



Issue #4
**AID FOR TRADE &
THE PRIVATE SECTOR**

INTERNATIONAL TRADE
FORUM



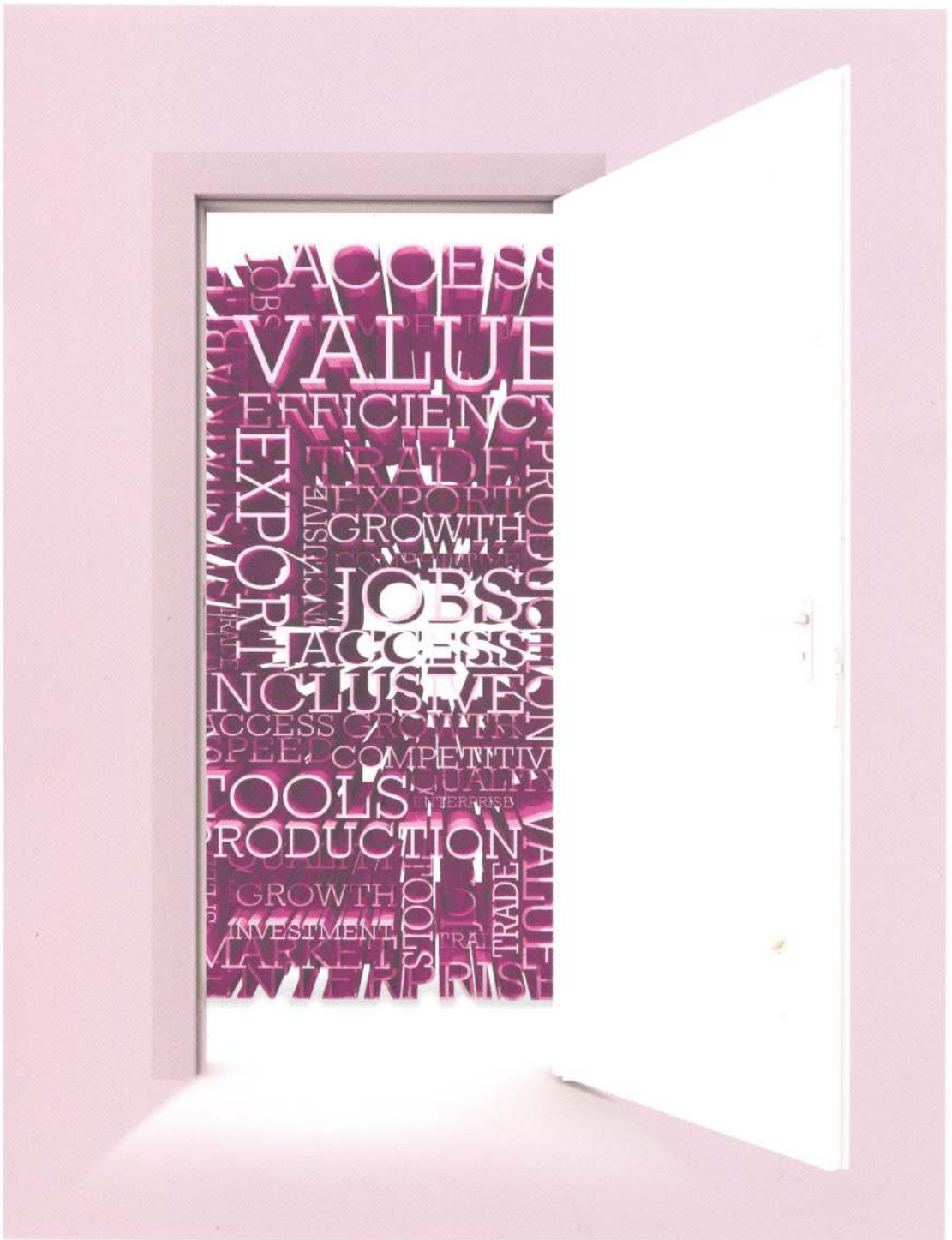
FASHION
A catalyst for change

PAGE 12



**WOMEN VENDORS
EXHIBITION &
FORUM**

PAGE 29



SPECIAL

04 THE SHAPE OF GLOBALIZATION: CHINA'S REMARKABLE ROLE

Herbert Oberhänsli
Nestlé SA, Vevey

05 POISED FOR WTO MEMBERSHIP: THE RUSSIAN FEDERATION

Ambassador Stéfan Haukur Jóhannesson
Working Party on the Accession of the Russian Federation (2003-2011)

