

OUTLINE OF ITC'S STRATEGIC PLAN 2018-2021

MR. JOHN GILLIES

SENIOR ADVISER, STRATEGIC PLANNING & PARTNERSHIPS

Good afternoon your Excellencies, Ladies and Gentlemen.

I would like to share with you our thoughts on ITC's new strategic plan and invite you to provide feedback on the ITC Strategy moving forward. We will begin that discussion this afternoon, time permitting.

ITC's Executive Director gave a full overview of our recent results this morning and has made it very clear that our purpose is to contribute to the SDGs through trade, by so doing continue to consolidate efforts in what has worked well thus far. ITC's mission continues to support micro small and medium sized enterprises to internationalize and improve lives through inclusive and sustainable trade. I would like therefore to concentrate my remarks on what has changed in our operating environment and how we intend to shape our response.

You have in your papers the consultative document entitled *Trade Routes to Sustainable Development*. The document discusses what **we want to achieve**, where we are now, **what has changed** and **where we are going**.

Consultations

This JAG meeting is the beginning of our in depth consultations but we have been busy.

Since the World Trade Promotion Organization (WTPO) conference in Morocco at the end of last year, we have used our events and the many bilateral formal and informal meetings of Senior Managers and ITC staff in Geneva and the field, to solicit views from partners and clients, on what is important for them and should be included in our new Strategic Plan.

- In April we conducted an online survey reaching out to over 7000 individuals comprising external stakeholders, MSMEs managers and ITC staff. Many of you have already contributed to that stock-taking exercise.
- Closer to home here in Geneva, we have been consulting with UN colleagues through the United Nations Sustainable Development Goals Lab hosted by UNOG where other UN agencies are currently working on their own Strategic Plans.

We have also shared preliminary thoughts with the Consultative Committee of the International Trust Fund (CCITF), our consultative governance body.

Now allow me to share with you our thoughts on what has changed in our operating environment since the last plan and how our stakeholders perceive them.

Global Trade Landscape

The context for global trade is changing rapidly. **Global megatrends** in migration, a growing youth population, climate change and the consequences of conflict within and between states frame the contributions which trade can make to human development.

- **Multilateralism** is under stress.
- **New trade routes** are opening in physical and virtual marketplaces.
- **South-south trade** is growing rapidly, reflecting the growing synergies between trade, infrastructure investment and trade facilitation services.
- **The global e-commerce marketplace** is fulfilling its promise and increasing trade possibilities for developing countries.
- **Meanwhile, Green technologies** are achieving major advances and becoming competitive.
- In terms of employment, **job growth** lags revenue growth in many export sectors. Routes to trade- led employment will require self-employment, requiring new entrepreneurship and business management skills among women and youth.

.....all of this comes with an unprecedented speed of **technological change which is** disrupting entire systems of production and consumption.

Development Landscape

In the trade for development landscape, we are witnessing significant changes as well.

- **Reform.** The Secretary General’s Reform Agenda confirms the overriding need to put countries and local partners at the centre of the SDG agenda. All development partners will therefore need to focus on their comparative advantages, reduce overlaps and create new methods of working to increase coherence at the local level.
- *The creation of public private partnerships, for example, was cited as the second most important trend in the development landscape in the view of respondents to our online survey, second only to the SDG agenda itself.*

- **Data analytics.** There is growing confidence that advanced data analytics can be used earlier in the developmental process to diagnose problems before they occur.
- **Agribusiness and Fragile States.** We are witnessing increased demand for ITC project assistance addressing agribusiness creation in fragile states because agriculture can absorb low-skilled labour and provide a migration path to higher value added products and increased wages.

The Present: ITC Response

So what has been the result of these preliminary consultations? Stakeholders have explicitly validated most of our findings in the external environment.

With respect to ITC's services, beneficiaries found that all of our services were relevant with some comments that we need to keep our focus on our core mandate.

For our MSME clients this means that new markets are emerging fueled by technological progress and that sustainable agricultural production practices will be needed to build resilience and meet changing consumer preferences.

ITC's new strategic plan needs to take account of all these developments.

