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**General Conference**

**Twentieth session**

Vienna, 27 November–1 December 2023

**Decisions and resolutions adopted by the General  
Conference at its twentieth session**

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## Decisions\*

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\* All decisions were adopted by consensus. Statements were made by Member States regarding decisions GC.20/Dec.7, GC.20/Dec.8, GC.20/Dec.10, GC.20/Dec.16 and GC.20/Dec.17. All statements/positions expressed on decisions are available on the website and/or in the digital recordings on the Extranet, or have been communicated to the Secretariat in writing.

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\*\* All resolutions were adopted by consensus. Statements were made by Member States regarding resolutions GC.20/Res.1 and GC.20/Res.2. All statements/positions expressed on the resolutions are available on the website and/or in digital recordings on the Extranet.

## **Introductory note**

1. The decisions and resolutions adopted by the General Conference at its twentieth regular session (2023) are reproduced in the present document.
2. The table of contents, for ease of reference, lists a serial number by which each decision or resolution may be cited, the title of each decision and resolution, the pertinent background document(s) and the relevant agenda item. Decisions and resolutions are, as far as possible, set out in the order of the agenda.

## Agenda of the twentieth regular session

1. Opening of the session.
2. Election of officers.
3. Adoption of the agenda.
4. Organization of work.
5. Credentials of representatives to the Conference.
6. Elections to organs:
  - (a) Industrial Development Board;
  - (b) Programme and Budget Committee.
7. Annual reports of the Director General on the activities of the Organization for 2021 and 2022.
8. Reports of the Industrial Development Board on the work of its fiftieth and fifty-first regular sessions.
9. Forum on industrial development issues.
10. Financial matters:
  - (a) Scale of assessments for apportionment of the regular budget expenses for the biennium 2024–2025;
  - (b) Financial situation of UNIDO;
  - (c) Working Capital Fund for the biennium 2024–2025;
  - (d) Appointment of an External Auditor;
  - (e) Other financial matters.
11. Programme and budgets, 2024–2025.
12. Midterm review of the medium-term programme framework, 2022–2025: midterm update.
13. United Nations development system reform.
14. UNIDO, gender equality and the empowerment of women.
15. UNIDO and the 2030 Agenda for Sustainable Development.
16. Reform of the UNIDO field network.
17. Outlook on UNIDO activities in different regions.
18. UNIDO activities related to digital transformation, innovation and AI:
  - (a) UNIDO Operational Strategy for Digital Transformation.
19. UNIDO activities related to the environment, energy and circular economy:
  - (a) UNIDO climate strategy and its action plan.
20. UNIDO activities related to structural transformation and sectoral expertise:
  - (a) UNIDO activities related to agribusiness, trade capacity-building and job creation.
21. UNIDO activities related to the Vienna Ministerial Declaration for the Least Developed Countries.
22. UNIDO activities related to cooperation with middle-income countries.
23. Personnel matters, including the UNIDO Staff Pension Committee.

24. Matters related to intergovernmental, non-governmental, governmental and other organizations.
25. Date and place of the twenty-first session.
26. Closure of the session.

## DECISIONS

### **GC.20/Dec.1 ADOPTION OF THE AGENDA**

The General Conference adopted the agenda of its twentieth session as contained in document GC.20/1.

*1st plenary meeting  
27 November 2023*

### **GC.20/Dec.2 INCLUSION OF MEMBER STATES IN LISTS OF STATES OF ANNEX I TO THE CONSTITUTION**

The General Conference decided to include Antigua and Barbuda in List C, and Palau and South Sudan in List A of Annex I to the Constitution.<sup>1</sup>

*1st plenary meeting  
27 November 2023*

### **GC.20/Dec.3 ELECTION OF THE PRESIDENT**

The General Conference elected by acclamation H.E. Ms. Debora Lepre (Italy) President of the Conference at its twentieth session.

*1st plenary meeting  
27 November 2023*

### **GC.20/Dec.4 ELECTION OF THE VICE-PRESIDENTS**

The General Conference elected the following Vice-Presidents of the Conference at its twentieth session: H.E. Mr. Larbi Latroch (Algeria), H.E. Mr. Ikram bin Mohammad Ibrahim (Malaysia), H.E. Ms. Gabriela Sellner (Austria), H.E. Ms. Mireya del Carmen Muñoz Mera (Ecuador), Ms. Dóra Kaszás (Hungary) and Mr. Michal Andrukonis (Poland).

*1st plenary meeting  
27 November 2023*

### **GC.20/Dec.5 ORGANIZATION OF WORK**

*The General Conference:*

(a) Decided to cover agenda items 7 to 25 in the plenary in the form of a general debate;

(b) Also decided to establish, in accordance with rule 44 of its rules of procedure, one Main Committee, to be chaired by Ms. Helena Vizi (Montenegro), on which each Member participating in the Conference may be represented;

(c) Further decided to refer agenda items 7 to 25 to the Main Committee for a more focused debate aimed at the preparation of consensus draft decisions and resolutions for submission to the plenary, and requested the Chair of the Main Committee to submit a written report on its work to the Conference at the closing plenary meeting, in accordance with decision GC.3/Dec.11;

(d) Decided that the report of the Main Committee be submitted by its Chair to the Plenary, thus obviating the need for a Rapporteur as described in rule 48;

(e) Agreed to the schedule of work as contained in document GC.20/CRP.1;

(f) Decided to set the deadline for the receipt of draft decisions and resolutions at 3.30 p.m. on 28 November 2023, and to close the list of speakers at 12 noon on 29 November 2023;

<sup>1</sup> The revised Lists of States were issued in document GC.20/20/Rev.1.

(g) Decided to suspend rule 65 on the preparation of summary records for the present session for cost-saving purposes, in line with decision IDB.46/Dec.3 (e) asking the Secretariat to continue replacing written summary records of the Industrial Development Board and the General Conference with digital records.

*3rd plenary meeting  
28 November 2023*

#### **GC.20/Dec.6 APPOINTMENT OF THE CREDENTIALS COMMITTEE**

The General Conference appointed the following Members to serve on the Credentials Committee: China, Germany, Grenada, Kyrgyzstan, Nigeria, Russian Federation, Spain, Suriname and Togo.

*3rd plenary meeting  
28 November 2023*

#### **GC.20/Dec.7 CREDENTIALS OF REPRESENTATIVES TO THE TWENTIEH SESSION OF THE GENERAL CONFERENCE<sup>2</sup>**

*The General Conference:*

(a) Having considered the report of the Credentials Committee and the recommendations contained therein;

(b) Approved the report of the Credentials Committee.

*7th plenary meeting  
30 November 2023*

#### **GC.20/Dec.8 APPOINTMENT OF AN EXTERNAL AUDITOR**

The General Conference decided to appoint the Undersecretary at the Accountability State Authority of Egypt as the External Auditor for UNIDO for a period of two years, beginning on 1 July 2024 to 30 June 2026, under the terms of reference specified in the Financial Regulations of UNIDO.

*7th plenary meeting  
30 November 2023*

#### **GC.20/Dec.9 ELECTION OF TWENTY-SIX MEMBERS TO THE INDUSTRIAL DEVELOPMENT BOARD**

The General Conference, in pursuance of Article 9.1 of the Constitution, elected the following twenty-six members to the Industrial Development Board to hold office until the close of the twenty-second regular session of the Conference in 2027:

(a) Fifteen members from States in List A and C of Annex I to the Constitution: Brazil, Burkina Faso, China, Colombia, Côte d'Ivoire, Egypt, Kenya, Mexico, Namibia, Philippines, Qatar, Republic of Korea, United Arab Emirates and Uruguay. One seat in List A remains vacant;

(b) Eight members from States in List B of Annex I to the Constitution:<sup>3</sup> Cyprus, Finland, Germany, Italy, Japan, Netherlands (Kingdom of the), Norway and Sweden;

(c) Three members from States in List D of Annex I to the Constitution: Belarus, Poland and Slovenia.

*9th plenary meeting*

<sup>2</sup> The delegations of Algeria, Côte d'Ivoire, Egypt, Iran (Islamic Republic of), Israel, Jordan, Mali, Mauritania, Oman, the State of Palestine, Sudan, the Syrian Arab Republic, Tunisia and Uganda clarified their positions on this matter.

<sup>3</sup> The delegation of Türkiye clarified its position on this matter.



1 December 2023

As a result, the Industrial Development Board is composed of the following fifty-two States: Algeria\*, Angola\*, Argentina\*, Austria\*, Bangladesh\*, Belarus\*\*, Brazil\*\*, Burkina Faso\*\*, China\*\*, Colombia\*\*, Costa Rica\*, Côte d'Ivoire\*\*, Cyprus\*\*, Egypt\*\*, Finland\*\*, Germany\*\*, Ghana\*, Hungary\*, India\*, Ireland\*, Italy\*\*, Japan\*\*, Kenya\*\*, Netherlands (Kingdom of the)\*\*, Kyrgyzstan\*, Luxembourg\*, Malta\*, Mexico\*\*, Mongolia\*, Morocco\*, Namibia\*\*, Nigeria\*, Norway\*\*, Pakistan\*, Panama\*, Peru\*, Philippines\*\*, Poland\*\*, Qatar\*\*, Republic of Korea\*\*, Russian Federation\*, South Africa\*, Slovenia\*\*, Spain\*, Sweden\*\*, Switzerland\*, Thailand\*, Tunisia\*, Türkiye\*, United Arab Emirates\*\*, Uruguay\*\* and Venezuela (Bolivarian Republic of)\*. One seat in List A remains vacant\*\*.

\* **Twenty-seven States whose term of office expires at the end of the twenty-first regular session of the General Conference in 2025 (decision GC.19/Dec.12 of 2 December 2021).**

\*\* **Twenty-six States whose term of office expires at the end of the twenty-second regular session of the General Conference in 2027 (decision GC.20/Dec.9 of 1 December 2023).**

#### **GC.20/Dec.10 ELECTION OF TWENTY-SEVEN MEMBERS TO THE PROGRAMME AND BUDGET COMMITTEE**

The General Conference, in pursuance of Article 10.1 of the Constitution, elected the following twenty-seven members to the Programme and Budget Committee to hold office until the close of the twenty-first regular session of the Conference in 2025:

(a) Fifteen members from States in List A and C of Annex I to the Constitution: Algeria, Brazil, China, Egypt, Ghana, India, Indonesia, Iran (Islamic Republic of), Kenya, Mexico, Morocco, Pakistan, Peru, South Africa and Uruguay;

(b) Nine members from States in List B of Annex I to the Constitution: Austria, Finland, Germany, Italy, Japan, Malta, Türkiye, Spain and Switzerland;

(c) Three members from States in List D of Annex I to the Constitution:<sup>4</sup> Hungary, Poland and Russian Federation.