WORLD VIEW

06 AID FOR TRADE AS INVESTMENT IN TRADE: ENGAGING THE PRIVATE SECTOR

Valentine Rugwabiza
World Trade Organization

08 AID FOR TRADE AND THE PRIVATE SECTOR: A PARTNERSHIP THAT WORKS

Ken Ash
Organisation for Economic Co-operation and Development

FEATURES

10 THE PRIVATE SECTOR CONNECTION: EIF & AID FOR TRADE

Dorothy Tembo
Enhanced Integrated Framework

12 FASHION: A CATALYST FOR CHANGE

Chloé Mukai
ITC

16 ECONOMIC INTEGRATION IN ASIA-PACIFIC

Ambassador Muhammad Noor
Asia-Pacific Economic Cooperation Secretariat

17 USING THE POWER OF APEC TO ADVANCE WOMEN IN TRADE

Meg Jones
ITC

18 AID FOR TRADE STRATEGY IN THE PACIFIC

Dr. Chakriya Bowman
Pacific Islands Forum Secretariat

20 TOWARDS AN ECONOMIC COMMUNITY IN SOUTHEAST ASIA

Soy M. Pardede
ASEAN Competition Institute

22 THE INFORMAL ECONOMY: HERE TO STAY?

Atiya Hussain
Social and Economic Researcher

26 TOWARDS MORE MEANINGFUL EVALUATION OF AID FOR TRADE INVESTMENTS

Talaat Abdel-Majek
Organisation for Economic Co-operation and Development

BUSINESS FOCUS

24 ASPIRATION VS REALITY: LOCAL PERSPECTIVES ON REGIONAL TRADE

Trade Forum Editorial

27 CRITICAL MASS FOR A CRITICAL MESSAGE: EMPOWER WOMEN, POWER PROCUREMENT

Meg Jones
ITC

28 ART ATLAS: A DREAM THAT CAME TRUE

Trade Forum Editorial

29 WOMEN VENDORS EXHIBITION AND FORUM: NEW STRATEGIES FOR INCLUSION

Trade Forum Editorial

31 DEVELOPING THE COTTON VALUE CHAIN IN AFRICA

Matthias Knappe
ITC

32 EMPOWERING ZAMBIAN FARMERS THROUGH SOUTH-SOUTH COOPERATION

Joseph Nkole
Cotton Association of Zambia

33 SOUTH-SOUTH COOPERATION WITH ITC FACILITATION

David W. Masika
Makueni Gineries

34 SOUTH-SOUTH EXPANSION IN THE COFFEE TRADE

Trade Forum Editorial

ITC IN ACTION

36 DEVELOPING FUTURE TRADE POLICY LEADERS

Trade Forum Editorial

38 RESULTS-BASED MANAGEMENT

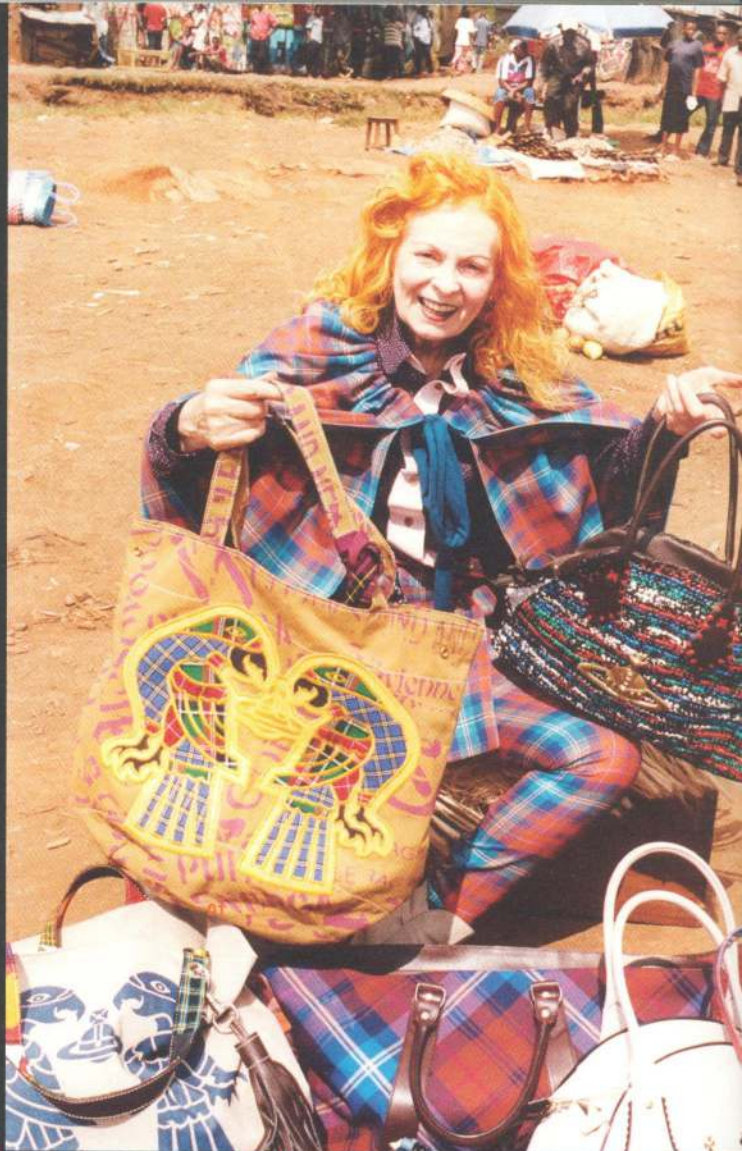
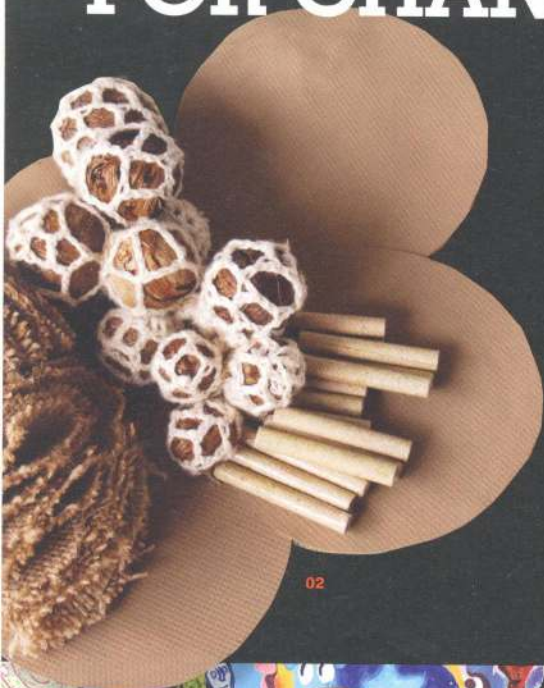
Miguel Jimenez Pont
ITC

NEWS

39 NEWS BRIEF



fashion: A CATALYST FOR CHANGE





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01 British designer Vivienne Westwood, in Nairobi, showcasing the 2nd Ethical Fashion Africa collection made with eco-friendly materials such as tent canvas, plastic bags and recycled brass.
© Juergen Teller

