



Trade and Environment

IN BRIEF

The ITC Trade and Environment Programme (TEP) aims to strengthen the competitiveness of small and medium-sized enterprises (SMEs) in developing countries that export to green economy markets. It improves the livelihoods of marginalized communities reliant on agriculture and natural resources, empowering them through capacity-building and the provision of trade and market intelligence.

THE PROBLEM AND ITC SOLUTION

Natural resources are central to the economies of many developing countries, which leaves communities highly vulnerable to ecosystem degradation, climate change and biodiversity loss. Policy responses need to ensure greater sustainability of resources, conserve biodiversity and generate climate resilience and positive livelihood outcomes for people.

TEP supports the formulation and implementation of these responses. It empowers communities with environmental knowledge and provides capacity-building to promote sustainable and socially responsible exports

from SMEs producing agri-foods, such as quinoa, cocoa, coffee, tea and cut flowers. It helps SMEs develop production methods with reduced CO₂ emissions.

The programme also strengthens the sustainability of SMEs exporting wildlife products, such as vicuña, raffia, crocodile leather and python skin. The projects can be replicated and scaled up based on client requests and funding availability. Currently, the TEP is operating in East Africa (Kenya, Madagascar and Uganda), Latin America (Andean and Amazon regions) and South-Eastern Asia (Indonesia, Malaysia and Viet Nam).

IMPACT

Examples of ITC's work in this area include:

ITC helps gain 'GRAS' approval for Peruvian sachu inchi oil exports to United States markets

TEP provided technical support for Peruvian SMEs to win access for sachu inchi oil exports to the United States. Sachu inchi is a native plant of Peru cultivated by

smallholders in the Amazon Basin. It is rich in vitamin E and omega-3 fatty acids, and is consumed in snacks or used for cooking or as a salad oil. Demand has grown as awareness of its health benefits has increased.

In October 2014, ITC helped sachu inchi oil exporters receive the generally recognized as safe (GRAS) certification, a key US Food and Drug Administration

(FDA) requirement to enter US markets. To export sachu inchi in large volumes, enterprises must have the GRAS certificate. ITC provided technical support for the development of the GRAS dossier and facilitated market access for Peruvian SME exporters. After overcoming this major barrier to trade, industry players expect their sales of sachu inchi to increase five-fold in the coming years.

ITC inspires Kenya to make energy audits a legal requirement

In 2014 and 2015, ITC conducted energy audits for 12 beneficiary companies in the Kenyan and Ugandan tea sector. Subsequently, the management of those companies received capacity-building on energy

efficiency measures, especially on reducing the burning of wood in the tea-drying process. In addition, smallholder farmers from 16 other tea factories received training in climate change adaptation measures.

The results of the first energy audits implemented by ITC in partnership with the Kenya Tea Development Agency (KTDA) have been shared among stakeholders such as government officials and tea buyers. Due to large reductions in the use of wood and the greater energy efficiency resulting from the ITC-conducted energy audits, the Kenyan government formed a committee to advise on future action. The committee recommended that all factories conduct energy audits every three years and show a plan for implementing the findings. This has become a legal requirement in Kenya.