

DCED Annual Meeting
Härnösand/Sweden, 15-16 June 2016

**MEMBER UPDATE 2015/16:
SELECT DEVELOPMENTS**

- UNIDO -

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IN A NUTSHELL...

- Recall: UNIDO all about improving the operating environment for private sector/industry
- Alignment of (new) Dec 2013 mandate...
- ...with the 2030 Agenda / SDGs
- Organizational adjustments ('fine-tuning')
- Strong and increasing focus on **partnerships** of various kinds
 - Pilot Programmes for Country Partnerships (PCPs)
 - Business partnerships
- Stepping up **industrial policy** support (design & implementation)
 - **Enhancing the Quality of Industrial Policies (EQUIP)**
 - UNIDO Institute
- UNIDO Open Data Platform
- Gender: mainstreaming continued

NEW MANDATE: INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT (ISID)

- Lima Declaration ***"Towards inclusive and sustainable industrial development"***
(**ISID**, 15th UNIDO General Conference, Dec 2013)

ISID enhances and reinforces economic growth and diversification in a socially inclusive and environmentally sound manner, guided by **four overarching principles**

- Every country achieves a higher level of industrialization, and benefits from the globalization of markets for industrial goods and services
- No one is left behind in benefiting from industrial growth, and prosperity is shared among all parts of society in all countries
- Broader economic and social progress is supported within an environmentally sustainable framework
- New approaches are introduced to harness and share available knowledge, technology and innovation

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 fifteenth 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 addressing 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.

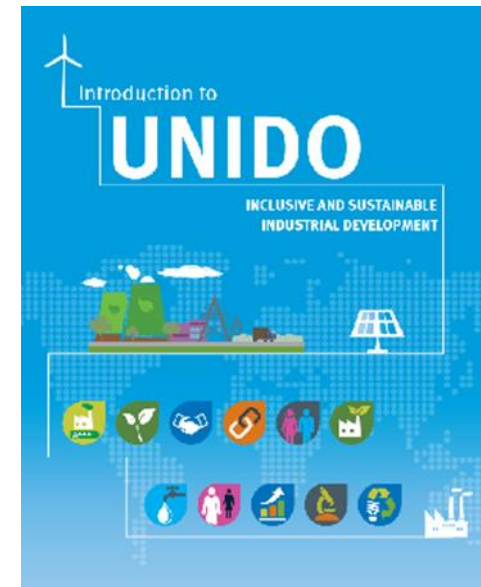
3. Since 1975, economic, political, social and technological developments, along with structural changes in global trade, have revolutionized the way and livelihoods development, foremost among which is eradication of poverty. These challenges also include inequalities within and between countries, unemployment 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 further behind require our most urgent attention and support. We recognize that the 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).

OPERATIONALIZING ISID

- Donor meetings (actual use of funds & results)
- ISID Operation Platform:
<https://isid.unido.org/index.html>
- ISID events continued:
 - 3rd International Conference on Financing for Development (FfD3), Addis Ababa, 13-16 July 2015
 - UN Summit, New York, Sep 2015
(‘Operationalizing post-2015 development agenda for Africa’s industrialization’)
- Industrial Development Report 2015
 - In cooperation with UN University in Maastricht
 - Explores the different dimensions of ISID and dwells specifically on technology and innovation as engines of structural transformation
 - Launch at UNIDO General Conference, Dec 2015



ISID

**FULLY ALIGNED
WITH
SUSTAINABLE
DEVELOPMENT
AGENDA**

17 SDGS

**AND A SPECIFIC
FOCUS ON
SDG 9...**



Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



- **Develop quality, reliable, sustainable and resilient infrastructure**, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all
- **Promote inclusive and sustainable industrialization** and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries
- **Increase the access of small-scale industrial and other enterprises**, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets
- By 2030, **upgrade infrastructure and retrofit industries to make them sustainable**, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
- **Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries**, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending

