



**Private sector development, trade promotion and regional integration in Asia:
The experience of the International Trade Centre**

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Asian Development Bank, Manila, 5 April 2013



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Outline

A. Overview of ITC

B. Drivers of regional trade integration

C. ITC in Asia and the Pacific

D. Proposed areas of cooperation with ADB



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A. The International Trade Centre

Created in 1964 by WTO (former GATT) und UN

- 100% Aid for Trade
- 350 staff
- Budget: US\$ 75m in 2012

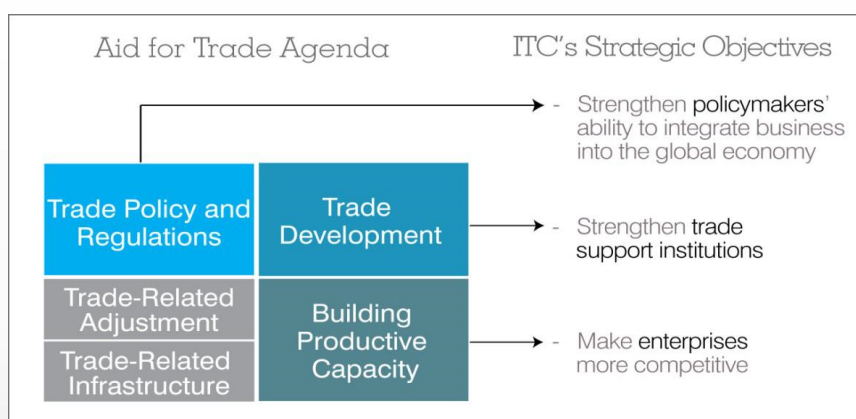


ITCs role in Aid for Trade: Focus on Small and Medium-sized Enterprises (SMEs)