02 Environmentally friendly materials and processes always put forward organic cotton, natural fibres, recycled metals and fabric off-cuts.
© Jeremy Brown

03 Big distributors place

large orders for more simple products, which in turn employs many people. Here, Elisa Palomino's t-shirt collection for Coop IT. © Jeremy Brown

04 Italian designer Ilaria Venturini Fendi, who heads Carmina Campus, regularly comes to Africa to work hand-in-hand with the artisans. Here, in Japan with Takashimaya Department Stores.
© Takashimaya Department Stores

05 Buyers from the fashion industry develop products using materials and skills available locally – here, a community of women specialized in knitting.

© Jeremy Brown

06 When not working on international orders, the micro-producers involved in the project supply the domestic market. Here, a line of bags made for a local company, Mifuno.

© Uipi Tirronen



CHLOÉ MUKAI

Associate Adviser, Corporate Responsibility, Poor Communities and Trade Programme

ITC

The potential of the private sector to reduce poverty is well recognized; however, this has not been evident in the fashion industry. Fashion is one of the most globalized sectors, providing employment to more than 60 million people, mainly women and unskilled workers from poor economies. And it is expanding. According to Datamonitor, 2010, the textiles, apparel and luxury goods market was worth US\$ 2,597.8 billion in 2010 and has grown by 4.2%, year on year, from 2006 to 2010.

Yet sweatshop production scandals brought into the public view are still frequent in the sector, with basic labour conditions unavailable to many workers, especially those from disadvantaged communities who have little awareness of their rights. Estimates by Lucy Siegel, an Ethical Living columnist at the

Observer, in her 2011 book *To Die For* suggests that 20% to 60% of garment production is done at home by informal workers.

A revolution in fashion has been building, with consumers questioning ethical issues such as labour practices and environmental impact. This has largely changed the attitudes within the sector and opened up opportunities for micro-manufacturers from developing countries. ITC's Poor Communities and Trade Programme (PCTP) is taking advantage of this shift to introduce micro-manufacturers – mostly women – into international value chains.

