

REPORT OF THE 55TH SESSION OF THE ITC JOINT ADVISORY GROUP MEETING

Geneva, 2 November 2021

ITC mission:

To enhance inclusive and sustainable growth and development in developing countries, especially least developed countries, and countries with economies in transition through improving the international competitiveness of MSMEs.

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Report of the 55th session of the ITC Joint Advisory Group

Geneva, 2 November 2021

Opening Session

Opening remarks by the Chair of the 54th session

1. H.E. Ms. Athaliah Lesiba Molokomme, Ambassador, Permanent Mission of Republic of Botswana to the United Nations Office and other International Organizations at Geneva, opened the 55th session of the Joint Advisory Group (JAG).
2. Ambassador Molokomme stressed the adverse effect of the COVID-19 pandemic on small businesses, especially in developing countries, and mentioned their limited financial cushions and often weak institutional support.
3. She underlined that small businesses should be placed at the forefront of the economic recovery efforts, as they play an integral role in holding societies together and generating most jobs for youth, women, and vulnerable communities.
4. She referenced ITC's work in Botswana where it helped mainstream trade and SME development into national development planning. This helped Botswana diversify its export-base and set the country on a path to achieve middle-income status.
5. She thanked ITC and Executive Director Pamela Coke-Hamilton for the draft Strategic Plan and the Annual Report and encouraged all members and partner organizations to continue their collaboration with ITC.

Opening remarks by the Chair of the 55th session

6. H.E. Mr. Paul Bekkers, Ambassador, Permanent Representative to the WTO, Permanent Mission of the Kingdom of the Netherlands to the United Nations Office and other International Organizations in Geneva, took up his position as Chair of the 55th session of the JAG.
7. In his opening remarks, Ambassador Bekkers outlined the dramatic effect of the pandemic, as it had led to job losses, bankruptcies, and had forced entire economic sectors to contract, most notably tourism. While some countries are gradually recovering, he explained, others are still reeling in the wake of the pandemic.
8. He stated that ITC has proven to be an important partner to small businesses across developing countries in this dire situation. He applauded ITC for being agile and having swiftly adapted to the new way of working and having launched new tools and strengthened

existing ones. He made reference to the e-learning platform SME Trade Academy, which saw a record-breaking 100,000 participants in 2020.

9. Ambassador Bekkers pointed out that ITC had improved the competitiveness of over 21,000 Micro, small and medium-sized enterprises (MSMEs) and had been active in 128 countries in 2020. A clear focus had been placed on priority countries including least developed countries (LDCs), Landlocked Developing Countries (LLDCs), small and vulnerable economies (SVEs) and small island developing States (SIDS). Priority countries accounted for over 80% of the country-specific interventions and LDCs for 49%.
10. He referenced the Netherlands' strong cooperation with ITC and explained that the Netherlands Trust Fund V programme had been launched in September 2021 with a \$15 million commitment over the next five years.
11. He called for global cooperation to solve today's pressing challenges, from the looming threat of the climate crisis to the growing digital divide. He argued that responsive technical assistance and swift reform were needed and invited partners to continue investing in ITC, as it made valuable contributions to achieving the Sustainable Development Goals (SDGs).
12. Ambassador Bekkers welcomed the draft Strategic Plan 2022-25 and commended ITC for taking into account the comments and considerations of the many external stakeholders. He found the sharpened focus on sustainability, digital technologies, and inclusiveness to align well with the future trends for the global economy and the overarching objective of sustainable development.

Statement by Director, Office of the Secretary-General of UNCTAD

13. On behalf of Deputy Secretary-General Isabelle Durant, Pedro Moreno, Director in the Office of the Secretary-General of the United Nations Conference on Trade and Development (UNCTAD) highlighted the strong collaboration between ITC and UNCTAD.
14. He referred to UNCTAD's 15th ministerial conference and outlined its new mandate 'the Bridgetown Covenant', which places stronger emphasis on climate change and environmental degradation, digitalization and investment. He underlined the need to align the joint work between ITC and UNCTAD to the new mandate.
15. Mr. Moreno highlighted several key areas of the collaboration between ITC and UNCTAD. Within the frame of the G20, UNCTAD and ITC have supported the Italian presidency to develop a non-binding MSMEs Policy Toolkit. Within the area of trade facilitation, ITC and UNCTAD work closely together and have established and/or launched 17 trade facilitation portals.
16. Mr. Moreno referenced the World Tariff Profiles which ITC and UNCTAD jointly publish with the WTO to provide comprehensive information on tariffs and non-tariff measures imposed by over 170 countries and customs territories. As additional areas of cooperation, he

mentioned, among others, the Global Trade Helpdesk, the SDG Trade Monitor portal, e-trade, and various thematic studies.