*9th plenary meeting  
1 December 2023*

#### **GC.20/Dec.11 SCALE OF ASSESSMENTS FOR APPORTIONMENT OF THE REGULAR BUDGET EXPENSES FOR THE BIENNIUM 2024–2025**

*The General Conference:*

(a) Took note of documents IDB.51/7/Rev.1 and GC.20/22;

(b) Also took note of Board decision IDB.51/Dec.3;

(c) Decided to establish, in accordance with Article 15.2 of the Constitution of UNIDO, of a scale of assessments for the fiscal period 2024–2025 based on the United Nations General Assembly resolution [76/238](#), adjusted to the membership of UNIDO, on the understanding that new members shall be assessed for the year in which they become members on the basis of the United Nations scale of assessments, as applicable to UNIDO;

(d) Decided, based on the provisions of Article 15.2 of the Constitution of UNIDO, that future scales of assessments shall be drafted and calculated using the same minimum rates and the same maximum rates as approved by the United Nations

<sup>4</sup> The delegation of Ukraine clarified its position on this matter.

General Assembly at its most recent session, all rates being adjusted to take into account the difference in membership between the two organizations in order to derive a UNIDO scale of 100 per cent;

(e) Urged Member States to pay their assessed contributions for the 2024–2025 biennium in accordance with financial regulation 5.5 (b), which states that contributions and advances shall be due and payable in full within thirty days of the receipt of the communication of the Director General, or as of the first day of the calendar year to which it relates, whichever is later;

(f) Called on Member States and former Member States that are in arrears to fulfil their constitutional obligations by paying their outstanding assessed contributions in full and without conditions as soon as possible, or to take advantage of payment plans to settle their arrears, in accordance with previous decisions by the policymaking organs of UNIDO.

*10th plenary meeting  
1 December 2023*

#### **GC.20/Dec.12 FINANCIAL SITUATION OF UNIDO**

*The General Conference:*

(a) Took note of the information contained in document GC.20/5;

(b) Also took note of Board decision IDB.51/Dec.2;

(c) Urged those Member States and former Member States that have not yet paid their assessed contributions, including advances to the Working Capital Fund and prior years' arrears, to do so without delay;

(d) Requested the Director General to pursue his efforts and contacts with Member States and former Member States to effect the collection of arrears.

*10th plenary meeting  
1 December 2023*

#### **GC.20/Dec.13 WORKING CAPITAL FUND FOR THE BIENNIUM 2024–2025**

*The General Conference:*

(a) Took note of Board decision IDB.51/Dec.4;

(b) Decided that the level of the Working Capital Fund for the biennium 2024–2025 should remain at €7,423,030 and that the authorized purposes of the Fund for the biennium 2024–2025 should remain the same as for the biennium 2022–2023, i.e. as stipulated in decision GC.2/Dec.27, paragraph (b);

(c) Urged Member States to pay their outstanding assessed contributions as soon as possible to minimize the need to withdraw sums from the Working Capital Fund to meet shortfalls in the payment of assessed contributions.

*10th plenary meeting  
1 December 2023*

#### **GC.20/Dec.14 OTHER FINANCIAL MATTERS: BUDGET IMPLEMENTATION FLEXIBILITY**

*The General Conference:*

(a) Took note of decision IDB.51/Dec.6;

(b) Took an interim decision for the biennium 2024–2025, to allow the Director General, to increase expenditure on technical cooperation to promote inclusive and sustainable industrial development up to €60 million of the operational budget commensurate with the actual income received. The Director General shall

inform in writing the General Conference through the Programme and Budget Committee and the Industrial Development Board, at the session following such action, of the details and reasons for these increased expenditures;

(c) Requested Member States to continue negotiating through the fortieth session of the Programme and Budget Committee and the fifty-second session of the Industrial Development Board on the interim decision, on a time-bound basis for the biennium 2024–2025, to allow the Director General to make, within the amounts approved by the General Conference for the regular budget, transfers between the major objects of expenditure within result areas up to 10 per cent of the initially appropriated regular budget amounts from which the transfers are made, and authorized the Industrial Development Board at its fifty-second session to decide on this matter for the biennium 2024–2025.

*10th plenary meeting  
1 December 2023*

### **GC.20/Dec.15 PROGRAMME AND BUDGETS, 2024–2025**

#### *The General Conference:*

(a) Took note that the proposed programme and budgets were prepared in compliance with decision GC.18/Dec.14, by which Member States requested the Director General to “establish the [...] draft budget 2022–2023 according to results-based budgeting principles”;

(b) While recognizing the efforts made by the Secretariat to prepare a balanced, detailed and evidence-based programme and budgets based on the results data generated by the integrated results and performance framework (IRPF), encouraged further efforts in consultation with Member States within the informal working group on Programme and Budget Committee-related issues to improve results-based structure, management and reporting at the project, programme and corporate levels;

(c) Adopted the programme and budgets for the biennium 2024–2025, as proposed by the Director General on the programme and budgets for the biennium 2024–2025, as contained in document IDB.51/6-PBC.39/6 and amended by document IDB.51/6/Add.1-PBC.39/6/Add.1;

(d) Approved the estimates of regular budget gross expenditures of €163,059,399 to be financed from assessed contributions in the amount of €157,815,529 and other income of €5,243,870;

(e) Without prejudice to the continuing progress in the application of the principle of full cost recovery, as feasible, further approved the estimates of gross expenditures totalling €47,247,800 for the purpose of the operational budget for the biennium 2024–2025 to be financed from the reimbursement of support costs pertaining to technical cooperation and other services in the amount of €42,666,213 and other income amounting to €4,581,587 as may be provided for in the financial regulations;

(f) Took note that €348,700 had accumulated in the Special Account of Voluntary Contributions for Core Activities (SAVCCA), and further noted that SAVCCA is to be renamed “Innovation and Transformation Fund” (ITF), which will be deployed in line with stipulated Terms of Reference and accountability mechanism (IDB.43/5-PBC.31/5) during the biennium 2024–2025 and following the requirements laid out by decision IDB.43/Dec.6 (i);

(g) Took note of the renaming of the Special Account for Voluntary Contributions for Core Activities (SAVCCA) to the “Innovation and Transformation Fund” (ITF), with the scope of ensuring greater transparency in the relation with voluntary donors, of its forecasted value of up to €15,812,452 for 2024–2025, and of

the purposes, as outlined in documents PBC.39/6, PBC.39/6/Add.1 and PBC.39/CRP.8;

(h) Requested the Director General to:

(i) Report on the state of financing and implementation of the Programme and Budgets, 2024–2025 to the Programme and Budget Committee, the Industrial Development Board, and the General Conference of UNIDO;

(ii) Report to the next two sessions of the Programme and Budget Committee on efficiencies and savings between sessions, with the understanding that the search for efficiencies and savings must be a continuous management process, without hampering the core functions of the Organization;

(i) Noted that the Special Resources for Africa together with voluntary contributions will be used to foster industrialization in Africa and implement UNIDO's leading role assigned in United Nations General Assembly resolution 70/293 on the Third Industrial Development Decade for Africa.

*10th plenary meeting  
1 December 2023*

#### **GC.20/Dec.16 PERSONNEL MATTERS, INCLUDING THE UNIDO STAFF PENSION COMMITTEE<sup>5</sup>**

*The General Conference:*

(a) Decided to elect the following two members and two alternate members of the UNIDO Staff Pension Committee for the biennium 2024–2025:

Members: Mr. Adeel Ahmad Khan (Pakistan);  
Ms. Pragashnie Adurthy (South Africa);

Alternates: Mr. Itay Tavor (Israel);

(b) Authorized the Industrial Development Board to proceed with elections for any of the above-mentioned positions that become vacant before the General Conference holds its twenty-first session.

*10th plenary meeting  
1 December 2023*

#### **GC.20/Dec.17 DATE AND PLACE OF THE TWENTY-FIRST SESSION**

*The General Conference:*

(a) Recalled rule 4 of the rules of procedure of the General Conference stating that regular sessions of the General Conference shall be held at the seat of the Organization, unless otherwise determined by the Conference;

(b) Recalled also rule 8 of the rules of procedure of the General Conference stipulating that actual additional costs directly or indirectly involved in holding a session away from Headquarters shall be borne by the host Government;

(c) Took into consideration the report of the Director General (GC.20/19), which informed the Conference of the generous offer of the Government of Saudi Arabia to host the twenty-first session of the General Conference in Riyadh from 23 to 27 November 2025;

(d) Welcomed the offer by the Government of Saudi Arabia to host the General Conference;

(e) Decided to hold the twenty-first session of the General Conference in Riyadh, from 23 to 27 November 2025;

<sup>5</sup> The delegation of Iran (Islamic Republic of) clarified its position on this matter.

(f) Requested the Director General to negotiate and conclude an appropriate Conference agreement with the Government of Saudi Arabia;

(g) Also requested the Director General to report to the Industrial Development Board at its fifty-second (2024) and fifty-third (2025) sessions on the progress achieved in this matter.

*10th plenary meeting  
1 December 2023*

## RESOLUTIONS

### **GC.20/Res.1 UNIDO STRATEGY FOR AFRICA<sup>6</sup>**

*The General Conference:*

*Welcoming* the Director General's efforts to provide a common guiding framework for the Organization's interventions in Africa,

*Taking note* of the consultations held with the African Group of Member States on 27 February 2023 and on 20 June 2023, as well as with all UNIDO Member States on 24 July 2023,

*Acknowledged* the UNIDO Strategy for Africa as contained in the annex to the present resolution.

*10th plenary meeting  
1 December 2023*

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<sup>6</sup> Submitted by Ghana and co-sponsored by Algeria, Burkina Faso, Egypt, Morocco, South Africa and Sudan.