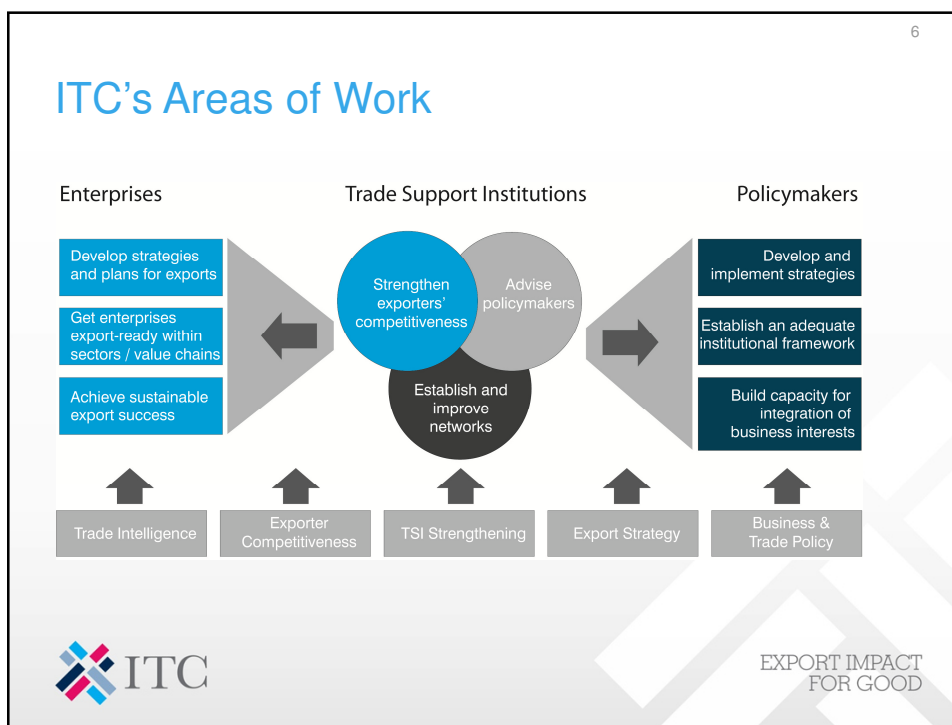
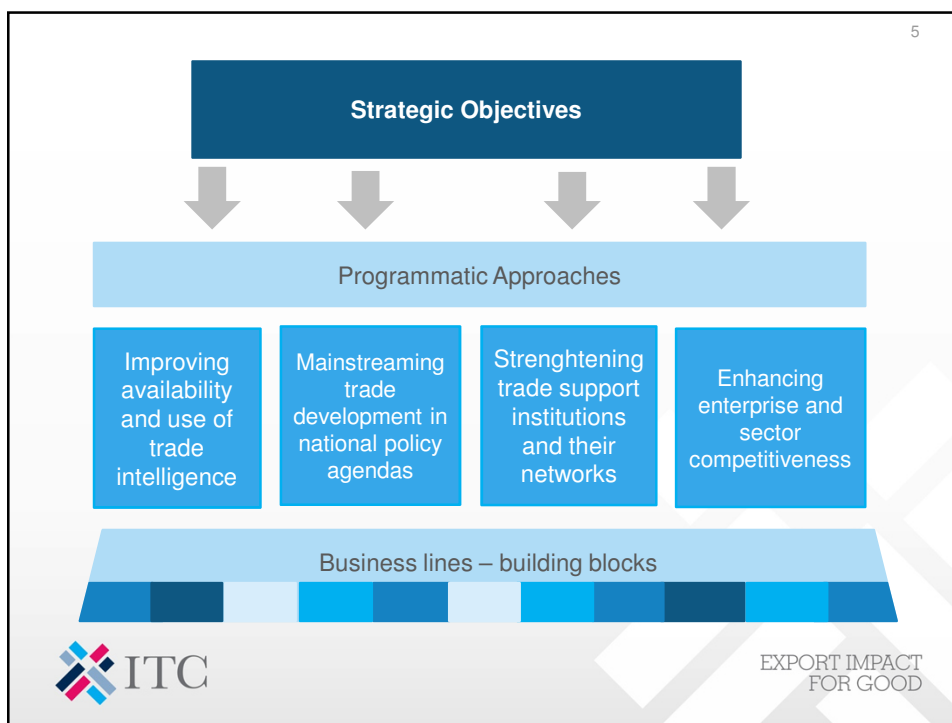


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Aid for Trade



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B. Drivers of regional trade integration

1. Trade intelligence
2. Export strategies
3. Trade policy and regulatory reform
4. Trade support network
5. Sector development programmes



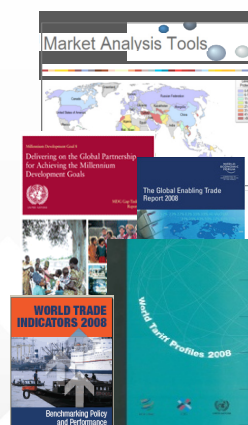
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1. Trade Intelligence – ITC's Global Public Tools

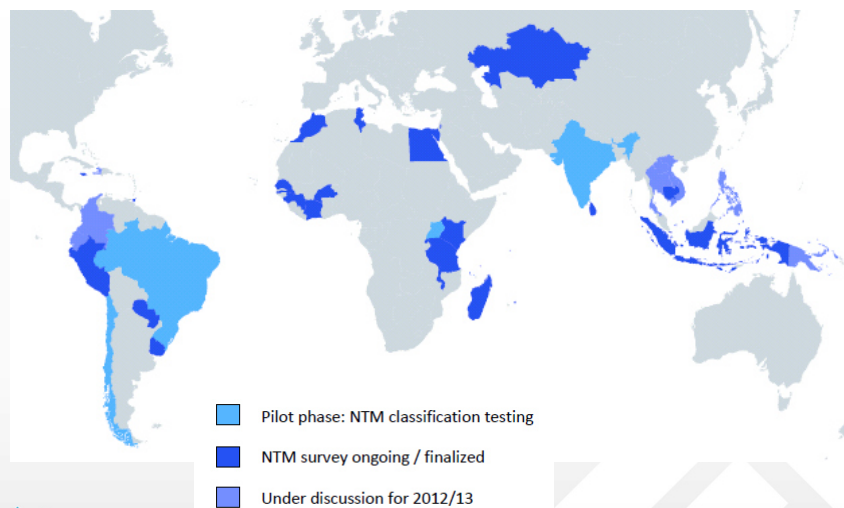
Improving transparency of trade opportunities through the collection, processing & dissemination of trade related data and the provision of tools to support their analysis.

