



DCED Annual Meeting
Geneva/Switzerland, 9-10 July 2014

**MEMBER UPDATE 2013/14:
STRATEGIC CHANGES/DEVELOPMENTS
- UNIDO -**

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NEW LEADERSHIP AND RENEWED MANDATE

- New Director General since mid-2013: Mr LI Yong (2003-14: Vice Minister of Finance, China)
- 15th UNIDO General Conference, Peru/Lima, December 2013
 - Lima Declaration ***"Towards inclusive and sustainable industrial development"*** (ISID)
 - Roadmap for future work: enhancing productive capacities; supporting structural transformation; encouraging economic growth & creation of decent jobs; increasing productivity and development; promoting sustainable use, management and protection of natural resources; facilitating technology transfer and absorption; supporting related R&D
 - Solid basis for further advancing industrial development in post-2015 / SDG (Sustainable Development Goals) processes
- ISID operationalization underway

15th SESSION OF UNIDO GENERAL CONFERENCE
Lima, Peru, 2 December 2013

Lima Declaration: Towards inclusive and sustainable industrial development

1. We, the Heads of State and Government, Ministers, and Representatives, gathered at the 15th session of the General Conference of the United Nations Industrial Development Organization (UNIDO) in Lima, Peru, recognize that poverty eradication remains the central imperative. This can only be achieved through strong, inclusive, sustainable and resilient economic and industrial growth, and the effective integration of the economic, social and environmental dimensions of sustainable development.

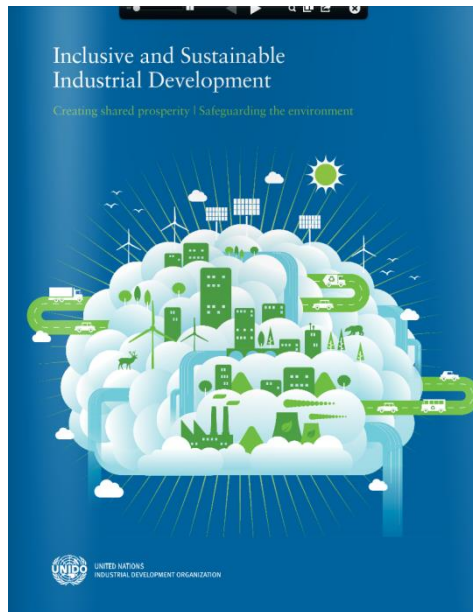
2. The underlying principles of the Lima Declaration on Industrial Development and Cooperation adopted in 1975¹ have stood the test of time: industrialization is a driver of development. Industry increases productivity, job creation and generates income, thereby contributing to poverty eradication and advancing other development goals, as well as providing opportunities for social inclusion, including gender equality, empowering women and girls and creating decent employment for the youth. As industry develops, it drives an increase of value addition and enhances the application of science, technology and innovation, thereby encouraging greater investment in skills and education, and thus providing the resources to meet broader, inclusive and sustainable development objectives.

3. Since 1975, economic, political, social and technological development, along with structural changes in global trade, have revolutionized the lives and livelihoods of many. Yet serious structural challenges remain for countries at different stages of development, foremost among which is eradication of poverty. These challenges also include inequalities within and between countries, unemployment and poor access to financial resources and economic opportunities, deindustrialization, degradation and climate change.

4. The Millennium Development Goals (MDGs) have provided a common vision and contributed to remarkable progress. Significant and substantial advances have been made in meeting several of the targets in which UNIDO has been successfully contributing. Among and within developing countries, those who have been left behind require our most urgent attention and support. We recognize that the post-2015 development agenda should reinforce the international community's commitment to poverty eradication through, among others, inclusive and sustainable industrial development and underscore the central imperative of poverty eradication reaffirmed in the outcome document of the 2013 MDG special event² and in other

¹ The Lima Declaration on Industrial Development and Cooperation was adopted by the Second General Conference of UNIDO in Lima, Peru, 12-18 March 1975, at its final plenary meeting.
² Outcome document of the special event to follow up efforts made towards achieving the Millennium Development Goals (A/69/L.47).

INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT (ISID)

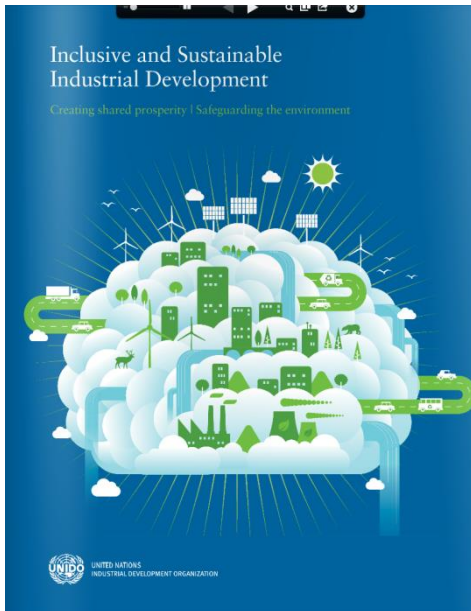


- “Through ISID, we want to eradicate poverty within the next generation.”
- Key driver for **integrating** all three dimensions of sustainable development: **economic – social – environmental**
- Industrialization = holistic process enabling countries to rise from a lower to a higher level of development
- Requires suitable institutional capacities, an enabling infrastructure, a vibrant private sector, and a conducive business environment
- Transformation to ISID requires varied and strong **multi-stakeholder partnerships** (private sector, civil society, academia, govt. institutions, int’l development organizations incl. DFIs)

⇒ Video on ISID:

http://www.youtube.com/watch?feature=player_embedded&v=cXEpR9EdCUQ

OPERATIONALIZING ISID



- Limited, but important organizational adjustments June 2014 ('fine-tuning')
 - Research, Statistics and **Industrial Policy** Branch
 - Strategic advisory, capacity-building & facilitation services on industrial policy identification, design, implementation & evaluation
 - Applied economic research economic growth/ industrial structural change
 - **Partnerships and Results Monitoring Branch**
 - Coordination of all partnerships developed by UNIDO with firms, DFIs, investment funds and the Global Environment Facility (GEF)
 - Tasked to devise 5-year Business Partnership Strategy (UNIDO partnerships with private sector)
- New project/programme preparation/approval process
- First UNIDO Forum on strategies and instruments for inclusive and sustainable industrial development, Vienna, 23-24 June 2014, focus: 'industrial parks'
- Second Forum in October 2014 to focus on partnerships

**Industrial development
for poverty reduction,
inclusive globalization and
environmental
sustainability**

Two core functions:

As a **global forum**, UNIDO generates and disseminates knowledge related to industry and provides a platform to enhance cooperation, establish dialogue and develop partnerships

As a **technical cooperation** agency, UNIDO designs/ implements programmes to support its clients. It also offers tailor-made specialized programme development support

Thematic priorities & main working areas



Poverty reduction through productive activities

Includes

- Industrial policy
- Business & institutional environment
- Cluster/business linkages & technology diffusion
- Agro-processing & value chain development
- Rural & women's entrepreneurship
- Rural energy for productive use
- Sustainable production in poor communities



Trade capacity building

Includes

- Trade policy
- Technical barriers to trade
- Compliance with trade standards, metrology, testing and conformity
- Innovation systems, industrial modernization and upgrading



Energy and Environment

Includes

- Industrial energy efficiency & climate change
- Renewable energy & energy policy
- Cleaner and sustainable production
- Water management
- Green industry

