Recovery and Resilience:

DELIVERING TRADE IMPACT DURING THE COVID-19 CRISIS

‘Done right, we can steer the recovery toward a more sustainable and inclusive path.’

António Guterres
Secretary-General
United Nations

‘Open, inclusive trade will spur economic recovery after the pandemic and ensure continued prosperity for people across the world.’

Dorothy Tembo
Executive Director, a.i.
International Trade Centre

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The global pandemic is causing:

- Drastic changes in demand and supply of goods and services
- Drastic changes in production
- Disruptions in trade linkages
- Disruptions in tourism and travel

These effects are magnified for micro, small and medium sized enterprises in least developed countries and landlocked developing countries, small island developing states, small vulnerable economies and fragile and post-conflict states.

The International Trade Centre is:

- 100% focused on post-pandemic recovery
- 100% supporting micro, small and medium-sized enterprises
- 100% joint development assistance mandate from the United Nations and the World Trade Organization

The International Trade Centre is responding with targeted, strategic and innovative interventions.

The International Trade Centre meets the challenge of today to support sustained and sustainable recovery tomorrow.
Micro, small and medium-sized companies in the COVID-19 era

Africa
- 70% of African firms surveyed report being strongly affected by the pandemic
- 88% of African firms report decreased sales

Asia
- 58% of firms in Asia surveyed report being strongly affected by the pandemic
- 71% of Asia firms report decreased sales

Americas
- 58% of firms in the Americas surveyed report being strongly affected by the pandemic
- 88% of firms in the Americas report decreased sales

Europe
- 54% of firms in Europe surveyed report being strongly affected by the pandemic
- 90% of firms in Europe report decreased sales

Note: ITC calculations based on ITC COVID-19 Business Impact Survey. Data collected from 21-04-2020 to 10-05-2020 from over 2,000 companies. Regions are classified according to UN country grouping.
We are 100% geared to #SMErecovery on three levels

Governments and intergovernmental organizations

‘To support Member States on this response, the UN Development System is switching to emergency mode’

UN Framework for the Immediate Socio-Economic Response to COVID-19, April 2020

‘We will ensure our collective response is supportive of micro, small and medium-sized enterprises’

G20 Statement, March 2020

- We support the United Nations, the World Trade Organization and the G20 in calling for proportionate trade policy responses, resistance to protectionism, unimpeded trade in medicines, essential goods and food.

- We contribute to the ‘UN Framework for the Immediate Socio-Economic Response to COVID-19’ (Pillar 3: Protecting jobs, small and medium-sized enterprises, and informal sector workers) and other UN system-wide mechanisms.

- We work with countries to ease the impact of the pandemic on the private sector by improving investment and trade, and promoting innovative products and platforms.

- We monitor temporary trade measures enacted by governments in real-time with our online Market Access Map.

- We are positioned to implement priorities set out in the COVID-19 response and recovery funds.

- We have mounted a series of high-level webinars with policymakers on such subjects as the pivot to e-commerce, investment facilitation, women and trade, and the African Continental Free Trade Area.
Business support organizations

‘Despite the unusual situation let us all try our best to turn every obstacle in our favour! Let’s try our best’

* Bhutanese business-owner Wangchuk Lhamo

- We joined the Bhutan Chamber of Commerce and Industry, the Agency for Promotion of Indigenous Crafts and the Bhutan government to provide online training to ‘Brand Bhutan’ enterprises so that they can fulfil orders during the pandemic.

- We worked with the School of International Governance Innovation at Guangdong University of Foreign Studies to mount ITC-China Month webinar series in March 2020 for 2,000 academics, government sector professionals and small and medium-sized business owners sustaining trade and investment ties between China and Latin American and Caribbean countries.

- We supported Kyrgyzstan’s Legprom Association of garment manufacturers to devise a post-pandemic strategy to support the textile and clothing sector in Kyrgyzstan.

- We issued an updated pandemic response trade facilitation e-curriculum for students, officials and the private sector in partnership with Sri Lanka’s National Institute of Exporters.

- We provided East African agribusiness support institutions with advisory services on digitization, risk management and remote institutional assessment, and United Fresh LIVE!, a virtual trade fair for avocado exporters from Kenya and Tanzania.

- We supported business support organizations in the East African Community with a COVID-19 survey, an impact assessment and a joint advocacy strategy for reforms to mitigate the crisis effects on the coffee sector.