- Over 250,000 users in 213 countries & territories (88% DCs or LDCs)
- Collaboration on publications with WTO, World Bank, UNCTAD, WEF etc. Consistent data & indicators published, providing greater clarity for enterprises & policymakers
- Started collecting NTMs and NTBs through surveys of enterprises in developing countries and official data in major markets – analysis has implications for policy action at the national level (business environment issues) as well as market access negotiations



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The ITC Programme on NTMs - Survey countries



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NTM survey process

Extensive local ownership

1. Survey Inception and Preparation	2. Interview Period	3. Data Analysis and Report	4. Results Validation and Dissemination
1-2 months	4-6 months	4-6 months	1-2 months
In collaboration with the government and the TPO / TSIs	In collaboration with a local survey company	In collaboration with local expert on NTMs (economist)	In collaboration and coordination with the government, TSIs and other local stakeholders (customs, certification bodies, etc.)
<ul style="list-style-type: none"> Survey design adjustment to country specific needs Sample size calculation* Face-to-face training of interviewers* First stakeholder meeting to inform about survey objectives and encourage participation 	<ul style="list-style-type: none"> Phone-screen interviews with exporters and importers Face-to-face interviews with exporters and importers Data digitalization 	<ul style="list-style-type: none"> Preparation of analytical tables (by products and sectors, partner countries, types of NTMs and procedural obstacles)* Additional research and complementing discussions and interviews with business associations and institutions involved in export / import process Drafting of country report 	<ul style="list-style-type: none"> Discussion and validation of country report and verification of policy options through a second stakeholder meeting Finalization of country report Dissemination of anonymized survey data* Identification of follow-up activities to solve identified problems

*Activities implemented by ITC

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Some results from ITC NTM surveys

- Burdensome NTMs vary significantly depending on the company size, the sector affiliation and partner countries where products are exported
- RTA membership does not insulate from NTM-related problems
- A lot of problems are “home-made”, even if the NTM itself is applied by the partner country
- Most NTMs are reported as being burdensome due to **Procedural Obstacles (POs)** like administrative delays or lack of appropriate facilities



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2. National Export Strategies

ITC Approach:

- Multi-stakeholder consultations (government, private sector, TSIs, civil society...) for a «home-grown» strategy
- Focus on MDGs: Trade for inclusive and sustainable development (gender, youth, environment, marginalized communities...)
- More than a strategy: enhancing capacities for effective implementation (e.g. Export Council)
- 2013 Focus: Myanmar, Kyrgyzstan, Palestine, Haiti...



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3. Business & Trade Policy and Regulatory Reform

Examples:

WTO accession & follow-up support

Economic Partnership Agreement

Regulatory Reform

Regional Economic Integration

Support EABC's advocacy campaign to bring out the potential benefits for the EAC if it can implement the free movement of workers and service providers

Build the confidence of EAC business community on its negotiations with COMESA and SADC



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Business & Trade Policy

ITC-WTO Programme for Acceding LDCs: strengthening stakeholder confidence for WTO membership

- Targeted at the private sector
- WTO acceding countries supported:
 - Asia: Samoa, Vanuatu, Lao PDR, Afghanistan.
 - Others: Ethiopia, Liberia, Comoros, Sudan, Tajikistan
- In Samoa: from accession to post-accession
 - Workshops with the private sector, parliamentarians and the media
 - Enhanced role Chamber of Commerce in providing trade related information and advocacy services to members
 - Post-accession phase: support communication of WTO commitments to businesses (study on business implications, public-private dialogues)

