Delivery of ITC's Strategic Plan 2018-2021

Trade Routes to Sustainable and Inclusive Development

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Acronyms

Unless otherwise specified, all references to dollars (\$) are to United States dollars

AfCFTA African Continental Free Trade Area

ATO African Trade Observatory

CEFTA Central European Free Trade Agreement
COP26 2021 UN Climate Change Conference

ITC International Trade Centre

IoE&IT The Institute of Export and International Trade

GPGs Global Public Goods NTMs Non-Tariff Measures

SDGs Sustainable Development Goals
SPS Sanitary and Phytosanitary measures

TBT Technical Barriers to Trade

UNCTAD United Nations Conference on Trade and Development

UNEG United Nations Evaluation Group

WTO World Trade Organization

Introduction

This report presents ITC's performance against the commitments of the Strategic Plan 2018-21.

ITC's Strategic Plan 2018-21 served to direct the organization and to set out the path towards the achievement of ITC's vision, mission, through setting medium-term priorities, results targets, programmatic milestones and corporate initiatives.

Midway into the implementation of the Strategic Plan 2018-21, the COVID-19 pandemic struck, and priorities shifted towards emergency responses, especially in implementing ITC's projects in the field and increasing access to information amid trade disruptions via ITC's suite of Global Public Goods. Operational adjustments and all COVID-19 related shifts in delivery were reflected in ITC's annual Operational Plans.

This report presents a holistic picture of ITC's deliverables in view of the commitments made in the Strategic Plan 2018-21. It showcases cumulative quantitative results, and highlights key achievements in each focus area, in accordance with the defined priorities. It maps and organizes all the deliverables produced by ITC staff against the same corporate strategic results structure of the Strategic Plan 2018-21, contributing to transparency, identity and credibility.

The report is complementary to ITC's evaluation of the Strategic plan 2018-21 that provides an assessment of the strategic plan as a tool to improve the organization's performance in the areas related to vision, planning, measurement, reporting, and decision-making. The assessment found that the Strategic Plan 2018–2021 effectively provided ITC with a directional, yet flexible operating framework. It conveyed a clear sense of purpose and had built trust, both inside and outside ITC. The evaluation report identified lessons to be implemented under the new Strategic Plan: develop an implementation framework to bridge between high-level, medium-, to long-term corporate objectives and annual operational objectives; ensure strategic allocation of resources; and regularly review progress and lessons learned from strategy implementation.

The report is based on ITC's Annual Reports, Consultative Committee of ITC Trust Fund reports, Operational Plans, and inputs from ITC teams.

2018-2021 AT A GLANCE

Our Resources

In the Strategic Plan 2018-2021, ITC set out to grow its extra-budgetary (XB) delivery by 18% between 2018 and 2021 to meet demand for its services. ITC exceeded its this target, reaching an XB delivery of \$107 million in 2021 achieving 68% growth in delivery over the period.

Who has benefitted?

In the Strategic Plan, ITC intended for 45% of our micro, small and medium-sized enterprise (MSME) clients to be female-owned or operated. We promised to reach over 15,000 MSMEs annually, connect 3 million women to market, build the skills of 100,000 youth and catalyse \$100 million of investment deals by 2021.

In line with our commitments, by the end of 2021, 44% of ITC's MSME clients were female-owned or operated. ITC reached an average of 19,500 MSMEs annually, connected over 3 million women to market, built skills of over 100,000 youth, and catalysed over \$147.5 million in investment deals.

Where?

As committed in the Strategic Plan, ITC consistently delivered over 80% of its country-level assistance in least developed countries (LDCs), landlocked developing countries (LLDC), small island developing states (SIDS), small vulnerable economies (SVEs), conflict-affected and fragile states, and sub-Saharan Africa (SSA). ITC prioritized work in the green economy, agricultural, services and digital trade sectors, which have a high potential for employment creation and inclusive growth. COVID-19 validated and reinforced the beneficiary needs in these areas of work.

How?

To achieve our goals, ITC designed a set of key initiatives across its six focus areas and their programmes, complemented by initiatives aimed at increasing organizational efficiency and effectiveness.

With whom?

ITC worked with **policymakers, business support organizations, private sector** and **other development agencies** for the benefit of MSMEs. Between 2018-2021, ITC developed and deepened several strategic global partnerships to tackle a range of developmental challenges particularly in the areas of the environment, sustainability, socio-economic inclusion, women's economic empowerment, ecommerce and inclusive and resilient value-chains. To promote women's economic empowerment, for example, we worked with a range of partners including Absa Bank, Bamboo Capital Partners, Maersk, UPS Foundation on a range of initiatives, which have included increasing access to finance, access to mentorship and trainings to build export competitiveness, as well as support on logistics services. More examples of our partnerships can be found in Chapter 4.

CHAPTER 1 SHIFTING LANDSCAPES

Over the course of implementing the Strategic Plan 2018-2021, ITC's objective remained unchanged: to help MSMEs fully participate in regional and international value chains in line with the goals of Agenda 2030.

While working toward the goals and targets outlined in the Strategic Plan, ITC continued to be responsive to external events. Two significant events, in particular, had an impact on the nature of ITC's delivery on the Strategic Plan.

The first was the ratification of the African Continental Free Trade agreement in 2019 leading to the establishment of the African Continental Free Trade Area (AfCFTA). The AfCFTA promises to boost intra-African trade and the goal to support its operationalization quickly gained strategic importance. Prominent examples of ITC's work in this area include the development of the <u>African Trade Observatory</u> (ATO), an instrument to help the African Union capture and monitor intra-African trade.

The second event was the outbreak of the COVID-19 pandemic in early 2020 which led to ITC's transition to teleworking and adoption of remote approaches to delivery. Despite disruptions, ITC continued to provide quality assistance to our beneficiaries, ensuring that our programmes remained relevant and accessible. We worked closely with our stakeholders, beneficiaries, funders and partners to craft innovative programmes that responded to the changing needs of our clients e.g. trade intelligence, financing, new partnerships, new businesses opportunities, and in some cases, new skills to navigate the crisis. For example, we set up the COVID-19 Temporary Trade Measures Dashboard to monitor temporary trade measures enacted by governments in response to the pandemic. Our flagship annual publication, the SME Competitiveness Outlook 2020 centred its analysis on the impact of the pandemic on small business, and the SME Competitiveness Outlook 2021 focussed on how small businesses can rebuild from the pandemic so they are prepared to face the looming climate crisis. In May 2020, ITC launched a 15-point action plan to help small businesses survive the pandemic which includes recommendations such as optimizing cash management and re-orienting activities toward business continuity. In October 2021, ITC participated at the G20 trade and investment ministerial meeting where we highlighted the importance of increasing efforts to re-build the services sector, and assisting MSMEs to contribute to and benefit from green trade and women's economic empowerment.

Examples of activities and initiatives relating to the AfCFTA and the COVID-19 pandemic are outlined throughout this report.

In the reporting period, rising insecurity in a number of ITC's priority countries had an impact on our delivery. Security challenges arose from internal conflicts; and political unrest in the case of Afghanistan, Colombia, Mali and Myanmar, leading to delays in project implementation, reduced project operations, and in some instances, a temporary ceasing of activities. In all cases, ITC continued to engage with partners on the ground to support our clients, manage project risks and adopt flexible approaches to implementation.

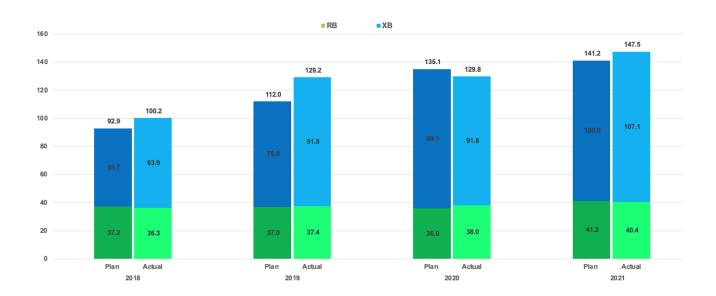
CHAPTER 2 TRADE COMPASS

Growing to meet strong demand

ITC's budget consists of a regular budget (RB), which is financed in equal parts by the United Nations and the World Trade Organization and remained stable over the four years, and extra-budgetary (XB) voluntary contributions from donor governments, national development agencies, business support organizations, international organizations, civil society, the business sector, non-profits, academia, and a variety of foundations.

In line with our commitment to grow to meet demand, ITC's delivery increased to \$147.5 million in 2021, exceeding our original, conservative target of \$102 million. ITC's growth was based on increased extrabudgetary contributions, a result of our continuous efforts to build trust, value for money propositions and strong partnerships with a wide range of organizations. ITC's strong growth was possible due to our approach of implementing large scale projects in collaboration with national and local partners and combining an increased ITC in-country presence with strong HQ services.

Figure 1 Pattern of ITC's delivery of technical assistance, by source of funding, \$million, 2018-2021



Source: ITC's annual Operational Plans and CCITF reports (2018-2021) Planned figures as per annual Operational Plans

Strategic Focus

In 2018-2021, ITC consistently delivered over 80% of its country level interventions to priority countries. This group of countries consists of least developed countries (LDCs), land-locked developing countries (LLDCs), small-island developing states (SIDS), small vulnerable economies (SVEs), conflict-affected countries and fragile states, and sub-Saharan Africa (SSA).

For LDCs in particular, ITC's delivery targeted 50% or above in 2018-2020, and 45% in 2021. Our average actual LDC delivery from 2018- 2021 stood at about 53% of country-specific delivery.

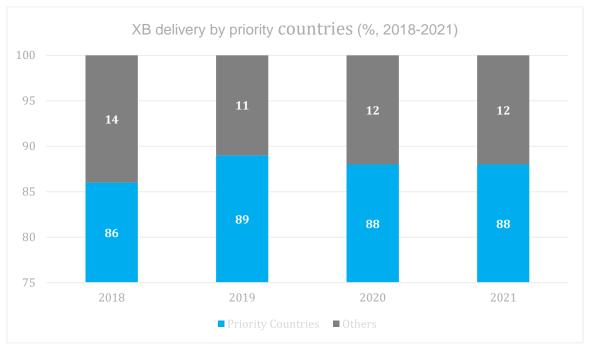


Figure 2 ITC's extrabudgetary (XB) delivery by priority countries (2018-2021)

Source: ITC's year-end CCITF reports (2018-2021)

In 2018-2021, in line with our commitment in the Strategic Plan, we increased our presence on the ground through our project offices, reflecting our deepening engagement in country and regional interventions. By the end of 2021, ITC had 42 in-country project offices compared with 15 in January 2018. We also worked closely with local partners, such as national governments, business support organizations, local sector associations, the private sector, and UN country teams to prioritize 'good trade' in development plans. For instance, between 2018 and 2021, ITC signed 27 UN Sustainable Development Cooperation Frameworks and engaged in 22 UN Common Country Assessments.

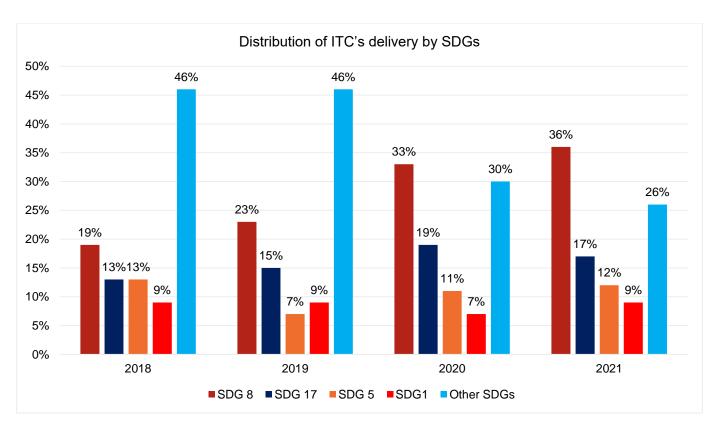
Contribution to the Sustainable Development Goals

Agenda 2030 identifies international trade and investment as an 'engine for inclusive economic growth, job creation and poverty reduction.' In 2018-2021, ITC:

- tracked its contributions to 11 Global Goals with 37 interconnected targets;
- Our focus was on Goals 1,5,8 and 17 with significant contributions to SDGs 2,4,9,10,11,12,13 and 16. Throughout the reporting period, ITC consistently directed over 30% of financial delivery toward Goals 8 and 17, which represent our core work;
- Goal 13 on Climate Action was added in 2020 to our list of SDGs, reflecting ITC's increased focus
 on environmental goals and our commitment to developing the green economy.

