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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 the information contained in IDB.49/13 and GC.19/9, and should be considered in conjunction with the information on IDDA III contained in the “Partnerships and South-South Cooperation” chapter of the *Annual Report of UNIDO 2021*.

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)**

Technical assistance activities

2. Over the reporting period, UNIDO continued to scale up its technical assistance to African countries. The section below highlights some of the activities implemented in this regard.

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3. In 2021, the development of a Programme for Country Partnership (PCP) was approved for Nigeria. This brought the total number of PCPs in Africa to 10, including six under implementation in Egypt, Ethiopia, Kenya, Morocco, Senegal and Zambia, and four under formulation for Côte d'Ivoire, Nigeria, Rwanda and the United Republic of Tanzania. Under the self-starter PCP Kenya, the first anchor project focusing on the development of an integrated agro-industrial park was initiated. In Ethiopia, the first creative hub was launched in August 2021 to support creative industries and entrepreneurship with a focus on leather and leather products. In Senegal, the second phase of the integrated industrial park in Diamniadio was launched in July 2021, with financial support from the Export-Import Bank of China. PCP Zambia completed its programming phase and was signed by the Government of Zambia and UNIDO in November 2021. The Organization also started the development of a new project under the Green Climate Fund, promoting renewable energy-based mini-grids for productive uses in rural areas of Zambia.

4. In 2021, there were 15 country programmes (CPs) in Africa with seven under implementation in Angola, the Gambia, Ghana, Guinea, Madagascar, Mauritania and Nigeria. There are eight CPs under formulation, namely: Benin, Burundi, Cabo Verde, the Democratic Republic of the Congo, Guinea-Bissau, Niger, Sierra Leone and Uganda. The CP for the Gambia was signed in November 2021 and subsequently started its implementation phase for 2021–2025. In Guinea, an industrial diagnostic study was conducted, and an industrial policy development process was initiated with a commitment of over \$4 million from the African Development Bank (AfDB).

5. UNIDO implemented several projects to stimulate agribusiness and the agro-industry. In Ethiopia, two coffee washing stations and a hulling station were upgraded with eco-friendly processing systems. In Sudan, a \$2.2 million project was launched to support agricultural value chain development, create jobs in rural areas and ease access to financial services. A cold storage facility was constructed for storing fresh horticultural products. The project aims to reach 3,000 beneficiaries. In Liberia, a project was initiated with funds from Sweden aimed at increasing income and employment opportunities in selected agro-based value chains.

6. Several projects were under implementation in support of entrepreneurship development. In Tunisia, UNIDO implemented a \$14.7 million project to generate 6,000 sustainable jobs for young people through the provision of entrepreneurship training courses. In Uganda, UNIDO initiated a project that will build the country's first training centre for road construction equipment operators and train over 500 trainers and operators. In Ethiopia, a training institute for commercial vehicle drivers was established. So far, more than 1,500 drivers were trained, tested and certified, while 610 new jobs were created. The income level of 523 drivers increased by at least 40 per cent.

7. Under the energy and environment thematic area, UNIDO secured more than \$80 million in co-financing for a \$7 million project funded by the Global Environment Facility (GEF) on the promotion of circular economy in the plastics sector in Ghana. With funding from Japan, UNIDO conducted plastics value chain studies in Egypt, Kenya and Nigeria to identify gaps and needs for promoting a circular economy. Based on the studies, several projects were initiated. In Nigeria a \$1.8 million project funded by Japan was launched to assist the country in promoting resource-efficient production in plastics value chains, while reducing plastic waste in the environment. In South Africa, with \$2.4 million from the Government of Flanders in Belgium, a new project started assisting the country for strengthened adaptation capacity for a green and resilient economy.

8. UNIDO continued to host the Private Financing Advisory Network (PFAN) programme in sub-Saharan Africa, which provides entrepreneurs with business coaching on climate adaptation and clean energy projects. To date, PFAN has supported 126 projects in Africa, leading to investments totalling \$1.7 billion. UNIDO also expanded the Global Network of Regional Sustainable Energy Centres programme with the formal approval in June 2021 for the establishment of a centre

for renewable energy and energy efficiency for Central Africa, to be located in Luanda, Angola.

9. UNIDO continued to implement a range of projects in support of trade capacity building. In the United Republic of Tanzania, a \$7.5 million programme for quality standards and compliance was launched. An \$800,000 project funded by Sweden was launched to support income generation and employment opportunities in selected agro-based value chains in Liberia. UNIDO also continued to implement an €8 million programme funded by the European Union focusing on investment promotion through institutional capacity-building of investment promotion agencies in Cameroon, Ethiopia, Ghana, Kenya, Senegal and Zambia.

