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# CASE FOR SUPPORT

## 2012–2015

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**ITC mission:**

ITC enables small business export success in developing and transition countries by providing, with partners, sustainable and inclusive trade development solutions to the private sector, trade support institutions and policymakers.

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International Trade Centre  
Export Impact for Good

Case for Support 2012-2015



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## Introduction

The purpose of the case for support file is to deliver a clear understanding of ITC's mandate and vision, and of its capabilities and potential as a partner for development-oriented export growth in developing countries.

The document is to be viewed as a pragmatic entry point for further discussions with donors on opportunities for large-project funding and generation.

The Case for Support includes an introduction to ITC's large project portfolio, with examples illustrating how large multi-year programmes have enabled ITC to improve delivery for greater development impact. The document also provides donors with a selection of project idea components that are currently being developed in response to requests for export development assistance, and a list of countries and regional economic actors that have solicited ITC's services in recent months.

Donors may want to join in multi-donor funding of ongoing programmes. Customized programmes can also be formulated in consultation with donors to align their broad development objectives with specific beneficiary needs.

# I. About ITC

## Our Mandate

As a UN-WTO agency, ITC delivers technical assistance programmes focusing on export development. To achieve greater impact in developing countries, ITC works directly with SMEs and indirectly through Trade Support Institutions (TSIs) and policymakers. With more than 47 years of experience as a trade-related technical assistance (TRTA) agency, ITC has developed a five-pronged approach to:

1. Improve the availability and use of trade intelligence – building awareness;
2. Enhance trade policies for the benefit of exporting enterprises;
3. Strengthen TSIs and develop capacity building tools for SMEs;
4. Strengthen the export competitiveness of SMEs to better respond to market opportunities;
5. Mainstream inclusiveness and sustainability into trade promotion and export development.

## ITC is 100% Aid for Trade

ITC covers 3 of the 5 work areas in the Aid for Trade Agenda:

- Trade Development
- Building Productive Capacity
- Trade Policy and Regulations
- (Trade Related Infrastructure)
- (Trade Related Adjustment)

ITC's Strategic Objectives:



## Converting Opportunities into Results

### Building the environment for success...

ITC enables developing countries to access economic intelligence and act on global markets while facilitating the dialogue between the private and public sectors, for exports development. We bring broad trade insights to develop opportunities offered by trade agreements with a view to improve global competitiveness and promote regional trade integration. We engage local trade support institutions and regional economic actors with global resources for export success. We build ownership by demonstrating the value of collaboration for all local interest groups.

### Connecting enterprises to export markets...

ITC enables potential SME exporters to connect to markets and convert opportunities into export growth. We help SMEs unlock the economic potential of global and regional value chains through local sourcing, product diversification and specialisation, and quality control in sectors where they can develop a competitive advantage.

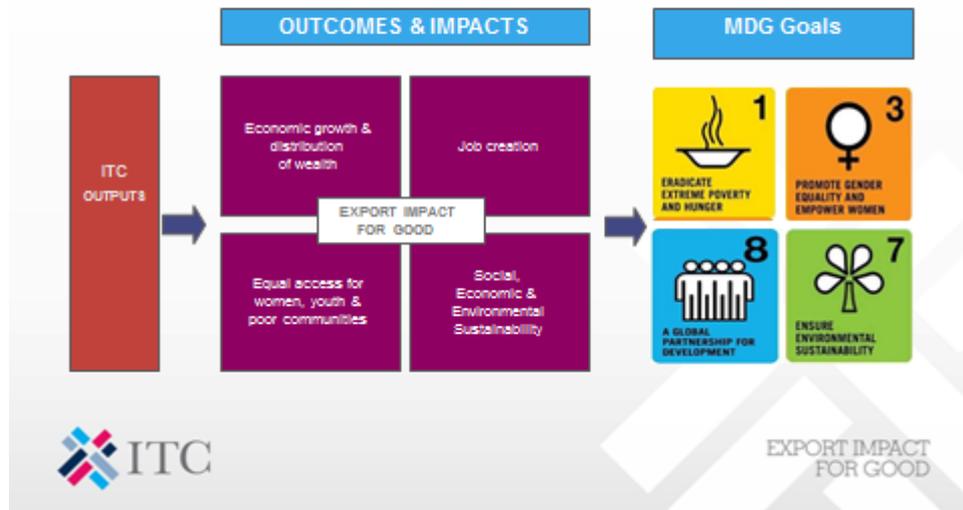
## Delivering long-term tangible impact...

ITC's overarching objective is to impact development through the achievement of the MDGs by ensuring that quality exports and better trade contribute to the growth of the economy and translate into entrepreneurial opportunities, wealth creation, and community development. We capitalize on our partners in the field to deliver integrated solutions for export impact for good.

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## ITC's mission: Export Impact For Good

We focus on the promotion of export growth for development impact



### By growing exports we:

- Facilitate profitable SME generation;
- Create jobs, with special focus on women and youth;
- Empower women in business and communities;
- Promote green export opportunities and help communities be more environmentally effective;
- Improve livelihoods and community development.

## RBM for Increased Transparency and Accountability

Over the last five years ITC has substantially improved the volume and the quality of its delivery. Its governance and operating model have been revisited, starting with the mainstreaming of results-based management (RBM) principles across the organisation. This has translated into more transparent resources allocation, enhanced decision making and reporting mechanisms, and the embedding of quality assurance in project design.

These milestones were critical steps in moving towards achieving greater impact in our TRTA initiatives and have laid the foundation for the progressive implementation of ITC's new corporate strategy. The Strategic Plan 2012-2015 and new corporate logframe engage the organization in a significant leap forward to meet the highest standards of stakeholder expectations for results-based management and increased transparency and accountability.

As of January 2013 donors will have online access to ITC's RBM Dashboard where all ITC projects are recorded live with a clear indication of progress in the implementation of corporate outcomes, and updated costing of project outputs, to be finalized in 2013.

## Large Multi-year Programmes for Greater Development Impact

ITC's first cycle of large multi-year programmes was launched in 2008 with the full support of our governing bodies, the Joint Advisory Group (JAG) and the Consultative Committee of the ITC Trust Fund (CCITF). The shift of the Organization towards large integrated multi-year programmes has enabled us to improve the strategic focus of our project portfolio. Large multi-year programmes ensure greater impact, thanks to greater consistency in needs assessment, planning, implementation, evaluation, and results measurement, while also lowering transaction costs and allowing economies of scale.