Along with WTO and UNCTAD, ITC is the custodian agency for indicators 10.a¹, 17.10²,17.11³ and 17.12⁴.

Figure 3 Distribution of ITC's delivery by SDGs, 2018-2021



Source: ITC's CCITF reports (2018- 2021)

^{*} In 2018 and 2019, contributions to Goal 10 on Reduced Inequalities were accounted for under 'other SDGs', partly explaining the high delivery linked to this group in those years. From 2020, Goal 10 was not counted separately as the interconnected nature of the SDGs means that ITC's contributions to Goals 1,4, and 5 were also contributions to Goal 10 (10.1 and 10.2),

¹ Indicator 10.a refers to differential tariffs for least developed countries

² Indicator 17.10 refers to promoting a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the World Trade Organization, including through the conclusion of negotiations under its Doha Development Agenda

³ Indicator 17.11 refers to significantly increasing the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020

⁴ Indicator 17.12 refers to realizing timely implementation of duty-free and quota-free market access on a lasting basis for all least developed countries

CHAPTER 3 ROUTE MAP: 2018-2021

Core products and services: integrated solutions

In 2018-2021, ITC focused its interventions in six areas where it enjoyed comparative advantage and had value to add. The six focus areas were further specified through fifteen programmes. All programmes within were underpinned by a theory of change, linking to ITC's vision, mission and goals. This report reflects how ITC provided clients with integrated solutions through the programmes in each of focus area (detailed below). Achievements and progress in each focus area are highlighted in line with the priorities defined by ITC's Strategic Plan.

Globally Accessible Trade and Market Intelligence

One of ITC's core mandates is to provide MSMEs, BSOs and policy makers with reliable, real-time market intelligence to recognize business opportunities and take informed trade and business decisions. Our online global public goods (GPGs) provide information on trade and investment flows, non-tariff measures, market access data, export potential, among others. The courses offered by ITC's SME Trade Academy complement our market analysis tools by equipping business owners with the right skills for success in the international markets and strengthening the capacity of trade and investment support institutions.

For 2018-2021, ITC sets its strategic objectives for this area of work as follows:

"During 2018- 2021, we will invest in providing greater granularity of information, building on new levels of data availability. We will also invest to better connect ITC trade and market data with that of the WTO, UNCTAD and UN Secretariat. With data on the four SDGs, we will contribute to global monitoring of progress on the SDGs. We will work to achieve scale by partnering with others, and expanding our network of users. Finally, we will invest in supporting countries to better assess, measure and improve MSME trade competitiveness by expanding the coverage of our MSME benchmarking, and publishing our analysis in ITC's annual SME Competitiveness Outlook."

Strategic Plan 2018-2021 p.p 28-29

In the reporting period, ITC expanded, developed or maintained over 30 market analysis tools, databases and websites, each designed to increase access to trade intelligence information and data and provide greater granularity of information. Trade Map, for example, significantly increased coverage of importing and exporting companies, and now provides contact details and related information of more than two million companies that engage in international trade, with trade data available for 100 countries.

New online market analysis tools developed during the period include the <u>Market Price Information Portal</u>, the <u>Rules of Origin Facilitator</u>, and the new <u>Market Access Map</u>, which contains the <u>COVID-19 Temporary Measures Dashboard</u> to monitor temporary trade measures adopted by governments in response to the outbreak of the pandemic.

In the reporting period, ITC continued to *work to achieve scale by partnering with others*. One outcome was the <u>Global Trade Helpdesk</u>, which was officially launched in June 2020. ITC developed the Global Trade Helpdesk in partnership with WTO and UN agencies, in line with our commitment *to better connect ITC trade and market data with that of the WTO, UNCTAD and UN Secretariat*. The Global Trade Helpdesk integrates trade and business information from 11 partner agencies into one single portal, simplifying market research for MSMEs interested in pursuing trade opportunities. By the end of 2021, more than 80,000 users had accessed the portal.

Another tool to highlight is the <u>African Trade Observatory</u> (ATO), which ITC developed in partnership with the African Union and the European Union in support of the newly established African Continental Free Trade Area (AfCFTA). The African Trade Observatory is a comprehensive trade portal that allows its users to access and compare trade and market information across countries at detailed product level, and that

helps the African Union to better monitor the continent's progress towards trade integration and support policy decisions. In 2019, under the umbrella of the ATO project, ITC launched a <u>tariff negotiation tool</u> to support AfCFTA members' negotiations on liberalizing tariffs. In 2021, ITC incorporated a real-time customs data module into the tool. By end 2021, the module was operational in four countries, with the expectation that the country coverage would expand.

Other integrated solutions include the <u>Central Asia Trade Intelligence portal</u> and the <u>Eastern Partnership Trade Helpdesk</u> online portal.

Furthermore, ITC contributed to global monitoring of progress on the SDGs with the release of the beta version of the <u>SDG Trade Monitor</u>, which was developed in partnership with the WTO and UNCTAD. The SDG Trade Monitor is available in multiple languages with functionalities allowing users to compare, explore from a country and product perspective, download information, and prepare customized analytic reports.

Raising awareness of trade obstacles is vital to increasing transparency and reducing the costs of trade. From 2018 to 2021, ITC surveyed 8,402 importers and exporters across 72 countries to understand their experiences with trade regulations, procedures, and related obstacles to trade. The survey results provided an evidence base for governments to better understand the challenges faced by their business sectors, and how to strengthen regulations and strategies to foster trade. ITC expanded its approach to also capture data on obstacles to services trade. Surveys in Bahrain, Ghana, Niger, the European Union, Uganda and Viet Nam documented the experiences of over 2,000 services traders, creating unique insights, particularly for developing countries, on the types of companies active in services trade, types of services traded, modes of supply, the origin of foreign clients, and barriers to achieving the export potential of services trade. Between 2018-2021, ITC also produced 15 country specific publications on non-tariff measures along with seven guidebooks and two working papers on rules of origin.

In the reporting period, ITC achieved its goal of *expanding its network of users* of GPGs by 49%. In 2021, ITC's suite of trade and market analysis tools registered over 1.2 million users for the first time ever. About 40% of registered users of these globally accessible public goods were women.

Similarly, the SME Trade Academy registered 118,000 users by the end of 2020 with over 341,000 online course registrants between 2018 and 2021. In 2020, the SME Trade Academy developed a new course, *A one-year Diploma in International Trade*, jointly with the United Kingdom Institute of Exports and International Trade (IoE&IT). The course is offered online and via local national partners. The first cohorts of the course were formed by the Ghana Export Promotion Authority and the Nigerian Export Promotion Council. New courses launched in 2021 included topics such as Becoming a Climate Resilient SME and Blockchain for Trade.

The SME Trade Academy played a vital role in ITC's response to the first COVID-19 lockdown in March 2020. The restrictions resulted in the sudden termination of all face-to-face workshops, leading to increased requests for the academy's assistance in taking previously planned in-person workshops online. In response, the academy developed a "Virtual Workshopping" service, which provided a virtual framework, tools and support to project teams enabling them to run workshops online in a pedagogically sound way, combining asynchronous and synchronous activities on a learner management system.

ITC also supported *countries to better assess and improve MSME competitiveness by expanding coverage* of our SME competitiveness assessment tools. Through the SME competitiveness surveys, implemented in partnership with national bodies, ITC collected novel data on more than 31,485 companies in over 50 countries. The information fed into ITC projects and was disseminated through 19 country-specific reports that highlighted opportunities to improve small business competitiveness. In the 2020 SME Competitiveness Outlook, ITC also disseminated 85 country profiles with a projected drop in supply chain trade, complemented by regional assessments.

In acknowledgement of the fact that country comparisons and rankings are increasingly questioned due to their inability to account for national particularities, the SME Competitiveness Index was not published as a country comparison, as originally planned in the Strategic Plan, but underlying national calculations were reflected in our country-specific reports and country profiles.

The SME Competitiveness Outlook continued to produce data-driven annual reports on critical themes for SME Competitiveness. At the onset of the pandemic, ITC launched the COVID-19 Business Impact Survey, the first of its kind, to understand how MSMEs were affected. The survey gathered data from about 13,884 firms across 138 countries, the results of which were published in the 2020 SME Competitiveness Outlook, The Great Lockdown and its Impact on Small Business. Downloaded over 9,000 times by December 2021, the analysis and policy recommendations contained in the report provided crucial information to policymakers keen to ease the challenges faced by MSMEs. In 2021, the SME Competitiveness Outlook, Empowering the Green Recovery, combined ITC's competitiveness data with information from the COVID-19 Business Impact Survey to provide specific recommendations on how to build MSME resilience in the post- COVID era, taking in account the threat of climate change. The report was downloaded over 7,000 times by the end of the year.

A Conducive Business Environment

"ITC will deepen its support to developing countries in their efforts toward trade and investment facilitation. The organization will support clients in addressing non-tariff barriers, including through implementing trade facilitation reforms, harmonizing Sanitary, Phytosanitary and Technical Barriers to Trade measures, regulatory reforms for logistics service providers, e-commerce and informal cross-border trade. We will improve our tools and methodologies for value chain and trade and investment strategies, with particular attention to regional strategies and service sector strategies. We will also support our clients in developing sustainable mechanisms to implement their strategies effectively."

Strategic Plan 2018-2021 p.p. 30-31

A conducive business environment is vital to building a competitive economy that supports the internationalization of MSMEs and encourages innovation. Through facilitating public-private dialogue, ITC ensures that the interests of the business community are accounted for in trade policy formulation. These include matters such as accession to the WTO, supporting on-going multilateral trade negotiations and the implementation of the WTO Trade Facilitation Agreement (TFA). ITC also helps governments develop domestic policy and regulatory frameworks in compliance with their multilateral and regional trade and investment commitments. Further, ITC assists countries formulate and implement trade and investment strategies through, for example, the development of national export and investment facilitation strategies.

ITC deepened its support to developing countries in their efforts towards trade and investment facilitation. In the reporting period, ITC undertook a number of activities to support countries in their efforts to engage in WTO processes. By the end of 2021, ITC had directly supported seven countries, namely Afghanistan, Iraq, Liberia, Sudan, Tajikistan, Timor-Leste and Uzbekistan, in their accession to the WTO, including through the required pre- and post-accession processes. ITC and the WTO organized joint regional roundtables on WTO accession, which saw the participation of representatives from the Comoros, Equatorial Guinea, Somalia and South Sudan. ITC also organized preliminary activities aimed at supporting Turkmenistan's and Bhutan's accession to the WTO.

