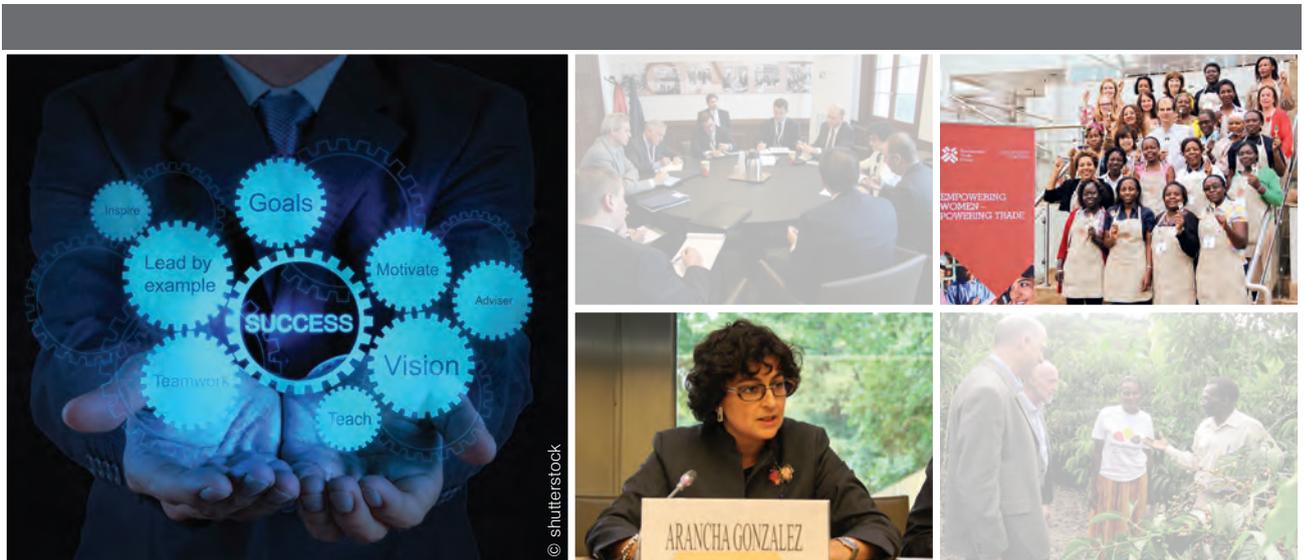


## AID FOR TRADE IN ACTION

# Partnering with ITC



The emerging post-2015 development agenda places considerable emphasis on small and medium-sized enterprises (SMEs) as key drivers of global efforts to unlock growth, reduce poverty and deliver sustainable livelihoods.

An estimated 470 million people will enter the labour market by 2030. Providing them with gainful employment will require a careful mix of policies, opportunities and skills, particularly in developing and transition economies. SMEs, which drive more than 80% of job creation in low-income countries, must play an important role in creating economic opportunities.

The post-2015 agenda is premised on open, fair and development-oriented trade. It regards businesses as partners to drive inclusive growth. Creating a global trading system that actively encourages sustainable development – one of the main thrusts of the post-2015 agenda – is something ITC has worked towards for 50 years.

ITC is the only multilateral agency fully dedicated to the development of the international competitiveness of SMEs. ITC is a 100% Aid-for-Trade institution with the knowledge and experience to promote and encourage entrepreneurship and empower small businesses to integrate into regional and global value chains through capacity building activities directed at SMEs, trade support institutions and policymakers.

Against this background, the surging demand for ITC's services is not surprising. Our beneficiaries have requested more assistance with (a) formulating export policies that reflect the needs of the business community and enable inclusive development, (b) making SMEs, particularly those owned by women and youth, export-ready and capable of accessing export markets, and (c) setting up and strengthening more effective trade support institutions. Our clients have challenged ITC to develop innovative approaches to harness growth through regional trade solutions and to ensure that ITC can also help poor communities access regional and global value chains.

Scaling up is no longer a choice: Our challenge is how ITC should grow to meet this increasing demand.

The proposals in this booklet present a systematic approach to meeting ITC's funding needs and delivering on the growing demand from our clients. Our projects and programmes are grouped under six key thematic clusters:

- Trade and market intelligence for SME competitiveness
- Supporting regional economic integration and South-South trade
- Connecting to value chains: SME competitiveness, diversification and links to export markets
- Strengthening trade and investment support institutions
- Promoting and mainstreaming inclusive and green trade
- Building a conducive business and policy environment through public-private partnerships

These focus areas are not only a means to present ITC's services and projects, but also represent themes around which support could be provided to ITC. This structure allows funding to be provided to specific impact areas reflecting members' own priorities, while at the same time providing ITC with greater flexibility in allocating these funds in line with emerging beneficiary needs. Soft-earmarking would be available for the six priority areas. At the same time, ITC would be given the necessary flexibility to deliver for greater impact, while fully committing to results-based reporting around these themes.

As the one-stop-shop development partner for SMEs in developing and transition economies, ITC, with its beneficiaries, has identified 26 projects and programmes that address some of the major constraints that affect exporting SMEs. This documentation presents ITC's unique expertise in each of the the six priority areas, as well as the expected impact the organization has achieved. The capability statements are followed by a brief description of the relevant projects.

All the project ideas have been developed based on sound needs assessments undertaken by ITC in close collaboration with country stakeholders. They have been formulated in line with ITC's ambition for growth through the development of large, needs-based, impact-oriented programmes.

We believe that growth at ITC has two dimensions: "delivering more" and "delivering better". Delivering more means higher quality outcomes reaching a larger constituency of beneficiary country stakeholders in collaboration with other technical assistance partners. Delivering better is about increasing the efficiency of ITC's operations, as well as improving impact measurement and reporting to stakeholders. ITC's development results web page (<http://www.intracen.org/itc/development-results/>) is a testament to our commitment to results and impact. ITC will continue to refine its results monitoring and reporting methodology as it moves forward in its quest for greater excellence.

The resources which ITC aims to seek through this initiative are not limited to funding from traditional donors. We are also making sincere efforts to reach out to a wider group of partners from emerging countries and the private sector. We believe that our efforts will bear fruit in the near future. We will also better leverage our partnership with other international organisations and with civil society for greater coherence and impact.

On behalf of ITC, I would like to thank all our supporters for their commitment to partner with us to deliver for SMEs in developing countries. We look forward to engaging in a strategic dialogue with you and delivering greater value for the development assistance funds you invest in ITC.



Arancha González  
Executive Director  
International Trade Centre

# LIST OF PROGRAMME AND PROJECT PROPOSALS

## TRADE AND MARKET INTELLIGENCE FOR SME COMPETITIVENESS

- Connecting SMEs and buyers online: An online marketplace based on market analysis tools
- Developing a taxonomy for assessing obstacles to trade in services
- Building competitive intelligence: Helping TSIs identify SME export opportunities

## SUPPORTING REGIONAL ECONOMIC INTEGRATION AND SOUTH-SOUTH TRADE

- Boosting intra-African trade
- Southeast Asia: Deepening regional integration through trade in ASEAN
- South Asia: Advancing regional integration in SAARC economies
- CARIFORUM: Strengthening networks for export diversification and regional integration
- Central America: Enabling regional trade

## CONNECTING TO VALUE CHAINS: SME COMPETITIVENESS, DIVERSIFICATION AND LINKS TO EXPORT MARKETS

- Branding for development
- Georgia: Enhancing export competitiveness in tea, herbs and spices
- Guinea and Senegal: Promoting mango exports
- Eastern Africa: Investing in IT and IT-enabled business services
- Myanmar: Accelerating inclusive and sustainable export-led growth
- Building competitiveness and export capacity of services sectors

## STRENGTHENING TRADE AND INVESTMENT SUPPORT INSTITUTIONS

- AIM for Results: Assess, improve and measure the performance of trade support institutions
- Haiti: Technical cooperation for stronger business and institutional performance
- Training African SMEs on international commercial contracts
- Modular Learning System in Export Value Chain Management

## PROMOTING AND MAINSTREAMING INCLUSIVE AND GREEN TRADE

- Strengthening livelihoods through green trade
- Combatting youth unemployment through trade
- Community-based tourism
- EAC: Facilitating women informal cross border traders
- Ethical fashion initiative
- Empowering women, powering trade