Independent mid-term evaluations have confirmed that large programmes are more efficient, motivate a higher level of stakeholder engagement and are likely to achieve greater development impact by:

- Up-scaling projects with high impact potential;
- Integrating projects for greater coherence and sustainable outcomes;
- Providing the scope for greater focus on inter/intra-regional trade;
- Mainstreaming MDGs into ITC's operation: Women and Trade, Poor Communities and Trade, Trade and the Environment;
- Developing the evaluation function for greater transparency and continuous learning.

In May 2012 the Joint Advisory Group "confirmed the strategic importance of large programmes for the sustainability of ITC's impact oriented strategy. *There was a wide call for renewed support from donors for the regeneration of ITC's large projects pipeline*". It was also suggested that the organization "explore possibilities of multi-donor funding for large programmes and further develop partnerships, including public-private partnerships, to increase volumes and impact of its delivery."

## II. ITC's Large Project Pipeline

ITC's large programmes are defined by size and their pluri-annual character (minimum targeted annual budget of USD 2.5 million over 3 years), by their high replication potential (sequencing and phasing), and by a multidimensional approach that brings various expert components together to address challenges at enterprise, TSI and policy levels simultaneously with a view to achieve a customized impact objective.

Lessons learned from the first generation of large programmes show that the successful model brings:

- Involvement of local stakeholders in programme design, co-implementation, and financial commitment of counterparts for delivery;
- Involvement of donors in project design, management oversight and quality assurance;
- A growth delivery model based on value for money relying on local consultants, lower transaction costs, and economies of scale;
- A continuous learning process supported by lessons learned from independent mid-term evaluations;
- Design of next phases of programmes in close collaboration with partner TSIs, beneficiary governments, and donors.

### Ongoing large programmes

The proportion of the 2012 portfolio made up of large programmes currently stands at 40%, a percentage which should increase significantly over time. A pipeline of large projects is currently under development and discussions on the next phase of several large programmes are underway.

The following examples are an illustration of how multiyear programmes have enabled ITC to improve delivery for greater development impact. They include information on where we currently stand regarding the design of the next phase of programmes, and information on ITC's current funding needs.

## Programme for Building African Capacity for Trade (PACT) II

**Duration:** Jul 2008 - Mar 2013  
**Total value:** CAD 19.8 million  
**Donor:** Canada  
**Region:** Sub-Saharan Africa

**Objective:** The overarching goal of PACT II, the backbone of ITC's contribution to the Aid for Trade agenda in Africa, is to support the continent's regional integration efforts through trade development and promotion within three target regions: COMESA, ECCAS and ECOWAS. The programme aims at strengthening the capacity of African regional and national institutions to enhance market linkages, export competitiveness and revenues of African SMEs.

### Results

#### Partnering with RECs fosters deeper trade integration

Building the capacity of Regional Economic Communities (RECs) to respond to private sector needs in trade development has been the primary aim of PACT II. RECs have used the programme to become recognised players in business and trade development in their regions, and have integrated PACT II in their strategic planning to leverage other trade-related initiatives and funding. PACT II has reinforced their trade development and promotion structures to analyse markets, formulate strategies and follow Result-Based Programme Management principles based on a coached learning-by-doing process and linked to a roadmap setting trade priorities within regions.

#### Establishing self-sustaining TSI networks, Expanding pools of African experts

PACT II has reinforced coordination among TSIs, such as business and sector associations, national trade promotion bodies and chambers of commerce, so they serve as an effective link between RECs and the private sector to improve exports. Their service delivery to enterprises has been developed including business advocacy to champion enterprises' interests, and trade information systems to improve knowledge about markets and business linkages. Sustainable skills have been transferred through training of trainers, coaching and e-learning to local networks of experts who are capable of providing advisory services in a range of areas: trade information, market analysis, trade law, export strategy, business generation and advocacy, business development services for businesswomen.

#### Increased SME knowledge of export markets and revenues

PACT II has supported the private sector to foster a better understanding of export markets, strengthen cross-border value chains, underpin efforts to improve the quality of goods and promote strategic business linkages within regional and overseas markets. It has demonstrated the potential of a regional programme approach to yield concrete results at enterprise level, in terms of increased export markets and revenues for SMEs: USD 5 million value of new business was generated for SMEs in the COMESA leather sector with additional prospects beyond programme activities; SMEs in the ECOWAS mango value chain established sustainable business partnerships with international and Brazilian buyers, this has already translated into a 50% rise in one of the companies' annual export volume.

#### Empowering women entrepreneurs

*ACCESS! for African Businesswomen in International Trade* has improved business support services for women to increase their capacity to export and promote their economic empowerment. It has provided dedicated export management training, business counselling and mentoring, market development and access to foreign markets for women entrepreneurs in 19 Sub-Saharan African countries. Over 2,500 businesswomen have received exporter training delivered by a network of 63 certified African trainers and many have benefited from individual mentorship and targeted business counselling. A large number of these women have explained how *ACCESS!* has enhanced their awareness and ability to compete internationally.

## Future Prospects: PACT III

Building on PACT II achievements and lessons learned, PACT III will support pro-poor economic growth through intra-regional trade promotion, institutional capacity building and private sector development, focusing on high-potential sectors for job creation, women and South-South cooperation. It will contribute to the pan-African integration agenda and Continental Free Trade Area (CFTA). It is proposed that PACT III be enlarged to 5 RECs: ECOWAS, ECCAS and COMESA-EAC-SADC in the context of the Tripartite Free Trade Agreement.

The programme will be customized according to the context and needs in each partner REC, offering opportunities for multi-level implementation, in order to achieve maximum results and encourage exchange of best practices at the pan-African level.

## All Africa, Caribbean, Pacific Agricultural Commodities Programme (AAACP)

**Duration:** Aug 2007 - Dec 2011  
**Total value:** USD 11.8 million  
**Donor:** European Union  
**Region:** Sub-Saharan Africa, Pacific, Caribbean

**Objective:** Strengthen the capacity of TSIs to support the design and implementation of agri-food sector development strategies in vulnerable countries, improving access to markets for SMEs and raising incomes for rural communities.

