

Minutes: 30th CCITF Meeting on 29 October 2024

The 30th meeting of the Consultative Committee of the ITC Trust Fund (CCITF) took place in a hybrid mode on 29 October 2024 in Geneva. ITC's Executive Director (ED), Ms. Pamela Coke-Hamilton started the session by welcoming participants to the meeting and outlining the agenda.

The [Jan-June 2024 CCITF Report](#) showcases ITC's financial and development results performance, in comparison with the [2024 Operational Plan](#) targets.

1. **CCITF Report (January – June 2024)**

Funding Position

The ED stated that in the first half of 2024, ITC received \$31 million of extra-budgetary funds (XB), an 44% decrease from 2023, driven by both Window 1 (W1) and Window 2 (W2) contributions. The value of new XB funding agreements signed mid-year was about \$50 million. The ED noted that while the contributions received during the same period in 2023 were higher at \$55 million, this will not affect ITC's 2024 delivery. ITC's Regular Budget (RB), funded in equal parts by the United Nations (UN) and the World Trade Organization (WTO), has remained stable and is expected to remain consistent. The ED thanked the donors for their valuable support to ITC through RB and XB budgets.

Financial Delivery

The ED indicated that in the first half of 2024, financial delivery was fully on track and is expected to meet targets by the year-end. ITC's mid-year delivery stands at about \$79 million or 53% of the 2024 target budget of \$148 million. The ED mentioned that the XB financial delivery by impact areas and core services ranged from 45%-66% of the Operational Plan targets shown in Figure 3 on page 11 of the report.

The two largest impact areas were 'Sustainable and resilient value chains' and 'Inclusive trade'—together accounting for 57% of XB delivery. The largest core service area was 'Improved MSME firm-level capacities to trade', which accounted for over 48% of XB delivery.

ITC's delivery in priority countries reached 81%, surpassing the 80% target. ITC also exceeded targets for small island developing states (SIDS) and conflict-affected countries, though delivery fell 1% short for both least developed countries (LDCs) and landlocked developing countries (LLDCs) against their respective 40% and 30% goals. Regionally, 49% of delivery focused on sub-Saharan Africa, 24% on Asia-Pacific, and 13% on the Middle East and North Africa. The remaining 14% of region-specific XB delivery focused on Eastern Europe and Central Asia and Latin America and the Caribbean.

Performance against targets set in the 3-tier corporate scorecard

The ED presented the mid-year development results against the targets set in the three-tier corporate scorecard and progress on the 2024 technical assistance milestones.

On Tier 1 indicators on ITC's contribution to the Sustainable Development Goals (SDGs), approximately 80% of ITC's project delivery contributed to SDG 8 on economic growth and decent work, SDG 17 on partnerships for the goals, SDG 5 on gender equality and SDG 1 on no poverty.

The ED discussed Tier 2 corporate outcome and output indicators, noting that updates on development outcomes will be included in the year-end report. The ED confirmed that the output indicators are largely on track, with the exception for the publication of the SME Competitiveness Outlook which will be released in 2025 within the context of ITC's first-ever Small and Medium-Sized Enterprises (SME) Ministerial Meeting.

The ED highlighted the impact of W1 contributions on ITC's corporate results, emphasizing that these flexible, voluntary funds allow strategic investment in ITC's core and future priorities. For example, W1 funding supports high-impact projects such as the development of the cotton-to-clothing value chain in West Africa, where local cotton processing has the potential to create up to 500,000 jobs, particularly benefiting women and youth, through targeted investments in machinery and skills. Additionally, W1 funding has enabled ITC's global Gender-Responsive Public Procurement (GRPP) campaign, launched in March 2024, which seeks to boost women-led business participation in public procurement. This campaign has already secured 22 pledges from countries and organizations committed to promoting gender-inclusive procurement practices. W1 funding also supports ITC's global public goods, such as the Trade Map and Market Access Map, which provide SMEs with essential trade data. Enhanced tools like the multilingual Global Trade Helpdesk further extends ITC's reach, empowering SMEs with timely market intelligence to compete globally.

Key operational performance indicators, and ITC's progress on the efficiency and effectiveness milestones.