## BUILDING A CONDUCIVE POLICY AND BUSINESS ENVIRONMENT THROUGH PUBLIC-PRIVATE PARTNERSHIPS

- Export Strategy design and implementation
- Addressing NTMs for enhanced export competitiveness

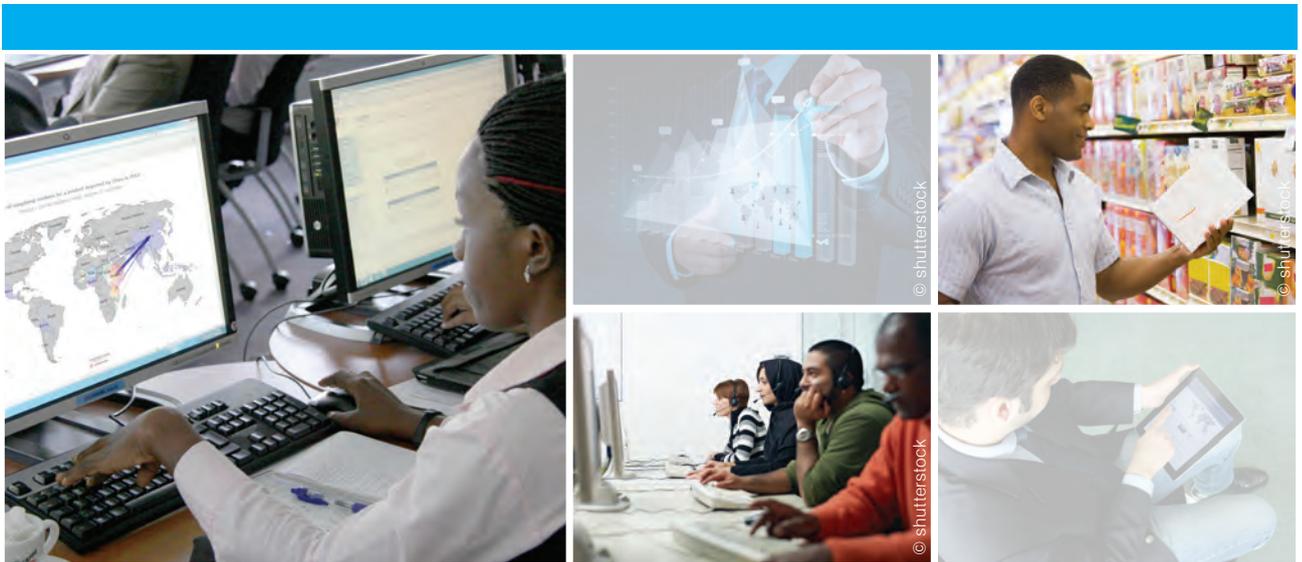


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# Trade and market intelligence for SME competitiveness



Without adequate market information, businesses cannot export. Access to trade and market intelligence is thus critical to export success, but small and medium-sized enterprises (SMEs) in developing countries often lack the resources and the skills to acquire and process trade information, placing them at a disadvantage compared with competitors in advanced economies. To address this development challenge, the International Trade Centre (ITC) has become a major provider of services and programmes in trade intelligence, providing free analysis tools, statistics, directories, publications, websites, sector-specific portals as well as research databases.

Analysis based on the latest information about export opportunities, market trends and requirements, procedures and trade-related challenges, has a direct impact on the operations of SMEs and helps them compete in the global market. ITC remains committed to building the capacity of trade support institutions to analyse, process and disseminate trade intelligence to SMEs. Greater transparency also supports governments

in improving the effectiveness of their efforts in export development and trade promotion.

## ITC'S UNIQUE EXPERTISE

ITC's trade and market-intelligence services and programmes include online databases, analytical tools and portals. Some **300,000 users** access Trade Map, Market Access Map, Investment Map and Standards Map annually. ITC's services provide information about trade flows of more than 200 countries and territories.

These **market analysis tools** provide a wide range of statistics and indicators on trade in goods and services, including the size and growth of import markets for 5,300 products. Data is available on market shares, on national export performance, customs tariffs and preferences, rules of origin and market requirements, non-tariff measures (NTMs), foreign direct investment and private voluntary standards.

**Portals for sectors** contain guides for leather, organic products, coffee and cotton, as well as market data and research. The portals provide opportunities for companies in developing and developed countries to build networks through company and institutional contacts and by providing information about market trends, trade fairs and trade leads.

Some tools are targeted specifically to trade support institutions and policymakers. For example, the **LegaCarta** website offers a technical-assistance programme to optimize a country's legal framework relating to international trade. Others target exporters: **PACKit** provides customized training on export packaging, covering various aspects including technology, design, transport, distribution and packaging materials.

**ITC's online library** covers a wide range of trade themes, sectors, databases of trade support institutions and information on topics such as importers' associations, market reports and prices.

ITC **publications** are available free of charge in downloadable PDF formats. These include white papers, market studies, books on quality management, market standards and various sectors, as well as bulletins providing news and analysis on the multilateral trading system and on issues related to trade and sustainable development. ITC's quarterly magazine, *International Trade Forum*, provides information on issues related to trade and development and is available on: [www.tradeforum.org](http://www.tradeforum.org).

Through **diagnostic studies**, ITC analyses global trade trends and their impact on developing countries, implications for national trade potential and regional integration. National and regional studies can involve large-scale surveys of exporting and importing companies, for example, in identifying the types of NTMs that are most problematic for companies, the sectors most affected and the most challenging markets.

ITC services related to market intelligence focus on improving the abilities of firms, trade support institutions and government officials to manage trade information, analyse markets, assess national export potential and develop models to track trends in international trade, as well as to forecast possible effects of external shocks. Equipped with these skills, beneficiaries can better identify opportunities, analyse their competition and prepare strategic responses. To extend the reach of its trade-intelligence services, ITC is developing an online learning platform that offers distance-learning programmes and remote coaching in trade-related technical assistance.

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## IMPACT

ITC's online trade-information services equip users with up-to-date market information and intelligence, leading to better trade decisions and increased exports.

While the ultimate beneficiaries of ITC's trade-intelligence offerings are exporters, the tools and services are also provided to trade support institutions and policymakers. ITC seeks to ensure a multiplier effect from its trainings, with each trainee taking the responsibility of training an additional 18 individuals.

Users of ITC's market analysis tools reported that **in 2012, ITC's tools helped them with trade-related decisions valued at US\$ 142 million.**

A 2012 survey of the beneficiaries of ITC's market-analysis training found that most users found the training had improved their capacities. Overall, 95% reported having improved their analysis skills in the previous three years of training, while 85% said that the training had improved their capacity to run trade fairs, trade missions or business matchmaking activities.

**The vast majority, 92% of institutional users, reported that ITC's tools improved the services they offer to exporters.**

## PROGRAMME AND PROJECT PROPOSALS



COVERAGE: Global  
TIME-FRAME: 3 years  
BUDGET: US\$3.9 million  
DEVELOPMENT GOALS:  
[global partnership for development, poverty alleviation](#)  
STRATEGIC GOAL:  
[trade and market intelligence](#)

### Connecting SMEs and buyers online: An online marketplace based on Market Analysis Tools

Adding components of a virtual market place to ITC's Market Analysis Tools would provide exporters and importers from developing countries easier and cheaper access to trade opportunities and would allow them to approach each other directly with trade queries or offers.

The tools already list the contact details of importing and exporting companies, searchable by product and country, but many small companies in low-income countries are excluded. By leveraging ITC's long-term partnerships with trade support institutions worldwide, these institutions could validate the contact details of companies that want to be included in order to increase their exposure to potential trading partners and trade leads. Much of this enhanced functionality and content could be achieved by partnering with trade support institutions and online marketplaces. Mobile functionality would be especially useful to small traders in developing countries.

ITC has some 300,000 registered users from over 200 countries and territories for its Market Analysis Tools. An enhanced tool-kit is expected to facilitate transactions valued around US\$ 100 million per year after the completion of the project.



COVERAGE: Global  
TIME-FRAME: 3 years (Phase I)  
BUDGET: US\$2.3 million  
DEVELOPMENT GOAL:  
[global partnership for development](#)  
STRATEGIC GOAL:  
[trade and market intelligence](#)

### Developing a taxonomy for assessing obstacles to trade in services

The research activity proposed in this project will address the global challenge of obstacles to trade in services.