In support of trade negotiators, ITC delivered an annual six-week training course on digital commerce jointly with the Diplo Foundation and CUTS International Geneva. In 2018-2021, through this course, over 80 trade negotiators enhanced their knowledge and capacity to engage in WTO e-commerce negotiations. ITC also hosted a series of webinars on other joint initiatives under negotiation at the WTO, including services domestic regulation, investment facilitation, MSMEs, trade and environmental sustainability. In 2020, ITC launched a new project on investment facilitation for development, building the capacity of developing and least developed countries to enhance their participation in WTO negotiations on investment facilitation. Over 40 events of various types (high-level roundtables, trainings, public webinars, stakeholder and expert consultations) were held, which saw the participation over 3,500 people. The project also produced high-quality publications, including a toolkit for policymakers, an inventory of concrete measures to facilitate the flow of sustainable investments, and several policy briefs examining the key technical and legal issues in WTO negotiations.

Beyond engagement with the WTO, ITC sought to foster a conducive investment environment through supporting governments implement multilateral and regional trade and investment related commitments. In Lao PDR and Myanmar, for example, ITC undertook diagnostic assessments on the countries' level of compliance with the ASEAN Trade in Goods Agreement (ATIGA) with the objective of supporting them to better implement its provisions and leverage its benefits. ITC also developed several investment facilitation guides including step-by-step procedural guides to enhance transparency and efficiency in Kenya, Mozambique and Zambia; sectoral investment profiles to promote and facilitate investments in Sri Lanka, Lao PDR, Bhutan, Ethiopia, Kenya, Mozambique and Zambia; as well as tax compliance guides for foreign investors to comply with tax regulations in the four above-mentioned African countries.

ITC also supported 25 countries in their implementation of the WTO Trade Facilitation Agreement (TFA) for enhancing the efficiency of cross-border trade. In many cases, we provided long-term, multi-year support, which included helping beneficiary countries to establish or upgrade their trade facilitation portals, implement advance rulings and authorized economic operator schemes, enhance risk-management practices, introduce pre-arrival processing and acceptance of copies, upgrade single window environments, and conduct time release studies, among others. A strong emphasis was placed on supporting the automation of trade formalities i.e. the digitalization of certificates of origin, introduction of solutions for the payment of fees and charges, and promotion of virtual line management systems to reduce queues of trucks at border crossings. ITC further developed and implemented new services towards creating a gender-responsive trade facilitation environment through active collaboration with customs administrations and other border regulatory agencies.

On the side of the business community, ITC deepened and broadened its assistance through developing TFA training curriculums, supporting their management of cross-border formalities, building their capacity to comply with trade requirements and continually supporting private sector associations in advocating for business-friendly trade facilitation reforms.

ITC also implemented new technical assistance services in the area of small-scale cross border trade. For example, we established trade information desks at selected border crossings in Africa, e.g. the border between Niger and Nigeria, to support traders to shift to formal trade and to help them navigate border requirements. ITC was instrumental in advancing regional and bilateral negotiations towards the operationalization of a simplified trade regime between Zambia and the Democratic Republic of Congo that reduced documentation requirements for small scale cross-border traders.

As part of its COVID-19 response, ITC fast- tracked implementation of key trade facilitation reforms to help governments cope with the pandemic. In Viet Nam and Burkina Faso, for example, ITC conducted a digital mapping of cross-border trade procedures for selected product groups in their trade facilitation portals so that businesses had timely access to trade-related information and COVID-19 measures affecting trade. In Burkina Faso, this exercise eventually led to a simplification of cross-border procedures resulting in a 10% reduction in interactions between traders and staff of border agencies and an hour's reduction in the total amount of time required to import or export.

ITC's national and regional export strategies set priorities, specify actions and resources to boost trade competitiveness in client countries. In 2018-2021, ITC developed a series of national and regional strategies and roadmaps in support of government trade priorities, in line with our commitment to *improve our tools* and methodologies for value chain and trade and investment development strategies. These included a five-year national export strategy for Sri Lanka, launched in 2018 to increase exports and enhance regional cooperation; and one for Curaçao that incorporated strategies for the services sector including creative industries, financial services and information technology. In Bhutan in 2019, ITC produced an investment strategy and a related analysis of the regulatory and legal framework for attracting foreign direct investment. The investment strategy was updated in 2021 to include the COVID-19 context and the country's renewed commitment to green growth and digitalization. ITC also provided support to Sri Lanka to develop and implement modern industrial policies in alignment with its trade and investment policies, which account for overarching growth, the country's developmental goals and prioritizes green growth, services trade, and digitalization. In Mongolia, ITC piloted the trade and investment roadmap methodology.

A country's economic growth is often determined by the vitality of particular sectors. To this end, ITC also developed strategies with a specific sectoral focus such as in Nepal, where ITC developed an export strategy

for the country's pashmina value chain, which was fully validated by stakeholders along the entire value chain in 2021. In February 2021, ITC launched the first ever <u>Creative Industries Export Strategy for Bhutan – 2021-2025</u>, which provides a clear pathway for the reforms required to establish a high-quality and sustainable creative sector in the country.

By the end of 2020, ITC had also ensured that youth development, e-strategies and investment were mainstreamed into the national export strategy design process so that each forthcoming strategy would include these goals.

Beyond working with national partners to design national, regional and sectoral export strategies, ITC supported the implementation of the strategies through multiple initiatives including capacity building workshops and advisory services.

In 2018-2021, ITC supported several countries in addressing non-tariff barriers including Sanitary and Phytosanitary (SPS) measures and Technical Barriers to Trade (TBT). ITC provided multi-year support to a number of countries to strengthen national quality strategies and regulatory frameworks through supporting the design of their national quality policies, assessing their SPS infrastructure, and strengthening testing laboratories and national standards bodies, among others. Through the first phase of the Advancing Afghan Trade Initiative, for example, ITC developed a National Export Strategy for Afghanistan (2018-2022) where we committed to providing advisory services and technical assistance in the area of sanitary and phytosanitary measures and quality management for the duration of Afghanistan's National Export Strategy implementation. Some examples of our support include the development of a draft National Quality Policy for Afghanistan, advisory services on legal metrology, in-house training to the Afghan National Standards Authority, assessments of testing labs, and equipment for the country's new metrology laboratory, which was inaugurated in July 2019. National Quality Policies were also developed for Burundi (2019), the Comoros (2020) and South Sudan (2021).

Similarly, since 2017, ITC has adopted a bottom-up approach to mobilize private sector actors from all segments of selected value chains (metal and vegetables) to identify, prioritize, analyse and address distortive trade barriers that negatively impact intra-regional trade among six of the Central European Free Trade Agreement (CEFTA) parties (i.e. Albania, Bosnia and Herzegovina, Kosovo, Montenegro, Serbia and North Macedonia). ITC then conducted a number of studies to identify root causes of the trade barriers and to recommend reforms. These included analysis of the SPS-TBT regulatory and institutional frameworks at national and regional levels, business processes to identify inefficiencies and bottlenecks in trade facilitation, testing laboratories and their technical capacities, risk management practices and the documents and data requirements across all participating CEFTA parties.

In another example, in 2020, ITC developed and launched the <u>EAC Quality for Trade Portal</u> under the <u>MARKUP project</u>, which serves as a one-stop quality shop for users in the East African Community looking to understand quality requirements in international markets and seeking support or services from relevant institutions. The portal was replicated for other African (Ethiopia, Ghana) and Asian (Lao PDR, Myanmar) countries in 2021. The Quality for Trade portal contains three modules: Quality Compass, which enables users to find quality requirements for their products, in relation to their origin, destination markets and product-related standards; while the Quality Connect module serves to connect a global network of Quality Champions developed under ITC's technical cooperation projects, quality-related service provider institutions and other individual members. In 2021, EAC Quality for Trade portal was upgraded to include Quality Success, which showcases success stories of MSMEs in the area of quality and food safety.

At the same time, ITC implemented a number of initiatives to make it easier for small businesses to *navigate* regulatory reforms for logistics service providers, e-commerce and informal cross-border trade. In 2018, ITC supported the Sri Lankan government in their efforts to upgrade their regulatory framework for e-commerce, maritime, logistics and tourism services as well as Pakistan in undertaking regulatory reforms and upgrading institutional capacities in domestic commerce, agriculture, MSME development, food safety and SPS. ITC also supported Lao PDR, Bhutan and Malaysia to create a more conducive e-commerce business environment. In Thailand, ITC continues to support the Competition and Public Procurement authorities to enhance understanding, undertake reforms, and create a more predictable environment for MSMEs.

ITC also reviewed regulatory frameworks related to services and investment with the objective of understanding the reforms required to facilitate a more competitive business and investment- friendly

environment. In Sri Lanka and Lao PDR, ITC undertook regulatory assessments for selected services sectors in order to facilitate compliance with the countries' multilateral and regional commitments on services trade and to improve regulatory and governance frameworks. Further, in Sri Lanka, ITC undertook an investment law gap analysis to assess the regulatory reforms required to comply with its international investment treaties and agreements.

ITC delivered the Ready for Trade (Ready4Trade) initiative in four Central-Asian countries to promote intraregional and international trade. The intervention aimed to enhance the transparency of cross-border requirements, remove regulatory and procedural barriers, and strengthen business capabilities to comply with trade formalities and standards, also against the COVID-19 backdrop. In this context, ITC facilitated the design of e-commerce and e-services strategies for Kyrgyzstan, Tajikistan, Uzbekistan and Turkmenistan. ITC worked with partners to transform digital disruption into business opportunities, especially for the benefit of MSMEs. ITC developed a portfolio of solutions on e-strategies to help developing countries identify and prioritize growth trajectories and strategic initiatives that support e-trade development and digital transformation.

The two-dimensional e-strategies approach covered: e-business strategies, which explore online business in priority sectors and value chains through e-commerce, and ICT strategies, which cover growth strategies for digitally-enabled sectors like IT-enabled services, creative industries and software development.

Stronger Trade and Investment Support Institutions

"ITC will adapt [our] tools and methodologies to a broader base of institutions, build their skills and services for the digital age and for providing services to promote inclusive and sustainable growth. Particular attention will be paid to the ecosystem of support, bringing operational aspects of trade and investment and public and private service providers together. ITC will continue to develop networks of TISIs, in particular on a regional level, in order to promote regional economic integration and support countries' efforts to leverage their participation in trade and economic diplomacy."

Strategic Plan 2018-2021 p.p.32-33

Trade and Investment Support Institutions (TISIs) are integral to the internationalization of MSMEs. Strong TISIs provide MSMEs with the required support, networks, knowledge and resources to build competitiveness. TISIs often act as a link between the public and private sector, voicing the concerns of the business community to policymakers, and contributing to the development of effective trade and investment policies. ITC's Trade and Investment Support Institutions Strengthening Programme aims to improve the managerial and operational performance of TISIs, mainly through the provision of advisory services and training programmes. Interventions are based on a comprehensive approach called 'AIM for Results: Assess, Improve and Measure TISI performance'.

In 2018-2021, ITC delivered on its promise to *adapt its tools and methodologies to strengthen a broader base of institutions.* ITC's tools were used to effectively assess, strengthen, and connect a range of business support organizations including trade and investment promotion agencies, chambers of commerce, sector and business associations, producer groups, cooperatives, incubators and vocational training institutions.

By the end of 2021, ITC's support resulted in 1,626 cases of institutional improvements. ITC supported organizations to assess and improve performance, develop clearer strategies, adapt their service portfolios, establish results measurement systems, strengthen networks and optimize the use of resources at their disposal. In 2018, for instance, ITC and Business France started the MOPSE programme, a two-year initiative, to support the export promotion programmes of trade promotion organizations in 21 countries in sub-Saharan Africa. In the same year, ITC piloted a new standardized approach for the management of impact reporting. It was tested in several countries including Costa Rica, Sri Lanka, Senegal and United Arab

Emirates. In 2021, the impact standard was embedded in ITC's work on assessments, strategy development and results measurement particularly for trade promotion organizations. In view of the relevance of cooperatives in many countries, for small-scale producers and buyers, ITC developed a tool to assess their performance, which was rolled out among more than 25 cooperatives in The Gambia, Kenya, Tanzania, Uganda and Zambia in 2019.