### Results

This programme took an innovative approach to combining the expertise and resources of five international agencies with complementary experience in Agri-food development to increase the sustainable incomes of poor commodity-based communities and reduce their vulnerability. Working from the markets back to supply ITC played the role of “architect”, bringing together buyers and all stakeholders implicated in each value chain stage, to design a pragmatic market-led development strategy that would benefit everyone.

The sector focus of the approach transcended thematic and cross-cutting projects allowing them to create an impact at the level of tangible traded products and services. Out of the AAACP ITC has also developed a comprehensive Programme for building sustainable trade, food and nutritional security for which we are seeking funding.

### Strengthening TSIs

AAACP brought all the TSI's, enterprises and communities in a sector value chain together to develop their own solutions and development plans. One example of how the ITC approach has worked on a grand scale is in the cotton sector in West, Central and East & Southern Africa, three regions that have collaborated around regional cotton and textile value chain strategies for sustainable export results.

These strategies defined ways to strengthen the regional TSI network supporting the African cotton business and helped African cotton companies develop direct technical collaborations with Asian spinners to increase transparency in trade, reduce contamination and improve quality.

The national cotton associations of Tanzania, Uganda and Zambia improved their structure, governance and operations to the satisfaction of commercial partners. Mozambique, Zambia, Zimbabwe and Malawi established a sub-regional cooperation arrangement on cotton called MoZaZiMa. The African Cotton Association endorsed a 2011–2016 business plan and is playing a strong role in sharing information on markets and upgrading quality. The benefits of these initiatives are likely to be continued with the EU's support in a follow-up programme in 2012.

## Enhancing Policies in support of regional integration

In West Africa, a governance structure to ensure the implementation management of the regional cotton strategy was established by UEMOA. In an effort to increase regional integration similar approaches were applied and results achieved in 2011 for the PACT II mango sector strategy in the ECOWAS region, and each of the sector strategies developed for the targeted agri-food industries under AAACP. ITC systematically addresses MDG issues in its approach. For example, by demonstrating successful commercialisation of Arabic gum cultivation in Mali and Burkina Faso, communities took better care of the acacia bushes that were planted to reduce desertification and they now flourish – a link that has now been enshrined in environmental policy.

## Improving market access for SMEs and rural communities

Seventeen other sector development strategies and implementation frameworks were developed using ITC's participatory processes for other high-potential agri-foods including spices and coffee. Partnerships with rural and agricultural development agencies and local institutions focused on improving value addition at every stage of agri-food value chains. By providing water wells, appropriate conditioning technology and clean storage in Cameroon, cassava can now be processed in communities into many profitable products that can be stored for several months. ITC created linkages with producers of other crops and distributors enabling communities to create employment and year-round incomes from recipes of different nutritious combination foods. In some cases producers started to export within their region during the lifetime of the project.

- AAACP enabled the first fully washed sample shipments of gourmet arabica and robusta coffees from Cameroon and the Democratic Republic of Congo with growers achieving a 25% premium in the EU market;
- AAACP helped Ethiopian ginger and turmeric producers to learn finishing techniques that attracted much higher prices and new equitable buyers from India, significantly increasing income in rural communities;
- ITC coached the National Cassava Sector Coordination Committee in Liberia to coordinate the work of agencies to improve productivity, reduce pollution and toxicity in cassava growing and conditioning providing clean food for school children, and sales to buyers of infant food, and in refugee camps in neighbouring countries;
- In Samoa, where fruit and vegetables is the priority sector, six out of ten agri-food enterprises obtained ISO certification, dramatically increasing their sales to major markets in Japan, New Zealand and the USA;
- Improvements in the coconut supply chain in the Solomon Islands attracted investment in value-addition facilities for coconut oil and coconut drinks.

ITC's trade promotion efforts involving the regional economic commissions, cotton companies, ginners, policy-makers and trade support institutions resulted in improving quality and new sales to spinners. In total in the final year of the Programme USD 4.4 million of new direct sales and USD 6 million of new indirect sales under better trading conditions were achieved to major Asian markets. Mali's exports to target markets increased by an average of 125%, and USD 500,000 were saved in transportation costs to West African ports as a result of new efficiencies.

## Future prospects

ITC is now packaging the portfolio of direct assistance that was tested in the AAACP into a comprehensive Programme for building sustainable trade, food and nutritional security – organising efficient value chains to allow poor smallholder farmers to add value and generate employment in their communities, connect with food processors and export markets for long-term growth.

ITC is searching for a funding partner to roll out this approach as a multi-year programme in African countries. A funding estimate to cover five year programmes in:

- Four countries in East & Southern Africa would be Euro 10 million;
- Three countries in Central Africa (DR Congo, Gabon, RD Congo): Euros 10 million;
- For two groups of three countries in West Africa (Sierra Leone, Liberia and Guinea plus Burkina Faso, Benin and Togo): Euro 12 million.

## Programme d'Appui au Commerce et à l'Intégration Régionale (PACIR)

**Duration:** April 2010 - April 2014  
**Total value:** USD 8 million  
**Donor:** European Union  
**Region:** Sub-Saharan Africa

**Objective:** PACIR is a four-year programme involving multiple partners with a total budget of € 16 million funded by the EU, of which 7 million to be implemented by ITC. The programme was initially delayed because of political unrest, and officially launched in November 2011.

The objective is to strengthen the Ivorian economy with a view to regional and global integration under the Economic Partnership Agreement. ITC is engaged in two of the four specified outcomes of the programme: improvement of the business environment (ITC-led) and strengthened competitiveness of Ivorian SMEs in partnership with UNIDO.

### Results

#### Designing a National Export Strategy

Through a Trade profile of Côte d'Ivoire, ITC has pre-identified key products with high export potential to be promoted in the context of a National Export Strategy (NES) designed to improve competitiveness in the post-conflict context. The NES will be in line with the country development objectives and aligned with its new industrial policy. With resources and support provided by all stakeholders, the NES will help improve the export performance of Côte d'Ivoire for selected sectors and increase employment, especially for youth and women.

#### Strengthening Ivorian Trade Support Institutions

Through PACIR, Ivorian TSIs will be provided with adequate products and services which will enable them to better serve and support the development of the private sector.