Based on strong demand from beneficiary countries, this project aims to develop a methodology to assess obstacles to trade in services as a step towards an overall analysis of NTMs affecting trade. The project envisages the development of an international taxonomy of services-trade regulations, the validation of the taxonomy in a multi-agency framework and the development of a survey methodology that will be tested in selected pilot countries and service sectors.

Embedded as an innovative component of the ITC's NTM programme, it will complement the ongoing in-depth analysis of business perspectives on NTMs that currently covers only trade in goods.

In addition, the proposed survey methodology will prepare the ground for a second phase entailing business surveys, which will contribute to an increased understanding of impediments to services trade and ways to address them.



COVERAGE: Global  
TIME-FRAME: 3 years  
BUDGET: US\$4 million  
DEVELOPMENT GOAL:  
[poverty alleviation](#)  
STRATEGIC GOAL:  
[trade and market intelligence](#)

### Building Competitive Intelligence: Helping trade support institutions identify SME export opportunities

By enabling trade advisers to easily identify export opportunities for their country, this project will upgrade ITC's current export-potential assessment methodology and expand the suite of trade intelligence tools offered to beneficiaries. As a result of this project, businesses in developing countries will be in a better position to identify product and market-diversification opportunities.

The Export Potential Map, a new market analysis tool, responds to a key demand from developing countries for information on their export diversification potential. The pilot phase of the project will identify export opportunities and will test the customized tool with stakeholders in three countries.

SMEs are not taking advantage of the commercial opportunities created by the opening of international markets because of the significant gap between what they offer and the actual demand on the global market. Competitive intelligence services allow for the rapid identification of opportunities and risks in the market. This project will address this issue by creating systems and processes in chambers of commerce in 12 African countries of the Conférence Permanente des Chambres Consulaires Africaines et Francophones (CPCCAF).



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## Supporting regional economic integration and South-South trade



The growth of regional trade blocs has been a major development in recent years. For firms based in small and low-income countries, regional integration can support an increase in their productivity and competitive advantage. The World Trade Organization's work programme on Aid for Trade (2012–2013) explicitly recommends that 'financing continue to be mobilized to meet the growing demand for regional Aid for Trade projects'.

Some regions are striving to catch up by deepening their level of trade integration. The share of **intra-African trade** remains low compared with intraregional trade in Asia and the Americas. In Africa, the share of intraregional exports amounted to 11% of total African exports in the period 2007–2011. The corresponding figure for intraregional exports for Latin America and the Caribbean was 21%; it was 50% for developing countries in Asia. By contrast, Europe's intraregional exports for the same period were about 70% of its total exports.

The International Trade Centre's (ITC) experience of working in this area in Africa has demonstrated that to succeed in promoting regional integration, it is imperative to bridge the gap between 'intentions of the political leadership in Africa on fostering regional integration as a strategy for economic development and the perceptions of the private sector who see it as a threat', mainly because of (i) the absence of proactive support mechanisms for the development of regional value chains; (ii) weak support institutions at the regional level; and (iii) poor intraregional connectivity.

While economic integration in developing regions will, by definition, contribute to the growth of South-South trade, trade across regions with other developing countries and emerging economies provides further opportunities for enterprises in developing countries to increase their exports. Linking growth markets in Africa, Asia and Latin America will not only help to diversify the global trading system and bring new economic opportunities, it will also help to reduce poverty and inequalities across the world.

However, sustainable growth of South-South trade will require investments in building new capabilities in export readiness and market development, trade facilitation measures, infrastructure and trade finance.

## ITC'S UNIQUE EXPERTISE

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To foster regional integration, particularly in Africa, ITC's strategy is to intervene simultaneously in three areas – institutional strengthening, the development of business networks and the creation of regional value chains – so that businesses will buy into the political ambitions of regional integration and South-South trade.

In the area of regional value chains, ITC identifies priority sectors with a high potential for regional trade flows by establishing a regional export-strategy governance framework. The **regional value chains of selected products or sectors are analysed for shortcomings** that may act as hurdles to enhanced regional and South-South trade. For instance, faulty sourcing and marketing strategies, inability to comply with quality requirements and other standards, as well as inadequate linkages between buyers and sellers, all pose potential problems.

Once identified, the shortcomings are addressed by **strengthening the corresponding business-support services** provided by regional or national private-sector support institutions. Such services include trade intelligence to identify potential markets and potential buyers; accreditation of laboratories to certify quality and standards; improved packaging; supply chain management; and access to finance by ensuring local banks use appropriate project-appraisal models for faster processing.

### ITC promotes business advocacy for South-South trade and the regional-integration policy agenda

by (i) presenting new business opportunities to the private sector, enabling them to embrace and champion the process of regional integration; (ii) building the capacity of the private sector to deal with complex trade-policy and regulatory measures, including non-tariff measures; and (iii) facilitating the role of regional business associations in fostering coherence between the regional integration agenda and national policy imperatives. In particular, cross-border trade facilitation is promoted by nurturing a regular mechanism of public-private collaboration to improve upon the design, implementation and monitoring of customs administrations and other border-related services.

Promoting **business-to-business linkages in the region** and between regions encourages direct contact between buyers and sellers of products in different sectors and contributes to an increase in the amount

of business that enterprises carry out as a result of ITC's assistance.

## IMPACT

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ITC's efforts to improve regional integration – through the Programme for Building African Capacity for Trade (PACT II), for example – have achieved concrete results.

ITC focused on developing sectors that offer high growth potential for Africa, especially the agricultural sector, which is the principal source of jobs, particularly for women. Three priority sectors (mango, leather and coffee) were identified in line with regional trade strategies. Through regional sectorial approaches and targeted services to small and medium-sized enterprises, the sectors' value chains were upgraded and new markets were reached. The strategies contributed to shifting the industry's focus to the production of higher-value added products.

The regional sector strategies identified challenges in the areas of market information and diversification, standards compliance and legal understanding. ITC addressed these issues by building capacities within trade support institutions and building networks.

The programme built private-sector support for regional integration by informing the private sector of the business logic and benefits of integration, enabling them to deal with complex trade policy and regulatory measures needed to develop competitive value chains and by facilitating the role of business associations in formulating and advocating private-sector views at the regional and pan-African levels. Self-sustaining trade support networks were established and regional private-sector bodies were equipped to provide an active interface for public-private dialogue and partnerships in support of regional integration.

ITC improved business-support services for women entrepreneurs, increasing their capacity to export to international and regional markets. ITC supported women in becoming successful exporters by providing dedicated export-management training, business counselling and mentoring, product-development services and access to foreign markets in 19 sub-Saharan beneficiary countries. As a result, more than 2,600 women enhanced their export competitiveness and found new business opportunities and partnerships. Twenty African national institutions are autonomously offering training, mentoring and counselling to women entrepreneurs, and more than 70 certified export trainers and experts are now providing their expertise and advisory services following a 'train the trainers' approach.

## PROGRAMME AND PROJECT PROPOSALS



COVERAGE: Sub-Saharan Africa

TIME-FRAME: 5 years

BUDGET: US\$ 30 million  
(multi-donor funded)

DEVELOPMENT GOALS:

global partnership  
for development (8.A),  
poverty alleviation, gender

STRATEGIC GOALS: regional economic  
integration, strengthening  
trade support institutions,  
enhancing policies

### Boosting intra-African trade

The African Union adopted an action plan for 'Boosting intra-African trade' at its summit in January 2012. The objective of the action plan is to 'enhance the level of intra-African trade from current levels of about 10%-13% to 25% or more within the next decade'.

ITC seeks to support the following components of the African Union's plan, in line with its own areas of technical competence and expertise:

- Fast-tracking the establishment of a Continental Free Trade Area (CFTA). ITC will enable the African Business Council (ABC) to engage in well-informed advocacy by articulating the private sector's views in the Continental trade-policy formulation process. ITC will also set up a trade observatory to provide analysis and support the decision making process.
- Addressing supply-side constraints and weak productive capacities of SMEs by taking a two-step sector-specific approach. ITC will identify and analyse sectors with a potential for intraregional trade and development of regional value chains, and recommend strategies to optimize business decisions for export competitiveness and value addition. The recommendations will be implemented by creating a network of local experts to provide business-support services in regional institutions.
- Enhancing opportunities for intra-African trade through trade information networks. This will be achieved by building advanced competitive-intelligence capacity in regional economic communities (RECs) and trade support institutions at the country level.



