



CBI
Ministry of Foreign Affairs of the Netherlands

CBI Annual report

10

CBI Annual report 2010



We improved our own organisation, our working methods and our products | 08

We are facing a bright future in a broader perspective | 05



The CBI is *the* expert in export development and export promotion from developing countries | 10

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Forty, and future-proof

In his newly charted course Ben Knapen, our Minister for European Affairs and International Cooperation, is quite right to appeal to all players in the value chain. It is, after all, through their collaboration that Dutch consumers, retailers, importers and foreign suppliers all shoulder the responsibility of sustainability. Focusing, as we do, on sustainable economic development in developing countries, we at the CBI echo the Minister's appeal.

Thanks to 40 years' experience the CBI has built up an excellent reputation and we are perceived as an active, flexible and decisive organisation. This places the onus on us to remain constantly alert and responsive to an ever-changing trade environment. The year 2010 was also a key year in our own development. As an organisation we enriched our organisational structure by refining our vision, mission, and strategic cornerstones. We started offering our activities in a modular way and breaking down our global coverage into three regional teams: Asia/Eastern Europe, Latin America and Africa. By doing this we have succeeded in offering high-quality tailor-made products.

To deepen our impact as an organisation, last year – even more so than in previous years – we invested heavily in our relationships with Small- and Medium-sized Enterprises, Business Support Organisations, governmental bodies, embassies and external experts. We did so to make us better positioned to play our role as the link-pin between developing countries and the European market. New alliances, together with the intensification of existing ones, empower us to build a network that makes it easier for us to achieve our goal: contributing to sustainable economic development in developing countries by increasing their exports.

We are also facing a bright future in a broader perspective. In 2010 we took Corporate Social Responsibility a substantial step further in the required direction. We have embraced the ISO 26000 guideline, with a specific focus on major aspects such as environment, human rights, workers' rights and business integrity.

It is with great pride that I present the CBI Annual Report for 2010.



Hans Klunder
Managing Director



Forty years of
experience | 05

We realigned our
activities | 08



Practical modules
and solutions | 08

1 CBI ready for the future

The CBI sharpened its mission and vision and redefined its core values and strategic goals. The ever-changing dynamics of Small- and Medium-Sized Enterprises (SMEs), their support network in the international trade spectrum and the market parties require it.

From the Field: Moldova Programme



In Moldova, the CBI is focusing on export development and promotion in four different sectors: wine, fresh fruits and vegetables, textiles and ICT. Selected businesses receive direct support in complying with European market requirements and in their introduction into new EU markets. To give this support a permanent character, the CBI is investing in the improved functioning of these sectors by facilitating public-private partnership initiatives and by developing sector action plans. Additionally, the CBI is supporting BSOs in their efforts to improve the service they provide to their clients. In this context exporters and other stakeholders are being encouraged to become involved in each other's activities as much as possible. The result of this approach is greater efficiency and more impact of the services.

The CBI is future-proof

But just what did we do to become future-proof? Well, to start with we improved our own organisation, our working methods and our products. We also realigned our activities within the regions of Africa, Latin America, Asia and Eastern Europe into an integral approach. This way we can better address the needs of both SMEs and BSOs in the respective countries.

By working in these multidisciplinary teams we are making optimum use of the existing knowledge and expertise of employees, our expert network and our partners.

Also in 2010 the CBI further diversified its disciplines of export coaching for SMEs, institutional development for BSOs and human resource development, for both SMEs and BSOs, into practical modules for capacity-building solutions. Serving both SMEs and BSOs in a tailor-made manner, the available modules can be applied to export issues both separately and in combination with other relevant modules. These modules, and our renewed organisational principles, enable us to realise higher output and outcome at lower cost.

An example of this new, integrated working method is the Moldova Programme.



Mission and Vision

Mission

The CBI contributes to sustainable economic development in developing countries by increasing their exports.

Vision

The CBI is THE expert in export development and export promotion from developing countries:

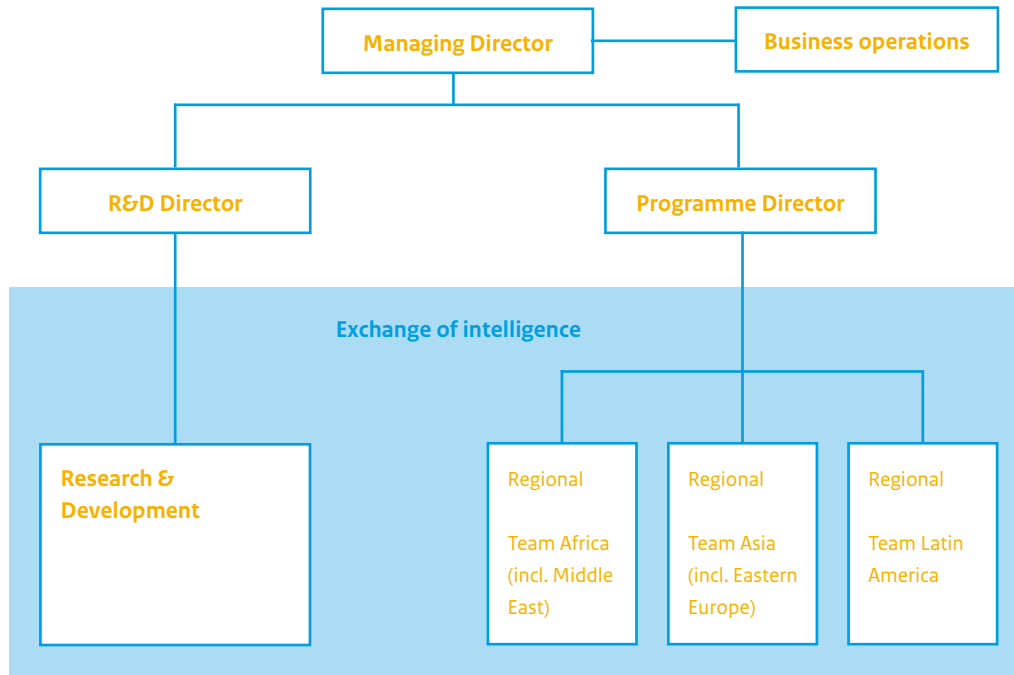
- We have a solid network of international stakeholders;
- Our contribution is the sustainable strengthening of the competitive capacity of SME exporters and producers in developing countries, focusing primarily on European markets;
- We achieve this by offering an integrated approach to companies, BSOs and governmental bodies;
- Our three core competences are advice, counselling and knowledge management.