- We facilitated an emergency online brainstorming session for 15,500 members of the Information and Communication Technology Guild of Iran to identify competitive advantages in oil and gas industry software, blockchain, biotech and nanotech.
Micro, small and medium-sized enterprises

“Our planning helped us keep the trust of our customers intact during these times of uncertainty. The support from ITC enabled us to think deeply about strategic planning. This has brought greater clarity to the activities and markets we want to pursue, and we are now reaping the benefits.”

Mudith Uswatta, Calcey Technologies, Sri Lanka

In Guinea, organic honey start-up Aoudi Food has upgraded its website, social media presence and mobile money payment system with support from ITC to cater to customers online during a pandemic state-of-emergency.

In Uganda, innovative e-commerce startups as Online Butchery, Bringo Fresh, Xente and ChapChap, have been supported by ITC to boost consumer sales in the immediate pandemic period.

In Myanmar, MSMEs in the tourism ecosystem switched rapidly to adapt their offer in the pandemic era by boosting online and internet activities, with support from ITC.

In Central America more suppliers of raw materials were connected to handicraft businesses at virtual business-to-business meetings. More women craft business owners identified new supply sources, with support from ITC.

In Sierra Leone, pandemic-hit women cashew farmers were linked to regional service providers to diversify the crops they plant and devise alternative income sources, with support from ITC.

In Sri Lanka, software solutions providers such as LiveRoom and Calcey Technologies ramped up strategic planning to capitalize on remote business opportunities, with support from ITC.

In the Caribbean, a webinar series from ITC’s Alliances for Action programme gave coconut industry stakeholders including farmers, MSMEs and support institutions practical tips on marketing, food trends, climate-smart agriculture and policy responses.
We are 100% geared to #SMErecovery, now and in the future

During the crisis

✔ Young tour guides in The Gambia supported by our YEP (Youth Empowerment Project), hit by the halt in tourism, rapidly switched to delivering community-based coronavirus awareness messages in the rural region of Janjanbureh.

✔ In Burkina Faso, artisans working with our Ethical Fashion Initiative quickly turned from regular textile production to making 70,000 face coverings for pandemic response deployment.

✔ In Ghana and Kenya, our Trade for Sustainable Development project provided immediate support to its beneficiary MSMEs in understanding the available COVID-19 government funding, tax breaks and support programmes.

✔ Tunisian designers joined the Masque Solidaire initiative to produce emergency medical-grade masks for villages in rural Tunisia with technical support from our GTEX MENA textiles and clothing sector assistance programme.

Beyond the crisis

✔ In East African Community countries, our MARKUP project provided continuous support to SMEs to ensure that they are equipped to navigate the crisis with remote advice on: updating cashflow forecasting; checking insurance terms; ensuring that financials are up to date; renegotiating payment terms with suppliers and negotiating with their debtors.

✔ In Ghana and Kenya, our Trade for Sustainable Development Hubs provided advisory services to MSMEs who are in need of guidance on how to access government support programmes. In addition, the team established an overview of the green finance landscape and will initiate an Access to Finance bootcamp.

✔ In partnership with companies such as Twill by Maersk, UPS, UPS Foundation, VISA and Working Capital Associates, our SheTrades initiative is running a webinar series to help women-owned businesses navigate and tackle the repercussions of COVID-19, including crisis management and finance.

✔ In Morocco, our Access to Market programme has integrated our sales, marketing and branding solutions for the textile and clothing sector, adapted to a post-COVID-19 reality that will regain markets and realign business.
Building capacities for response, resilience and recovery

Our tools provide timely data on COVID-19 pandemic response, recovery and resilience including:

- New single-entry Market Analysis Tools portal for:
  - Trade Map
  - Market Access Map
  - Export Potential Map
- Sustainability Map

Our publications programme reacted quickly:

- Already published:
  - Unsung Heroes
  - Getting Down to Business
- Coming in June 2020, SME Competitiveness Outlook:
  - COVID-19: The Great Lockdown and its Impact on Small Businesses

Our projects and programmes have pivoted from in-person to online learning opportunities including webinars, briefings and training:

- SheTrades webinar series for women business owners
- ecomConnect webinar series on switch to e-commerce
- Youth & Trade Programme webinar series and COVID-19 impact tracker with Ye! Community for young entrepreneurs
- United Kingdom Trade Partnership Programme webinar series for the music industry
- MARKUP programme webinar series on agribusiness
- German Development Institute joint-webinar series on WTO framework for investment facilitation

