A GLOBAL VIEW OF TRADE PROMOTION:
INTERNATIONAL TRADE CENTER (ITC) ACTIVITIES

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Ingrid Isabella VANORE-SPEER (Austria) graduated from the Vienna University of Economics and Business Administration, where she specialized in international trade and marketing. In addition, she holds several other diplomas in management studies and languages.

She started her professional career as an Assistant Sales Manager for domestic marketing in a private-sector Austrian building materials company. She subsequently moved to the post of Export Manager for Asia and the Middle East in a major Austrian industrial company for office supplies.

In 1966 she joined the International Trade Centre (ITC) of GATT as a Market Researcher (since 1968 ITC UNCTAD/GATT). In 1971 she was seconded to the GATT Secretariat to assist in trade negotiations among developing countries. She returned to ITC as a Training Officer, Training Service, where she was responsible for organizing and administering courses and seminars in trade promotion and marketing techniques for all developing regions; she also acted as a resource person and lecturer. She then became Head of the Latin American Section of the Training Service; later the Asian region was added to her responsibilities and she subsequently became the Officer-in-Charge of the Training Service.

In 1979 she was transferred to ITC’s Office for Africa, part of the Division of Technical Cooperation, as Senior Trade Promotion Officer. In 1980 she became Deputy Chief and was temporarily Acting Chief of Office before her nomination to Chief of the Office for Africa in 1982. Additionally, in 1991 she was appointed ITC Focal Point for Women in Trade Development; she maintained this function on assuming the responsibilities of Director of ITC’s Division of Technical Cooperation in 1995.

Since January 1996, she is the Director of the Division of Technical Cooperation Coordination, managing ITC’s Headquarters-based regional offices and field operations as well as the Resource Mobilization and Donor/Partner Relations Section.
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Director, Division of Technical Cooperation –ITC–

Mr. Minister, distinguished delegates, ladies and gentlemen:

On behalf of the Executive Director of the World Trade Organization, UNCTAD/WTO, it is my privilege to convey to you, Mr. Chairman, and to all the delegates present on this occasion, our best wishes for the success of your deliberations.

The International Trade Centre (ITC) was created by the General Agreement on Tariffs and Trade (GATT) in 1964 and has been managed jointly, as of 1968, by GATT (now the World Trade Organization-WTO) and the United Nations, through the United Nations Conference on Trade and Development (UNCTAD). The ITC has become the coordination point, within the United Nations system, for trade promotion and export development. This means international trade is recognized as being able to exert a major impact on a country’s socio-economic development.

TRADE PROMOTION IN THE NEW ECONOMIC ENVIRONMENT

In the context of globalization and increased competitiveness in the world market, structural adjustment programmes and trade policy reforms are preconditions for economic growth and healthy trade performance. However, macroeconomic initiatives need to be complemented and supported at the microeconomic and operational level, in order to ensure a dynamic, outward-oriented and competitive business sector. Firstly, there is a need to improve the export supply response through institutional strengthening and enterprise-oriented assistance in areas such as product development and adaptation, trade finance, export quality management, export
packaging, and better management of imported inputs. Secondly, efforts towards market expansion and diversification must be intensified, for example through the strengthening of business information networks.

Trade Promotion Organizations (TPOs) have a broad mandate to provide or coordinate trade support services in these areas. Similarly, ITC was given, at the international level, the mission to complement the research, policy, normative and deliberative work of its parent bodies, WTO and UNCTAD, by dealing with issues related to the provision of information, the development of skills and the setting up of trade support services for the development of exports and the rationalization of import operations. TPOs and ITC are, therefore, natural partners.

**ITC’S COOPERATION WITH TPOs**

ITC’s creation, and the development of its technical cooperation programme with developing countries, coincided with the establishment of many TPOs in the 60’s and especially in the 70’s. Over the last three decades, ITC has been closely associated with the creation or the strengthening of numerous TPOs throughout the developing world and more recently in selected transition economies and/or has provided specialized inputs into specific trade promotion programmes at critical stages of their development. Permit me to mention a few examples:

In Asia, among other organizations:

- Sri Lanka Export Development Board (EDB);
- Bangladesh Export Promotion Bureau (EPB);
- The Department of Export Promotion of Thailand (DEP);
- The new Malaysian External Trade Development Corporation (MATRADE) particularly through our contribution to its predecessor, MEXPO;
- Bureau of Export Trade Promotion (BETP) and its predecessor, the Bureau of Foreign Trade, Department of Trade and Industry of the Philippines, etc.;
- Macau Trade and Investment Promotion Institute (MTIPI), etc.
In Africa ITC also assisted in the setting up and/or strengthening of a number of TPOs such as:

- The Ghana Export Promotion Council (GEPC);
- The Board of External Trade in Tanzania (BET);
- The Kenya Export Promotion Council (KEPC) and its well-known predecessor, the Kenya External Trade Authority;
- Zimbabwe’s ZIMTRADE;
- Gambia’s previous Trade and Investment Promotion Organization, the National Investment Board (NIB), later named the National Investment Promotion Authority (NIPA);
- Uganda’s Export Promotion Board (UEPC);
- Centre sénégalais du commerce extérieur (CSCE);
- Centre nigerien du commerce extérieur (CNCE);
- Office national du commerce extérieur du Burkina Faso (ONAC);

again to mention only a few.

Similar collaboration has and is also taking place in varying degrees with selected Latin American and Caribbean TPOs such as, of course, our host organization in Colombia, PROEXPORT, formerly PROEXPO.

- Dirección de Promoción de Exportaciones (PROCHILE), in Chile;
- Banco Nacional de Comercio Exterior (BANCOMEXT), in México;
- Department of Trade Promotion of the Brazilian Ministry of External Relations (ITAMARATY);
- Selected Central American TPOs such as the Centro para la Promoción de las Exportaciones y de las Inversiones (CENPRO) in Costa Rica;
- The Jamaica Promotions Corporation (JAMPRO);

again to mention only a few.

For the sake of brevity, the same applies to selected TPOs in the Arab world or in the Middle East region such as:

- Centre marocain de promotion des exportations (CMPE);
- Centre tunisien de promotion des exportations (CEPEX);
- Egyptian Export Promotion Centre (EEPC);
- Jordan Export Development Corporation (JEDCO) a successful result of transformation of the Jordan Commercial Centres Corporation (JCCC);
✓ Saudi Export Development Centre (SEDC);
✓ Turkish Export Promotion Centre (IGEME).

In Europe and the Mediterranean, we work closely with the Malta Export Trade Corporation (METCO). With regard to transition economies the successful collaboration with the Centre roumain du commerce extérieur (CRCE) or with the Information and Marketing Centre, Belarus (INFORMA) can be singled out as examples.

As mentioned what precedes is by no means exhaustive. More details on the exact type and extent of collaboration are available and can either be discussed here later, in the Workshops, or bilaterally with the individual TPOs concerned. In addition, ITC’s “World Directory of Trade Promotion Organizations and other Foreign Trade Bodies” is available.

Lessons learned from ITC’s experience in working with TPOs are numerous. Allow me to highlight what we believe are some key elements of success:

✓ As I said earlier, macroeconomic initiatives complement structural adjustment and trade policy measures. A pro-trade environment is a precondition for successful trade promotion programmes.
✓ Whichever its legal status may be, a TPO must enjoy strong political support and high-level commitment while having the necessary autonomy for the planning, implementation and management of its programmes, within a clear definition of functions, and with corresponding human and financial resources.
✓ TPOs must not be given the responsibility for administering functions, especially control related ones, for which ministries or specialized institutions are better equipped. Rather than operating as a bureaucracy, they must possess a culture of service and their dominant mind-set must be customer satisfaction.
✓ TPOs should, however, have a dual role: while providing assistance to the business community, they should also serve as advisers to the authorities in aspects related to foreign trade policies, strategies and procedures.
✓ There must be an active participation and involvement of the business community in the selection, design and implementation of trade promotion programmes. Ideally, the business community should be adequately represented on the governing board.
Within their broad mandate, TPOs must have a clear focus and avoid dissipating scarce resources. There is a need for effective coordination mechanisms with other promotional bodies.

Activities should not concentrate on the nation's capital; other economic centres should be given equal attention. Furthermore, export development programmes which have a social impact, especially on the rural sector, are likely to bring about a high level of political commitment.

Programmes should not be limited to market development activities; they should also seek to improve supply capabilities and to promote trade in services.