The ED highlighted a few key performance indicators, noting that the percentage of women in professional and senior-level positions reached 53%, exceeding the 50% target and 92% of the XB delivery for trade-related technical assistance (TRTA) projects was published to International Aid Transparency Initiative (IATI), surpassing the 90% target. The ED also shared that ITC recently endorsed its Country Engagement Strategy (2024-2030) and is currently in discussions with Kenya to establish ITC's first official office in a beneficiary country.

The ED reported that the Independent Evaluation Unit (IEU) conducted a comprehensive midterm evaluation of the ITC Strategic Plan (2022-2025), with recommendations to be incorporated into the next strategic planning cycle. The ED also discussed that regular risk assessments have identified rising risks related to staff safety and cybersecurity, which are mainly driven by external factors. The ED mentioned that ITC is strengthening mitigation measures, such as advanced safety training for personnel working in conflict-affected areas, which aligns with the growing needs of the MSMEs ITC supports.

The ED concluded with a preview of ITC's upcoming initiatives including preparations for major events such as a donor roundtable to support Ukraine's MSME-led recovery and COP29 in Baku, Azerbaijan, where ITC will advocate for MSME inclusion in climate goals. A delegation of MSMEs will also participate in COP29, sharing insights on climate impacts and their needs from global negotiations. In December 2024, ITC will attend the Third UN Conference on Landlocked Developing Countries in Botswana, promoting the role of MSMEs in the new 10-year action plan.

Additionally, ITC will launch its inaugural staff recognition awards to celebrate outstanding contributions within the ITC community.

The ED thanked funders for their vital support in achieving ITC's strong results in 2024 and opened the floor for questions and comments.

Delegates' Questions and Comments

The **United States of America (Donor Coordinator)**: On behalf of ITC's funders, the donor coordinator expressed appreciation for ITC Executive Director Pamela Coke-Hamilton and staff for their dedication and hard work.

Donors recommended adding an executive summary to the CCITF report for better accessibility. They raised concerns about how ITC remains slightly below target for both LDC and LLDC delivery and mentioned that ITC has not met the lower target of 40% for LDC delivery compared to the 45% target outlined in the Strategic Plan (2022-2025). They inquired about the feasibility of meeting this target by year-end. Donors praised ITC's achievements in XB projects focused on inclusive and digital trade, as well as its work with MSMEs, and requested clarification on tracking contributions to SDG 10 related to reducing inequalities within and among countries.

Donors also commended the flexibility and impact of W1 contributions from key donor countries such as Canada, Germany, Iceland, India, Ireland, Sweden, Switzerland, and the United Arab Emirates, which support ITC's core functions in providing trade information through their global public goods. They appreciated the 'traffic light' display in the report and requested insight into any delays on projects not yet started. The recent launch of ITC's Country Engagement Strategy (2024-2030) and its plans to establish a corporate presence in Africa were also welcomed.

Donors showed support for ITC's efforts in diversity, inclusion, and sustainability, and requested updates on implementation plans. They welcomed the ITC Moving Forward Action Plan (MFAP), particularly the hiring of a new intake officer. Donors requested updates on reducing short-term contracts, the activity and status of the MFAP Working Groups, and clarification on Key Performance Indicator (KPIs) for client satisfaction, including data collection methods and the definition of "client". Overall, donors conveyed satisfaction with the report's details and their ongoing collaboration with ITC.

Responding to the intervention of the Donor Coordinator, the ED welcomed the feedback and confirmed that an executive summary will be added to the 2024 year-end report. On LDC targets, the ED acknowledged that, while ITC aims for a 40% project delivery for LDCs in 2024, reaching the 45% target in the Strategic Plan (2022-2025) remains challenging due to large projects in non-LDC countries such as Pakistan, Iraq and Kenya which also have serious development needs. The ED reaffirmed ITC's commitment to LDCs, citing a new project in ASEAN, Sierra Leone, and close to conclude regional projects in Africa that include most of those countries classified as LDCs. Regarding SDG 10, the ED clarified that ITC considers this SDG as a "meta-goal" and contributes indirectly through other related SDGs such as poverty reduction (SDG 1) and gender equality (SDG 5) to avoid data duplication.