The SME Trade Academy saw a 471% increase for its online courses for the two months when the COVID-19 outbreak was at its height, compared to the two preceding months. These courses (in English, French, Spanish and Arabic) cover:

- Export development
- Sustainability
- Trade support
- Entrepreneurship
- E-commerce

We published news and analysis on COVID-19 response on a dedicated webpage

- ITC COVID-19 http://www.intracen.org/covid19/

We launched a web-based COVID-19 business community page to crowdsourc best practices and support MSMEs
# SMErecovery: Accent on the environment, women and youth

## Green Growth Strategy

The COVID-19 pandemic has demonstrated the global economy’s vulnerability to external shocks, and its full impact remains unknown. But the link between human and environmental health and natural hazards is clear. In responding to the current crisis, and rebuilding after it, we must ‘build back better,’ embedding sustainability concepts at the heart of the recovery. This will:

- Mitigate the economic impact of the pandemic, borne by the poor and vulnerable in all societies;
- Reduce the severity of future crises, by reducing our impact on the natural environment, and by making our businesses and economies more robust.

The trillions of dollars invested by governments in response to the pandemic have the potential to create green jobs, innovation and sustainable and inclusive growth if they are directed toward the green transition.

ITC continues to support its beneficiaries on environmental sustainability issues, while advancing a new strategy for its Trade for Sustainable Development programme in light of the COVID-19 pandemic. This move is aimed at scaling up ITC’s interventions aligned with and in parallel to the development of a corporate Green Growth Strategy mainstreaming green growth across its offering.

## Webinars for women-owned businesses

Women are disproportionately affected by the pandemic. This means our focus on women’s economic empowerment, mainstreamed across our projects, has never been so relevant. Our SheTrades Initiative, which encompasses SheTrades Outlook, SheTrades Invest, and national and regional sub-initiatives, was highlighted in the UN Framework for the Immediate Socio-Economic Response to COVID-19. It supports women-owned enterprises to become part of the global economy with capacity building and by integrating their proposed solutions in procurement. As part of its pandemic response, SheTrades has mounted a series of crisis management webinars for women owned businesses in partnership with companies such as Twill by Maersk, UPS, UPS Foundation, VISA and Working Capital Associates. Almost 700 participants across Africa have already taken part.

## Reaching young entrepreneurs

Young people are particularly vulnerable to the socio-economic effects of the pandemic. Our focus on youth employment and entrepreneurialism puts us right in the heart of resilience and recovery efforts. Our Youth and Trade Programme is part of the UN’s Global Initiative on Decent Jobs for Youth identified in the UN Framework for the Immediate Socio-Economic Response to COVID-19. Our youth-focused webinars are being delivered globally to its community of 16,000 young entrepreneurs and beyond, with high participation rates in Africa. Webinar content has been updated to include the COVID-19 dimension. Our tools are anchored by specific youth-related projects in Africa, and via our very active family of African ambassadors to our Ye! community.
We have a 15-point plan for #SMErecovery

For businesses

1. Adapt business processes by applying commonsense precautions and restructuring operations.
2. Optimize cash management and identify efficiency gains.
3. Re-orient your activities and your resources to ensure business continuity during the lockdown.
4. Foster relationships by improving communications with partners and employees.
5. Build business models that foster resilience, inclusiveness and sustainability and ride the digital wave.

For business support organizations

6. Channel the flow of trusted information and build bridges to rapidly deploy solutions.
7. Co-ordinate collective actions by MSMEs for resilience, scale and efficiency.
8. Be both global and local to inform and reduce the risks that business-owners must take during the crisis.
9. Use digital platforms to enhance the competitiveness and agility of your MSMEs to reach customers.
10. Be a leader in an ecosystem enabling MSMEs to thrive within a new global economy that is more digital and geared towards resilience, inclusiveness and sustainability.

For governments

11. Resist the allure of trade protectionism, as it could lead to a shortage of essential goods.
12. Expand and facilitate access to trade finance for MSMEs, including those run by women or young entrepreneurs.
13. Facilitate cross-border trade in goods and services and endeavour to streamline the movement of essential products.
14. Hasten progress towards the digitalization of trade documents and procedures, in collaboration with the private sector.
15. Prepare to operate in a new global economy that is more digital and geared towards resilience, inclusiveness and sustainability.
For more information related to COVID-19 and #SMErecovery, please visit our website:

www.intracen.org/covid19

and follow us on social media with:

#SMErecovery