

Doing good while doing business

ITC partnerships with the private sector



The power of collaboration

The United Nations' 2030 Agenda for Sustainable Development highlights international trade as an engine that powers economic growth for all – the kind of growth that leads to poverty reduction. It is precisely this driver of development that ITC has harnessed effectively for over 50 years through its delivery of trade-related technical support to developing countries.

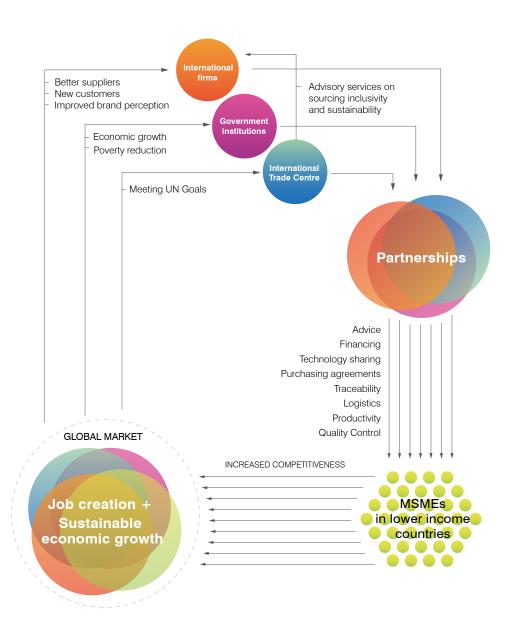
ITC has learned over time that in order for trade to broadly raise living standards, support must take a collaborative approach. Targeted assistance from governments, civil society, and the United Nations system can boost international commerce significantly for micro, small, and medium-sized enterprises (MSMEs) in the developing world. By working with MSMEs, ITC helps to build vibrant, sustainable export sectors that provide entrepreneurial opportunities, particularly for women, young people and poor communities.

Additional resources and expertise from the private sector create momentum that sets less-wealthy nations on the path of economic growth. They are a crucial complement to traditional donor assistance, allowing ITC to generate greater and more sustained progress.

Private sector actors that are accomplished or active in international trade can build upon the International Trade Centre's (ITC) efforts to connect MSMEs in less-wealthy nations to international markets. Such efforts can advance a firm's own prospects – businesses that participate benefit from the commercial opportunities that arise from partnering with ITC. Simultaneously, both corporations and foundations demonstrate their commitment to socially and environmentally responsible business models.

This publication presents ITC's approach to partnering with the private sector. It shows the many ways in which private actors can engage with ITC to create inclusive and sustainable development through trade.

ITC is pleased to share its experiences, and encourages the private sector to collaborate to create more `trade impact for good'.



The impact of ITC

ITC is dedicated to helping micro, small and medium sized enterprises (MSMEs) in lower income countries succeed through international trade. It enables MSMEs to connect effectively to global markets and to realize investment opportunities. ITC is a joint agency of the World Trade Organization and the United Nations.

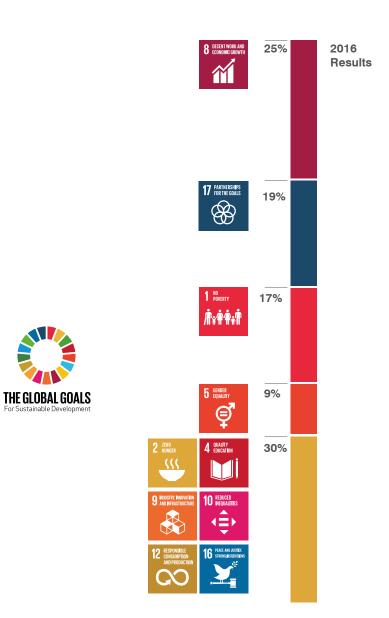
For trade to contribute to the Sustainable Development Goals (SDGs), it must be **inclusive** and **sustainable**. To achieve this, ITC works with MSMEs to help them expand, innovate, and create jobs, specifically for women, young people, and poor and marginalized communities.