The ED appreciated the feedback on the 'traffic light' project display and explained that mid-year cancellations typically reflect strategic adjustments. The ED highlighted achievements in gender equality, diversity, and inclusion (GDI), including compliance with UN System-Wide Action Plan

(UN-SWAP) and UN Disability Inclusion Strategy (UNDIS) frameworks, along with recent initiatives such as Inclusivity in the Workplace training and events for Black History Month and Pride Month.

On short-term contracts, the ED explained that over 90% of ITC staff are on contracts of one year or more, with the XB funding structure posing challenges. Efforts to enhance workforce planning include extending directors' authority for contract renewals and developing a skills-mapping tool. The ED also provided an update on the ITC Moving Forward Working groups, with continued work on career development and administrative process improvements. Finally, the ED addressed client satisfaction KPIs, explaining that data is gathered from a large client base via periodical surveys. ITC's corporate client segmentation guides the definition of respondents, distinguishing among small businesses, business support organizations, individuals, and other institutional partners, such as academia.

Finland appreciated the mention of the joint event on disability inclusion at the Global Aid for Trade Review, involving Finland, the International Labour Organization (ILO), ITC, UNCTAD, and WTO. Finland suggested that ITC highlight the broader initiative of the Inter-agency Technical Working Group on Disability and Trade, where ITC is one of the founding members. Finland also promoted the high-level event on Trade and Disability scheduled for December 3, 2024, for the International Day for Persons with Disabilities. The ED thanked Finland for their suggestion and reaffirmed ITC's commitment to highlight the Working Group's role and achievements in future reports.

The **United Kingdom** requested more information on ITC's Country Engagement Strategy (2024-2030), particularly its motivations—whether driven by cost savings, efficiency, programming shifts, or feedback responses — and what the potential impact and benefits could be. The UK also inquired if there are plans to open additional regional offices beyond the current focus on Kenya. The ED explained that ITC's Country Engagement Strategy (2024-2030) emerged from the recognition that traditional approaches were becoming outdated, especially given shifts in donor engagement and the importance of local ownership. The lack of official country presence (distinct from project offices) was identified as a strategic weakness. After extensive review, ITC approved the strategy in January 2024, beginning with a regional office in Kenya due to its significant UN presence and ITC's established footprint in Africa. This office will serve the broader East African region as a pilot for potential future sub-regional offices elsewhere within our programme countries. The main advantage of this strategy includes cost-effectiveness, enhanced donor resource utilization, and stronger local partnerships, particularly with Regional Economic Commissions. The regional presence is expected to foster sustainable, locally embedded development, moving away from temporary "helicopter" technical assistance. However, challenges include managing internal concerns about relocation, justifying the choice of Kenya as the initial focus as well as securing the required financial resources. ITC seeks to secure dedicated resources for sustained country presence, as the current project funding model is insufficient for long-term representation.

Germany acknowledged ITC's progress in achieving 53% female representation among professional staff, noting positive gender parity at the P-3 level (50/50) but highlighting lower representation at higher levels: P-4 (42%), P-5 (43%), and D-1 (17%). Germany inquired if ITC had plans to further improve gender balance at these senior levels. The ED responded by highlighting ongoing efforts to improve gender balance at senior levels, noting that change is gradual due to

existing staff in posts. She mentioned the active recruitments at the D-1 and P-5 levels, that might potentially **change the** gender balance in the coming months. While ITC is taking deliberate steps to improve parity, the ED highlighted that ITC is already unique with two women in top leadership roles. Additionally, the ED pointed out that women represent 80% at the G level, suggesting that greater male representation at this level could contribute to a more balanced gender diversity across the organization.

2. Update on ITC's Window 1 Budget for 2025 and the UNSDG Funding Compact Commitments

The ED provided an update on ITC's W1 budget for 2025 and the UNSDG Funding Compact. The ED emphasized the critical role of W1 core funding for ITC's mandate, especially amid global crises. The ED noted that the UN Funding Compact, adopted in 2019 and updated in 2023, was established to promote more predictable and flexible funding, and underscored the need for regular discussions between UN agencies and member states about core resources, aligning financial support with strategic plans and programmatic goals. The ED mentioned the critical decline in W1 core resources, with contributions projected to fall from \$15 million target to \$7.8 million for 2025, following a broader trend of XB contributions shifting towards earmarked W2 funds tied to specific projects.

