

ED STATEMENT – 55TH JAG

Chairman Paul Bekkers of the Netherlands,

Deputy Director General Zhang,

Director in the Office of the Secretary General of UNCTAD, Mr. Moreno

Dear Friends, Colleagues, Ladies and Gentlemen,

At the outset, I'd like to thank Botswana for chairing the 54th session of the JAG and its stewardship over the past year.

I want to give special thanks to my good friend Athaliah for her role in promoting the cause of women's economic empowerment at the WTO but also in the context of the TIG and being a fond of wisdom for me over the past year. Thank you.

And I'd like to thank the Netherlands for agreeing to Chair the 55th JAG and welcome to Geneva.

Like most Jamaicans, I love music. It's part of our DNA. And it's the message that's always in the music. It's how we communicate. And I won't bring out my DJ deck today – I'll bring it out at Christmas I promise and we will have a real jam session.

But I was thinking this morning about a song that was inspired by a verse of scripture. The chorus says, "to everything, there is a season, and a time to every purpose under heaven". There aren't many fundamental truisms in life, but I think this is one of them.

So today, I want to talk about the times we're living in, and I want to talk about our purpose.

For me, this is a **time of return**. It's fitting that only a few days after the United Nations celebrated its seventy-fifth anniversary, we are gathered here to celebrate our fifty-fifth JAG.

The ITC's joint UN and WTO identity is something that I think is truly special and unique. On one hand, we have the guiding moral compass of the UN Charter. The inspiring ambition of the Sustainable Development Goals. The newly-agreed Bridgetown Covenant, setting UNCTAD's direction of travel for the next four years.

And on the other hand, we have the rule-making and monitoring functions provided by the WTO. We have agreements like the TFA that can unlock billions in economic growth and hundreds of millions in trade-related technical assistance for developing countries. We have a critical Ministerial in a few weeks' time, where success will require all of our support and energy.

Together, we form the Geneva trade hub. Run, for the first time in its history, by three women from developing countries. I'd like to thank DG Ngozi and SG Grynspan for their support, their energy and their sisterhood.

It's almost easier for me to outline where we *don't* collaborate than where we do. The WTO, UNCTAD and ITC work together on the Global Trade Helpdesk, bringing transparency to global trade. Our teams help shape the trade and gender agenda, at the WTO and on the ground. We work together on everything from accessions and rules of origin to cotton and LDC graduation.

Together, we engage ITC's core constituency of micro, small and medium sized enterprises to give them a voice in global trade. To engage in public-private dialogues in their own countries, in their regions and around the world.

To make sure that they can shape the rules and regulations that affect them, their products and their livelihood. To build a better, more inclusive multilateral system from the ground up.

So we celebrate that time of return. But we also celebrate a **time of recognition**.

A recognition that we face serious, existential challenges. I like to be frank, so let me speak plainly. Things are bad out there. People are really hurting.

We know now that COVID has unleashed a human development crisis of almost unimaginable proportions.

- An economic crisis, with the largest drop in activity since the Great Depression and global GDP falling by nearly 4% last year.
- Millions of jobs and livelihoods lost, particularly in developing countries.
- A health crisis, with millions gone and millions more sick.

- An education crisis, whose impact will be felt for years to come. In my country alone, 120 thousand students are unaccounted for in the last 18 months. We have no idea what the impact is going to be in the years to come.
- A hidden pandemic of domestic violence and worsening social inequality.

COVID of course has also had an enormous impact on trade over the last year.

Trade had already taken a significant hit from the trade tensions in years leading up to the pandemic. But COVID has been a paradigm shift with monumental repercussions for the global economy. We all know the statistics but some are worth repeating.

The largest ever single-period decline in trade during the second quarter of 2020. More than 80 countries imposing restrictions or prohibitions on trade.

A massive shock to global shipping, with freight indices increasing five-fold. Services trade falling by more than 20% - almost four times the decline in goods trade.

Fortunately, we are now seeing trade volumes begin to bounce back. But like so many trends in COVID, there is a worrying inequality behind the aggregate statistics that should concern us all.

There is a clear “K-shaped” recovery, where the small and poor are lagging behind. The recovery in exports we see for so many large countries is simply not there for everyone.

Service sectors are still hard hit by lockdowns. Small Island Developing States, like my own country, face potentially losing a third tourist season.

We saw how COVID only magnified the challenges of undiversified exports, skills gaps and high costs to markets.