17. In the area of trade and gender, he pointed out that UNCTAD and ITC have continued to cooperate towards the implementation of the Buenos Aires Declaration on Women and Trade within the framework of the International Gender Champions Trade Impact Group and the WTO Informal Working Group on Trade and Gender.
18. In the area of sustainability, he mentioned that UNCTAD and ITC collaborate on the BioTrade self-assessment tool under the framework of UNCTAD's Global BioTrade programme. ITC also participates in UNCTAD's Voluntary Sustainability Standards (VSS) Academic Advisory Council and both agencies jointly participated in the United Nations Forum on Sustainability Standards (UNFSS).
19. He commended ITC for its wealth of experience in technical cooperation on SME's export capacities and its ability to translate UNCTAD and WTO research findings into tools and benefits on the ground. In closing his statement, he underlined the need to avoid duplication and promote complementarity between the institutions.

Statement by WTO Deputy Director-General

20. Xiangchen Zhang, Deputy Director-General of the World Trade Organization (WTO), opened his remarks by informing delegates of his recent visit to Tashkent, during which he received very positive feedback from Uzbekistan on the policy advice ITC has been providing to support the country's WTO accession.
21. He commended ITC's array of services and applauded ITC for reaching 1 million registered users on its trade and market intelligence tools. He pointed out that ITC responded quickly to the pandemic in 2020 and underlined that the COVID-19 Business Impact Survey highlighted the scale of the challenge that the pandemic was posing for micro, small and medium-sized enterprises.
22. The Deputy Director-General outlined several areas of cooperation between ITC and WTO. Both agencies jointly provide access to critical intelligence for MSMEs through the Global Trade Helpdesk, the ePing alert system, the rules of origin facilitator and the cotton portal. He commended ITC for being a regular contributor to the various policy dialogues taking place at the WTO, imparting knowledge and expertise to the discussions.
23. He stressed that ITC's Annual Report demonstrated the value that ITC brings across the full range of its activities, which have served small businesses particularly well in adapting to the business realities of the pandemic. He also referenced the collaboration in the area of the digital economy and investment facilitation for development.
24. Regarding women's economic empowerment, he referenced ITC's flagship SheTrades initiative and its successes in impacting women on the ground. He announced that the WTO

and ITC are collaborating on the creation of a fund focused on trade and gender, which will promote new trade and investment opportunities for women entrepreneurs.

25. In concluding his statement, he thanked Ms. Coke-Hamilton for her leadership through these challenging times and expressed the WTO's confidence in her abilities to take forward ITC's new Strategic Plan for 2022-2025.

Statement by Executive Director of ITC

26. Ms. Pamela Coke-Hamilton, ITC Executive Director, thanked Botswana for its leadership of the 54th session of the JAG and Ambassador Bekkers for chairing the 55th session of the JAG. Referencing the historic female leadership of the Geneva Trade hub, she thanked Director-General Ngozi and Secretary-General Grynspan for their support and partnership. She listed areas of joint initiatives, which include the Global Trade Helpdesk, the trade and gender agenda, the joint initiative on cotton by-products, as well as collaboration on rules of origin, LDC graduation and WTO accessions.
27. Ms. Coke-Hamilton pointed to the dire global situation caused by the COVID-19 pandemic. She alluded to the various elements of the crisis including its economic, health, educational and social consequences. She underlined the impact on trade, which saw the largest ever single-period decline during the second quarter of 2020 due to imposed restrictions.
28. She explained that the recent recovery was not benefitting everyone equally and took the form of a K-shape with the most vulnerable falling behind. She explained that several sectors, especially services and tourism, continued to suffer severely from the prolonged crisis. The pandemic thus revealed and magnified the challenges of undiversified exports, skills gaps and high costs to markets across many countries.
29. Ms. Coke-Hamilton also pointed to the threat of climate change and underlined ITC's active role at the COP26 conference to ensure that MSMEs and trade were part of the dialogue. She reiterated the need to build back on better foundations after the pandemic and assured that ITC would rise to the challenge by taking into consideration the needs of its stakeholders and remaining innovative, responsive as well as engaged on the ground.
30. Ms. Coke-Hamilton introduced the 2020 Annual Report, which provided a full account of the corporate performance and profiles of ITC's programmes, projects and innovations. She stated that ITC throughout 2020 *pivoted for purpose* – towards more sustainability, connectivity and inclusivity.
31. On almost every indicator, ITC had surpassed its targets. It had reached nearly 400,000 active users of trade intelligence tools, generated a combined total of \$311 million in export and investment trade, and helped over 18,000 MSMEs transact international business. She also mentioned that the value of trade and investment deals generated through ITC's South-South projects in sub-Saharan Africa alone had reached 30 million dollars and that the goal of connecting 3 million women to international markets by the end of 2021 was within reach.