Goal 17 of the SDGs encourages partnerships as a means of achieving progress in all areas of sustainable development. This complements the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, which established that cooperation across the public and private sectors is necessary for development

TRADE ITC FOCUS AREAS Trade and investment MSME international support Building a conducive business institutions competitiveness Strengthening trade and RADE-RELATED Micro, investment support institutions small and medium-sized enterprises Connecting to international Policymakers

financing. ITC strongly believes in this **partnership** approach. To carry out its mission, it joins with governments, policymakers, development agencies, international and regional organizations, trade and investment support institutions, trade promotion organizations, women's business organizations, MSMEs, and others in both the public and private sectors.

ITC provides trade and market intelligence, technical support, and practical capacity building to its beneficiaries and partners. It organizes its assistance around six focus areas that contribute directly or indirectly to 10 of the 17 Sustainable Development Goals. These connections are illustrated in the graphics below:



The scope of partnerships

ITC works with the private sector for the private sector to address pressing issues that hinder productive economic activity in the developing world. Together with its business partners, ITC creates **investment and market opportunities** for MSMEs. By providing firms in developing countries with trade and market intelligence, training opportunities, and business support, these partnerships ensure that trade is beneficial for all involved.

Coordinated support from a diverse set of partners ensures that the positive impacts of developing-country trade are multiplied and sustained. ITC's private sector partners include firms ranging from multinationals to small businesses, as well as business associations, cooperatives, and corporate foundations.

ITC's partnerships with the private sector enable **shared value creation**. Not only can members of the private sector benefit from **commercial opportunities** that arise from partnering with ITC, but they also demonstrate their ongoing commitment to **socially and environmentally responsible business models**. By helping increase MSMEs' competitiveness and promoting sustainable and inclusive growth in developing countries, partnering companies and organizations actively help the international community fight poverty and achieve the Sustainable Development Goals.



ITC and private sector partnerships contribute to broader development goals:

- Promote sustainable and inclusive value chains;
- Advance women's economic empowerment, supporting youth employment and entrepreneurship, and improving living standards in poor communities;
- Address the root causes of irregular migration;
- Tackle global poverty and reducing hunger;
- Promote sustainable agriculture and biodiversity;
- Mitigate climate change and greenhouse gas emissions;
- Promote innovation and advancing social entrepreneurship;
- Create market and investment opportunities for private-sector development, and increase business competitiveness; and
- Further open access to trade and market intelligence.

Why partner with ITC?

The private sector can support inclusive and responsible business progress in the developing world and simultaneously strengthen their own prospects. Additional benefits to becoming an ITC partner include:

- enhanced credibility;
- sound investment opportunities through which the private sector can contribute to global development goals;
- a reputation for social responsibility and development commitment;
- wider global access to suppliers;
- knowledge of new markets and investment opportunities;
- access to market information on potential new markets;
- · access to public and private sector networks in new markets; and
- · transparency along supply chains.

Types of partnerships

ITC combines private sector support with government development assistance to achieve lasting results. Private sector entities can join forces with ITC through co-investment, the sharing of knowledge and expertise, the creation of market opportunities for MSMEs and entrepreneurs, and joint advocacy for 'trade impact for good.'

Both cash and in-kind resources can be channelled either to ITC directly or to ITC target beneficiaries. There are a number of partnership models, including the below.

Provision by MTN Group of ITC mobile applications for women entrepreneurs.

