased their competitiveness through digital skills.
- Four institutions from Latin American countries were enabled to help women-led businesses transition to the digital age.

Highlights

ITC launched a digital connectivity initiative dubbed **Switch ON** that prioritizes connectivity as a key enabler for inclusive, sustainable and prosperous economies. Through Switch ON, ITC focuses on delivering affordable networks and ensuring that the conditions are in place for MSMEs in the developing world to profit from digital trade. The initiative integrates different services and tools of the organization to support successful uptake of connectivity for digital trade (for more information, see the spotlight on digital connectivity, page 46).

Two other ITC initiatives – FastTrackTech, which aids tech start-ups and digital entrepreneurs, and ecomConnect, which supports MSME engagement in e-commerce – contribute to Switch ON.

Micro-entrepreneurs in Africa received investments exceeding \$700,000 after the rollout of Switch ON. In Zambia, a FastTrackTech start-up connected with a client during the Tech Expo in Lusaka to secure a deal worth \$300,000 for cross-border transportation from Zimbabwe and Mozambique. Following internationalization training, another Zambian start-up in the health sector closed a pre-seed investment round of \$85,000 with investors from the United States.

In United Republic of Tanzania, a start-up closed 14 business deals totalling \$141,000 after participating in Mobile World Congress Barcelona with ITC support.

The **Netherlands Trust Fund V** programme develops the trade competitiveness of services sectors in selected African countries, focusing on digital technologies and agribusiness, including by linking the two to generate synergies. The programme covers both sectors in Ethiopia, Ghana and Senegal, and digital technologies in a multi-country project in Benin, Côte d'Ivoire, Mali and Uganda.

A core component of NTF V in digital involves supporting business-friendly tech ecosystems by strengthening support organizations such as tech hubs, equipping MSMEs with export strategies and linking them to business and investment opportunities.

ITC works with tech hubs – BSOs such as accelerators and incubators that focus on start-ups, organize training, networking and capacity building, and offer infrastructure, among other services – to build enterprise capacity to scale and equip entrepreneurs with digital skills. **FastTrackTech** and NTF V sponsored the flagship AfriLabs event in Lusaka, which gives tech hubs the chance to network with a range of ecosystem actors including government, businesses and investors.

At AfriLabs, ITC also sponsored the participation of three tech hubs: Kumasi Hive from Ghana, Orbit Innovation from Ethiopia and StartHub from Uganda. Thanks to this approach, StartHub Uganda as well as business incubators Donilab from Mali and Incub'Ivoir from Côte d'Ivoire reported improved operational and managerial performance.

The **ecomConnect** platform, which facilitates shared learning, solutions and collaboration to help small businesses sell online, raised its active membership to more than 6,000. In the context of a project on innovative e-commerce support, tools were updated or developed to support e-commerce analysis, including the Latin America and the Caribbean Marketplace Explorer, the first tool to analyse the sale of goods on retail e-commerce marketplaces in the region.

The free dashboard explores trends in usage from 2019–2022 with a dataset covering almost 900 marketplaces and 2,900 marketplace websites across 33 countries in the region. This work follows previous efforts by ITC to map online marketplace activity in Africa with the first version of the Africa Marketplace Explorer launched in 2020.

ITC's **Refugee Employment and Skills Initiative** has accumulated unique experience in providing entrepreneurship and business development support for income generation of refugees and internally displaced persons through online work opportunities. In 2022, 240 jobseekers from displacement-affected communities in Somalia and the State of Palestine increased their competitiveness by adopting digital practices, including online freelancing and information technology skills.



User interface and user experience training, Côte d'Ivoire

Palestinian beneficiaries secured just under \$110,000 in earnings over 2021 and early 2022. More than 120 Somali youth, including 40 women, in the Dadaab refugee camp in Kenya were supported in 2022 to join the digital freelance economy with tailored mentorship and market connection packages. Youth from refugee and host populations earned upwards of \$100,000.

SheTrades Latin America, a pilot initiative of SheTrades Global and ecomConnect, is designed to increase the digitalization of women-led businesses in Latin America so they can sell online. Working with technical partner institutions specialized in digital commerce in Argentina, Chile, Colombia and Uruguay, the project guides and assesses beneficiary companies in their e-commerce journey. Through the support provided by SheTrades Hubs, four institutions improved their performance and were equipped to help women-led businesses transition to the post-COVID digital age.

2022 funders for impact area: Digital trade

ITC Trust Fund Window 1 funders

Canada, Finland, Germany, Iceland, Ireland, Norway, Sweden, Switzerland

Project-specific funders

European Union, Netherlands (the), United Kingdom of Great Britain and Northern Ireland (the), United Nations Economic and Social Commission for Western Asia, United States of America (the), Germany, Italy, China, MPTF, Enhanced Integrated Framework, Saint Lucia Trade Export Promotion Agency, Sweden, Switzerland, Japan, World Bank, Alibaba Group, UPS Foundation, Curaçao, UNCTAD, Bhutan, UNDP

Taking digital connectivity to the next level

Meeting major challenges: Digital connectivity moonshot

ITC is tackling key structural problems that hold developing countries back. That is why ITC launched four moonshots in 2022: 'big pushes' on gender, green, youth and digital connectivity. The moonshots are designed to ensure that ITC is fit for purpose in this increasingly complex, challenging and interdependent world.

Achieving these moonshots, which are aligned with the SDGs, involves assessing the entire internal value chain underpinning delivery in these four areas – including by leveraging partnerships with traditional partners and the private sector.

‘Although there is more to do in expanding digital coverage in Zambia, the connectivity gap is being addressed. The issue now becomes the usage gap. How do we ensure increased use of digital connectivity for productive economic activities? How do we ensure people leverage improved connectivity to make a living?’

Pethel Phiri – Acting Director General, Zambia Information and Communications Technology Authority, Zambia

‘The future of global trade, especially small businesses, will be through digital platforms and channels. Greater participation of small businesses in digital trade brings important economic benefits, drives the demand for digital capacity and, in turn, improves the business case for further investments in infrastructure: a virtuous cycle needed to build networks.’

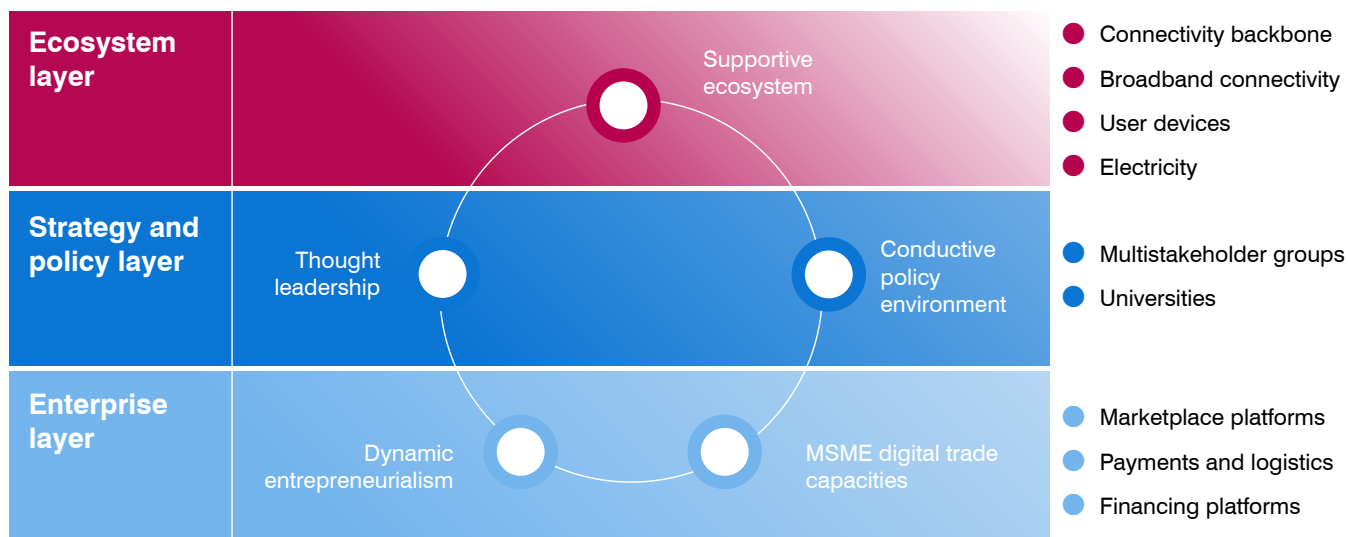
Pamela Coke-Hamilton – ITC Executive Director

In 2022, ITC defined the scope of the moonshots and took the first steps in implementing the new vision. This spotlight focuses on the digital connectivity moonshot.

Improving digital connectivity for small businesses: Switch ON

Digital connectivity is a key enabler to an inclusive, sustainable and prosperous world, as highlighted in the ITC Strategic Plan 2022–2025. The digital connectivity moonshot, Switch ON, aims to connect and support 20,000 MSMEs and 4,000 digital entrepreneurs to compete online.

Switch ON: An integrated delivery model





1. ITC Deputy Executive Director Dorothy Tembo presenting Switch ON to the Zambian delegation led by Minister of Technology and Science, Felix Mutati 2. Digital Citizen training programme in Zambia under the Switch ON initiative

‘The internationalization training helped us decide which of our services we should focus on to expand outside of our country. We now have a client in Malawi and we are reaching out into Mozambique, Uganda and Nigeria.’

Iberty Mwale – CEO, agritech start-up eMsika, Zambia

The initiative promotes new partnerships on broadband connectivity and advocates for the active inclusion of the digitally unconnected, starting with the identification of priorities and involving a pathway of learning and support. It provides an integrated delivery framework that addresses different layers of response at the ecosystem, policy and enterprise levels.

Spotlighting Zambia: First Switch ON country

ITC put the Switch ON vision into practice with a 2022 pilot in Zambia, building on a digital project being implemented there since 2019, called FastTrackTech Africa.

Teams held stakeholder consultations with participants from across the e-commerce value chain. ITC worked with a local social enterprise, Onyx, to place portable access boxes with data in local shops. Using technology developed by Buffalo Grid, a social enterprise from Bangladesh, these boxes provide Wi-Fi and access to videos on how to use social media for online sales. ITC also offered training to build capacity at local institutions, MSMEs and tech start-ups.

The results have been promising:

- Nine enterprises have begun online sales
- Five enterprises have accessed new markets
- 100 (aspiring) digital freelancers from across Zambia were trained on digital skills
- Micro-entrepreneurs have received investments topping \$572,000
- A study of the digital connectivity landscape of MSMEs in Lusaka has been conducted, in collaboration with the University of Zambia and the Zambia Information and Communications Technology Authority
- The impact of the forthcoming AfCFTA digital trade protocol has been reviewed with the Ministry of Trade
- BSOs have been advised on how they could best advocate for connectivity on behalf of MSMEs

Building on the success of the Zambia pilot, ITC is looking to scale up activities in the country and beyond, starting with training programmes in the United Republic of Tanzania and Rwanda. The ambition is to deploy the Switch ON approach in at least 17 countries on three continents by 2025.

‘The digital marketing training and coaching has helped my business put in place an online content strategy. Referrals to our website from organic search have since increased in less than a month from nearly zero to 19% and the average page view time has increased by nearly 50%.’

Rosalina Mwanza – Founder, skin care business Baobab Swirls, Zambia

CASE STUDY

Refugees and youth join the digital freelance economy



The challenge

The Dadaab refugee complex in Kenya's Garissa County was once deemed the world's largest refugee camp. It was first established in 1991, when refugees fleeing the civil war in Somalia crossed the border into Kenya, and its population swelled to more than 400,000 in 2014. More than two decades later, the refugee and host community populations still struggle to survive, living amid the effects of a protracted emergency with no clear end in sight.

Indeed, an uncertain policy scenario in Kenya and an extended emergency situation in Somalia have triggered protection, security and livelihood challenges. These challenges have major implications on the dignity, safety and well-being of the more than 200,000 refugees who still live at Dadaab.

The solution

In 2022, the Refugee Employment and Skills Initiative and ABLI-G (Area Based Livelihood Initiative–Garissa) project

continued to provide training, mentorship and ecosystem building to support the economic and social inclusion of refugees and host communities in Kenya.

ABLI-G is a three-year project funded by the European Union Trust Fund for Stability and Addressing the Root Causes of Irregular Migration and Displaced Persons in Africa. The project helps refugees and local individuals improve and diversify their skills so they can generate income. This work helps to circumvent, but not necessarily dismantle limited movement. ABLI-G aligns closely to the work already done under RESI and continues efforts to develop the digital service and artisanal value chains in Dadaab and Garissa County.

The RESI and ABLI-G Dadaab project used innovative methods to build self-reliance and economic resilience in protracted humanitarian situations. The project supports entrepreneurship and business development for income generation to address the rapid phase-out of humanitarian assistance in the Dadaab camps and help Somali refugees maintain their well-being in the immediate future, including by supporting returnees in Somalia.



Refugees from the Dadaab refugee complex are trained to become online freelancers, Kenya



1-3. Refugees from the Dadaab refugee complex are trained to become online freelancers, Kenya

The results

Efforts included strengthening public–private partnerships in Garissa County by promoting market linkages with private companies such as Amazon Web Services through its Amazon Mechanical Turk (MTurk) platform, which enables people to perform simple tasks and earn money online. This partnership enabled youth from the refugee and host populations to earn more than \$60,000 through digital freelancing.

Shafee Noor Mohamed, a host community member of the Dadaab Collective Freelancing Agency and participant in the MTurk assignment, reflected on the impact of this work:

‘One of the key challenges of digital freelancing in Dadaab is lack of stable long-term opportunities. While there may be many short-term projects available, it can be difficult for individuals to find consistent work that allows them to build a stable income over time. This lack of stability can make it challenging for individuals to plan for the future and invest in their skills and training. ITC has been able to help us access those connections and let us put our training to use.’

Shafee Noor Mohamed –
Dadaab Collective Freelancing Agency, Kenya

More than 20 people from the Dadaab displaced populations and host communities also received tailored mentorship and market connection packages designed to help them join the digital freelancing economy and build sustainable livelihoods for themselves and their families. This assistance was especially important for women.

The future

Although ABLI-G is ending, ITC is expanding its refugee and migration activities in 2023. New countries and regions are being added – Rwanda and Pakistan, for instance – and work will continue in Kenya with a new strategic direction, through the Refugee Empowerment through Markets Initiative (REMI).

ITC is developing new approaches to meet the different needs of refugees, internally displaced people and returnees and expanding its coverage of these populations. These new projects ensure that past and future participants will be supported with employment opportunities.