NEW PROGRAMMATIC FOCUS 2016-19

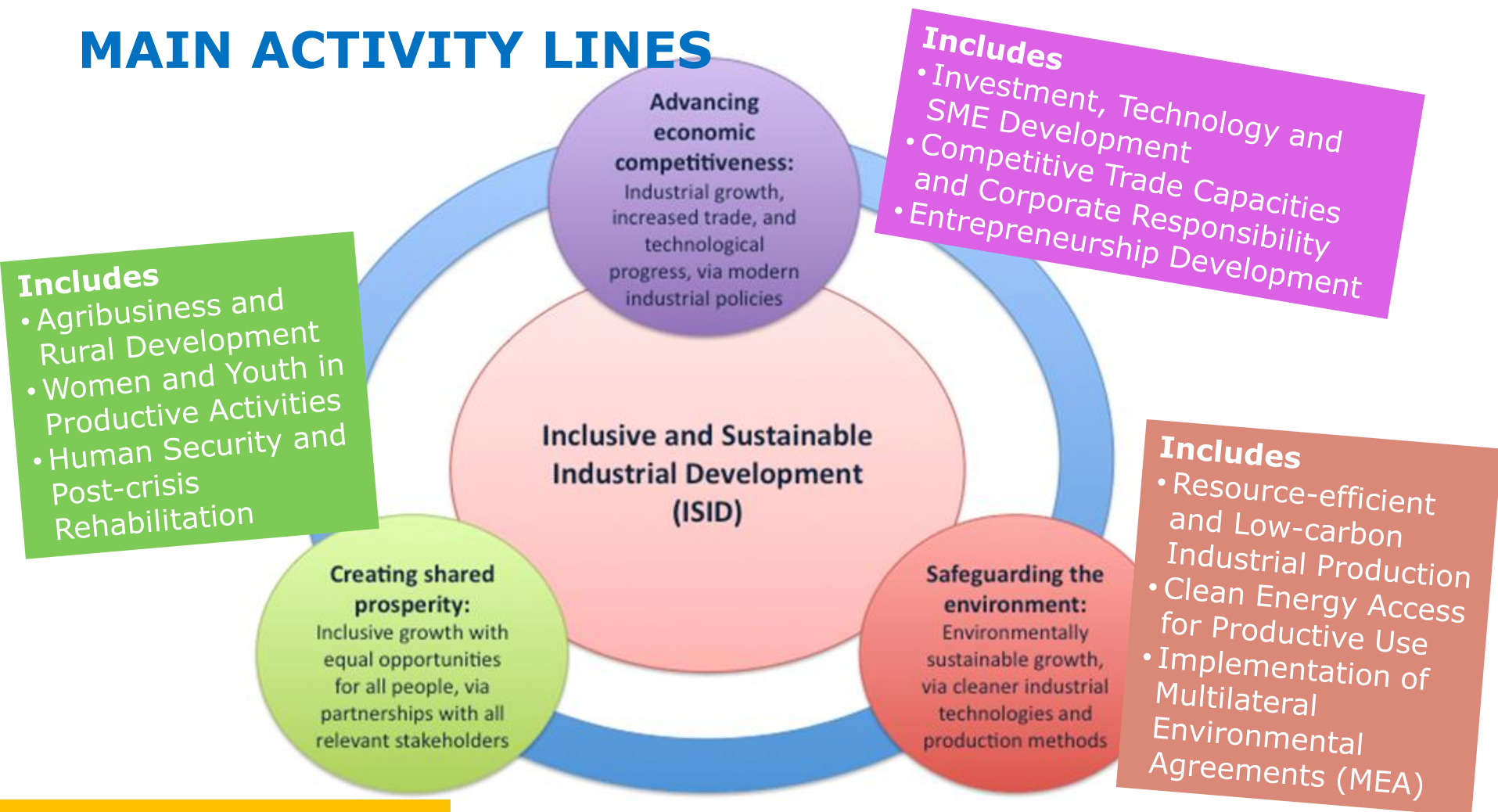
- Medium-term Programme Framework 2016-2019
- Programme and Budgets 2016-2017