Strategic goals

- **Strengthening the international competitive capacity of exporters (competent exporters)** by developing the export-related knowledge and skills of entrepreneurs and exporters, and by helping exporters enter the EU market;
- **Organising effective business support** from both the private sector and public authorities;
- **Providing advice to (local) policymakers**, with the aim of improving the business environment;
- **Strengthening links with the market**, in the context of Exporters and European Buyers.



Organisation chart



Six pilot projects | 20



Findings and opportunities from the past were translated into regional strategies | 16



All cross cutting issues are assigned by CBI's Research & Development Department | 23

2 Two departments

Programme Department with the regional teams.
Research & Development Department with expertise that serves the organisation and external parties.



The Programme Department consists of three teams that design and implement the programmes from a regional perspective. These teams have been organised into the regions of Africa, Latin America and Asia/ Eastern Europe. If required, all team members can be deployed in all teams.

The Programme Department has the following responsibilities:

- A** designing and implementing integrated programmes and projects, by applying the various CBI products:
 - SME/Institutional Development;
 - ECPS;
 - general and tailor-made training courses for BSOs and exporters from the target group countries;
 - practical and modular CBI sector information;
 - practical overviews of European market requirements and EU legislation.
- B** Account management, focusing on countries;
- C** Sector account management, aimed at importers and exporting companies.



‘The CBI and the Ministry of EAA&I complement one another; the CBI works with an extensive network in the relevant countries which can be put to good use for the Dutch economic interests.’

Jeanette Scherpenzeel, Ministry of Economic Affairs, Agriculture and Innovation of the Netherlands

The introduction of regional strategies, programmes and projects

In 2010 the regional teams worked on further structuring CBI’s activities in the respective countries to optimise the integration of the activities and their impact. Findings and opportunities from the past were translated into regional strategies for the next few years. Smart country/sector combinations, intensified collaboration opportunities, further implementation of CSR principles, and issues such as climate and security, play increasingly important roles in the regional programmes and projects. Three main categories of programmes and projects were identified:

- Integrated programmes: programmes at country or (sub)regional level with a focus on one or more sectors/value chains.
- Incubator programmes: innovative projects and activities.
- Transition programmes: programmes migrating to the integrated approach.

Asia

Most Asian countries are displaying enormous economic dynamics and export growth. However, this growth goes hand-in-hand with considerable social-economic

inequality. In Asia, 900 million people have less than \$1.25 per day to live on, and the explosive economic growth in the region is coupled with huge damage to the environment and heavy demands on natural resources.

The CBI has identified a number of potential industries, many of which are suitable for (sub)regional programmes. These programmes are based on market demand in Europe, the national export strategies of the CBI target countries in Asia and the Aid for Trade ambitions of other donors. The activities already started by the CBI in these countries were also crucial to the decision-making process. The programmes are Textile and Decoration, Engineering and Seafood. Tourism, Natural Ingredients, BPO and ITO will be further considered at a later stage.

The focus in Asia will be on value instead of volume during the coming years. The added value of the CBI in Asia is aimed at increasing export volumes and it will now focus even more sharply on export value. Inclusiveness and sustainability will be key to this approach. Peer-to-peer knowledge sharing will also play an important part of interventions in the field of technical developments.

From the Field:

CSR as competitive advantage



Together with the Netherlands Ministry of Economic Affairs, Agriculture and Innovation CBI started a pilot project on Corporate Social Responsibility in India. Core element of the project was a training cycle in five different Indian cities for 80 participants held in September 2010. The objectives were:

- 1 to create awareness of CSR and its advantages to Indian companies;
- 2 to provide practical information and tools for Indian companies to effectively implement CSR in their business and to improve their competitive position towards European and Dutch buyers following European market access requirements and CSR standards.

All participants did a self assessment to analyse how 'sustainable' they worked and after that a joint SWOT-analyse on CSR in India was carried out.

The CBI trainers did not just focus on explaining issues like ISO 26000, but they made the participants analyse their day to day work with a specific CSR focus and placed this against the specific European CSR requirements background.

This understanding of how CSR is perceived on both sides of the value resulted in 80 greatly inspired participants who left the training highly motivated to bring these new CSR knowledge into practice.

It also inspired CBI and ELI, so in 2011 an additional project focussing on to 'coaching coaches'. In this project committed local consultants and BSO employees wishing to invest in CSR in the business relations of their clients in Europe will be trained and coached so they can offer CSR consultancy services to companies.



Eastern Europe

In the past years the CBI was very active in the Western Balkans & Eastern Europe. This has resulted in a number of successful programmes in, among other, the metal industry in Bosnia Herzegovina, garments (Macedonia), tourism (Western Balkans and Southern Caucasus), wine (Macedonia, Moldova and Georgia) and ICT (Moldova and the Southern Caucasus). In the process, the CBI has built an extensive network of partners in these countries (entrepreneurs, BSOs and public authorities), and chain partners inside and outside the Netherlands. Last but not least, the CBI has acquired a sharp insight in these countries' export needs.

Seeing that the European demand is still far from reaching its full potential, and the demand from the region's own markets is still not sufficient yet, most markets therefore still have growth options. The CBI efforts to support export development and - promotion in this part of the world are hence very well justified and encouraged by its partners.

And there is more. As a consequence of the financial crisis it has become more attractive for European companies to outsource activities to South Eastern Europe. Being much closer means shorter travelling distances and smaller time-zone differences, which represent a big advantage for

European buyers. In addition, rising labour costs in the BRIC countries are also beneficial.

In order to facilitate the best possible results in this region and the optimum transfer of knowledge and experience to chain partners, the CBI is linking up with other donors. The EC, EBRD and USAID are particularly relevant partners in this respect.

Latin America

Having successfully increased exports and after the creation of a vast and highly effective network of exporters, BSOs and partners in economic development over the past few years, the CBI now aims to take export development in Latin America to the next level by adding value in the diversification of those exports.

Further positioning ourselves as the expert in the field of exporting to the European market, the CBI is filling a gap by offering exporters an increasingly important alternative market to the US. In addition to this, over the next few years we will focus on product diversification (innovative, organic, single-origin and fair-trade products), mainly in the pro-poor sectors of fresh food and vegetables and natural ingredients, outerwear and tourism.