32. In terms of ITC's geographic reach, more than 80% of ITC's country-specific interventions were in LDCs, sub-Saharan Africa, landlocked developing countries, small island developing States and conflict affected states, with nearly half of these being LDCs. Ms. Coke-Hamilton provided examples of ITC's work in 2020, including SMECO, SheTrades Outlook, the Gambia, and Alliances for Action.
33. With respect to SMECO, she underlined ITC's responsiveness as demonstrated by the business impact survey launched across 140 countries, which helped steer ITC interventions and overall policy response to the COVID-19 crisis. The data collected under SheTrades Outlook, a policy platform based on 83 indicators, provides a detailed country-level picture that helps policymakers understand how they can strengthen women's economic empowerment through trade policy. Through its youth empowerment work in The Gambia, ITC supported vocational trainings, entrepreneurship skills and financial literacy with a view to reducing irregular migration. ITC's Alliances for Action helped farmers in the Caribbean unlock new sources of finance through crop diversification, more sustainable farming practices and better branding of their products.
34. Ms. Coke-Hamilton expressed ITC's gratitude towards its funders and thanked the UN and WTO Members for their support to ITC's Regular budget. She added that ITC had received \$120 million in extra-budgetary funds in 2020 and had signed nearly 80 new funding agreements worth over \$125 million. She put special emphasis on unearmarked and soft-earmarked contributions, known as Window 1 funds, which amounted to more than \$16 million in 2020 and underlined the trust that donors placed in ITC's programme management and strategic priorities.
35. With reference to ITC's next Strategic Plan 2022-2025, Ms. Coke-Hamilton thanked all stakeholders for their valuable contributions to the process. She stated that ITC would continue to support developing countries to meet the challenges of a world transformed by COVID-19, by climate change, by technology and by social progress. She highlighted that ITC would further deepen its work on inclusion, digital connectivity, the green economy, and regional integration. ITC would engage even more closely with its UN and private sector partners at the country level, diversify its funding base, and enhance its internal business processes. She stressed ITC's strong achievements in equality, diversity and inclusion, as evidenced by the 94% compliance rate with the UN System-wide Action Plan on Gender Equality.
36. In concluding, Ms. Coke-Hamilton stressed that the new Strategic Plan was ambitious, but that ITC's stakeholders demand and expect nothing less and encouraged joint action to put the vision into place.

Outline of ITC's draft Strategic Plan 2022-2025

37. Ms. Iris Hauswirth, Chief of the Strategic Planning, Performance and Governance Section, provided an outline of ITC's draft Strategic Plan 2022-2025. She explained that the draft Strategic Plan was an intermediary step, produced with the help of delegates' responses to the ITC online survey and the Consultative Document. Delegates were invited to review this draft and provide additional feedback to shape the completion of the final document.
38. Ms. Hauswirth stated that ITC saw its purpose in supporting the achievement of the Global Agenda 2030 through trade and to contribute to a prosperous world for all in which growth was environmentally and socially sustainable. In line with its mandate, ITC made this contribution through increasing the competitiveness of micro, small, and medium sized enterprises in developing countries and economies in transition. With 92 per cent of the survey respondents indicating that economic growth should not be the only ITC objective, she explained that ITC's focus on inclusion and sustainability had become more important.
39. She stated that while the majority of survey respondents agreed that ITC should not focus exclusively on vulnerable population groups or specific country groups, ITC was encouraged to put an emphasis on the most disadvantaged. Through the new draft Strategic Plan, ITC therefore aimed at achieving and sustaining income growth of the bottom 40% of the population, in line with SDG10. ITC would work with all countries within its mandate, including middle income countries, and aimed for a 45% share of country-specific interventions in LDCs and 80% for priority countries.
40. Ms. Hauswirth introduced ITC's new results framework, highlighting the overarching impact objective of ITC's contribution to inclusion, sustainability and prosperity, the outcome of MSME trade competitiveness, and the intermediate outcomes through ITC's four core services areas. Through the identified five impact areas, drawing on ITC's core expertise, ITC would sharpen its focus on inclusion, sustainability, e-commerce, green trade and regional trade.
41. She highlighted ITC's priorities to strengthen its organizational capacities, which include deeper country engagement and partnerships, increased internal operational performance, and enhanced resource mobilization. In concluding, she informed delegates of the next steps following the JAG. ITC would continue to strengthen the Strategic Plan in a number of identified areas and finalize the discussions on ITC's vision and mission statements, as well as the new indicators of the results framework. She invited delegates to continue sharing their views and pointed to the Consultative Committee of the ITC Trust Fund in December for a final discussion.