Type and objective	Forms of private actor engagement	Examples
Core business operations and value chains	Developing joint projects to strengthen MSMEs	Nespresso business-to-business events carried out through ITC's Women and Trade programme
Combining private sector strengths with ITC's expertise to promote inclusive and sustainable value chains	Becoming market partners and buyers for ITC-supported MSMEs Providing knowledge and expertise – including technical expertise – to ITC-supported MSMEs Investing in targeted MSMEs Participating in buyer field visits and business-to-business meetings with MSMEs	ITC-Bosch joint training sessions on lean manufacturing methodologies Provision of expertise by Chocolats Halba on the role of agro-forestry in climate smart agriculture Partnerships under ITC's Alliances for Action platform that connect private partners' expertise and resources with developing-country MSMEs Skill development for women entrepreneurs in the textiles and apparel sector led by the Parsons School of Design
Social investments and philanthropy	Providing staff, resources, and services to ITC	Provision of staff to ITC by the Mo Ibrahim Foundation Max Havelaar joint design, fundraising and implementation of projects
Using financial and in-kind contributions from private sector to co-invest in development projects	Developing tools, services, and products that assist MSMEs Funding ITC-managed projects	Participation in World Export Development Forum (ITC flagship event) panels Methodology tool developed by DHL for ITC beneficiaries
	Hosting joint events and panels with ITC Supporting access to finance for ITC-supported MSMEs, trade investment and support institutions, and government agencies	Provision of pro bono legal services for women entrepreneurs by Sidley Austin Joint development of the SheTrades (ITC's initiative for women entrepreneurs) platform by ITC, Google , and Cl&T Consulting
		Participation in the SheTrades Investment Readiness Programme that connects investors with women entrepreneurs
Advocacy and policy dialogue	Advocating for sustainable and inclusive development through trade	Participation in ITC's Trade for Sustainable Development Forum to promote sustainable value chains
Using the voice and influence of the private sector at international conferences to promote socially responsible trade	Promoting investment for ITC and ITC-supported MSMEs	Participation in 'New Gambia, New Opportunities' panel at WTO Aid for Trade Global Review 2017 'Alliances for Action' business network to support women's empowerment and 'climate-smart' agriculture

Partnerships with a purpose

ITC and private sector partners tackle broader development challenges in developing countries while creating an effective channel for the private sector to contribute to achieving the SDGs. Such partnerships usually fall under key areas of ITC's work, such as:

Environmental and socio-economic sustainability

These partnerships aim to strengthen developing-country MSMEs' capacity to compete in natural ingredients-based markets and allow them to overcome barriers resulting from bio-trade related standards. Through such public-private partnerships, ITC provides technical assistance, empowering smallholder producers to achieve fair prices and comply with environmental standards.

Women's economic empowerment

ITC fosters partnerships with the private sector to increase women entrepreneurs' and producers' participation in global value chains, and to ensure they reap greater economic benefits from international trade. These partnerships include exchanging know-how and technical training, partnering with companies as MSMEs' buyers, and partnering with financial institutions to increase access to finance for ITCsupported women entrepreneurs.

E-commerce

ITC actively supports SMEs in acquiring the necessary skills and capabilities to trade through e-commerce channels. The e-Solutions Programme provides a platform of shared technologies and services, including access to international payment solutions and logistics, enabling small firms to share the costs of exporting goods, handle foreign payments and generate awareness in foreign markets.

Establishing inclusive and sustainable value chains

ITC applies an integrated approach to create sustainable value chains that are inclusive for all, including women, youth and marginalized communities. This is achieved through ITC's assistance that helps MSMEs improve logistics, quality and efficiency of production, management and marketing support as well as connecting to regional and international buyers. Programmes also promote and share information regarding environmental and social standards and regulations, and work to connect the necessary actors to improve and develop the relevant value chains.



The Body Shop page12



The SAI platform begun by Nestlé, Unilever and Danone page13



Barclays Bank of Kenya page15



Sucafina and Jacobs **Douwe Egberts** page16



eBay page17



DHL page18



Alliances for Action page14



ITC has joined forces with The Body Shop, one of the world's largest retailers of sustainably sourced natural cosmetics, to improve environmental sustainability and empower women communities collecting shea nuts and handcrafting shea butter in Ghana.

Through this partnership, characterised by the sharing of expertise and financial resources, a pilot project is underway promoting sustainable and transparent trade of shea butter in Ghana. The objective is to fully understand the socio-economic realities faced by smallholder producers of shea butter - their incomes, their access to basic amenities, their household characteristics – and to measure the environmental impacts of the supply chain. Based on this understanding, a technical-assistance package will be created to improve the livelihoods of the producers and their communities and to reduce the environmental impact of the trade in shea.

Direct and indirect beneficiaries of the project include over 11,000 Ghanaian women involved in the production of shea butter sourced by The Body Shop.