To support business support organizations (BSOs) manage the COVID-19 pandemic, ITC developed the REACT tool to measure their responsiveness in the face of external shocks and help them build five key attributes – readiness, expertise, agility, connectedness and trust – that are required to ensure that they continue to provide relevant support to businesses. The REACT tool was deployed under ITC's <u>United Kingdom Trade Partnerships Programme</u>, which assists selected countries in Africa, the Caribbean and the Pacific Islands improve their trade and economic relationship with the United Kingdom and EU. Forty-nine beneficiary institutions applied the REACT model, and were able to identify structural weaknesses, which the programme helped them address through a series of e-learning courses and webinars.

ITC fast-tracked initiatives to *build skills and services for the digital age*, as outlined in the Strategic Plan. Along with a new service offering on digitalization for BSOs, we developed new guides and methodologies to organize virtual trade promotion events.

ITC developed a new benchmarking platform for BSOs, which includes indicators on digital readiness, sustainability and inclusiveness. The platform also allows BSOs to measure the competitiveness of their client MSMEs.

One of our goals was to pay attention to the broader ecosystem of support. BSOs working within an effective ecosystem can together provide the networks, knowledge and resources for businesses to build competitiveness and thrive within an economy. In 2019, ITC developed a methodology to map a country's business support ecosystem and analyse its networks of entrepreneurship and business support organizations. The tool was then tested in Bhutan and The Gambia to identify gaps and understand the challenges faced by entrepreneurs. The methodology was also deployed in 2021 on behalf of the UN Capital Development Fund (UNCDF) to map the entrepreneurship ecosystem in seven Pacific Island nations, with recommendations that will shape the design of existing and future projects in the region.

In 2021, we adopted a regional approach to our work with business support organizations, in the EU-funded <u>WACOMP project</u>, where ITC was instrumental in establishing a formal network of ECOWAS Trade Promotion Organizations mandated to support regional integration and share opportunities related to the AfCFTA.

Per our commitment in the Strategic Plan, ITC *supported countries to leverage their participation in trade and economic diplomacy.* In 2019, ITC updated its guide for Foreign Trade Representatives, which supports commercial diplomats in networking, creating partnerships, building business intelligence and promoting trade and investment. The publication, *A Guide to Commercial Diplomacy*, was further updated in 2020 as an innovative e-publication to include COVID-19 related insights, practical checklists, and stories of the work of commercial diplomats in the field. ITC also conducted a series of courses on commercial diplomacy for business support organizations.

Connection to International Value Chains

"In 2018-2021, we intend to deepen the understanding of opportunities and competitiveness factors in new and rapidly changing value chains, help MSMEs adjust to new production and consumption patterns, and connect MSMEs to new markets including through online market places."

Strategic Plan 2018-2021 p.p. 34-35

MSMEs in developing countries often face challenges in connecting to international value chains. Chief among these is providing value-added products and services that attract international demand. ITC supports countries in increasing the value that can be created at each stage of a supply chain. This could take the

form of helping businesses improve operational practices, linking them to innovative financing, assisting them in enhancing product quality and packaging, linking them to buyers and investors or connecting them to online markets through our e-commerce programme. We build alliances among value-chain actors to improve coordination and to promote a supportive ecosystem for the growth of MSMEs. ITC's Alliances for Action (A4A) methodology promotes inclusive and sustainable agricultural value chains and focuses on increasing the competitiveness of producers while adhering to environmental, economic and social standards.

In 2018-2021, ITC rolled out a number of initiatives in access to finance, sustainable sourcing, decommoditization and compliance with international market and quality standards to deepen the understanding of opportunities and competitiveness factors in new and rapidly changing value chains, [and] help MSMEs adjust to new consumption and production patterns.

ITC intensified its work to connect MSMEs to innovative financing. In The Gambia, for example, ITC's Youth Empowerment Project (YEP) launched a mini-grants and a mini-loans scheme by partnering with the National Association of Cooperative Credit Unions of The Gambia (NACCUG), a local financial institution. The first targeted grass-roots entrepreneurs who need financing to set up their small business and obtain the necessary equipment. The second offered financing for youth-led MSMEs to grow and expand their businesses. ITC also signed an MOU with the Trade Development Fund in East Africa to help connect MSMEs to lower cost financing across five countries in the region which will serve as a pilot for such schemes across ITC's portfolio.

ITC's value- added to trade initiatives focused on expanding sustainable sourcing partnerships and transforming traditional exports through de-commoditization. In East Africa, under the MARKUP project, Value Added to Trade interventions supported 1,000 entrepreneurs in agribusiness from the East African Community to secure more than \$10.5 million in sales. The programme supported 3,000 MSMEs become more competitive and helped them secure more than \$9 million worth of loans, grants and investments. Through the Netherlands Trust Fund IV project, the programme supported the creation of 8,500 jobs in the IT&ITES, tourism and cocoa sectors in Myanmar, Senegal, Uganda and the Mano River region; supporting sales from beneficiaries of over \$65 million, an increase of 41% over pre-intervention sales.

Under the <u>Colombia Puede</u> project, ITC worked with 20 farmer associations in the Tahiti lime, coconut and cocoa sectors to increase environmental sustainability and to support the access to quality certifications, strengthen the skills of producers and associations alike, and identify relevant business opportunities. In 2020, with ITC's support, 51 farmers received official export certification by the Colombian Agricultural Institute, 17 farmers obtained an organics re-certification, and an additional 13 farmers achieved GLOBAL G.A.P. certification.

Under the Growth for Rural Advancement and Sustainable Progress project (GRASP) in Pakistan, ITC worked with FAO and the Pakistan Poverty Alleviation Fund (PPAF) to increase agricultural productivity in the districts of Sindh and Balochistan. In response to the COVID-19 pandemic, GRASP engaged in the United Nations socioeconomic impact assessment and response plan for Pakistan. In coordination with FAO, government and national partners, GRASP coordinated the delivery of €1.1million in emergency assistance to individual entrepreneurs and MSMEs.

ITC rolled out the Alliances for Action approach to 25 countries, applying it to six value chains including agribusiness, coffee, coconuts, cocoa, and cotton/fashion. The Alliances for Action approach combines technical support and investment with international market linkages. In 2018, to revive the Caribbean's coconut sector, for example, ITC worked with its partners to facilitate alliances at every step of the process from research and development to production and commercialization, leading to close to \$22 million in investment commitments in a sustainable finance mechanism for small holder farmers in Jamaica, and a further \$16 million toward developing new processing facilities in Guyana. Over 2,000 farmers, a quarter of whom were women, were trained in sustainable farming techniques. In another example, Alliances for Action supports farmer cooperatives in Ethiopia's coffee sector build competitiveness and form commercial alliances. The four farmer cooperative unions working with ITC have since secured new market linkages in the European Union, the United States and Asian markets by participating in international trade fairs.

Initiatives to *increase understanding of new opportunities and competitiveness factors* gained particular urgency in the context of the COVID-19 pandemic, which caused severe disruptions to regional and international value chains. ITC helped small businesses understand and take advantage of new business opportunities while adjusting their own production patterns. For example, in 2020, <u>The Global Textiles and Clothing Programme (GTEX)</u>, supported businesses by first conducting a survey to understand the impact of the COVID-19 pandemic on the Tunisian textiles and clothing sector. Based on the survey results, GTEX organized a mentoring and sponsorship initiative in response to the decline in sales among MSMEs in the sector. Through the initiative, eight small businesses received targeted support from four large successful companies on re-orienting their production towards medical gowns and personal protective equipment (PPE). Similarly, in Morocco, the same programme helped set up an <u>online marketplace</u> to connect suppliers of raw material for the production of PPE and face masks with local and international buyers.

In 2018-2021 ITC focused on *connect[ing] MSMEs to new markets including online market places*. Our <u>Digital Transformation for Good</u> strategy, is an example of one major initiative to scale up our efforts to build digital into development work. Through the strategy, ITC committed to working with clients and partners to leverage digital technology for inclusive growth and applying expertise in trade-related digital innovation so that clients can make the most of opportunities. Under this strategy, ITC's eCommConnect programme developed an integrated solution to help both governments and businesses to develop and take advantages of opportunities in the e-commerce sector.

In 2020, ITC launched ecomConnect.org, the first e-commerce community engagement platform which has focused on bringing together entrepreneurs from developing and least-developed countries. The platform expanded to 4,299 active members by the end of 2021. Another example of ITC's work is in Rwanda, where ITC worked with local partners to set up an E-commerce Service Centre (ECSC), a one-stop shop for the country's e-commerce needs. In June 2021, ITC signed an agreement with NOVICA, an e-commerce marketplace for artisans to sell hand-crafted goods to international customers. The agreement includes collaboration on seller-training and support, inventory analysis, and the creation of a dedicated landing page for ITC's beneficiaries to showcase their products. In October 2021, ITC launched an online Payment Solution Finder to enable businesses in developing countries find payment solutions that will allow them to easily receive payment from international customers.

Inclusive and Green Trade

"ITC will deepen its work on inclusiveness to expand opportunities for women and young entrepreneurs to connect to international value chains, and to connect displaced and underserved communities to markets...ITC will help farmers and producers to understand voluntary sustainability standards, codes of conduct and audit protocols. Via the newly launched Sustainability Map, ITC will offer users access to sustainability initiatives and standards, allowing them to identify and address the challenges related to implementing voluntary sustainability standards. ITC will continue to offer market-led approaches to promoting sustainable value chains, strengthening climate resilience and securing better livelihoods from biodiversity."

Strategic Plan 2018-2021 p.p 36-37

In 2018-2021, ITC worked closely with partners to promote inclusive trade by ensuring that women, youth, displaced persons and marginalized groups were in a position to take advantage of opportunities in the international markets. ITC's work also addressed the environmental costs that arise from trade by encouraging clients to produce in a sustainable manner at every step along the value chain – one way is to create incentives for sustainable production by generating income opportunities.

In 2018-2021, ITC placed a strong emphasis on supporting women entrepreneurs become market ready through activities and trainings to improve their competitiveness, facilitating linkages to buyers and investors, and promoting a more inclusive policy environment. As part of our global call to action to integrate women

more fully into the global economy, under the SheTrades programme, ITC connected 3, 018,181 women to market by the end of 2021.

At the beginning of 2021, SheTrades launched an intensive monitoring and evaluation process to track progress against our original commitment of connecting 3 million women to market by the end of 2021. The process verified the number of women connected to market at three different levels namely: 1. ITC delivery through in-country projects 2. Partners and Hubs (i.e. provision of services and solutions to enable trade; fostering access to finance and supply chain diversity) 3. Institutions that made commitments and embedded goals relating to women's economic empowerment in their action plans.

<u>SheTrades.com</u> platform is a digital one-stop-shop for women entrepreneurs looking to scale their business, expand their international networks and take their skills and knowledge to the next level. By end-2021, the platform registered 108,000 active users. An additional tool for policymakers was added to the platform, <u>SheTrades Outlook</u>, which was rolled out to 38 countries.

In 2018, ITC launched SheTrades Invest in partnership with GroFin to catalyse gender-lens investing. By the end of 2019, more than 30 additional capital providers had joined SheTrades Invest. In the area of blended finance, in 2020, ITC, Care Enterprises and Bamboo Capital Partners launched the CARE-SheTrades fund to invest in businesses in Africa and Asia to help achieve gender equality for workers, consumers and business owners. SheTrades also set up Hubs in 13 countries, the latest in Rwanda, Uruguay, and the Gambia, to build the competitiveness of women entrepreneurs and provide them with targeted support in their efforts to connect to international markets. SheTrades additionally launched a new project to empower women to benefit from trade benefits created by the AfCFTA. Women's business associations from more than 40 African countries are supported in engaging African policy-makers on over 40 sector-specific policy recommendations to ensure that the AfCFTA advances women's economic empowerment.