COVERAGE: ASEAN countries

TIME-FRAME: 5 years

BUDGET: US\$ 10 million

DEVELOPMENT GOALS:

gender, poverty alleviation,  
youth

STRATEGIC GOALS:

regional economic  
integration, strengthening  
trade support institutions

### Southeast Asia: Deepening regional integration through trade in ASEAN

The project supports the Association of Southeast Asian Nations (ASEAN) in achieving regional economic integration, particularly with regard to trade, within the framework of the ASEAN Economic Community (AEC). The focus will be on selected regional value chains and interventions at the levels of business, trade support institutions and policymakers to create a business-enabling environment for SMEs to increase regional trade.

The projects reflect the priorities of ASEAN, as described their strategy documents, the 'Roadmap for an ASEAN Community' and the 'ASEAN Economic Community Blueprint'. Addressing NTMs to create a single market and production base is a priority on the AEC agenda.

In order to assist AEC with its regional integration agenda, ITC will prepare comprehensive country and regional trade diagnostics focusing on value chains with the greatest potential for integration and inclusiveness. The project will also respond to ASEAN's focus on SME development by enhancing the capacities of trade support institutions to provide better services to SMEs at the national and regional levels, creating platforms for public-private sector dialogue and assisting enterprises in transacting business regionally.



COVERAGE: South Asia

TIME-FRAME: 5 years

BUDGET: US\$ 10 million

DEVELOPMENT GOAL:

global partnership  
for development

STRATEGIC GOALS:

trade and market intelligence

### South Asia: Advancing regional integration in SAARC economies

The project supports efforts by the South Asian Association for Regional Cooperation (SAARC) to improve regional cooperation and integration and aims to upgrade the productive capacity of SMEs in the region.

As a result, the competitiveness of SMEs in select regional value chains will be enhanced, strengthening the overall competitiveness of the region.

Highly relevant to the SAARC region, the project addresses priorities and challenges of regional cooperation and integration. ITC will provide assistance in sector development, enterprise competitiveness, standards and compliance, trade facilitation, services coalition development, access to finance and trade information. In terms of trade facilitation, ITC will support SAARC's on-going initiatives in harmonization of norms and standards including food safety and trade information.

With a particular focus on women and youth, the project supports SAARC in becoming more competitive as a regional bloc and in reducing poverty through strengthened regional cooperation and integration.



COVERAGE: CARIFORUM  
member countries

TIME-FRAME: 5 years

BUDGET: US\$ 10 million

DEVELOPMENT GOALS:

global partnership  
for development,  
poverty alleviation

STRATEGIC GOALS:

regional economic  
integration, strengthening  
trade support institutions,  
increasing exporter  
competitiveness

## CARIFORUM: Strengthening networks for export diversification and regional integration

The CARIFORUM Regional Export Strategy Programme (CRESP) is a five-year initiative that contributes to Caribbean development goals of export growth, export diversification, and regional export integration. CRESP will strengthen regional economic cooperation at the policy, institutional and enterprise levels by supporting a Regional Export Action Plan and implementation activities related to a high-growth export cluster initiative.

The initiative aims to bring together a regional network of enterprises and institutions and operate within targeted sectors, to create a framework for strengthening regional value chains, export competitiveness, export product offerings, and the entry of Caribbean enterprises into regional and international markets.



COVERAGE: Costa Rica, El Salvador,  
Guatemala, Honduras, Nicaragua  
and Panama

TIME-FRAME: 3 years

BUDGET: US\$ 4.5 million

DEVELOPMENT GOAL:

poverty alleviation

STRATEGIC GOAL:

regional integration

## Central America: Enabling regional trade

The project will support regional integration through the promotion of intraregional trade. This will be achieved by:

- prioritizing regional and global value chains with the potential for increasing intraregional trade;
- reducing the adverse impact of NTMs that hinder the participation of Central American enterprises in selected value chains;
- increasing the availability and transparency of trade information and business opportunities for Central American enterprises in order to support their entry into selected value chains; and
- assisting Central American trade support institutions and enterprises to exploit intraregional trade opportunities resulting from deeper regional integration in selected value chains.

Two important trends provide a favourable context for this project:

- Integration is currently a high priority for Central American countries, which jointly selected the key work areas for accelerating the process of regional integration.
- The emergence of GVCs leading to a fragmentation of production stages across different countries has opened new opportunities for intraregional trade of intermediate products.

## Connecting to value chains: SME competitiveness, diversification and links to export markets



The need to generate sustainable employment through exports has become a central trade-policy goal in many developing countries in recent years, as countries seek a way out of the global economic crisis. Increased trade is part of the solution, particularly trade generated by small and medium-sized enterprises (SMEs), which often represent the most labour-intensive segment of developing-country economies. According to the World Bank, SMEs drive more than 80% of job creation in low-income countries.

Increasing exports by SMEs is an important economic-policy goal for many countries, and it is also at the heart of the International Trade Centre's (ITC) mandate. ITC focuses on improving the competitiveness of exporters across a range of priority sectors, as identified by client countries. These include traditional sectors such as cotton, textiles and clothing, agri-food, green economy, and services exports in outsourcing and tourism.

Diversification of markets and improved linkages with regional and global value chains are the keys to increasing SME exports. The growing importance of regional and global value chains in international trade provides a unique opportunity to increase SME exports through their integration into these value chains. SMEs in developing countries can now engage in global trade flows without the need to be competent in all aspects of the production of a final output. Developing countries can thus move towards industrialization through vertical specialization in a narrowly defined segment of activities.

## ITC'S UNIQUE EXPERTISE

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ITC offers a replicable and sustainable model to build competitive operations and trade within sectors. The approach to exporter competitiveness brings together all actors in a sector, from SMEs and larger exporters through support institutions and policymakers to producers and service providers, as well as investors, multinational companies and donors.

Improving the long-term competitiveness of a sector requires a clear focus on the full range of conditions affecting company performance, including company interactions within a sector, the general business environment, the quality of supporting industries and services, and levels of human capital and investment.

Any project under this approach starts with an analysis of **market opportunities, buyer requirements and strategies for exporters to respond** better than their competitors. This shapes ITC's assistance to companies and the institutions that support them. Projects are co-designed with clients around four interlocking outcomes:

- Identifying opportunities and developing strategies with exporters, communities and governments;
- Reinforcing services offered by trade support institutions through a combination of ITC tools and services to meet market requirements;
- Providing exporters with targeted assistance in areas such as product development and adaptation, supply chain management, packaging, and quality and branding; and
- Positioning exporters in markets through electronic commerce and assisting them in building relationships with buyers, technical partners and investors.

ITC facilitates cooperation, shared decision-making processes and activities that address weaknesses in the value chain, enabling exporters to develop direct linkages with buyers and, ultimately, resulting in the improved performance of enterprises and support services.

## IMPACT

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ITC has achieved strong results in developing exporter competitiveness in a variety of sectors at the community, national and regional levels.

ITC works with smallholder producers to improve yields, quality and value, leading to greater incomes at the **community level**. In Cameroon and Uganda, for example, ITC has helped thousands of coffee producers through investments in washing stations that have led to hundreds of thousands of dollars in additional direct income. Projects in communities that produce cassava, vegetables and other commodities have yielded similar results.

At the **national level**, through sector-development work covering agri-foods in Fiji, car parts in South Africa, mango in Senegal and information and communications technology services in Bangladesh, ITC has helped generate millions of dollars in additional export revenues and increased income for thousands of exporters.

At the **regional level**, through work in the cotton and leather sectors in three regions of Africa, ITC has helped advance US\$ 15 million worth of exports and dramatically improved value-chain performance. This has led to the development of long-term relationships with buyers and technical partners in emerging markets, including Bangladesh, China, India, Italy, Thailand and Turkey.

In recent years, ITC has started integrating employment generation as a major aspect of its work. By 2016, employment generated by each project will be integrated into ITC's results-based management planning, both as an objective and as an indicator.

# PROGRAMME AND PROJECT PROPOSALS



**COVERAGE:** Global  
**TIME-FRAME:** 5 years  
**BUDGET:** US\$8 million  
**DEVELOPMENT GOAL:**  
poverty alleviation  
**STRATEGIC GOAL:**  
strengthening trade support institutions

## Branding for development

In order to secure and sustain market positioning in higher value-added segments, a country's exports must be both competitive and clearly differentiated.

Branding for Development is a unique Aid-for-Trade programme that leverages branded products and services to generate a virtuous circle of investment and quality, leading to sustainably higher returns. The programme builds on the specifics of local culture, heritage and geography.