From Kibera to Kensington

ITC's *Market Access, Transparency and Fairness in Global Trade: Export Impact for Good* publication estimates that vast swathes of the global poor have been excluded from the benefits that trade holds. But technical assistance for marginalized communities is not enough. Targeted action in human development and empowerment are needed to overcome the many barriers that extreme poverty creates. This is exactly what the PCTP does: It brings together the poorest communities in the world to work alongside big names from the fashion industry. In doing so, it increases the volume of exports

from low-income countries and least developed countries in particular, with special attention given to marginalized communities.

The approach is not intended to boost demand for 'ethnic fashion', but rather to convert mainstream fashion into a more ethical endeavour. To achieve this, the programme partners with brands that have a high enough profile to influence the market, or large retailers that can disperse products and messages broadly. These partners recognize that customer loyalty is of the utmost importance in an industry faced with volatility and market saturation, and respect for people and the planet consistently rank at the top of the list to ensure this loyalty.

So far, the PCTP has enabled over 7,000 micro-manufacturers in East Africa to hold jobs that are fairly paid. The impact on the people has been substantial, with important improvements in housing, education, food security, access to medical care and water. One beneficiary, Mercy Waweru, has been able to buy a home as a result of the work orders generated by the programme in one year. Qualitative results have also been captured. Results from the social impact assessments have highlighted that 80%–90% of those involved feel empowered and have a stronger position in the decision-making process.



The approach is not intended to boost demand for 'ethnic fashion', but rather to convert mainstream fashion into a more ethical endeavour.



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07 British fashion icon Vivienne Westwood marks her fifth Ethical Fashion Africa collection sold in her shops around the world and through the online retail giant yoox.com. © Chloé Mukai

08 Ilaria Venturini Fendi regularly comes to Africa to develop new collections in association with the artisans from the Ethical Fashion Africa workshops, exploring innovative ways to reuse materials. © Chloé Mukai

09 The business infrastructure is tailored around a unique system of work that enables micro-entrepreneurs – mostly women – to thrive with the talents of the fashion world. © Uupi Tirronen

10 A group of Turkana, Samburu and Borana women from Laikipia, Northern Kenya, producing key rings for the Vivienne Westwood Ethical Fashion Africa collection. © Jeremy Brown

08

Win-win for all

It is not just the African communities that are benefiting from this initiative, however. Private sector partners are also gaining, as the approach is entirely market-driven and linkages between the international market and micro-manufacturers are built on real trade relationships.

Initially, many companies were hesitant to manufacture their goods in Africa on a large scale. Yet the production of successful collections, sometimes made wholly in Africa, has attracted a steady flow of new buyers to the initiative. British designer Vivienne Westwood joined the programme in 2010 with a small collection of 950 bags distributed by the online retailer yoox.com. Within weeks the items were sold out, and repeat orders were urgently placed.

Westwood ordered 3,500 bags for the second collection and the 'Africa Bags' featured in her Gold Label line during Paris Fashion Week; the fifth collection is being developed in the Nairobi-based product development centre. As with Westwood, many designers and retailers have realized that responsible fashion can make them more competitive and enhance their brand image.

A unique system

While the fashion industry will always find inspiration among Africa's myriad cultures, materials and craftsmanship, a reliable and sustainable production and trade infrastructure is required. To this end, the PCTP is supporting a new business infrastructure in Nairobi to coordinate production work in Africa. This infrastructure is based on a not-for-profit intermediary between the communities and the industry. Buyers develop products with the assistance of the PCTP, using capacities and materials available in communities. The profits from these business transactions are then reinvested in a social agenda, defined by the communities themselves and implemented through specialized NGOs.

This structure has been developed to enhance social responsibility. All the operations and production processes follow a rigorous agenda under the guidance of the Fair Labour Association, which guarantees that labour practices are fair, and that wages are well above the national minimum wage, typically at least double. Artisans are paid by the piece, depending on their skill level, and generate an income of KSH 500 to KSH 1,000 (about US\$ 5 to US\$ 10) per day. This is well above the average pay for this type of work, which equates to about US\$ 3.90 per day for casual workers, based on the Government of Kenya minimum wage (Legal notice No. 96 – 18th June 2010). Environmental issues hold a key place in this system of work: environmentally friendly processes are favoured, and the use of recycled, organic and locally sourced materials prevails.

Today, the PCTP has engaged a number of key players from the private sector, such as Vivienne Westwood, Stella McCartney, Carmina Campus, Coop Italia and Walmart. The work they carry out goes beyond the delocalization of their production lines; it generates high-quality fashion goods that are backed by a compelling social responsibility story. ①