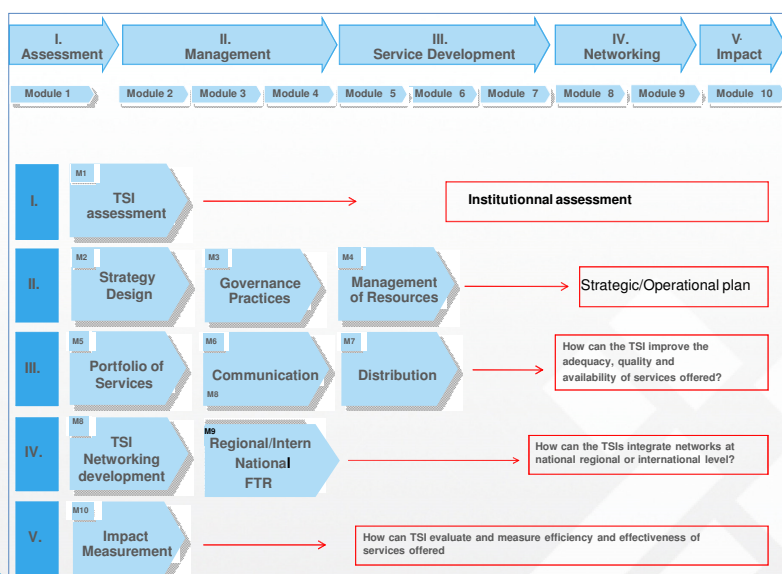


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Source: Corexencode

4. TSI strengthening service portfolio

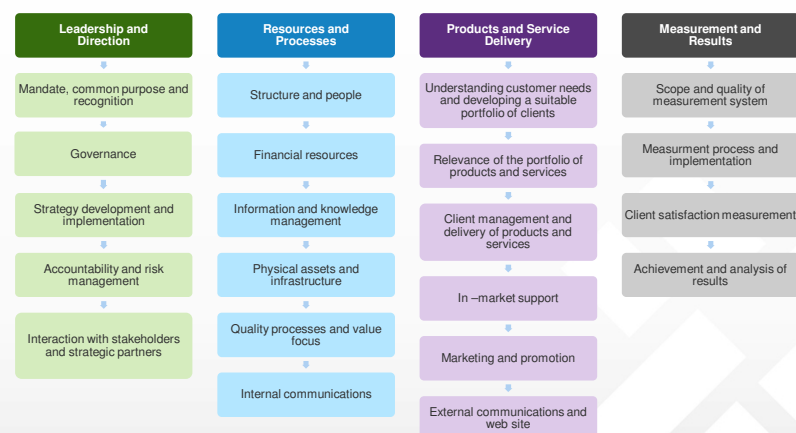
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The Benchmarking Assessment Model: Areas and themes of assessment

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MATURITY BASED MODEL

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5. Sector Development

Integrated approach including

- Sector strategies and implementation framework
- Market development
- Improving exporter skills
 - Export management
 - Branding & Marketing
 - E-solutions
 - Export value chain development (supply chain management, quality, packaging...)
- Enhancing productive capacities and product development
- Strengthening institutional support infrastructure
- Business advocacy



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Ethical Fashion Initiative

Slum dwellers are producing major orders for international fashion houses and distributors Vivienne Westwood, Max Mara, Stella McCartney or Fendi

A programme that creates employment for more than 7000 persons, mainly women, living in extreme poverty

New way of working beyond CSR based on business rules and not on traditional NGO mindset.

Aid for Trade creates sustainable business relationships allowing the poorest to participate in global value chains (e.g. African fashion producers being permanently included among regular suppliers).

