



Industrial Development Board

Fiftieth session

Vienna, 21–23 November 2022

Item 10 of the provisional agenda

UNIDO activities related to structural transformation and sectoral expertise

UNIDO activities related to sectoral development, including agribusiness, trade capacity-building and job creation

Report by the Director General

The present document provides an update on the report by the Director General presented at the nineteenth session of the General Conference (GC.19/15). It summarizes UNIDO's activities related to sectoral development, including agribusiness, trade capacity-building and job creation, which acquired a central role in the operations of the Organization following the endorsement by Member States of the medium-term programme framework, 2022–2025.

I. Introduction

1. UNIDO supports the efforts of Member States towards sustainable rural development and a structurally transformed and modernized agribusiness sector, to reduce hunger, accelerate food systems transition, and generate income and employment, especially among women and youth. The focus is on maximizing the potential that exists in agribusiness development to address emerging global trends. The Organization supports the development of industrial production and trade-related quality infrastructure through the provision of technical cooperation services, including capacity-building, that assist sectoral modernization and increase competitiveness among small and medium-sized enterprises (SMEs) by improving the quality of manufactured products and their compliance with market requirements.

II. Analytical, research, policy advisory services, and norms and standards-setting

2. To support its Member States in trade capacity-building and quality infrastructure enhancement, UNIDO, in particular through the Global Quality and Standards Programme (GQSP), has developed and further facilitated global public goods, like tools, methodologies and documents. These provide best international practices and guide better informed policy decisions, and have already supported hundreds of quality infrastructure institutions and conformity assessment bodies all



over the world. Examples include the Quality Policy Development Guiding Principles and Technical Guides; the Laboratory Network (LabNet);¹ and the Standards Compliance Analytics tool on border rejections and product non-compliances. With these established tools and platforms, UNIDO guides and supports its technical assistance interventions to foster the participation of developing countries in global markets and value chains. The quality policy guides have been used by several countries in Africa and the Caribbean, as well as by the African Union to inform the development of its continental quality policy in the context of the operationalization of the African Continental Free Trade Area (AfCFTA) agreement.

3. Through technical assistance programmes in West Africa, UNIDO has established, in partnership with the Economic Community of West African States (ECOWAS), the first ECOWAS Quality and Industry Database (ECOQUIB). ECOQUIB provides access to various statistics on production, exports and imports and price indices, as well as information on quality institutions and services (such as testing and calibration laboratories, experts, laboratory equipment repair centres, certification and inspection bodies, and standards) available in the ECOWAS Member States and Mauritania.

4. Within the framework of the work of the Codex Alimentarius Commission, the United Nations food standards-setting body, UNIDO is implementing initiatives in West Africa and the Arab region to raise awareness of and to support the piloting of the use of data generated by voluntary third-party assurance programmes. To support its Codex Alimentarius work, UNIDO has conducted a survey of the Committee on Sanitary and Phytosanitary Measures of the World Trade Organization to assess remote audit and inspection practices in food control. This analytical assessment will also support the future work of the Codex Committee on Food Import and Export Inspection and Certification System on remote audit and verification of regulatory frameworks. UNIDO has also organized a three-day hybrid event, the Vienna Food Safety Forum, which focuses on data-driven innovation in food safety. The event gathered over 400 participants, including regulators and representatives of industry, development partners and academia.

5. Recognizing innovation as a crucial engine of economic transformation, UNIDO and the International Organization for Standardization (ISO) co-launched the practical guide *ISO 56002:2019 Innovation management system* to support organizations wanting to innovate, with a particular focus on SMEs, as innovative SMEs are more productive, creating more high-quality jobs.

