

JAG SPEECH BY PATRICIA FRANCIS, EXECUTIVE DIRECTOR, ITC

QUANTIFYING VALUE

Value over volume was one of the recurring messages coming out of our World Export Development Forum (WEDF) this September in China, as a key means of transforming a crisis into opportunity. The focus on value versus volume is crucial to focussing the attention of countries on where they can make the most impact.

While volume can be short term, profit focused value is achieved when

- Thinking is based on the long term – leading to strategies that will bear fruit in a sustainable fashion
- Equitable – value will feed sustainable development if the approach is inclusive. Considering more than shareholder value by bringing all stakeholders to the table can only enrich potential
- Innovation - looking for new opportunities exist through diversification
- Recognizing the potential that still exists for an expansion of globalization as presented by Professor Ghemawat at the WEDF.

In a time of limited financial, food and natural resources, it is essential to think value if we are to overcome the challenge of access to scarce resources and ultimately to address poverty.

How do we then define our priorities, and where can we provide value, is of course influenced by you...

FEEDBACK FROM CLIENTS IN THE LAST YEAR

At last year's JAG:

- You asked us to prioritize least developed countries (LDCs), land locked developing countries (LLDCs), small island developing states (SIDS) and sub-Saharan Africa (SSA), as this is aligned with members objectives, as is our focus on programmes for gender, environment and poverty
- You said that our work within the Aid for Trade agenda, with the Enhanced Integrated Framework (EIF) and partnership with others, is essential to contributing to joint aims and to the efficient working of the multilateral system.

At donor meetings and the Consultative Committee of the ITC Trust Fund (CCITF), you said that:

- ITC should focus on its core competencies

- There has been a positive trend in our efforts to embed results-based management (RBM), but more needs to be done
- Our enhanced communication is contributing to a better understanding of how ITC is achieving its objectives, but there is still work to be done.

The 2010 ITC Client survey was held for the 4th year running. Tracking ITC clients' perception of the impact, quality and relevance of our services is essential for the organization. It is a strong indicator of our effectiveness with regard to applying results-based management principles and achieving 'Export impact for Good'. This year we have also asked respondents to assess ITC's delivery over the last 3 years to see if we have improved:

- 72% say there has been a positive trend in the quality of services over the last three years
- There is an view that ITC is increasingly providing products and services that have impact
- Increased response from the private sector – stronger responses from trade support institutions (TSIs)

A large volume of data has been collected in this process, and a summary of initial findings is at the back of the room and on our website. We will be analyzing the data further for the next JAG.

Individual workshops are planned for technical sections within ITC to ensure that the findings from the survey are incorporated into section level operational plans.

PRIORITIES

Our priorities are based on incorporating this feedback into our overarching strategic objectives and therefore creating the Consolidated Programme Document and Operational Plan which will be delivered by directors later today.

Our strategic principals

Country ownership is critical for sustainable results. We will need to escalate the pace and improve the quality of our delivery of programmes, and continue to build a robust RBM system which reflects stakeholder priorities. This is a culture change and one of the reasons our panel tomorrow on RBM has our stakeholders presenting their views on what RBM means for them..

We will continue to work with our partners under the Aid for Trade agenda to ensure the private sector voice is well represented and that trade is mainstreamed as a tool for achieving the Millennium Development Goals. We will work closely with UNCTAD on trade and productive capacities.

Operational priorities include

- Facilitating access for small and medium enterprises (SMEs) in beneficiary countries to global supply chains by ensuring that sector and enterprise initiatives are linked to market opportunities, our critical view in how we are facilitating SME development.
- Embedding the crosscutting areas of gender, environment, sustainability and global partnerships
- Helping TSIs understand and demonstrate the value of their services by rolling out the ITC Benchmarking Programme
- Enhancing the reach and impact of publications and global public goods
- Launching the new website and client relationship management (CRM) system early next year to better communicate with beneficiaries;

So where have we seen value this year, and how are we heading towards these priorities?

HIGHLIGHTS of 2010

The World Export Development Forum was held in Chongqing, China this year, our largest WEDF yet. As a result of the WEDF we have now formed a new working relationship with the Government of Chongqing, consolidated our working relationship with the Ministry of Commerce of the People's Republic of China (MOFCOM) and the China Council for the Promotion of International Trade (CCPIT), as we warmly welcome here today the delegation from Chongqing. We also launched the Chongqing Platform for Action on Sourcing from Women Vendors to increase women's share of corporate government and institutional procurement. Members include Boeing, Dell and Walmart –

companies that are actively seeking to source from women's business enterprises and interested governments such as China, India and Jamaica.