Not charity – just work

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Bangladesh: developing the IT&ITES sector

Objective: To create sustainable exporter competitiveness in the IT & ITES Sector in Bangladesh



Establishing sustainable business links between Bangladesh & EU (e.g. B2B matchmaking, developing companies' export marketing competency - focus on online marketing and social media)

Empowering partner TSIs to provide a sustainable business linkage service (e.g. B2B Service Integration Program by Bangladesh Association of Software & Information Services - BASIS)

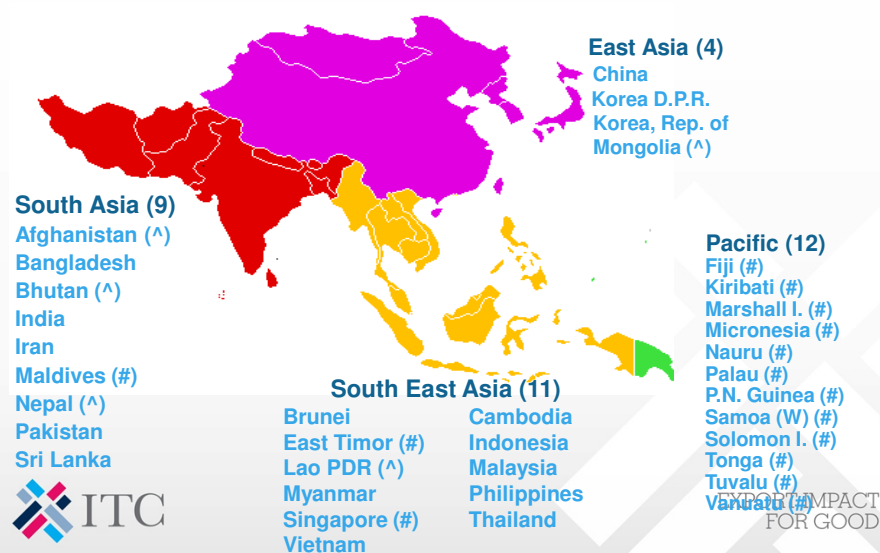
Branding Bangladesh as a Global IT Sourcing Destination (e.g. Outsourcing Conference, Publications)

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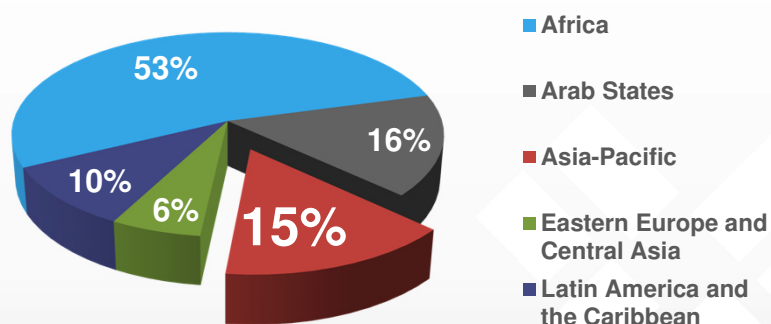


C. ITC in Asia and the Pacific

14 LDCs 5 LLDCs (^) 15 SIDS (#) =36 countries



Asia/Pacific accounted for 15% of total ITC delivery in 2012



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Approach for technical assistance

Proactive to LDCs
Reactive to other developing countries

**Middle income countries to provide expertise
& in-kind contributions
and/or fund projects for their own countries**

**Develop larger and more integrated projects
focussing on a few key impact areas**



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Key impact areas

Multilateral & regional integration

- National export strategies (NES)
- NTMs
- WTO accession support
- Public-private dialogue & partnerships
- Intra & inter-regional trade promotion

Poverty reduction

- Trade in services, focus on inclusive tourism
- Community-based agricultural & handicraft exports
- Entrepreneurship support - women & youth

Export diversification

- Sector strategies
- Trade support services (multiplier)
- Trade intelligence
- Supply chain management
- Standards & SPS
- Access to finance
- Marketing & branding
- Market entry



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Impact area 1- Facilitating multilateral and regional integration

➤ NTM surveys

- Sri Lanka, Cambodia (completed)
- Indonesia Thailand (on-going)
- Lao PDR, Philippines, Vietnam (planned)