In a globalized world, the challenge is to increase trade flow, rather than expanding exports only. In this context, TPOs should also be concerned with the issue of more cost-effective imports, at least by ensuring effective coordination with appropriate specialized bodies.

TPOs must have access to the services and facilities offered by the international network of overseas representation.

The need for qualified staff enjoying competitive conditions of employment must be recognized, and means for stimulating skills and career development must be provided.

There are no magic formulas for establishing a TPO. "Models" proved to be difficult to adapt to the specific situation of a particular country. The search for models could also be dangerous because they are themselves regularly being reinvented and so some outdated system may be followed. Nevertheless, benchmarking is another matter, and "best practices" from a variety of bodies may be looked into.

THE REFORM OF ITC: AN APPROACH WHICH MAY ALSO APPLY TO TPOs

Since mid-1994, ITC has been going through a process of change management to enable it to better deliver its mandate. I believe that many aspects of ITC's reform are relevant to TPOs as well. The evolution of the international trading environment, the increasingly sophisticated and demanding business community, and the combination of financial constraints with the need for performance-related accountability, all act as incentives for this process.
As the first step in this process, ITC carried out simultaneously a thorough analysis of three interrelated issues, namely the needs of its clients, its core competence, and its mandate. Needs were reviewed in light of recent developments which have implications for technical cooperation programmes. These are the opportunities and challenges arising from the Uruguay Round agreements; economic reforms, liberalization and privatization programmes and the globalization of the world economy; the impetus given to regional economic integration; the growing potential for South-South and South-East trade, the increasing concern for sustainable human development, and progress in information technology.

Core competencies were assessed with a view to identifying both the areas of support and the nature of activities that best correspond to ITC’s comparative advantages vis-a-vis other providers of technical assistance, including private consultancy firms. ITC’s institutional status is the source of a number of strengths. Among these are impartiality and universality; its long-term partnership with member States of the United Nations and WTO, with the resulting institutional continuity and commitment, and access to policy and decision-makers in both developed and developing countries; its operational rather than policy focus; and its capacity to integrate internationally agreed norms, standards and objectives. Furthermore, over the past 30 years, ITC has acquired progressively a thorough understanding of the interlinkages between the global, macro and microeconomic aspects of international trade. It has developed an extensive network of contacts with government and business circles. It now has a proven ability to formulate and implement trade promotion programmes.

In the ultimate analysis in this first step of ITC’s reform, it was found unnecessary to propose a revision of ITC’s broad and official mandate. However, we, in the ITC, reflected considerably on the specific areas where ITC should be recognized as a centre of excellence (which we call “core services”), the strategy for achieving its purpose, and the principles that should guide its technical cooperation programmes. As a result, ITC defined its mission explicitly in a document which is available in the room.
There may be a variety of different approaches for a TPO to define its mission, and a choice of parameters to be taken into consideration. The process must nevertheless always be "demand-driven". It should also lead to the adoption of a clear focus to avoid dissipating scarce resources. In this context, there must be a distinction between all that the country should do for trade promotion and what can best be done by the TPO to contribute to the national objective, based on its core competence. For instance, TPOs usually have a number of assets that make them attractive as sources of information and advice. Since they are not profit-driven, they can take a more neutral objective and long-term view, qualities that are reinforced by their corporate memory and their networking with the public sector and the international dimension of their operation.

In addressing the needs of their clients, TPOs may also consider assuming a facilitating role rather than providing assistance directly. For its part, ITC realized that in view of the increasing breadth of demand from the business community, it cannot become a stand-alone, full-service source of assistance. ITC intends, therefore, to assume a dual role by providing specialized support in areas where it has a comparative advantage, while complementing, facilitating and catalyzing the technical cooperation programmes of other international, regional and bilateral organizations. For instance, ITC's participation in the European FORUM of Import Promotion Organizations offers an opportunity to share information on "best practices" in the areas of trade-related technical cooperation, with a view to ensuring closer coordination and complementarity with bilateral agencies. In addition, ITC has hosted annual meetings of all Import Promotion Offices (IPOs), a mechanism which is currently under review. Similarly, TPOs could stimulate the use, by the business community, of services which can best be provided by other entities, and share experiences with partners within the framework of coordination mechanisms at country level.