## Annex

### UNIDO Strategy for Africa, 2023-2025

#### Promoting Africa's regional industrial integration for inclusive growth and sustained prosperity

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## Acronyms

|             |   |
|-------------|---|
| 4IR         | Fourth Industrial Revolution  |
| AfBC        | Africa Business Council   |
| AfCFTA      | Africa Continental Free Trade Area  |
| AfDB        | African Development Bank  |
| Afreximbank | African Export Import- Bank   |
| AFREC       | Africa Energy Commission  |
| AMU/UMA     | Arab Maghreb Union  |
| BADEA       | Arab Bank for the Economic Development in Africa                          |
| AU          | African Union   |
| AUC         | African Union Commission  |
| AUDA- NEPAD | African Union Development Agency – New Partnership for Africa Development |
| CAADP       | Comprehensive African Agricultural Development Programme                  |
| CAAPs       | Common African Agro Parks Programme                                       |
| CEN-SAD     | Community of Sahel–Saharan States   |
| COMESA      | Common Market for Eastern and Southern Africa                             |
| CIP         | Competitive Industrial Performance  |
| CP          | Country Programme   |
| DBCAS/BDEAC | Development Bank of the Central African States                            |
| IsDB        | Islamic Development Bank  |
| ISID        | Inclusive and Sustainable Industrial Development                          |
| IGAD        | Intergovernmental Authority on Development                                |
| ITPO        | Investment and Technology Promotion Office                                |
| ITFC        | Islamic Trade and Finance Corporation                                     |
| LDCs        | Least Developed Countries   |
| LLDCs       | Landlocked Developing Countries   |
| L-MIC       | Low-middle Income Countries   |
| MIC         | Middle Income Countries   |
| MSME        | Micro, Small and Medium Enterprises                                       |
| MVA         | Manufacturing Value Added   |
| MTPF        | Medium Term Programme Framework   |
| MHT         | Medium-high and High Technology   |
| PCP         | Programme for Country Partnership   |
| PIDA        | Programme for Infrastructure Development in Africa                        |
| OFID        | OPEC Fund for International Development                                   |
| REC         | Regional Economic Communities   |
| SADC        | Southern African Development Community                                    |

|             |   |
|-------------|---|
| DPoA        | Doha Programme of Action for Least Developed Countries 2022-2031                  |
| EAC         | East African Community  |
| EBID        | ECOWAS Bank for Investment and Development  |
| ECCAS       | Economic Community for Central African States                                     |
| ECOWAS      | Economic Community for West African States  |
| EIB         | European Investment Bank  |
| EMCCA/CEMAC | Economic and Monetary Community of Central Africa                                 |
| EU          | European Union  |
| GCF         | Green Climate Fund  |
| GDP         | Gross Domestic Product  |
| GEF         | Global Environment Facility   |
| SDGs        | Sustainable Development Goals   |
| TFTA        | Tripartite Free Trade Agreement   |
| SIDS        | Small Islands Developing States   |
| UNSDCF      | United Nations Sustainable Development Cooperation                                |
| UNECA       | United Nations Economic Commission for Africa                                     |
| UN OHRLLS   | United Nations Office of the High Representative for the LDCs, LLDCs and SIDS     |
| UN OSAA     | United Nations Office of the Special Adviser on Africa Affairs                    |
| VPoA        | Vienna Programme of Action for Landlocked Developing Countries 2014-2024          |
| WAEMU/UEMOA | West African Economic and Monetary Union  |
| WADB/BOAD   | West African Development Bank   |
| TDB         | Trade and Development Bank – East and Southern African Trade and Development Bank |



## Executive Summary

**Africa, a vast and diverse continent blessed with a young population and abundant natural resources, still lags behind in industrialization compared to other regions.** Numerous challenges hinder Africa's industrial progress, such as limited productive capacity, inadequate infrastructure, high capital costs, and a weak technological foundation. However, amidst these obstacles, Africa also possesses significant opportunities, including the potential benefits of the fourth industrial revolution (4IR) and recent advancements in regional integration, notably the African Continental Free Trade Area (AfCFTA).

**The AfCFTA holds immense potential to foster inclusive and sustainable industrialization by leveraging economies of scale and enhancing competitiveness in the manufacturing sector.** It can drive value addition, economic diversification, and the growth of local and regional value chains. Furthermore, 4IR offers promising prospects for Africa's industrial advancement, as it can enhance productivity and efficiency within the manufacturing domain. Realizing Africa's industrialization goals requires a collective effort from governments, businesses, and the international community, addressing challenges while capitalizing on available opportunities.

**UNIDO, as the United Nations' specialized agency for sustainable industrial and economic development, boasts a long-standing history of engagement in Africa.** The organization provides crucial services and technical cooperation to the continent, playing a significant role in its development. UNIDO envisions an industrialized Africa driving inclusive and sustained economic growth, contributing to poverty reduction and aligning with the aspirations of the African Union's Agenda 2063 and the global 2030 Agenda for Sustainable Development. UNIDO's primary objective for Africa revolves around leveraging inclusive and sustainable industrial development (ISID) to enhance living standards, foster resilient economies and communities, and create a prosperous future.

### **UNIDO's strategic objectives for Africa are to:**

Strengthen capacity and capability at local, national, regional and continental levels to strengthen and sustain an effectual, productive transformation process, facilitated by the AfCFTA, thus unlocking the continent's potential for integrated, inclusive and sustainable manufacturing;

- i. Leverage ISID to promote healthy and prosperous lives and well-being for all, in line with the Aspiration 1 and Goal 3 of the AU's Agenda 2063, as well as relevant goals of the 2030 Agenda for Sustainable Development;
- ii. Pursue equitable and transformative carbon-neutral and climate-resilient industrial development pathways;
- iii. Enhance cooperation and partnerships with all relevant stakeholders and partners at local, national, regional, continental and global levels as well as initiate innovative approaches to resource mobilization.

### **UNIDO's work in Africa is guided by the following principles:**

- i. Country ownership: UNIDO works in partnership with African countries to develop and implement industrial development strategies that are tailored to their specific needs and priorities.
- ii. Inclusiveness: UNIDO's work in Africa is focused on ensuring that the benefits of industrialization are shared widely, including by women, youth, and people living in rural areas.
- iii. Sustainability: UNIDO's work in Africa is focused on promoting sustainable industrial development that does not damage the environment.

- iv. UNIDO is committed to working with African countries to achieve the goal of an industrialized Africa that drives inclusive and sustained economic growth and sustainable development.

**The UNIDO Strategy for Africa 2023-2025 consolidates the objectives and strategic focus of UNIDO's interventions in promoting inclusive and sustainable industrial development across the continent.** Aligned with the UNIDO Medium-Term Programme Framework (MTPF) 2022-2025, as well as regional, continental, and global development frameworks, this strategy provides a comprehensive framework for UNIDO's collective efforts in Africa. Working closely with local and national governments, regional institutions, and other stakeholders, UNIDO aims to transform the opportunities presented by the African Continental Free Trade Area (AfCFTA) into tangible outcomes through inclusive and sustainable industrial development.

**At the core of the UNIDO Strategy for Africa lies the UNIDO Theory of Change, which seeks to drive structural transformation and well-coordinated inclusive and sustainable industrialization on the continent.** This vision aligns with the African Union's Agenda 2063 and its first (2013-2023) and second (2024-2034) 10-year implementation plans, which emphasize the crucial role of structural transformation and industrialization in Africa's economic growth and sustainable development. Building upon these foundations, the UNIDO Strategy for Africa pursues its objectives through six key focus areas, namely:

1. Investing in people and transforming communities for shared prosperity;
2. Enhancing firm and industry-level productivity and competitiveness for productive transformation;
3. Supporting AfCFTA implementation for accelerated regional productive integration;
4. Promoting sustainable energy and just transition;
5. Sustainable growth and climate action; and
6. Cooperation, strategic partnership and financing for industrialization

**By adopting the Strategy for Africa, UNIDO aims to provide a unified framework that guides its interventions, ensuring a coordinated and scaled-up approach to inclusive and sustainable industrial development in Africa.** This strategy encompasses strategic partnerships and collaborations with various stakeholders, leveraging regional, continental, and global frameworks to maximize its impact. Through its concerted efforts, UNIDO seeks to drive the transformation of Africa's industrial sector, promoting economic growth, poverty reduction, and sustainable development.

**UNIDO's implementation of the Strategy for Africa will be guided by a comprehensive implementation plan.** The implementation plan outlines targeted actions, roles and responsibilities of stakeholders, and innovative approaches for resource mobilization. Indicators and targets will align with the UNIDO Integrated Results Performance Framework (IRPF) and the implementation plans of the African Union Agenda 2063 (2013-2023 and 2024- 2034). Moreover, considerations will be given to the Sustainable Development Goals (SDGs), the 2030 Agenda, the Third Industrial Development Decade for Africa (IDDA III) Roadmap, and the United Nations respective roadmaps for the implementation of the Doha Programme of Action (DPoA) and the Vienna Programme of Action (VPoA).

**The Strategy emphasizes the importance of global solidarity and international cooperation to support Africa's industrialization efforts.** Thus, collaboration with national governments, intergovernmental organizations, development partners, and other stakeholders will be crucial to the success of the Strategy. Organizational arrangements will be realigned to enhance delivery modalities, leverage UNIDO's

expertise and technical know-how. A new operational structure and coordination mechanism will be implemented to improve effectiveness and efficiency, particularly through the integration of Headquarters and the UNIDO field network.

**Efficient follow-up, monitoring, reporting, evaluation, and learning mechanisms are critical for the successful implementation of the UNIDO Africa Strategy.**

These mechanisms will adhere to the results-based management (RBM) principles, the UNIDO Integrated Results Performance Framework (IRPF), and the Quality Assurance Framework (QAF). They will work in synergy with existing national, regional, and continental frameworks to evaluate UNIDO's contributions to Africa's industrialization.

**To ensure effective implementation and accountability, reporting practices will consolidate achievements at the national level, incorporating reports from various UNIDO programming frameworks.**

The Annual Conference of Ministers in charge of Industry, Economic Development, and Planning will serve as a platform for stakeholder reviews, convening annual plenary sessions at the continental level and regional workshops. At the regional and continental levels, UNIDO will conduct regular reviews of the strategy's implementation in collaboration with relevant stakeholders and partners. Linkages will be established with the African Union's Agenda 2063 and other flagship programmes focusing on industrial development, economic diversification, infrastructure, and trade.

**To promote accountability, facilitate learning, and inform future planning cycles, periodic progress reports and independent evaluations of the strategy will be conducted.**

Knowledge management will be prioritized to share best practices, information, and feedback, thereby enhancing the delivery of results. Various engagement platforms, including peer-to-peer mechanisms and the Annual Conference of Ministers in charge of Industry, Economic Development, and Planning, will provide valuable opportunities for stakeholder reviews and knowledge sharing across different levels of industrial development.