3 THEMATIC PRIORITIES:

- 1) CREATING SHARED PROSPERITY,
- 2) ADVANCING ECONOMIC COMPETITIVENESS,
- 3) SAFEGUARDING THE ENVIRONMENT



NEW PROGRAMMATIC FOCUS 2016-19: MAIN ACTIVITY LINES

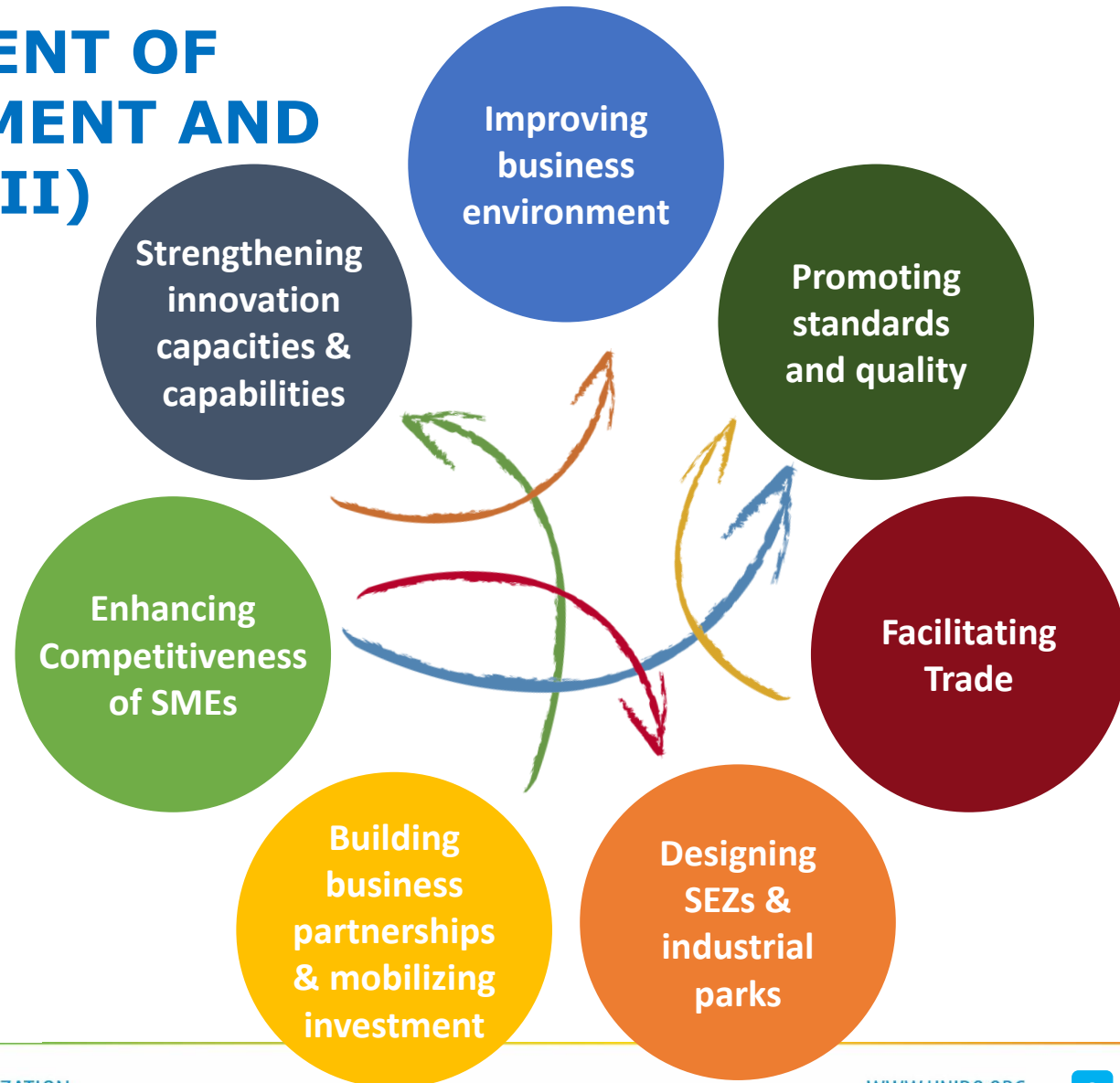


Plus cross-cutting issues

NEW: DEPARTMENT OF TRADE, INVESTMENT AND INNOVATION (TII)

