

CCITF OCTOBER 29 2024 – ED REMARKS

Agenda item 1. ITC's report to the CCITF January – June 2024

Good morning, everyone, and a warm welcome to our second CCITF meeting of the year. I would like to request the adoption of the agenda and invite anyone who wishes to do so to suggest the inclusion of items under any other business.

The first agenda point is our formal report to the CCITF on ITC's performance for the period of January 1 – June 30, 2024, which provides an overview of our budgets, delivery, performance, and risks relative to the Operational Plan 2024.

I'm excited to share that we're on good track overall with our implementation and would now like to walk you through some of the highlights.

I'd like to begin by outlining our funding position. Over the first six months of 2024, we received \$31 million of extrabudgetary contributions, while signing about \$50 million of new grant agreements.

While the contributions received during the same period in 2023 were higher at \$55 million, this will not affect this year's delivery.

Many of the agreements we sign at ITC span multiple years, and the timing of the instalments paid to ITC depend on each project. You will hear

more about our extrabudgetary funding developments under the second agenda item.

Our regular budget remained stable. I'd like to thank all our funders for their valuable support to ITC's mandate, especially through core funding under both the regular budget and Window 1 contributions.

Our mid-year financial delivery stands at \$79 million, or 53%, of the 2024 target budget of \$148 million. This is slightly higher than last year.

Looking at the distribution by impact areas and core services, the delivery ranged from 50%-66% of the annual targets and is largely on track. Like in the previous period, "sustainable and resilient value chains" and "inclusive trade" are our largest impact areas, jointly accounting for 57% of our extrabudgetary delivery. The largest core service was "improved MSME firm-level capacities to trade," accounting for 48% of extrabudgetary delivery.

Looking at the top three geographic regions, Sub-Saharan Africa accounted for 49% of our delivery, followed by the Asia-Pacific region with 24% and Middle East and North Africa with 13%.

Our delivery in priority countries was 81%, which is just above the 80% target. We also exceeded our targets for SIDS and conflict-affected

countries, while for LDCs and LLDCs our delivery was 1% below the respective 40% and 30% targets.

Next, I'll highlight some of results for our three-tier corporate scorecard and programmatic milestones.

Comparable to the previous periods, 80% of our delivery is linked directly to four SDGs: SDG 8 on decent work and economic growth, SDG 17 on partnerships for the goals, SDG 5 on gender equality, and SDG 1 on no poverty.

As usual, we will provide an update on our corporate outcomes in December, and you can expect to see that information in the year-end CCITF report. The output indicators are largely on track, except for the publication of the SME Competitiveness Outlook, which we are now releasing in 2025 within the context of our first-ever global SME ministerial.

Speaking of our use of Window 1, and the results achieved—and you can read more about this in a dedicated chapter—there are three examples that I feel truly typify how important this support is to our beneficiaries.

First, Window 1 has been instrumental in our efforts for supporting the development of the cotton-to-clothing value chain.

Cotton apparel is one of the priority value chains that we have identified as being highly promising for sustainable development in Africa, especially in light of the AfCFTA, and where we'll be concentrating our efforts over the coming months and years.

ITC's baseline assessment of the cotton-to-clothing value chain in the C4 countries of Benin, Burkina Faso, Chad, and Mali, along with Côte d'Ivoire, made clear how much promise this work holds.

The report identified the region's potential to locally process 25% of its cotton production—which is critical for increasing local value addition and keeping revenues within these economies. It can also generate up to 500,000 jobs in long term.

These findings were endorsed in June at an international workshop in Cotonou, Benin, on the sidelines of a meeting of the Steering Committee of the Partenariat pour le Coton.

They have also been highlighted at major events like this month's World Cotton Day celebrations in Benin. The study will inform a programme to attract greater investment in the C4+ countries.

Second, Window 1 support has been instrumental in our advocacy efforts, including in our ongoing global campaign on gender-responsive public procurement with UN Women, launched in March.

The campaign aims to raise the participation of women-led businesses in public contracts—given that today, they capture only 1% of that \$13 trillion global market.

At mid-year, ITC had secured 22 statements of support and four country pledges, and we have received further statements of support since.

It's part of our wider advocacy efforts to change the game for women in entrepreneurs, recognizing that we still have an uphill climb to achieve SDG 5 on gender equality.

A related highlight for us was the launch earlier this year, with the WTO, of the Women Exporters in the Digital Economy or WEIDE Fund during the Thirteenth WTO Ministerial Conference, with an initial grant of \$5 million from the United Arab Emirates.

We are now inviting applications from business support organizations to become in-country partners for the Fund.

Third, Window 1 funding is the reason our global public goods continue to evolve, helping more SMEs and policymakers access the information they need, and in a way that's easy to use.

ITC's Trade Map now covers 90% of global trade across 119 reporting countries; Market Access Map has grown to now cover additional tariffs

and duties data for 78 countries and territories, while the Global Trade Helpdesk has added Bahasa Indonesia and Chinese versions.

In other words, Window 1 funding is key to ITC's ability to do what it does best: transform trade, thereby changing lives, just as our tagline says.

Now, I'd like to turn to ITC's operations and highlight a few of our key performance indicators.

First, the percentage of women in professional and senior-level positions is at 53%, exceeding the 50% target.

As CCITF members requested, we have added the breakdown by staff category to the report and we are also sharing this information with the UN System-wide dashboard on gender parity.

Second, our IATI transparency reporting has been maintained. We published 92% of extrabudgetary delivery for trade-related technical assistance projects.

Finally, among our various efficiency and effectiveness initiatives, let me highlight that we have now endorsed the new Country Engagement Strategy 2024-2030. We are currently in discussions with Kenya to open our first liaison office in a beneficiary country and I will update you once we have an official launch date.

I would like to end this overview with a few updates on evaluation and risk management.

Our Independent Evaluation Unit provided ITC management and all JAG members with a comprehensive midterm evaluation of the ITC Strategic Plan 2022-2025, and we will apply its recommendations in our next strategic planning cycle.

Concerning the result of our regular risk assessments, mainly due to external risk drivers, we see increasing risks in areas of the staff safety, as well as with data and cybersecurity.

Even though we have solid controls in place, we are implementing additional mitigation measures. For instance, we recently held an advanced training on safety for personnel that engage in conflict-affected settings—a situation that is increasingly common for the MSMEs we serve.

I hope this summary has given you a taste of ITC's work over the first half of 2024. As the year draws to a close, we have a few more big milestones in store.

Tomorrow, we'll be holding a donor roundtable on supporting Ukraine's recovery, underpinned by the MSMEs that make up over 99% of its economy. The proposals we're presenting there, developed with the

Ukrainian government, draw from our extensive work in the country and our experience working in fragile and conflict-affected settings.

We'll be heading to Baku in the coming weeks for the climate COP29, where we have a range of activities underway – including on how the next round of nationally determined contributions ahead of COP30 in Brazil can incorporate trade and MSMEs in a meaningful way.

We'll also be bringing a delegation of MSMEs to the COP, as we have in recent years, so they can share with the climate community what they are hoping to see from the negotiations and what their daily experiences of climate change are like.

In December, we will be going to Botswana for the Third UN Conference on Landlocked Developing Countries, where we will be advocating for the role of MSMEs in the new programme of action for the coming ten years.

Closer to home, we are also looking forward to holding our inaugural ITC recognition awards that same month, celebrating the extraordinary contributions of our ITC community.

Thank you all for your time and attention. I'd now like to open the floor for questions.