Member of the Tungteiya Women's Association, the main supplier of shea butter to The Body Shop,

Through its Trade for Sustainable Development (T4SD) programme, ITC has partnered with the Sustainable Agriculture Initiative (SAI), established in 2002 by Nestlé, Unilever and Danone. The platform has since expanded to include 70 active members.

ITC and these multinationals have developed an online Farm Sustainability Assessment tool. The tool uses the ITC Standards Map – a collection of verified, transparent information on standards for environmental protection, worker and labour rights, economic development, food quality and safety, and business ethics. This tool enables agricultural producers to run self-assessments of their farms' sustainability, compare their results to different standards and monitor progress. The tool also helps to improve transparency and communication within global agricultural value chains. It is actively used in 20 countries.

'SAI platform's partnership with T4SD has been integral in making our Farm Sustainability Assessment programme a reality at scale. T4SD's dedication, professionalism and wealth of expertise in software development resulted in the launch of an impressive online app, which has a growing number of users,'- explains Jenny Edwards, Implementation Manager of the platform.







In 2016, Barclays Bank of Kenya (BBK) and ITC launched a partnership that seeks, by 2020, to equip 10,000 Kenyan women entrepreneurs with new skills and to connect them to international trade opportunities. Barclays is providing its expertise in financial services while ITC is employing its experience in business development. The bank also has committed \$50 million in business loans to women-owned MSMEs (in addition to \$295 million already earmarked by the bank for loans to MSMEs), and to training the 10,000 women. The partnership is part of expanding efforts under ITC's Women and Trade Programme.

'There is a need for us to partner with like-minded institutions to invest in the development of capacity of women-led MSMEs, as it will play a critical role in growing our economy. This presents us with a great opportunity to empower women in business and certainly draws us a step closer towards achieving the United Nations Sustainable Development Goals.' Jeremy Awori, Managing Director of Barclays Bank of Kenya.



Jeremy Awori, Managing Director, Barclays Bank of Kenya and Arancha González, Executive Director of ITC, at the launch of the Barclays and ITC partnership in Nairobi

In 2017, the coffee firm Sucafina and the beverage company Jacobs Douwe Egberts launched a partnership with ITC to strengthen women's participation in the coffee supply chain in Rwanda. The partnership will also boost the processing capabilities of Rwandan coffee exporters so that they can maximize quality, increase prices, and reduce pollution and water use.

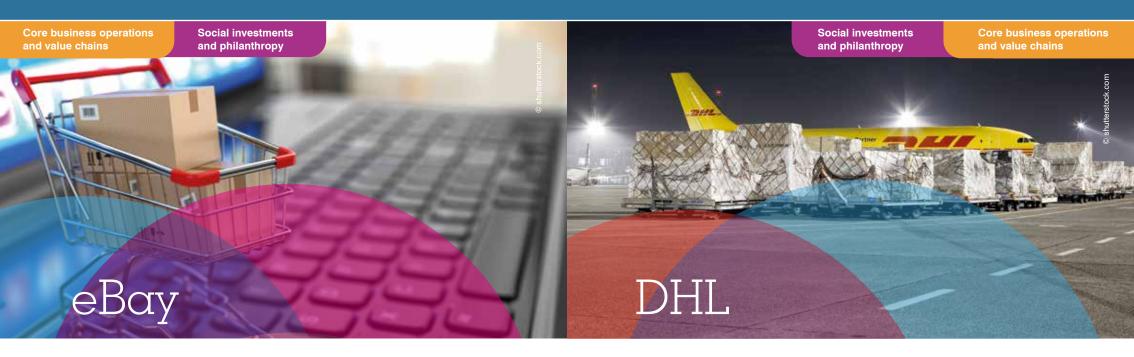
The partners are collaborating on the development of a coffee-processing guide and a farm productivity manual that will be distributed nationally. ITC is offering training sessions and the transfer of technical expertise while Sucafina and local subsidiaries are making agronomists available for training and establishing a 'cluster' system to reach and support small-scale farmers. Overall, more than 75,000 Rwandan smallholder farmers will benefit directly or indirectly from the partnership's activities.