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From the Field:

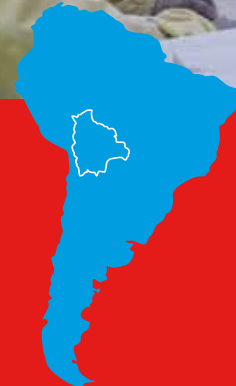
Timber in Bolivia

For some time now, the CBI's expertise, products and networks have been integrally deployed in the timber industry in Bolivia. In this industry, the CBI supports both companies and BSOs.

The intention is to make the entire wood industry in Bolivia sustainable, and improve it so as to facilitate the export of wood products to the European market. To this end the total package of CBI services (export coaching, institutional development, training and market information) will be deployed. In collaboration with the network of CANEB, the Chambers of Exporters, together with their local Chambers CADEX (Santa Cruz), CAMEX (La Paz) and CADEXCO (Cochabamba), a Timber Task Force has been set up. This brings together the major interested parties in the industry so they can establish a mutual sector strategy and division of tasks.

In the context of the BSOD process with CANEB, the CBI is using several pilot projects to support CADEX and improve its knowledge and services in the timber industry. Additionally, an ECP was set up for companies in 2010. As a result of the intensive preparatory process and cooperation with CADEX, as well as the fact that one of the ECP participants is also chairing the Timber Task Force, many companies are enthusiastic about joining the ECP. The list of applications reached 25 in just three months and it's still growing. Among other factors this success was down to the innovative integrated services of the CBI.

Sustainability is important in the timber industry, particularly in Europe. This is why, together with CADEX, the CBI is helping Bolivian companies to acquire FSC certificates and only allows them to participate in market-entry activities if they are FSC certified. This means that participating companies comply with the requirements of European buyers and contribute to the growing awareness of sustainability issues in Bolivia's timber industry.



From the Field:

Mozambique



The CBI supports IPEX by offering a BSO-development programme, in which the Dutch Embassy, SNV Netherlands Development Organisation and PUM are cooperating by creating value chains and providing project coordination. Six pilot projects have started and these serve as a platform for capacity building in these export organisations.

What makes these projects unique is the large number of national and international stakeholders that are working together: from manufacturers' representatives, market parties (inside and outside Mozambique) and financial institutions to public authorities and national and international aid organisations. The pilots serve as a template for creating larger value chains in the future. The cooperation with the partners is in an advanced stage and the division of tasks between them is roughly as follows:

CBI – together with EKN, the CBI has taken the initiative to bring together the different donors and it is taking care of capacity development at IPEX and the export promotion within the pilot projects.

SNV Netherlands Development Organisation – strengthening manufacturer groups and multi-stakeholder platform management.

PUM – advising businesses that are participating in the pilots.

Embassy of the Kingdom of The Netherlands (EKN) – financing, capacity building and trade promotion within the framework of the pilots.

USAID – organising and sponsoring trade-promoting activities within the framework of the pilots.

ITC – providing support by, among other means, setting up a National Export Strategy.





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The CBI will assume an active role as a key player in sustainable export development with, for, and between partners in economic development. To this end, the CBI will actively seek ways to link up with, complement and cooperate with other local and international organisations that can play a valuable part in our result-oriented integrated programmes.

Our Latin America team is driven to build on the successes of the past, while at the same time remaining constantly critical of its relevance to the region. A continuous self-improvement attitude towards our products and services will increase our successes in exports and export diversification. Furthermore, the Latin America team dares to distinguish itself; and this is characterised by our innovation and passion for our work.

Africa

In Africa, the CBI has worked on the stable and sustainable increase of income in its target countries by boosting the quantity and quality of the goods and services the continent exports. The future focus will be on diversification, the development of added-value products and services and on sustainable production. The starting point

of the initiative is an integrated approach and cooperation between exporters, private and public BSOs, importers and other donors. To achieve this goal, three integrated programmes are being rolled out. In western Africa, an agricultural programme will be started up that includes the following two sectors: fresh fruit and vegetables and natural ingredients for the pharmaceutical, cosmetic and food industries. In eastern and southern Africa, there will be a programme for agriculture and consumer goods serving the following sectors: fresh fruit and vegetables, natural ingredients for the pharmaceutical, cosmetic and food industries, flowers, home decoration and home textiles. A tourism programme will be started in western, eastern and southern Africa. In addition to these programmes there will also be opportunities to run incubator projects, offering the opportunity to investigate new sectors and innovate our methods.

Among the numerous donors active in Africa, the CBI occupies a unique niche in offering practical coaching to companies and BSOs that target EU markets. In 2010, following its increased focus on an integrated value system approach, the CBI has initiated collaboration with organisations such as USAID (West African Trade Hub) and Aid to Artisans, offering assistance that is complementary to the CBI's core competencies.

Introduction R&D Department

All cross cutting issues are assigned to CBI's Research & Development department to support CBI in fulfilling its mission as the expert in the field of export development and export promotion from developing countries. As R&D has been in operation since October, therefore 2010 has marked its strategic orientation.

Variably, the R&D department will take the lead or be supportive in organisation wide issues such as:

- Market Intelligence
- Marketing & Communication
- Learning
- Monitoring & Evaluation



Together with a short-term future perspective, the main R&D themes are briefly explained below.

Market Intelligence

In 2010 the CBI developed a new approach to create added value for its original market information products and services. With this new approach the CBI has shifted its focus from market information to market intelligence. In creating intelligence products the CBI will be sharing, combining and analysing information to generate knowledge and create an intelligence-based product portfolio.

In addition to existing target groups of SMEs and BSOs in developing countries, the CBI will also offer policy makers new information products on the impact of market-entry requirements and CSR on import possibilities for Dutch companies.

Marketing and Communication

In 2010 the Marketing & Communication team has worked on developing new products and fine-tuned existing products. The CBI switched to a new house style as the Dutch Government decided that all its departments should use the same logo. Given the CBI's unique role and worldwide 'brand' recognition, the familiar CBI abbreviation is also part of the new logo.

As a result of the changes the CBI underwent, we updated and restyled our brochures. We also replaced CBI News by the new CBI magazine.