LINK

- <https://intracen.org/our-work/projects/refugee-employment-and-skills-initiative-building-solutions-for-somali-refugees>



Funders

Norwegian Refugee Council, Danish Refugee Council

CASE STUDY

When tech goes to farm



1

The challenge

Ghana's tech start-ups are working on innovative solutions for cocoa farmers. But the two parts of agritech don't always get to meet in person.

David Boye-Doku has many ideas about how his digital payments company PayBox can support Ghana's cocoa farmers: use blockchain to prove the origin of crops, enable digital payments, create a bank in a van to serve rural communities. But until August 2022, he had never actually visited a farm.

That is exactly what ITC's NTF V programme is pursuing, looking at ways to maximize the benefits of cocoa for everyone from the farmer to the chocolate maker. At the same time, the programme collaborates with tech start-ups hoping to innovate how Ghana does business, with an eye towards reaching overseas.

The solution

The project uses ITC's Alliances for Action approach to make sure the digital solutions really fit farmers' needs. This sustainable agribusiness model works from the bottom up to transform food systems through partnerships that are ethical and climate-smart.

Some tech companies that concentrate on agritech work with farmers all the time. Others never have that opportunity. And rarely do leaders from companies across the industry get to meet in person to see first-hand how the entire process works, and understand where the needs are.

To address this gap, NTF V decided to bring tech to the farm. Fourteen companies joined a field trip that took them to distant farms belonging to the Kuapa Kokoo Cocoa Farmers and Marketing Union. With 100,000 members, it is the largest cocoa farmers' association in the world.



Local tech companies join field trip to the Kuapa Kokoo Cocoa Farmers and Marketing Union, Ghana



1-3. Local tech companies meet stakeholders along the cocoa value chain, Ghana

The results

Audrey Darko of Sabon Sake, which works in regenerative agriculture and one of the companies to join the field trip, spends much of her time working with farmers. Some Kuapa Kokoo farmers use her techniques to plant trees and other crops alongside cocoa.

‘It was eye-opening. I thought the cocoa industry did not really care about the soil health or plant management aspect of things. It was really exciting to see how the union and the towns were adopting these regenerative practices. I began to see how a business like mine can help fill gaps.’

Audrey Darko – Founder, Sabon Sake, Ghana

The field trip also involved meeting other stakeholders along the cocoa value chain, including traders and chocolate makers. The visit included a stop at Fairafric, a local chocolate maker that had just received international recognition for its 70% dark chocolate at the prestigious Great Taste Awards in London. The visitors got to see the manufacturing process and taste some of the products, helping them gain an understanding of what goes into making a chocolate bar.

‘It was really insightful, as we got to experience the whole value chain of cocoa. Ghana is the second-biggest exporter of cocoa in the world. But just 1% of the chocolate made in the world comes from Ghana. We have to augment the services around cocoa.’

David Boye-Doku – Co-Founder, PayBox, Ghana

The future

Key in a start-up’s entrepreneurial journey is the concept of product-market fit. By bringing MSMEs in the digital technology and agribusiness sectors together, the rich encounters and discussions that took place from farm to factory enabled the tech start-ups to assess and better understand the digital solutions that the Ghanaian cocoa sector needs. They also introduced farmers and producers to innovative and promising home-grown tech solutions that can contribute to an inclusive and sustainable transformation of the cocoa value chain.

LINK

- <https://intracen.org/our-work/projects/netherlands-trust-fund-phase-v-agribusiness-and-digital-technology>



Funder
The Netherlands

CASE STUDY

Sri Lanka adopts comprehensive data protection legislation

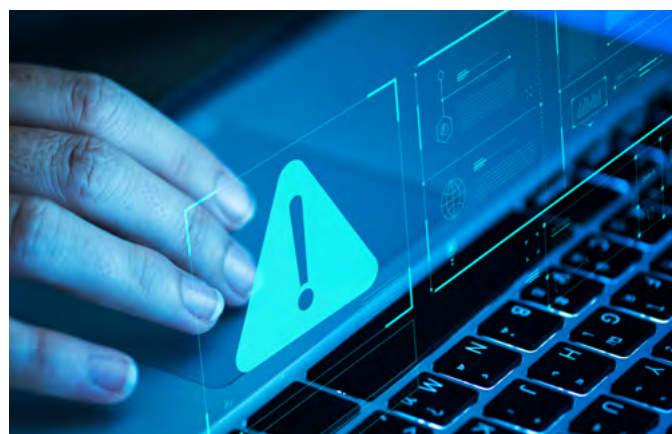


The challenge

The increased participation of MSMEs in online trade of goods and services is a key driver of job creation and sustainable development. However, striking the right policy balance for an enabling regulatory framework for MSMEs remains one of the most challenging tasks as it must foster a conducive environment for e-commerce, customized to each country's specific needs.

As part of an enabling regulatory framework, having robust data protection and privacy policies in place is foundational to safeguarding the rights of individuals and ensuring consumer trust in online transactions in developing countries. It helps support growth and innovation in the digital economy.

This is particularly relevant in Sri Lanka, which has seen a significant increase in e-commerce. The digital economy accounted for nearly 5% of gross domestic product in 2022. The country needs a supportive regulatory framework to further leverage opportunities for MSMEs, while at the same time protecting consumers.



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The solution

For more than five years, ITC has supported several countries to create and foster a more conducive policy and regulatory environment for MSMEs with respect to e-commerce and digital trade. One of the key beneficiaries has been Sri Lanka.

As part of a trade-related assistance project in Sri Lanka, ITC has conducted numerous trainings, undertaken public-private dialogues and offered advisory services on domestic regulatory reforms and bilateral and multilateral negotiations. A key component of the support involved providing advice and guidance to the Ministry of Digital Infrastructure and Information Technology on the country's proposed data protection legislation.



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1. ©Shutterstock.com 2. Business process outsourcing office, Sri Lanka 3. ©Shutterstock.com

The results

ITC provided guidance on how to align the proposed legislation with international best practices, while at the same time customizing it to the specificities of the local context. As part of this work, ITC carried out a regulatory analysis of the future legislation that was shared with the ministry.

Furthermore, ITC supported the ministry to hold a public-private dialogue to receive feedback on the proposed data protection framework. Nearly 100 people attended this meeting, representing 22 government policy institutions, 19 private enterprises and 11 other institutions. ITC also supported the Data Protection Law Drafting Committee to participate in the IAPP Asia Privacy Forum to increase their understanding of regional best practices.

The draft legislation then passed through the legislative processes, which eventually led to the enactment, in March 2022, by the Sri Lankan Parliament of the Personal Data Protection Act, No. 9 of 2022 – the most extensive and up-to-date piece of data protection legislation in South Asia. Among other things, the act contains provisions on the processing of data, data rights, cross-border data transfers, obligations for business and penalties. As such, businesses in Sri Lanka will need to prepare for compliance with the Personal Data Protection Act.

Jayantha Fernando, Chairman of the Data Protection Law Drafting Committee, commended ITC for the technical assistance it had provided:

‘ITC’s advisory support on the draft legislation (tailored to Sri Lanka’s specific context and in line with international best practices), as well as its support to facilitate discussions between the different stakeholders, significantly contributed towards enhancing the quality of the Personal Data Protection Act.’

Jayantha Fernando –
Chairman, Data Protection Law Drafting Committee, Sri Lanka

The future

ITC is ready to support Sri Lanka in the next stage, which is the operationalization of the law and the training of officials when the data protection authority of Sri Lanka is established. ITC will also continue to provide similar assistance to other countries that are enacting or updating e-commerce policies, through increasing technical capacities and supporting legislative revisions.

LINKS

- <https://open.intracen.org/projects/XM-DAC-45001-A306>
- Personal Data Protection Act: <https://www.parliament.lk/uploads/acts/gbills/english/6242.pdf>



Funder
European Union

Regional integration and South-South trade and investment

ITC's interventions at the regional and interregional levels focus on boosting regional trade and advancing South-South trade and investment. ITC enhances supportive regulatory and institutional environments and strives to integrate MSMEs into regional value chains and connect them with emerging trade opportunities.

There is growing evidence that South-South trade and investment offer opportunities to enhance economic development. However, the benefits of South-South trade and investment are often limited for MSMEs. ITC addresses these challenges by promoting dialogue, business links and institutional partnerships between countries in the Global South.

Key results

- More than 40 countries across five regional economic communities were sensitized on the AfCFTA; 4,305 MSMEs and entrepreneurs were trained on how to export under the AfCFTA; and more than 20 BSOs were strengthened to help MSMEs compete in the AfCFTA.
- Five BSOs in four African countries improved their trade intelligence services through the African Trade Observatory.
- In West Africa, MSMEs leveraged more than \$519,000 (\$342,000 women-led) through purchases and investments. Sixteen MSMEs (50% women-led) made transactions and 45 reported making operational changes.
- A total of 1,435 coffee farmers from five East African Community countries received price mark-ups of 10%–75% following improved compliance with market requirements. A Tanzanian coffee company secured \$2.5 million in working capital.

- A tea factory was set up in Kenya with a \$1.5 million Chinese investment; 35 local staff and 60 tea farmers were recruited. A Kenyan tea company exported tea worth \$700,000 to the Chinese market. A Chinese company imported around \$1 million in dried chili from Rwanda.
- Fifteen MSMEs reported trade leads through the China International Import Expo with a cumulated value of \$15 million.
- In ASEAN: 41 national quality infrastructure institutions in Malaysia built capacities in ISO standards; 29 factories/companies in Myanmar implemented food safety standards; 10 certification bodies in Thailand strengthened quality management systems; 11 policy-related improvements were implemented in the Philippines.

2022 highlights

One Trade Africa is ITC's umbrella programme supporting the African business community, especially MSMEs, women and youth, to make the most of the AfCFTA. In 2022, the private sector in more than 40 countries was sensitized on the AfCFTA. Among other activities designed to support BSOs, ITC sponsored organizations to participate in the 2022 Africa Union Summit on Industrialization and continued to unroll support packages to develop or upgrade online platforms and enable digitalization of service delivery (for more information on One Trade Africa, see the spotlight on putting the AfCFTA into action, page 56).

Women and youth empowerment are critical dimensions of One Trade Africa. Interventions included targeted workshops and training on an array of AfCFTA-related opportunities and challenges for these populations, including on the status of negotiations and development of the AfCFTA Protocol on

Women and Youth in Trade, which is expected to address the specific constraints and barriers that women and youth face when trading on the continent.

Official intra-African trade remains low, partly due to the lack of information on market opportunities and access conditions. The **African Trade Observatory (ATO)** serves as a repository of trade information and make it possible to monitor, in real time, the pace of trade and economic integration in Africa. ATO provides the Africa Union Commission and its partner institutions with the necessary indicators to monitor progress towards trade integration in Africa.

ITC supports the development of the ATO dashboard through the creation of a network of national and regional data providers and by delivering a capacity-building programme for ATO staff, national and regional trade data providers, and a network of trade experts. In 2022, this work enabled five BSOs in four African countries to improve their trade intelligence services to support MSMEs entering new markets.

ITC interventions in the **ECOWAS: West Africa Competitiveness Programme** focus on the delivery of services to promote better regional linkages among selected value chains, support key regional intermediary organizations, reinforce industrial competitiveness in the region and establish the West Africa Competitiveness Observatory.

Through networking events and ITC-sponsored participation in international trade fairs in Africa, Europe and the United States (among other activities), supported MSMEs in West Africa leveraged nearly \$520,000 in funds in 2022. Seven national statistical offices reported improved capacity.

During the year, ITC deployed the **Trade Obstacle Alert Mechanism** to improve regional market intelligence and enable policy support for ECOWAS member states. Through assistance provided to 13 designated national focal points across the region, users in West African countries reported more than 420 obstacles, with nearly half addressed.

Through the **EU-EAC Market Access Upgrade Programme (MARKUP)**, ITC improves product quality compliance, value addition and access to finance in the East African Community. More than 1,400 coffee farmers in the region were reported to have received higher prices of 10%–75% as a direct result of better compliance with moisture content levels. A Tanzanian coffee company supported under MARKUP, Tangayika Instant Coffee, secured \$2.5 million in working capital from the Tanzania Agricultural Development Bank to buy raw materials and factory overheads.

ITC is engaged in projects to help spur South-South trade and investment with sustainable impact on development. The **Partnership for Enhancing Export Capacity of Africa to China** promotes economic and trade cooperation between China and Africa by supporting MSMEs from selected African countries to set up long-term cooperation with Chinese business partners through matchmaking events and trade fairs – key to building visibility and trust in new markets.

In 2022, a Chinese investor established a tea factory in Kenya with a \$1.5 million investment. Additionally, through linkages enabled by the project, a Kenyan company exported 20 tons of tea amounting to \$700,000 to the Chinese market and a Chinese firm imported around \$1 million in dried chili from Rwanda.

Since 2019, ITC has been an official partner of the China International Import Expo (CIIE), which it uses as a platform to promote partnerships between developing countries and China. Through the project **Trade Promotion between China and other Developing Countries along the Belt and Road Initiative**, ITC has organized participation at the expo of around 260 small firms from more than 30 developing countries, helping to establish prospective deals worth \$55 million for new exports to China.

Beyond analysing export opportunities, the tools that ITC deploys include training for participation in CIIE and courses and webinars to help MSMEs prepare for the Chinese market. ITC represented more than 60 firms from Africa, Asia and Latin America in 2022. Fifteen MSMEs reported trade leads during and after their participation at CIIE with a cumulated value of \$15 million.

Regional economic integration is a key objective of the **ASEAN Regional Integration Support (ARISE Plus)** programme, with ITC implementing country projects in Lao People's Democratic Republic, Malaysia, Myanmar, the Philippines and Thailand. The projects provide technical support for the economic integration of the Association of Southeast Asian Nations closely aligned with the five pillars of the ASEAN Blueprint 2025.

Positive results in support of ASEAN integration were achieved: in Lao People's Democratic Republic, the preparedness of the Ministry of Industry and Commerce and related agencies to implement regional trade agreements was improved. Also, project interventions in Malaysia, Myanmar, the Philippines and Thailand enhanced the policy and business ecosystem environment.

2022 funders for impact area: Regional integration and South-South trade and investment

ITC Trust Fund Window 1 funders

Canada, Finland, Germany, Iceland, Ireland, Norway, Sweden, Switzerland

Project-specific funders

European Union, COMESA, China, African Export-Import Bank, Germany, Sweden, UNIDO, FAO, Switzerland, Netherlands (the), Islamic Centre for Development of Trade, Mo Ibrahim Foundation, United Kingdom of Great Britain and Northern Ireland (the), MPTF, France, UNESCO, Japan, UNCTAD, Enhanced Integrated Framework Saint Lucia Trade Export Promotion Agency, UNDP, ILO, Flanders Investment & Trade

Putting the African Continental Free Trade Area into action

Realizing the full potential of the AfCFTA

With the AfCFTA a reality, ITC is playing a pivotal role in its implementation. The ambition is to unite policymakers and businesses towards a common goal: putting the AfCFTA into action.