10. UNIDO continued to develop assistance programmes to enhance the capacities of Member States in the region to benefit from Industry 4.0. A \$6 million Germany-funded regional project for Côte d'Ivoire and Tunisia was initiated with the objective to foster youth employment through the promotion of Industry 4.0 within the Special Initiative on Training and Job Creation of the German Federal Ministry for Economic Cooperation and Development.

11. Several projects focused on mitigation of the COVID-19 pandemic were also under implementation. A new \$1.6 million project supported by Japan on the economic empowerment of vulnerable women towards social stabilization in eastern Democratic Republic of the Congo was launched as a direct response to the impact of the COVID-19 pandemic. In Cameroon, a project for improving the national supply chain capacity for medical products was started for increased resilience against COVID-19.

Collaboration with United Nations agencies and other stakeholders

12. Collaboration between the Common Market for Eastern and Southern Africa (COMESA), UNECA, UNIDO and the AfDB was spearheaded within the planned Joint Industrialization Cooperation Programme between Zambia and Zimbabwe with the aim of developing a common agro-industrial park. UNECA provided support for a pre-feasibility study, while a \$15 million grant application was submitted to AfDB by COMESA. The pre-feasibility study was carried out and a report was presented to stakeholders. UNIDO is expected to carry out the main feasibility study for the development of the common agro-industrial park and contribute to the implementation of its outcomes.

13. Upon the request of the AUC, UNIDO joined collaborative efforts aimed at the implementation of the Common African Agro-Parks Programme, which is a large-scale initiative to create regional agro-industrial hubs across Africa. The Programme is specifically aimed at (i) increasing the supply of locally produced agricultural goods, (ii) reversing projections on food imports and (iii) value-added processing of agricultural products with a view to boosting intra-African trade and investment. The main stakeholders of the programme include the AUC, the African Continental Free Trade Area (AfCFTA) Secretariat, the African Export-Import Bank (Afreximbank), the Forum for Agricultural Research in Africa (FARA) and UNIDO.

14. The Food and Agriculture Organization of the United Nations (FAO) and UNIDO continued to engage in the implementation of various programmes and projects, including a joint programme on Opportunities for Youth in Africa (OYA) to accelerate job creation in the agribusiness sector. In Côte d'Ivoire, a \$27.6 million project to improve bioenergy production by smallholder farmers was under implementation. The project focused on accelerating the use of biomass and bioenergy sources from agriculture and forestry activities for rural electricity and energy generation. While FAO is concentrating on agricultural production, waste collection and supply, UNIDO is involved in energy transformation, distribution and marketing.

15. UNIDO, AUC and AUDA-NEPAD initiated collaboration towards the development of a joint programme to support the establishment of an industry

observatory that is expected to serve as a central online platform that collects, analyses, monitors and disseminates real-time industrial data. The observatory will be comprised of components on information and data related to industrial capabilities, performance and competitiveness; an index on Africa's industrialization that will gauge progress of the continent's industrialization using a number of intrinsic and extrinsic parameters; an investment monitoring platform to showcase industrial investment opportunities; and the Africa industrial development report that is envisaged to be produced annually. Other partners foreseen to join the initiative include the AfDB and Afreximbank. The observatory is expected to be launched during the African Union (AU) Summit on Industrialization and Economic Diversification, to take place from 20 to 25 November 2022 in Niamey, Niger.

16. UNIDO collaborated with the United Nations Capital Development Fund (UNCDF) in Mali to support agropastoral women in the management of risks linked to environmental degradation through climate change adaptation measures in areas at risk of inter-community conflicts. The project will support local government planning and climate change adaptation measures and investments with performance-based climate resilience grants. UNIDO, the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP) and Conservation International partnered to implement the second phase of the GEF-funded planetGOLD programme which is aimed at transforming artisanal and small-scale gold mining to a safer, cleaner and more profitable sector. The project is expected to reach 3,000 artisanal miners.

Global forums and advocacy

17. In November 2021, UNIDO collaborated with the AUC, UNECA, AUDA-NEPAD and the AfroChampions Initiative to co-organize various side events during the Africa Industrialization Week, which was held from 20 to 24 November under the theme of "Industrializing Africa: Renewed Commitment Towards an Inclusive and Sustainable Industrialization and Economic Diversification". Selected events led by UNIDO included those focusing on investment and technology promotion; fourth industrial revolution; regional and continental value chains in Africa; climate action; and integrated agro-industrial parks and corridors. A key outcome of the Africa Industrialization Week 2021 was a declaration to sustain the momentum towards concrete actions leading to the AU Summit on Industrialization and Economic Diversification, to be held in November 2022.