The CBI and social responsibility

Social responsibility, or CSR, is a leading principle in all CBI activities. Social responsibility is the responsibility an organisation assumes for the impact its decisions and activities has on society and the environment, through transparent and ethical behaviour.

In view of the growing importance of social responsibility and sustainability, the CBI began implementing a social responsibility roadmap in November 2009. In 2010, the CBI used ISO 26000 to determine which issues needed to be addressed. ISO 26000 is a state-of-the-art international standard that gives guidance to organisations on social responsibility. The following core subjects were identified: (1) environment, (2) human rights, (3) labour rights and (4) fair operating practices.

The CBI seeks to address the issues pertaining to these subjects in all its activities. In practice this means, for instance, that the core conventions of the International Labour Organization (ILO) will be included as criteria in the audits for the selection of companies for export coaching.

One of the most exciting ways of fostering CSR at the CBI is by building a network of experts and organisations with practical knowledge of how to implement sustainability

policies in DCs. The CBI is setting up CSR network hubs in these countries, and we support the creation of infrastructures needed to procure meaningful knowledge sharing and capacity building.

For 2011 the CBI has set ambitious goals with regard to its own social responsibility. One of the biggest challenges is reducing the CBI's carbon footprint by 10 per cent. This will be achieved by travelling less, increasing the use of videoconferencing and e-learning tools and improving our collaboration with local experts in the CBI's target countries.



'It is not good enough to do what the law says. We need to be in the forefront of these social responsibility issues.'

Anders Dahlvig, CEO of IKEA, quoted in Financial Times.

‘Virtually everything in business today is an undifferentiated commodity, except how a company manages its information.

How you manage information determines whether you win or lose’

Bill Gates

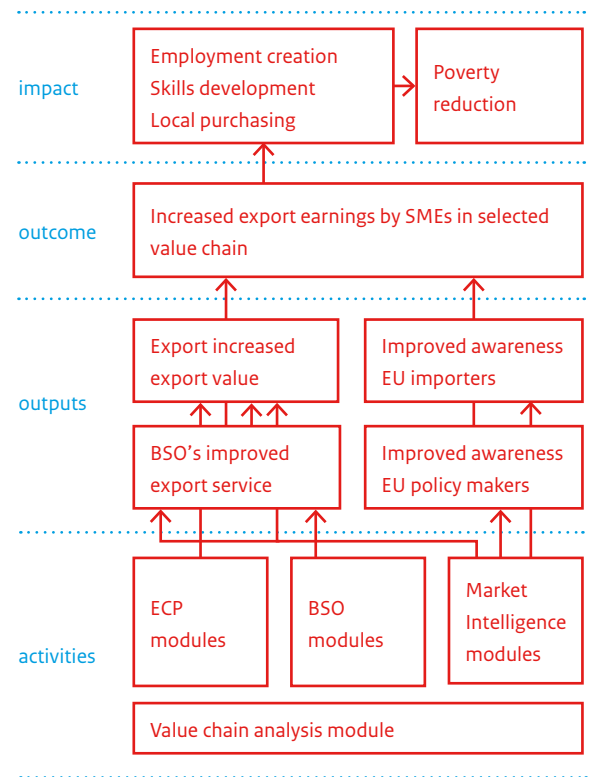
Learning

For an organisation to be intelligent it must constantly be learning. This is why the CBI is committed to facilitating learning internally through improved knowledge management and by connecting peer groups in sector-specific themes to the organisation.

Monitoring & Evaluation

The CBI is committed to clearly demonstrating its contribution to sustainable development, in line with the result-measurement standard developed by the Donor Committee on Enterprise Development (DCED). In 2010 the first efforts were made to start developing a new Monitoring & Evaluation system which follows and supports the integrated programme approach. In 2011 CBI will test and mainstream its new M&E system, to enable staff and experts to manage for results. In 2011 we will facilitate the harmonisation of monitoring and evaluation methodologies with our Dutch partners in private sector development.

CBI Intervention Logic



From the Field:

Website promotion project for tourism

Tourism companies must have a well-functioning corporate website. Similarly, easy access to the website is also vitally important and once a visitor has found the site he or she must be stimulated to do what's necessary for a high conversion rate. A website that's easy to find and is extremely user-friendly has the best chance of calling visitors to action, like requesting information, or making a reservation/booking.

In 2010, the CBI started making website analyses of companies in the tourism ECP. Vietnamese companies were analysed first, followed by ECP companies in South-Africa, Mozambique, Peru and Bolivia. All ECP tourism businesses in these countries received a website analysis report and an action plan based on that analysis, enabling them to make quick and substantial gains through their websites. These companies were also offered a two-day training course, and they received long-distance coaching to make their websites function optimally in terms of user-friendliness, conversion and traceability.

Thanks to a CBI Tourism Website Dashboard, the CBI and the assisting experts, as well as the companies themselves, can now monitor and compare website performance on a daily, weekly, monthly and annual basis. As a result, the effects of improvements made to the websites – for the

company and the website visitors – are immediately clear. Larger numbers of visitors, reduced bounce rates, extended visiting times and higher conversion rates have been clearly evident for many companies.

In 2011, the CBI will continue this project with companies in the other countries.





One of the CBI's oldest partners, CORPEI made the transition from a public-private organisation to a private consultancy | 30

Strengthening the key services of BSOs | 30



The demand for training in CBI target-group countries largely exceeded the number of planned training sessions | 32

3 Making a difference

Besides working hard on the further structuring of our activities we've accomplished great results at product level as well. To achieve the greatest possible economic-development impact CBI joined forces with similar (inter)national organisations.

Results by numbers



In 2010 no less than 157 exporters successfully completed ECPs. These companies were supported in their efforts to overcome trade obstacles, keep up to speed with EU market developments, compliance with stricter market requirements and general admission to the European market. Evaluations of realised export turnover and the creation of new jobs will be carried out in 2011.

Furthermore, 530 corporate audits were carried out in existing programmes and capacity building was rounded off in 91 companies. In 2010 a grand total of 4,143 exporters and BSO employees from CBI target group countries were trained by CBI experts.

Strengthening the key services of BSOs ensures that exporting companies get better access to market information and market requirements, and boosts their export skills and expertise too. In 2010 the CBI delivered six BSOD modules.