An important event this year, the [World Trade Promotion Organization \(WTPO\) conference and awards](#) held in Mexico. The conference theme was Enhancing TPO Impact in a changing Global Environment, and another director will be telling you all more about this tomorrow.

[Cotton](#) – ITC is supporting the African cotton sector, to make it a stronger player in international cotton trade. Few, if any, African companies and ginneries had real contacts with the market. Through direct contact with Asian spinning factories there is the opportunity of direct feed-back on quality and technical requirements. Moreover, it becomes possible to cut out the intermediary traders whenever possible, resulting in higher prices for African ginners and producers, and an increase in South-South trade and even LDC to LDC trade. The challenge remains to ensure better prices and bargaining power for farmers and more predictability in the market.

Success stories include the first-ever direct sale from Tanzania to Thailand without the involvement of an international cotton merchant; Asian investment in spinning facilities in Africa; and the African Cotton Association standardizing of bale coverings and baling codes after their visits to Vietnam and Bangladesh.

[African, Caribbean and Pacific \(ACP\) Cotton](#) – The programme continues to be a great example of what can be achieved in partnership with other agencies, each focusing on their core expertise for common aims. UNCTAD is a partner in this regard.

A recent output is in West Africa following the successful definition of an implementation plan for the 'Agenda Cotton' based on the full engagement of representatives from all stages of the sector value chain, including support services, trade negotiators, development banks and development agencies.

[ACP Coffee](#) – Cameroon: We have seen a successful training and counselling exercise bring into operation environmentally friendly coffee washing stations in four pilot rural community locations. Early results indicate a 15% increase in price premium achieved for first-washed coffee outputs and 30% higher volume of consistently better quality coffee.

[Accession](#) - Working with the WTO with acceding LDCs to engage the private sector in dialogue with policymakers to identify areas of reform, to identify opportunities and to develop programmes to address challenges. We hope to have our first graduate in early 2011 and are pushing forward with our joint work programme. We are very pleased with how this programme is going forward.

[Trade Leader programme](#) – ITCs trade leader programme designed to have a profound impact on young professionals who will become leaders in trade promotion in their countries.

As such we have brought trade leaders from Africa who we think will make an impact in their countries. Paulin Zambelongo from Burkina Faso, Catherine Kithinji from Kenya and Max Wengawenga from Malawi have spent six months at ITC. During this time, they have analysed data on non-tariff measures (NTMs) for their own countries and conducted training with Market Analysis and Research (MAR) tools with colleagues from Africa. In addition to this:

- Paulin has worked with compatriots from the Burkina mission on Burkina's response to the WTO Trade Policy Review, the NTM survey in Bukina and developed a Tier one project under the EIF that has now been funded for implementation next year.
- Catherine and Max produced a training video that will form part of the suite of ITC's e-learning on market analysis and research.

[Market Analysis and Research \(MAR\)](#) – The demand for ITC web-based trade analysis tools has increased dramatically with exporters eager for trade intelligence on emerging product and market opportunities. The number of registered users has now reached 125,000 in 221 countries and territories, from sole traders and SMEs to MNCs and governments and other organizations involved in trade.

[Ethical fashion](#) – We have over 7,000 people now employed through our Ethical Fashion programme, linking large fashion houses with marginalized communities. The majority are women who can now

cater for their basic needs, are gaining skills as artisans, and have also improved social status. This programme is now at such a mature level that we have assisted with the development of a product catalogue from which large distributors and holders of events can purchase a range of products. We also urge you if you are looking for bags for your events to have a look at the catalogue at the rear of the room.

We are also working with Illaria Fendi, Vivienne Westwood and Coop Italia who are sourcing from our clients, and have initial projects underway with other renowned designers and which we will be able to tell you about at the next JAG.

It is the maturation of programmes like this and the [extension of the ACCESS II programme](#) into 19 countries in Africa where we see the establishment of sustainable, long-term working relationships.

Gender — 2010 has seen the Women and Trade Programme formalize linkages with WEConnect International, a network of mainly *Fortune 500* companies actively seeking to source from women business owners. ITC also signed a Memorandum of Understanding with the International Federation of Business and Professional Women. The results of the ITC survey that ITC distributed to the Federation's 33,000 members is helping us in linking buyers to sellers.

This will crystallize in the first of the buyers/sellers meetings under the Chongqing Platform for Action on Sourcing from Women Vendors, in 2011. Women from our coffee programme in Africa, the alpaca programme in Peru and others will have the opportunity to participate in this event.