The mapping of Ivorian TSIs has helped identify 16 priority institutions to be involved in the design and implementation of the NES and benefit from institutional strengthening. Based on the result of the mapping, a capacity building programme on marketing and strategic planning was developed for TSIs involved in trade promotion and export development with the objective of reviewing and developing coherent and relevant products and offering targeted services to the private sector.

The knowledge gathered through PACIR will be disseminated and shared with other TSIs to ensure a multiplier effect, ownership and sustainability.

The ultimate beneficiary of PACIR is the Ivorian private sector. Enterprises involved in selected priority sectors identified in the context of the NES will benefit from practical capacity building trainings on quality, packaging, supply chain management, and access to finance.

#### Improving the business environment

PACIR will also contribute to the improvement of the business environment in Côte d'Ivoire by promoting the use of alternative means of dispute settlement such as mediation and arbitration for the Ivorian business community. In July 2012, a total of 28 candidates participated in a training on commercial mediation, 24 of which were certified. 22 arbitrators were trained in arbitration under the arbitration Centre of the CACI.

### Future Prospects

Based on the results achieved so far under the programme, prospects for a post PACIR programme are quite promising.

The Government, particularly the Ministry of African Integration is working on the future "Programme de développement pour l'Accord de Partenariat Economique" (PAPED) to be funded by the European Union. Some achievements registered under PACIR will be consolidated through PAPED especially achievements that are related to sector development and enterprise competitiveness.

In addition, the Ministry of Trade along with APEX-CI (Association pour la promotion des exportations de Côte d'Ivoire) and CGECI (Confédération générale des entreprises de Côte d'Ivoire), two TSIs that have benefited from PACIR interventions are working towards long-term impact. They will be developing large and ambitious proposals to consolidate PACIR achievements. Improved export competitiveness will have a positive effect on the employment prospects for women and young entrepreneurs as these groups will take an active role in building the (New) Côte d'Ivoire as an emerging economy by 2020.

To this end, a roundtable is planned in 2013 to mobilize donor support. Opportunities for funding exist with the World Bank and Japan. Both are supporting initiatives aiming at increasing agricultural productivity and employment in the West African region. The PACIR ITC Coordination Office in Abidjan is planning to develop proposals on sector development to be funded through the joint World Bank and Japan programme.

## Enhancing Arab Capacity for Trade (EnACT)

**Duration:** Apr 2009 - Dec 2013

**Total value:** USD 7.45 million

**Donor:** Canada

**Region:** Middle-East and North Africa (Algeria, Egypt, Jordan, Morocco and Tunisia)

**Objective:** EnACT is working in all 5 countries to enrich the value chain of exports that generate employment for women and youth. Special attention is given to developing and enhancing their skills to enable them to secure and sustain their jobs in a competitive export sector.

EnACT's work responds to challenges of Improving competitiveness of exporters to give them better access to international markets and reaching out to regions outside the capitals uncovering supply side opportunities which contribute to job creation.

Through training on how to use new web-based technologies for exports EnACT gives the possibility to people in landlocked regions to reach wider markets. Environmental concerns, which are of interest to buyers, are systematically addressed in the design and implementation of activities.

## Results

### Enhancing North-South and South-South trade

Highlights of EnACT's regional accomplishments include connecting Jordanian women owned enterprises to European buyers, thus creating and sustaining potential new job opportunities in Jordan, and strengthening women owned SMEs, thanks to new orders from Europe. EnACT connected post-revolution Egyptian manufacturers of major appliances and processed food products to markets in sub-Saharan Africa and south East Asia, creating opportunities for South to South and inter-regional trade.

### Coaching women and youth entrepreneurs making their first export

Under its First Step export coaching initiative, EnACT trained young business entrepreneurs from various regions of post-revolution Tunisia in developing exportable products. EnACT trained more than 200 young women in regions distant from the capital in Algeria to position and market their products online.

### Strengthening TSIs in support of regional integration

Through EnACT, ITC supported TSIs to optimize the efficiency and quality of services following the political, social, and economic changes emerging from the Arab Spring. Most TSIs are positioning themselves to be in line with the new dynamics and reach out to other countries in the Arab region. ITC worked with ALGEX (Agence Nationale de Promotion du Commerce Extérieur - Algeria) and ONA (Office National de l'Artisanat) in Algeria, FTTC (Foreign Trade Training Centre) in Egypt, JEDCO (Jordan Export Development Corporation) in Jordan, FEDIC (Fédération des Industries de Cuir Marocain) and Maroc Export in Morocco, and CEPEX (Centre de Promotion des Exportations de la Tunisie) and ONAT (Office National de l'Artisanat Tunisien) in Tunisia.

## Improving enterprise export competitiveness and regional market access for SMEs

In addition to strengthening TSIs and building awareness through trade intelligence, the programme has a focused approach to export-led enterprise development by identifying high value products with high export potential. It works predominantly through local consultants and specific international experts to reach the standards required by non-traditional markets and build relationships with potential buyers.

In 2011, EnACT assisted several target industries to export to international markets:

- Moroccan SMEs have improved the design and quality of leather goods and upgraded their marketing skills. As a result, they have developed exports to Japan and Europe. Major luxury European brands have engaged these companies as potential long-term suppliers, placing Morocco on the map of luxury leather goods;
- Similarly, Tunisian and Jordanian SMEs in the handicrafts sector received initial export orders as a result of quality-improvement initiatives, coaching in marketing, and participation in a targeted international trade fair;
- Algerian women entrepreneurs were exposed to export opportunities and challenges through tailor-made workshops;
- In Egypt, EnACT focuses on the export of engineering products and services to the African market, and halal and organic processed food to South East Asia and Gulf markets.

## Local ownership and governance

The governance of the programme is ensured by a participative management of activities from country governments, stakeholders, direct beneficiaries, as well as ITC.

Thanks to a strong network of 80 local experts built over the last three and a half years, trade development support is provided predominantly through local experts with backstopping from Geneva. This allows for closer contact with beneficiaries and will ensure sustainability as local experts will be available to institutions and enterprises after the project ends.

## Future Prospects

Following CIDA's recent budget cuts and because funding for a regional programme is no longer available from after the completion of Broader Middle East and North Africa activities, EnACT's regional approach is ending in 2013.

CIDA has expressed interest in up-scaling the work started with the EnACT team by funding more focussed and larger size bilateral programmes for Morocco and Jordan. Future focus will be on strengthening SMEs in producing better designed products with requisite standards and quality for international markets, connecting SMEs to buyers abroad, and training young managers with modern export marketing techniques. Programmes will focus on gender, ensuring a new culture of enhancing the role of women in management within these companies.