And all this, with a backdrop of ever-greater impact of climate change. Like other heads of the Geneva trade hub, I will travel this week to Glasgow to take part in COP26. I want ITC to be an active player in the push to “keep 1.5 alive” but also to ensure that MSMEs and trade are part of the dialogue.

So this is the environment that we are now operating in. And I come back to that moment of recognition. A recognition that many of our beneficiary countries are

suffering. Suffering in a way that might be difficult for us to grasp from the safety of our lakeside view in Geneva.

Our stakeholders – in their hour of need – are asking us to work together. To put aside old arguments over mandates and budgets. We have to pull together now, or risk losing their trust.

But it's also a time of recognition that trade has never been more critical to building back on better foundations.

I've just come back from West Africa. After one year as ITC ED – full of Zoom fatigue and COVID-related cancellations – I was thrilled to be back on the road, meeting our partners during these past two weeks.

I walked through factories, farms and storefronts that showed – better than any statistic or graph – why MSMEs that engage in global trade are more competitive, pay higher wages and innovate more.

What I saw and heard was inspiring. I met women entrepreneurs whose businesses didn't just survive but thrived, thanks to ITC support. I heard testimonies from firms who embraced the global movement to “go green”, thanks to ITC toolkits and training.

I met with Ministers and heads of state who are passionate about empowering women through trade. Focused on the needs of MSMEs to help their countries prosper. Committed to economic opportunities for youth so that they can pursue their dreams at home.

Before and after that West African journey, I also travelled to meet with our donors. I came back just as inspired.

I heard their call to reverse the damage wrought by COVID. Their ambitions to harness the digital revolution, to mitigate the impacts of climate change, and reverse social inequality.

What I saw and heard from our stakeholders, most of all, was a belief in ITC's mission. But that belief didn't come without a challenge.

We have to keep delivering results. We have to keep innovating. We have to keep our ears, eyes and boots to the ground. And we must remain responsive to change.

And to that challenge, I confidently say – in the words of Barack Obama – “yes, we can”. And we not only can, we will. The ITC will deliver. Our track record speaks for itself.

The JAG is also a **time to look back**. So let me tell you why this last year reinforces my confidence in my staff, our programmes and our partners.

You have before you our Annual Report for 2020. I want to take this opportunity to apologise for the late delivery of this document and the late upload of the translated versions.

The Annual Report shows how we pivoted for purpose, in three ways.

We pivoted towards sustainability to respond to the challenges of climate change, through our work on voluntary sustainability standards, climate-smart agriculture and greening business models.

We pivoted towards connectivity to harness a digital revolution that was accelerated by COVID, through our work with tech entrepreneurs and e-commerce ecosystems.

We pivoted towards inclusivity, in the year of George Floyd and MeToo, through our initiatives on women’s economic empowerment, youth, vulnerable migration and displaced communities.

On almost every indicator, ITC surpassed its targets in 2020. For example:

- Nearly 400 thousand active users of our trade intelligence tools – with more than 40% women as registered users.
- Over 18 thousand more MSMEs transacting international business thanks to ITC support.
- 30 million dollars in trade and investment deals generated through our South-South projects in Sub-Saharan Africa alone.

I’m thrilled to tell you today that we are on track to meet our ambitious goal of connecting three million women to international markets by the end of this year.

We estimate that last year, our market intelligence and business connecting tools generated a combined total of 311 million US dollars in export and investment value.

Every dollar in extra-budgetary funding came back three-fold in new trade and investment transactions.

Those numbers are the result of our staff working from the base of the pyramid up to lead firms and unleashing the power of small businesses.

Working where we can have the most impact, especially with women, young people and vulnerable communities.

In 2020, more than 80 percent of ITC's country-specific interventions were in LDCs, sub-Saharan Africa, landlocked developing countries, small island developing states, and post-conflict states. Close to half were in LDCs alone.

These are the countries with the most urgent development needs. Those all too often on the margins of global trade.

Our Annual Report is full of inspiring stories. So let me highlight four in particular.

The first is our flagship report, the SME Competitiveness Outlook or SMECO.

In the past, we focused our research on unpacking MSME competitiveness. Last year – as we heard the stories of survival and suffering from our stakeholders – we knew the 2020 SMECO had to be different.

We knew we had to understand – quickly – how MSMEs were being impacted by COVID. What data was available and what gaps we had to fill. What policymakers could do to help.

In record time, we launched a survey that gathered data from more than 4,000 businesses across 140 countries.