## I. Introduction

Africa is the scene of profound changes in all its five geographical regions (Central, Eastern, Northern, Southern and Western). From the persistent young and growing population to the expanding middle class and the dynamic regional integration progress among others, these changes represent opportunities and constitute “game changers” for the achievement of the overarching goals of ending hunger as well as reducing poverty and inequalities in Africa. To make the most of these opportunities, some long-standing and newly emerging challenges must be addressed. Key among these are the mobilization of domestic and external resources for economic growth and productive job creation, acceleration of structural transformation and diversification, and tackling climate change and other crises and conflicts.

Despite Africa’s impressive growth in the past decades and its remarkable potential for industrialization, the continent has not been able to lift most of its people out of poverty or substantially reduce inequalities. Moreover, the continent has not been able to create a sufficient quantity of better jobs required by youth and women joining the labour market every year. This active population in demand of employment is estimated to triple by 2030.

The Agreement establishing the African Continental Free Trade Area (AfCFTA) — which has the promotion of industrial development through diversification and regional value chains as well as agriculture development and food security as some of its main objectives— calls for an innovative approach for Africa. According to the World Bank, the Agreement could boost intra-African trade by up to 81 per cent by 2035, create larger and more lucrative markets, and foster a more competitive manufacturing sector. It could also lead to productivity-enhancing growth and the creation of productive and better jobs. This could bring income gains on the continent of between 7 per cent (US \$450 billion) and 9 per cent (US \$571 billion) by 2035 and lift up to 50 million people out of extreme poverty.

This new Strategy for Africa formulated by UNIDO builds on these foundations. The Strategy will promote inclusive and sustainable industrial development with a view to contributing to transforming the AfCFTA opportunities into reality. The strategy aligns with the UNIDO Medium-Term Programme Framework (MTPF) 2022-2025 that aims to integrate and scale up development results to accelerate Member States’ transformation towards inclusive and sustainable industrialization. It further considers UNIDO thematic and sectoral strategies and frameworks for specific country groupings such as the Least Developed Countries (LDCs), Middle-Income-Countries (MICs), Small Island Developing States (SIDS) and fragile and post-conflict countries. Lastly, the main regional, continental and global development frameworks and agendas such as the African Union Agenda 2063, industrial strategies of African Regional Economic Communities (RECs), the 2030 Agenda for Sustainable Development, the Doha Programme of Action for LDCs 2022-2031 and the IDDA III Roadmap guided the strategy formulation process.

In Africa, UNIDO works closely with local and national governments as well as regional and continental intergovernmental institutions to bear response to their industrial development needs and priorities. The collaboration benefits from rich partnerships with other stakeholders and development partners including the private sector, academia and NGOs.

Africa is the largest recipient of UNIDO’s technical assistance, representing above 50 per cent of the organization’s operations worldwide. All 54 African countries are covered through a network of 24 field offices, supported by investment and technology promotion offices and centres of excellence in sectors critical to the structural transformation and economic diversification of African economies.

Against this backdrop, the purpose of the UNIDO Strategy for Africa is to provide a common guiding framework for UNIDO’s collective, integrated and scaled-up interventions, as well as enhanced cooperation and partnership, in promoting and

accelerating inclusive and sustainable industrial development (ISID) in Africa. It proposes coherent and coordinated, cost-effective and impactful actions, ensuring that UNIDO delivers on the expectations of its Member States. It also aims to re-position UNIDO, to contribute effectively to the regional productive integration of the continent, in line with the AfCFTA. Moreover, the strategy should assist Member States to efficiently identify available assistance and services, and utilize available platforms for knowledge and technology transfer, as well as investment and innovation opportunities.

Lessons learnt from the previous years (2013-2022) were instrumental in developing the UNIDO Strategy for Africa. The strategy is anchored in the UNIDO Theory of Change that contributes towards structural transformation and well-coordinated inclusive and sustainable industrialization in Africa. As articulated in the African Union Agenda 2063: “The Africa We Want”, and its first (2013-2023) and second (2024-2034) ten-year implementation plans, structural transformation and industrialization are central pillars for the continent’s economic growth and sustainable development.

## II. Regional context

With about 17 per cent of the world’s population and about 20 per cent of Earth’s total land area, Africa is the second largest and the second most populous continent. It is rich in diversity but with significant national differences. It is home to 33 (out of 46) of the world’s LDCs, and to 28 (out of 106) middle-income countries. There are only two high-income countries in Africa.

The continent is often praised for its vast natural resources, young population and large market. Boarding 12 per cent of the world’s oil reserves, 40 per cent of its gold and 80-90 per cent of its chromium and platinum<sup>7</sup>, Africa holds around 30 per cent of all global mineral reserves. It further contains around 60 per cent of the world’s uncultivated arable land<sup>8</sup>. Africa’s population is expected to double by 2050. Around 60 per cent of the continent’s population is currently below 25 years of age and is likely to increase by 20 million each year until 2030. This could provide the necessary human capital for growth in all the sectors of the economy<sup>9</sup>.

The African economy should reach a GDP of \$29 trillion by 2050, powered by its agriculture, manufacturing, trade, and natural resources sectors<sup>10</sup>. Since the turn of the century, Africa has recorded encouraging growth. From 2001-2014, ten African countries were among the world’s top 30 growing nations. Sustained growth has led to a 25 per cent increase in GDP, with 29 countries now boasting middle- and high-income status. Cognizant of this vast potential, African countries adopted important policies and strategies, resolutions, decisions, declarations and initiatives at global, continental and regional levels to spur out industrialization. Yet, Africa remains the least industrialized, poorest and most vulnerable continent in the world.

### *Status of Africa’s industrialization*

Despite the recently impressive GDP growth, Africa accounts for only 3 per cent of the world’s GDP<sup>11</sup>. Africa’s 2021 share in global manufacturing value added (MVA) was around 2 per cent, compared to 54.1 per cent in Asia and 20.4 per cent in Europe. Though Africa’s MVA share is increasing, the average world MVA per capita is several times higher than Africa’s: in 2020 it was around nine times higher.<sup>12</sup> According to UNIDO, manufacturing share in total employment was 7.4 per cent in

<sup>7</sup> See African Ministerial Conference on the Environment, African Union, UNEP 2015.

<sup>8</sup> McKinsey Report 2016, 2010.

<sup>9</sup> AfDB 2016.

<sup>10</sup> World Population Review, 2023.

<sup>11</sup> UNIDO, 2020.

<sup>12</sup> UNIDO, 2020.

Africa, compared to 13.6 per cent worldwide in 2021<sup>13</sup>. Most of the population works in the informal sector, mainly agriculture and service sectors, which respectively employed an average of 51 per cent and 36 per cent of the working population in 2018.

Further, Africa is a marginal player in global trade and its total exports are declining. Although the recovery of African exports following the COVID-19 pandemic outpaced the rest of the world, growing at 42 per cent compared with the global average of 26 per cent in 2021, the continent's share of total exports remains small and has fallen in recent years. The continent's share of global manufacturing exports lags far behind, accounting for only roughly 1.3 per cent of world exports. The decline in exports coupled with a reliance on commodity exports has given the continent a persistent negative balance of trade that hampers its economic growth and consequently, job creation.

Moreover, Africa mainly exports primary commodities (raw materials and natural resources) and imports finished products. The trade deficit in manufactured goods is much higher than it is in total goods, reflecting Africa's dependence on foreign manufactured products. WTO estimates that over half of the region's exports are fuel and mining products, 25 per cent are manufactured goods, and 15 per cent are agricultural products. The continent currently imports more than 80 per cent of the pharmaceutical products it consumes. Over the period 2012-2019, the structure of Africa's manufacturing exports gradually changed with the incorporation of more sophisticated advanced products in its manufacturing exports mix. Consequently, the respective shares of medium- and high technology products in Africa's total manufacturing exports increased from 26.6 per cent and 4.0 per cent in 2012, to 31.9 per cent and 4.3 per cent in 2019, respectively<sup>14</sup>. However, manufacturing production continues to be concentrated in low-technology products such as food, textiles, clothing and footwear, although the automotive industry grew in 2018.

Intra-African exports comprise a relatively small share of overall African trade, accounting for only 15 per cent of total African exports in 2021, with a peak of 19 per cent reached in 2019. In 2021, African imports from within the continent represented only 14 per cent of its overall goods imports. They compare unfavourably to other continents, which have drawn on vibrant intra-continental trade to sustain growth, economic development and integration into the global economy. However, about 40 per cent of intra-African exports consist of manufactured goods, notably iron and steel, chemicals, and other semi-manufactures. This indicates that an increase in intra-African trade can provide a push for the development of the manufacturing sector.

Africa's private sector plays an important role in the continent's economy. It accounts for 80 per cent of total production, two-thirds of investments and three-quarters of credit. It also employs 90 per cent of the working-age population<sup>15</sup>. Most African private businesses are small and less productive, particularly in manufacturing. SMEs in Africa struggle to survive and grow into large firms, largely due to financial constraints<sup>16</sup>. Yet, SMEs that export or operate internationally are more productive, contribute more to higher paying jobs, especially in the low-wage segments of the economy, and grow 4 percentage points faster than non-exporting SMEs<sup>17</sup>. Although African enterprises have been adopting the Fourth Industrial Revolution (4IR) technologies; the level in the continent remains relatively low compared to other developing countries, due to market barriers and gaps in critical infrastructure for connectivity and accessibility. The skills gap is also pronounced in many African countries – LDCs in particular. Vocational and educational systems need to transform quickly to offer the skills required by the 4IR.

<sup>13</sup> UNIDO 2022.

<sup>14</sup> UNIDO 2020.

<sup>15</sup> UNECA, 2021.

<sup>16</sup> AfDB, 2019.

<sup>17</sup> Edinburgh Group, 2013.

Foreign direct investment (FDI) flows to the continent reached US \$46 billion in 2018, and US \$83 billion in 2021, but still accounted for just 5.2 per cent of world FDI flows. Growing demand for some commodities and a corresponding rise in their prices as well as growth in non-resource-seeking investment in a few economies underpinned the rise. While multinational enterprises from developing countries continued to expand their activities, investors from developed countries remained the key players.