III. Technical cooperation programmes

6. The benefits of a holistic approach to interventions are demonstrated in the GQSP, which assists 12 countries worldwide in boosting their competitiveness in 16 value chains. Developed by UNIDO and the Government of Switzerland through its State Secretariat for Economic Affairs, the GQSP identifies quality-related challenges and makes targeted interventions at every stage of the value chain. This increases compliance with international market requirements and ultimately helps countries to engage in global trade. The programme covers countries that span over four continents, including Albania, Colombia, Costa Rica, Georgia, Ghana, Indonesia, Kyrgyzstan, Peru, the Philippines, South Africa, Ukraine and Viet Nam.

7. UNIDO continues to implement several projects within the European Union-funded West Africa Competitiveness Programme. The Organization's actions focus on seven country components in Cabo Verde, the Gambia, Ghana, Guinea, Guinea-Bissau, Senegal and Sierra Leone, as well as one regional component under the leadership of the ECOWAS Commission called the West Africa Competitiveness and Quality Infrastructure Project (WACQIP). Through WACQIP, UNIDO focuses on

¹ More information is available at: <https://hub.unido.org/labnet/labnet-map>.

enhancing the business environment and supporting the ECOWAS regional quality system and attendant policies along the following value chains: cassava and derivatives, mango, textiles and garments, and information and communication technology.

8. In the African, Caribbean and Pacific (ACP) regions, UNIDO has been entrusted to implement the technical barriers to trade and quality infrastructure component of the programme titled “ACP Business-Friendly: Supporting value chains through inclusive policies, investment promotion and alliances”, which is funded by the European Union and the Organisation of African, Caribbean and Pacific States. The objectives of the quality infrastructure component are to enhance the regional quality and regulatory infrastructure governance, strengthen the availability of value chain-specific quality infrastructure services and promote quality culture and practices.

9. UNIDO has compiled an overview of its methodological toolkit developed to support structural transformation, which is a critical pathway towards the industrialization objectives of developing countries. This toolkit is described in the UNIDO publication *Sectoral transformation for inclusive and sustainable industrial development*, launched in November 2021. It describes the requisite conditions for countries to achieve sectoral transformation for inclusive and sustainable industrial development. The publication also outlines six programme services with concrete case studies.

10. Transforming food systems to make them more inclusive, sustainable and resilient remains a key priority for UNIDO. The Agrifood Systems Transformation Accelerator (ASTA), jointly managed by UNIDO and the Food and Agriculture Organization of the United Nations, continues to expand its technical portfolio to accelerate investments in this area. In Suriname, a joint programme on sustainable pineapple value chain development implemented as part of the ASTA portfolio will enable farmers, processors and other stakeholders along the pineapple value chain to increase their productivity, competitiveness and market access in a sustainable and transformational manner with a focus on generating incomes for indigenous communities.

11. With the support of the Ministry of Commerce of China, UNIDO has been providing technical assistance in China’s rural areas in Quannan County, Jiangxi Province, to support the development of agro-industrial value chains and local capacities for poverty alleviation, food safety supervision, agrobusiness and entrepreneurship.

12. UNIDO also works on the establishment, operation and management of centres of excellence to foster structural transformation in the agribusiness sector. In Egypt, with funding from the Government of Italy, UNIDO conducts a project for the inclusive and sustainable development of the tomato value chain. The project forms partnerships with existing public, private and academic institutions to establish a Tomato Learning and Service Center, which will provide a number of services such as technical support, training, production development and market access to the tomato industry in Egypt in a sustainable manner.

IV. Convening and partnerships

13. UNIDO continues to support accreditation bodies in West Africa, notably the West African Accreditation System (WAAS) that has signed a Mutual Recognition Agreement with the African Accreditation Cooperation and with the International Laboratory Accreditation Cooperation in May 2022. WAAS currently serves nine ECOWAS Member States: Benin, Burkina Faso, Côte d’Ivoire, Guinea, Guinea-Bissau, Mali, Niger, Senegal and Togo. The results achieved by WAAS were made possible through a long-standing partnership between the West African Economic and Monetary Union, ECOWAS, the European Union and UNIDO.

V. Action required of the Board

14. The Board may wish to take note of the information provided in the present document.
-