Through our Youth and Trade programme, ITC worked at three levels to build the skills of 100,000 youth, as specified by the Strategic Plan. At the first level, ITC supported 31,000 youth through the <u>Ye!</u> community, a global platform in support of youth entrepreneurship that is complemented in-country by Ye! chapters. Each Ye! local country chapter had previously been led by a single entrepreneur but since 2020, ITC linked local chapters to anchor organizations, such as incubators, accelerators, or trade support institutions, to support youth entrepreneurs at scale. Through Ye!, youth entrepreneurs receive tailored support and access to expertise and networks. The programme works in 16 countries with 18 anchor organizations worldwide. At the second level, through the SME Trade Academy, a further 32,719 youth received certification from participating in relevant e-learning courses. Finally, ITC's projects supported 412,000 youth to increase their employability and build their entrepreneurship skills. This was made possible by the publication of the mainstreaming guide on sustainable and inclusive trade in October 2019.

Under ITC's <u>Youth Empowerment Project</u> in the Gambia, for example, youth were prepared for the job market in a variety of ways, such as vocational training and linkages to pro-youth financial services. By 2020, at least 2,000 jobs were created or improved through the Skills for Youth Employment Fund set up in the Gambia.

ITC also supported Technical and Vocational Education and Training (TVET) institutions in improving their operations or developing their curriculum. In the Gambia, with ITC's support, the government validated and launched the Strategic Youth and Trade Development roadmap and a strategic roadmap for educational and training institutions. From 2019, the youth and trade programme partnered with the UEFA foundation for Children to develop a life skills curriculum for youth employment and entrepreneurship, using football to foster economic empowerment particularly in rural areas. It was implemented in the Gambia and in Guinea and it will soon be rolled out in Iraq. Finally, ITC partnered with the Youth Alliance for Leadership and Development in Africa (YALDA) to issue a joint white paper on "Opportunities for Youth Employment and Entrepreneurship: Understanding the African Continental Free Trade Area" that was launched on the occasion of Africa Day on 25 May 2021.

Since its inception in 2009, the Ethical Fashion Initiative ("EFI") has acted as a bridge, connecting women artisans and young entrepreneurs in the developing world with global lifestyle brands and consumers. Since its inception in 2009, the Ethical Fashion Initiative ("EFI") has acted as a bridge, connecting women artisans and young entrepreneurs in the developing world with global lifestyle brands and consumers. Between 2018 and 2021, EFI expanded its network to include activities in Afghanistan, Mali, Burkina Faso,

Benin, Cote d'Ivoire, Eritrea, Haiti, Kenya, Uganda, DRC, Uzbekistan and Tajikistan, and successfully connected artisans and designers to the market using business-to-business (B2B) and business-to-consumer (B2C) channels. Seeking to develop a strong local industry and market, EFI ran two accelerator programmes: one for emerging fashion brands and one for the broader creative industries.

All business frameworks created by EFI apply a rigorous code of conduct based on the international consensus about responsible business. EFI carried out Environment, Social and Governance (ESG) due diligence and developed a set of tools to monitor performance and implement sustainability reporting. This Due Diligence system and all related performance tools were adopted by the Italian fashion industry and are in the process of being tested also with other European fashion partners.

In the reporting period, EFI created almost 7,000 jobs, especially for women and for the youth. Income levels among its beneficiaries increased by up to 400%. EFI ran a complete impact assessment system that was recently expanded to also track progress towards the key SDGs in which EFI is involved (1, 5, 8, 10, 12,13,16 and 17).

In this period, EFI chaired the UN Alliance for Sustainable Fashion.

Under the Refugee Employment and Skills Initiative (RESI), residents of Kenyan refugee camps were supported with trainings and mentoring for jobs in the online freelancing sector. These activities took place in a hybrid setting in 2020 and 2021, with a combination of virtual and in-person support, leading to more than 300 freelancers based in Dadaab and Kakuma refugee camps gaining access to potential clients on Upwork, an online work platform. Further, RESI supported refugees and local Kenyans to establish self-help groups, the legal business structure available to refugees in Kenya, such as the Dadaab Freelancing Collective Agency, which served as the business-facing entity to market the offering of the freelancers. In total, the freelancers from across Dadaab and Kakuma earned over \$50,000, either as independent freelancers or via the agencies. In Gaza, following the same model of engaging vulnerable communities in the digital services value chain, ITC worked with a local technical incubator to support 500 youth to be trained on marketable online skills, 439 of whom were connected to virtual marketplaces, where at least six in every ten participants started generating income either using online freelance platforms or through regular jobs. The average income generated per person is \$800. Combined, all the participants generated a total income of \$263,614 since their graduation.

ITC also committed to "help[inq] farmers and producers understand voluntary sustainability standards, codes of conduct and audit protocols; offer users access to sustainability initiatives and standards via the Standards Map platform." Fifty-seven standards were added to the Standards Map platform, with a further 233 standards updated. The Basic Guidelines for Sustainable Cocoa (Lineamientos Basicos para Cacao Sostenible), implemented by ITC's T4SD Programme and funded by the Swiss government, supported three thousands, five hundred of small cocoa producers in Colombia and Peru between 2015-2021, to understand and comply with the international sustainable production criteria, by analyzing basic sustainability requirements and how they relate to international and lead firms' benchmarks. The analysis is enabled by the ITC's Standards Map database of voluntary sustainability standards, which provides unparalleled level of transparency on the international sustainability requirements. Ultimately, the LBCS project aims to improve access to international markets for smallholders, including through provision of visibility on cocoa producers value chains as mapped networks on the ITC's Sustainability Map .ITC's Trade for Sustainable Development (T4SD) programme developed the Sustainability Gateway, to centralize information on the environment, gender, sustainability standards, and social responsibility for MSMEs, business support organizations, policymakers and global brands. Along with the Sustainability Map, users have access to other tools designed by the programme including the Transparency and Traceability Tool, otherwise known as the Social and Labor Convergence Program (SLCP) Gateway which was developed to improve social and labour performance along the textile and apparel value chain. Two thousand garment facilities had registered and completed a labour assessment by December 2020. Nearly 1,500 verified assessments in 2020 resulted in \$4.3 million in savings for garment facilities in 2020.5 By December 2021, the number of users had reached nearly 6,600, across 54 countries - roughly triple the number of users and countries than at the end of 2020 with an estimated over \$10 million in savings. Another tool that can be accessed through the Sustainability Gateway is the BioTrade Knowledge Sharing and Self-Assessment Tool, which ITC developed jointly with

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⁵ https://www.sustainabilitygateway.org/news/slcp-gateway-shows-strong-growth-in-2020-review/

UNCTAD. The tool allows users to connect with different actors and benchmark their sustainability practices against the BioTrade Principles and Criteria developed by UNCTAD, contributing to ITC's commitment to ... securing better livelihoods from biodiversity.

ITC also committed to further strengthening its focus on the green economy, and in this context, ITC developed its GreenToCompete strategy to support MSMEs gain a competitive advantage by going green. Our <u>GreenToCompete strategy</u>, launched in 2021, brings coherence to our various efforts to promote environmental sustainability. The GreenToCompete strategy is based on five pillars of support including building green competitiveness, supporting ecoprenuership, connecting MSMEs to sustainable value chains, and supporting green policymaking and a conducive business environment. ITC also placed greater emphasis on environmental sustainability through the development of a policy and advocacy workstream, supporting WTO members engage in environment related multilateral discussions, highlighting green trade at the UN Climate Change Conference (COP26), and developing new tools and approaches in relation to the circular economy, climate resilience and green innovation.

In 2018-2021, ITC set up seven <u>GreenToCompete hubs</u> in Ghana, Kenya, Laos, Nepal, Peru and Vietnam and a regional hub in the Caribbean. The hubs work alongside selected business support organizations, capacitating them to provide a green service offering to MSMEs in the form of integrated solutions to transition to the green economy. Businesses are supported in reducing environmental and climate risks, increase resource efficiency, engage in circular production practices, and comply with sustainability standards. By the end of 2021, the reach of the hubs in Ghana, Kenya, Peru and Viet Nam doubled, with an increase of about 200 new clients starting coaching in the first semester of 2021 compared to 190 clients coached between 2018-2020.

Regional economic integration and South-South trade and investment

"In 2018-2021, ITC intends to expand its work on regional integration in Africa, and beyond, in partnership with UN Regional Economic Commissions. ITC will also support MSMEs to take advantage of new trade routes, help address policy and regulatory barriers and NTBs to foster regional and South-South trade, facilitate sustainable and socially- responsible South-South investments; and strengthen platforms for South-South and intra-regional business and TISI networks."

Strategic Plan 2018-2021 p.p 38-39

Emerging economies have increasingly become drivers of global economic growth. Increasing regional integration and fast-paced growth in the global South offer MSMEs new opportunities for trade and investment. At the same time, a number of challenges hinder intra-regional and South-South trade and investment. These include the limited productive and operational capacities of businesses, a lack of capital, risk perceptions and a lack of awareness of benefits of engaging in these value-chains. ITC's regional interventions address trade obstacles at the enterprise, institution and policy levels. ITC supports MSMEs take advantage of opportunities arising from greater South-South trade and investment such as peer-to-peer learning, capacity building, and access to affordable and adaptable technologies, among others.

In 2018 - 2021, ITC expanded its work on regional integration, in Africa and beyond, in partnership with UN Regional Economic Commissions. Much of ITC's work centred on supporting the operationalization of the AfCFTA, which became operational in January 2021. ITC plans to work closely with the AfCFTA Secretariat and the African Union programme through the One Trade Africa programme, to maximise the benefits for the African private sector, especially women and youth-owned businesses from the continental agreement. A number of regional value chains will be selected in close consultations with beneficiaries.

ITC worked with the United Nations Economic Commission for Africa (UNECA) on a number of initiatives in support of the AfCFTA. For example, in 2019, the two organizations worked together to help the Gambia, Guinea, Cote d'Ivoire, and Sierra Leone to develop national strategies to implement the AfCFTA successfully. In July 2021, ITC signed a Memorandum of Understanding with the United Nations Development Programme (UNDP) to collaborate on empowering African businesses to leverage the AfCFTA and expand cross-continental business opportunities.

In other examples of our work on regional integration, ITC developed two digital platforms for the West African Economic and Monetary Union (UEMOA), namely ConnectUEMOA and the Trade Obstacles Alert Mechanism, for companies to explore business opportunities and to highlight obstacles to trade, respectively. In Central Asia, ITC and UNDP developed the Central Asia Trade Intelligence portal, which will enhance export potential and regional integration in Central Asia through the provision of up-to-date market intelligence. ITC had launched five EU-funded ARISE projects in Laos, Malaysia, Myanmar, the Philippines and Thailand, which will contribute to regional economic integration and the ASEAN Economic Community Blueprint 2025, in line with countries' national development plans.

In 2018-2021, ITC committed to "support[ing] MSMEs take advantage of new trade routes, help address policy and regulatory barriers to foster regional and South-South trade as well as facilitate sustainable and socially-responsible South-South investments". Under the South-South trade and Investment Programme, ITC facilitated \$227.9 million in trade and investment deals between 2017 and 2021.