#### *Regional differences*

Based on GDP values, Southern Africa is the richest of the five regions of Africa, followed by Northern Africa, Western, Middle and Eastern Africa (see statistical annex). In terms of industrialization level, indicated by MVA values, the Southern and Northern Africa regions lead. While the differences in MVA per capita and share of MVA in GDP are quite significant between the African regions, they follow a very similar trajectory in terms of industrial competitiveness. The five regions are similar in terms of obstacles and constraints to industrial development. However, the specific structural challenges of LDC, LLDCs, MICs or SIDs are more accentuated in specific region (see statistical annex).

#### *Challenges for Africa's industrialization*

Africa continues to face multiple challenges and constraints. The overarching challenges are low pace of structural transformation, insufficient economic diversification, and low level of industrialization and value addition. There is also a plethora of underlying development challenges, including weak productive capacity, limited production and export bases of manufacturing products, inadequate quality infrastructure, non-conducive business environment, stagnant trade and investment flows, low productivity, limited access to finance, high cost of capital, weak mobilization of domestic and external resources, mismatch between training and employment, limited human capacities/skills, and a weak technological base.

These are compounded by new and emerging challenges brought about by climate change, frequent terrorist insurgencies, increased incidences of disasters and public health emergencies, conflicts, fluctuating commodities, rising capital outflows. The COVID-19 arrived at a moment when prospects for many African countries were promising. At the beginning of 2020, Africa was on track to continue its economic expansion, with growth projected to rise. Important gains were registered in poverty reduction and health indicators. Technology and innovation were being embraced across the continent, with young Africans acting as early adopters of new digital platforms. By causing an increase in input prices, the war in Ukraine also negatively affected the manufacturing sector in Africa.

#### *Opportunities for Africa's industrialization*

Africa continues to make commendable strides towards **regional and continental integration**, its primary opportunity for structural transformation and economic diversification. The AfCFTA Agreement holds a strong potential to promote inclusive and sustainable industrialization through economies of scale and a more competitive manufacturing sector. It can also promote value addition, economic diversification, and the development of local and regional value chains. AfCFTA represents a market of around 1.3 billion people and a combined GDP of nearly US\$8 trillion (PPP). The World Bank estimates that the Agreement, if fully implemented, could bring income gains of US \$450 – US \$571 billion by 2035 – and lift up to 50 million people out of extreme poverty. This would involve a significant increase in FDI flows, channelled mainly into the manufacturing, agribusiness and services sectors, with a substantial impact on the volume and diversification of African exports.

The continent's RECs have also recognized the critical role of industrialization in their development agendas. To realize the objectives of AfCFTA and their regional

agendas, African RECs and individual countries are now beginning to articulate potentially effective **policies, strategies and programmes**. Many RECs and countries are also making efforts to create specific action plans to promote trade and identify new opportunities for diversification, industrialization and value chain development.

Other beneficial factors to spur Africa's industrialization include a **rising demand for manufactured goods** in Africa. While the continent's exports are concentrated in primary commodities, the imports are diverse and comprise mainly manufactured goods. African economies are remarkably import-dependent for even basic products, ranging from apparel to shoes and electronics. This could give rise to stronger manufacturing activity and as a result added value in Africa.

The **4IR** offers exciting opportunities for African manufacturers and MSMEs to create new business models and integrate into global value chains. New technologies have emerged that were not present when most African countries became independent, opening up new opportunities for industrial diversification, particularly in value-added services. The recent rise in some non-manufacturing sectors presents Africa with a real opportunity to diversify into the so-called **industries without smokestacks**. These modern sectors, including tradable services such as digital technology services, have key features in common with manufacturing. Not only do they benefit from technological change and productivity growth, they also exhibit tendencies for scale and agglomeration economies similar to manufacturing.

Africa is well endowed with **natural resources** necessary for a resource-based industrialization, through value-added commodity exports for instance. Within the continent, there is a good sense in which commodities can support the industrialization agenda. The region counts on a vast coastline and abundant marine resources which affords a unique opportunity to advance the blue economy. Improved **linkages with local suppliers and customers** can drive sustainable industrial growth to capture benefits from the commodities sector. Presently, many multinational operators in Africa's commodities sector, especially in mining, get supplies from international sources, wasting the local potential. Even in non-mining commodities, foreign players have a strong preference for procuring raw inputs from Africa and adding value outside the continent.

**Green industry** offers numerous industrial development and investment opportunities. New technologies can improve production efficiency, as well as reduce the generation of waste and emissions. They also have the potential to **attract more FDI**, which is already susceptible to rising labour costs and technological upgrading in large MICs such as China, India, and Brazil, offering thus an opportunity for industrialization to African countries.

#### **Key issues that will shape industrialization in Africa by 2030**

| <b>TRADE REGIMES</b>   | <b>CLIMATE CHANGE</b>   |
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| The establishment of the WTO in 1995 ushered in a rules-based international trading system that, unlike the General Agreement on Tariffs and Trade, allows for greater enforcement of compliance with trade regulations, and preferential treatments for structurally disadvantaged countries. | Africa accounts for less than 3 per cent of global GHG emissions but is disproportionately affected by climate change. Africa faces the challenge to minimize exposure of millions already living in severe poverty to climate threats and ensure environmental sustainability. |



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| <p><b>THE FOURTH INDUSTRIAL REVOLUTION</b></p> <p>The diffusion of 4IR technologies in Africa’s productive sectors will enhance the continent’s ability to catch up. It will reduce the technological gap and boost industrial competitiveness, employment creation and environmental sustainability.</p> | <p><b>GLOBAL SHIFT IN TRADE FLOWS AND VALUE CHAINS</b></p> <p>The epicentre of global manufacturing has shifted from North America and Western Europe to the global South. This shift portends major restructuring of trade flows and global value chains away from Africa, but also represents opportunities.</p> |
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#### *Guiding instruments*

Besides UNIDO’s medium term programme framework (MTPF) 2022-2025 and thematic/sectoral strategic frameworks (e.g. 4IR strategic framework, climate change strategy) as well as country grouping strategies (e.g. MICs, LDCs, LLDCs and SIDS), the strategic design and implementation of Africa’s industrial development programmes is guided by existing development agendas and related instruments (e.g. strategies, policies, frameworks, flagship initiatives), including other major multilateral instruments at regional, continental and global levels.

- i. **Regional development instruments:** These include particularly relevant strategies and policies of regional economic communities such as AMU, ECOWAS, COMESA, EAC, ECCAS, and SADC.
- ii. **Continental level guiding instruments:** These include particularly the African Union Agenda 2063: “The Africa We Want” and its successive 10-year implementation plan, African Union Action Plan for the Accelerated Industrial Development for Africa (AIDA), The African Continental Free Trade Area, The Comprehensive African Agricultural Development Programme (CAADP)/Common African Agro-Industrial Parks (CAAPs) Programme, The Programme for Infrastructure Development in Africa (PIDA), the Pan-African Investment Framework (PAIF).
- iii. **Global level guiding instruments:** 2030 Agenda for Sustainable Development, Doha Programme of Action for LDCs (2022-2031), Vienna Programme of Action for LLDCs (2014-2024), SIDS Accelerated Modalities of Action (SAMOA) Pathway, the Third Industrial Development Decade for Africa (IDDA III).

### **III. UNIDO value proposition**

As the United Nations specialized agency mandated to promote inclusive and sustainable industrial development (ISID), UNIDO assists Member States along transformative industrialization pathways in the areas of structural transformation and sectoral expertise, digital transformation and innovation, and climate-neutral and circular economy. As the central coordinator of ISID in the United Nations system, UNIDO plays a crucial role in providing a global platform for knowledge and technology transfer as well as mobilization of innovation.

UNIDO’s mandate cuts across the three dimensions of sustainable development (social, economic and environmental) for greater development results and large-scale impact. It delivers transformational development results such as: (i) policies and strategies for ISID and the SDGs; (ii) conducive industrial ecosystems; (iii) innovative, inclusive and sustainable businesses; (iv) effective strategic management for results.

UNIDO's value proposition for Africa is embedded in its core competences and functions, as follows:

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| <p><b>Strong technical cooperation capacities in selected key areas of industrial development</b></p> | <ul style="list-style-type: none"> <li>• Highly valued technical expertise combined with a large network of experts at global, regional and country level</li> <li>• Capacity-building approaches in the three impact dimensions of “Creating Shared Prosperity from industry”, “Advancing economic competitiveness” and “Environmentally sustainable industry”</li> <li>• Embedding interventions, including pilot demonstrations, into broader programmatic frameworks</li> <li>• Interventions tailored to the diversified needs of Member States, including LDCs/LLDCs, MICs and SIDs</li> </ul>   |
| <p><b>Analytical and research and industrial policy advisory services</b></p>                         | <ul style="list-style-type: none"> <li>• Applied economic research and evidence-based analysis on themes related to ISID at the global, regional, country and sector level</li> <li>• Formulation, implementation, monitoring and evaluation of industrial policies, strategies and related interventions</li> <li>• Generation and dissemination authoritative public knowledge on ISID, including industrial statistics and action-oriented knowledge products</li> </ul>  |
| <p><b>Strong partnerships capacities, models and convening power</b></p>                              | <ul style="list-style-type: none"> <li>• Programme for Country Partnership and its multi-stakeholder platforms to deliver ISID programmes</li> <li>• South-South, North-South and triangular cooperation providing opportunities for developing countries to learn from each other and to share best practices as well as build capacity and improving infrastructure</li> <li>• Establishment of stakeholder platforms and knowledge networks</li> </ul>  |
| <p><b>Normative and support in industrial standards compliance</b></p>                                | <ul style="list-style-type: none"> <li>• Implementation of conventions, protocols and declarations, norms, standards, codes of conduct, guidelines, recommendations and best practices for solving industrialization problems</li> <li>• Policy advice and capacity building, dissemination of normative products; facilitation of multilateral dialogue and coordination, transfer of legislation, policies, development plans and industrial technology between countries</li> <li>• Monitoring, collection, reviewing and reporting on all aspects of industrial development, serving as a clearinghouse for industrial information</li> <li>• Standard-setting processes and support for the correct implementation of norms and standards.</li> </ul> |
| <p><b>Extensive field presence at regional and country level</b></p>                                  | <ul style="list-style-type: none"> <li>• UNIDO centres of excellence include National Cleaner Production Centers (NCPC), GN-SEC and regional centres for RE and EE as well as 13 Investment and Technology Promotion Offices (ITPOs)</li> <li>• UNIDO field network consists of 48 regional and country offices</li> <li>• Programmatic coherence and strategic alignment with priorities and needs, collaboration with other United Nations entities, stakeholders and development partners and contributions to the United Nations development system reform</li> <li>• Resource mobilization, scale-up and replication of successful initiatives</li> </ul>   |