In 2010 sector-related market information was identified, collated, interpreted and then documented in accordance with the CBI's new, modular approach. It had been assumed that in 2010 the CBI would have a new website that would make information more accessible for exporters and BSOs in developing countries. However, due to unforeseen circumstances, the new website would not be ready until 2011, meaning that sector-related market information (that is compatible with the new website) could not be offered to the CBI's clients.

In the case of Market Intelligence modules, we were allowed to deviate from agreements with the Ministry as to how information products are presented on the site. Seven new-style (modular) sector surveys are now available on CD-ROM, while nine old-style (non-modular) Market Intelligence surveys now fall under the current criteria for presenting information products. These were also distributed among the target group. Furthermore, in 2010 three export intelligence products were delivered (two fashion forecasts and one export manual, in conjunction with SIPPO).

New modules delivered in 2010

Strategic Conference in Ecuador

In 2010 the CBI guided a strategic reorientation initiative for CORPEI in Ecuador. One of the CBI's oldest partners, CORPEI lost its main source of assured income in 2010 and was forced to make the transition from a public-private organisation to a private consultancy. The strategic workshops resulted in a strategy and business plan that CORPEI will follow to reinvent itself as a private service provider to the government, exporters and donors.

Four BSOs are supported by an assessment of export-oriented activities. Based, among other things, on a SWOT analysis, an intervention group was set up and an advisory report about the amended strategy and new and/or improved advisory services was compiled.

Figures pertaining to jobs created and amounts concerning BSOD/ECP/MI/Training

Delivered BSOD modules

Indicator	Description	Standard	Realisation
Result	Certification that competencies have been transferred	80%	80%
Effect	Use of the competencies	60%	60%
Impact	Clients assess the improved service	60%	N.A.

BSOD programme IETC Indonesia = 2 modules

Module Strategic Planning and Export Marketing & Management

The IETC of the Ministry of Trade has refocused its strategy in a number of ways, which include: selecting priority sectors, improving its marketing and communication efforts and strengthening ties with network partners. IETC has also further developed its unique offering programme HCACS Vietnam.

Export Marketing & Management

24 trainers have been coached and given training programmes. In this way the HCACS is better equipped to train and advise Vietnamese companies.

BSOD programme IPEX Mozambique

Strategic planning

The IPEX is being supported in its strategy definition, internal structure and HR policy, in line with the provision of the necessary export services for SMEs and the government.

BSOD programme DTI South Africa

Strategic Planning

The DTI is being supported in organising various regional workshops for stakeholders in the agricultural sector, whereby requirements – and SWOT analyses per region in the applicable sector have been carried out and action points that will support the sector have been flagged up.

BSOD programme in Ghana

Export Marketing & Management

Thanks to increased expertise and skills, the GEPC is better equipped to advise clients about exporting to the EU. The GEPC has also developed export opportunity studies for four focus sectors, while GEPC has coached and advised companies in how to set up an export-marketing plan.





Training in EU countries

Indicator	Description	Standard	Realisation
Result	More understanding and knowledge, at least 4, on a scale of 1 to 5	80%	95,4%
Effect	Application of knowledge and understanding, at least 4, on a scale of 1 to 5	80%	89,6%
Impact	Increased export or, as the case may be, more effective services	60%	96,3%

Training in non-EU countries

In 2010 the demand for training in CBI target-group countries largely exceeded the number of planned training sessions.

Quality indicators

Indicator	Description	Standard	Realisation
Result	More understanding and knowledge, at least 4, on a scale of 1 to 5	80%	91,2%
Effect	Application of knowledge and understanding, at least 4, on a scale of 1 to 5	80%	86,1%
Impact	Increased export or, as the case may be, more effective services	60%	88,0%

ECP modules

With regard to the export audits, where the indicator is that companies should score at least 2 on a scale of 1 to 4, the norm of 85% is easily met. The 60% norm for setting up an export marketing plan is also easily met. The aftermath of the economic crisis, which resulted in disappointingly low average numbers of visitors per trade show, meant that the number of 'relevant contacts in the EU' remained below the norm. The norm is that 85% of companies should have established at least 15 contacts in the EU.

From the Field:

Ready-to-wear, Macedonia



The manufacture of ready-to-wear clothing in Macedonia provides employment for over 35% of its workforce, and this percentage is rising. Increasing prices and decreasing flexibility means that fewer products are being procured from the Far East. Thanks to the current relaxation of customs regulations and the scrapping of the 12% customs duties, Macedonia has become a favoured sourcing country.

Some 20 Macedonian clothing manufacturers are participating in an ECP for the clothing/ready-to-wear industry. The ECP's objectives are strengthening the industry's competitiveness, and expanding its markets within the EU, and consolidating it with regard to employment, economic integration and sustainability.

Instruments used in 2010 for matchmaking ECP participants with Dutch ready-to-wear buyers include:

- incoming trade missions, the Showroom – presentations of Macedonian business for Dutch buyers;
- outgoing trade missions: the so-called 'buyer mission' to Macedonia – visiting factories and placing orders;
- a Memorandum of Understanding with MODINT¹, the Dutch trade association for textile entrepreneurs, which has a database of more than 400 relevant buyers;
- Europe-wide cooperation between buyers.

Results in 2010 that impacted Dutch businesses:

- 4.3 million Euros realised with Dutch ready-to-wear buyers;
- the positive matchmaking of 27 Dutch ready-to-wear buyers with Macedonian companies;
- shorter delivery times for Dutch buyers and advantages gained by increasing flexibility and reducing 'pre-ordering';
- less refusals to sell and failures to produce the agreed sales orders;
- increasing retail activities by switching to new production locations during the season;
- safeguarding the continuity Dutch buyers offer Dutch and European end users and safeguarding Dutch jobs through cheaper procurement;
- 'extending the chain' by ensuring that Dutch buyers again operate through Dutch fabric and production agents;
- high-profile segmentation;
- providing sourcing seminars for MODINT members.

The Macedonian ECP is an excellent new example of how integration begins almost from the start of an intervention/activity. The CBI has an important role to play in keeping the Dutch business community informed and providing advice that influences the commercial policies of its entrepreneurs in reallocating production.

ITC

About the ITC

The ITC is a joint agency of the WTO and the UN. As the development partner for small business export success, the ITC tries to help developing and transition countries achieve sustainable human development through exports. Since 1964, the ITC has contributed to the exporting success of small businesses in developing countries by providing trade development programmes to the private sector, trade support institutions and policymakers.