UNIDO BUSINESS PARTNERSHIPS 2013/14

- ***Internal structure & capacity development***
 - UNIDO Policy on Business Partnerships published (June 2013)
 - Due diligence mechanism for partner screening & selection made mandatory;
 - Environmental impact, social standards, governance conduct (UN Global Compact principles), exclusion criteria, contextual factors
 - Internal capacity development on designing and implementing partnerships with private sector rolled out to the field
- ***Communication***
 - Promotional video (www.unido.org/businesspartnerships.html) showcasing UNIDO's approach to partnering with the private sector released
- ***New Business partnerships***
 - New partnerships signed with DNV-GL, Henkel, Philips, Tetra Pak, Komatsu and VDMA





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RECENT UNIDO CORPORATE PARTNERS



= new 2013/14

POST-2015 DEVELOPMENT AGENDA

1/2

- Involvement in **post-2015 agenda development process**: elaboration of set of Sustainable Development Goals (SDGs)
 - Return of industrialization in international development
 - Debate/negotiations on inclusion of **industrial development goal as stand-alone or composite** (e.g. economic growth and industrialization) **goal**
 - Last session of Open Working Group (OWG) 14-18 July 2014: report with SDG rec's to be submitted to General Assembly Sep 2014



SDGs
2015 - 2030

MDGs
2000 - 2015

POST-2015 DEVELOPMENT AGENDA

2/2

1st phase of consultations (2012-13) focused on the potential issues and areas to be included in a post-2015 development agenda

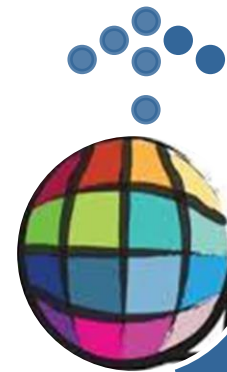
2nd phase on Means of Implementation (2013-14):

UNIDO and UN Global Compact co-lead dialogue on “**Engaging with the Private Sector**”

- ⇒ How best can businesses contribute to global sustainability?
- ⇒ National, regional and global consultations
- ⇒ Online dialogue on [The World We Want](http://www.worldwewant2015.org/privatesector2015) website:
<http://www.worldwewant2015.org/privatesector2015>

Most recently:

- Europe and Central Asia, Bratislava, June 2014
- Caribbean Region, Aruba, June 2014
- Latin America and Caribbean, Cartagena, June/July 2014



SDGs
2015 - 2030

MDGs
2000 - 2015

TRADE CAPACITY-BUILDING: NEW SERVICES

- **Regional Trade Capacity Building (TCB) Curriculum**

- New modular concept (mix of online/distance learning & classroom training)
- Quality policy, promotion & infrastructure

- **UNIDO TCB Guidelines for Good Governance**

- Directed at QI professional staff
- Resulted from SIDA-funded joint project with Arab Industrial Development and Mining Organization (AIDMO) on Arab regional Standardization Strategy
- Guidelines being developed into a generic tool across regions

- **Contribution to DCED/BEWG:**

Leveraging the Impact of Business Environment Reform: The Contribution of Quality Infrastructure - Lessons from Practice

(DCED publication imminent)

- Contribution of QI to economic growth, trade & poverty reduction, gender,...
- QI development principles, choices, best practices



GREEN INDUSTRY INITIATIVE

Greening of Industries

Helping enterprises improve resource productivity and environmental performance

- Efficient use of materials, energy and water
- Reduction of wastes and emissions
- Safe and responsible management of chemicals, renewable raw materials
- Phasing out toxic substances
- Substituting fossil fuels with renewable energy sources
- Product and process redesign, Green Chemistry

Creating New Green Industries

Establishing new operations delivering environmental goods and services

- Reduce, reuse and recycle (3R) industries
- Pollution control technology and equipment
- Renewable and energy-efficient technologies
- Waste management and resource recovery
- Environmental advisory and analytical services