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| <b>Sustained strengthening of knowledge and institutions</b> | <ul style="list-style-type: none"> <li>• Production and dissemination of public knowledge on industrial development</li> <li>• Capacity and skills building on industrial systems</li> <li>• Enhancing business practices, technology transfer, policies and standards, investments and governance</li> <li>• Scaling-up development results through replication and mainstreaming</li> </ul>   |
| <b>Higher impact level of ISID results chain</b>             | <ul style="list-style-type: none"> <li>• Decent and productive job creation and retention, increased engagement of SMEs in value chains to ensure a better distribution of income, and improved access to manufactured goods for shared prosperity</li> <li>• Increased value added, productivity and savings in production processes, increased access to manufactured goods, economic competitiveness</li> <li>• Reducing emissions of CO<sub>2</sub> and other pollutants, increasing energy and resource efficiency, supporting green industry</li> </ul> |

With interventions at the national, regional and continental levels, Africa is the largest recipient of UNIDO's services and technical cooperation activities. Almost 50 per cent of UNIDO's portfolio in volume and nearly 33 per cent of its portfolio in monetary terms relate to African countries. In view of consolidating and deepening integration and scale-up of its work on the continent, in the context of the AfCFTA, UNIDO will aim to integrate ISID impact dimensions, and its focus areas of expertise through multi-theme approaches in its activities in Africa. Particularly for Africa, UNIDO strongly prioritizes deeper integration of continental, regional and national interventions for policy coherence, effective coordination, evidence -based development results and higher impact at scale.

When launching its interventions and partnerships, UNIDO responds to the specific needs and requirements of its Member States, giving particular attention to the special developmental needs of LDCs, LLDCs and SIDs in Africa. UNIDO will continue providing tailored solutions for Member States' specific development challenges and priorities, guided by relevant organizational strategies for MICs, LDCs, LLDCs and SIDS, as well as by regional approaches and South-South and triangular cooperation.

#### **IV. Vision, mandate, overall goal, strategic objectives and guiding principles**

##### *UNIDO Vision for Africa*

An industrialized Africa driving inclusive and sustained economic growth and sustainable development, thus reducing poverty and contributing to the achievement of the aspirations and goals of the African Union's Agenda 2063: The Africa We Want and the 2030 Agenda for Sustainable development.

##### *Overall Goal*

The key premise of the UNIDO Strategy for Africa is to ensure the full realization of UNIDO's unique mandate of promoting and accelerating sustainable industrial and economic development as well as its objective of supporting countries to industrialize in ways that foster digital and green transitions and accelerate progress with the Sustainable Development Goals.

Within the African context, UNIDO's Medium-term Programme Framework (MTPF) provides a directive for the UNIDO Strategy for Africa to contribute towards enhancing structural transformation, furthering economic diversification and value addition, creating jobs in African countries in an environmentally sustainable manner, while taking into account the megatrends shaping Africa's industrialization.

Anchoring Africa firmly on a path towards inclusive and sustainable industrial development entails multidimensional and systemic interventions in the economic, social, environmental and governance spheres. It also requires contributing to the integration of the infrastructure, industry, trade and peace and security agendas of Africa. This can be achieved by fostering broad-based and country/regionally/continentally owned processes that leverage financial and non-financial resources, promote regional integration, facilitate policy coordination and mobilize cooperation and transformative partnerships among African stakeholders and development partners.

Thus, the overall goal of the UNIDO Strategy for Africa is to leverage inclusive and sustainable industrial development (ISID) for improved living standards and well-being, transformed, sustainable, resilient economies and communities in Africa.

### *Strategic Objectives*

The strategic objectives of the UNIDO Strategy for Africa encompass the following:

1. Strengthening capacity and capability at local, national, regional and continental levels to strengthen and sustain an effectual, productive transformation process, facilitated by the AfCFTA, thus unlocking the continent's potential for integrated, inclusive and sustainable manufacturing;
2. Leveraging ISID to promote healthy and prosperous lives and well-being for all in line with Aspiration 1 and Goal 3 of the AU's Agenda 2063 as well as relevant goals of the 2030 agenda for Sustainable Development;
3. Pursuing equitable and transformative carbon-neutral and climate-resilient industrial development pathways;
4. Enhancing cooperation and partnerships with all relevant stakeholders and partners at local, national, regional, continental and global levels as well as initiating innovative approaches to resource mobilization.

| <b>The Seven Aspirations of the African Union's Agenda 2063: The Africa We Want</b> |   |
|---|---|
| <b>Aspiration 1</b>   | A prosperous Africa based on inclusive growth and sustainable development   |
| <b>Aspiration 2</b>   | An integrated continent, politically united and based on the ideals of Pan- Africanism and the vision of Africa's Renaissance.                      |
| <b>Aspiration 3</b>   | An Africa of good governance, democracy, respect for human rights, justice and the rule of law.   |
| <b>Aspiration 4</b>   | A peaceful and secure Africa.   |
| <b>Aspiration 5</b>   | An Africa with a strong cultural identity, common heritage, shared values and ethics.   |
| <b>Aspiration 6</b>   | An Africa, whose development is people-driven, relying on the potential of African people, especially its women and youth, and caring for children. |
| <b>Aspiration 7</b>   | Africa as a strong, united, resilient and influential global player and partner.  |

### *Guiding Principles*

- Ownership and leadership of the industrial development process by local, and national governments as well as relevant regional and continental intergovernmental institutions
- Mutual responsibility and accountability
- Strong alignment with the development priorities established in local, national, regional and continental development agendas, policies and strategies

- Increased use of national systems
- People-centred approach
- Gender, Youth and an inclusive approach
- Results oriented and lasting impact through transformative systems
- Integration and scale up of technical cooperation initiatives
- Policy coherence and coordination inter and intra geographical levels (national, regional and continental)
- Comprehensive and systemic approach
- Bolstered, innovative, multi-stakeholder partnerships, especially with the private sector and the Regional Economic Communities

## V. Focus areas, key actions areas and targets

The Strategy's objectives will be achieved through six main focus areas, namely:

- I. Investing in people and transforming communities for shared prosperity
- II. Enhancing firm and industry-level productivity and competitiveness for productive transformation
- III. Supporting AfCFTA implementation for accelerated regional productive integration
- IV. Promoting Sustainable Energy and Just Transition
- V. Promoting Sustainable Growth and Climate Action
- VI. Strengthening Cooperation, Strategic Partnership and Innovative Financing for industrialization

### **Focus Area 1: Investing in people and transforming communities for shared prosperity**

The emerging opportunities, vulnerabilities and shocks within the global development landscape make it imperative for Africa to accelerate the advancement of sustainable and equitable human development for its people. This is particularly important in light of the rapidly growing population— especially the large youth and working-age population, the rapid urbanization of cities and an informal sector that makes up 83 per cent of employment in Africa.

The potential in young people is the driving force of collective prosperity. This is particularly relevant for Africa, which has the world's youngest and most rapidly growing population. By 2030, Africa's population is projected to represent over 40 per cent of the world's young people and account for 75 per cent of those under the age of 35. By 2050, the teeming number of young Africans are forecast to form over a quarter of the world's labour force. Moreover, there is growing consensus that Africa's youthfulness will continue to grow for the next 50 years while the other continents are ageing. At present, young people aged between 15 and 24 constitute 19.4 per cent of the total population while children under 15 years are nearly 41 per cent of the total population; more than 60 per cent of Africa's population is under the age of 25. Going by their sheer numbers, the choices, opportunities and constraints of young people will continue to play a major role in shaping Africa's development.

The "Africa We Want" envisages, for all Africans, sustained and shared prosperity, characterized by a high standard of living, and anchored in high quality and inclusive education that is driven by science, technology, and innovation, including full access to affordable and quality health care, as well as affordable and decent housing. Investing in people and striving for transformed communities represent a pathway

towards greater equity, inclusive growth and sustainable development. African governments must strive to invest the agreed 1 per cent of their GDP on research and development, which by 2019, was only 0.42 per cent as opposed to the global average of 1.7 per cent. The World Bank's Africa Human Capital plan sets ambitious targets to boost sub-Saharan Africa's human capital, knowledge, health and resilience of its people. Thus, it is investing over \$34.2 billion across 228 human development projects in the region.

The work of UNIDO under this focus area will contribute to providing people and communities with industrial capacities and capabilities to leave no one behind. It will also generate opportunities for communities to become engine of inclusive, equitable and sustained growth and sustainable development, thus creating sustainable livelihoods and reducing poverty and hunger.

The planned activities should also include a specific dimension focusing on reduction of food imports, which already account for 20 per cent of total imports in sub-Saharan Africa. In addition, 75 per cent of sub-Saharan African economies were classified as food-deficit countries even before the current food price surge.<sup>18</sup>

| Key actions areas   | Targets  |
|---|--|
| <ul style="list-style-type: none"> <li>• Education and training</li> <li>• Youth and Women empowerment</li> <li>• Agrobusiness and agro-industry</li> <li>• Food security and nutrition</li> <li>• Health industry/local pharmaceutical manufacturing</li> <li>• Human security through income creation and employment opportunities</li> <li>• Rural communities development through productive activities</li> <li>• Transition from Informal to formal sector and connection to local supply chains</li> </ul> | <ul style="list-style-type: none"> <li>• Promote the development of entrepreneurial culture and industrial skills for employment, decent jobs and entrepreneurship</li> <li>• Provide technical and vocational training</li> <li>• Support women in acquiring skills and gaining access to productive and financial resources</li> <li>• Support the development and upgrading of the health and pharmaceutical industry</li> <li>• Significantly increase value addition to agricultural output and help reduce post-harvest losses</li> <li>• Generate job opportunities for rural communities</li> <li>• Increase food security, food safety and nutrition</li> <li>• Support the transition from informal to formal work in all sectors</li> </ul> |

## **Focus Area 2: Enhancing firm and industry-level productivity for productive transformation**

Sluggish growth in productivity, a key driver of growth and development, has left Africa lagging behind many developing countries which have powered to prosperity on the back of productivity gains<sup>19</sup>. Africa's labour productivity has remained at 12 per cent of the United States' levels since 2000. The Africa-to-Asia labour productivity ratio has decreased from 67 per cent in 2000 to 50 per cent in 2019. From 1960 to 2017, Sub-Saharan Africa registered the lowest annual average growth per worker of any region in the world.