18. On 28 September 2021, UNIDO in collaboration with the AUC, AfDB, UNECA, the AfroChampions Initiative, AUDA-NEPAD, the United Nations Office of the Special Adviser on Africa (OSAA) and Afreximbank, organized the fourth IDDA III high-level event on the margins of the seventy-sixth session of the United Nations General Assembly. Held under the theme "Strengthening Africa's Pharmaceutical Industry – learning the lessons from COVID-19", the event was attended by high-level dignitaries including the President of Ethiopia, the former President of Burkina Faso and the Deputy Secretary-General of the United Nations. The event was highlighted by the signing of a joint declaration for the implementation of the Kenya self-starter PCP by the President of Kenya and the UNIDO Director General.

19. In November 2021, UNIDO organized the ninth Ministerial Conference of the Least Developed Countries (LDCs) in collaboration with the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLS) and the Organization of African, Caribbean and Pacific States (OACPS). The conference which was held in a hybrid format under the theme "The Next Decade of Action: Accelerating ISID in LDCs" brought together more than 550 participants. A key outcome of the conference was the adoption of the Ministerial Declaration, supporting the development of the UNIDO Operational Strategy and Implementation Plan for the LDCs 2022–2031 in close alignment with the Doha Programme of Action for LDCs covering the same period, which was eventually adopted on 17 March 2022, in the framework of the Fifth United Nations Conference on the Least Developed Countries.

20. Under the IDDA III Championship initiative, several Heads of State were mobilized to participate in UNIDO's global forums. During the nineteenth session of the UNIDO General Conference held from 29 November to 3 December 2021, the presidents of Kenya and Madagascar participated virtually in the conference, delivering statements on behalf of their respective countries. In 2022, the IDDA III Championship initiative was expanded to include the presidents of Burundi and Nigeria. The initiative is currently comprised of 10 Heads of State from Burundi, Côte d'Ivoire, Egypt, Ethiopia, Ghana, Kenya, Madagascar, Nigeria, Senegal and South Africa.

Normative activities

21. In 2021, UNIDO initiated a continental mapping of regional value chains at the request of the AUC. The major outcome of the study will be the development of a pan-African regional value chain strategy that takes advantage of the opportunities offered by the AfCFTA. The study is also expected to support the development of technical assistance interventions, including those related to industrial value chain upgrading and investment facilitation.

22. UNIDO continued to implement the comprehensive overview exercise on programmes and projects being implemented by various stakeholders in support of Africa's industrialization. A data analysis of the information was conducted and an intermediate review report was completed. The second phase of the exercise was launched and a consolidated report is expected to be unveiled during the upcoming AU Summit on Industrialization and Economic Diversification in November 2022 in Niamey, Niger.

III. Outlook

23. *Organization of the AU Summit on Industrialization and Economic Diversification*: The Summit which was originally set to take place in November 2021 had to be postponed due to the COVID-19 pandemic. In line with the decision of the African Union Assembly of Heads of State and Government held in February 2022, the Summit will now take place from 20 to 25 November 2022 in Niamey, Niger. The main co-organizers of the Summit are AUC, UNIDO, UNECA, AUDA-NEPAD and the AfroChampions Initiative. The Summit is expected to make a decision on the need for a renewed continental industrialization strategy that would be able to effectively support AfCFTA implementation.

24. *Continuation of the comprehensive overview exercise on programmes and projects being implemented by various stakeholders in support of Africa's industrialization*: Implementation of phase 2 of the exercise will be intensified and is expected to gather more information for the development of a database of industrial programmes and projects.

25. *Joint programme and project development*: Joint programme and project development will continue to be the major focus of 2022. Synergies will continue to be enhanced with the various IDDA III partners through joint action plans to develop and implement continental and regional initiatives, which contribute to the continent's industrialization efforts.

26. *Organization of a side event on the margins of the Eighth Tokyo International Conference on African Development (TICAD8)*: In line with its previous joint efforts with the Government of Japan, UNIDO will be collaborating with the AUC and the Government of Japan to organize a side event on IDDA III at TICAD8, scheduled to take place on 27 and 28 August 2022 in Tunis, Tunisia.

27. *Regional IDDA III and AfCFTA forums*: Regional forums focused on industrialization within the AfCFTA framework are foreseen to be held in the respective regional economic communities (RECs) in line with joint UNIDO-REC actions plans in place. The forums will aim to identify key regional development

initiatives for promotion and implementation within the IDDA III and AfCFTA frameworks.

28. *Operationalization of the IDDA III Secretariat*: Staffing of the IDDA III Secretariat, which was initiated in 2020, gained traction with the recruitment of a Programme Officer with funding from China, and of international consultants. Consultations with the Department of Human Resources Management on the recruitment of Junior Professional Officers and L-3 level staff are ongoing. Financial support of project-funded staff and the secondment of experts will be sought from Member States.

29. *Submission of United Nations General Assembly progress report*: The sixth edition of the IDDA III annual progress report is scheduled for submission to the Secretary-General in July 2022. On average, 38 institutions, including United Nations agencies, AU institutions and selected development finance institutions, contribute to the report every year.

IV. Action required of the Committee

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