Target Audiences

We intend to consolidate efforts to improve the business environment, influencing *policymakers*, and with *trade and investment support institutions* as the delivery channel, to increase trade from *micro small and medium sized enterprises*. At the same time, our strategy now explicitly shows the enabling role which *market partners* play by opening value chains to small businesses.

Our strategic plan review suggests to us, that our goals and 6 practice areas are still relevant and demanded by our clients:

Trade and Market Intelligence is the basis of any business decision. We will continue to strengthen our capacity to provide practical, user-friendly trade and market data ... by strengthening trade data partnerships (with the WTO and UNCTAD). We see a need to drill deeper into areas like non- tariff impediments to trade, trade in services, and integrate trade intelligence through customized regional and thematic trade portals.

Conducive Business environment. We will continue to support WTO accession and post-accession adjustments by bringing the voice of business to trade negotiations through public private dialogue. In trade facilitation we intend to support implementation of the WTO trade facilitation agreement but also to expand it to core logistics and cross border e-commerce.

Trade and Investment Support Institutions. Building on our performance assessment and capacity building work with national trade promotion organizations, we intend to expand our interventions with sector associations, investment agencies, women's business associations membership based associations.

International Value Chains. We will continue to focus on sectors which offer value addition and export growth and the economic empowerment of the bottom of the pyramid. This includes the growing tourism services sector where we partner with the UN World Tourism Organization. In e-commerce, we intend to strengthen our private sector partnership with major multinationals to improve MSME participation in e-commerce supply chains.

Regional Integration and South-South Links. Southern markets are the fastest growing markets in international trade. ITC is already promoting regional integration in Northern and Sub-Saharan Africa and intends to deepen and widen South-South partnerships, including making links between trade and investment.

Inclusive and Green Trade. The big pay-off for sustainable trade is to extend the benefits of trade more equitably. Women, youth and displaced persons deserve equal economic opportunities to lead rewarding lives. ITC will build on its work on SheTrades, in poor communities in countries like Afghanistan and other LDCs, with refugees and migrants. We will ensure that sustainability standards help to transform and green value chains in agricultural and artisanal products.

Managing for Results

To deliver services more effectively and efficiently, ITC will need to mobilize and align our human and financial resources accordingly, calculating existing and emerging risks, and ensuring we systematically innovate. I call your attention to three priority areas of work:

Results and Impact. Keep investing in analysing results and impact.

Partnerships. ITC works in a value chain: the value chain of trade for development. The importance of partnerships therefore cannot be overestimated. ITC partners with a wide range of public and private development actors at the global, regional and national levels to gain access to resources to better serve our beneficiaries.

Resource Mobilization. We will only be able to reach our goals, if we can mobilize resources from all project stakeholders on a sustainable basis. Currently the majority of ITC's funding is tied specifically to particular technical assistance projects. At the same time, it is important to maintain core support which allows us, as the UN Secretary General has indicated in UN reform, to invest in corporate actions which deliver overall efficiency gains.

The Future. Where We are Going.

Finally the spirit of our new plan is to place our clients at the centre of our technical assistance to achieve trade results which contribute to the SDGs. A differentiated approach is needed in each country, taking into account the national agenda and the many factors that will determine their trade related needs and potentials. We need to be able to react, when we are asked for help. We intend to exploit our comparative advantage, partner with others and develop new funding platforms which provide greater flexibility to respond and stay engaged over a longer time horizon.

In this regard, we need your help to build new mechanisms which place country clients at the centre of our development co-operation.

Closing

Over the coming three months, we intend to hold internal meetings with ITC staff, reconvene the CCITF with a wider group of stakeholders, and meet with regional trade constituencies.

We hope that following this meeting you will consult further with your colleagues in your country capitals. We have created a dedicated email address to receive your views.

I invite you to respond to this call to action and join us on the path to reaching the Sustainable Development Goals. Thank you for your kind attention.

END

Questions

Improved Access. What additional mechanisms are required to increase access to ITC services?

Partnerships. What partnerships would you encourage ITC to pursue in order to create impact on the SDG agenda? Are there specific private sector actors with whom ITC should work?

Resource Mobilization. How can ITC be more effective in being an honest broker of client project proposals which justify funding?

Local Delivery. What mechanisms are required to ensure that trade related technical assistance is better reflected in country development plans?