This widening productivity gap suggests that capabilities are not diffused broadly. They remained confined to the most productive firms<sup>20</sup>, which are mainly the bigger

<sup>18</sup> FAO, 2021.

<sup>19</sup> World Bank, 2022.

<sup>20</sup> AU/OCDE, 2019.

ones not generating sufficient job surplus. The relatively less productive MSMEs account for more than 90 per cent of businesses on the African continent and are the primary drivers of innovation. The informal sector remains the major source of employment across Africa, accounting for nearly 83 per cent of employment in Africa and 85 per cent in Sub-Saharan Africa, thereby absorbing many of the continent's young employment seekers.

In Africa, the process of firms accumulating higher managerial, productive and technological capabilities (including the latest evolution of digital technologies applied to manufacturing such as advanced digital production (ADP) technologies or 4IR technologies) and diffusing them to industries and the rest of the economy is limited. This limitation is a result of inadequate investment in digital infrastructure, the digital readiness of the workforce, and investments in science, technology and innovation (STI).

Technological innovation and the deployment of ADP technologies affect essentially all spheres of business development including productivity, environmental sustainability and deeply change the competitiveness of firms and nations. With most of African economies dependent on unprocessed agricultural commodities and on mining activities with low knowledge content, the weak structure of Africa's productive systems is at the core of poor productivity, which limits growth and development outcomes.

Innovation and infrastructure strengthen inclusive and sustainable industrialization as the engine of sustainable development, a dynamic process that entails entrepreneurship, continued diversification and industrial upgrading, technological innovation and growing trade relations. Although structural transformation has not been sufficient to provide jobs, improve well-being or reduce poverty for Africa's teeming population, it still remains the pathway to economic development.

Thus, Africa urgently needs to narrow the remaining technology and industrialization gaps rapidly, in order to accelerate the transformation process. Innovation, technological, investment and entrepreneurship capabilities, among others, are key here. The work of UNIDO in this impact area will contribute towards sustaining productivity improvements that can ensure value-addition, desired pro-poor outcomes and contribute to improved living standards.

| Key actions areas   | Targets   |
|---|---|
| <ul style="list-style-type: none"> <li>• Industrial governance</li> <li>• Private sector development.</li> <li>• Value chains development and connection to regional and global value chains.</li> <li>• Entrepreneurship and MSMEs development</li> <li>• Digital transformation and innovation</li> <li>• Investment and technology promotion</li> <li>• Enterprise upgrading and modernization</li> <li>• Quality infrastructure</li> <li>• Access to innovative finance</li> <li>• Industrial agglomerations (e.g. Industrial parks, clusters and SEZ)</li> </ul> | <ul style="list-style-type: none"> <li>• Build productive and trade capacities</li> <li>• Support creation of enabling environment for private sector development</li> <li>• Ensure access to financial services and products for start-ups and MSMEs</li> <li>• Increase productivity and competitiveness at industry and firm level</li> <li>• Generate decent and productive jobs in industry and industry-related services and increase labour productivity</li> <li>• Increase capacities of local firms and industries for value addition, economic diversification and manufacturing export promotion</li> <li>• Support efforts to substantially improve innovation capacities</li> </ul> |

|  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Sustainability standards and responsible business</li> <li>• Value chains development and connection to regional and global value chains</li> </ul> | including digital innovation ecosystems |
|--|---|

### **Focus Area 3: Supporting AfCFTA implementation for accelerated regional productive integration**

The responsibility for industrial development rests primarily with national governments. However, regional integration has enormous potential to contribute to the realization of national industrial development objectives by various means including providing a large- scaled regional market.

The AfCFTA, one of the AU Agenda 2063 flagship programmes, aims to deepen regional integration and promote structural transformation, with a view to enhancing competitiveness at the enterprise and industry levels through exploitation of opportunities for scale production, improved market access and efficiency in resource allocation. It is estimated that Africa's manufacturing sector could double in size under the AfCFTA, with annual output increasing from US\$500 billion in 2015 to \$1 trillion by 2025 and creating over 14 million stable, well-paid jobs as well as new cooperation frameworks and agreements.

Some attributes of the regional economy as well as global conditions present Africa with opportunities to industrialize. Regional cooperation in infrastructure development would lower transaction costs, enhance the development of regional markets, and make manufacturing production and exports more competitive. By harmonizing policies, regional integration reduces the regulatory burden on African firms and serves as an external agency of restraint on domestic policies. Regional integration is an effective vehicle for promoting peace and security, which are essential for reducing uncertainties associated with investment. It facilitates the development of financial markets, improves access to credit and enhances competitiveness of domestic manufacturing firms. Regional integration also encourages enterprise and entrepreneurship development in Africa. The COVID-19 pandemic has additionally emphasized the importance of regional integration as a key element of Africa's recovery efforts. The pandemic effects underscored the need to coordinate better on regional disease surveillance and response plans, keep regional trade flows open, address fragility that could spill across borders and support private sector recovery.

Under this focus area, UNIDO will contribute to the achievement of the objectives of the AfCFTA and other flagship programmes of the AU's Agenda 2063, including the Action Plan for Implementation of the Accelerated Industrial Development of Africa (AIDA) and the Common African Agro-Parks (CAAPs) Programme. In doing so, it will focus on integration and scale up of all the dimensions of its work at regional and continental levels.

| <b>Key actions areas</b>   | <b>Targets</b>  |
|--|---|
| <ul style="list-style-type: none"> <li>• Regional industrial governance AfCFTA implementation</li> <li>• Regional/Continental value chains</li> <li>• Cross-borders and regional industrial agglomerations</li> <li>• Regional ecosystems for enterprise upgrading including cluster development</li> <li>• Continental and regional quality infrastructure</li> </ul> | <ul style="list-style-type: none"> <li>• Develop and strengthen regional productive systems (e.g. formulate and implement national/regional AfCFTA strategies, develop and strengthen regional and continental value chains and connection to global value chains, establishment of cross-borders and regional industrial hubs, creation of trade corridors)</li> </ul> |



|  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• Continental and regional sustainable food systems</li> <li>• Regional innovation systems</li> </ul> | <ul style="list-style-type: none"> <li>• Development of regional ecosystems for enterprise-upgrading including clusters and networks development to better access markets</li> <li>• Continental and regional Quality infrastructure development</li> <li>• Continental and regional sustainable food systems development</li> <li>• Support other regional flagship initiatives (e.g. AIDA, PIDA, CAADP/CAAPs,)</li> <li>• Support regional private sector development</li> <li>• Data revolution: establish Africa Industry Observatory (AIO), strengthen national industry observatories, develop a comprehensive African Industrialization Index (AII) and produce an Annual report on African Industrialization</li> <li>• Support the AfCFTA Secretariat in the development and implementation of relevant protocols</li> <li>• Increase regional productive capacities for value addition, economic diversification and export of manufactured goods</li> <li>• Strengthened value addition, quality and standards compliance and export diversification</li> </ul> |
|--|--|

#### **Focus Area 4: Sustainable energy and just transition**

The supply of adequate, affordable, reliable, quality, safe and environmentally sound energy services is critical to sustainable development and socio-economic transformation. Notwithstanding the importance of energy to achieving structural transformation, Africa's ambition towards industrializing and diversifying in the new climate economy faces challenges on three levels namely, the generation, transmission and utilization of energy. The current low levels of access to modern energy services on the continent means that Africa will have to utilize all forms of its abundant energy resources including renewable and non - renewable energy to meet its energy needs. The challenge of energy access is such that one in three people in the continent are still without access to electricity.

Global and regional financial institutions, in particular the World Bank, are helping increase access to affordable, reliable and sustainable energy across the continent with operations that support grid extension and expansion of transmission networks, innovative off -grid electrification solutions, expansions or renewable generation capacity, development of regional power pools, and improvement of service efficiency.

The drive towards the climate economy and net-zero emissions by 2050 faces serious challenges considering the growing energy demand to power Africa's industrial growth targets and the level of investments needed to transition towards net-zero

carbon emission. These financial institutions are helping safeguard Africa’s progress by supporting efforts that will expand and accelerate electrification in Eastern and Southern Africa and help their economies transform to low-carbon green economies.

Under this focus area, UNIDO will contribute to ongoing efforts with its technical expertise and know-how, to mobilize relevant resources and partners and launch large-scale initiatives in the energy sector. This will help in building up Africa’s electrical capacities and energy efficiency, and contribute to greater environmental sustainability.

| Key actions areas   | Targets  |
|---|--|
| <ul style="list-style-type: none"> <li>• Access to affordable, reliable, sustainable and modern energy solutions for high value-added industries in urban and rural areas for productive uses</li> <li>• Energy entrepreneurship, innovation and business models</li> <li>• Energy technology value chains and industry</li> <li>• Investment and access to climate finance</li> <li>• Energy markets and regional integration</li> <li>• International advocacy for a “fair”, “accountable” and “inclusive” energy transition for Africa</li> <li>• Leverage regional flagship initiatives (e.g. Africa Renewable Energy Initiative – AREI)</li> </ul> | <ul style="list-style-type: none"> <li>• Supporting the elaboration of policies and regulatory framework conducive to access to affordable, reliable, sustainable and modern energy solutions for high value added industries in urban and rural areas for productive uses</li> <li>• Promotion of energy entrepreneurship, innovation and business models</li> <li>• Developing energy technology value chains and industry</li> <li>• Unlocking investment at scale and facilitating access to climate finance for the deployment of low carbon, climate resilient products and services for productive uses</li> <li>• Creating energy markets and fostering their regional integration</li> <li>• Undertaking international advocacy for a “fair”, “accountable” and “inclusive” energy transition for Africa</li> </ul> |

### Focus Area 5: Sustainable growth and climate action

Africa has a wealth of natural resources, including minerals, renewable energy sources, land, biological diversity, wildlife, forests, fisheries, and water. These all offer significant potential for human, social and economic development. Still, it faces a host of environmental problems ranging from adverse climate change impacts, desertification, deforestation, land degradation, biodiversity loss and air, water, and soil pollution due to inadequate chemicals and poor waste management.

Being the engine of economic growth, industry generates prosperity and increases living standards for many segments of society around the world. While industry has been responsible for large-scale and systematic depletion of natural resources and severe pollution of air, water and soil, it is also a solution. Economic sectors like fisheries or aquaculture have a key role to play in the protection and conservation of marine ecosystems for resilience and long-term prosperity. Innovation and technological developments that arise from the process of industrialization contribute to environmental protection and sustainable development by making production processes cleaner, supporting renewable energy production, and promoting green product development.