Since 2006, ITC has invested in proven methodologies and tools for marketing and branding. This programme aims to:

- Mainstream branding as a valuable contributor to poverty alleviation by significantly increasing the number of products promoted based on origin and protected using intellectual property instruments such as geographical indicators.
- Lead local stakeholders through a process to better understand prerequisites of successful differentiation in world markets, enabling them to leverage their strengths to build a competitive edge and promote branded products and services.
- Train trade support institutions and other partners on relevant methodologies and tools, support implementation of those tools and ensure the focus on branding is locally sustained.
- Help build a network of learning and exchange between enterprises and countries.



**COVERAGE:** Global  
**TIME-FRAME:** 3.5 years  
**BUDGET:** US\$2.5 million  
**DEVELOPMENT GOALS:**  
gender, poverty alleviation, youth  
**STRATEGIC GOALS:**  
increasing exporter competitiveness, strengthening trade support institutions

## Georgia: Enhancing export competitiveness in tea, herbs and spices

The project aims to generate income and create employment in Georgia through increased trade in the tea, herbs and spices sectors. Targeted assistance to small and medium-sized enterprises (SMEs) in productivity, quality management, supply-chain management, product design and development, as well as marketing and sales, will enhance their export competitiveness. New market opportunities will be developed leading to sustainable export-led growth in the target sectors.

At the institutional level, the project will build the capacities of trade support institutions and relevant government bodies to provide higher quality and a wider range of services to SMEs in trade information, trade analysis, quality management, supply-chain management, product development and sector-specific marketing.

The project also addresses Georgia's Standardization, Quality Assurance, Accreditation and Metrology (SQAM) infrastructure. An improved regulatory and institutional environment will help SMEs to meet quality standards and demonstrate compliance with mandatory quality requirements in export markets.



**COVERAGE:** Global, with a special stream for LDCs, LLDCs and SIDS  
**TIME-FRAME:** 3 years  
**BUDGET:** US\$3.5 million  
**DEVELOPMENT GOALS:**  
poverty alleviation, gender, youth  
**STRATEGIC GOALS:**  
trade and market intelligence, increasing enterprise competitiveness, strengthening trade support institutions

## Building competitiveness and export capacity of services sectors

This programme consists of a suite of targeted new initiatives aimed at building the export competitiveness of services sectors in developing countries.

The objectives are to:

- Produce reliable and user-friendly services-related trade intelligence that builds awareness of services as a potential driver of exports from developing and least developed countries (LDCs).
- Strengthen the capacity of trade support institutions to foster an enabling business environment, benchmark regulatory practices and promote services exports.
- Enhance the export readiness of SMEs in the services sector and help them respond to market opportunities, including gaining access to and moving up regional and global value chains.
- Achieve a higher level of LDC participation in the international services economy.

The programme has two pillars. The first pillar is focused on meeting the capacity-building needs of LDCs, landlocked developed countries (LLDCs) and small island developing States (SIDS); and the second pillar is focused on global delivery.

Activities will be implemented at both the regional and country levels.

While all services subsectors will receive attention based on the priorities of developing countries, the initial focus will be on tourism, including medical and wellness tourism, information technology (IT) and IT-enabled business services, transport and logistics and distribution.



**COVERAGE:** Kenya, Rwanda and Uganda  
**TIME-FRAME:** 3 years  
**BUDGET:** US\$6 million (US \$ 2 million per country)  
**DEVELOPMENT GOALS:** poverty alleviation, gender, youth  
**STRATEGIC GOAL:** increasing exporter competitiveness

## Eastern Africa: Investing in IT and IT-enabled business services

Working at the country and the regional level, this project draws on ITC's field-tested approach to prepare exporters to enter outsourcing markets and develop direct linkages with clients. The project will:

- Develop the supply capacity of countries in information technology (IT) and IT-enabled business services according to client requirements.
- Provide IT and IT-enabled business services exporters with adequate resources and trade intelligence to identify market destinations, conduct market analysis, and establish contacts with potential clients or partners.
- Strengthen the location advantages of Eastern Africa by engaging international brokers to identify potential partners and customers for export-ready outsourcing firms.
- Develop and strengthen sector coalitions to advocate for a supportive business environment for IT and IT-enabled business services exporters.
- Strengthen trade promotion organizations and the capacity of sector associations to promote IT and IT-enabled business services.
- Encourage public-private partnerships including between IT firms and vocational schools and institutes of higher education.
- Sensitize policymakers on the importance of developing IT-enabled services in terms of competitiveness, innovation, growth and employment.



**COVERAGE:** Myanmar  
**TIME-FRAME:** 5 years  
**BUDGET:** US\$5 million  
**DEVELOPMENT GOALS:** environment, gender, poverty alleviation, youth  
**STRATEGIC GOALS:** increasing exporter competitiveness, mainstreaming inclusiveness and sustainability

## Myanmar: Accelerating inclusive and sustainable export-led growth

After decades of relative economic isolation, Myanmar is on the path to democratic governance and market reform. ITC supports the country's efforts to open up to trade and is assisting with the formulation of Myanmar's first ever five-year National Export Strategy.

Building on the outcomes of export strategy formulation, the project will support the implementation of selected strategic priorities for export-led growth. Underpinned by a pro-poor value-chain approach, the focus will be on increasing exports, income and employment along two selected value chains, one in agriculture and one in the services or industrial sector.

Assistance is based on the following objectives:

- Facilitating integration into regional and global trading systems and value chains;
- Building trade-related human and institutional capacity and know-how through skills transfer and knowledge development; and
- Increasing private-sector exports, focusing on SMEs in labour-intensive value chains as the leading agents for change, national economic growth, job creation and improvement of socioeconomic status.



**COVERAGE:** Guinea, Senegal  
**TIME-FRAME:** 4 years  
**BUDGET:** US\$8 million  
**DEVELOPMENT GOALS:** poverty alleviation, environment, gender, youth  
**STRATEGIC GOALS:** increasing exporter competitiveness, mainstreaming inclusiveness and sustainability

## Guinea and Senegal: Promoting mango exports

Both Guinea and Senegal are mainly agriculture-based economies with policy frameworks that prioritize agricultural development. Both countries have significant potential for expanding mango exports. With global demand for this product on the rise, ITC will provide technical assistance to the countries to enable them to increase their export market share.

ITC will train producers, mainly women and youth, in good agricultural practices and techniques to adapt to climate change. ITC will also facilitate export market diversification, including to neighbouring countries.

Ultimately, the project will result in increased production and exports of mangoes and mango derivatives.



# Strengthening trade and investment support institutions



Enterprises need strong, local institutional capacities to support them. Research has shown that better-equipped trade and investment promotion organizations are linked to increased trade levels. Trade support institutions, including national trade and investment promotion organizations, play a key role in facilitating the exports of small and medium-sized enterprises (SMEs), and as a result are the main recipients of the International Trade Centre's (ITC) direct technical assistance and are important partners in the delivery of its work.

## ITC'S UNIQUE EXPERTISE

ITC is the only multilateral organization focused on providing solutions that improve the performance of trade support institutions in developing countries.

ITC relies on a sizeable network of institutions to act as multipliers of its know-how, interventions and impact.

ITC has established strong relationships with institutions around the world, including national trade and investment promotion organizations, chambers of commerce and other business associations operating at local or regional levels. Through its experience of working with trade support institutions over five decades, ITC has collected a wealth of good practices and has used them to develop tools and methodologies, tailored to the operations of trade and investment support institutions.

Assessing organizational effectiveness is vital to improving institutional performance. In this regard, ITC provides institutions with an independent perspective based on comparisons with good business practices of similar organizations. Powered by a maturity-based model of analysis designed and developed by ITC, our benchmarking programmes enable institutions to identify their strengths and weaknesses while offering a flexible platform for improvement.

To ensure that opportunities emerging from changing policies and trade rules are fully capitalized upon, ITC works to strengthen trade support institutions and improve the services they provide to enterprises. ITC provides targeted capacity-building and business-advisory support in critical areas such as trade information, trade intelligence, trade finance, market analysis, export value-chain optimization, and branding and export promotion. ITC focuses on developing long-term relationships with trade support institutions to encourage sustained improvement in their daily practices. This requires commitment from both parties using customized multi-year performance-improvement plans and targeted results-measurement tools.

