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Third Industrial Development Decade for Africa
(IDDA III)

# Report on the Third Industrial Development Decade for Africa (IDDA III)

Report by the Director General

The present report responds to the request of the Industrial Development Board in its decision IDB.46/Dec.13, to regularly report on the progress made on IDDA III. It follows up on IDB.48/9 and GC.18/10 and should be considered in conjunction with the information on IDDA III contained in Chapters 6 and 7 of the *Annual Report of UNIDO 2020*.

#### I. Introduction

1. In its resolution 70/293, adopted on 25 July 2016, the United Nations General Assembly proclaimed the period 2016–2025 as the Third Industrial Development Decade for Africa (IDDA III) and requested the African Union Commission (AUC), the African Union Development Agency (AUDA-NEPAD), the United Nations Economic Commission for Africa (UNECA) and, specifically, the United Nations Industrial Development Organization (UNIDO) to develop, operationalize and lead the implementation of the programme for IDDA III.

# II. Progress made in the implementation of the Third Industrial Development Decade for Africa (IDDA III)

2. Over the reporting period, UNIDO continued to implement various programmes and projects in line with resolution 70/293 which also requested UNIDO to scale up its technical assistance to African countries in accordance with its mandate of promoting inclusive and sustainable industrial development. The section below provides a highlight of activities implemented in this regard.

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#### A. Technical assistance activities

- 3. UNIDO continued the expansion of its flagship Programme for Country Partnership (PCP). In October 2020, development of a PCP for the United Republic of Tanzania was initiated and a PCP self-starter for Kenya was launched in January 2021, whilst the other seven PCPs (Côte d'Ivoire, Egypt, Ethiopia, Morocco, Rwanda, Senegal, and Zambia) continued to progress at different stages. In Ethiopia, one of the four integrated agro-industrial parks established with the support of UNIDO and other partners was officially inaugurated in February 2021. The remaining three are to be inaugurated later this year. In Senegal, the PCP contributed to the mobilization approximately \$110 million for the Diamniadio Industrial Park; \$70 million for the South Agropole; \$100 million for the Center Agropole; and \$100 million for the North Agropole.
- 4. In 2020, eight country programmes were being implemented in Angola, Ghana, Guinea, Madagascar, Mauritania, Mozambique, Nigeria, and Zimbabwe. Seven new country programmes were under formulation for Benin, Burundi, Cabo Verde, the Democratic Republic of the Congo, Niger, Sierra Leone and Uganda. In addition to the implementation of ongoing programmes and projects, specific support to respond to the challenges of the COVID-19 pandemic was provided within the country programme framework. Country programme contingency plans were developed to identify the potential risks and mitigation measures related to the adverse impact of COVID-19. UNIDO supported the local production of personal protective equipment and health equipment in Burkina Faso, Côte d'Ivoire, Guinea, Kenya, Madagascar, and Nigeria. Activities focused on awareness-raising and capacity-building were also implemented.
- At the regional level, UNIDO continued to implement various programmes and projects. In the Southern African Development Community and East African Community, UNIDO continued to implement the energy efficient lighting and appliances project to support the development of vibrant markets for energy efficient lighting and appliances across East and Southern Africa. Among the key outputs of the project during the reporting period was the development of a regional lighting framework. In response to the ongoing COVID-19 pandemic, UNIDO supported the Economic Community of West African States (ECOWAS) to develop two draft ECOWAS standards on technical specifications for the manufacture of consumer masks for non-sanitary use and hydro-alcoholic hand products. In the Economic Community of the Central African States (ECCAS), UNIDO in coordination with the International Renewable Energy Agency and the Africa-EU Energy Partnership initiated the process of establishing a Centre for Renewable Energy and Energy Efficiency for Central Africa (CEREEAC) as part of the Global Network of Regional Sustainable Energy Centres. The creation of CEREEAC is aligned with ECCAS' efforts to establish an integrated and inclusive single market for products and services in traditional and emerging sectors, including sustainable energy and cleantech.

#### **B.** Normative activities

- 6. In May 2020, the Comprehensive Overview Initiative focused on collection of data on programmes and projects being implemented in favour of Africa's industrialization was launched. The initiative will determine existing gaps in ongoing initiatives; identify additional efforts to be undertaken; and serve as an avenue for the promotion of necessary linkages for joint interventions for implementation within the IDDA III framework. The overview is expected to ultimately contribute to the establishment of a comprehensive database and associated information system for use by various stakeholders. The first edition of the Comprehensive Overview will be unveiled during the African Union Summit on Africa's Industrialization and Economic Diversification to be held in November 2021.
- 7. UNIDO conducted a series of surveys in African countries to assess the impact of COVID-19 on the manufacturing sector in Africa. The ultimate objective was to use the results to provide African governments with evidence-based policy options that respond to the COVID-19 pandemic. UNIDO also cooperated with

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AUDA-NEPAD and the Food and Agriculture Organization of the United Nations (FAO) to conduct a rapid assessment of the impact of COVID-19 on SMEs in the food-processing sector. The rapid assessment led to the identification of focal areas for technical assistance interventions.