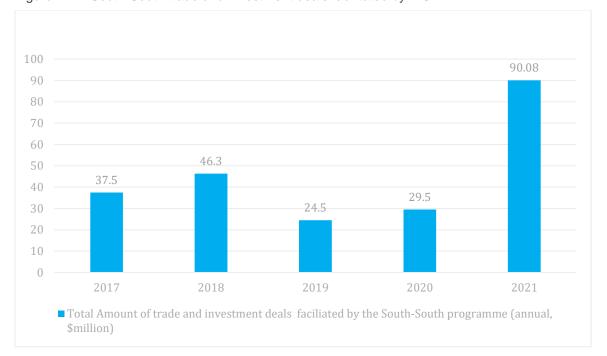


Figure 4 South-South trade and investment deals facilitated by ITC

Source(s): ITC yearly Annual Report (2017-2020) and project team calculations

Trade and investment deals were primarily concentrated in the light-manufacturing and agribusiness sectors leading to value-addition and job creation. In an example of an investment deal facilitated through ITC's <u>Supporting Indian Trade and Investment for Africa</u> (SITA) initiative, India's KPR Mill officially inaugurated its <u>first overseas garment unit</u> in Ethiopia's Mekelle Industrial Park in mid-2019. The investment created 1,300 jobs, and the garment unit began exporting to Europe and the United States in early 2019. As a result of SITA's facilitation, customs clearance time at Mekelle reduced from 2.5 days to between 0.5 and 1 day. In another example, an Indian leather investor set up a shoe manufacturing unit in Uganda in 2017, providing training to 100 people, of whom 99% were women and youth.

In 2021, SITA facilitated the establishment of a culinary research and development hub for Sub-Saharan Africa in Kigali, by Griffith Foods, a global leader in culinary ingredients and flavourings, creating backward

linkages with farmers producing spices. Since 2020, SITA worked on enhancing the environmental compliance of East African textile and leather manufacturers in a bid to increase product acceptance and export potential. This led to manufacturers procuring internationally recognized certification from the Leather Working Group (LWG), Zero Discharge of Hazardous Chemicals (ZDHC) and the Society of Dyers and Colourists (SDC), attesting to their conformity with global standards.

To encourage foreign investors to embed sustainability in all stages of their business operations, ITC's Partnership for Investment and Growth in Africa (PIGA) project produced a publication, *The Business Guide for Sustainability in Foreign Investments* based on extensive research in Ethiopia, Kenya, Mozambique and Zambia. PIGA implemented various activities to build a more conducive environment for international investments and ensured knowledge sharing through organizing high-level dialogues and business meetings on the side-lines of international trade and investment events in China and PIGA countries.

ITC also strengthened platforms of collaboration between South-South businesses and business support organizations. For instance, with ITC's support, cotton research institutions in India and Uganda committed to working together to produce hybrid seeds capable of producing higher yields and ultimately raising farmer incomes.

Under the PIGA project, 2,989 jobs were created - 77% of them held by women and more than 20% held by youth below the age of 24 - and more than 14,500 jobs were committed to in the agro-processing and manufacturing sectors in Ethiopia, Kenya, Mozambique and Zambia. Seven investment deals worth more than \$115 million were brought to financial closure with investors acknowledging PIGA's support in confirming and concluding their investment decisions. PIGA strengthened the capacities of Investment Promotion Agencies (IPAs) in Ethiopia, Kenya, Mozambique and Zambia to engage with foreign investors, deliver efficient investor-related services and thereby facilitate foreign direct investment (FDI). PIGA developed communication and investment promotion materials, conducted studies and research to support and strengthen investment promotion services for partner IPAs, and developed an investment tracking tool to enable IPAs to capture relevant data, deliver timely services to investors along the investment cycle, and report on the development impact of foreign direct investment.

CHAPTER 4 CORPORATE RESULTS

Partnering for Sustainable Development

"We have built partnerships on global, regional and local levels, including with relevant UN agencies, other multilateral and bilateral development agencies, and an increasingly diverse range of public and private sector partners including multinational corporations, private sector associations, non-governmental organizations, universities and foundations.

In addition to continuing our work with traditional partners, we intend to intensify our efforts to leverage access to knowledge, expertise, funding and networks."

Strategic Plan 2018-2021 p.42

Partnerships are at the heart of ITC's work. They are key to ensuring the sustainability of our interventions and they determine how quickly we can react to external events. At the outset of the COVID-19 pandemic, our many partnerships allowed us to re-align our programmes quickly, and continue implementing projects while remaining responsive to client needs. In the Strategic Plan 2018-2021, ITC made commitments to intensify efforts on partnerships along the following dimensions:

Building Networks

In the Strategic Plan 2018-2021, ITC committed to enhancing our partnerships with networks of private and public sector actors to, among others, influence policymaking, and cascade support.

ITC collaborated with governments, trade and investment institutions, and sector associations to strengthen countries' capacities for trade and investment at the enterprise, sectoral and policy levels. In Burkina Faso, for instance, ITC worked with three national institutions - the Guichet Unique du Commerce et de l'investissement, the Single Window Agency, and the Laboratoire National de Santé Publique to simplify cross-border trade processes. In Zambia, ITC began a collaboration with the International Cotton Advisory Committee (ICAC) to increase yields of small holder farmers. In association with the International Cooperative Alliance, ITC facilitated trade between buyer and supplier cooperatives in the cocoa and coffee sectors in Ghana, Rwanda, and Kenya.

Through our networks and alliances, ITC influences policy making for the benefit of MSMEs across developing countries. For example, through SheTrades Outlook, an interactive policy tool, ITC helps policy makers reform business ecosystems by identifying areas for improvement and pointing to resources for real change. Another example of how ITC, through partnerships, influenced policy making was through the 2020 SME Competitiveness Outlook. With the cooperation of our reliable network of partners, ITC was able to launch the COVID-19 Business Impact Survey within weeks of the initial spread of the pandemic, which gathered data from more than 4,000 businesses across 138 countries. The findings, published in the SME Competitiveness Outlook, were disseminated through ITC's network of partners and projects globally. Countless citations, including in the G20 Guidelines for SME Competitiveness and in the legislative report of the Mexican government's post-pandemic recovery plan, demonstrate that ITC was able to influence policy-makers effectively.

Through strong partnerships with sector- specific business support organizations, ITC introduced or changed trade-related policies, strategies or regulations in favour of MSME competitiveness in 347 documented cases globally between 2018-2020.⁶ For example, ITC partnered with the Union of Private Sector Development in

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⁶ 2021 figure not yet available.

Tajikistan to conduct a series of roundtables with textiles and clothing sector stakeholders to improve linkages between educational institutions and industry actors.

In another example, the 4th edition of the <u>ITC Coffee Guide</u> was the result of highly collaborative process that involved the participation of over 70 partner organizations and sector exports. These partners were involved in every step of the process; among all project partners, four were particularly involved in this process: the Latin American and Caribbean Network of Fair Trade Small Producers and Workers (CLAC), the Brazilian Specialty Coffee Association (BSCA), the International Women in Coffee Alliance (IWCA) and FairTrade Africa. Together, these four stakeholders reported that over 15,000 beneficiaries (mainly coffee producers) will increase their awareness and knowledge of the international coffee trade as a result of this process. They also reported that 449 associations (counting coffee producer associations and individual chapters of a larger organization) are reaping the same benefits, improving their performance as a result of gaining further insights into the international trade of coffee, staying abreast of new developments in the sector, and making new private and public-sector connections.

Partnerships with multilateral agencies

While no specific commitment was made in the Strategic Plan 2018-2021 to enhance partnerships with multilateral organizations, ITC worked more closely with multilateral partners, both within and outside the UN-system. Chief among these were our partnerships with UNCTAD and WTO. As highlighted in Chapter 3, ITC developed and launched the Global Trade Helpdesk jointly with both organizations in June 2020. Other areas of close collaboration include the joint publication of the World Tariff Profiles, an initiative on cotton by-product development for African LDCs, and the implementation of the Buenos Aires Declaration on Women and Trade.

ITC strengthened collaboration with other UN agencies such as the UNSDG, the Resident Coordinator systems, and with specific organizations as implementing partners, such as the United Nations Development Programme (UNDP), UN Capital Development Fund (UNCDF) and the Food and Agriculture Organization (FAO). ITC participated in UN Common Country Analyses in various countries, including Bangladesh, East Timor, Sri Lanka, Myanmar and Uganda. Within many projects, we cooperated with partner UN agencies on the ground. For example, under the Growth for Rural Advancement and Sustainable Progress project (GRASP) in Pakistan, ITC worked with FAO and the Pakistan Poverty Alleviation Fund (PPAF) to increase agricultural productivity in the districts of Sindh and Balochistan. This partnership proved critical at the onset of the COVID-19 pandemic, when GRASP coordinated the delivery of €1.1million in emergency assistance to individual entrepreneurs and MSMEs in coordination with FAO, the government ,and national partners.

Growing knowledge and expertise

In the Strategic Plan 2018-2021, ITC committed to partnering increasingly with the private sector to help connect MSMEs to value chains and to enhance academic partnerships.

Throughout 2018-2021, ITC partnered with the private sector for the private sector. Our shared goals were to address development challenges, stimulate innovation, and improve mutual understanding of businesses processes, new markets and investment opportunities. Our partnerships with the private sector enabled shared value-creation and focused on tackling environmental and socio-economic sustainability, women's economic empowerment, e-commerce, and establishing sustainable and inclusive value chains.

For example, we collaborated with Everledger, Lenzing Group and TextileGenesis to create a neutral platform, hosted via <u>Sustainability Map</u> for supply chain data from multiple companies in order to improve traceability and transparency along value chains. In support of gender equality, ITC and Twill by Maersk, a freight logistics services, developed a <u>one-on-one coaching programme</u> for women-owned businesses in Kenya, Nigeria, Mexico and India. In 2018, ITC and UPS began developing e-learning modules, hosted on the <u>SheTrades</u> virtual learning space, on topics such as logistics, e-commerce, and warehousing.

To support MSMEs' access to digital business opportunities, ITC worked with eBay to create a <u>Central Asia Hub</u> and a <u>Central America hub</u> on its e-commerce platform. In Ghana, ITC's Alliances for Action project worked with Chocolats Halba, Max Havelaar and Fairtrade Africa to assist smallholder farmers belonging to

cocoa cooperative Kuapa Kokoo to increase productivity, diversify production practices, reach new markets and upgrade their technologies.

ITC also increased engagements and partnerships with academic institutions. For example, in 2020, in collaboration with the National Graduate Institute for Policy Studies, ITC boosted the Rules of Origin Facilitator with information from 20 EU trade agreements and updated our market analysis tools with tariff-related analysis from recent trade agreements. In Kenya, ITC partnered with Strathmore University to comanage a GreenToCompete-hub established there to promote green trade activities for MSMEs; and with Arizona State University (ASU) to provide online English-language instructions as part of a digital marketing training programme in Kakuma refugee camp under the Refugee Employment and Skills Initiative (RESI). In Nepal, ITC collaborated with Tribhuvan University on trainings to enable professors and lecturers to complete trade and market analysis using ITC tools. ITC also established an Executive Master in Internationalization and Trade with IE School of Global and Public Affairs, as well as a scholarship programme to empower women in trade, among others.

Leveraging Private Sector Funding

In the Strategic Plan of 2018-2021, ITC committed to better leveraging resources allocated to ITC with other forms of in-kind contributions and blended finance from the private sector.

Between 2018-2021, ITC received on average \$1.7 million per year in XB contributions from private sector partners⁷, which is more than double the average of the prior 4-year span. Between 2014-2017, ITC received on average \$0.8 million from private sector sources in XB funding.

ITC received in-kind contributions from the private sector for many of our projects. These project-level partnerships were vital to expand ITC's reach on the ground and tap into private sector expertise. Examples of private sector partners that made in-kind contributions over the period included Maersk, DHL, UPS, Chocolates Halba/Coop, and VISA.