As the second step in its reform, ITC established priorities within its core services. General criteria for prioritization included: relevance to the most pressing and collective needs of recipient countries; the likelihood of achieving a visible contribution; the probability of attaining a critical mass of related technical expertise within the organization; the possibility of achieving an acceptable
expenditure/impact ratio (cost-effectiveness); and the potential for generating extrabudgetary resources for operational activities. These criteria are also guiding ITC in the definition of strategies and in the orientation of its day-to-day operations. Additional criteria were also used, particularly to decide on the product clusters where ITC should maintain technical expertise at its headquarters. In terms of target groups, priority is given to least developed countries and to SMEs.

For TPOs as well, priority setting is an indispensable prerequisite for managing trade promotion programmes effectively. No programme can encompass the full range of a country’s export product portfolio, partner countries and promotional instruments. For TPOs, therefore, the selection of priority products should be the point of departure. The selection of a limited number of product groups – e.g. a dozen – should be based both on quantitative indicators available from foreign trade statistics (i.e. value, growth, and market shares) and qualitative indicators such as interest in assistance and absorption capacity of the industry under review, expertise available in the trade promotion organization, impact on employment and growth etc. The selection of target markets follows from the product priorities and attention should be given as much to the growth as to the size of potential target markets. In a final step, the most suitable promotional instruments for each product group and target market need to be identified. The result can be presented as a matrix of priority products by priority markets, with indications of the instruments in each cell.

The third step of ITC’s reform is still underway. An annually rolling three-year medium-term plan, and annual operational plans, are being prepared. The medium-term plan will provide a three-year perspective for ITC’s work, set precise targets and identify specific outputs for the plan’s period. At the same time, performance-based management methods, which include a Performance Appraisal System for the staff, are being put in place. In today’s context, all organizations, be they public or private, are accountable for their performance. Increasingly, TPOs compete with private providers of services, or with other non-profit bodies for funding. The TPO of the 21st century, therefore, will be judged according to the criteria of relevance and performance. As with other institutions, it will be expected to have clear objectives that describe measurable targets of achievements.
COOPERATION WITH TPOs AS PART OF ITC’S OVERRIDING OBJECTIVES FOR NATIONAL CAPACITY BUILDING AND SUSTAINABLE HUMAN DEVELOPMENT

Ladies and gentlemen, national capacity building in trade promotion and export development in developing and transition economies is ITC’s overriding objective. Cooperation with TPOs is a pillar of ITC’s strategy to attain that objective. A UNDP policy paper has identified five dimensions of capacity development, among which institution building, and the linkages among organizations, have a central place. The other three dimensions are the broad economic, social, cultural and political milieu within which organizations operate; the legal and regulatory environment which supports performance; and human resources development. These are dimensions where TPOs can play an important advisory role.

ITC has been committed to institution building since its inception. In the mid-80’s, with a view to demonstrating quick results and to addressing supply constraints, it embarked upon a new approach of providing direct assistance to enterprises. However, a recent review of evaluation findings related to enterprise-oriented projects revealed that a major weakness of that approach has been the absence of mechanisms for the replication of success stories in other enterprises. Today, ITC strives to ensure a balance between enterprise-specific objectives and trade development objectives at the national level through the setting-up of permanent institutional capacities in so-called “multiplier organizations”. More generally, an institution building component is incorporated in every large-scale project. Whenever ITC provides short-term specialized inputs, these are meant to be integrated into a larger framework. The purpose is not only to ensure sustainability of the project’s results, but also to develop local/national capacities to pursue the development process autonomously.

As an international organization being part of the United Nations system, ITC is committed to the issues of common concern to the international community, such as poverty alleviation and employment generation, gender equity, and environmental protection. Likewise, TPOs, which are non-profit organizations with long-term objectives, can best integrate these concerns into national trade promotion
programmes. ITC and TPOs, therefore, pursue the common objective of sustainable human development. I will turn to these priorities again when discussing the challenges for the future.

**COOPERATION WITH TPOs THROUGH TAILOR-MADE PROGRAMMES AT NATIONAL OR REGIONAL LEVEL**

I believe that ITC’s support to capacity building can produce the best results through long-term partnership within the framework of development projects undertaken at the national level or, in view of the new impetus given to regional integration, at the complementary subregional level. Any process of change requires long-term and sustained efforts. With ties in mind, one of ITC’s six core services is “needs assessment and programme design”. The purpose is to assist recipient countries in the design of comprehensive, tailor-made, action-oriented programmes for trade promotion, export development and international purchasing, as part of national or regional trade development strategies and programmes within the overall multisectoral national programmes. In so doing, ITC also identifies needs for technical cooperation and, if required, provides specialized inputs within its other five core services, namely product and market development, the development of trade support services, trade information, human resource development, and international purchasing and supply management. ITC’s close links with its parent organizations UNCTAD and WTO, puts our organization in the unique position to deliver its core services at the operational level, yet taking full account of macro-economic realities.