ITC is seeking additional funding allowing it to continue the EnACT programme within the Maghreb and Middle East with a regional integration focus. The new programmes will continue to develop better value enriched employment opportunities for women and youth through developing new exports.

## Netherlands Trust Fund (NTF) II Enhancing sector export competitiveness

<b>Duration:</b>	April 2009 - Mar 2013
<b>Total value:</b>	USD 16 million - max
<b>Donor:</b>	Netherlands
<b>Region:</b>	Sub-Saharan Africa, South Asia

**Objective:** Promote sustainable exporter competitiveness in high potential export sectors in selected partner countries through the achievement of the following two outcomes:

- Enhance TSI capacity to enable them to work independently on sector development across the complete value chain and improve export competitiveness in selected sectors;
- Strengthen the institutional architecture and networking capacities of TSIs to enable SMEs to increase exports to the EU and other markets.

## Results

### Strengthening TSIs

NTF II focuses on enhancing the competitiveness of sectors with high export potential in five countries. In 2011, TSIs in Bangladesh, Kenya, Senegal, South Africa and Uganda improved effectiveness of support services.

- In Bangladesh two partner institutions acquired new skills in managing matchmaking services and business linkages in the IT sector. The project is driving enhanced advisory and coaching services for SMEs offered by BASIS and DCCI.
- In Senegal, ASEPEX is providing customised services to the mango sector. This translated into improved knowledge for exporters and support to help them overcome specific challenges.
- In Kenya, FPEAK established the fruit team, a structure that will drive the implementation of commodity business plans and coordinate industry efforts to meet export market requirements.
- In South Africa, the Durban Automotive Cluster (DAC) in Kwazulu Natal is building a robust enterprise coaching service to help companies become export-fit.
- The South African Rooibos Council (SARC), based in Western Cape is taking a holistic approach to support the development of the industry and prospect new markets for exports of value added rooibos tea products. The industry strategy will enable SARC to access new sources of funding while enhancing and expanding its support services.
- In Uganda, three partner institutions (NUCAFE, UCDA and UEPB) built a strong partnership to provide coordinated support to farmers and farmers' associations along the whole value chain. At institutional level, the updating of the coffee export strategy will serve as the foundation for this coordinated effort. UCDA created field offices to ensure proximity and better responsiveness to the needs of farmers. NUCAFE strengthened its support services, enabling farmers to improve harvesting methods, processing, and the quality of coffee to obtain a better market price. NUCAFE enhanced its portfolio of training and advisory services.

### Improving export competitiveness and market access for SMEs

NTF II offers a sector approach to improve effectiveness of the value chain and support enterprises to become more competitive in international markets. In 2011, capacity-building in priority areas identified by partner institutions and direct beneficiaries took place in all target countries. As a result, farmers and exporting SMEs in Bangladesh, Senegal, and Uganda improved their knowledge of export market requirements and successfully generated new business.

- In Bangladesh, through business linkage SMEs in the IT and IT-enabled services sector obtained pilot contracts and new export contracts in Denmark and the Netherlands.
- In Uganda the updated coffee sector strategy enabled farmers to improve the quality of coffee exports in a relatively short period as a result of training delivered on coffee drying, sorting and storage. NUCAFE generated new export contracts with at least 5 new buyers increasing its export volume and value.
- SMEs in the mango sector are using the market opportunity study to penetrate new market segments. In preparation for their participation in Fruit Logistica, selected SMEs developed a new export marketing approach and high quality marketing materials.
- In Kenya, the Fresh Produce Exporters Association works with three commodity working groups to devise a strategic long-term vision to boost fruit exports. The private sector identifies supply-side constraints and actions needed to overcome weaknesses and improve export competitiveness.
- In South Africa a gap-analysis tool was developed for the automotive components sector and an action plan to improve the export readiness of second-tier manufacturers was endorsed by the targeted companies.
- Eight major rooibos exporters agreed to work together to increase exports of value added products in new potential markets. The action plan includes the development of a long-term strategy which will be used as reference by the entire industry.

## Future Prospects

Prospects for a third phase of the NTF Programme are strong. The next phase will ensure further consolidation of NTF II results, and deepen intervention at sector level to further enhance competitiveness of enterprises and effectiveness of the entire value chain.

## Women and Trade

**Duration:** Apr 2010 - Mar 2013  
**Total value:** USD 5.5 million  
**Donors:** United Kingdom, Window I of the ITC Trust Fund - Norway, Sweden  
**Regions:** Sub-Saharan Africa, Latin America, Global

**Objective:** Women entrepreneurs are a growing economic force - over 34% of firms worldwide have female participation in ownership. Yet women business owners secure less than 1% of corporate and government procurement. This represents a huge lost opportunity for women entrepreneurs as corporate value chains go global and as public procurement typically constitutes 15-20 % of GDP. Facilitating exports for women entrepreneurs and empowering women in export-oriented value chains has multiplier effects for economic growth and contributes significantly to achieving the MDGs. The purpose of the Women and Trade Programme is to ensure women derive greater economic benefit from their participation in trade.

## Results

### Building awareness of Gender Issues in Trade

A key component of Women and Trade is building awareness of gender issues in trade at international and national level and mainstreaming gender into TRTA work to overcome the obstacles identified.

In 2011, ITC worked closely with WTO, the EIF Secretariat and Member States, resulting in gender mainstreaming of 7 Diagnostic Trade Integration Study (DTIS), the pilot of a training module on 'Gender Mainstreaming in the EIF', and strengthening of gender in the WTO work-plan on Aid for Trade.

ITC also conducted research in 22 countries and collected exclusive information on what women-owned companies actually export. These results, combined with research on the economic activity of members of key women's business organisations such as the International Federation of Business and Professional Women, were used to determine focus sectors in Women and Trade's work in connecting buyers and sellers in 2011 and 2012.

These results also guide project development in Phase II (2013 - 2016). Women will increasingly benefit from policies, strategies and interventions in developing countries as gender is being mainstreamed into national and sector export strategies, into ITC's own TRTA interventions, and into projects carried out within the Enhanced Integrated Framework (EIF).