Statements by delegations

42. Delegates applauded ITC for the results achieved in 2020 and appreciated ITC's agility in responding to the challenges brought on by COVID-19. They found the rapid pivoting a clear indication of ITC's unwavering commitment to MSMEs in developing countries and

appreciated the focus on sustainability, digitization and integrating women and young people into global value chains.

43. Delegates commended the Annual Report, which was found to be comprehensive, informative, and well-written. Delegates pointed out that it clearly illustrated many successful projects and their contribution to the SDGs, as well as ITC's timely responses to pandemic. Delegates also acknowledged the steps taken to enhance the transparency of the Annual Report.
44. Delegates referred to their successful collaboration with ITC through various projects and were looking forward to continuing this partnership. Areas of ITC's assistance most referenced included women's economic empowerment, climate and sustainability, digital trade and e-commerce, trade and market intelligence, WTO accessions, trade facilitation, textiles & clothing, and tourism.
45. Delegates stressed the severe economic impact of the COVID-19 pandemic on their countries. LDCs were hit particularly hard, which affected food systems, led to job losses and supply chain disruptions. Delegates voiced hope that the trade sector was gradually recovering and concluded that recent developments made ITC's work more relevant than ever.
46. Delegates commended ITC for the draft Strategic Plan and appreciated ITC's targeted approach towards LDCs and vulnerable groups. Delegates expressed their support for ITC's focus on gender, green, digital and the pandemic in Strategic Plan. Delegates appreciated the opportunities to provide input in a structured way through the survey and the consultative document and referenced their active participation in these processes. Delegates encouraged ITC to continue to provide consistent reporting against the objectives.
47. Delegates appreciated ITC's efforts to help developing countries make their value chains more sustainable via the GreenToCompete and Trade for Sustainable Development work. Delegates called for more climate-related work, stressing the vulnerability to climate events and the need to move towards more sustainable solutions. Delegates thanked ITC for being carbon-neutral since mid-2020.
48. Delegates underlined the increasing importance of digitalization, which was further accelerated by the pandemic. They asked ITC to place particular emphasis on initiatives such as ecomConnect to help MSMEs boost competitiveness and tap into new market opportunities arising from the digital economy. Delegates asked for additional support to bridge the digital gap and develop a more resilient digital economy.
49. Delegates congratulated ITC for making a difference in the lives of women and stressed the importance of applying a gender lens to all activities in trade. They underlined the need to enhance the participation of women in economic activities and to strengthen their entrepreneurial activities. Delegates welcomed that ITC will prioritize the empowerment of women through the new Strategic Plan and look forward to engaging with SheTrades activities in their respective countries.

50. With regards to partnerships, delegates welcomed ITC's efforts to create synergies with other organizations, including multinational organizations. They appreciated ITC's closer cooperation with the WTO through various WTO committees and working groups. Delegates encouraged ITC seek further synergies with partner organizations and to continuously reflect its added value in areas where multiple organizations are active and avoid duplication.
51. Delegates expressed their gratefulness to ITC's funders and appreciated ITC's ambition to diversify its funding base. Delegates equally stressed the importance of unearmarked funding and called for more funders to contribute to ITC's Window 1 funds. Delegates re-affirmed their commitment to continue their collaboration with ITC.