South-South and triangular cooperation

In the 2018-2021 Strategic Plan, ITC committed to working more with institutions in the Global South to share expertise and to implement projects jointly. We achieved this goal; for example, in February 2020, ITC was a trade and investment partner for Africa's first ever International Textile Machinery Exhibition held in Addis Ababa, organized by the India International Textile Machinery Exhibitions Society in collaboration with the Ethiopian Chamber of Commerce & Sectoral Associations. In another initiative, ITC partnered with India's Industree Foundation and the Ethiopian Institute of Textile and Fashion Technology to improve handloom value-chains in Ethiopia through knowledge-transfer and learning from India.

In 2020, ITC also developed a guide, <u>Designing for Impact: South-South trade and investment</u> on how to effectively promote South-South trade and investment in collaboration with the United Kingdom's Institute of Development Studies.

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⁷ This includes non-profit organizations, businesses, and business support organizations.

Results-based management

"ITC will continue to drive for results through effective and efficient use of resources. The organization will deepen its results-based management approach at corporate, programme and project levels. It will further develop its human resource management planning and enhance staff skills, while continuing to promote gender balance and diversity. Attention to best-practice and UN compliant financial management, physical assets management and procurement will be maintained and demonstrated through positive audit reports and a swift implementation of audit recommendations"

Strategic Plan 2018-2021 p.45

In 2018-2021, ITC adhered to our commitment in the Strategic Plan "to deepen our results-based management approach at the corporate, programme and project levels". In 2018, ITC started publishing data according to International Aid Transparency Initiative (IATI) standards for over 60% of planned extrabudgetary delivery. Progressively, we increased the coverage to cover 90% our planned extrabudgetary delivery by the end of 2020, which we maintained in 2021.

ITC maintained its rank as one of the top-performers in the implementation of the 'UN System-wide Action Plan on Gender Equality and the Empowerment of Women' (UN-SWAP 2.0). UN-SWAP 2.0 sets common performance standards for the gender-related work of all UN entities. ITC steadily improved its compliance with UN-SWAP 2.0 indicators (please see Table 1) by strengthening its gender architecture, Gender Equality and Women's Empowerment (GEWE) policy framework and organizational culture, developing a gender marker and championing GEWE within and beyond the UN system.

In late 2019, ITC put in place an UN-SWAP 2.0 Roadmap to 94%. With the creation of a new functional gender unit reporting directly to the Deputy Executive Director and the allocation of resources for personnel supporting the implementation of the roadmap, ITC succeeded in increasing its compliance with the UN-SWAP 2.0 framework from 81% to 94% (15 out of 16 possible UN-SWAP 2.0 indicators), by the end of 2020, while strengthening overall performance under each indicator. In 2021, ITC self-downgraded to an overall 88% compliance rating, due to the removal of the mandatory GEWE-related goal for all staff in the 2021/2022 performance management cycle, but has clear plans to reclaim its top 94% rating in 2022.

ITC additionally created a functional gender unit headed by a Gender Focal Point in early 2020. (For more information, please see the *Human Resource Management* chapter.)

Table 1 Percentage of UN-SWAP 2.0 Indicators met or exceeded, 2	2018-2021

Year	Target	Actuals
2018	75%	75%
2019	71%	81%
2020	90%	94%
2021	94%	88%

Source: ITC's year-end CCITF reports (2018-2021)

In 2020, ITC undertook a major strategic initiative to mainstream gender, youth, green growth and social responsibility targets across all our projects. In 2019, we developed a guide on <u>Mainstreaming Sustainable</u> and <u>Inclusive Trade: Guidelines for International Trade Centre projects</u> specifically for project managers so

that going forward these goals are integrated in all ITC's projects right at the project design phase. Processes and indicators have also been put in place to monitor the progress of mainstreaming, and capture mainstreaming data in ITC's project portal.

Among a number of initiatives to strengthen our corporate results management, ITC developed a methodology to systematically capture SDG contributions at the project level. In 2019, ITC published internal guidelines and provided trainings on the new model. As part of the process, ITC reassessed its contributions to SDG targets, based on which SDG 13: Climate Action was added to the initially ten SDGs to which ITC's projects could link their results (see Annex 1). ITC also made improvements to its client categorization system to allow for better corporate reporting. In 2021, ITC began implementing a new Corporate Data Management System Project to ensure our alignment with the new UN Secretary General's Data Strategy. The goal of the strategy is to build a scalable, cloud-based and cost-efficient platform to improve corporate reporting, client management and advanced analytics for goal outreach, including harmonizing data collection.

ITC's Independent Evaluation Unit (IEU) continued its work to promote a culture of accountability within the organization. One of IEU's responsibilities is to produce the Annual Evaluation Synthesis Report (AESR), which contains findings from evaluations undertaken over the year and project completion reports. These findings are critical to learning and improvement within the organization. IEU also contributed to the work of the UN Evaluation Group (UNEG) such as the 2020 revision of the UNEG Ethical Guidelines for Evaluation. In 2021, IEU finalized three pilots for different target groups using the new assessment approach.

IEU published a revised edition of its Evaluation Guidelines to build a common understanding of methods, processes and quality standards of evaluations. Additionally, IEU provided online trainings to staff on evaluation and project completion reports. In 2020, IEU piloted a new methodology for measuring the sustainability of results after project completion, focusing on projects that had ended three or four years earlier.

ITC's IEU also produced an <u>evaluation of the Strategic Plan 2018-2021</u> as a tool to improve the organization's performance in the areas related to vision, planning, measurement, reporting and decision-making. The evaluation has ensured that lessons learnt from the implementation of Strategic Plan will be implemented in the period of the forthcoming Strategic Plan 2022-2025. A key conclusion from the evaluation was that Strategic Plan 2018-2021 was an effective tool which provided ITC with a directional yet flexible operating framework, building trust both within the organization and with partners.

Human resource management

"We will establish a performance-driven culture throughout the organization including using 360-degree feedback based on a transparent and open assessment processes. Staff development and talent management practices will be strengthened to ensure that staff possess the skills required, particularly in large project management, and that talent is retained. Fellowships, staff exchanges, job sharing and secondments are all useful routes to sharing expertise with a diverse range of partners. ITC intends to expand these partnerships. We will continue to mainstream gender to reach gender parity by 2020. We will continue to seek diversity in the composition of our workforce to provide an inclusive, positive work environment."

Strategic Plan 2018-2021 p.45-46

In 2018-2021, ITC invested in its people, particularly focusing on staff skills and career development, supporting staff welfare, and promoting inclusiveness in the organization. In 2018, ITC piloted a 360- degree

feedback and psychometric testing system for recruitment of key positions. Opportunities for fellowships, staff exchanges, job-sharing, secondments, sabbaticals, and Special Leave Without Pay were available to staff. A new People Strategy was drafted by the end of 2021 and is expected to be finalized in mid-2022.

ITC strengthened its staff training and management practices to "ensure that staff possess skills that are required". ITC developed the Talent Development Framework, which saw the rollout of initiatives such as 'Career Counselling Conversations', to support staff in their career development. ITC organized trainings for staff including week-long bundle trainings, known as Training for Impact and Compliance, to address concrete audit recommendations, train new staff members on core processes, and strengthen compliance. In addition, a new on-line 'ITC Induction Programme' was launched to ensure an effective introduction, engagement and integration of new staff members into the organization. The programme's structured approach to knowledge transfer set a foundation for good future performance. By the end of 2021, 75% of staff used the recommended minimum of five days per annum for professional development.

HR also launched a multi-pronged initiative to strengthen ITC's performance-driven culture, which included just-in-time trainings on the performance management system, mandatory goals for Directors which role-modelled measurable and achievable workplan goals, coaching for managers training, and start of a *HR Talks* series for all employees on a number of topics in career development topics, HR-related areas, and diversity and inclusion.

ITC undertook a series of measures to support staff psychological and social well-being through the pandemic including establishing a HR Listening Line, which enabled employees to contact HR in confidence on any HR topic. Additionally, a dedicated session on mental well-being was organized with the UN Staff Counsellor's Office during the *HR Talks* series. Staff trainings continued to be offered through video tutorials and workshops.

To support workforce diversity, ITC established a LinkedIn Recruiter account to widen the pool of candidates and increase geographic diversity and gender parity. Going forward, HR will implement a new recruitment system tool (used by the largest international organizations) which will exponentially increase the outreach potential to further increase diversity. Dedicated sessions in the *HR Talks* series focused on diversity and inclusion, which allowed for open and honest discussion on these important topics.

In 2018-2021, due to a clear strategic direction and ambitious target-setting, ITC made significant gains toward gender parity. By the end of 2021, 46.5% of our professional and senior level positions were held by women. While this number falls slightly short of our 50% target, and there is work to be done at each grade level, it represents a steady increase from 2017 when 41% of our professional and senior level positions were held by women.

In 2020, ITC's Gender Unit, in collaboration with our Information and Technology Systems unit developed a best-practice automated Gender Parity Scorecard and Dashboard, which supports more efficient, streamlined and frequent monitoring of organizational progress towards gender parity targets.

In 2020, ITC launched an expanded Mentoring Programme for Women, which recognizes the importance of creating an enabling work environment and a culture of inclusion. The initiative supports women's career advancement through facilitating horizontal networking in an intra- and interagency context. In 2021, the programme also featured a MenEngage pilot, equipping 11 male mentees with the tools to become Gender Champions in and beyond the workplace.

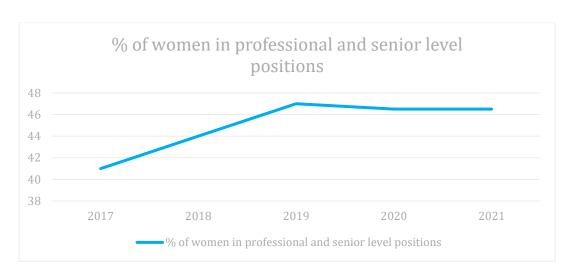


Figure 5 Percentage of professional and senior level positions held by women, 2018-2021

Source: CCITF year-end reports (2017-2021)

As part of our commitment to promote an enabling work environment and an inclusive organizational culture, ITC formed a Diversity and Inclusion Group in 2020. The group includes the Gender Unit team, the newly appointed focal points for Disability Inclusion and Accessibility, Sexual Orientation and Gender Identity, Racial and Geographical Diversity, as well as a representative from the senior management team. The group's work includes organizational advocacy around issues related to gender equality, diversity and inclusion.

In 2020, the group rolled out the '100 Coffees for Inclusion' Initiative, during which its members and selected senior staff members met with a hundred employees across the organization for individual, 30-minute coffee conversations to discuss their views on ITC's organizational culture and efforts toward GEWE, Diversity and Inclusion. Findings informed the Inclusion Group's planned activities for 2021, and supplemented data collected through ITC's gender capacity assessment, which was completed in November 2020.

ITC continues to be committed to a zero-tolerance policy towards all forms of prohibited conduct, discrimination, harassment, including sexual harassment, and abuse of authority. In 2019, ITC implemented new trainings for staff on safety and security, a harmonious work environment, and preventing harassment, abuse and sexual exploitation.

Resource Mobilization

"ITC will aim to maintain a robust project portfolio, balancing project size with sources of funding. Our resource mobilization strategy will be updated to further diversify funding sources and leverage multi-stakeholder partnerships."

Strategic Plan 2018-2021 p.46

In the Strategic Plan 2018-2021, ITC committed to continuously making the case for unearmarked or soft-earmarked 'Window 1' funding, to maintain a robust project portfolio. We also planned to update our

Resource Mobilization Strategy to further diversify funding sources and leverage multi-stakeholder partnerships.

Accordingly, following an evaluation of the 2015-2017 Resource Mobilization Strategy, we updated our Resource Mobilization Strategy for the period of 2018-21. The update took into consideration the financing environment for the global Aid for Trade agenda, ITC's evolving role within trade-related technical assistance, as well as potential collaborations with bilateral and multilateral organizations, and the private sector.