We also held an Expert Round Table meeting on the gender dimension of Aid for Trade, resulting in 18 case studies detailing measures taken and impact achieved from projects and programmes targeting women and/or gender mainstreaming - to see how women in trade can best be successfully integrated into and benefit from Aid for Trade. This meeting, jointly organized by ITC and WTO, with support from the Governments of Rwanda and the United Kingdom, led to calls for a sharper focus on gender in the 3rd Global Aid for Trade Review.

We are making significant strides in mainstreaming gender aims into our programmes and have formulated a draft Gender Policy and Action Plan for review and adoption in 2011. Our aim is to ensure all ITC programmes, projects and activities benefit women as well as men, and that we meet our obligations to mainstream gender into human resource policies and practices in line with UN directives.

Priorities – sub-Saharan Africa - Our strategic plan was to spend 50% of ITC's programme resources in LDCs, LLDCs, SIDS and sub-Saharan Africa. Our calculations indicate that in fact 58% of the programme resources have been spent in sub-Saharan Africa.

Within this target we have mobilized resources from the EC National Indicative Programme in Côte d'Ivoire. At 7 million euros over 47 months, this is ITC's largest country programme. We hope we can get back to working in this country very soon.

Regional Integration - We have also strengthened partnerships with Regional Economic Commissions and the African Union beginning with ECCAS, ECOWAS and COMESA – and we are pleased to welcome the Secretary General of COMESA to the JAG tomorrow.

Results-based management (RBM) – This has been an area of focus for us this year. Our first area to improve was project design - to clarify objectives for ITC and our partners, ensure we meet delivery targets and projects have a clear focus on impact.

The Project Quality Assurance Group has been created as a project design advisory service and quality assurance tool.

To further ensure harmonized and robust project design – three project templates have been created: idea, concept and design. These templates ensure the relevance of projects to ITC's strategic objectives, the feasibility, sustainability and efficiency of the project and ultimately the impact.

In addition to this we have new explorations – the launch of export marketing and branding initiatives, the launch of the trade information centre at SLIEPA in Sierra Leone in December 2010, project

formulations with UNDP and PalTrade in Palestine, Groundnuts sector work in West Africa, to name but a very few; we are pleased to be able to see the value others perceive in our technical assistance.

THE FUTURE 2011

Website and CRM – We aim for better dissemination of our global public goods and project and programme information and better means to manage and serve our clients. We will launch the website at the next JAG and the CRM is coming online in the first part of 2011.

LDC IV - The tourism sector has been identified by as many as 30 LDCs in their DTISs as one of the sectors with growth potential. For the UN LDC IV conference, the ITC will work with other agencies, including UNCTAD; ILO and UNWTO, along with MNCs and Turkish expertise to address barriers to LDC success in this sector, to ensure that a focus is provided in the Istanbul Programme of Action on the issues of sustainable tourism – and the positive impact it can have on the livelihoods of low-income households in LDC countries.

3rd Global Aid for Trade Review – We are in the process of preparing case studies on the importance of Aid for Trade on export performance similar to the one presented by the Ugandans at the WTO workshop on mainstreaming of Aid for Trade.

JAG 2011 – Following requests from stakeholders, we are moving the timing of the JAG to Q2 next year to enable full 2010 financial reporting. We are juggling the timing a little with LDC IV, but will keep you posted as we finalize the date.

I would like to take this opportunity to welcome our **Deputy Executive Director** designate, Jean-Marie Paugame – who we hope will be starting with us in March. He comes to us from the French Treasury, the Ministry of Economy - with extensive experience in international trade, export promotion, and trade policy to name but a very small part of his CV.

I would also like to take this opportunity to thank Anders Aeroe for being a fantastic Acting Deputy Executive Director for the last year and a half. He has been dependable, motivating, and determined to make ITC the best it can be, and I thank him for his dedicated service.

Thanks at this point must go to our parent organizations, UNCTAD and WTO for your kind words, continued support and partnership, as well as strong direction setting.

Thanks to our donors and trust fund committee members for your increasing involvement in the workings of ITC, and to you here today for coming to give us your voices so that we can understand your needs.

Thanks to our beneficiary countries for their dedication to achieving success.

And finally I would also like to thank our staff for enabling us to meet our delivery target - in what has been a very difficult year and to say to them that I look forward to our continued dialogue as we work to make ITC a better place.

In conclusion, I would like to return to the subject of value: it is not in what we **say** but what we **do** and in the **long-term, sustainable impact** that our work has on the lives of the people that we serve

This is why we are here today and why we look forward to hearing from you.