### C. Global forums and advocacy

- 8. UNIDO collaborated with the AUC, UNECA, AUDA-NEPAD and the AfroChampions Initiative to co-organize various thematic events during the Africa Industrialization Week. Held from 16 to 20 November 2020 under the theme of "Inclusive and Sustainable Industrialization in the AfCFTA era", the events attracted over 2,500 participants. The events provided a platform to deliberate on areas of strategic importance to enhancing Africa's industrialization, including: industry 4.0; regional value chain development; trade capacity building; renewable energy development; agro-industry development; industrial park development; and pharmaceutical industry development. A special high-level session was held on 20 November 2020 and was attended by select Heads of States in their role as Third Industrial Development Decade for Africa champions. A major outcome of the Africa Industrialization Week was a declaration to sustain the momentum towards concrete actions leading to the Summit of Africa's Industrialization and Economic Diversification in November 2021.
- 9. In July 2020, UNIDO participated in the High-Level Political Forum virtual side event "United Nations Roadmap for Accelerated Implementation of the Vienna Programme of Action for Landlocked Developing Countries (LLDCs) in the Decade for Action and COVID-19 era", organized by the Chair of the Group of the LLDCs and UN-OHRLLS. The roadmap which was adopted in September 2020, presents a call to action for policymakers, the private sector, multilateral and regional development banks, the United Nations system and other organizations to help address the structural challenges in LLDCs. UNIDO is expected to contribute to the socioeconomic transformation thematic priority area of the roadmap.
- 10. In November 2020, UNIDO organized a webinar on quality and standards in the context of post-COVID-19 recovery of African economies. It provided a multi-stakeholder platform to discuss the role of quality institutions and services for the sustainable and inclusive industrialization of Africa. The discussion took place in the framework of the UNIDO African Union joint celebration of Africa Industrialization Week 2020. The event reaffirmed the need for Africa and key partners to build on the social and economic disruptions related to COVID-19, the opportunities offered by the momentum of AfCFTA, and the innovations brought by digital transformations to propel its industrialization.

#### D. Collaboration with other agencies

11. The IDDA III programme advanced with the implementation of ongoing projects in collaboration with IDDA III Focal Points from partner institutions. In September 2020, the IDDA III Joint Roadmap and its associated monitoring and evaluation framework was validated at the third Focal Points Workshop, which was held virtually and attended by 51 participants from various IDDA III partner institutions including the AUC, AUDA-NEPAD, UNECA, ECOWAS, Common Market for Eastern and Southern Africa (COMESA), ECCAS, African Development Bank (AfDB), the African Export-Import Bank (Afreximbank), United Nations Conference on Trade and Development (UNCTAD), FAO, United Nations Office of the Special Adviser on Africa (UNOSAA), United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UNOHRLLS), United Nations Economic and Social Council (ECOSOC), United Nations Department of Economic and Social Affairs (UN DESA), World Intellectual Property Organization (WIPO), International Telecommunication Union (ITU) and the European Commission. The workshop also discussed the development and implementation of joint programmes and projects.