3 Divisions:

- Business Environment, Cluster and Innovation
 - Standards and Trade Facilitation
 - Investment Promotion
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- Packaging of key services under review
 - Renewed emphasis on SEZ, industrial parks/zones

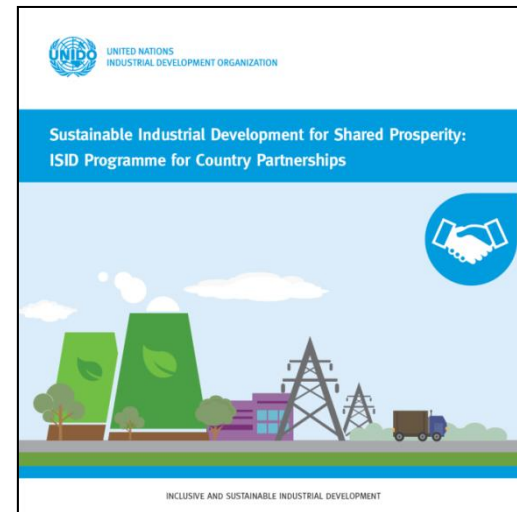


EMPHASIZING PARTNERSHIPS AT ALL LEVELS

PROGRAMMES FOR COUNTRY PARTNERSHIP (PCP)

= PILOTING NEW DELIVERY MODE

- ISID requires larger resources than any one entity can provide – collective actions and partnerships needed
- Strong government ownership (level of commitment and number of line ministries involved)
- Catalyzes development partners to provide necessary support, knowledge and financial resources
- UNIDO brings actors together & coordinates partnership
- Focused on fewer sectors & constraints
- Designed to upscale UNIDO TC for increased development impact
- Strong M&E component (multi-stakeholder platforms for programme management, National Steering Committee [Chair: Prime Minister], Donor and Partner WG [Chair: Minister of the Economy & Finance])
- **Pilot PCPs: Ethiopia, Senegal, Peru:** <https://isid.unido.org/pcp-overview.html>



UNIDO BUSINESS PARTNERSHIPS

Basis: UNIDO policy on business partnerships, June 2013

www.unido.org/businesspartnerships

CORE BUSINESS & VALUE CHAINS

1. **Developing or adapting products** for rural/low income populations
2. **Localizing the business value chain** by using local suppliers and service providers or creating local distribution networks
3. **Integrating practices** that protect and preserve the environment by improving resource management

SOCIAL INVESTMENTS & PHILANTHROPY

1. **Investing within the value chain** through strategic financial and in-kind investments within the company's supply chain and/or broader operating context
2. **Applying technology** to enhance reach and access for current and new programs with social goals

MULTI-STAKEHOLDER & TRANSFORMATIONAL ALLIANCES

1. **Addressing systemic issues** by leveraging the core competencies of a broader range of actors from the public, private and non-profit sectors
2. **Securing commitments and mobilize concrete action** to develop innovative solutions and create new playing fields in industrial sectors

RECENT PARTNERS INCLUDE

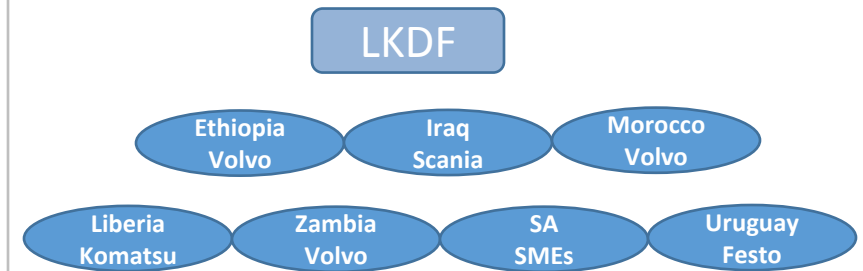


LEARNING AND KNOWLEDGE DEVELOPMENT FACILITY (LKDF) PROMOTES INDUSTRIAL SKILLS DEVELOPMENT IN DEV. C'S.