Reducing poverty through trade is the common thread that unites the CBI and the ITC. Their joint programmes help local companies establish a strong foothold in global markets.

The CBI and the ITC have enjoyed a long history of collaboration, which has, over the years, developed in both scope and intensity. Both organisations have signed a new agreement under the Netherlands Trust Fund. The CBI acts as budget holder for this fund on behalf of the Minister for European Affairs and International Cooperation. Under the terms of this new agreement, the CBI and the ITC will work together in a number of DCs to help local companies gain a foothold in global markets, notably the EU, by strengthening BSOs in selected export value systems.



This partnership unites two partners with complementary skills. The aim of the CBI is to build capacity, through offering guidance, developing skills or upgrading performance ability. The CBI deploys its expertise across the whole chain, by preparing sector and country analyses, by linking producers to markets and by strengthening BSOs in specific sectors and contributing through training and ECPs. The ITC and the CBI are both pragmatic and very aware of their own strengths. The CBI, for example, knows its way around the various market segments in Europe.

In this new agreement it has been agreed that the CBI will take the lead in the preparatory phase and in monitoring the quality and outcome of the partnership. The ITC, being a global player capable of opening doors to the rest of the world, will lead the implementation. If necessary, the ITC will start at the bottom of the value chain, working with the small farmers associations. The ITC and the CBI will constantly gear their activities to complement one another, very much in the spirit of the Paris Declaration on Aid Effectiveness.

New agreement

Joint projects will run in Northern Senegal (mangos), Kenya (tree fruits), South Africa (rooibos and automotive), Bangladesh (IT), Yemen (fishing and developing capacity to make a national export strategy), and Uganda, where a recently launched project in the coffee sector will build capacity for 120 small farmers associations to export to the EU. The project also supports the Uganda Coffee Development Authority in branding and marketing and the Uganda Export Promotion Board, through building capacity for monitoring and evaluation.

Cooperative partners

The CBI strives to achieve the greatest possible economic-development impact by promoting exports to the European market.

To this end, the CBI makes a powerful appeal for cooperation with similar national and international organisations in the value chain to join forces in an efficient and effective manner to realise the optimum result.

‘Our members want to diversify by seeking alternative suppliers, such as those in the CBI programme.’

*Antonio Barberi Ettaro:
Senior Consultant International
Trade at MODINT’*



Customised interventions in a flexible manner | 38

Improved technical infrastructure, enabling CBI employees to work more flexibly | 39



The CBI now offers its products in modules | 38

4 CBI Operational management

CBI redesigned its cost-price model and improved its technical infrastructure.

New cost-price model



To carry out customised interventions in a flexible manner, the CBI now offers its products in modules. The CBI's new cost-price model and the relevant cost prices of the modules, were approved in July 2010. This has resulted in a successful implementation of the model, on 4 October 2010.

Thanks to this modular approach, the CBI will be better able to:

- provide customised services and offer CBI-wide programmes. Among other things this has enabled us to respond adequately to situations in countries with underdeveloped economic infrastructures or with limited EU-export possibilities;
- provide customised cooperation with BSOs and other donors with supplementary services;
- agree on a customised division of tasks with BSOs, in accordance with the level of created capacity;
- offer customised Market Intelligence for exporters, BSOs and importers;
- anticipate programmes' duration more effectively.

New hardware

In 2010 an improved technical infrastructure, together with the necessary equipment and applications, was put in place, enabling CBI employees to work more flexibly, particularly when commuting and travelling abroad.

It's now easier for CBI employees to access their email and other IT systems while they are out of the office and easier for the office to reach them too. Furthermore, a new financial application, Profit 2011, was implemented and installed on all computer workstations. This software provides employees with the means to create good financial reports and analyses. A switch was also made to MS Exchange 2010. Thanks to these developments, the CBI has realised further virtualisation of its servers. Limited use was made of the newly acquired Sharepoint 2010; further implementation and use will take place in 2011.





Sectors and region expenditures | 42

Balance sheet | 43



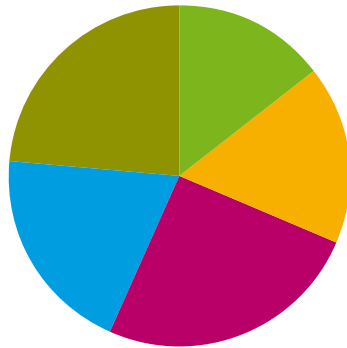
Profit and loss account | 44

5 Key figures

As an income-and-expenditure organisation the CBI is responsible for carrying out governmental policy objectively and efficiently. We closed off the year 2010 with a positive result. The figures given are from the CBI's annual account report.

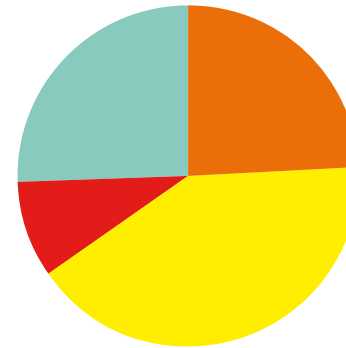
Sectors and region expenditures

Expenditures per industry 2010



Agriculture, fishery and forestry	3,445,050.27
Consumer products	3,988,504.98
Industrial products	5,966,690.48
Services	4,633,713.89
Cross-sector	5,529,132.48

Expenditures per region 2010



Africa	5,736,130.90
Asia	9,705,580.32
Europe	2,147,834.81
South America	5,973,546.05

Finance

Balance sheet

Sums x € 1000

Assets	31-12-2010	31-12-2009	Liabilities	31-12-2010	31-12-2009
Tangible fixed assets	558,378	815,556	Equity		
Debtors	245,245	243,161	<i>General reserves</i>	1,050,076	490,130
Receivables	28,968	36,548	<i>Profit</i>	535,200	959,948
Current account RHB	2,492,950	1,889,708	Provision for foreseeable losses	0	0
Cash and cash equivalents	3,666	2,349	Loan from Ministry for Finance	0	10,000
			Supplies / work in progress	236,074	305,777
			Creditors	213,551	456,450
			Other depts	1,294,306	765,017
Total assets	3,329,207	2,987,322	Total liabilities	3,329,207	2,987,322