The ED stressed that W1 funding is vital for sustaining ITC's core services and impact areas that extend beyond project-specific deliverables, including flagship initiatives like SheTrades, which supports women entrepreneurs globally, and the Ethical Fashion Initiative, which links artisans to international markets with sustainability principles. Such programmes, initially launched through core funding, have expanded with W2 contributions, but depend on W1 resources for continuity and growth. ITC's global public goods, such as the SME Trade Academy with over 100 free courses and widely used market intelligence tools also rely on W1 support. These resources enable MSMEs and policymakers to navigate international trade standards, compliance requirements, and emerging regulations, such as the EU Deforestation Regulation, which ITC supports through dedicated resources and industry roundtables.

The ED also stressed ITC's commitment to transparency and accountability, with improved reporting on W1 results and a readiness to adapt based on funder feedback. In closing, the ED urged donors to engage in collaborative and creative approaches to increase W1 funding, including new financing models that could bring more flexibility and thematic focus to project funding. The ED encouraged donors to participate actively in upcoming bilateral and group discussions, emphasizing that the impacts of securing adequate funding would be transformative for ITC's work and its ability to support its beneficiaries. The ED concluded by opening the floor for questions and comments.

The **United Kingdom** suggested exploring the possibility of using an administrative fee from project funding (XB funds) to subsidize W1 resources and asked if ITC had considered this

approach internally. The ED explained that Programme Support Costs (PSCs) from W2 funds cannot be redirected to support W1, as this is not permitted. The ED emphasized that the two funding windows are strictly separate and that ITC avoids cross-subsidization to address any concerns raised by contributing countries.

The **European Union (EU)** thanked the ED for the transparent request for donor support and acknowledged ITC's proactive efforts, noting the ED's recent visit to Brussels to advocate directly with key decision-makers. The ED responded that, while no commitments had been secured yet from Brussels on flexible financing models, ITC is keeping communication channels open to explore potential options.

Japan expressed appreciation for ITC's focused efforts on MSMEs, highlighting their critical role in economic development. Japan inquired about ITC's work in supporting countries acceding to the WTO, particularly regarding MSME integration within the multilateral trading system. The ED clarified that ITC is actively assisting several acceding countries, including Uzbekistan and Turkmenistan, by helping them align their regulations with WTO requirements. The ED mentioned that specific initiatives, such as in Timor-Leste, aim to equip MSMEs to leverage WTO provisions for trade and export opportunities. The ED noted that while this work requires significant resources, ITC remains committed to supporting these countries in collaboration with WTO to facilitate smooth accession processes.

The **State of Palestine** expressed gratitude for ITC's impactful work in developing countries, particularly in conflict and post-conflict settings such as Palestine. They emphasized the importance of ITC's activities for their people and acknowledged the essential role of donor support in securing the budget needed for ITC projects. Palestine extended thanks to all donors and expressed hope for continued funding to enable further project implementation. The ED responded with appreciation for Palestine's support and trust in ITC's efforts.

3. Presentation of the Finland Ministry for Foreign Affairs Due Diligence Review

Mr. Jussi Nummelin, Counsellor (Economic Affairs), Permanent Mission of Finland, presented the findings of the independent due diligence review conducted by KPMG Finland. This review was required as a prerequisite for resuming Finnish support to ITC following allegations of misconduct in early 2023, which had temporarily halted Finland's funding negotiations.