ITC is present in 50 countries in Africa, with projects from Cairo to Cape Town and from Mombasa to Lagos, covering sectors from leather and textiles in Ethiopia to the auto industry in South Africa and dairy production in Kenya.

To help the private sector, especially MSMEs, make the most of the AfCFTA, ITC has developed an umbrella programme called **One Trade Africa**. The initiative is an integrated package of technical assistance solutions that ITC is offering to the African business community.

‘It is now time for Africa to identify and seize its wealth of opportunities, to take its rightful place as a global economic power to reckon with – one that enjoys bargaining power at negotiating tables. And the way to achieve this is to unite policymakers and businesses towards a common goal: putting the African Continental Free Trade Area into action.’

Pamela Coke-Hamilton – ITC Executive Director

Maximizing benefits for small firms

One Trade Africa is a key element of the ITC Strategic Plan 2022–2025. The flagship programme focuses on maximizing benefits of the AfCFTA for small firms, women and youth, so they can take advantage of export opportunities to bring jobs and inclusive and sustainable growth to the continent.

Although the AfCFTA has been operational since 2021, most African businesses, especially small firms, lack the information or capacity to tap into new market opportunities. Building on ITC’s 60 years of experience supporting private-sector development on the continent and internationally, One Trade Africa is designed to ensure that the AfCFTA works for smaller companies.

ITC projects that the AfCFTA holds \$22 billion in export potential that, when fully realized, can help deliver on the African Union’s Agenda 2063 and the United Nations SDGs.

Delivering rapid results

In 2022, One Trade Africa organized sensitization events covering more than 40 countries spread across five regional economic communities. ITC joined forces with 20 African BSOs and forged partnerships with institutions including the United Nations Development Programme, the Islamic Trade Finance Corporation, African Export-Import Bank and African Development Bank to leverage respective strengths in pursuit of strengthened regional trade.



ITC booth at Intra-African Trade Fair 2021, Durban, South Africa



African small businesses poised to reap opportunities from the AfCFTA



1

1. AfCFTA workshop for Moroccan exporters in Casablanca, Morocco
Central African States, interviewed on the AfCFTA



2

2. François Kanimba, Commissioner responsible for the Economic Community of

Overwhelming requests following the success of *How to Export with the AfCFTA* – the 2021 pilot programme for entrepreneurs in Kenya, Rwanda and Nigeria – prompted ITC to extend the online training programme in 2022 to cover the entire continent. It is now available in English and French, with Arabic and Portuguese translations in the pipeline. More than 4,300 entrepreneurs and small firms across 45 countries have registered for the programme, jointly implemented with Afreximbank.

With the East African Business Council, ITC launched an online platform designed to boost the competitive edge of small businesses in the region, called My East Africa Soko or myeasoko. Traders and service providers can access business information, market their products, attract international buyers and expand their trade opportunities. The platform also includes an SME Trade Academy.

In May 2022, ITC signed a memorandum of understanding with the AfCFTA Secretariat as a framework for cooperation to support the continental integration process and implementation of the AfCFTA. This partnership has enabled the co-delivery of key continental public goods:

- Publication of an AfCFTA glossary that explains complex AfCFTA terminology for African businesses and other stakeholders – to be developed in 2023 into an easily accessible mobile application.
- A mapping of the private sector, including data on the characteristics of firms and BSOs across the continent. Among other functions, this mapping exercise serves as an important reference for implementation of the AfCFTA Secretariat's Private Sector Engagement Strategy.

‘The AfCFTA glossary fills a void where knowledge material around the AfCFTA Agreement has failed to be small business-friendly thus far. Today, I reaffirm our commitment as the Secretariat, to ensuring inclusivity in trade regarding African small businesses, particularly women and young entrepreneurs, whereby they will be able to be competitive and resilient and achieve their full potential.’

H.E. Wamkele Mene – Secretary-General, AfCFTA Secretariat

Accelerating implementation of the AfCFTA

Looking ahead, ITC will continue to facilitate implementation of the AfCFTA private-sector engagement plan, which aims to mobilize private-sector support and participation in the AfCFTA implementation process

ITC interventions focus on awareness raising, policy dialogue, investment promotion and facilitation, capacity building and skills development, and resource mobilization. Four priority sectors have been identified for these interventions: transport and logistics, agriculture and agroprocessing, pharmaceuticals and automotive. Strategic and focused investments in these value chains are expected to create some 700,000 jobs, with a high level of women and youth participation, and could generate \$5 billion annually in intra-African trade.

Further, ITC will support the launch of a continental BSO platform at the inaugural AfCFTA Business Forum in 2023. The platform will serve as the first official mechanism to aggregate the priorities and needs of the African private sector and report these to the AfCFTA governance structure.

CASE STUDY

Made by Africa: Value chains to boost intra-African trade



The challenge

Africa accounts for 2.3% of global exports, with an export basket heavy on primary commodities and natural resources. About 14% of the continent's exports are destined for other African countries. Strengthening regional trade is crucial to support greater value addition, diversify supply chains, industrialize and boost resilience – ultimately contributing to job creation and improved livelihoods across the continent.

The development of regional and continental value chains has become more viable with the large market opening offered by the AfCFTA. Projections show that tariff liberalization alone could increase intra-African trade by as much as €17 billion, while removing other frictions could unlock a further €19 billion.

The solution

To help the African continent prioritize high-impact areas in its trade integration efforts, ITC undertook an in-depth diagnostic to uncover promising value chains with high potential for trade, value addition and the power to connect countries and subregions on the continent. The diagnostic combined data-driven analysis with insights from business voices.

First, data analysis of more than 5,000 input and output products for upwards of 400 value chains enabled the identification of 94 promising value chains for the continent, with each linking to at least five African countries from different regions. In consultation with the African Union and other stakeholders, four especially promising sectors, including for small businesses, were selected for deepened investigation: pharmaceuticals, baby food, cotton clothing and automobiles.



Pamela Coke-Hamilton presenting the Made by Africa report



Jorge Appiah, Founder and Chief Executive of Solar Taxi, Ghana



1. Seun Sangoleye, Chief Executive Officer of BabyGrubz, Nigeria 2. Abacus Parenteral Drugs packaging zone, Uganda
3. Young African dressmaker sews clothes at tailor office ©AS photo family/Shutterstock.com

Second, evidence gathered from interviews with 10,000 businesses, more than 100 BSOs and hundreds of additional stakeholders – including policymakers and industry experts – confirmed that the four sectors were feasible for intraregional growth and shed light on what it would take to make them work.

This survey and consultative process provided unique insights from the ground on a wide range of critical aspects ranging from trade barriers and investment needs to skill gaps, women's participation and African MSME efforts to green production processes. This provided the basis for recommendations on targeted action.

The results

The findings of the diagnostic and ensuing recommendations are summarized in the report *Made by Africa: Creating value through integration*, released during the African Union Extraordinary Summit on Industrialization and Economic Diversification in Niamey, Niger, in November 2022. ITC produced the report in close collaboration with the African Union Commission and the European Commission.

The value chain diagnostic will help shape sustainable development priorities for the African trade development and integration agenda. Preliminary results fed into the business declaration submitted to the European Union – African Union Summit in February 2022. They are also filtering into ongoing political deliberations.

At the African Union summit in Niamey, African leaders committed to 10 action points. One of these is targeted at accelerating commodity-based industrialization as an engine of growth, job creation and diversification, including through priority regional value chains recommended in the *Made by Africa* report.

The future

In 2023, the action point on accelerating commodity-based industrialization will be translated into a detailed implementation roadmap led by the African Union Commission in collaboration with a broad range of partners including ITC. The value chain diagnostic will also serve as evidence for ITC project design and strategic interventions in support of continental integration and implementation of the AfCFTA.

LINK

- www.ntmsurvey.org/MadeByAfrica



Funders

European Union, Canada, Finland, Germany, Ireland, Norway, Sweden, Switzerland

CASE STUDY

Kenyan skincare brand wins over Chinese market



The challenge

When Irene Mumo, founder of Trueways Enterprises Ltd, created her Peridot line of beeswax moisturizers, she knew her products had potential far beyond her home country, Kenya.

Made from organic beeswax, the moisturizers have antibacterial, anti-inflammatory, anti-allergic and anti-oxidative properties. But she did not know how to market those benefits in competitive overseas markets such as China.

That changed in 2018, when Mumo attended the China International Import Expo with the support of ITC. She met there with a Chinese branding agency, which resulted in a multi-year collaboration that would introduce Peridot to the Chinese market.

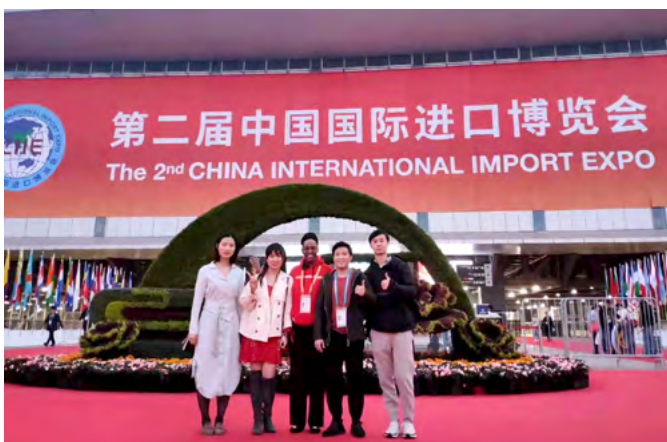
To reach this goal, Peridot had to improve in creative packaging, consumer research and advertising methods.

The solution

Mumo worked with her Chinese partner to combine elements of the beeswax moisturizer with aesthetics popular among Chinese consumers. The new packaging highlighted the natural sourcing of the ingredients while unifying the design. At the ITC booth of CIIE 2019, Kenya's then ambassador to China, H.E. Sarah Serem, praised the new look, which attracted the attention of many visitors.

For customer research and to collect feedback, the company sent samples to different consumer groups across China. The findings led Peridot to target specific groups – for instance, those with special skin conditions – before gradually expanding towards the general population.

To diversify advertising methods, the company moved its marketing campaigns to social media platforms ranging from WeChat and TikTok to Xiaohongshu. As a result,



Irene Mumo and her Chinese partners at the CIIE 2022, China



Honeycomb © Shutterstock.com



1. Foraging bees © Shutterstock.com 2-3. Irene Mumo, Founder of Trueways Enterprises, and her Peridot line of beeswax moisturizers

Peridot has gained subscribers and increased its conversion rates (the percentage of users who take a desired action).

For traditional marketing, Mumo and her Chinese partner opened pop-up stores and joined art exhibitions in major shopping malls in Shanghai. They also established partnerships with several private hospitals, micro-businesses and cosmetics stores.

The results

In addition to its benefits for skin, Peridot has established itself as an environmentally sustainable brand. Bees are the cornerstone of the brand, but populations of these pollinators are declining rapidly. To raise awareness around the issue, Peridot developed beeswax crayons, animated videos, storybooks and toys. These products enhance the core values and strengthen the brand image.

Demand in China has grown, and Trueways Enterprises now sources its supplies for Peridot from 10 women beekeepers in Kenya. This not only boosts their incomes, but it also makes beekeeping more popular. Trueways Enterprises has pledged to provide more jobs for women in the coming years to promote a more gender-equal work environment.

‘Getting into the Chinese market through collaboration and partnership with ITC has opened crucial export opportunities for us. Now the product has become an internationally recognized brand.’

Irene Mumo – Founder, Trueways Enterprises Ltd, Kenya

The future

Mumo and her Chinese counterpart have expanded their alliance since they first collaborated five years ago. In 2022, they worked with Tmall International – a Chinese-language website for business-to-consumer online retail – to target a wider consumer group, especially in the northern regions of China, by leveraging its cross-border e-commerce platform. The exporting success that Peridot found by partnering with a Chinese branding agency at CIIE 2018 continues to offer a remarkable wealth of present and future opportunities.

LINK

- <https://intracen.org/our-work/projects/partnership-for-enhancing-export-capacity-of-africa-to-china-peecac>



Funder

China

CASE STUDY

Business support organizations underpin integration in ECOWAS



The challenge

Business support organizations in the Economic Community of West Africa States face many challenges affecting their ability to effectively support the trade competitiveness of enterprises in the region. Critical issues include weak governance, poor service delivery capabilities, inadequate strategies, limited financial and human resources, and insufficient trade knowledge and experience among staff. These shortcomings reduce the trade opportunities for MSMEs arising from deepened regional integration and potential linkages to regional and global value chains.

The solution

The ECOWAS Trade Promotion Organization (TPO) Network was established to create a strong regional alliance, pooling resources for trade development and promotion. The network is backed by the June 2021 decision C/DEC.2/06/21 of the 86th Ordinary Session of the ECOWAS Council of Ministers.

In 2022, ITC and the ECOWAS Commission supported the network to formulate its strategic programming documentation and enhance its visibility; hold its second General Assembly; broker collaborative relationships with various regional and international public and private organizations; and train the staff of member TPOs. Network members also took part in the World Trade Promotion Organizations Conference in Accra, Ghana, enabling them to interact and learn from peers from around the world.

The results

ECOWAS TPO Network members now regularly exchange information on business opportunities and are helping West African firms participate in regional and international trade. Under the leadership of the ECOWAS Commission, the network will showcase the region at the Intra-African Trade Fair 2023 organized by the African Export-Import Bank and the AfCFTA Secretariat. The network has a robust resource mobilization framework guiding its engagement with regional and international financial and other partners. Its visibility has been greatly enhanced within Africa and around the world.



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1. Woman farmer from Moawoma cooperative, Sierra Leone 2. ©Shutterstock.com 3. Salmed Cocoa/Coffee Farmers Cooperative, Sierra Leone

Thanks to ITC capacity building and training, more than 100 staff of the ECOWAS TPO Network have stronger skills and more effective tools to deliver trade support services to firms and also results-based management-oriented project cycle management. The TPOs have developed the capacity to provide trade and market intelligence and organize events such as trade fairs and missions.

Key results

Training and capacity building

- Six TPO Network senior leaders coached on resource mobilization
- 10 technical staff trained on how to manage ECOWAS TPO Network Secretariat
- 54 TPO Network staff trained on service portfolio development and delivery
- 36 TPO Network staff trained on tools for business generation and trade promotion
- 35 TPO Network staff trained on results-based management
- 66 technical staff of TPOs and regional BSOs trained on trade information management

Substantive outputs

- TPO Network resource mobilization strategy
- TPO Network programming document
- TPO Network website and promotional material with branding guidelines

‘This collaboration with ITC and the EU builds on our strategy for deeper integration, delivering tangible results in increased enterprise competitiveness and stronger linkages with both regional and global value chains. The ECOWAS TPO Network is a key part of the ECOWAS Commission’s trade promotion strategy and provides a powerful springboard for optimizing the African Continental Free Trade Area, among other market opportunities.’