**COOPERATION WITH TPOs THROUGH GLOBAL PROGRAMMES**

ITC strives to ensure full involvement of national institutions, including TPOs, in the implementation of its global thematic programmes, which target key constraints to international trade development that are commonly faced by the majority of developing countries and transition economies. Through these programmes, ITC seeks to develop and deliver specialized technical assistance tools of wide multi-country relevance, such as self-learning systems, diagnostic tools and practical guides. In order to reach more business people in more countries effectively, and to ensure that programmes are grounded on country-level realities, ITC needs standing partnerships with technical institutions in recipient countries. It is hoped that these tools will be
customized, as necessary, and delivered to enterprises principally through an interactive network of national institutions engaged in supporting their efforts. ITC also intends to promote and directly support the creation of collaborative networks among organizations in developing countries, and to facilitate their relationships with institutions in developed countries. For instance, in the area of human resources development, ITC plans to develop a trade-related training materials clearing and exchange centre focusing on materials and case studies generated in developing countries.

As regards the needs of TPOs for their own development, ITC published in the past a series of monographs on their role, legal status and management, as well as guidelines for the formulation of trade promotion programmes. At the very least, these materials would need to be updated. However, we look forward to hearing from you concerning the specific areas where ITC should undertake R&D work. One of the research subjects being considered at ITC is an analysis of the conditions of success for major trade promotion functions, as a contribution to developing countries' efforts towards prioritizing their trade promotion activities in terms of products, markets and instruments. The broader issues of how to make institutional programmes and services more responsive to market demand, more effective and more sustainable, need to be addressed as well. Your advice in orienting our R&D work to your specific needs are most welcome both now and as an ongoing dialogue in the future.

More generally, I trust that this first World Conference of TPOs will help us appreciate better what you think your role should be, and how ITC can help, building on its unique institutional status as a universal organization. ITC has an obvious comparative advantage for networking and clearing-house functions. I do hope that my participation in the workshop which will examine the different ways to create cooperation links among TPOs will be beneficial in this regard.

TOWARDS ADDRESSING TOGETHER
THE CHALLENGES OF THE 21st CENTURY

To conclude, permit me to mention a few of the challenges faced by TPOs on the eve of the 21st century. These are all issues which ITC wishes to address jointly with TPOs, on an ongoing basis:
Will a globalized market place lead to wider or narrower options for TPOs?
I believe that more than ever TPOs will have to be demand-driven and compete for business with other profit and non-profit entities. This requires the same strategic positioning as applied by individual enterprises in terms of finding comparative advantages and niches. This invariably will result in narrower fields of specialization and more sharply defined activities and programmes on the product/market development grid. As an example, I would like to mention the short-term export strategy recently launched by India aiming at increasing the country’s share of world trade from 0.6% at present, to 1% by the year 2000. This strategy entirely goes the development of new products and new markets, instead of concentrating its trade promotion efforts on a limited number of existing products and markets. “Put your money where your market is”, the Indian motto goes.

Will the future focus of TPOs be on market development or on supply side issues? How will TPOs be affected by the increasing attention being given to quality issues?
The globalization of international marketing has a major incidence on capacities of individual enterprises to compete with the “best”. “Best practices” will become the norm and the ability to produce, manufacture and deliver conformed international quality standards will be a *sine qua non* for success. ITC believes that TPOs in future will have to play an increasingly important role in assisting their clients in a much larger range of supply side issues than currently is the case. As an interesting “aside”, I would like to mention that one TPO in a developing country underwent the process of being certified under ISO 9000, inter alia, in order to better understand the quality management needs of its client enterprises.