Profit and loss account

Sums in €

Statement of incomes and expenditures	2010	2009
Incomes		
Income from parent department	28,634,829	17,242,486
Income from third parties	1,239,229	149,239
Interest received	-1	2,074
Total incomes	29,874,057	17,393,799
Expenditures		
Staff	192,975	1,381,720
Expenditures on tangible assets	28,679,622	14,663,121
Depreciation	466,187	388,714
Provisions	0	0
Interest paid	74	296
Total expenditures	29,338,858	16,433,851
Operating profit	535,199	959,947
Extraordinary profit	0	0
Profit	535,199	959,947

Cash flow statement

Sums x € 1000

Cash flow statement	2010	2009
Current account January 1st	1,890	3,132
Total operational cash flow	1,210	-873
Total investments	-592	-357
Total book value of disposals	-5	0
Total investment cash flow	-597	-353
One-off payment to parent department	0	0
One-off payment by parent department	0	0
Loan repayments	-10	-12
Recourse to loan facility	0	0
Total finance cash flow	-10	-12
Current account RHB December 31st	2,493	1,890

Staff

Employees

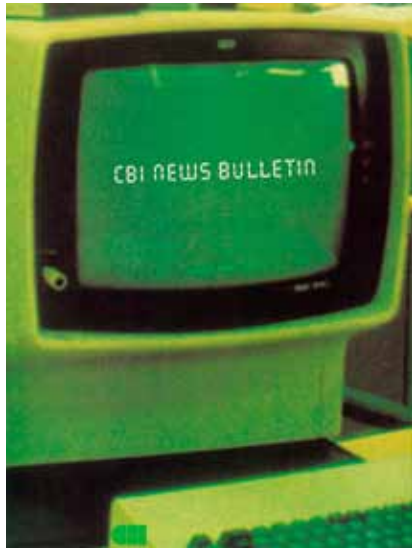
Civil servants: 13.2 FTE

Payrollers: 32.4 FTE

Staff (sickness statistics)

Sickness percentage for 2010: 3.55%





The Dutch government underscores the importance of social responsibility | 49

The CBI celebrates its 40th anniversary | 50

6 Looking ahead

In 2011 CBI celebrates its 40th anniversary. To remain alert towards the ever-changing trade environment a completely new and improved website will be ready in 2011. Also the CBI will comply with Dutch government policies and ambitions regarding sustainable purchasing and sustainability.

Realising our 2009 prognosis



Last year the CBI invested heavily in its role as a knowledge broker and in so doing sought connection with the instruments of national and international organisations and the business community. By translating social and sector-related trends and developments we gained a stronger presence as a global and sector-related trend watcher. Moreover, after starting to implement our monitoring and evaluation system and the ISO 26000 guideline we have realised the objective we committed to in our 2009 Annual Report.

The Dutch government, sustainable purchasing and sustainability

The Dutch government underscores the importance of social responsibility and to that end has signed and endorsed several relevant international standards, agreements, treaties and guidelines. Although these documents primarily define the social, ecological and economic responsibilities of governments, it is clear that they also have a direct and indirect bearing on companies and other types of organisations.

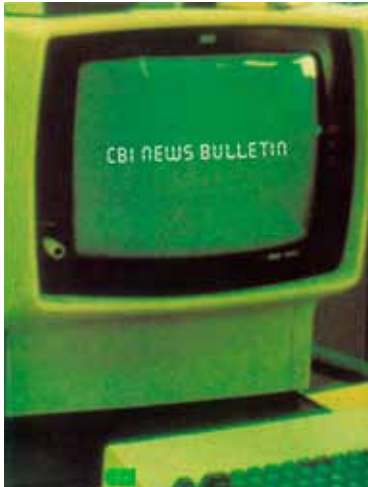
The CBI is committed to sustainable purchasing. In 2011, social and environmental criteria will be included in all tenders for products and services. Moreover, the CBI has set itself the goal of reducing its own carbon footprint by at least 10 per cent. This will be achieved by less air travel, improved videoconferencing facilities and the use of more e-learning tools.

In 2011 the CBI will continue to provide training and coaching on social responsibility and sustainability. All new programmes will include at least one training course on social responsibility or sustainable trade opportunities. The CBI will develop a new training course on supply chain responsibility, sphere of influence and due diligence for BSOs and local CSR experts.

All audits for new programmes and projects will encompass social and environmental criteria. These criteria will also include the supply chain responsibility of the companies supported by the CBI. To promote social responsibility among companies in developing countries and buyers in the EU, the CBI will continue to partner with civil organisations and governmental organisations, such as in the Netherlands, as well as UNIDO, Norad and IDH.



The CBI celebrates its 40th anniversary



The CBI was established on 1 January 1971 by the then Minister of Development Cooperation and therefore celebrates its 40th anniversary in 2011.

The mandate given to the CBI was to perform all activities of a non-commercial nature that will stimulate the growth of imports from developing countries, particularly into Western Europe. After becoming an independent organisation of the Ministry of Foreign Affairs on 1 January 1995, the possibilities of turning the CBI into an even more autonomous organisation were investigated in 1997. The CBI was granted an agency status on 1 January 1998.

Over the past 40 years, the CBI has responded to situations in countries with an underdeveloped economic infrastructure or with – as yet – limited EU export possibilities. The CBI will continue to be progressive and to remain alert towards the ever-changing (trade) environment.

New CBI website and Intranet

The IT applications that for the most part operate independently, but alongside each other – such as the website and CRM – will be completely renewed and integrated in the first six months of 2011. By doing so, the CBI expects to be better prepared for present and future requests and demands from its various target groups. In addition to supplying information, the new CBI website will also carry important new features. These will include knowledge-sharing, active cooperation by means of so-called collaboration sites, and customisation of information preferences in a My CBI environment. Furthermore, a new e-learning platform will be implemented on the CBI website in 2011.





Making Private Standards Work for You: A guide to private standards in the clothing, footwear and furniture sectors | 56

Our Rotterdam headquarters hosted the first get-together of partners in the TRIC network | 55



External Experts Day: 138 participants from 41 different countries | 55

7 Highlights

Looking back at 2010 the year was full of important and effective activities. These highlights give an overview of some of the main events and activities.