Kolawole Sofola – Acting Director, Trade Directorate, ECOWAS Commission

The future

In collaboration with the ECOWAS Commission, ITC expects to continue to provide direct support to national TPOs, chambers of commerce and women’s business associations, among others, to secure a stronger client base and an even deeper trickling down of services and their benefits to MSMEs in the region.

LINK

- <https://intracen.org/our-work/projects/ecowas-west-africa-competitiveness-programme-wacomp>



Funder

European Union

Non-impact area specific

Beyond our five impact areas, ITC has a body of work that is not specific to impact areas. This involves results achieved from deploying tools and services from our core areas of technical expertise that are not explicitly attributed to an impact area. They range from improved capacities of MSMEs to more effective BSOs, successful implementation of national policies and strategies, and enhanced market intelligence through ITC's suite of global public goods.

Key results

- Value of trade or investment transactions reported by the private sector to have been positively affected by access to ITC Market Analysis Tools and related services was \$194 million.
- Export Potential Map data linked to or embedded in country-specific portals including Ghana, Sri Lanka and Tunisia.
- Kazakhstan, Nigeria and Uzbekistan launched their trade information portals, bringing to 26 the number of portals accessible to the public. In 2022, the portals recorded 540,000 visits.
- Ten sets of trade facilitation-related recommendations to enhance cross-border procedures were adopted in Burkina Faso, Kyrgyzstan, Sri Lanka and Uzbekistan.
- Country-specific Eastern Partnership Trade Helpdesks were launched in Armenia, Azerbaijan, Georgia and Moldova.

2022 highlights

Accessing market information is a challenge in today's fast-paced environment. MSMEs in developing countries face serious challenges owing to the large number of official regulations and compliance requirements from international buyers. The transparency of information about market access conditions and trade opportunities is a public good that particularly benefits low-income countries.

As of end-2022, ITC's **Global Public Goods** – including the suite of Market Access Tools, Standards Map, Sustainability Map, Trade Strategy Map and e-Ping – had attracted 1.4 million regular users from 190 countries and territories, increasing their awareness on issues related to international trade.

Responding to the need for current data in post-pandemic and crisis situations, and building on the experience of its COVID-19 dashboard, the **Market Access Map** launched another temporary trade measures dashboard, providing real-time information on import and export measures related to the war in Ukraine.

Developed at the request of beneficiaries and donors, the **Export Potential Map**, based on the ITC export potential methodology, identifies goods, markets and suppliers with unrealized export potential as well as opportunities for export diversification for 226 countries and territories and 4,476 products.

In 2022, the Ghana Export Promotion Agency linked Export Potential Map in its Exporters Portal and Sri Lanka's Export Development Board devoted a section of its online portal to the export potential of the food, feed and beverages industry



1. Launch of the Eastern Partnership Trade Helpdesk, Georgia 2. Trade Map training, Nepal 3. Export Potential Map training, Tunisia

using Export Potential Map data. The map was further customized and embedded in Tunisia's CEPEX website.

ITC, in partnership with UNCTAD, has helped 30 governments implement their **trade information portals** since 2016.

The project objective is to enhance the functionalities and use of these portals to create a more conducive cross-border environment for traders, including MSMEs, through improved transparency and simplified trade formalities.

Kazakhstan, Nigeria and Uzbekistan launched their trade information portals with ITC support. Several systems were also upgraded during the year: a Harmonized System code search was added to the portals of Burundi, Kyrgyzstan, Tajikistan and the United Republic of Tanzania, and administrative burden cost modules were implemented in the United Republic of Tanzania.

ITC's **Trade Facilitation Advisory and Advocacy Services** aim to build consensus among policymakers and the business community to introduce innovative trade facilitation instruments contributing to resilient, efficient, inclusive and sustainable border environments. Burkina Faso's National Trade Facilitation Council adopted three simplification action plans to streamline procedural requirements. It also adopted four project proposals to request technical and financial assistance towards the implementation of category C measures under the WTO Trade Facilitation Agreement.

Sri Lanka introduced four sets of recommendations aimed at simplifying procedures. The country also implemented two online payment facilities as well as an online e-registration system. In Central Asia, Kyrgyzstan and Uzbekistan committed to introduce electronic queue management systems at a pilot border crossing to reduce delays for truckers. Kyrgyzstan formally approved an ITC-led initiative to digitalize laboratory test results to expedite conformity assessment processes.

ITC designed and implemented the **Eastern Partnership Trade Helpdesk** to boost the trade competitiveness of MSMEs of the Eastern Partnership countries within the region and with the EU. The portal provides an online trade

intelligence gateway for companies and BSOs in these countries. Armenia, Azerbaijan, Georgia and Moldova launched their country-specific trade helpdesk portals and set up inter-agency problem solving networks.

In 2020, ITC began to explore the potential of artificial intelligence. ITC developed Trady, an artificial intelligence-powered trade policy adviser that gives MSMEs and policymakers fast and free access to solutions for their most common trade-related issues. The **TradeAI Chatbot** has since been upgraded. Policymakers can use TradeAI to learn about trade policies, connect with other practitioners and design their own international trade and MSME competitiveness strategies.

Funders

ITC Trust Fund Window 1 funders

Canada, Finland, Germany, Iceland, Ireland, Norway, Sweden, Switzerland

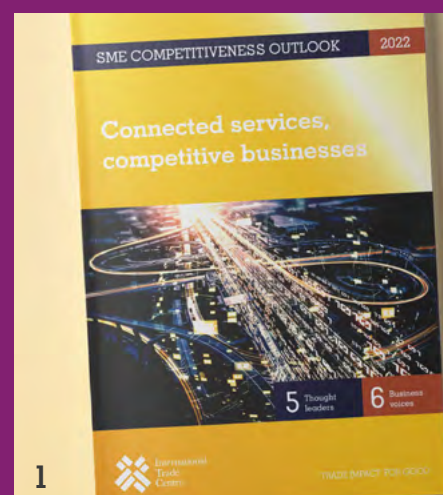
Project-specific funders

European Union, United Kingdom of Great Britain and Northern Ireland (the), Germany, Republic of Korea, Netherlands (the), United States of America (the), Enhanced Integrated Framework, UNCTAD, France, Sweden, CrimsonLogic, National Graduate Institute for Policy Studies, ILO, Saint Lucia Trade Export Promotion Agency, International Organization for Standardization, Swisscontact, Federation of U.A.E Chambers of Commerce and Industry, Flanders Investment & Trade, Undercurrents News - Seafood business News, Australia, Import Promotion Desk, Japan, Chambre de commerce d'industrie d'agriculture et des métiers de Pointe-Noire, United Nations Office at Geneva, Switzerland Global Enterprise, Croatian Chamber of Economy, Austrian Federal Economic Chamber, TradeMalta, Google, Procolombia, Chambre de commerce, d'industrie et des services de Genève

CASE STUDY

SMECO 2022:

A pathway to growth through connected services



The challenge

How to reignite growth in the era of polycrisis? Economic transformation – a process fundamental to development – takes place when a country dedicates more resources to higher value-added activities. This spurs a shift towards sectors and activities that produce higher rates of growth.

In the past, countries transformed their economies by moving workers and capital into factories. However, as the largest shares of global manufacturing exports are firmly entrenched in a few developed and emerging economies, developing and least developed countries are finding it difficult to follow this path.

The solution

Today, services account for most productive activity and are transforming national economies. As recently as 2019, services generated about two-thirds of economic output globally and created most jobs. They proved indispensable – though not immune from disruption – during the pandemic and recent economic and trade turmoil.

Like manufacturing, services can be highly productive, tradable and feed into the rest of the economy. But not all services are the same. A set of four activities – which ITC

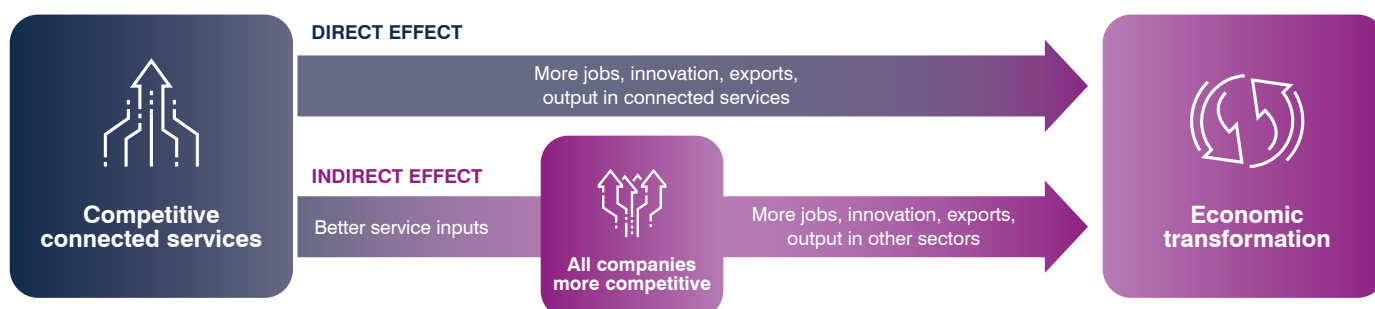
has dubbed the ‘connected services’ – are key to a services-led economic transformation.

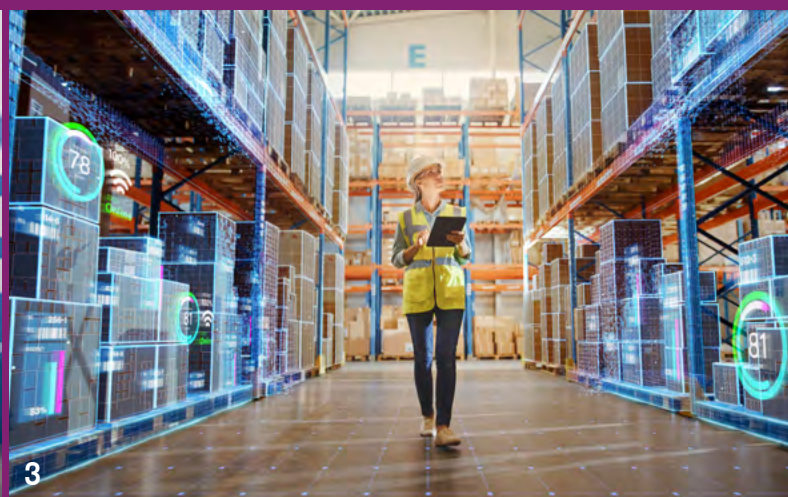
Transport and logistics, financial services, information and communication technologies, and business and professional services contribute directly to economic growth and development with an increasing share of output, trade and jobs. They also contribute indirectly by making all firms more competitive and connecting them to global value chains and digital innovations.

The results

When companies begin to outsource activities to specialized connected-services firms, they become more competitive. For example, 78% of businesses that used good logistics services improved inventory management, compared to 36% of companies with low-quality logistics services. Similarly, those that were able to access high-quality banking services were 15 percentage points more likely to succeed in developing new products or processes. Finally, firms with better access to the internet were much more likely to have information on potential buyers and suppliers than those without it.

As companies that source good-quality connected services tend to be more competitive, they also tend to export more.





1. SME Competitiveness Outlook 2022: Connected services, competitive businesses 2. Pamela Coke-Hamilton at the SMECO press conference, Palais des Nations, Geneva 3. Futuristic technology retail warehouse © Shutterstock.com

In regions with competitive connected-services firms, 44% of firms in all sectors export, compared to 19% of firms in regions with weak connected services.

The future

SME Competitiveness Outlook 2022: Connected services, competitive businesses shows that connected services are emerging as a powerful force for economic transformation. They are also poised to help small firms take part in this change, by giving them the inputs they need to be competitive. Unfortunately, most small firms in developing countries cannot easily access them.

Recognizing the catalytic role of connected services, ITC has reinforced its offer on these core elements. Its recently launched Switch ON was designed to help MSMEs trade digitally, bringing together the organization's diverse programmes to expand their services to small businesses. ITC programmes targeting refugees and internally displaced people as well as women-owned and youth-led services enterprises help them build skills to expand their digital presence and connect with other service providers and global markets through online platforms.

Finally, ITC helps countries enact the necessary regulatory reforms and implement trade strategy solutions to foster an enabling business environment for connected services.

'Connected services make our societies more equal. Through connected services, small businesses integrate into international value chains and adopt digital technologies to produce and engage with buyers, suppliers and support institutions more efficiently. This way, trade becomes more inclusive, with the resulting gains more broadly distributed. As we rebuild, this services-led approach to development can help countries leapfrog and transform their economies.'

Pamela Coke-Hamilton – ITC Executive Director

LINK

- <https://intracen.org/resources/publications/sme-competitiveness-outlook>



Funders

Canada, Finland, Germany, Ireland, Norway, Sweden, Switzerland

CASE STUDY

All least developed countries equipped to exploit free trade intelligence tools



The challenge

A key challenge for any country wishing to export more is the scarcity of reliable trade information on markets. They need to stay on top of competitive conditions in their current markets, anticipate demand swings in turbulent times and identify long-term growth potential for their goods. They also must be able to scan for new market opportunities and the potential to diversify or add value to existing products. This market analysis can be time consuming, costly and an impediment to trade, especially for least developed countries (LDCs) with limited resources.

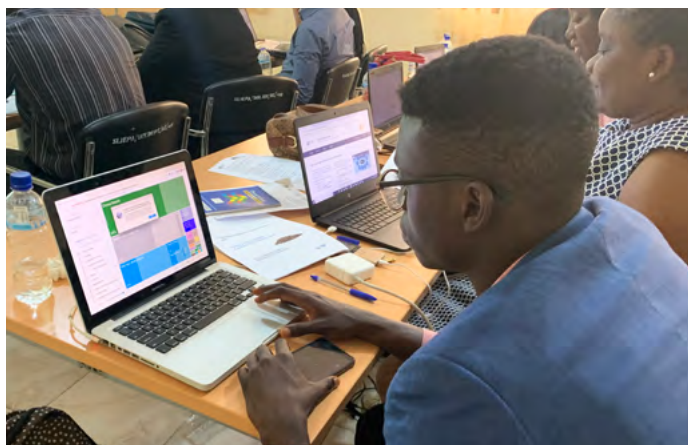
ITC helps address this challenge through its suite of Market Analysis Tools – recognized as a global public good – funded by the European Union and donors to the ITC Trust Fund. An ambitious goal over the course of a five-year project that culminated in 2022 was to build the capacity of all LDCs to use the tools.