What will be the new tasks and responsibilities of TPOs in the post-Uruguay Round era?
The new multilateral trading system embodied in the Uruguay Round Agreements will pose a twofold challenge to the role and functions of TPOs across the globe. First of all, TPOs, particularly in developing countries, will have to engage in a stock-taking exercise, including a critical analysis of the country’s foreign trade
position, and of the options for future trade development actions. While the Uruguay Round Agreements themselves would not contain any particular direction for foreign trade strategy formulation, it does provide for the necessary framework of predictable parameters on the basis of which such strategy may be founded. ITC designed some new tools for this purpose, one of which provides individual countries with a "competitiveness indicator" for their export products.

The second challenge lies in the TPO’s new role of depositary and dissemination centre for information on the detailed provisions contained in the various Uruguay Round Agreements. More than ever do individual enterprises have a need for assistance in explaining the new, and often complicated rules applicable to both export and import transactions. To assist in this important task ITC recently published the “Business Guide to the Uruguay Round”, written in a language with which economic operators are familiar.

Are TPOs gearing up to face these challenges? ITC is ready to assist and has already started to do so.

- Will the trend in privatization of TPOs continue and what does this mean for the future scope and nature of operation of TPOs?
- How will the public-private sector partnership evolve?

As a result of the combination of shrinking financial and human resources and greater reliance on market forces, the role of TPOs has been significantly affected in a number of developing countries. Conversely, private sector organizations have increasingly become dynamic players in trade promotion. However, there is no clear answer on what could be the implications of privatization. For instance, what should be the division of labour between the public and private sectors in areas that cannot be taken over by the private sector on a full cost/profit basis? Who will deal with long-term and cost-intensive activities, for example in the provinces, in which the private sector may show no interest because of the risks encountered? Who should be responsible for the programme areas which require government’s backing and financing?

- Are Trade Points a threat or a blessing?

The UNCTAD Trade Efficiency concept was launched at UNCTAD VIII in Cartagena and the first Trade Point was established in this city.
ITC considers Trade Points as complementary instruments to TPOs. Among the Trade Points’ six areas of support, namely customs, transport, banking and insurance, telecommunications, trade procedures and business information, only the latter could be considered under “trade promotion”. However, Trade Points would not normally engage in the interpretation of trade information or in counseling enterprises in its use. As I said earlier, TPOs have a more fundamental role to play in formulating and implementing trade promotion strategies and programmes, and providing advice to exporting enterprises, without getting involved in actual transactions. An important additional feature of the Trade Point concept is the Global Trade Point Network, which concentrates on the exchange of “electronic trade opportunities”. Currently, this network has 40 participating Trade Points in developing countries, and as such is an important vehicle for south-south trade promotion. Although TPOs have made several attempts to create regional or interregional networks, this has not yet been entirely successful. TPOs could make use of the Global Trade Point Network for their own south-south trade development activities.

Do TPOs have a role to play in promoting sustainable human development?

Building bridges to the 21st century requires more than trade reforms and sophisticated information technology. It indeed demands the integration of sustainable human development issues as core concerns. The essential message in the concept of sustainable human development is that whatever we do, our concern must be how our work and activities impact on people. For that reason, in addressing our mandates, the greatest challenge of our times is poverty alleviation. You will agree with me that it is a complex and multi-faceted problem. How do we harness our work to solve the problem of human poverty?

In the case of ITC, our approach is straightforward and pragmatic, based on the premise that if you create productive job opportunities, people who earn incomes by availing themselves of the opportunities will be empowered to provide for the various forms of deprivation which make them poor. In fact, to the extent that ITC’s work across-the-board leads directly or indirectly to
increased productive job opportunities, mainly in the enterprises that it supports, its technical cooperation makes an indisputable contribution to poverty reduction. Besides this, ITC has conceptualized a niche approach for addressing poverty based on focusing on the rural sector, where the majority of the population lives and where poverty is most severe and pervasive. By addressing specific trade-led employment creation schemes to poor rural communities, this intervention will create incomes and lead to conditions which improve the quality of life of the target groups, thus helping to stave the characteristic persistent rural-urban drift that has contributed visibly to worsening urban poverty in almost every country. In applying this approach we have often used with success the “Export Production Village” concept adapted to specific country situations, as was the case in Sri Lanka, Ghana, Ecuador, Guatemala, Honduras, Botswana, Malawi, among others.