2010 main events

Maison et Objet, January:

The 2010 the CBI trade fair season kicked off in January, when the first of 29 trade fairs, Maison & Objet, was held in Paris. This trade fair is renowned for its high quality products in the 'Home Decoration' and 'Home Textiles' sectors.

The CBI pavilion hosted and supported 10 companies, from Ethiopia, Uganda, South Africa, Morocco, Mali, Peru, Colombia and Thailand. The open CBI stand with its unique products was a real eye-catcher, and attracted a large number of visitors. A total of 581 prospective clients were registered. After a difficult 2009, the CBI's appearance at this trade fair was one of the first signs of recovery in these sectors, which had been hit hard by the economic crisis.



The launch of the Trade2gether website, March:

The main goal of the 'Trade2gether' initiative is to improve cooperation and synergy between Dutch businesses. The website www.trade2gether.org is a joint project of the CBI and its PSD chain partners: DECP, NL EVD international, PUM, BidNetwork, FMO, IDH, SNV Netherlands Development Organisation, CNV international and FNV global.

The Trade2gether website provides one central place for finding general information on the chain partners, but also information on contact persons for the specific regions, countries and industries. The website makes it easy for every organisation in the chain to find its counterpart in a fellow organisation.

To give extra emphasis to this initiative, the website was launched by the then Minister of Foreign Affairs on 25 March, 2010.

External Experts Day, June

On 3 June, 2010, the CBI organised a special day to stimulate inspiration among its international experts and keep them all up to speed on the relevant organisational developments within the CBI. The CBI sets great store in its external experts and used this day as an opportunity to exchange thoughts about its new course.

It was indeed an inspiring day that produced many innovative ideas, but with 138 participants from 41 different countries attending we hadn't expected otherwise. We are very proud of the diverse and professional people that represent the CBI, and we look forward to working together with them in a new, integrated environment.



TRIC network, September

In September our Rotterdam headquarters hosted the first get-together of partners in the TRIC network, an initiative of cross-border cooperation which was initiated by the CBI. In addition to the CBI, representatives from partner organisations including Belgium, Finland, Sweden, Switzerland, Denmark and Norway attended the meeting.

The participants succeeded in their objective, which was to structure the TRIC network and formulate a concrete action plan. Overlaps and deficiencies were identified and ideas for collaboration were discussed. The greatest potential for collaboration was seen in the area of Market Intelligence and matchmaking. The CBI also identified that significant efficiencies can be made by exchanging and increasing Market Intelligence between TRIC partners, and aligning existing products and services. The next meeting is planned for March 2011 and an online forum was created to continue dialogue between members.



A guide to private standards, November:

The CBI and UNIDO developed a guide to private standards in the clothing, footwear and furniture sectors called 'Making Private Standards Work for You: A guide to private standards in the clothing, footwear and furniture sectors'. Nowadays, buyers and producers are faced with many overlapping but non-aligned standards and there is an abundance of codes of conduct, sector initiatives and management systems. But most companies in developing countries do not have sufficient useable information. The new guide provides information on relevant private standards to producers in developing countries. It brings clarity in terms of the abundant, but otherwise not readily accessible, information available on private standards and provides guidance for turning private standards to their advantage. The guide is also helpful for exporters in other sectors. In 2011, the CBI and UNIDO will jointly develop a training package on private standards.

The guidebook is available in several languages and can be downloaded at www.unido.org/privatestandards

Exporta a Europa (E@E), December:

Exporta a Europa (E@E), a CBI-assisted initiative to help Peruvian companies export their products to Europe, was officially launched. E@E is a complete service package with diagnostic tools and training and consultancy services that the Lima Chamber of Commerce (LCC) will provide to its clients, Peruvian exporters. The E@E initiative, which is part of the BSOD programme that started in June 2009, will make them both better prepared and better equipped for exporting to Europe. Immediately after the launch of E@E, substantial interest was shown by Peruvian companies. The programme is being implemented by the LCC, with the CBI helping them to improve their competencies by establishing and developing the E@E programme, and training LCC staff to implement it all.





BOUNTY FRESH

AGRO PERU
Asociación Promotora de Productores de Aynya

AGRO PERU

List of abbreviations

BidNetwork	Preparing emerging market entrepreneurs for investors	EBRD	European Bank for Reconstruction and Development
BRIC	Brazil, Russia, India and China	EC	European Committee
BPO	Business Process Outsourcing	ECP	Export Coaching Programme
BSO	Business Support Organisation	E@E	Exporta a Europa
BSOD	Business Support Organisation Development	EU	European Union
CORPEI	Corporation for Export and Investment Promotion	FMO	The entrepreneurial development bank of the Netherlands
CRM	Customer Relationship Management	FNV global	The FNV is an organisation of unions that represents the interests of employees and social benefit claimants
CSR	Corporate Social Responsibility	FSC	Forest Stewardship Council
CNV Internationaal	National Trade Association	HCACS	Ho Chi Minh City Center for Agricultural Consultancy and Support
DCED	Donor Committee on Enterprise Development	GEPC	Ghana Export Promotion Council
DCs	Developing countries	HR	Human Resource
DECP	Dutch Employers' Cooperation Programme		
DTI	Department of Trade and Industry		

IDH	Dutch Sustainable Trade Initiative	PSD	Private Sector Development
IETC	Indonesia Export Training Centre	PUM	Netherlands Senior Experts
IPEX	Institute for Export Promotion	SIPPO	Swiss Import Promotion Organisation
ITO	IT Outsourcing	SME	Small and Medium sized Enterprises
IPEX	Institute of Export Promotion Mozambique	SNV Netherlands Development Organisation	Non-profit, international development organisation
ITC	International Trade Centre	SWOT	Strengths Weaknesses Opportunities Threats
LCC	Lima Chamber of Commerce	TRIC	Trade Related Instruments Connected
MIEPO	Moldova Import and Export Promotion Organisation	UN	United Nations
MODINT	Trade organisation in clothing, fashion, accessories and (interior) textiles	UNIDO	United Nations Industrial Development Organisation
MVO Netherlands	CSR Netherlands	WTO	World Trade Organisation
NL EVD international	A Dutch governmental organisation that helps entrepreneurs realise their international ambitions by providing information, finances and its network		
Norad	Norwegian Agency for Development		

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Corps Ontwerpers

Print

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Issued by

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March 2011