The solution

Capacity building is instrumental in the impact and reach of ITC's global public goods. In 2022, nearly 10,000 businesses and government officials from across the globe benefited from training on Market Analysis Tools. This included 496 participants from LDCs, of whom 167 were women. ITC reached a major milestone during the year: it achieved its goal of training representatives from all 46 LDCs to fully exploit its tools on trade and market intelligence.

In 2022, ITC dedicated 24 training sessions to LDC users to help them gain critical insights, including, for example, on preferential access opportunities in regional and major markets. As users from LDCs and developing countries consult video platforms such as YouTube, ITC expanded its online video library by adding 78 new trade-related videos and tutorials. This brought in over 115,000 views – equivalent to more than 5,000 hours of learning.

ITC also worked closely with LDC development institutions and national authorities to reach out to local BSOs, trade associations, customs administrations, academic institutions and women entrepreneur associations. Workshops and webinars were organized in which the content was entirely tailored to the national context.



Capacity building on market analysis tools in Niger and Sierra Leone



1. Export Potential Map training, Sierra Leone 2. Quantitative Export Factsheet training, Nepal 3. WTO Advanced Trade Policy Course on market analysis tools, Geneva

As an example, with Nepal set to graduate from LDC status in 2026, a workshop on ITC tools was designed to help policymakers master related market access issues and navigate the future trade landscape. The workshop shed light on the South Asian Free Trade Area and discussed how Nepal can propel market diversification and also use special incentive arrangements such as GSP+ (Generalised Scheme of Preferences Plus).

‘It was an exciting and essential training. We learned about trade statistics and ITC’s tools from expert trainers who know the technical side of trade and understand the local reality of Niger. The most interesting part of the training for me was Market Access Map. Now I can quickly check the main conditions required for a product to enter a given market. This information will help me do market analysis for my country and help MSMEs seeking new export opportunities.’

Tanimoune Abdoulaye Mani –
Head, Division for Entrepreneurship Promotion, Ministry of Commerce, Niger

The results

ITC’s public goods span the globe, reaching beneficiaries in the most vulnerable and remote economies. The response to ITC’s training on how to capitalize on its free Market Analysis Tools has been overwhelmingly positive, especially among LDC participants driven by the desire to help their countries and fellow citizens attain a better quality of life. Many are excited to be trained and experience the availability of data that can be exploited to help domestic businesses grow and policymakers formulate robust trade development strategies.

Participants from countries including Kiribati, Sao Tomé and Príncipe, Somalia and Tuvalu, for example, which had been involved in few capacity-building activities in the past, were particularly appreciative and inspired.

The future

While ITC will continue to build the capacity of LDCs beyond the duration of the project, synergies have also been identified with partners such as the UNDP Regional Service Centre in Addis Ababa to establish a network of certified trainers on ITC tools. The objective is for these trainers seamlessly to provide training and advisory services based on Market Analysis Tools, thereby ensuring continuous and tailored capacity building for users in the world’s least developed countries.

LINK

- <https://marketanalysis.intracen.org/en>



Funder

European Union

CASE STUDY

Opening new horizons for small firms in Iraq



The challenge

As Iraq works to emerge from years of conflict and recover from an economic crisis, the country's agriculture and agrifood sectors, under the right conditions, have the potential to contribute to much-needed economic growth and diversification, job creation and enhanced sustainability and resilience.

This was the message from public and private-sector leaders at the opening of the first Iraq National Trade Forum on 28 November 2022. Held in Baghdad, the two-day forum provided an opportunity for Iraqi MSMEs in farming and food processing, packaging and logistics to connect with international suppliers and investors.

The solution

Through the EU-funded SAAVI project, ITC jointly organized the forum with the International Organization for Migration. The forum hosted more than 450 participants from all Iraqi governorates, including business leaders, international

suppliers, investors, banks, policymakers, BSOs, representatives from local and national authorities, as well as international development partners.

During the forum, Iraqi small and medium-sized companies had opportunities to forge business deals and secure investment. International suppliers and Iraqi firms held one-on-one business-to-business (B2B) meetings at the event. The forum also featured an exhibition of innovative firms under the theme Made in Iraq, with representation from all Iraqi governorates.

'The business-to-business event was extremely helpful both in terms of assessing the investment environment and interacting with other companies. I had sessions with five different private-sector companies. We learned a lot from each other.'

Nisreen Shatir – Chief Executive Officer, Arakia Corporation, Iraq



Opening ceremony and inauguration of the first Iraq National Trade Forum



1. H.E. Mr. Abbas Al Maliki, Minister of Agriculture speaking at the opening session of the Iraq National Trade Forum 2. Session on agribusiness at the Iraq National trade Forum 3. Business-to-business meetings at the forum on agrifood and the agricultural sector

The results

More than 150 Iraqi companies and international buyers took part in the forum, which saw 170 B2B sessions linking more than 70 companies. The event facilitated \$2.5 million in potential deal value.

Feedback from companies pointed to other encouraging long-term outcomes:

- 56% reported that the forum had initiated investment opportunities
- 58% reported that the forum had initiated a business partnership
- 80% reported that they may change their business practices as a result of B2B sessions
- 84% reported that they are more aware of business and trade as a result of the B2B sessions

Three partnerships were signed during the forum with major companies in support of SAAVI agribusiness alliances. The SAAVI agribusiness alliance model is an innovative business model that offers farmers support to improve their production capacities, upgrade their business models, develop their own local business plans and establish long-term mutually beneficial partnerships with buyers.

The future

The event demonstrated that there is a vibrant and aspiring Iraqi private sector in agribusiness and related sectors ready to contribute to the economic development and diversification of the country by exploiting trade and investment opportunities. For many small and medium-sized enterprises that attended, the Iraq National Trade Forum was a leg up in that direction.

‘One of the best business-to-business events I have attended in Iraq. During these interactions, we worked together with other companies to increase our understanding of the business environment and current needs. Going forward, this has motivated me to strengthen AHK linkages with other partners in the country.’

Hogar Bebane – Project Manager, German Liaison Office for Industry and Commerce Iraq (AHK)

LINKS

- <https://intracen.org/our-work/projects/iraq-strengthening-the-agriculture-and-agri-food-value-chain-and-improving-trade>
- <https://www.youtube.com/watch?v=ZRlCkXH3Pw>



Funder

European Union





Managing for results



Our value proposition

The ITC mandate focuses on expanding trade opportunities for MSMEs with the aim of improving livelihoods, generating employment and achieving sustainable development.

Our value proposition pools a unique set of technical and operational capacities. It combines four **organizational strengths** – trust, expertise, connectedness and agility –

that are carefully nurtured and continuously developed to respond to client needs.

In this section of the *ITC Annual Report 2022*, we show how our organizational strengths were deployed and enhanced in 2022.

ITC's value proposition and organizational strengths

Trust	We generate trust as a neutral and inclusive organization.
Expertise	We create knowledge and skills to empower stakeholders.
Connectedness	We facilitate dialogue and support between and among clients and partners.
Agility	We customize and innovate to make sure clients receive the right solutions.

Trust

Risk management

Since 2015, ITC has implemented an Enterprise Risk Management Framework based on the three lines of defence model. In a process of continuous improvement, the framework was updated in 2022 to align with the findings of the Joint Inspection Unit report on *Enterprise risk management: approaches and uses in United Nations system organizations*. Also in 2022, ITC's Senior Management Committee agreed to update ITC's Risk Appetite Statement to align it with the ITC Strategic Plan 2022–2025.

ITC conducted structured risk discussions on all organizational levels. We finalized our annual corporate risk register update, which revealed that the severity of certain risks had decreased: e.g. the risk of significantly lower regular budget funding and the risk of ITC's inability to substantiate and/or aggregate development results.

The former resulted from a more predictable and efficient United Nations annual budget preparation cycle, confirmed at year-end 2022, subsequent to United Nations budget reform. The latter was due to the enhancement of the ITC results framework with new indicators that enable better monitoring and reporting. During the year, ITC continued to develop and upgrade its proprietary results-based management tools, such as the project portal and new reporting templates and monitoring surveys, supported by training and capacity-building activities.

Several risks have increased, notably those related to ITC personnel being exposed to deliberate harm and committing, being exposed to or wrongly accused of discrimination, abuse of authority or harassment, including sexual harassment. To mitigate those risks, ITC has begun to develop internal action plans, including a procedure for engagement in conflict and post-conflict country contexts.

Internal controls

Internal controls are designed to provide reasonable, but not absolute, assurance of the achievement of objectives in the form of reliable financial and non-financial reporting, effective and efficient operations, and compliance with regulations, rules, and policies, including with regard to preventing and detecting fraudulent acts.

The Secretary-General of the United Nations is accountable for administering the organization and implementation of its mandates, programmes and other activities, and for maintaining a system of internal controls. The 2022 Secretary-General statement on internal controls signalled a need for improvement in areas such as advance ticket purchase policy, talent acquisition, data protection and privacy, programme monitoring, workplace conduct management and cybersecurity.

ITC is constantly monitoring its internal controls. In 2022, we strove to improve the efficiency of our controls for potentially high-risk areas where improvements are deemed necessary in the Secretary-General statement.

In the area of data protection, for example, ITC advanced implementation of its data management strategy and governance under the overarching data management initiative. A dedicated policy was formulated for client data management with key guiding principles. Regarding programme monitoring, ITC invested in the development of in-house tools and dashboards to improve the monitoring and reporting of results to ITC management.

Results-based management

Important advancements were made during the year, including in relation to monitoring and reporting tools. They include:

- Launch of customizable ITC surveys for data collection and monitoring that can integrate project-specific requirements and contain a 'question bank' that caters to all corporate indicators.
- Launch of new, standardized reporting templates that allow for highly granular reporting and the inclusion of key mainstreaming dimensions (e.g. youth, women, vulnerable groups, environment).
- Enriched reporting through lists with model types of changes allowing for a better qualitative (narrative) reporting to complement the quantitative results (reported outcomes).
- Development of senior management dashboards (beta versions) to increase transparency and visibility of Umoja data.

Corporate efficiency and effectiveness highlights

Carbon neutrality

ITC has been carbon neutral since 2018. In 2022, ITC offset a 2021 residual 669 tons CO₂ equivalent by supporting the Salkhit Wind Farm project, the first grid connected wind farm in Mongolia.

Client satisfaction

ITC monitors satisfaction of its beneficiaries through surveys. Across surveyed clients, the satisfaction rate in 2022 exceeded 90%.

Transparency

ITC's Open Data Portal is a component of our ongoing implementation of the International Aid Transparency Initiative. As of 30 June 2022, International Aid Transparency Initiative data for more than 90% of ITC's extra-budgetary funds were available on the portal.

Independent evaluation

For all ITC interventions, evaluation is a crucial instrument to support organizational learning and knowledge development and for accountability against expected results. Evaluations support ITC's policy, programme and project management decision-making to improve performance and enhance our contribution to achieving the SDGs.

The Independent Evaluation Unit (IEU) is the custodian of ITC's evaluation function. The unit directly manages evaluations and reviews and provides advisory services on evaluation matters within the organization.

In 2022, 27 evaluations and reviews and 51 project completion reports were undertaken. Of the 27 evaluations and reviews, the IEU independently initiated or completed 11, project managers conducted three self-evaluations with IEU support and 13 were funder-led.

In line with the United Nations Evaluation Group Norms and Standards for Evaluation and the ITC Evaluation Guidelines, the IEU monitors the implementation status of evaluation recommendations. This helps ensure that IEU recommendations contribute to ITC's organizational effectiveness, learning and accountability. The biannual status report at the end of Q3 2022 revealed that the IEU had monitored 31 recommendations, of which 10 had been implemented, 20 were in progress and one was yet to be initiated.

At the request of project teams and as part of its advisory services, the IEU helps project teams prepare their project completion reports, paving the way for a common understanding of project performance as well as improvements to be introduced in future interventions.

In 2022, the IEU participated in three evaluations carried out by the Office of Internal Oversight Services. As the ITC focal point for the Joint Inspection Unit (JIU), it contributed to the completion of a JIU report and a note and facilitated ITC participation in eight JIU reviews (ongoing).

Summary of IEU independent evaluations and sustainability reviews reviews completed in 2022

2022 Annual evaluation Synthesis Report

The Annual Evaluation Synthesis Report (AESR) focused on building knowledge for implementation of the ITC Strategic Plan 2022–2025 by assessing the findings from evaluation reports and reviews against the main dimensions of the plan. It concluded that evaluated projects were in line with ITC's vision, mission and principles, but that other elements of the plan – for example, the new matrix approach or commitments related to responding to country needs – appeared to require attention. The AESR noted that while women's participation in trade was well integrated in projects, environmental issues were addressed in less detail. It found that the focus on beneficiary needs was an overall strength and that most evaluated projects made good use of synergies within ITC. It also showed that while projects were meeting ITC's results-based management reporting standards, there was room for improvement. Senior management accepted the AESR recommendations in full.

Midterm evaluation of the Middle East and North Africa Textile and Clothing Programme

The midterm evaluation of the Middle East and North Africa Textile and Clothing (MENATEX) programme aimed to assess strengths on which to build and gaps to address in programme design and implementation. It concluded that the programme was aligned with key stakeholder needs and priorities and that it broadly achieved its objectives. The evaluation found that the programme's monitoring and evaluation approach, based on a results framework largely focused on the delivery of activities under the different outputs, was inadequate to identify and report on areas that might require a course correction. The programme enabled strengthened synergies between key project beneficiaries, helped MSMEs professionalize and expand their operations, and helped build capacities among local trainers and experts. The evaluation identified opportunities for the programme to clarify its approach to sustainability and work on cross-cutting issues.

Evaluation of the SheTrades Initiative

The evaluation of the SheTrades Initiative took stock of the approach, implementation model and results achieved during its first five years of operation (2016–2021). It found that the initiative had become a strong brand for ITC through its engagement in international and national policy advocacy on gender and trade and its adoption of a holistic, partnership-driven approach. It noted, however, that high-visibility events and ambitious quantitative targets for getting women to markets may have diverted attention from monitoring the economic empowerment of different groups of women. It further noted that SheTrades was tasked with advancing a high-profile agenda on women and trade with limited staff and resources to deliver on this agenda. Recommendations focused on the need for the initiative to deepen its engagement in processes that help make sectors and/or specific value chains more gender inclusive and to adapt SheTrades products and services to in-house needs in relation to programmatic and corporate gender mainstreaming strategies.