Key Facts:

- LKD Facility was initiated by the **Swedish International Development Agency (Sida)** and the **United Nations Industrial Development Organization (UNIDO)**.
- LKDF's **mission** is to equip youth in developing countries and countries in transition with **industrial skills** and **know-how**. Thereby LKDF aims to counteract unemployment and poverty.
- LKDF's **mission** is to **establish**, in partnership with global manufacturing companies, **training academies** for the operation and maintenance of heavy equipment in order to expand access of youth to labor markets. This is done in partnership with the private sector in so-called Public Private Development Partnership (PPDP)
- Through rigorous M&E of PPDPs, LKDF captures **best practices** and uses the lessons learnt to develop new projects
- LKDF is currently active in **Ethiopia, Iraq, Morocco, Liberia, Zambia, South Africa** and **Uruguay**

LKDF is an umbrella to several PPDPs:



Benefits from the LKDF

- Benefit from UNIDO's contacts to donors to ensure **funding**
- Benefit from various **implementing experience**
- Networking**
- Knowledge exchange** with other companies, donors and VTCs on Vocational Education and Training PPDPs
- Profound monitoring and evaluation system** ensures results-oriented project management



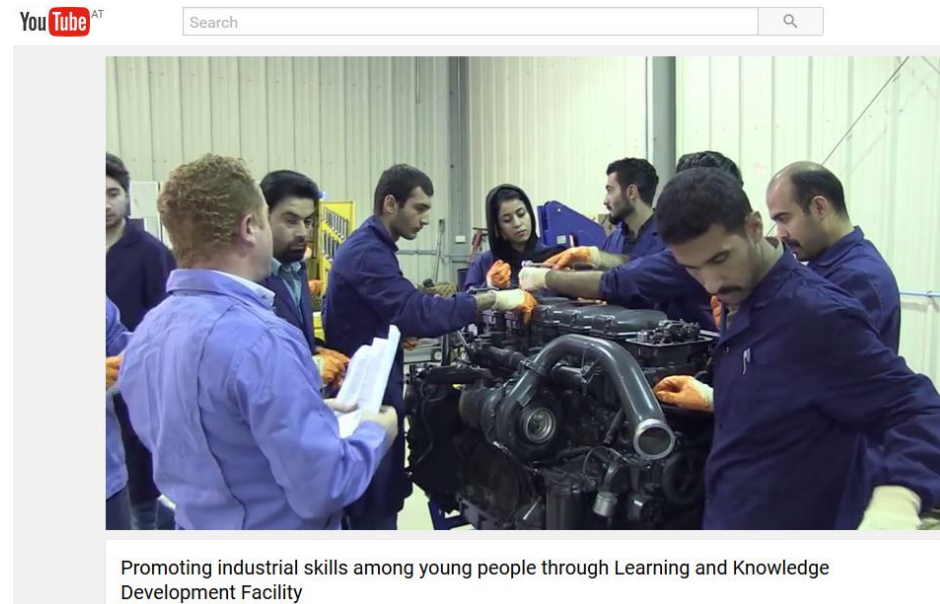
LKDF

Learning and Knowledge Development Facility

<http://lkdfacility.org/>
<https://www.youtube.com/watch?v=MIAKY6SdMZQ>



<p>Promoting innovative partnerships for industrial skills development and youth employment</p> <p>About LKDF</p>	<p>Understand PPDPs</p> <p>All you need to know about Public Private Development Partnerships.</p>	<p>Engage in a Partnership</p> <p>How to join</p> <p>See our PPDP Projects</p>	<p>Explore our Resources</p> <p>Learn more about PPDP best practices and lessons learned through our online tools and resources.</p> <p>Start learning</p> <p>Watch Video Perspectives</p> <p>Hear directly from students, trainers, partners and national counterparts to learn more about the impact of our projects.</p>
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ENHANCING THE QUALITY OF INDUSTRIAL POLICIES (EQuIP)