Presentation of the 2021 Annual Evaluation Synthesis Report

52. Mr. Miguel Jiménez Pont, Head of the Independent Evaluation Unit (IEU), presented the ITC 2021 Annual Evaluation Synthesis Report (AESR). The report conveys the critical learning points generated by the review of ITC Strategic Plan 2018-2021 and is articulated around 4 analytical dimensions, namely the significance of the Strategic Plan, the resources set in place to achieve its goals, the results achieved, and the influence of the implementation of its goals on ITC stakeholders.
53. In terms of significance of the Strategic Plan, Mr. Miguel Jiménez Pont stressed that the clear direction given by the Strategic Plan has helped to form a corporate identity and to create trust, in particular with funders. The mission statement and vision as defined in the Strategic Plan 2018-21 were in full alignment with ITC mandate.
54. In terms of resource allocations, he pointed out that ITC's Results Framework brought consistency and convergence to the results achieved and was instrumental in corporate decision-taking. He stated that to further enhance ITC's performance in a rapidly evolving context, a proactive analysis of lessons learned was required.
55. In terms of results achieved, he noted that the Strategic Plan provided a strong tool for ITC's role in enhancing trade and sustainable development within the 2030 Agenda. He noted that a strengthened strategic planning function was essential to ensure that objectives are specific and measurable.
56. In terms of influence on ITC stakeholders, Mr. Jiménez-Pont stated that the Strategic Plan reinforced the staff's sense of organizational belonging. He noted that the effectiveness of partnerships could be further enhanced by better defining and measuring partnership objectives and that despite notable improvements, a more systematic use of needs assessment practices was required at the project level.
57. He explained that all recommendations of the AESR were accepted by senior management and were taken into account while preparing the draft Strategic Plan 2022-2025. In closing, he listed the recommendations made through AESR, which included a clear focus on a

limited number of high-level objectives aligned with the SDGs, ensuring continuity in the operationalization of corporate objectives, and developing blueprints for different types of partnerships with clear and measurable criteria of success.

Closing Session

Chair's summary

58. In closing, Ambassador Bekkers thanked participants and speakers for their contributions, as well as UNCTAD for hosting the hybrid meeting. He commended UNCTAD, the WTO and ITC for successfully partnering on many areas including women's economic empowerment, e-commerce, trade facilitation, agriculture, and green trade. He took note of delegates' appreciation of ITC's fostering deeper inter-agency cooperation, particularly in the COVID-19 context and recognised the added value that ITC brought to the achievement of the sustainable development goals.
59. Ambassador Bekkers noted that green trade is a key theme for many delegates and the importance of ITC's efforts towards greener trade for MSMEs and regional value chains. He took note of the importance ascribed to digitalisation as a competitiveness tool for MSMEs and their call for ITC to expand its focus on digital trade.
60. He also reiterated delegates' appreciation for ITC's significant strides to connect women entrepreneurs to international markets, most notably through the SheTrades programme, and applauded the effectiveness of ITC's tools such as the e-learning platforms.
61. Ambassador Bekkers noted that delegates encouraged ITC to continue paying close attention to the needs of MSMEs who are furthest behind because of the pandemic and appreciated ITC's special focus on LDCs, landlocked developing countries, small island developing states and fragile states.
62. To conclude, he acknowledged that delegates praised the results demonstrated in the 2020 Annual Report and appreciated their involvement in the consultation process of the draft Strategic Plan 2022-2025.

Executive Director's Closing Remarks

63. In her closing remarks, Ms. Coke-Hamilton thanked the Chair for his able stewardship of the 55th session of the JAG, as well as all speakers and delegations for their statements, observations and appreciation of ITC's work.
64. She expressed her gratitude to all funders who committed to support ITC through both Window 1 and Window 2 of ITC's Trust Fund and stressed the particular importance of unearmarked Window 1 contributions. She also thanked ITC staff for their commitment despite an increasingly complex operating environment.

65. She took note of the recommended actions given during the presentation of the Annual Evaluation Synthesis Report and thanked the delegates for their feedback on ITC's next Strategic Plan 2022-25, encouraging more comments to enable ITC to finalize the Plan.
66. Ms. Coke-Hamilton took note of delegates' concerns about the impact of the pandemic on MSMEs, women, youth and vulnerable communities. She reiterated delegates' calls for enhanced efforts towards greener trade, women's empowerment and closing the digital divide. She equally noted delegates' appreciation that ITC collaborates closely with UNCTAD and the WTO.
67. Reacting to the concern about the impact of COVID-19 on MSMEs, women, youth and vulnerable communities, she confirmed her ambition to help partner countries to build back on stronger and more stable foundations and to harness a recovery with trade and small business at its heart.
68. Ms. Coke-Hamilton closed the meeting by thanking all participants and summarized her second JAG as an excellent hybrid experience. She found the statements of support and recognition of the work of ITC to be energising and inspiring.

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