Final evaluation of Netherlands Trust Fund IV – Export Sector Competitiveness Programme

The evaluation of NTF IV over its five-year duration (2017–2021) found that the programme broadly achieved very satisfactory results. NTF IV successfully built on the lessons and achievements of NTF III and made significant progress towards programme and project outcomes. The evaluation noted that while NTF IV was designed to support firm competitiveness by targeting both MSMEs and their multistakeholder ecosystem, the approach was less holistic than planned. The evaluation recommended considering a longer programme cycle to allow for a comprehensive participatory planning phase. Moreover, to ensure that projects within a programme are linked, the evaluation recommended that ITC develop a programme-level theory of change that clearly sets out the expected trajectories of change and the contribution of each project to programme-level results.

Evaluation of the Colombia PUEDE project: Peace and unity through productive development and commercialization

The evaluation examined the performance of the Colombia PUEDE project in improving income opportunities for smallholders in southwestern Colombia by promoting trade in products from three agricultural value chains. The evaluation concluded that the project had been highly relevant, effective and efficient and had laid the foundations for long-term impact and sustainability. These exceptional results were achieved in a region deeply affected by insecurity and were built on two main pillars that differentiated the project to make it uniquely successful: (i) an endogenous approach whereby the project team planned activities from the bottom up and (ii) a market-driven approach aimed at attaining tangible results in terms of sales and exports that materialized into higher farmer incomes. The evaluation recommended that ITC analyse these elements of the project's performance and possible ways they could be systematized and scaled for similar initiatives.

Sustainability reviews of export strategies

The reviews assessed the sustainability of three national strategies: the Saint Lucia National Export Strategy 2020–2024, the Sri Lanka National Export Strategy 2018–2022 and the Burkina Faso National Shea Development Strategy 2015–2019. Overall, the reviews concluded that ITC support contributed positively to the long-lasting effects of a country's export strategy and added value by strengthening capacities for trade through knowledge transfer, policy influence, public–private networks and implementation mechanisms. A key lesson was that the ability of a country to fully implement an export strategy in a sustainable manner requires a systematic and sustained focus on assessing its domestic capacity, including at the institutional level, as well as its resilience to external shocks. The evaluation recommended that ITC ensure more effective internal coordination when supporting the formulation of export development strategies and enhance post-project follow-up.

Mainstreaming

Gender Unit

ITC continued to build on its efforts to strengthen the organization's gender, diversity and inclusion goal of creating a more enabling workplace. Capacity development was a central theme in 2022, with several initiatives designed to support organizational learning and awareness-building regarding systemic oppression and the intersectional nature of inequality.

ITC's Mentoring Programme for Women, in its third programme cycle, promotes inclusion through interagency collaboration and via its horizontal approach to mentoring. The programme has also featured a Men Engage component since 2021. In 2022, 89 mentoring pairs took part in the six-month programme, which included one-on-one mentoring and regular capacity-development opportunities. Spanning 26 different countries, participants were from ITC and partner organizations. In addition, 25 colleagues from other United Nations and civil society agencies joined as external mentors.

'ITC works towards a world in which trade builds inclusive, sustainable and prosperous economies. We recognize that realizing this vision starts from within: Who we are echoes in what we do.'

ITC Gender, Diversity and Inclusion Strategy

In 2022, ITC launched a gender equality training for senior managers. Designed and facilitated by ITC's Gender Unit, 'Moving the needle forward; mainstreaming gender equality at ITC' was offered to staff at the P4 level and above, with the goal of supporting the collective and individual capacity development of upper-level personnel on gender equality.

To continue improving gender parity at ITC, the Gender Unit, in collaboration with human resources recruitment, also piloted an unconscious bias checklist to mitigate the influence of bias in recruitment processes.

'My group experience was extremely valuable – a real authentic experience which allowed me to learn about colleagues in a safe environment.'

Participant – Gender equality training for senior managers

Diversity and Inclusion Group

The Diversity and Inclusion (D&I) Group, ITC's internal advocacy, resource referral and awareness-raising body for diversity and inclusion, continued to build and strengthen its mandate in 2022. The D&I Group consists of gender and alternate gender focal points, along with LGBTQI+, disability inclusion and racial and geographical diversity focal points.

The D&I Group co-organized large events in 2022, highlighting the importance of interagency collaboration. For instance, the equal parental leave event, attended by around 200 participants, was organized in collaboration with U.N. Parents and International Gender Champions. The group also co-organized an interagency event on the inclusion of trans, non-binary and gender non-conforming personnel in the United Nations, attended by more than 300 people.

Other initiatives led by the D&I Group to promote a more enabling workplace included participating in the interagency working group against racism; planning social activities for key dates of diversity and inclusion; and developing the Language Matters series on the importance of inclusive language.

Disability inclusion

Throughout 2022, ITC made clear progress in strengthening its disability inclusion culture. Our efforts were acknowledged in the United Nations Disability Inclusion Strategy report and translated into improved ratings in the indicators Institutional Set-up and Capacity Development.

'If we want to craft a more inclusive workplace – one that makes all of us feel like we belong and are valued – we need to consider the power of our words and the stigma they continue to create.'

Language Matters series

Highlights for 2022 included formalizing the Disability and Accessibility focal point's mandate; adding the mainstreaming of disability inclusion into project and programme design guidelines; increasing awareness-raising campaigns around disability inclusion; participating in events organized around advocacy for the rights of people with disabilities; and contributing to the 2022 WHO Global Report on health equity for people with disabilities.



Expertise

Human resource management

Much like the rest of the world, ITC staff began to return to the office on a large scale in 2022 following the COVID-19 pandemic. This transition included a revision of ITC's policy on work-life balance aimed at strengthening time parameters and assigning roles and responsibilities. During the year, human resources (HR) focused on two main areas:

(i) replacing the old recruitment system and (ii) helping personnel transition back to the office through strengthened learning and training.

Implementing a new e-recruitment system

To improve organizational efficiency and broaden outreach efforts, ITC implemented a new recruitment system, INSPIRA, the gateway with the largest reach globally in the United Nations system. INSPIRA is integrated with our enterprise resource planning system, Umoja, allowing for data coherence. The system includes a user-friendly performance management and learning and development solution, which will enable ITC to develop a one-stop centralized system for these HR modules.

A focus on capacity building and learning in the transition back to office

In 2022, HR engaged in numerous activities for personnel to benefit from training opportunities and capacity building. ITC partnered with the United Nations Staff System College and implemented the Blue Line training platform, a global

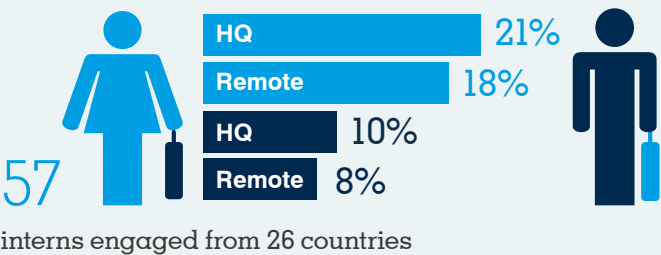
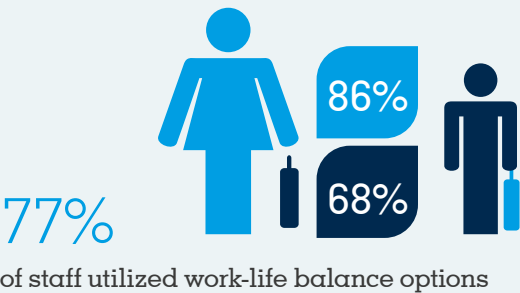
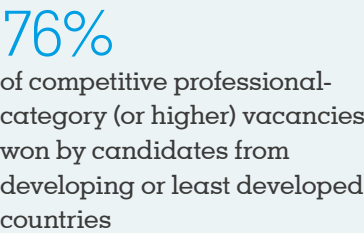
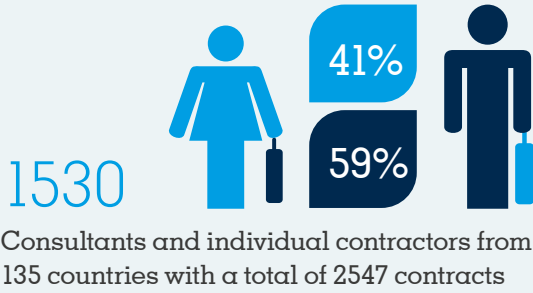
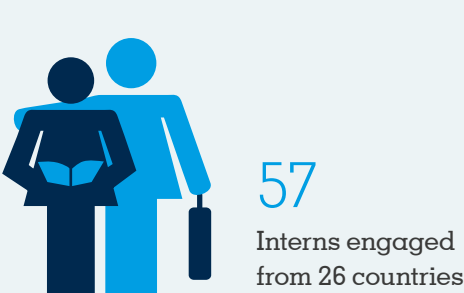
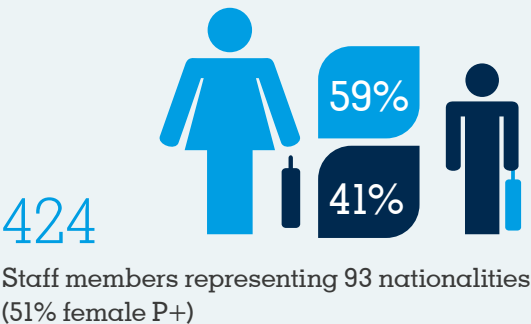
learning hub designed by the United Nations, available to all ITC personnel whether at headquarters or country-based, irrespective of contractual status. The platform offers 46 managerial and leadership training and e-certifications on resource management, United Nations leadership and performance management, among others.

Human resources completed the development of video tutorials, capturing various core processes in short videos to improve corporate efficiency and self-learning. Since the project began in 2021, 24 videos introducing the work of ITC divisions and sections and 47 videos explaining core administrative processes have been developed.

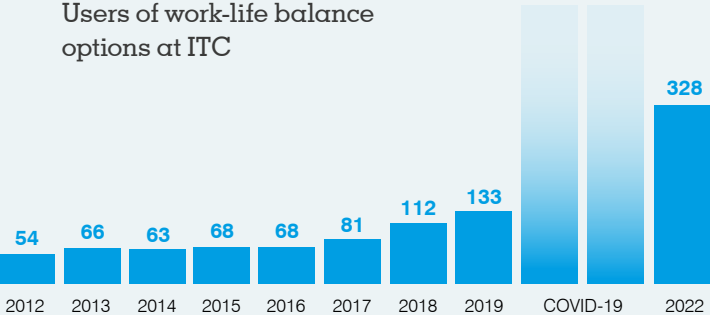
HR introduced a Management Clinics series, an open space for managers to discuss issues they face in their supervisory roles, share experiences and learn from one another. Topics included how to approach and implement the new work-life balance policy as well as how to handle complex and challenging performance cases. ITC also initiated annual divisional meetings with senior managers to review HR-related areas, discuss performance on key indicators and communicate upcoming needs.

The HR Talks series continued, with sessions on mental health, disability, career development, speaking up, work-life balance options and gender and male engagement. The Performance Management @ ITC initiative further delivered regular training, preparing staff for each stage of the performance management cycle. ITC also participated in the United Nations Secretariat's Together Mentoring and Networking Programme, thereby greatly expanding the networking landscape for ITC staff with more than 30 organizations participating.

ITC human resources in numbers



Users of work-life balance
options at ITC





1. Yoga class, Mental Health Week 2022 2. Innovation Hero Awards 3. Training of trainers, Design Thinking 4. Winners of the Heroes Ceremony 2022
©Rafael Duarte/ITC

Innovation

The Innovation Lab, a grassroots collaborative hub for experimentation and learning, serves as a pillar for supporting ITC's innovation and knowledge management culture. It provides training, networks and other resources to help intrapreneurs succeed. The Innovation Lab equips ITC to adapt continuously and create new ways to respond to changes in the trade development landscape.

The Innovation Lab's objectives for 2022 were ambitious: increase participation of ITC colleagues in project locations, engage with more external stakeholders to position ITC as a thought leader on innovation in trade-related technical assistance and support the development of greater product and process innovation.

Driven by this ambition, the Innovation Lab's activities focused on three pillars in 2022:

Innovation coaches

Enhancing the development of innovation capabilities and knowledge sharing via innovation coaches

Under this pillar, focused on building the capacities of ITC colleagues and clients on innovation methodologies, two initiatives were successfully implemented: Training for Partners, including a training of trainers on design thinking as well as workshops on design thinking for project managers; and the consolidation of a framework document for a Corporate Innovation Strategy.

Innovation challenges

Testing product, process and cultural change pilots via the innovation challenges programme

The Innovation Lab worked on three new challenges in 2022: Mainstreaming innovation within the project life cycle; unleashing the power of effective teamwork and adapting the Next Normal plan from the United Nations Secretariat to ITC, with special focus on working modalities, organizational culture and staff engagement and well-being. The Innovation Lab allocated funds to test challenge solutions and supported each team's development with technical experts.

Innovation ecosystem

Nourishing a culture of innovation internally while positioning ITC as an innovation thought leader externally

Three strategic initiatives drove this third pillar designed to nourish a culture of innovation: Innovation Lab Champions 2.0, which led to the development of a dashboard for improved knowledge sharing; Innovation Heroes Awards Ceremony, where innovative activities and teams were acclaimed; and Innovation Outreach, combining internal initiatives and engagement in external events and meetings with partners.

Innovation Lab 2022 results



‘For a remote professional like me based in India, Innovation Lab has always provided equal opportunities to participate in its initiatives. I was glad to be part of the Innovation Champions Challenge in 2022, which not only brought me closer to my HQ colleagues, but also gave me an opportunity to learn and work on initiatives beyond the project I am working on. I look forward to supporting the Lab in times ahead.’

Hargun Aiden – International Consultant, Monitoring, Evaluation and Communications (SheTrades West Africa), on his participation in the Innovation Champions Challenge

Data management

ITC's Data Management Initiative is guided by the United Nations Data Strategy 2020–2030, which sets a path for building a data-driven organization that maximizes data value for better decisions and stronger client support. The initiative collects, shares and analyses corporate data sets to turn data into a strategic asset that expands our knowledge of clients and intervention results. In 2022, the initiative made notable progress in developing data management toolsets and a data governance framework.

Data management toolsets

In March 2022, ITC rolled out an event management system – ITC events. The tool enables ITC projects to seamlessly create events, register participants and collect disaggregated data through automated reporting capabilities. ITC Events collected information on more than 22,000 participants in 2022, providing insights into client engagement that feed into the project management portal.

In late 2022, ITC launched a new application – ITC surveys. The toolset streamlines data collection activities by giving users an online survey designer and response collector to help gather data directly from project beneficiaries. The application standardizes ITC data collection processes and ensures data accessibility and interoperability across the organization.