To ensure that business priorities are integrated into national trade policies, and that the needs of businesses – and especially those of SMEs – are taken into consideration in the negotiation of international trade agreements, ITC also builds the technical capacity of business-related institutions to articulate the interests of the private sector.

## IMPACT

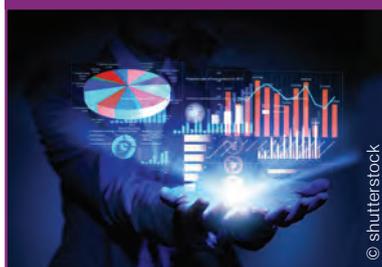
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The involvement of institutions is key to the long-term sustainability of project outcomes. Since 2011, ITC has benchmarked 22 trade promotion organizations. A survey of the institutions that participated in the project in 2011–2012 indicates that 90% considered the exercise as ‘highly relevant’ to their activities and needs. In addition, almost 80% of the institutions considered the recommendations of the benchmarking assessment to be ‘very relevant, practical and realistic’ and considered the assessment report to be ‘very good’ in guiding a process of performance improvement. Moreover, all of the respondents said they would recommend other organizations to undergo the benchmarking assessment.

Thanks to its depth and breadth of knowledge and experience, ITC offers one-stop-shop services for the assessment and improvement of trade support institutions. ITC has 50 years of experience in developing tools and methodologies that are tailored to the strategic, managerial and operational service delivery and performance-management activities of these institutions. Not only are trade support institutions better able to respond to the needs of enterprises as a result of ITC’s interventions, they empower the public and private sectors to engage in a meaningful debate that drives the identification of business-friendly policies and a conducive regulatory environment.

ITC has demonstrated good results on the ground with regard to the strengthening of trade support institutions: ITC supported Apex-Brasil, the Brazilian trade and investment promotion agency, on the revision of its service portfolio and result-measurement system with positive results. Another example is the work that ITC has carried out in strengthening the trade promotion organization in Palestine, PalTrade. ITC’s assistance has enabled staff at PalTrade to draw up a five-year strategic plan, put in place a results-based management system, formulate sector strategies, improve its trade-information capacities and develop capacities to build the export readiness and marketing capacities of PalTrade members. Similar work was done with NUCAFE, a sectoral trade support institution in Uganda.

## PROGRAMME AND PROJECT PROPOSALS



COVERAGE: Global  
TIME-FRAME: 3 years  
BUDGET: US\$8 million  
DEVELOPMENT GOAL:  
poverty alleviation  
STRATEGIC GOAL:  
strengthening trade  
support institutions

### AIM for Results: Assess, Improve and Measure the performance of Trade Support Institutions

AIM for Results will build the capability of trade support institutions to increase the export value of their clients, especially SMEs. ITC will develop long-term relationships with trade support institutions to embed sustainable improvements in their efficiency and effectiveness.

The programme will help trade support institutions to better understand and improve their managerial, operational and service delivery performance by benchmarking and focusing on measurable results. Raising institutional awareness about the importance of measuring results and impact is an important foundation of the programme.

It is estimated that the path to improvement for each trade support institution will take approximately three years and will involve intensive support relationships using customised performance-improvement plans. Ultimately, better-performing institutions will support more effective participation of SMEs in regional and global value chains, leading to increased exports. A recent World Bank paper concluded that a 10% increase in budgets and or productivity of a trade promotion organization leads to a 0.6%-1% increase in national exports.



COVERAGE: Haiti  
TIME-FRAME: 3 years  
BUDGET: US\$3 million  
DEVELOPMENT GOAL:  
poverty alleviation  
STRATEGIC GOALS:  
enhancing policies,  
strengthening trade  
support institutions

### Haiti: Technical cooperation for stronger business and institutional performance

This project will strengthen Haiti's business regulatory framework and institutional infrastructure for trade development and export promotion with a view to supporting the integration of Haitian SMEs into the country's export activities.

The growing interest of Latin American and Caribbean countries in supporting their region's sole least developed country bodes well for South-South Cooperation. In addition, highly performing trade promotion organizations in LAC will provide the technical expertise for improving the institutional infrastructure in Haiti.

To achieve its objective, the project will focus on two work areas:

- Modernisation of the business regulatory framework in order to increase transparency in the process of starting a business, to enable SMEs to make the transition from the informal to the formal economy.
- Improvement of the existing institutional infrastructure for trade development and export promotion by assisting a network of trade support organizations, Haiti's Ministry of Trade and Industry, national and regional chambers of commerce, to deliver relevant trade support services to their constituencies in a coordinated and efficient manner.



COVERAGE: West Africa, South-East Africa, and North Africa  
TIME-FRAME: 3 years  
BUDGET: US\$1.5 million  
DEVELOPMENT GOALS:  
poverty alleviation, gender  
STRATEGIC GOAL: strengthening trade support institutions

### Training African SMEs on international commercial contracts

The project will enhance the capabilities of small and medium exporters to manage commercial contracts, international payment instruments and comply with legal trade standards. Focusing on three regions of Africa the project will promote advanced training of trainers and dissemination of information to SMEs through national trade support institutions that also serve as multiplier platforms.

The expected result is for trade support institutions and relevant professional associations to improve their provision of professional training services for SMEs, specifically training on international payment mechanisms, legal standards and commercial contract practices. SMEs in selected African countries will enhance and secure contractual commercial linkages, and will benefit from lowered transaction costs and reduced long-term commercial risks related to export transactions.



COVERAGE: Global  
TIME-FRAME: 4 years  
BUDGET: US\$6 million  
DEVELOPMENT GOALS:  
poverty alleviation, youth  
STRATEGIC GOAL:  
increasing exporter  
competitiveness

## Modular Learning System in Export Value Chain Management

The Modular Learning System in Export Value Chain Management (MLS-EVC) programme is ITC's latest vocational training programme. Targeting SMEs in developing countries, it builds on the existing Modular Learning System in Supply Chain Management (MLS-SCM) programme that has been operating successfully for more than ten years.

In response to client demand, the new MLS-EVC programme will include export-focused vocational training programmes covering the entire export value chain, including export strategy and management, quality, packaging, marketing and branding e-solutions for business and finance.

In 2011, ITC's flagship MLS-SCM programme accounted for 46% of all enterprises trained. The sustainability and global reach of the programme is ensured through a network of licensed partner institutions that provide a strong multiplier effect. To date, SME beneficiaries have reported improvements in supply chain efficiencies and related savings of over US\$50 million.



## Promoting and mainstreaming inclusive and green trade



While the economic growth of many developing countries, including several least developed countries (LDCs), has been impressive in recent years, this growth has not always translated into improved livelihoods for people at the bottom of export value chains – notably those living in impoverished communities, especially women and youth. Although women produce half of the world's food, they make up 70% of the world's poor. Unemployment is a global problem, with young people particularly affected.

Almost 3 billion people, or nearly half of the world's population, live in relative poverty and lack access to better employment opportunities. According to the International Labour Organization, 73.4 million young people are expected to be out of work in 2013, an increase of 3.5 million since 2007.

The environmental impact of trade, which can deepen existing disparities, is another cause for concern. The International Trade Centre (ITC) views export

development as a key contributor to wider, sustainable human development, including that of marginalized communities.

### ITC'S UNIQUE EXPERTISE

Since 1964, ITC has been working with micro and small businesses, many of which operate at the bottom of value chains. ITC is uniquely placed to convert expectations for trade inclusiveness and sustainability into operational programmes that address relevant export constraints while incorporating the most appropriate sectors, methodologies, technologies, partnerships and skill sets.

Poverty reduction, the empowerment of women and environmental sustainability have become key considerations in ITC's strategic and operational planning, project design, technical assistance and performance evaluation.

While ITC has run projects specifically aimed at assisting women-owned and managed businesses, it has also put in place a comprehensive **gender-mainstreaming strategy** since 2010. The participation of women as beneficiaries is now tracked in all ITC projects, and outcome indicators have been revised to explicitly account for this.

ITC is uniquely placed to support developing countries in realizing green-trade opportunities, as well as reducing negative environmental impacts and risks that affect export competitiveness. ITC's **Trade and Environment Programme** and **Trade for Sustainable Development Programme (T4SD)** assist in removing non-tariff barriers to green markets, ensuring sector sustainability and minimizing the impact of climate change. The Trade and Environment Programme increases the competitiveness of small and medium-sized enterprises (SMEs) in green-economy markets and helps to increase climate resilience and environmental sustainability in the sectors. This is done, for example, through support of exports of biodiversity-based goods and services; legal trade of species listed by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) in segments such as natural ingredients, fibres and exotic leather; and support to agri-food export farmers by strengthening their capacity to adapt to climate change and providing them with information on private voluntary sustainability standards and training on compliance.