The analysis that came out of those stories and those voices were critical. It helped guide ITC project teams, it helped guide government policymakers, and it helped guide the international response to COVID for MSMEs, all the way to the G20.

The second story is our SheTrades Outlook. The Outlook emerged from a recognition that data is a serious constraint to shaping good policy on women's economic empowerment.

With support from the United Kingdom, our team built a platform using 83 indicators. We've interviewed nearly 500 institutions and organisations. We used everything from interviews to publicly available data.

All this data helps build a picture, at the country level, of the many ways that trade impacts gender.

This isn't a ranking or scoring tool. It's a self-diagnosis. (Kind of like Google for those of us who look up our medical ailments). A way for governments to understand – in the most detailed and practical way possible – how they can do better.

How they can help women in the wake of the COVID shock, especially given the sectors and small businesses that tend to hire mostly female workers.

The third example is from our work in The Gambia. From the moment five years ago when The Gambia underwent a historic political transition, ITC was there to support the movement for change.

ITC's work in The Gambia is a shining example of how our business model works in one country. Supported by our partners in the EU and within the UN family, we began working with our Gambian partners on youth empowerment. We wanted to give young Gambians alternatives to dangerous irregular migration.

We supported vocational training, entrepreneurship skills and financial literacy – three key elements in addressing irregular migration.

We partnered with Gambian women business groups to transform the public procurement system. As a result, at least 6 million dollars worth of deals were allocated to women entrepreneurs.

When COVID hit, we went even further. ITC partnered with Gambian fashion and tailoring businesses to start producing PPE gear. As a result, these firms in The Gambia produced more than 75 thousand facemasks.

We launched a COVID-19 relief fund that helped more than 90 percent of its beneficiaries keep their jobs.

The fourth and final story is from our Alliances for Action programme.

Alliances for action does exactly what the title suggests. Using ITC's trusted platform and expertise, we bring together all the key actors in the agribusiness value chain.

We help farmers break out of monocultures and protect their plants against climate shocks and disease. We help them comply with sustainability standards and sanitary requirements.

We help MSMEs and cooperatives diversify into new markets. We give them the tools to promote their products with better branding and packaging. We helped to unlock new sources of finance.

Let me quote Adrian Robinson, one of my own countrymen who is a lead farmer from our Alliances work in Jamaica, funded by the EU. Speaking of the project work, he said:

"As a result, we were able to keep our workers at work every day.... I'm even able to hand out packages to people in need based on what we are doing with the coconuts project. I am reaping the benefits, my children are benefitting, my workers' children are benefitting.... It's an awesome thing we're doing here."

I couldn't have said it better myself.

And those are only four examples of the ITC's work during 2020. Just a brief snapshot of the transformational work that we do, with your support.

In short – 2020, with all of its operational challenges, with the restrictions on travel and frustrations with the "mute" button on Zoom, was a banner year for ITC.

And while we are nearly at the end of 2021, we are still pivoting with purpose.

We could not have achieved any of this without the trust and support of the Governments of the nearly 130 countries that benefited from ITC operations in 2020.

And of course, we could not have achieved any of this without the support of our funders.

I want to take this opportunity to gratefully acknowledge the support of Australia, Belgium, Canada, Denmark, the European Union, Finland, France, Germany, Iceland, Ireland, Japan, Korea, the Netherlands, Norway, Sweden, Switzerland, the United Kingdom and the United States.

I want to give special mention to those developing countries that funded ITC in 2020, either through direct funds, or for specific programmes, namely Chile, China, Curacao, Ethiopia, and India.

And I want to thank all the UN and WTO Members for their support to ITC's Regular Budget.

I want to recognise the generosity and commitment of our many sister organisations:

- those at the WTO, like the Enhanced Integrated Framework and the Standards and Trade Development Facility;
- Those within the UN family, like UN Capital Development Fund, the World Bank, UNDP and UNIDO;
- Those based in our priority regions and countries, like the African Export Import Bank and the Islamic Trade Finance Corporation.

And I want to thank our many private sector and NGO partners for their support, from the UPS Foundation, Maersk and Mary Kay, to the Mo Ibrahim Foundation and the Norwegian Refugee Council.

It's a long list and the actual list is even longer. But it shows something that makes ITC's work so effective.

We recognise that to make a real impact, you have to understand the unique circumstances of every country we work in.

To deliver holistic, long-lasting interventions, and not just what I call "helicopter technical assistance", you have to reach out to a wider ecosystem.