As a result of the updated strategy, ITC's resource mobilization efforts resulted in robust contributions of extrabudgetary funding ('XB') for our projects from an increasingly diverse range of funders. For example, between 2018 and 2021, ITC received over \$421.7 in contributions, an increased compared to the \$199.7 million that we received between 2014-2017. We also diversified our funding income - in 2018-2021, we received contributions from 100 funders, an increase from 79 funders in 2014-2017.

The number of our non-traditional funders increased from 30 between 2014-2017 to 59 between 2018-2021. In 2018-2021, ITC received funding from 8 non-DAC government funders (same as 2014-2017), 29 BSOs (versus 12 between 2014-2017), 13 businesses (versus 3 between 2014-2017), 7 non-profits (versus 5 between 2014-2017) and 2 academic institutions (same as 2014-2017). The value of grant agreements signed with non-traditional funders in 2018-2021 reached \$13.7 million and contributions received reached \$14.0 million — a significant increase from \$8.7 million grants signed and \$6.9 million contributions received in 2014-2017.

Through our Resource Mobilization Strategy, ITC continued to make the case for securing unearmarked or soft-earmarked 'Window 1' multi-year funding. With approximately \$64.6 million, ITC received 23% more 'Window 1' contributions in 2018-2021 compared to the previous 4-year span (2014-2017: \$52.5 million). These important contributions safeguarded ITC's offer of global public goods, provided flexibility to invest in accordance with emerging needs, and allowed ITC to stay innovative.

ITC increased collaboration with multipartner trust funds within the UN-system, as well as other multistakeholder funds, such as the OPEC Fund for International Development and the Enhanced Integrated Framework. In 2018-2021, ITC signed grants valued at \$6.3 million with multilateral partnerships and funds, a 22% increase from the \$5.0 million grants signed in 2014-2017.

ITC also invested more in cooperating with the UN family to 'deliver as one'. ITC signed grant agreements worth \$10.3 million and received \$7.7 million in contributions from other UN agencies in 2018-2021 (compared to \$2.4 million grants signed and \$3.0 million contributions received in 2014-2017)

Learning and innovation

"ITC will continue to foster in-house learning and innovation. In 2017, ITC officially launched its own Innovation Lab, which actively supports internal development and builds external partnerships. ITC will also continue to monitor the development of digital solutions that can benefit the organization and our clients."

Strategic Plan 2018-2021 p.p 46-47

In 2018-2021, ITC continued to foster in-house learning and innovation. One key vehicle to accomplish this was ITC's Innovation lab. From 2019-2021, 209 participants increased their knowledge and skills on innovation and related subjects, while a further 2,286 increased their awareness of innovation through activities such as the Innovation Fair, Innovation Heroes Awards, pitching sessions, activities such as *Green Stories for Lunch*, and a course on *Innovating for Success: A guide for entrepreneurs*. In 2019, ITC launched the Trade Forward podcast where experts and entrepreneurs convene to discuss the untold stories at the

intersection of trade and development. In 2021, the Lab developed a framework document for ITC's first Corporate Innovation Strategy to be adopted by senior management and different ITC teams.

ITC's Innovation Lab "continued its cooperation with innovation partners in Geneva, and with the United Nations headquarters and other organizations to pilot new ways of addressing the Sustainable Development Goals". In 2018, the Lab designed an eight-hour rapid innovation sprint in partnership with the Geneva Creativity Centre on economic opportunities for displaced populations and also furthered its strategic engagement in the United Nations system by joining the United Nations Innovations Network (UNIN). In 2019, Innovation Lab signed a Letter of Intent with the Impact Hub, which allowed ITC's Youth and Trade programme to enhance the Impact Hub's capacity to support Accelerate2030 entrepreneurs. The initiative led to the development of e- learning courses on ITC's SME Trade Academy focused on business internationalization for social enterprises.

The Lab was also featured as a case study in the 2019/2020 University of Geneva (UNIGE) analysis of Innovation in International Organizations. The collaboration expanded to support the newly designed Innovation Movement training, led by UNIGE, which provided innovation/human-centered design training for senior managers at international organizations in Geneva. The Innovation Lab provided facilitation support in the first version of the programme and sponsored four ITC participants in two subsequent Innovation Movement programmes. In 2021, the Innovation Lab was invited to facilitate an innovation session for the Tech4Impact programme at École Polytechnique Fédérale de Lausanne (EPLF), Switzerland and it is working with other teams at ITC to expand engagement with EPFL.

In 2020, the Innovation Lab shifted focus to include work on tackling corporate issues through the lens of innovation. Five innovation "challenge teams", comprising of staff from headquarters and field offices, piloted initiatives to improve knowledge-sharing within ITC, to rethink ITC's work environment, and to promote inclusion. One of the resulting initiatives was 100 Coffees for Inclusion, as mentioned earlier in the report.

In 2021, ITC held its first Innovation Fair, which highlighted 36 innovations across the organization and featured exchanges with external partners on the future of innovation for trade- related technical assistance. As part of ongoing follow up to the Innovation Fair, an Innovations Directory was released at the 2021 Innovation Heroes event and an additional event was held with ITC retirees to reflect on changes and innovations highlighted by the Fair.

Risk management

"Building on the risk framework developed in 2017, risks concerning all key results areas of the Strategic Plan will be monitored at the corporate level. Furthermore, a specific focus will be placed on providing corporate support for the mitigation of risks in projects in conflict and post-conflict countries and benchmarking ITC risk management practices against best practice in the UN and elsewhere."

Strategic Plan 2018-2021 p.47

ITC monitored risks relating to all areas of the Strategic Plan consistently during the four years of implementation. ITC carried out corporate risk assessments with senior and middle management annually. Deep dive assessments for prioritized (red) corporate risks or key project groups were undertaken at the end 2020 and 2021, resulting in a re-assessment of risk severity for many identified risks

Risks were identified, assessed, mitigated, monitored within a risk management framework. At the end of 2018, ITC's Senior Management Committee conducted a top-down risk assessment focusing on the efficiency and effectiveness of ITC's operations resulting in a set of corrective and preventive actions in 2019. For example, ITC took several steps to strengthen the efficiency and effectiveness of internal procedures such as updating and formalizing working instructions, and providing corporate training for all staff involved in the core processes of finance, procurement, project management, and others. From 2019, ITC carried out

risk management workshops specifically for project managers, general trainings for staff in the headquarters and risk briefings for country teams on an annual basis. At the end of 2019, ITC issued an updated Risk Management Framework, which included the risk management policy, risk appetite statement, guidance on risk impact rating and risk register. ITC also aligned its risk practices with a three-lines-of defence model.

In 2020, ITC intensified risk monitoring, both in quality and frequency, at the project and corporate levels. ITC's management received standalone risk chapters as part of each quarterly performance reports. These were essential to monitoring risks that had been escalated from the projects to senior management, such as any warning signals that ITC's delivery might be impacted by the COVID-19 pandemic.

In 2021, ITC developed basic and advanced risk courses to inform newcomers about ITC's risk framework and related tools and procedures.

Engaging in the global conversation

"In the coming period, we will continue to improve our brand and online presence. We remain committed to making the case for good trade. Through our publications, online engagement, events and media presence, we will also invest in giving more voice to our partners, in particular those on the ground. We will continue to measure our media presence through KPIs which will be included in our annual operational plans.

ITC will roll out its new communications strategy which places a stronger emphasis on advocacy, awareness building in technical domains and the use of ITC experts as part of a community outreach strategy through social media. It will help ITC to target clients, improve access to services, and provide increased visibility to projects and funders."

Strategic Plan 2018-2021 p.p 47- 48

In 2018- 2021, ITC "continued to improve its brand and online presence". ITC's global audience, including participants in corporate events, users of our informational products, web site and social media platforms, increased by 34% in 2020 alone (in comparison to 2017). ITC rolled out a new communications strategy for 2018 to 2021, that placed more emphasis on advocacy, awareness building in technical domains and the use of ITC experts as part of a community outreach strategy through social media. We also made sure that our communications gave voice to partners and beneficiaries on the ground, especially to those in the field by featuring the work of clients, beneficiaries and partner organizations on our website, blogs, social media platforms, events, and publications. We used videos effectively to achieve a variety of purposes including to increase visibility of our beneficiaries and funders, explain report findings, advertise and highlight events, and promote publications.

ITC continued to measure its media presence through KPIs which have been included in our annual operations plans. Between 2018 and 2021, ITC produced 169 publications. Media mentions of ITC's work nearly doubled between 2017 and 2018, with the total number reaching 12,742 in 2018 (2017: 6,413). Similarly, our social media audience grew reaching 207,000 followers in 2021 (2017: 67,250). These include followers on our Twitter, LinkedIn, Facebook and Instagram accounts.

ITC's website enjoys a global audience, attracting 4.65 million views in 2021 as compared to 3.5 million in 2017. In 2020, ITC began restructuring our website to bring together all our digital communications channels in a coherent ecosystem, with the objective of expanding the organization's outreach. ITC made substantial progress toward developing a new website in 2021. The research, definition, content and design, development and pre-launch phases were completed during the year, leading to the launch of the new website in early 2022.

In 2020, we responded to the COVID-19 pandemic by creating a special newsroom and <u>website</u> dedicated to the pandemic and its impact on small businesses. ITC released bi-weekly human-interest stories and blogs written by staff and external stakeholders. By the end of 2020, our Communications and Events team had published 40 stories, 26 blogs, 4 Op-eds, 1 COVID-19 Business Impact Survey and 1 <u>Action Plan</u> for MSMEs, BSOs and governments containing 15 recommendations on immediate responses to the crisis.

ITC continued to lead on the commemoration of <u>UN International Day for MSME</u>. Every year as part of the occasion, ITC launched its annual ITC flagship publication on SME Competitiveness. In 2020, due to the COVID-19 pandemic, ITC marked MSME day with a WebTV programme on *The Great Lockdown and its Impact on Small Business*, which featured 40 diverse speakers who discussed challenges arising from the crisis, possible solutions to mitigate its effects, and prepare for a 'new normal'. The programme was livestreamed to 3,000 viewers. In 2021, as one of the events to commemorate MSME day, ITC hosted a <u>TV talk show</u> to launch <u>SME Competitiveness Outlook 2021:Empowering a Green Recovery</u> and discuss a 'greener way forward'.

ANNEX 1: TIER 2 DEVELOPMENT RESULTS 2018-2021

Tier 2: Development resu	ilts	2018 results	2019 results	2020 results	2021 results
A. Strengthened Integration of the business sector into	(A1) Number of male and female beneficiaries reporting greater awareness of international trade as a result of ITC support.	299,406	338,188	388,033	412,493
the global economy	(A2) Number of cases in which trade-related policies and /or strategies and/or regulations have been introduced or changed in favour of the international competitiveness of small and medium-sized enterprises, with business sector input, as a result of ITC support.	89	137	123	93
B. Improved performance of institutions for the benefit of enterprises	(B1) Number of cases of institutions having improved operational and managerial performance as a result of ITC support.	353	463	331	479
C. Improved International competitiveness of enterprises	(C1) Number of MSMEs having made changes to their business operations for increased international competitiveness as a result of ITC support.	14,995	17,636	21,981	25,746
	(C2) Percentile share of MSMEs that are owned, operated, and controlled by women having made changes to their business operations for increased international competitiveness as a result of ITC support.	50% (or 7,497)	44% (or 7,715)	55% (or 12,049)	35% (or 9,024)
	(C3) Number of MSMEs having transacted international business as a result of ITC support.	3,514	8,926	18,052	5,667
	(C4) Percentile share of MSMEs that are owned, operated and controlled by women having transacted international business as a result of ITC support.	57% (or 2,002)	38% (or 3,375)	24% (or 4,252)	40% (or 2,264)