## IMPACT

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In the wake of the global economic downturn, ITC has mobilized more than US\$ 12.5 million for three programmes that aim to make trade more inclusive by addressing trade constraints specific to women and poor communities and by mainstreaming environmental considerations into trade development.

A portfolio of pilot activities has been created for each focus area. ITC integrates the lessons learned from these pilots into the design of projects during the roll-out phase. ITC also works to strengthen the organizations that represent these groups and undertakes tailor-made training and skills-development programmes.

The **Poor Communities and Trade Programme** connects large numbers of people from marginalized communities to international distributors and buyers. ITC's flagship effort, the Ethical Fashion Initiative, has so far engaged more than 1,000 micro-producers in becoming suppliers to international fashion brands and large distributors in Europe, the United States of America, Australia and Japan. There has been worldwide recognition of the initiative, not least for building awareness of the benefits that people in marginalized communities can receive by gaining access to international value chains.

ITC's **Women and Trade Programme** helps to ensure that women derive greater economic benefit from their participation in trade. ITC has facilitated new sales for more than 60 women-owned SMEs in excess of US\$15 million. Within export sectors such as textiles, coffee and jewellery, which in many countries are dominated by women entrepreneurs, ITC has coached sector associations and their women-owned business members.

ITC's Trade and Environment Programme has shown promising results. More than 126,000 smallholder tea farmers received training on climate-change adaptation to prepare them for changing conditions. Peruvian BioTrade companies that ITC supported through trade fairs have been able to gain new export sales amounting to US\$1.3 million. A series of 22 technical papers providing practical information and solutions to challenges faced by exporters dealing with environmental issues have played an important role in awareness building.

## PROGRAMME AND PROJECT PROPOSALS



COVERAGE: Global  
TIME-FRAME: 3 years  
BUDGET: US\$ 15.6 million  
DEVELOPMENT GOAL:  
gender, poverty alleviation  
STRATEGIC GOALS:  
mainstreaming sustainability  
and inclusiveness, increasing  
exporter competitiveness

### Empowering Women, Powering Trade

Facilitating exports for women entrepreneurs and empowering women in export-oriented value chains have multiplier effects for economic growth and contribute significantly to achieving development goals. The new phase of the programme builds on good practices and lessons learnt from the initial phase (2010-2013) that include the launch of the Global Platform for Action on Sourcing from Women Vendors, which resulted in US\$20 million in sales and letters of intent to women entrepreneurs from developing countries.

The purpose of the new phase is to increase the economic benefits business women in developing countries derive from their participation in international trade. The intervention logic of the programme is to understand market demand for goods and services and then work with policymakers, TSIs and women entrepreneurs to facilitate the conclusion of concrete business transactions with identified buyers.

This will be achieved through the development of 12 projects that:

- increase the demand for goods and services supplied by women entrepreneurs – particularly in procurement,
- strengthen TSIs' support for women and
- build capacity of women entrepreneurs to meet buyers requirements.

In addition to this targeted approach, the Programme will coordinate ITC's efforts to mainstream gender in programming and staffing.



COVERAGE: Bolivia, Burkina Faso, Ghana, Haiti, India, Kenya, Mali, Palestine, Southeast Asia  
TIME-FRAME: 8 years  
BUDGET: US\$35 million  
DEVELOPMENT GOAL:  
gender, poverty alleviation  
STRATEGIC GOALS:  
mainstreaming sustainability  
and inclusiveness

### Ethical fashion initiative

The Ethical Fashion Initiative leverages the growing market of ethical and responsible fashion to link artisans in the informal sector to international brands and distributors. This innovative integration of informal micro-producers in the fashion supply chain has created stable, sustainable small businesses that provide jobs and generate income, contributing to poverty alleviation and empowerment of women in marginalised communities.

The programme:

- generates economically sustainable employment, particular among vulnerable groups and poor communities by inserting micro-producers into international value chains;
- reduces gender inequality and contributes to the empowerment of women; and
- supports the preservation and/or improvement of the environment by fostering the adoption of environmentally friendly processes and materials, such as reused or recycled materials.

The programme has been implemented in Kenya, Ghana, Burkina Faso and Mali (on a limited basis due to the crisis), with pilot activities in Haiti. It has contributed to substantial and sustainable poverty reduction for 7,000 micro-producers in marginalised communities in Kenya and 1,700 elsewhere.

The expansion of the ethical fashion market is an opportunity to broaden the regions where the programme operates, using this innovative approach to contribute to increased job creation in low income and developing countries. This expansion will consist of scaling up the programme in existing countries, followed by rollout in new regions, including Southeast Asia, Palestine, India and Bolivia.



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COVERAGE: East African Community (EAC) and South Sudan  
TIME-FRAME: 3 years  
BUDGET: US\$1.67 million  
DEVELOPMENT GOALS:  
gender, poverty alleviation  
STRATEGIC GOALS: mainstreaming  
inclusiveness and sustainability

### EAC: Facilitating Women Informal Cross Border Traders

The purpose of the project is to create an efficient, more predictable and inclusive business environment conducive to microenterprises, small and medium-sized enterprises (SMEs) and women cross border traders in East Africa and South Sudan. The project aims to achieve this by reducing impediments to cross border trade and by building the capacity of informal women traders to comply with cross border formalities and access appropriate business services.

In order to increase formal exports to neighbouring countries, the project builds upon a successful Trade Facilitation Phase I project for Ugandan women informal cross border traders (ICBTs). It will support the registration and formalisation of ICBTs and promote the establishment of national ICBT associations.

The project will generate data and information on women in informal cross border trade that could be useful for improving the overall trade environment.



**COVERAGE:** Côte d'Ivoire, Kyrgyzstan, Myanmar, State of Palestine, Uganda  
**TIME-FRAME:** 1.5 years  
**BUDGET:** US\$1 million  
**DEVELOPMENT GOALS:**  
 youth, poverty alleviation  
**STRATEGIC GOAL:**  
 inclusive and green trade

## Combatting youth unemployment through trade

ITC is launching a new multidisciplinary programme on the economic empowerment of youth that will be developed in 2014. ITC will mainstream youth into its core business areas in order to adequately respond to the priority of youth employment and ensuring integration of youth into economically viable activities. By incorporating their needs in the development of National Export Strategies, enterprise growth, institutional strengthening and policy enhancement, this programme aims to increase youth participation in productive and export activities. To ensure that the maximum number of young people benefit from the programme, it will eventually be rolled out in all developing countries.

The design and implementation of an effective youth-oriented trade programme is a challenge because of the limited availability of information about youth and trade.

ITC is seeking funds to conduct research and develop a youth-oriented trade programme as a result of its findings.



**COVERAGE:** Global  
**TIME-FRAME:** 3 years  
**BUDGET:** US\$4.5 million  
 (\$900,000 per country or value chain)  
**DEVELOPMENT GOALS:** environment, poverty alleviation, gender  
**STRATEGIC GOALS:**  
 mainstreaming inclusiveness and sustainability, increasing exporter competitiveness

## Strengthening livelihoods through green trade

Growing demand for green products presents a major opportunity for SMEs in developing countries to accelerate sustainable growth, reduce environmental risks and improve social equity. However, trade support institutions and SMEs lack information on export opportunities in the green economy.

The purpose of this programme is to support the transition of developing countries towards a greener economy through trade. This will be achieved by building the capacity of SMEs to produce and export green products and services. Ensuring sustainable development and climate change adaptation and resilience will also be an element of the programme.

Consumers' growing demand for green products means significant opportunities for developing countries to expand and diversify their export base. The programme will focus on food, cosmetics, fibres, exotic leather as well as eco-tourism. Trade in these goods and services plays an important role in the sustainable management of natural resources in beneficiary countries.

ITC's green trade programme will:

- provide market intelligence services to SMEs, trade support institutions and policymakers on emerging opportunities in the green economy;
- connect SMEs to new buyers in international green markets; and
- strengthen the capacity of exporters to identify and address non-tariff barriers to green trade.