GREEN INDUSTRY PLATFORM



- High-level, multi-stakeholder, transformative partnership framework
- In total 193 businesses, governments, international and civil society organizations have joined by signing the “Statement of Support”
- Scales up and mainstreams Green Industry throughout global industry
 - **Reduces** the negative environmental impact of manufacturing
 - **Increases** social and economic benefits
- Only comprehensive, targeted and practical sector-based strategy

GREEN INDUSTRY PLATFORM

❑ 2013 – Engagement through Global Fora and Promotion of Green Industry

- Throughout the year, events held in New York, San Jose, Seoul, Nairobi, London Brussels
- High-Level Paris Forum in April 2013
- Third Green Industry Conference held in Guangzhou, China, in November 2013



❑ 2014 – Concrete Cooperation Activities Involving Platform Members

- Greening Value Chains in the food and beverages, textile and agro-industrial sectors
- Water footprint toolkit, sector-level resource efficiency benchmarking
- E-waste management, Green Chemistry

CURRENT ACTIVITIES

■ Policy Support

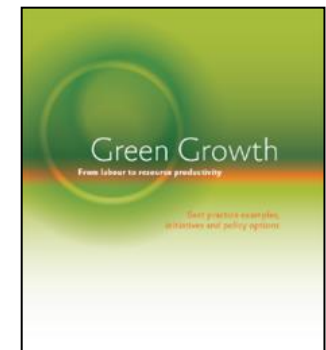
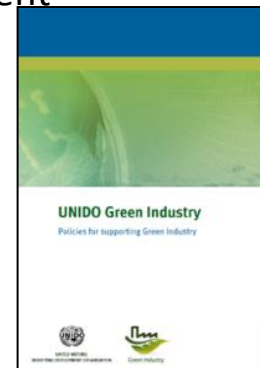
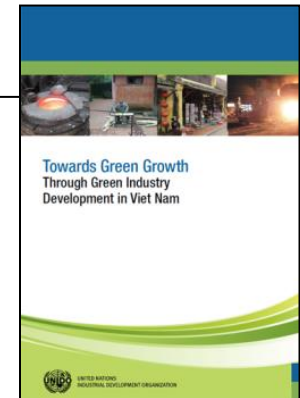
- Policy Gap Analysis
- Green Industry Policy Advice
- Low Carbon Industry Policy Advice

■ Technical Assistance

- Eco-Industrial Parks
- Innovative approaches to sound management of chemicals & chemicals waste
- Greening of Value Chains
- Low Carbon Technology & Climate Technology Centre and Network (CTCN)
- Mediterranean test: CP & sound water management

■ Global Capacity Building

- Green Industry Summer Course – 2014
- Sustainable Energy Solution Training - 2013





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United Nations Institute for Training and Research



Empowered lives.
Resilient nations.

Partnership for Action on GREEN *economy*

PAGE

Vision

Provide targeted support that will enable countries to transition to socially inclusive green economies.

Objectives

- To provide a springboard for action on commitments made at the Rio+20 Summit.
- To create an enabling environment and strengthen the capacity of Governments in their transition to a green economy.
- To harness expertise and ensure a coordinated response to countries' needs.



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UNIDO's Contribution

- **Tools and methodologies to promote Green Industrial Policy Development** (Practitioner's Guide)
- **Country level Green Industrial Policy development advice** (Green Industry Assessments)



