



Empowering Poor Communities to Trade

IN BRIEF

The ITC Empowering Poor Communities to Trade Programme aims to reduce poverty and improve livelihoods by giving poor, marginalized communities (including refugee groups) and informal micro-producers in poorer developing countries access to sustainable income opportunities. It connects them to markets and helps them create value-added goods and services by means of market-driven supply chains in sectors such as fashion, agribusiness, tourism and information technology business process outsourcing services.

THE PROBLEM AND ITC SOLUTION

Over three billion people live on less than US\$ 2.50 a day and at least 80% of humanity lives on less than US\$ 10 a day. Most of these people will remain below poverty thresholds even when targeted by development assistance. Micro enterprises in the informal sector are the backbone of many developing country economies, and it is clear that interventions in the informal economy can tap a vast potential for job creation and income-generating activities and contribute to inclusive social and economic growth.

The ITC programme pursues an inclusive market-based approach that provides informal sector beneficiaries with

the direct benefits of trade, creating shared-value goods and services; facilitating empowerment and growth; and helping meet the United Nations Global Goals for Sustainable Development. Its interventions cover a wide range of macro areas, including: product development to increase quality and production capacities; capacity building; business-management skills and technical support (such as logistics and production); a unique impact-assessment methodology; the establishment of market linkages; and increased consumer awareness by using labelling and stories about producer groups.

IMPACT

Examples of ITC's interventions include:

Ethical Fashion Initiative (EFI)

The programme has been implemented in Burkina Faso, Ghana, Haiti, Kenya and Mali with new opportunities

developing in Ethiopia, Nepal, the State of Palestine and South-Eastern Asia. EFI leverages the growing market for ethical and responsible fashion to establish supply lines with international brands and distributors, leading to job creation, with a focus on empowering women.

In Kenya, EFI set up a social enterprise, Ethical Fashion Artisans EPZ Limited (EFA) to produce quality luxury fashion accessories, providing capacity building, technical assistance, training and market linkages directly and indirectly to over 8000 women micro-producers. Through investment by Kenyan impact investors, EPA has now become a successful, privately owned operation, providing 1,250 jobs through a network of micro-producers. It is poised to become the first African network fully integrated into the high-fashion supply chain of international luxury fashion brands.

Overall, the programme has generated 200-800% increases in the daily earnings of its poor micro-producers. All of its women micro-producers say they have gained in respect by becoming income earners. Some 90% of micro-producers improved their dwellings and overall livelihoods; 83% have been able to educate their children, and 74% micro-producers involved in projects now have savings.

EFI Project in Burkina Faso, Ghana and Mali

The project aims to establish a sustainable export market based on a sustainable supply chain for ethical fashion and lifestyle products supplied by micro entrepreneurs, linking formal and informal micro, small and medium-sized enterprises (MSME) with international fashion industry value chains. A sustainable regional value chain between micro producers in Burkina Faso, Mali and Ghana has supplied buyers worldwide including in the region, supported by ethical business practices and fair labour conditions.

Highlights of the project include establishing a 'Made in Africa' label with increased market interest from international luxury fashion buyers for high quality textiles and garments from West Africa. Moreover, export supply-side capacities have been significantly expanded with 45 ateliers/design businesses becoming new exporters. Furthermore, 17 new export markets have been opened for micro-producers, including in Australia, Canada, France, Ghana, Italy, Japan, Kenya, Russia, Switzerland, United Kingdom of Great Britain and Northern Ireland and United States of America.

EFI activities in Haiti

The EFI Haiti project aims to empower Haitian micro-producers and reposition the Haitian handicraft sector on the international market by developing new lines of high-value products in partnership with international brands. It has already attracted new buyers from Australia, Brazil, Italy, Netherlands, United Kingdom and United States, with some 600 artisans receiving training.

Agribusiness sector

Since 2014, ITC has developed the Alliance for Action in Ghana, working in collaboration with Fair Trade Africa, cocoa trading companies and agro-processing small and medium-sized enterprises (SMEs) to enhance income diversification and reduce risks for 300 smallholders with a combination of food crops and cash crops, for improved food security and nutrition.

Contact

Simone Cipriani, Programme Head,
Chief Technical Adviser, ITC Ethical
Fashion Initiative

P: +41 22 730 0253
E: cipriani@intracen.org

Contact for refugees

Pablo Lo Moro, Senior Adviser, Division
of Country Programmes

P: +41 22 730 0526
E: lomoro@intracen.org