The review, conducted between April and June 2024, involved 16 internal interviews with ITC staff, including leadership, and 3 external interviews with bodies such as the Office of Internal Oversight Services (OIOS), UNDP Ethics Office and the UNOG Regional Ombudsman. It identified four main observations, each with corresponding recommendations to address prohibited conduct and enhance workplace culture. Firstly, the review raised concerns over the prolonged Office of the Internal Oversight Services (OIOS) investigation and suggested a more expedited timeline to sustain staff morale, while also recognizing ITC's limited control over the timeline. Secondly, it recommended appointing a dedicated intake officer to handle complaints more effectively, and this role has been filled in June 2024. Thirdly, the review focused on ITC's Moving Forward Action Plan (MFAP), which contains 20 action points to enhance operational efficiencies that are

managed across 20 working groups. By April 2024, the auditors found that 6 of these points have been completed, with 14 in progress, and advised clearer prioritization of these efforts for greater focus. Lastly, the review noted that ITC's whistleblower guidelines and mechanisms were still in draft form as of April 2024 and recommended formal adoption of these guidelines to reinforce protections for whistleblowers and clarify reporting channels. ITC subsequently addressed this recommendation by officially opting the guidelines in the second quarter of 2024.

In their closing remarks, Finland concluded that the review met their internal requirements for resuming support to ITC and suggested that the MFAP become a standing agenda item in CCITF meetings with updates employee survey results also presented.

4. Update on ITC Moving Forward Action Plan (MFAP)

The ED expressed appreciation for the Finland KPMG report and noted its value in providing an external perspective on ITC's progress under its MFAP, which includes the Six Point plan to tackle prohibited conduct, and the Twenty Point Plan aimed at enhancing operational efficiency. The ED highlighted the proactive measures taken in response to the findings, particularly on prohibited conduct and a better workplace culture.

Regarding the six action points related to prohibited conduct, The ED mentioned that ITC has completed a comprehensive review of policies on prohibited conduct, which are now formally established in an Executive Director's Bulletin (EDB). These updated policies align ITC's practices with the latest UN standards, focusing on prevention, victim support, and early intervention. The ED stressed the importance of ITC's first intake officer role, a new, independent position created to manage complaints of prohibited conduct impartially. The intake officer, who has extensive experience from IOM, has already positively impacted the organization by increasing staff outreach and trust in ITC's complaint-handling mechanisms.

The ED also provided updates on workplace culture initiatives. First, ITC introduced new benefits for long-serving consultants, including official UN holidays and personal days after seven months of service. The ED also emphasized ongoing challenges around UN regulations, where additional support from New York may be required to implement further reforms. The ED highlighted the broader challenge of adapting ITC's funding model to provide more stable roles amid unpredictable external funding cycles, stressing ITC's commitment to address this as a priority. The ED also shared updates on the ITC Engagement Survey, noting that the survey's insights have driven improvements in leadership training and internal communications, with plans to launch the 2024 survey soon. Finally, the ED discussed the development of "Rules of Collaboration," a new framework for internal teamwork on fundraising, information sharing, and project management, which will soon be presented to senior management for finalization as an EDB. The ED concluded by opening the floor for questions regarding the Finland KPMG review or ITC's ongoing improvements under its MFAP.

The **European Union** thanked both presenters and asked Finland for clarification on what the recent updates might mean for future Finnish contributions to ITC. Finland responded that the review has met its internal requirements and there were no administrative obstacles to restart

active collaboration with the ITC. The ED expressed optimism and interpreted Finland's response as a positive sign.

Sweden thanked Finland for the review and recognized ITC's progress in workplace improvements, noting that such changes take time. Sweden requested any possible updates on the ongoing OIOS investigation, even acknowledging ITC's limited role in the process but referencing possible recent developments. The ED acknowledged the lengthy OIOS investigation process, nearing two years, as a significant challenge. The ED mentioned that a long-term resolution is being finalized and expected to be communicated by November 1, 2024, when further details will be available.

Germany inquired about the future of the intake officer role, given its positive impact on handling internal issues promptly. The ED confirmed that the intake officer position, created specifically for this purpose, reports directly to her and will remain as long as it serves ITC's needs. The ED emphasized that the intake officer role has been instrumental in addressing issues before they escalate to OIOS, improving internal responsiveness and reducing delays in addressing staff concerns.

The **United States** asked for clarification on the OIOS investigation outcome and inquired specifically if a report would be issued on 01 November and how it would be shared. The ED clarified that while no formal report is anticipated, there will be an update provided to CCITF on developments in due course.

The ED concluded the meeting and thanked participants for their contributions.