**COVERAGE:** Global; pilot: the Gambia  
**TIME-FRAME:** 3 years  
**BUDGET:** US\$12 million  
 (US\$2 million per country)  
**DEVELOPMENT GOALS:**  
 poverty alleviation, environment, gender, youth  
**STRATEGIC GOAL:** mainstreaming inclusiveness and sustainability

## Community-based tourism

ITC's Community-based Tourism Development Project will tap the development potential of the tourism sector by creating sustainable and inclusive business linkages between the tourism industry, the handicraft sector and agriculture, in particular poultry and horticulture. Special attention will be paid to the needs of women entrepreneurs and to the environmental impact of tourism.

The project will identify growing tourist destinations and neighbouring poor communities with the aim of increasing incomes of vulnerable women and men through their active participation in tourism value chains. Interventions will enable increased sourcing of local products and services.

ITC will provide market expertise, capacity-building assistance and policy advocacy, and will build formal market linkages with tourism operators, hotels, wholesalers, exporters and non-governmental agencies. ITC will also strengthen the capacities of tourism-related trade support institutions. The initial project in The Gambia will be a useful pilot for future efforts to scale up and expand to other developing countries.

## Building a conducive business and policy environment through public-private partnerships



Developing countries have benefited greatly from export-led economic growth, new opportunities to integrate into global production networks and the rise of trade in services. This economic integration has required trade-policy reforms and the simultaneous liberalization of domestic trade and investment regimes.

Increasing public-private dialogue, which ensures that the interests of the business community, including small and medium-sized enterprises (SMEs), are represented in the policy formulation process, is increasingly recognized as an essential ingredient for improving government policy. In many least developed countries (LDCs), developing countries and transition economies, such dialogues are not well organized and sometimes barely exist.

The International Trade Centre (ITC) facilitates the creation of a positive, collaborative environment for dialogue on trade policy and export strategy development, moving away from mutual mistrust and criticism. The objective of ITC's work is to develop the capacity of the private sector to engage effectively in a fruitful dialogue with

government and to facilitate the creation of platforms for this dialogue to take place.

ITC also provides technical assistance to countries to facilitate the design, implementation, management, and monitoring of national, regional and sector export strategies that also ensure inclusive development dividends. While addressing key constraints to a country's export performance, these strategies also provide a roadmap to further develop international competitiveness of new products and to conquer new markets.

National export strategies represent the ultimate implementation roadmap for strengthening a country's export development and competitiveness potential in a cohesive and inclusive way.

### ITC'S UNIQUE EXPERTISE

ITC builds the technical capacity of organizations representing the private sector, enabling them to articulate the interests of their memberships

– especially SMEs – on trade-policy issues and on the formulation of national and sector export strategies.

Through specialized training courses, ITC assists the private sector in acquiring the knowledge and skills needed to engage in constructive dialogue and effective advocacy.

Interventions also include convening and moderating public-private dialogues and providing policymakers with technical knowledge and experience of reforms undertaken in other countries. Moreover, by building the capacity of national and regional authorities to implement recommendations achieved as a result of the identification of policy reform and reconciliation of public and private interests, ITC helps **transform policy into action**. Following the design of an action plan, ITC works to facilitate its joint implementation and monitoring of results.

Through a unique methodology that has been **deployed in more than 40 countries, regions and sectors**, which depends on public-private dialogue and participation of stakeholders, ITC also helps beneficiary countries design comprehensive national export strategies. Crucially, the ownership of these strategies, which are developed in a participatory fashion and can involve up to 400 stakeholders, lies with the country.

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## BRINGING BUSINESS TO POLICY

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ITC facilitates links between the private sector and policymakers, with the overall aim of creating a trade policy environment that meets business needs. The ensuing dialogue equips stakeholders with the technical information and skill sets required to engage in meaningful debate, allowing policymakers to identify solutions conducive to a business-friendly policy and regulatory environment that balances objectives such as promoting competition, preventing market failures and preserving consumer safety. For example, an ITC trade-policy project in Pakistan, includes the institutionalization of comprehensive, regular and well-informed dialogue between representatives of the Government of Pakistan and the business sector on trade-policy formulation and implementation. The initiative provides the private sector with greater participation in the development of the country's trade policy and other trade-related legislation. Many of the recommendations advanced by the private sector have made their way into trade-policy documents.

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## FACILITATING WTO ACCESSION

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World Trade Organization (WTO) agreements shape the international and national trading environments in which enterprises operate. Accession to the WTO, therefore, has direct and real implications for the business community. ITC assists in the accession process by identifying and explaining the benefits of WTO membership. A business community that has

a solid understanding of the implications of WTO membership can more effectively partner with governments to negotiate terms of accession. In Tajikistan and Yemen, both of which will have acceded to the WTO by the end of 2013, ITC made a key contribution by, among other things, building the confidence of the private sector in the WTO accession package. An ITC programme in Samoa has helped business people to become more comfortable with WTO membership, through the explanation of the policy-centred technical issues at the heart of the negotiation.

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## NATIONAL EXPORT STRATEGY DESIGN

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A National Export Strategy provides a blueprint for competitiveness and development of a country's export sector. ITC has developed a full range of tools and services to enhance the ability of participants to formulate national and sector-specific export strategies. The process focuses on sustainable export growth and on mainstreaming trade into the broader development framework, including poverty alleviation, empowerment of women and environmental sustainability.

ITC's inclusive National Export Strategy process brings together the priorities of national institutions and development partners, including international organizations and donors. This ensures that a country's objectives are achieved and that maximum socioeconomic impact is generated. An ongoing independent evaluation found that 'Export Strategy is highly relevant to developing countries and represents an opportunity for ITC to lead international technical assistance in this field.

Over the last 10 years, ITC has facilitated more than 40 strategies and developed a unique methodology, which puts value-chain diagnostics at its core and uses capacity building to foster stakeholder participation and buy-in at the highest political level. Each strategy initiative brings together some 400 stakeholders from the public and the private sector, civil society and academia. ITC has also now moved from strategy design to strategy-implementation management, which is valued in excess of US\$ 130 million.

An advantage of ITC's National Export Strategy is the flexibility that the design process allows for accommodating specific country-related contexts, whether it is a current or post-conflict environment, such as that found in Mozambique or the State of Palestine; emerging or recently liberalized markets, such as Kyrgyzstan or Myanmar; small island developing states, such as Jamaica or St. Lucia; or LDCs, such as Liberia or Uganda. The State of Palestine strategy, for example, is the first official state policy to be adopted post-statehood (giving United Nations recognition). In Myanmar, the National Export Strategy is the first official strategy to be undertaken post-liberalization.

## PROGRAMME AND PROJECT PROPOSALS



COVERAGE: 12 countries  
TIME-FRAME: 5 years  
BUDGET: US\$ 12 million  
(US\$ 1 million per country)  
DEVELOPMENT GOALS:  
poverty alleviation,  
environment, gender, youth  
STRATEGIC GOAL:  
enhancing policies

### Export Strategy Design and Implementation

The objective of the Export Strategy Design and Implementation Programme is to foster socioeconomic development through accelerating export-led growth. ITC supports policymakers and the business community in identifying strategic development priorities at the country level and in formulating, managing and implementing a national export strategy. The export strategy has a lifespan of five years and ensures that trade is effectively mainstreamed in national development plans.

Drawing on ITC's vast experience in national and sector strategy design, the programme will cover the development of 12 National Export Strategies and detailed action plans and will build national capacities for implementation, management and monitoring to ensure the transition from design to implementation. Further, the programme will cover the implementation of a set of key priority actions, identified in each national export strategy.



COVERAGE: Global (ten countries)  
TIME-FRAME: 4 years  
BUDGET: US\$ 10 million  
(US\$ 1 million per country)  
DEVELOPMENT GOALS:  
global partnership  
for development,  
poverty alleviation  
STRATEGIC GOALS:  
trade intelligence,  
increasing exporter  
competitiveness

### Addressing NTMs for enhanced export competitiveness

The programme aims to increase the export competitiveness of small and medium-sized enterprises (SMEs) in developing countries through reviewing and addressing non-tariff measures (NTMs) applied on goods and services. It will enable the rationalization of trade policies and regulations to ensure they are aligned with the objective of boosting export competitiveness.

Through evidence based public-private dialogue the programme will increase knowledge on the link between trade policy and competitiveness, identify pro-development trade policy options and promote the reform of those NTMs that create inefficiencies and/or fall short of achieving their policy objectives.

Utilising ITC's business surveys and data collection on NTMs, it will offer concrete and feasible solutions to address burdensome barriers to trade.



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