### Strengthening TSIs to empower women entrepreneurs

Supporting sustainable local institutions is a cornerstone of ITC's approach to sector development. ITC has identified a number of key sectors in which women can derive greater economic benefit from their participation in export-oriented value chains. ITC works with partners in these sectors to address the specific constraints women face and develop initiatives to take advantage of market opportunities. In total, over 2000 women in specific sectors (coffee in East Africa, garments in Peru, and jewellery in Mexico) have been linked into export value chains with reported increases in income, expansion of enterprises, and job creation.

For example, the Uganda National Export Strategy Gender Dimension highlighted the lack of women's business organisations as a factor impeding women in the coffee sector access to TRTA. ITC worked to establish associations of women in coffee in five countries in East Africa, linked to national, regional and international TSIs, notably the African Fine Coffee Association and the International Women's Coffee Association. Since then, members have been trained under ITC's

NTF II programme and have made sales to buyers in ITC's network under the Global Platform for Action on Sourcing from Women Vendors.

### Global Platform for Action on Sourcing from Women Vendors.

ITC's Global Platform for Action on Sourcing from Women Vendors brings together corporations, governments, TSIs and women business owners to address the extremely low level of procurement from women-owned enterprises. The Platform provides a framework and support for business women to sell to international companies and governments. Platform members include Fortune 500 companies with an annual spend on procurement in excess of USD 700 billion, networks representing more than 50,000 women entrepreneurs, and entities such as the UN Global Compact and governments.

The Global Platform is committed to raising women's share of corporate, government and institutional procurement. To date, the initiative has facilitated new sales to women-owned businesses in contracts worth more than USD 15 million.

### Future Prospects

As a result of ITC's work several governments mainstreamed gender into their national and sector export strategies, as well as their DTIS Action Matrices and EIF Tier II Projects. During Phase II (2013-2016) ITC will focus on supporting the implementation of these policies and strategies in sectors where buyers have been identified.

In addition, ITC will continue to foster demand for goods and services produced by women entrepreneurs in developing countries, through working with corporations, governments and TSIs to develop policies and practices for sourcing from women vendors. ITC will continue linking women owned businesses to procurement by international companies and expand to new sectors such as construction, mining, and clean and green technologies. Projects will be developed to close the gap between identified buyers' requirements and business offerings. This will require working with TSIs to improve their support to women business owners and women in export oriented value chains.

ITC's Gender Mainstreaming Policy and Action Plan have been designed and adopted. Phase II will focus on implementation, targeting priority areas under the UN System Wide Approach to gender mainstreaming. This includes achieving gender parity in staffing at the P4 and above grades, and mainstreaming in programming.

## Poor Communities and Trade Programme (PCTP): the Ethical Fashion Initiative

**Duration:** Apr 2011 - Dec 2015

**Total value:** USD 4.2 - to date

**Donors:** Switzerland, Japan, and Window I of the ITC Trust Fund - Germany, Norway, Sweden

**Region:** Sub-Saharan Africa, Caribbean

**Objective:** PCTP aims at using the business model developed by the programme to involve large numbers of MSME (with particular focus on micro entrepreneurs) from marginalised communities in the developing world in international trade, by ensuring market access to build and develop their trade and productive capacities. The programme runs the ethical fashion initiative, largely known in the industry, which facilitates micro-entrepreneurs (mainly women) to become suppliers of international fashion brands and large distributors in Europe, the USA, Australia and Japan, thus substantially and sustainably reducing their levels of poverty and empowering women.

### Results

#### Mainstreaming Inclusiveness and Sustainability

The programme has consolidated the emerging ethical fashion movement worldwide. It has also become a point of reference for the industry and for those who, being based in developing

countries, want to engage in this value chain. More and more projects are based on the know-how generated by the programme, which can be summed up in three elements:

1. An inclusive business model which provides a clear definition of roles for international buyers and fashion houses, along with micro entrepreneurs based in the developing world (within the framework of clear labour standards).
2. A business infrastructure (based on the alliance between ITC and international buyers) which ensures production, respect of quality standards and timely delivery, as well as tailor made capacity building and delivery of technical assistance activities for micro-enterprises; and
3. An assessment system that measures impact in terms of increase of income and social change for beneficiaries.

Thanks to the above the programme has achieved the following results:

- Two social enterprises set up; which interface between international buyers and a large network of micro-producers in Kenya and very soon in Ghana, Burkina Faso and Mali;
- 5,000 micro-producers (based in marginalised communities in Kenya) already actively involved in trade;
- 1,200 micro producers in the process of being involved in the other countries;
- The market potential to triple the numbers above, directly reaching 20,000 people;
- International and regional buyers from the USA, Europe, Australia and Japan regularly involved in the approach;
- Substantial and sustainable poverty reduction and empowerment of women assessed through regular impact assessments developed by the programme;
- Other international companies and development projects have already adopted elements of the business model, to launch their own activities aimed at taking work to marginalised communities of artisans;
- The programme is a leading part in the international debate on ethical fashion and its potential for the developing world;
- Extensive, large numbers of press records and international media coverage which builds awareness on the benefits of the ethical fashion approach.

## Future Prospects

- To add a full-fledged Haitian chapter (at present, the area of work in the country is in pilot stage);
- To expand the number of micro-entrepreneurs who benefit from the programme, by tripling the numbers of those already involved;
- To make the business model globally available for more companies and organisations that want to develop work for micro-entrepreneurs based in the developing world.

## Trade and Environment Programme (TEP)

**Duration:** Oct 2010 - Sept 2013

**Total value:** USD 2.5 million

**Donor:** Window I of the ITC Trust Fund - Denmark

**Region:** Sub-Saharan Africa, Latin America and the Caribbean, Southeast Asia

**Objective:** Environmental markets represent a considerable export opportunity for developing countries. The purpose of the TEP is to strengthen the international competitiveness of SMEs to access these niche markets, while also improving environmental outcomes in the field.

## Results

### Strengthened SMEs

Small and micro enterprises often face difficulty meeting environment-related standards, limiting their market access. ITC provided targeted support to companies with high export potential in Peru and Zambia and developed tailored capacity building on biodiversity products and organics.

- Training for Peruvian SMEs on market access to US natural products markets resulting in USD 800,000 sales at 2010 US trade fair. Support for Peruvian SMEs on organic and fair trade certification resulting in the integration of 5'000 suppliers to premium prices in global value chain.
- Training of 200 Zambian women farmers on sustainable collection of natural products and securing their market linkages to the local ecotourism industry.