GENDER: MAINSTREAMING CONTINUED

- Gender Implementation Strategy and Action Plan 2014-15 in ISID context
- Strengthening of **organizational** culture through staff **capacity building** (branch level gender mainstreaming training workshops, > 140 managers)...
- ... **Branch-specific guides, frameworks & tools** (imminent latest one: ECC Guide to Gender Mainstreaming)...
- ...Analysis of **gender mainstreaming of HR Policies**; running competency based recruitment **skills training** that has a special emphasis on gender **for all hiring managers**; **upgrading gender resource tracking system** to full fledged Gender Marker (ongoing)
- New project/programme formulation & appraisal processes: gender advisory function
- Coordinate (with Statistics) the promotion of the **collection and use of sex disaggregated data in monitoring and reporting**
- Global Forums, inter-agency meetings, partnering/advocacy/knowledge sharing events
 - High-level Inter-regional Debate on “**Empowering women: Fostering Entrepreneurship**” at the UNIDO 15th GC
 - Panel-discussion on **Women in Green Industry** at Green Industry Conference, Guangzhou/China
 - Contribution to **post-2015 consultations** in regards to **gender and ISID**
 - **Co-sponsoring SEED Gender Equality Award 2014** with UN Women and Hogan Lovells law firm.
 - Regularly contributing to global information portals such as **UN Women’s Knowledge Gateway**
- UNIDO among core members of global platform for information sharing (www.empowerwomen.org): contributing gender and ISID knowledge products

WOMEN AND THE ENVIRONMENT

E-discussion

- In cooperation with SEED Initiative, UNEP, and UN Women
- Hosted 10-24 June 2014 on *Knowledge Gateway for Women's Economic Empowerment*
- Over 4,000 visitors and 179 replies on:
 - Women entrepreneurs and workers in green economies
 - Impact of climate change, environmental degradation and natural disasters on women's livelihoods
 - Women in green industries: promoting clean technologies and eco-innovation for sustainable development
 - Women farmers and food and nutrition security
 - Women's roles in sustainable patterns of production and consumption



YOUTH EMPLOYMENT

Enterprise creation and growth – sustainable solutions for youth employment

Purpose:

Support young women and men in becoming actors in the socio-economic development of their societies by enhancing the creation of productive and decent work



YOUTH EMPLOYMENT

1. Self-employment (supporting start ups):

- **Productive Work for Youth – supporting young entrepreneurs**

Integrated approach that assists governments and support structures to support young women and men to create and develop sustainable enterprises, providing non-financial and financial services.

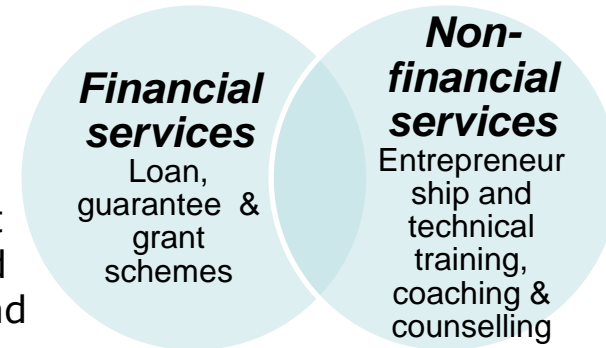
- **EDIP Entrepreneurship Development Program: 4 steps tool kits approach for enterprise start-up and growth**

Capacity building programs on MSME development through UNIDO-ARCEIT partnership, developed in over 35 countries, 65 specialized centers, including an e-learning platform

- **HP LIFE: HP Learning Initiative for Entrepreneurs**

Objective: empower aspiring and existing entrepreneurs with innovative entrepreneurship and IT skills to facilitate the creation, management and growth of their enterprises

Locations: 14 countries in Africa, Asia, Latin America, Middle East



YOUTH EMPLOYMENT

2. Employment (devt/expansion of existing businesses)

- **Mapping of skills required by industry**
- **Clusters:**
 - Upgrading and building sustainable linkages between small-size enterprises, their larger scale business partners and support institutions
 - SMEs combine their strengths and take advantage of market opportunities or solve common problems with a combined effort
- **Export Consortia:**
 - Combining knowledge, financial resources and contacts within an export consortium
 - SMEs improve their export potential and reduce the costs and risks involved
- **Linkages to local and international investment:**
 - Facilitating access to finance
 - Attract and mobilize domestic and foreign investment
 - Stimulate CSR initiatives
 - Promote investment and technology transfer with foreign and domestic partners
 - Promotion of domestic and foreign investment through tools like the Investment survey and the Sub-contracting Programme Exchange (SPX)