- Joint GIZ/UNIDO project
- Supports policymakers in developing countries to formulate and design evidence based strategies for inclusive and sustainable industrial development.
- Seeks to answer key questions:
 - How is our industrial sector performing relative to competitors?
 - Where is there potential for expansion, upgrading, employment generation or enhanced energy efficiency in our industrial sector?
 - How diversified and embedded is our industry?
- Phase 1 (completed): Diagnostic toolbox (plus training materials: E-Learning course) offers stakeholders a range of methodologies to consider for industrial diagnosis and strategy design.
- Phase 2 (ongoing): Enriching toolbox on specific policy instruments and institutional requirements for effective industrial policy implementation.
- **<http://www.equip-project.org/>**

UNIDO INSTITUTE (<https://institute.unido.org/>)



- Objective: to enhance the ability of UNIDO Member States in their industrial policymaking by generating, disseminating & sharing world-class knowledge resources and by building capacities for the formulation & implementation of strategies towards creating shared prosperity, advancing economic competitiveness and safeguarding the environment.

NEW INITIATIVE:

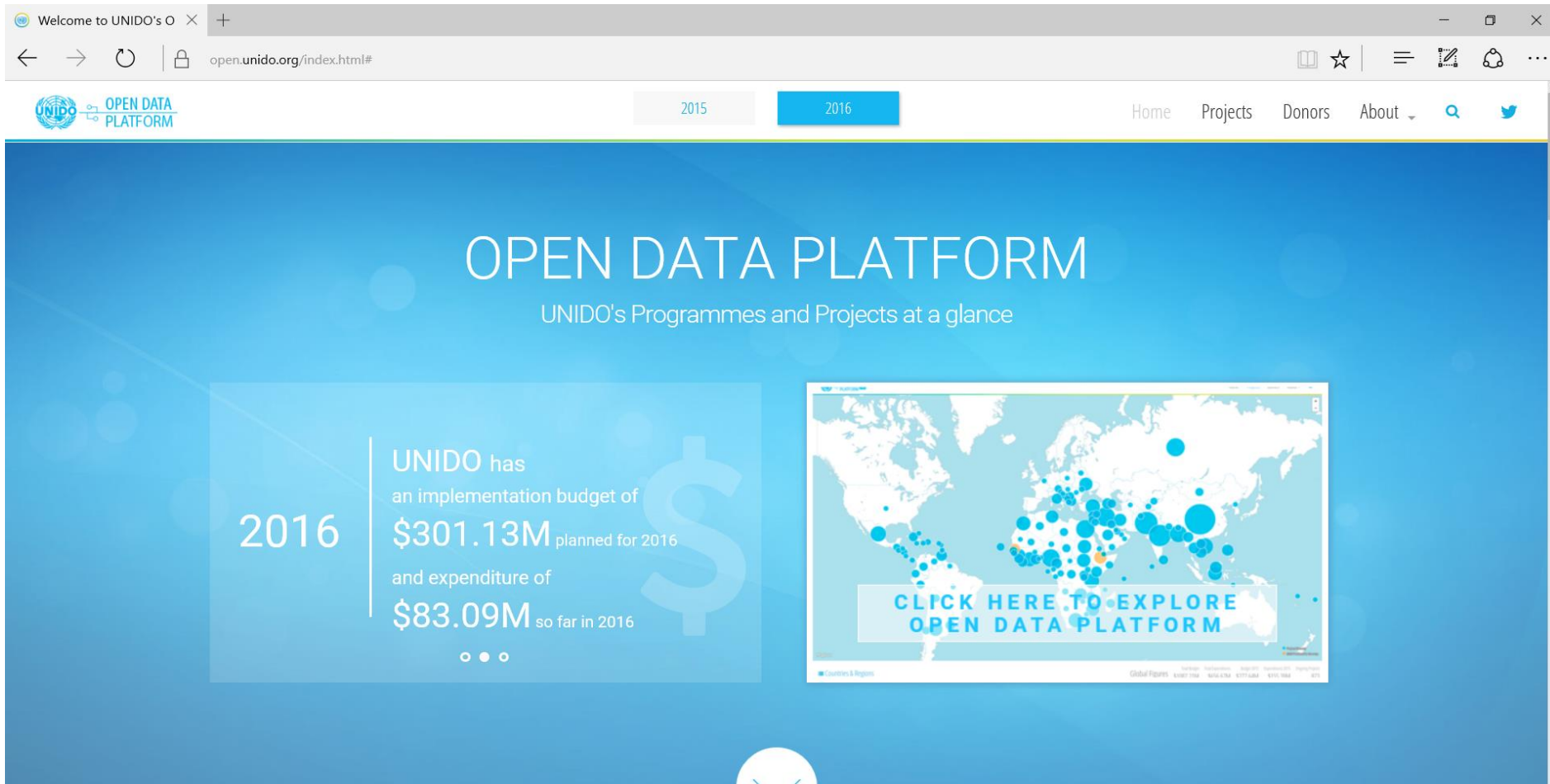
- UN system established a technology facilitation mechanism (TFM) to advance science, technology and innovation (STI) policies and measures
- UNIDO = core member of UN Interagency Task Team on STI; purpose: to advance TFM
- Proposal: **establishment of capacity building facility**, including global data platform, on industry-related aspects in SDGs.