Data governance framework

Data governance is the bedrock of corporate data management, ensuring data are usable, accessible and protected. In 2022, ITC finalized its first client data management policy, which serves as a key instrument for an organization-wide approach to managing client data.

ITC also developed an implementation roadmap for the United Nations Data Strategy. The roadmap outlines our data management approach, priorities and activities for the ITC Strategic Plan 2022–2025 period, reflecting the importance ITC gives to using data as a strategic asset to generate value for its clients and partners.



Connectedness

Partnerships

Each ITC partnership exists for a reason. ITC is proud of its partnerships, which are essential to foster improved trade cooperation for MSMEs in developing countries and help achieve the SDGs. Our partners include an increasingly diverse range of public and private-sector entities.

Our Partnerships4Purpose strategy sets out the parameters of engagement with our partners (for more information on the strategy, see the spotlight on partnerships, page 88). A key component of the strategy is to deliver on the vision set out in the Strategic Plan 2022–2025 and contribute to its impact areas. ITC took stock of existing partnerships in 2022 to better understand their different levels of commitment and responsibility. We also conducted a mapping of our partnerships against our impact areas.

2022 partnership stories

To boost visibility, Partnerships4Purpose orchestrated a communication campaign to highlight partnership stories across ITC social media channels. The following stories covered the four ITC moonshots launched in 2022:

Football as a power for youth in Africa and the Middle East

ITC and the UEFA Foundation partnered to bring sports development to affect the lives of youth in the Gambia, Guinea and Iraq. Jointly we developed a Kick for Trade curriculum that helps youth develop attributes to gain employment and/or pursue their ventures.

Boosting sourcing from women-led businesses in Indonesia

ITC launched a new partnership with Unilever to increase sourcing from women-led businesses in Indonesia. The partnership combines our expertise in empowering women entrepreneurs with Unilever's experience in fostering inclusivity and sustainability in value chains.

E-commerce as a springboard for artisans in Central Asia

ITC's partnership with eBay in Central Asia connected traditional artisanal businesses to international customers, improved their online visibility and provided artisans and entrepreneurs with the digital skills to take their businesses to the next level.

Alliances for a bluer, greener Caribbean

Together with the Alligator Head Foundation and the Coconut Industry Board in Jamaica, ITC partnered to diversify farmer livelihoods, restore communities and increase food production through sustainable environmental management from ridge to reef.



1. Memorandum of understanding signed between ITC and the Minister of Finance of the State of Qatar, Mr. Ali Al Kuwari **2.** ITC and the Commonwealth Secretariat sign memorandum of understanding to promote private sector development

2022 partnership highlights

Sustainable and resilient value chains

- ITC and the Pakistan Poverty Alleviation Fund provide access to finance for remote small businesses and farmers in rural Pakistan.
- The International Cotton Advisory Committee and ITC are working together to increase the yields of smallholder cotton farmers in Zambia.
- ITC and the International Cooperative Alliance offer holistic support to cooperatives in Africa.
- ITC partners with the World Bank to establish a Nepali value chain for the Pashmina sector.

Inclusive trade

- ITC, the European Union and Yebo Arts Gallery join forces to empower Eswatini's handicraft sector.
- ITC and Mel-O Africa support subsistence farmers to become more competitive in West Africa.
- ITC and the International Committee of the Red Cross partner to expand collaboration in the humanitarian and development nexus in Iraq.

Green trade

- ITC and ACRAM promote and develop African Robusta coffee to diversify economies, adapt to climate change and improve livelihoods.
- ITC partners with the Cambridge Institute for Sustainability Leadership and the Sustainable Agriculture Initiative Platform to empower decision-making in sustainable sourcing.
- ITC and the United Nations Global Compact commit to make small businesses more sustainable and resilient.

Digital trade

- ITC and logistics provider DHL partner to help Central Asian businesses and artisans deliver their products to global markets.
- ITC partners with eBay and USAID to empower artisans in Central Asia through e-commerce.
- ITC and Novica get together to bring artisans in Central America to global markets.

Regional integration and South-South trade and investment

- ITC's partnership with Afreximbank to provide training to entrepreneurs in Africa is expanded.
- ITC and the AfCFTA Secretariat partner to support the regional integration process in the context of AfCFTA implementation.



3. The World Trade Promotion Organizations Conference and Awards 2022, Ghana



4. Trade for Sustainable Development Forum 2022

Communications and outreach

2022 highlights

28 February – 7 March, Dubai, United Arab Emirates

ITC Small Business Week at Expo 2020 Dubai

ITC profiled small businesses through hybrid events hosted at the United Nations Hub that focused on the contribution entrepreneurs make to achieving the SDGs. These events included The Future of Coffee, Young Entrepreneurs in Sports and Sustainable Development and Making One Trade Africa a Reality. To celebrate International Women's Day, ITC also organized Digital World: Opportunities for Women and Youth in the MENA Region and Investing in Women Entrepreneurs: The Added Value.

6 April, Nyon, Switzerland

International Day of Sport for Development and Peace

To celebrate the contribution of sports to development and peace, ITC and the UEFA Foundation for Children hosted an event at the Union of European Football Associations and online. A panel of active and former football players and experts in sports for development examined the economic opportunities for entrepreneurship, job creation and business development that the sports sector can create for young people.

17–18 May, Accra, Ghana

13th World Trade Promotion Organizations Conference and Awards

Trade promotion organizations from across the world gathered at this ITC flagship event hosted by the Ghana Export Promotion Authority to explore how bold organizations can provide solutions to build resilience and manage risk in times of uncertainty. The event also announced the 2022 TPO award winners from Jamaica, Malaysia and Zimbabwe.

12–17 June, Geneva, Switzerland

ITC at the 12th World Trade Organization Ministerial Conference

ITC contributed to the 12th WTO Ministerial Conference by bringing the perspective of small business to some of the key topics addressed in the negotiations, including with a high-level event on e-commerce. Organized in partnership with the Netherlands, the event provided a platform to discuss challenges that MSMEs in developing countries face in the digital economy.

27 June, Global

MSME Day

On MSME Day, ITC called for greater support for small firms in the areas of gender, youth, digital connectivity and greening, and the celebration of initiatives that raise awareness and provide practical support to small businesses. The day's programme featured events with partners from the private sector, the United Nations family and country partners, including B2B e-commerce for small businesses; DHL MSME Virtual Helpdesk; the Small Business Champions: 2022 competition; and the annual MSME Day event coordinated in New York and Geneva, which focused on Resilience and Rebuilding: MSMEs for Sustainable Development.

1–3 September, Bridgetown, Barbados

ITC at the AfriCaribbean Trade and Investment Forum 2022

ITC's contributions to the first AfriCaribbean Trade and Investment Forum, organized by Afreximbank, Export Barbados and Invest Barbados, reflected our commitment to trade development between the two regions. We contributed to discussions on food security and expanding agribusiness opportunities and launched a report, produced at the request of Afreximbank: Expanding African-Caribbean Trade. On the margins of the event, the SheTrades Caribbean Hub was launched with the Caribbean Development Bank.

2022 key figures

(compared with 2021)

286,700
social media followers



Twitter +22%
Facebook +71%
LinkedIn +24%
Instagram +115%



367,112 video views

1.06 million
corporate website users



2.63 million website page views



41,145
publication downloads

Top 10 publication downloads in 2022:

1. *The Coffee Guide, Fourth edition*
2. *SME Competitiveness Outlook 2021: Empowering the Green Economy*
3. *Model Contracts for Small Firms*
4. *La Guía del Café, Cuarta edición*
5. *Made by Africa: Creating Value through Integration*
6. *SME Competitiveness Outlook 2022: Connected Services, Competitive Businesses*
7. *A Guide to Commercial Diplomacy*
8. *World Tariff Profiles 2022*
9. *Opportunities for Youth Employment and Entrepreneurship: Understanding the African Continental Free Trade Area*
10. *Le guide du café, Quatrième édition*

30 September, Geneva, Switzerland

Trade for Sustainable Development Forum 2022

The forum focused on corporate sustainability governance and took a critical look at how the evolving regulatory landscape will affect small business owners, especially upstream players in developing countries. The hybrid event convened stakeholders from the trade and development community, including small firms, high-level government officials, policymakers and speakers who shared their expertise on the growing movement to make corporations more responsible and accountable for their impact on people and the planet.

6–18 November, Sharm El Sheikh, Egypt

ITC at the 2022 United Nations Climate Change Conference

At COP27, ITC spotlighted the role of trade and small firms in supporting the Paris Agreement through a series of high-level events and a pavilion dedicated to Bringing the Voice of Small Business to COP27. ITC highlighted climate action by the small business community from around the world, hosting talks with small firms and enablers on challenges and good practices related to the low-carbon transition and how trade can incentivize the transition. We also showcased ITC's climate-related tools and services.



1. 56th session of the Joint Advisory Group 2. Young Gambian entrepreneur at COP27, Egypt

Publications

Businesses, governments and researchers have relied on ITC publications for policy and market insights since ITC's inception. In 2022, ITC released 31 publications on topics as diverse as African agricultural exports, climate-smart technologies, African-Caribbean trade, gender-responsive investing, market opportunities in the digital economy, award-winning practices of business support organizations and more.

Practical analysis for trade development needs

ITC publications continue to provide sound, practical research. Beyond the case studies discussed elsewhere in this report on the SME Competitiveness Outlook on connected services (page 66) and the Made by Africa analysis of regional value chains (page 58), as well as our other top downloads for 2022 including the fourth edition of *The Coffee Guide*, here are two more illustrations of excellence in publishing for trade development needs.

World Trade Promotion Organization Awards – What Makes a Winner?

Award-winning practices that help small businesses to export can inspire trade development organizations everywhere. This e-publication chronicles scores of national stories about sustainable, digital and partnership-based initiatives to connect small firms to regional and global markets. The stories are compiled in an innovative e-publication format with texts, videos and photos of national finalists from the 2020 and 2022 World Trade Promotion Organization awards. Top winners in 2022 were from Malaysia, Zimbabwe and Jamaica.

SME Competitiveness in Francophone Africa: Fostering Digital Transformation

The fifth annual survey carried out by ITC with the Conference of African and Francophone Consular Chambers assessed the digital transformation of nearly 5,000 MSMEs. It found that almost 80% of small firms using advanced digital tools said their production efficiency improved, though few companies in French-speaking Africa use such technologies. Providing financial support for investments in advanced technology, as well as technical assistance to help firms use technology, is thus key to facilitate an inclusive digital transformation.

Partnerships in publishing

ITC publications often emanate from the experiences of its projects and are researched, financed and distributed in collaboration with a range of partners. Our publications and contributing organizations in 2022 are listed in Appendix V.



e-pub World Trade Promotion Organization Awards – What Makes a Winner?

Empowering a community through partnerships

Delivering on the SDGs, together

ITC partnerships are aimed at fostering improved trade cooperation to strengthen small businesses in developing countries. Our **Partnerships4Purpose strategy** is designed to build more effective partnerships by investing in internal processes, improving transparency, diversifying resource mobilization and better communicating the impact of partnerships. The strategy is guided by the overarching goal of contributing to ITC's impact areas and delivering on the SDGs.

In 2022, ITC made strides in two key dimensions of the strategy:

- Creating a knowledge community to foster a culture of transparency and sharing around partnerships
- Enhanced engagement with the private sector through better cross-team collaboration

Improving collaboration through knowledge sharing

ITC has committed in its Strategic Plan 2022–2025 to streamline processes for building and scaling partnerships and creating synergies between partnerships through internal knowledge sharing.

‘The knowledge community ensured that the ITC Presents: Canva for African Entrepreneurs webinar reached across our network of entrepreneurs to support the greatest number of clients. Without the community, the webinar would not have been such a huge success and would not have paved the way for later collaborations and joint activities with Canva.’

Claire Louise Sterngold – ITC coordinator for Canva

A Partnerships4Purpose knowledge community was established in late 2021 through which meetings were organized in 2022 to discuss work on partnerships, brainstorm about opportunities and explore avenues for collaboration. Community members benefited from webinars and information-sharing sessions. Project managers shared tips on concluding partnership agreements from a legal and financial perspective.

In parallel, a centralized partnership dashboard that was launched in 2022 enabled staff to easily get answers to questions such as who at ITC has worked with a particular private-sector partner or which projects are associated with a specific partner. The dashboard is a one-stop shop for all partnership-related information at ITC.



ITC and ICRC sign letter of intent to promote the economic empowerment of refugees



ITC and the International Cooperative Alliance offer holistic support to cooperatives in Africa



1. The UEFA Foundation and ITC bring Sport for Development to life, the Gambia and youth



2. ITC partners with financing institutions in Guinea to lift start-ups

Scaling the impact of private-sector partnerships

Private-sector partnerships are pivotal to generating impact for MSMEs, for example, through greater engagement in value chains, access to markets, improved business processes and 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.

‘The initiative has been successful because it promotes team alignment. Thanks to straightforward communications, teams have been able to understand each other’s work with ease, which has promoted cross-functional cooperation. The community has enhanced possibilities for learning and growth, especially from teams with partnership-building expertise.’

Cristina Collardo Marti – Digital transformation adviser with ecomConnect

The following are examples of the process, where the approach to building partnerships with the private sector involved pooling internal resources, aligning efforts and scaling ITC’s contribution to the inclusive trade and digital trade impact areas.

- Partnerships4Purpose was instrumental in setting up a cross-sectional team to engage with the online design platform Canva and develop a pilot webinar for African entrepreneurs who have benefited from ITC support, including through SheTrades, Youth and Trade, and the Refugee Employment and Skills Initiative. ITC also worked closely with the communications team and the Office for Africa to develop a strategy to engage with entrepreneurs and create a post-webinar community of practice.
- ITC’s Trade Market Intelligence, Office for Asia and the Pacific, and ecomConnect teams worked on the Digital Export Enablement Programme developed with Google and the International Chamber of Commerce for MSMEs from across ASEAN. The Trade Market Intelligence and ecomConnect teams created a methodology that more effectively connects their tools to carry out market research on e-commerce opportunities. Regular cooperation with the Office for Asia and the Pacific enabled coordination on Digital Export Enablement Programme project activities.

In recognition of its work, the Partnerships4Purpose initiative won the ITC innovation award in 2022.



Agility

Resource mobilization

In 2022, ITC focused its efforts on attracting flexible and predictable income from a diversified funding base. We surpassed \$100 million in extrabudgetary contributions, ensuring smooth and sustainable operations. ITC's three funding sources were balanced by maintaining the regular budget at the previous year's level while Window 2 saw a 15% increase over 2021. Upwards of 90% of the agreements signed in 2022 were multi-year, spanning more than 12 months. ITC also established new multi-year Window 1 grant agreements with Sweden and Canada.