'Projects like our collaboration with ITC are at the heart of the Sucafina Sustainability Strategy to have a positive impact on the lives of over 400,000 coffee growers while continuously improving environmental standards. Increasing smallholder productivity and enabling all coffee supply-chain participants to make a living is fundamental to our business model.' - David Behrends, Managing Partner and Head of Trading at Sucafina

Sake Farm

In addition, ITC and Sucafina, with financial support from Jacobs Douwe Egberts, have selected Sake Farm, a member of the Rwanda Women's Coffee Alliance, to receive special technical assistance to improve operations at the farm's large plantation, upgrade its processing facilities, and bolster its relationships with small-scale farmers.





The e-commerce giant eBay is lending its platform and expertise to help entrepreneurs participating in the ITC e-Solutions Programme sell to targeted markets, understand consumer demand, and promote the online sale of their products. The goal is to help entrepreneurs reach eBay's millions of users around the world.

'I'm excited to partner with ITC and see how we learn together to do the right thing, and help sellers and entrepreneurs in emerging markets export. We're going to rely on ITC and on the entrepreneurs it works with. We're then going to provide the platform and expertise to help ITC's relationships go to market. So if we get it right, we'll be able to help sellers get to 162 million buyers around the world.'

Eben Sermon, Vice President of eBay's office for Greater Europe, the Middle East, and Africa.



Eben Sermon, eBay Vice President for Greater Europe, the Middle East, and Africa; Stefano Argenese, Chief Executive Officer of DHL Freight for Central, Eastern, and Southern Europe, the Americas, the Middle East, and Africa; and Fabian Staechelin, eBay Manager of Business Development, at the eBay-DHL eCom Souk event in Zurich.

DHL, the world's largest logistics company, and ITC recently expanded existing collaboration on trade facilitation and logistics to include e-commerce, enabling more African enterprises to do business online. In partnership with African regional institutions, ITC and DHL launched in Senegal a logistics and transport advisory programme targeting customs authorities, customs-clearance providers, and MSMEs. This logisticsreadiness training provides knowledge, exposure, and hands-on aid with logistics to MSMEs through online and face-to-face interactions. The programme is now being expanded to the remaining countries in the Economic Community of West African States.

'DHL is honoured to be the main partner in this initiative [with ITC]. As a leading logistics provider, DHL views itself as a global trade facilitator. In fact, e-commerce logistics is one focus area of DHL e-commerce that offers new last-mile delivery solutions in emerging markets to connect consumers and e-commerce merchants with better services. Stefano Arganese, Chief Executive Officer for DHL Freight for Central, Eastern, and Southern Europe, the Americas, the Middle East, and Africa.



Participants and an ITC representative from the e-commerce training programme developed by ITC, DHL, and eBay.

ESTABLISHING INCLUSIVE AND SUSTAINABLE VALUE CHAINS



Alliances for Action (A4A) is an initiative that brings together the private and public sectors to promote competitiveness and diversification among smallholder farmers and MSMEs. The initiative seeks to improve commercial linkages and to support the production of value-added goods through market-led partnerships that integrate value chains by providing technical support, policy alignment, and local capacity-building.

Applying the A4A approach in Ghana in order to address the needs of operators in the cocoa and yam value chains, ITC partnered with producer and market organizations such as Chocolats Halba, and with Fairtrade institutions such as Max Havelaar, Fairtrade Africa, and Fairtrade International.

At the global level, the A4A has identified and addressed value-chain bottlenecks and has striven to unlock opportunities. At the local level, a series of business-driven platforms has brought together Alliance members to expand income diversification, women's empowerment, and 'climate-smart' agriculture. During two years of implementation, the Alliance helped participating farmers achieve an average revenue increase of 22%, while benefiting from capacity-building training programmes. In addition, more than 250 farmers indirectly benefited from capacity-building training programmes. The success of the project prompted Fairtrade and ITC to develop scale-up plans for the implementation of A4A in other sectors worldwide.

'(A4A) brings together partners with very diverse backgrounds. We have government representatives, Fairtrade, Chocolats Halba, and ITC, a typical reflection of a public-private partnership. It equally brings together liked-minded counterparts who contribute with a different type of expertise, leading to a sustainable project in the long run.' Nyagoy Nyong'o, Executive Director of Fairtrade Africa



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