To a small developing country struggling to move up the value chain, there is no Geneva or UN bubble. Only problems that need solutions.

This recognition of ITC's value-added has meant that our finances are on solid footing, at a time when many governments have had to make hard budgetary choices.

In 2020 we received 120 million dollars in extra-budgetary funding. We signed nearly 80 new funding agreements worth over 125 million dollars.

And when we combine our regular and extra-budgetary funds, our expenditures in 2020 were nearly 130 million dollars – a small increase over the previous year, despite all the challenges of the pandemic.

Last year, unearmarked and soft-earmarked contributions to Window 1 rose to more than 16 million dollars. This is a sign of donors' trust in ITC's programme management and strategic priorities.

These Window 1 funds are important. They keep many of our global public goods free for our stakeholders. They allow us to innovate our programmes and ways of working.

They allow us to keep funding forward-leaning, next-generation pilots that – over time – become multi-donor, bankable projects in their own right.

So looking back, last year was proof positive that even in the most challenging circumstances, ITC could still deliver over and above our stakeholders' expectations.

I want to take this opportunity to thank my staff for their hard work, their imagination and their dedication to the cause of trade and development.

But the JAG isn't just a time to look back. It's also a **time to look forward**.

You will very shortly hear about our new Strategic Plan for 2022 to 2025. Without wanting to steal the mic from my colleague Iris, - I know I want to play my deck and be a DJ - let me clearly state my vision for the next four years.

I want to ensure that the ITC becomes an even more agile, responsive, expert, connected and trusted partner. I want us to become an even more impactful aid-for-trade multilateral agency, driven by results and value for money.

I want us to keep supporting developing countries – particularly least-developed, land-locked, small island and fragile states – to meet the challenges of a world transformed by COVID, by climate change, by technology and by social progress.

Over the next four years, our new Strategic Plan will take ITC's business model to the next level.

First, it will transform what we do. We will deepen our already cutting-edge work on inclusion, increasing market opportunities for women, youth and poor communities.

We will transform our offer on digital connectivity and the green economy, as the costs of getting online keep falling and the costs of climate inaction keep rising.

We will help governments, particularly in Africa, to reverse traditional patterns of trade and unlock the promise of regional markets such as the AfCFTA.

Most importantly, we will continue to do more of what we know to do best – build MSME competitiveness and connect them to markets. We will, however, be smarter, more responsive and more coherent. That way, we can achieve greater scale and greater impact.

But I don't only want to change what we do. I also want to change how we do it.

At UNGA this year, I pledged to the UN Deputy Secretary-General, Amina Mohammed that ITC would answer the SG's call for a more coherent and impactful UN Development System.

So we will engage even more closely with our UN and private sector partners at the country level. We'll keep feeding into UN country analyses, signing cooperation frameworks and engaging with UN country teams.

We'll work even harder on resource mobilisation, deepening our existing relationships and diversifying our funding base. I want to ensure that ITC has a healthy pipeline of projects to help deliver the final decade of the SDGs.

And internally, we'll keep making our business processes even stronger and more supportive, ensuring that we can continue to deliver results in ever more complex environments.

We'll continue to scrutinise our ways of working and improve our strategic planning, governance and risk management. Later today, you'll hear a presentation of the Annual Evaluation Synthesis Report. You'll hear about how we implemented our last Strategic Plan and the lessons we need to learn.

I want to say, on behalf of my Senior Management team, that we accept all of the recommendations in the Report and look forward to making our next Strategic Plan even more successful.

And last but certainly not least - we'll continue to lead on equality, diversity and inclusion.

On the gender front alone, in 2020 our compliance rate with the UN System-Wide Action Plan on Gender Equality rose from 81% to 94%. UN Women has already recognised ITC as a leader in gender equality but over the next four years, I want us to do even better.

I want to thank you all for your inputs into the draft Strategic Plan. We've taken your comments on board but look forward to hearing more about what more you think we can be doing over this critical, make-or-break moment in human history.

It's an ambitious plan. But our stakeholders demand nothing less than that sort of ambition. They expect nothing less than that strength of purpose. They need nothing less than our commitment, our audacity and our expertise.

So I come back to my song. To everything, there is a season, and a time to every purpose under heaven.

It is a time of return. A time of recognition. A time to look back, and a time to look forward.

Not just look forward, but to move forward, decisively. Together. With shared vision and purpose. And as the final line of the song, I swear it's not too late.

Thank you.