### Improved availability of environmental market intelligence

Access to information on environmental niche markets is scarce and linkages between market actors are weak. Providing high quality, practical information on market opportunities was a priority of the TEP. The programme published technical papers to help SMEs meet market requirements:

- “*Green Economy – Trade Opportunities*” (in partnership with UNEP);
- Three market studies to help SMEs overcome regulatory barriers in the US: “*The North American Market for Natural Products*”, “*Claims Statements for Natural Products*”, “*Labelling of Natural Products in US Markets*”;
- “*Product Carbon Footprinting in the Agri-food Sector*”;
- “*Packaging – Sourcing and Selection of Organic Products*”;
- “*Trends in the Trade of Certified Coffee*”.

### Improved understanding of environmental impacts of trade

Environmental problems present challenges to exporters, specifically climate change impacts on productivity in natural resource-based sectors. The programme published technical papers to help policy makers and TSIs understand the environmental impact of trade and propose mechanisms for improving sustainability:

- “*Cotton and Climate Change - Impacts and Options for Mitigation*”;
- “*Coffee and Climate Change*”;
- “*The Impact of Climate Change on Trade - a Survey of Exporters in Peru and Uganda*” (expected December 2012).

### Mainstreaming sustainability issues into ITC's operations

The TEP coordinated action within ITC to reduce the organization's carbon footprint, to integrate environment into its project cycle management and designed environmental impact indicators for Results Based Management reporting.

The programme also supported the Rio+20 process through the organization of four side events on trade and environment with UNEP and other partners. This helped to mainstream trade into the sustainability agenda, as a “means of implementation” for sustainable development.

## Future Prospects

The independent mid-term evaluation carried out in May 2012 revealed that the TEP has delivered strong results and demonstrates a good rate of return including an “innovatory” climate and trade programme. ITC's tools and methodology have demonstrated effectiveness and are a strong basis to expand the number of producers impacted by the programme.

Demand for ITC's services to support the green economy is constantly expressed by trade representatives of developing countries at key meetings such as the WTO Committee on Trade and Environment and Rio +20. And the demand is high among ITC's core constituency of SMEs and TSIs. ITC has an important niche in green export development and strong partnerships with NGOs and international organizations that provide expertise and access to networks.

In 2012-2015, TEP II will upscale its annual budget to USD 2.5 million (7.5 million over 3 years) to enable greater coverage and economies of scale. The programme will continue to focus resources

on natural resource-based sectors in LDCs and sub-Saharan Africa whilst extending support to include environmental services.

## Youth in Trade Programme Idea

### Why?

Today's world population counts about 1.3 billion people between ages of 15 and 24, i.e. close to 20% of the world population with 87% of these young people in countries with developing economies.

The youth unemployment rate is 3 times the adult rate, and 44% of the total unemployed people are youth in spite of youth making up only 25% of the working population. Aggravated by the economic crisis, more than one third of young people in working age are seeking but unable to find work, have given up on job search, or work but live below the \$2 a day poverty line. In sub-Saharan Africa, 3 in 5 unemployed are youth and 72% live with less than \$2 a day.

**Objective:** To put in place sustainable local capacities to help young people overcome the great difficulties they experience in obtaining employment, regular income, and raise themselves out of poverty.

Such a programme would cover all trade related aspects associated with youth with a view to mainstream in ITC's operations and ensure that youth derive greater economic benefit from their participation in trade.

The programme would be aimed at:

- Building awareness on youth in trade at global, regional and country level with a view to impact export policies;
- Building the capacity of TSIs while bringing on board new partners in educational institutions for greater impact on youth;
- Supporting young-led SMEs and developing an incubator approach for young entrepreneurs;
- Measuring the impact of TRTA activities on youth with a view to monitor progress and develop new strategies.

### SUCCESS! For Young Professionals and Entrepreneurs in International Trade

Capitalizing on the good practice and taking example of the positive results of the ACCESS! Programme for women, ITC plans to initiate the Youth in Trade programme with SUCCESS! for Young Professionals and Entrepreneurs in International Trade as the first step of its youth programme.

### Activities

The project could ensure the livelihood of young people and give them the means to realize their potential, by:

- Preparing them for the job market through training and certification in specific export-related fields and/or
- Preparing them for and accompanying them through enterprise creation and business development with an entrepreneurship programme.

A two way approach is considered:

- A programme for young professionals, consisting of adapting existing ITC tools in order to help young unemployed people obtain a job - export professional training and certifications;
- A programme for young entrepreneurs, involving development of new materials and methodologies (Awareness development, Entrepreneurship training and certification, Entrepreneurship coaching, Enterprise incubator setup, Young entrepreneurs showcasing and network.

## Planned Results

After the implementation of such a programme young people would be able to access sustainable jobs in international trade, and develop sustainable businesses in international trade. Partnering institutions would be able to sustainably offer professional development and/or entrepreneurship services to young people in their country.

## Trade for Sustainable Development Programme (T4SD)

**Duration:** June 2009 - December 2013  
**Total value:** USD 4.8 million  
**Donor:** Window I of the ITC Trust Fund - Germany  
**Region:** Global

**Objective:** The T4SD programme focuses on the sustainable development aspects of international trade by providing, with partners, comprehensive, verified and transparent information on voluntary sustainability standards and related research analyses. T4SD has developed a web tool called Standards Map that allows users to review, compare, and analyse voluntary sustainability standards, codes of conduct and audit protocols. The programme also develops tailored market research and trade analyses and delivers a wide range of capacity building activities specifically designed for trade policymakers, trade support institutions and the business community.

The first phase of implementation of the T4SD programme has been successfully completed and it is time to leverage the T4SD database and Standards Map website through new initiatives enabling private and public actors to: (1) be aware of challenges and opportunities related to sustainable trading practices; (2) have easier access to information on voluntary standards, codes of conduct, and audit protocols; (3) make informed choices on the implementation of voluntary sustainability standards. As such, the programme's objectives can be summarised as follows:

1. Increased transparency and easier access to information on voluntary sustainability standards, particularly including additional codes of conduct, audit protocols and international standards for all actors along the supply chain.
2. Improved capacity of developing countries' business communities, with a focus on SMEs to make informed business decisions related to risks and opportunities of sustainable production and trade.
3. Enhanced harmonization, mutual recognition and benchmarking possibilities among standard organizations and companies' codes of conduct and audit protocols via a dedicated diagnostic tool leveraging the Standards Map central database.