➤ Support to WTO accession and implementation of WTO commitments

- Lao PDR, Samoa, Vanuatu

➤ South-South trade promotion

- China, Bangladesh, India, Thailand and Africa (cotton, leather)
- Cambodia, Vietnam and Africa (rice)



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Flagship events in partnership with Asia

World Export Development Forum (WEDF)

Jakarta, Indonesia, October 2012



Opened by President Susilo Bambang Yudhoyono of the Republic of Indonesia



Ms. Lakshmi Venkatachalam, Vice President, Private Sector and Co-financing Operations, ADB

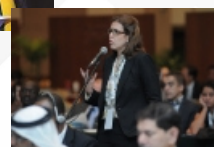


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Flagship events in partnership with Asia

9th TPO Network World Conference & Awards

Kuala Lumpur, Malaysia, October 2012



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Impact area 2- Linking vulnerable communities with global markets

- Facilitating participation of disadvantaged communities in value chains linked to tourism, handicrafts and agricultural products in Lao PDR, Cambodia, Vietnam
- Developing better integrated, pro-poor and environmentally sustainable value chains in the craft and furniture sectors in Vietnam
- Helping sugar producers in Fiji find alternative sources of income
- Empowering women of other Pacific countries in economic activities



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Impact area 3- Assisting sector specific export diversification

- Development of National Export Strategies and Sector Strategies
 - Bangladesh, Cambodia, Fiji, Lao PDR, Myanmar, Samoa, Solomon Island, Vietnam
- Strengthening Trade Support Institutions
 - Bhutan, Malaysia, Pakistan
- Providing direct assistance to exporting companies
 - Bangladesh, Cambodia, Lao PDR, Nepal, Vietnam



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D. Proposed areas for cooperation with ADB

- **Sharing of information and tools**
- **Joining forces in on-going programmes such as NTM**
- **Providing joint support to regional economic integration of ASEAN and SAARC**
- **Development of focused joint country programmes e.g. Myanmar**



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ITC Market Analysis Tools

<http://www.intracen.org/marketanalysis/>

International Trade Centre

MARKET ANALYSIS TOOLS

Enhancing the transparency of global trade and market access

About the tools

Tutorials

Condition of Use

Trade Map Factsheets

MAT Survey results 2012 NEW

Newsletters

What's new

Updating of trade indicators 2011 in Trade Map
16/11/2012 1:00:00 pm
Following the updating of Trade Map on 16 November, Global Trade indicators 2011 are updated.

In 2012, the tools will remain free to users from developing countries. Not registered yet? [Create your account here.](#)

The International Trade Centre has developed five web portals: Trade Map, Market Access Map, Investment Map, Trade Competitiveness Map and Standards Map to enhance the transparency of global trade and market access and to help users in their market analyses.

Since the 1st January 2008, all users from [least developed and developing countries and territories](#) have been able to access the ITC's market analysis tools free of charge, thanks to support from the world Bank, the European Commission and donors to ITC's Trust Fund.

Latest trends available in Trade Map
Most important evolutions for Georgia's imports between October 2011 and October 2012

Origin of products imported by Georgia*			
	Switzerland	US\$ 9 millions	+224%
	Hungary	US\$ 5.5 millions	+126%
	Bulgaria	US\$ 21 millions	-39%
	United Arab Emirates	US\$ 11 millions	-39%

Products imported by Georgia*			
	Railway, tramway locomotives, rolling stock, equipment	US\$ 15 millions	+563%
	Miscellaneous manufactured articles	US\$ 4.7 millions	+286%

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Tools access:

[Trade Map](#)

[Market Access Map](#) NEW

[Investment Map](#)

[Trade Competitiveness Map](#)

[Standards Map](#)



TSI Benchmarking

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A management tool for TPOs and TSI

- An assessment of processes and performance
- Helps identifying strengths and weaknesses
- Identifies good practices as a basis for comparison and sharing
- Should lead to goals and plans for improvement

MORE EFFICIENT AND MORE EFFECTIVE TPOs and TSIs

EXPAND EXPORTS OF SMEs FROM LDCs and DCs



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