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- 12. Collaboration was initiated between UNECA and UNIDO to provide support towards the development of national strategies for implementing the African Continental Free Trade Area (AfCFTA). The objective of the national strategies is to complement the existing policy framework; identify opportunities for value addition and trade; and create awareness of current constraints and actions required to take full advantage of national, regional and global markets in the context of the AfCFTA. UNIDO is also currently in discussion with UNECA on the development of an AfCFTA-anchored pharmaceutical initiative building on the UNIDO-supported Pharmaceutical Manufacturing Plan for Africa (PMPA).
- 13. A joint AfDB-UNIDO project was initiated to analyze the impact of the COVID-19 pandemic on the industrial sector, understand the drivers of its resilience and identify policy reforms and actions aimed at a rapid economic recovery after the crisis. , Côte d'Ivoire, the Democratic Republic of the Congo, Kenya, Mauritius, Rwanda, Senegal, South Africa, Tunisia and Zambia were selected for participation in this initiative. The analysis is expected to provide guidance for governments in designing economic growth recovery programmes.
- 14. UNIDO and FAO continued to collaborate on the implementation of a joint programme on Opportunities for Youth in Africa (OYA), designed to increase the availability of decent employment and self-employment opportunities in agriculture and agribusiness for young people in rural and peri-urban areas. The third phase of the \$5.3 million FAO programme on integrating a country approach for boosting decent jobs for youth in the agrifood system is being implemented in Kenya, Rwanda, Senegal and Uganda.
- 15. UNIDO, the World Bank and ITC, in partnership with the European Union and the Organization of African, Caribbean and Pacific States (OACPS), continued working towards the implementation phase of the € 34.4 million programme for the creation of an enabling environment supporting value chains through inclusive policies, investment promotion and alliances. The programme's inception phase took place in 2020 and implementation started at the beginning of 2021. During the inception phase, the three agencies aligned their implementation approaches and work programmes in a bid to achieve a consistent and coherent technical cooperation outcome with scalability potential at the country and regional level. The three agencies also explored common approaches for mitigating the impact of COVID-19 on value chains, leading to work streams for joint delivery during the programme's implementation phase from 2021–2024.
- 16. UNIDO, UNECA, and AfDB initiated collaboration towards the development of a continental mapping of innovation and digitalization initiatives, policies, strategies and stakeholders, to improve coordination, identify potential synergies and support the scaling-up of pioneering initiatives to support implementation of the Digital Transformation Strategy for Africa (2020–2030). The overall objective of the African Union Strategy for Digital Transformation is "to harness digital technologies and innovation to transform African societies and economies to promote Africa's integration, generate inclusive economic growth, stimulate job creation, break the digital divide, and eradicate poverty for the continent's socioeconomic development and ensure Africa's ownership of modern tools of digital management".
- 17. The Cotton Roadmap Promotion Initiative is under development for the C4 countries Benin, Burkina Faso, Chad and Mali that are the leading cotton cultivators in West Africa. The programme which is to be implemented by UNIDO, ITC and other partners will focus on improving the productivity and competitiveness of the cotton, textile and clothing sector in order to promote the local processing and valorization of cotton and increase opportunities on both subregional and international markets, with a positive impact on the creation of sustainable jobs. Similar programmes are foreseen to be developed in other regions of Africa including in Eastern and Southern Africa.
- 18. With the formalization of AUDA-NEPAD as the technical implementing arm of the AUC, UNIDO and AUDA-NEPAD worked together to develop a joint Action Plan (2021–2024) within which several joint programmes are foreseen to be implemented. These include the "100,000 SMEs for 1 million Jobs by 2021" campaign focused on

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the promotion of job creation for youth; a pan-African regional value chain mapping study that will form the basis for promoting investments in the regional value chain within the AfCFTA framework; the establishment of an industry observatory at the AUC; and production of the Africa Industrialization Report and Africa Industrialization Index.

### III. Outlook

- 19. Organization of the Summit on Africa's Industrialization: In its decision AU/Dec.751 (XXXIII), the African Union called on UNIDO, together with UNECA and AfroChampions, to support the organization of the summit during Africa Industrialization Week from 16 to 20 November 2020. Due to the COVID-19 pandemic, the summit was postponed to November 2021.
- 20. Operationalization of the IDDA III Secretariat: Staffing of the Secretariat which was initiated in 2020 is scheduled to be completed by June 2021. The support of Member States through secondment of staff and financial support of project funded and expert personnel will be sought.
- 21. Continuation of the comprehensive overview exercise on programmes and projects being implemented by various stakeholders in support of Africa's industrialization: Data collection from various stakeholders is to be enhanced through a mapping and data collection tool that has been developed.
- 22. Joint programme and project development: Joint programme and project development will be the major focus of the IDDA III Secretariat. Particular attention will be paid to the development of regional programmes in support of the AfCFTA Programmes and projects that focus on helping African countries to build back better from the impacts of COVID-19 will also be given priority.
- 23. Regional sensitization workshops: Workshops will be held with the various regional economic communities to mainstream IDDA III at the regional level and promote ownership as well as develop regional projects.
- 24. Third Industrial Development Decade for Africa champions initiative: Implementation of activities within this initiative will continue to be enhanced. Proposed activities for the champions, consisting of selected Heads of State and Government, are foreseen to be implemented during the year. The initiative will be expanded to include new Heads of State and prominent private sector actors.
- 25. Submission of United Nations General Assembly progress report: The fifth edition of the annual progress report will be prepared and is scheduled for submission to the Secretary-General in July 2021.

## IV. Action required of the Committee

26. The Committee may wish to take note of the information in the present document.

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