FORTHCOMING:

- Global Executive Programme, 'The Future of Manufacturing: Trends and Policy Options', Warsaw/Poland, 17-21 October 2016

UNIDO OPEN DATA PLATFORM

- Went live Dec 2015: <https://open.unido.org/index.html>

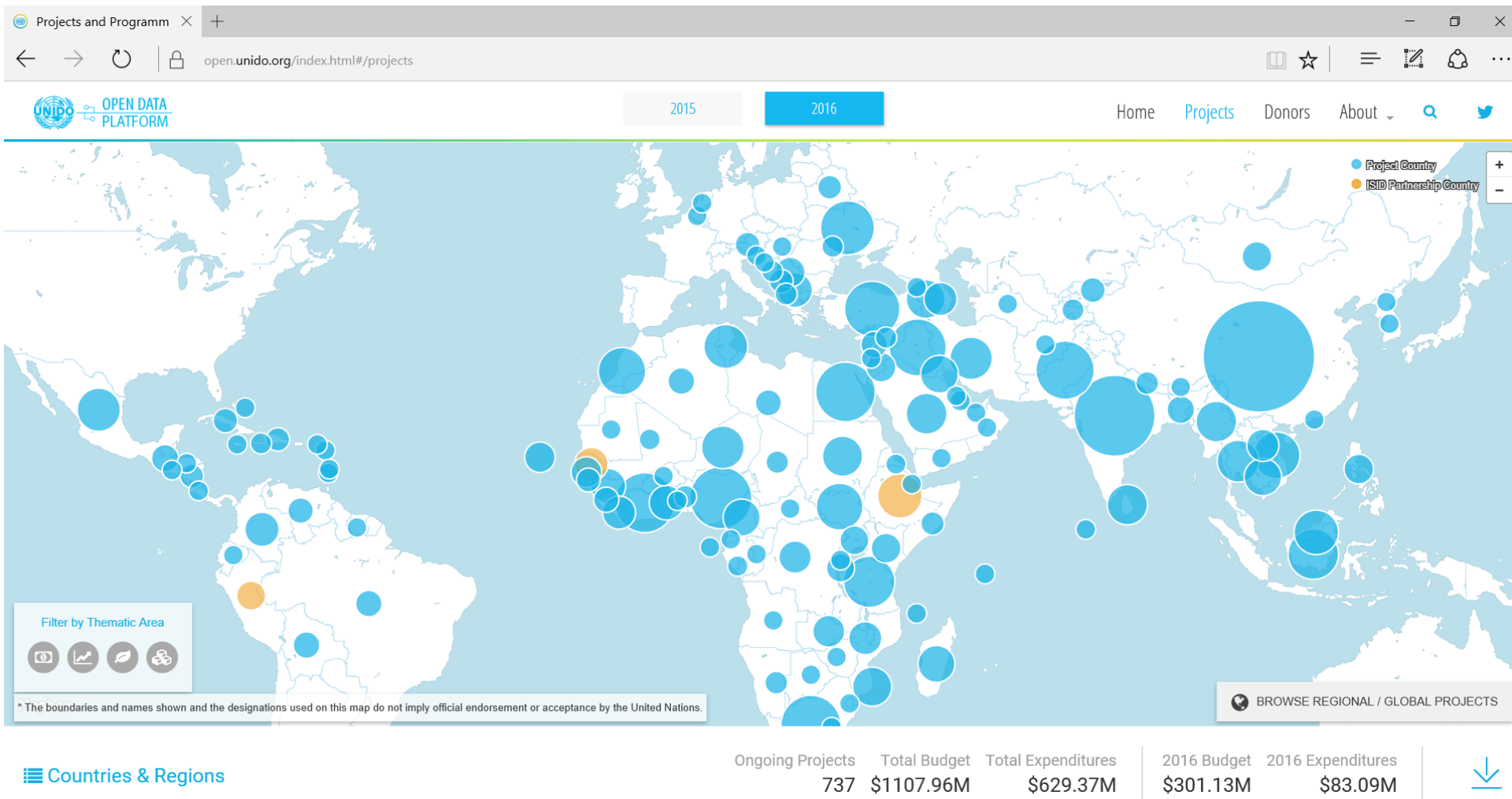




TOGETHER
for a sustainable future

1966 - 2016

UNIDO OPEN DATA PLATFORM



GENDER EQUALITY AND EMPOWERMENT OF WOMEN

www.unido.org/gender

Gender policy:

- Commits to exceed requirements set by the UNSWAP;
- Strengthens UNIDO's gender architecture, in particular senior level mechanism to ensure accountability for gender equality and empowerment of women

2012

CEB
endorses
UNSWAP

2009

Gender
Policy

Experts
Meeting

2008

Gender architecture:

- Gender Mainstreaming Steering Board, chaired by the Director General;
- Gender Coordinator & Gender officer in Office of the Director General;
- 20 Gender Focal Points at HQ;
- Gender Focal Points in field offices.

March 2015

Revised Gender
Policy &
Architecture

December 2015

Gender Strategy –
General Conference

**Gender
Strategy
2016 - 2020**

Work programme 2016/17:

- UNIDO budget allocated for research and training on gender and industrial policy, industrial statistics and advocacy campaign; Finland decided to support & activities started
- Programme on Women economic empowerment under development
- Gender mainstreaming in TC guidelines, gender marker in open data

Gender strategy 2016-2020:

- Approved by UNIDO management
- Resolution in support passed by Member States
- Identifies organizational and thematic priority areas
- Strengthens programmatic nexus gender – industrial development (funds allocated for 2016/2017 related to industrial policy, statistics and advocacy campaign)

FORTHCOMING

- 4th Green Industry Conference, Ulsan/ROK, 28-30 June 2016: 'Green Industry for Sustainable Cities' (interdependence between industry and cities in context of resource efficiency, green technology and eco-innovation)
- 1st International Agro-Industry Investment Forum, Addis Ababa/Ethiopia, 5-7 Oct 2016 (ETH Prime Minister; partnering with DFIs: AfDB, WBG/IFC)
- 50th Anniversary of UNIDO, Vienna, Nov 2016