The approach has also been applied to address “women in trade development” concerns with such great success e.g. in northern Ghana that even when the technical cooperation project which introduced the activities terminated, the income-generating activities persist fill today to provide livelihood to thousands of women-family households. This brings me to the question of gender equity. Women have traditionally taken a back seat in mainstream policies and strategies for trade promotion, despite their increasingly visible presence in the economy. The establishment of women’s business associations in developing and transitional economies is a reaction of women to being marginalized. What does this imply for national TPOs? How can TPOs effectively contribute to developing the business potential of women entrepreneurs?

While these are questions that have to be addressed within the national context of each organization, certain aspects need to be considered at the TPO level. For example, resource requirements for staffing, building and maintaining in-house capacities. Another important aspect is integrating gender-sensitive criteria for evaluating the validity of projects and services.

As food for thought, the results of the Worldwide Survey of Women in Trade Development initiated by ITC in 1992 show that a majority of
respondents -women’s business associations and women entrepreneurs- felt that their national trade promotion organizations should play a more proactive and supportive role in promoting women in business.

- **Should trade promotion address investment promotion as well?**
  The significant economic progress in a number of newly industrialized countries (NICs) e.g. Malaysia, Thailand and in the special economic zones in China to name only a few countries in Asia, but also Chile and Colombia in Latin America, which had been achieved through a remarkable inflow of Foreign Direct Investment (FDI), combined with an enhanced export orientation of the business sectors, exemplifies clearly the close interdependence between trade and investment. It is generally accepted that Foreign Direct Investment contributes significantly to the export performance of developing countries and countries in transition. Leaving aside the financial aspects, FDI comes usually into the country along with technology and know-how, access to markets and, moreover stimulates in many instances the transfer of managerial expertise.

The rules based on the New Multilateral Trading System, particularly the “trade related investment measures (TRIMS)” under the Uruguay Round Agreements, will make it easier for both developing and developed country enterprises to engage in strategic alliances without artificial, country specific restrictions. For many developing countries and transition economies, FDI will become a major avenue to further diversification of the economic base and to enhance the countries’ opportunities to participate more successfully in the global market. Consequently, trade promotion and investment promotion cannot be viewed anymore as two different undertakings. They are, different in the approach though, activities of the same cast and objective.

- **Will TPOs start competing with each other or is there room for closer cooperation and networking?**
  One could argue that in an increasingly competitive international trading environment, TPOs would also be subject to the same competitive pressures. As said before, this calls for strategic positioning based on comparative advantages and niches. But this
also calls for an intensification of efforts to explore areas of collaboration and networking among TPOs, based on concrete issues of common interest. There are some good examples of effective collaboration among import promotion offices, as represented by the European Forum or by ITC's annual gathering of TPOs. There are other examples of cooperation between TPOs located in the same geographical region, such as the undertaking of supply and demand surveys for products of mutual interest and participation in subregional trade information networks.

In my view, the scope for networking between TPOs has not been fully explored, particularly among TPOs in developing countries where financial and human resources always constitute the "limiting factor" in TPOs operations. I see immediate opportunities in the selective sharing of information, in the undertaking of joint training activities and in the exchange of experiences in specific trade promotion approaches, programmes and activities.

What we now need to do is to reflect on the mechanisms of networking among ourselves and I am confident that we will have ample opportunities to further discuss these challenges in the workshop on this subject on Friday.

Before ending my presentation, I would like to extend my sincere thanks to the Colombian authorities for their warm welcome and generous hospitality, and particularly to the management of PROEXPORT for having done such an outstanding job in organizing this important event.

I am confident the ideas, experiences and proposals presented and discussed during this meeting will be truly useful to the countries in their international trade promotion efforts within an increasingly globalized world, which constitutes a major challenge to product competitiveness.

Colombia has a long and productive history of foreign trade promotion, dating from 1965 when PROEXPO was created. PROEXPO was a pioneer in the field of export promotion in Latin America and one of the first organizations of its kind in the world. I also would like to take this opportunity express our sincerest
appreciation to the institutions and governments that sponsor ITC activities and, through their generous financial support, enable us to help trade promotion organizations of developing countries and economies in transition to accomplish their important mission. Let us hope this support will allow the ITC to expand its assistance, in the future, for the benefit of countries to whom our efforts are dedicated.

In closing, let me say that all of us who are fortunate to have had this opportunity to appreciate the beautiful and historic city of Cartagena, will leave with fond memories of the Pearl of the Caribbean.