ITC launched its new Resource Mobilization Strategy in 2022, reflecting the evolving external funding environment. The strategy comprises three pillars that emphasize expanding and deepening relations with traditional funders, diversifying the funding base through new partnerships and pursuing decentralized resource mobilization efforts to tap into in-country funds. Each pillar lays out specific objectives and targets to be achieved during the Strategic Plan 2022–2025 period.

ITC continued to engage with its traditional funders through customized engagement strategies, identifying new avenues for collaboration and strengthening mutual synergies. The organization also explored cooperation with funders such as private-sector partners, foundations, United Nations agencies and multilateral pooled funds. ITC signed grant agreements with new funders in each of

these categories, a positive step towards funding base diversification.

In 2022, ITC also made considerable efforts to leverage in-country funds, establishing resource mobilization partnerships with entities with complementary strengths for joint projects to access multilateral pooled funds and private-sector partners.

Financial overview

The work of ITC is enabled by the regular budget (RB) and extrabudgetary (XB) funding. The United Nations and the World Trade Organization jointly and equally fund the RB upon approval by the United Nations General Assembly and the WTO General Council. Before reaching these bodies for approval, ITC's proposed programme of work, progress report and proposed budget are reviewed by member state representatives in the Committee for Programme and Coordination, the Advisory Committee on Administrative and Budgetary Questions and the Fifth Committee of the United Nations General Assembly and by the WTO Committee on Budget, Finance and Administration.

ITC fundraises for complementary resources to the RB in order to increase the envelope available to fulfill its mandate and respond to beneficiary country needs. These voluntary contributions – also called extrabudgetary

Table 1 highlights ITC's 2022 financial information, focusing on the regular budget, extrabudgetary resources and the programme support account.

TABLE 1 Status of resources (\$ million gross) as of 31 December 2022

DESCRIPTION	Opening balance	Net income received*	Expenditures	Total cash at hand
Regular budget	-	38.35	38.35	0.00
Programme support cost	9.44	8.68	8.55	9.57
Total extrabudgetary resources	96.69	99.47	114.63	81.53
Extrabudgetary resources, Window I	14.23	12.23	15.38	11.08
Extrabudgetary resources, Window II	82.46	87.23	99.25	70.45
Total	106.13	146.50	161.52	91.10
Overall resources available in 2022		252.63		

*Net contribution including refunds to donors (\$0.176 million), excluding interest and transfers to operating reserves.

resources – consist of pledges from donor governments, governmental organizations, other international organizations and civil society, including non-governmental organizations, the business sector, and foundations. The commitments for XB contributions often extend over multi-year periods and the annual budget is set in the ITC Operational Plan.

ITC uses XB contributions to support the core programme and to leverage, customize, expand and replicate its core expertise in programme countries, especially in priority countries. Country-specific interventions are undertaken within the framework of ITC's mandate and Strategic Plan, and on demand from beneficiary countries. Fundraising is organized through funder focal points and a Resource Mobilization Steering Committee in ITC.

ITC collects a programme support cost (PSC) of up to 13% on XB expenditures to recover incremental indirect costs incurred to support project implementation. PSC income is earned when the related XB expenditure is incurred and not when the contributions are received. The PSC budget is approved on an annual basis.

In conformity with the administrative arrangements set out by its two parent organizations, ITC is subject to the Financial Regulations and Rules and the Staff Regulations and Staff Rules of the United Nations, and to the oversight system of the United Nations. The United Nations Board of Auditors provides external, independent audit services in accordance with the International Standards on Auditing.

The United Nations Controller certifies the ITC financial statements, which are transmitted to the General Assembly with the Board of Auditors report. ITC is also audited and evaluated by the Office of Internal Oversight Services of the UN. The office is operationally independent and under a separate delegation of authority from the Secretary-General.

ITC consistently receives an 'unqualified audit opinion' on its financial statements, including in 2022, confirming sound financial management practices and full compliance with International Public Sector Accounting Standards.

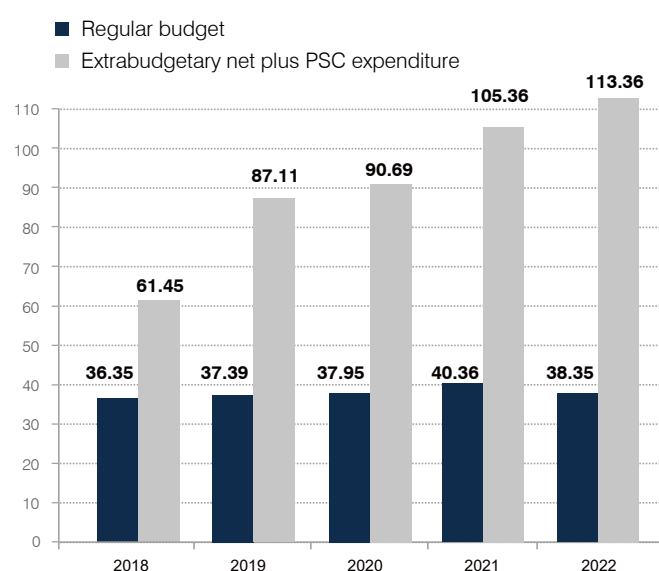
KEY FINANCIAL DATA FOR 2022

- **\$58.71 million**: total value of new XB agreements signed in 2022 for projects running up to 2027 (2021: \$94.33 million)
- **\$146.50 million** in gross contributions received (2021: \$138.18 million)
- **\$252.63 million** in overall resources available in 2022, comprised of an opening balance of \$106.13 million and \$146.50 as new contributions (2021: \$260.56 million)
- **\$161.52 million** in overall cumulative expenditure (2021: \$154.43 million)

ITC experienced a reduction in signed agreements for voluntary contributions from \$94.332 million in 2021 to \$58.714 million in 2022, however, the liquidity of the organization remains healthy. In 2022, total expenditure reached a record high of \$161.52 million. The RB remained unchanged in Swiss franc terms, however, US dollar expenditures decreased by 4.9% compared to 2021 primarily due to the strong US dollar vis-à-vis the Swiss franc throughout 2022. XB expenditure increased by 6.9% to \$114.63 million gross. PSC expenditures amounted to \$8.55 million, representing an increase of \$1.62 million. The general performance was in line with output and outcome targets that were set for the year 2022.

Figure 1 shows the upward trend of RB and XB expenditure since 2018.

FIGURE 1 Expenditure pattern 2018–2022 (\$ million)



*Table 1 shows gross XB expenditure of \$114.63 million, which includes PSC income earned when the related XB expenditure is incurred, while the amount of \$113.4 million in Figure 1 reflects net XB expenditure including the portion of PSC that has been spent.

Regular budget

ITC uses the RB contribution to fund: (i) core expertise and development, maintenance and expansion of ITC's intangible assets, and core components of ITC's Global Public Goods offering, databases, tools and publications; (ii) programme development, including monitoring and evaluation; and (iii) ITC core management and country coordination. RB funding covers salaries and common staff expenditures for 160 positions as well as organizational running costs.

In 2022, RB expenditure amounted to **\$38.35 million** (2021: \$40.36 million).

TABLE 2 Regular budget expenditure in 2022 (\$ million gross)*

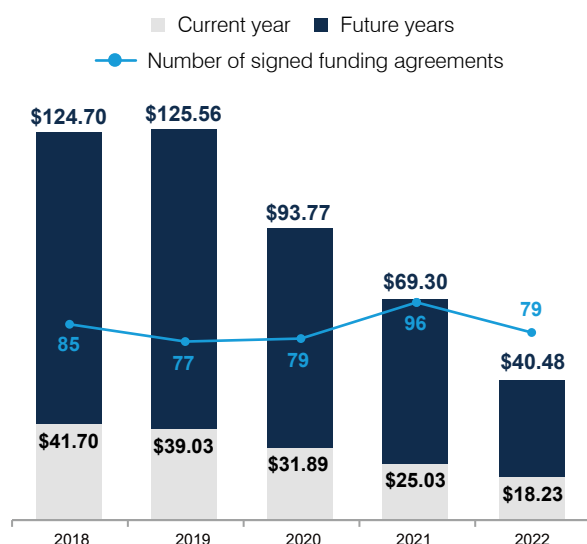
CATEGORIES	Expenditure
Staff and other personnel costs	31.08
Operating and other direct costs	4.72
Contractual service	1.02
Equipment vehicles and furniture	0.94
Travel	0.29
Grants out	0.20
Supplies, commodities and materials	0.10
Grand Total	38.35
Resources available	38.35
% of delivery	100%

*The RB is approved in Swiss francs. Amounts reported in the above table have been converted to US dollars to make the data easier to compare and to provide a comprehensive view of ITC's financial situation for accounting and reporting purposes.

Extrabudgetary funds

In 2022, the level of signed agreements with donor governments, multilateral agencies and international foundations amounted to \$58.71 million (2021: \$94.33 million). Based on present negotiations with donors, it is anticipated that the voluntary contributions' portfolio will increase in 2023.

FIGURE 2 Signed funding agreements 2018–2022 (\$ million)



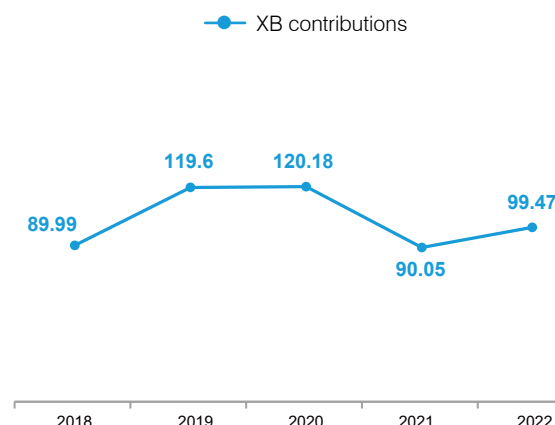
Voluntary contributions through donor agreements often cover multi-year periods as they are usually committed for the lifetime of the projects. This means that some contributions related to the agreements signed in previous years are used for activities in the current year or in future years. Figure 2 shows the evolution of voluntary contribution agreements signed in each year and the portion attributable to the current year and to future years.

Total XB available resources in 2022 included:

- **\$96.69 million** carried forward from 2021
- **\$99.47 million** in gross contributions received in 2022

XB contributions received in 2022 reached \$99.47 million. These contributions came from an increasingly diversified base: 12 funders each provided more than \$1 million accounting for 92% of XB funding.

FIGURE 3 Extrabudgetary contributions 2018–2022 (\$ million)



In 2022, measured by US dollar expenditure, ITC delivered technical assistance, capacity building and market intelligence with XB expenditures of \$114.63 million. ITC maintained a hybrid approach to delivery, working with local implementing partners in the field and partnering with other United Nations agencies.

TABLE 3 Extrabudgetary expenditure in 2022 (\$ million gross)

CATEGORIES	Expenditure
Technical experts and other personnel	70.33
Operating and other direct costs	11.70
Transfers and grants issued to implementing partners	11.67
Travel	10.85
Contractual services	5.59
Equipment vehicles and furniture	2.70
Grants out	1.54
Supplies commodities and materials	0.25
Total	114.63

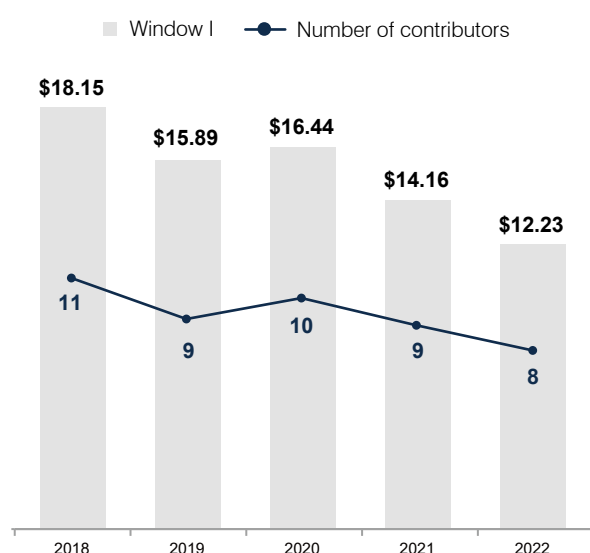
Total XB funds secured for future years amount to \$250.32 million, comprising of \$81.53 million carried forward for activities in 2023 because of the multi-year nature of ITC programmes and \$168.79 million of remaining receivable from donors for technical cooperation projects.

Unearmarked and soft-earmarked contributions

The ITC Trust Fund is divided into two so-called windows. Window I is open to contributions that are corporate in nature and not for a specific project (unearmarked or soft-earmarked at impact area, programme or geographical level). Window II is open to contributions that are earmarked for specific and clearly identifiable projects, designed to meet pre-stated and time-limited objectives to be implemented at country, regional and interregional levels.

Figure 4 illustrates the evolution of unearmarked and soft-earmarked (Window I) contributions in terms of the number of contributors and the total value of their contributions.

FIGURE 4 Window I contributions 2018–2022 (\$ million)



Programme support account

An indirect cost recovery called a programme support cost is charged to extrabudgetary funds as a percentage of direct costs to ensure that the additional costs of supporting activities financed from XB contributions are not borne by the RB.

In line with United Nations financial procedures, ITC charges standard PSC rates ranging from 7% to 13% on XB expenditures. This revenue is used to cover indirect and incremental costs associated with XB projects, such as the central administration of human, financial and information technology resources, as well as monitoring and oversight.

- **\$8.68 million** received in PSC income in 2022 in addition to \$9.44 million carried forward from 2021
- **\$8.55 million** in PSC expenditure
- **\$9.57 million** balance in the PSC account at the end of the year

In 2022, PSC resources continued to be used to fund additional staff required to support programmatic delivery and to fund cost-shared corporate initiatives by the United Nations Secretariat, as well as security and insurance of field staff. The emphasis is on full cost recovery for XB projects and inclusion of all direct operational and support costs in the XB project budgets, to avoid the use of RB resources to subsidize XB financed activities.

Regular budget cycle and administrative arrangement for ITC

ITC has a unique budget and administrative structure endorsed by the United Nations General Assembly in resolution 59/276. As of 2020, the General Assembly approved, on a three-year trial basis, a change from a biennial to an annual budget for the United Nations. The trial period was lifted by resolution 77/267 when the General Assembly decided to continue with the annual programme budget for the United Nations. The WTO, however, maintains its biennial budget cycle. Many other practical applications of the administrative arrangements have changed over the years. The United Nations Secretariat and the WTO Secretariat will conduct a joint review of the administrative arrangements and propose a suitable update to the General Assembly and the WTO General Council for consideration in 2024.

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