## Results

The key achievements of the first phase of implementation of T4SD from 2009 through mid-2012 include the following components:

### The new ITC Global Public Good – Standards Map

- The development of the T4SD database and quality control of 75 voluntary sustainability standards in close collaboration with standard organizations. The revision and expansion of the database architecture and taxonomy;
- A web tool ([www.standardsmap.org](http://www.standardsmap.org)) that offers a flexible analytical framework to analyze and compare voluntary sustainability standards against a set of over 700 criteria linked to the ITC Market Analysis Tools platform via a common user authentication;
- Data-sharing functionalities with German and Swiss front-ends for SMEs and public procurement officials;
- A research observatory that provides access to over 250 research papers and publishes standards-related analyses including a literature review series on the impacts of sustainability standards; and
- 4-page "At a glance sheets" for each standard, providing information on product-related and geographic scopes, focal areas, key requirements, and certification procedures.

## Strengthened Competitiveness of SMEs, TPOs and TSIs

- A capacity building programme delivering over 50 workshops to over 1,500 representatives of both the private and the public sector in Asia, Latin America and Africa.
- Capacity building and training workshops on voluntary standard raise awareness on private standards in developing countries. Beneficiaries reported back on how the information was used in decision-making processes regarding private voluntary standards and market access.

## Thought leadership through the T4SD Research Observatory

Over the past three years, the T4SD programme has developed a strong research and publication capacity that is currently paying dividends as ITC is now requested by many organisations to contribute to the voluntary standards debate. Below is an example of results to date:

- Publication of four individual chapters of a literature review on voluntary standards. This review discusses the costs, benefits, and impacts of voluntary standards, the interrelationships between voluntary and mandatory standards, and when and how voluntary standards work.
- T4SD in cooperation with IMD Business School published a paper concerning the challenges and opportunities for exporters resulting from new responsible supply chains. This work reflected a synthesis of research on sustainable supply chains with Unilever / Ben&Jerry's.

## Future Prospects

T4SD has secured medium-term sustainability through 2016 based on a mix of funding commitments from BMZ, SECO, the EC (DG-Trade) and the Dutch Ministry of Foreign Affairs. This funding will be used to take the programme to the next level.

This next phase of T4SD reflects challenges related to decision-making processes for public and private actors regarding the use and implementation of voluntary sustainability standards. As such, over the next three years T4SD will: (1) expand and improve the coverage of the Standards Map database; (2) develop a self-assessment tool for exporters (3) develop a diagnostic tool for harmonization and mutual recognition; (4) develop sector specific sustainable trade guides for SMEs and (5) enhance the curriculum and impact of the capacity building programme.

These activities form a holistic package that leverage the T4SD database structure and the standards data referenced therein. The activities are aimed at increasing the ability of SME exporters to penetrate higher-value markets via sustainable trade using freely-available global public goods that are entirely unique in the market. This is the T4SD value proposition.

## ITC Programme on Non-Tariff Measures (NTMs)

**Duration:** Apr 2010 - Mar 2013

**Total value:** USD 3.5 million

**Donors:** United Kingdom; additional funding through collaboration in the framework of other programmes such as EnAct and PACIR

**Regions:** Global

**Objective:** The ITC programme on NTMs aims at enhancing transparency about non-tariff measures and related obstacles to trade as basis for better informed government policies with a view to increase export opportunities in developing countries and achieve the related developmental impact. Current activities comprise the collection and dissemination of government regulations on exports and imports as well as the analysis of the business perspective on NTMs based on comprehensive business surveys.

## Results

### NTM analysis as needs assessment for concrete action in beneficiary countries

The results of the analysis of the business perspective on NTMs and related obstacles to trade lend themselves perfectly as comprehensive country needs assessments, allowing ITC and other organisations to build TRTA projects based on the issues identified. As a result of surveys carried

out in Burkina Faso and Sri Lanka for example, both countries requested funds from the WTO Standards and Trade Development Facility (STDF) to solve some of the problems identified by ITC.

### More transparency about applied NTMs through dissemination of official data

Government regulations on imports and exports ('official NTM data') are now available in ITC's Market Access Map: [www.macmap.org](http://www.macmap.org). NTM regulations are matched to products at HS6 level and can be linked to applied tariffs and trade values, allowing for a more complete picture of market access conditions for a particular product. The programme aims to have official NTM data available for 40 countries by March 2013.

### NTM data and findings used as input for further analysis and research

The NTM analysis and findings have served as input to export potential assessments and to research and publications, including the WTO World Trade Report 2012. Comprehensive registers of exporting and importing firms are available for surveyed countries. The survey results allow valuable insights in the characteristics of each country's private sector, including variables on company size, products traded (on HS6 level), foreign ownership and gender of company owners, managers and employees.

## Future Prospects

Building on the successful Phase I and strong demand by beneficiary countries as well as donors, Phase II of the programme is currently being developed. Broadened in scope and depth, this USD12 million programme will aim at:

1. **Identifying burdensome NTMs:** Increasing the country coverage of the current programme adding another 20 to 40 countries for which an in-depth analysis of the business sector perspective on non-tariff obstacles to trade in goods will be undertaken through a large-scale business survey on NTMs and the related public-private dialogue mechanism. Particular emphasis will be put on regional analyses, e.g. in ASEAN, Arab States, EAC or Latin America. In addition, Market Access Map will continue to be populated with updated and new official NTM data.
2. **Assisting countries in overcoming non-tariff obstacles to trade:** This new component aims at elaborating an action plan for intervention in beneficiary countries of Phase I, facilitating its implementation through collaboration with ITC technical sections and external partners, and developing a mechanism for monitoring the impact of actions taken.
3. **Assessing obstacles to services trade:** As another innovation with respect to Phase I and due to the strong demand by beneficiary countries, this component foresees developing a methodology to cover NTMs in services trade to complete the view on NTMs affecting trade, both in goods and services. It comprises the development of a taxonomy of service-related NTMs and its validation in a multi-agency framework as well as the development of a survey methodology and its testing in selected pilot countries and service sectors.

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