In the race between climate change and climate action, climate change retains a commanding lead. While cities in high-and-upper-middle-income countries that account for the bulk of CO<sub>2</sub> emissions are not moving quickly enough toward net zero emissions, cities in lower-income countries with very marginal CO<sub>2</sub> emissions

are not acting fast enough to moderate their emissions trajectories. Sustainability requires measures to ensure that any reductions in global emissions made by cities in higher-income countries are not eventually offset by unchecked emissions trajectories in lower-income countries.

UNIDO's intervention under this action area will support the attainment of environmentally sustainable industrial development in Africa.

| Key action areas   | Targets  |
|--|--|
| <ul style="list-style-type: none"> <li>• Enabling environments, mechanisms and incentive structures</li> <li>• Capacity of relevant private sector institutions and advisory services</li> <li>• Global and regional networking and knowledge management</li> <li>• Regional “Circular Economy Accelerator Network” for Africa</li> <li>• Multilateral conferences and Global fora</li> <li>• Regional flagship initiatives (e.g. AU Climate change and resilient development strategy and action plan)</li> <li>• Urbanization management.</li> </ul> | <ul style="list-style-type: none"> <li>• Developing of enabling environments, implementation of mechanisms and incentive structures for sustainable industrial processes, products and services</li> <li>• Strengthening the capacity of relevant private sector institutions and provide advisory services to related industrial value chains for green economic transformations</li> <li>• Foster global and regional networking and knowledge management for the application of best practices, strategies and instruments for just transitions to circular economies, sectors, value chains and firms</li> <li>• Launch a regional “Circular Economy Accelerator Network” for Africa</li> <li>• Participation in multilateral conferences and meetings and provision of relevant guidance to Member States, as appropriate</li> <li>• Active organization, participation in, and collaboration with global fora focusing notably on circular economy approaches, chemicals and waste management and responsible materials sourcing</li> <li>• Better manage urbanization to preclude ten erosion of natural capital</li> </ul> |

### **Focus Area 6: Cooperation, strategic partnerships and financing for industrialization**

Inclusive and sustainable development entails the mobilization of all relevant stakeholders and partners including government, private sector, development partners, academia, think tanks and NGOs to build necessary cooperation and partnerships towards maximizing the impact at scale of UNIDO interventions.

Financing is a key issue in the promotion of Africa's industrial development. Africa has the lowest level of self-financing programmes. Africa currently attracts a negligible fraction of the rapidly growing global flows of investment. The bulk of the limited investment attracted to the continent goes into a few countries and for the extraction of mineral resources.

The success of the UNIDO Strategy for Africa relies on the mobilization of the requisite non- financial and financial resources including private investments for countries to achieve higher levels of inclusive and sustainable industrial development.

| Key actions areas  | Targets  |
|--|--|
| <ul style="list-style-type: none"> <li>• Public domestic resource mobilization through budgetary resources for country programmes and seed funding for country presence</li> <li>• Channelling of official development assistance in support of industrial development</li> <li>• Cooperation and partnerships with regional and continental intergovernmental institutions including with AU, AUDA-NEPAD, RECs and Regional Development Banks and Financial Institutions</li> <li>• Regional and continental flagship initiatives that work towards inclusive and sustainable industrialization and integration of the infrastructure, trade and industry pillars of the Agenda 2063.</li> <li>• Engagement with multilateral donors and strategic partnerships with global financial institutions and development banks</li> <li>• Attraction of Foreign Direct Investments (FDI)</li> <li>• Private sector engagement and investment in industrial development</li> <li>• South-South, North-South and Triangular Cooperation</li> <li>• Effective engagement in the United Nations system at country and regional levels to enable seizing joint country/region-oriented funding opportunities</li> <li>• IDDA III implementation</li> </ul> | <ul style="list-style-type: none"> <li>• Strengthen engagement with national governments</li> <li>• Establish and reinforce strong cooperation and partnerships, including with AU, AUDA-NEPAD, AfCFTA Secretariat, RECs and regional development financial institutions</li> <li>• Leverage AU flagship programmes including AU Summit Action Plan on industrialization and Economic Diversification</li> <li>• Effective engagement in the United Nations system at country and regional levels</li> <li>• Expand UNIDO’s enhanced Multi-Stakeholder Partnership approach at national and regional levels</li> <li>• Mobilize innovative financing</li> <li>• Reinvigorate/increase private sector and foundations engagement</li> <li>• Reinforce South-South, North-South and Triangular Cooperation</li> <li>• IDDA III and other Internationally</li> <li>• Agreed Development Goals (IADGs) implementation</li> </ul> |

## VI. Delivery modalities and organizational arrangements

The UNIDO Strategy for Africa 2023-2025 will be operationalized through an implementation plan identifying targeted actions, specific roles and responsibilities of various actors and stakeholders as well as innovative resource mobilization avenues. The indicators and targets will be in line with the UNIDO Integrated Results Performance Framework (IRPF) and the first (2013–2023) and second (2024–2034) implementation plan of the Africa Union Agenda 2063. It will also take into consideration the SDGs and targets of the 2030 Agenda, the IDDA III Roadmap and the United Nations Roadmaps for Accelerated Implementation of the DPoA and the VPoA.

UNIDO will implement the strategy in collaboration with all national governments as well as regional and continental intergovernmental organizations, including the AU and relevant specialized agencies, the RECs, development partners including United Nations entities and development financial institutions (DFIs), relevant private sector partners, academia and non-governmental organizations.

In the spirit of global solidarity and international cooperation, UNIDO will work in close cooperation with the international community to further strengthen efforts on exploring innovative partnership modalities for better alignment of AU's strategic partners' agendas in support of Africa's industrialization with industrial strategies of national governments and intergovernmental regional and continental organizations. In this vein, UNIDO will also explore funding opportunities deriving from major initiatives of the international community that are to be developed together with DFIs in support of Africa's inclusive and sustainable industrialization and economic transformation.

Achieving positive change in working modalities and organizational arrangements to deliver on UNIDO's aspirations for Africa will require a realignment of organizational arrangements. This strategy document highlights the rich, diverse and relevant value proposition of UNIDO, focusing on the expertise of its staff and the thematic variety of its technical know-how, deemed extremely relevant and sought after within the current development cooperation landscape.

Along with the United Nations Reform both at country and regional levels as well as the significant progress in achieving the continental integration agenda, UNIDO will adjust and strengthen its modes of delivery towards greater integration and scaling up of its work to seize the new opportunities and meet the expectations of MS in line with the visions of continental and regional African institutions.

In this regard, significant innovations and a new strategic approach will be introduced in UNIDO's technical cooperation delivery and organizational arrangements. This will lead to greater effectiveness and efficiency in supporting African Member States to face their industrialization challenges and to take advantage of opportunities. In connection with this, one of the crucial aspects of its delivery modalities is the role assigned to the UNIDO Field network including the field offices.

It is equally important that an optimal integration mechanism between the expertise at Headquarters and experience of the Field network (including proximity to policymakers and donors on the ground) be implemented to better support Member States. Based on the outcomes of the ongoing field reform process, a new operational structure and coordination mechanism will be implemented to improve UNIDO delivery modalities and organizational arrangements in order to work better together and deliver faster with impact at scale. These new arrangements will focus on the following key priorities and implementation principles:

*Key priorities and implementation principles:*

- Maintaining regular high policy and development dialogues at regional and continental levels;
- Deriving projects and programmes from strategic frameworks at national, regional and continental levels;
- Providing support through a programmatic approach over a medium to long-term horizon at regional and continental levels;
- Linking/backing up continental initiatives to financial facilities as means of implementation in partnership with relevant stakeholders and partners (e.g. 3ADI+, PMPA);
- Expanding UNIDO's multi-stakeholder partnership approach at national and regional levels
- Optimizing the configuration of UNIDO field network, strengthening capacity of Field offices including stronger stakeholders/partners engagement and resource mobilization functions of field offices;
- Enhancing the use of national and regional systems for implementation of TC projects;

- Reinforcing FOs integration, reporting and communication with HQs (Promoting effective “One UNIDO”);
- Communicating on and largely disseminating development results in a systematic and systemic manner in the field;
- Initiating and implementing a new resource mobilization strategy.

## **VII. Monitoring, reporting, evaluation and learning**

Efficient follow-up, monitoring, reporting, evaluation and learning mechanisms and platforms at the national, regional and continental levels are crucial for the successful implementation of the UNIDO Africa Strategy. These mechanisms and platforms will be implemented in line with Results Based Management (RBM) principles and practices. They will also follow UNIDO’s Integrated Results and Performance Framework (IRPF) and Quality Assurance Framework (QAF) approaches and tools. Moreover, in monitoring and reporting on the results of the implementation of the Strategy, UNIDO will ensure full alignment and synergy with the mechanisms of existing national, regional and continental frameworks of relevance for the strategy. These complementary frameworks will also serve to assess UNIDO’s various contributions to Africa’s industrialization.

Furthermore, the reporting practices will aggregate and consolidate relevant results achieved at national level. Thus, the reports will consider annual reports produced by UNIDO programming frameworks including Country Programmes (CP), Programme for Country Partnership (PCP), standalone projects and other delivery modality jointly agreed upon between the Member States and UNIDO. The existing country-level review mechanisms and reporting practices will be further strengthened to measure progress and track changes.

Organizing or “reviving” the Conference of Ministers in charge of industry, economic development and planning will create an important platform for regular stakeholder reviews. The conference will take place annually and include a plenary segment at continental level with various stakeholder workshops at regional level.

At regional level, UNIDO and RECs will undertake an annual review of the implementation of the UNIDO Strategy for Africa in close coordination and cooperation with relevant regional stakeholders and partners including private sector organizations and development finance institutions. The review mechanisms at regional level will draw on national reviews and contribute to continental reviews.

At the continental level, UNIDO and the AUC will undertake biennial review the implementation of the UNIDO Strategy for Africa, with the final report prepared in time for adoption at the relevant session of the UNIDO General Conference. The Conference of Ministers in charge of Industry, Economic Development and Planning will thus contribute to the review and monitoring process and advance the preparation of the biannual report, in close coordination and cooperation with relevant stakeholders and partners.

Effective linkages will be made with the follow-up and review arrangements of the implementation of the AU Agenda 2063 and all relevant flagship programmes including the Action Plan for Implementation of the Accelerated Industrial Development of Africa (AIDA), the Common Africa Agro-Parks (CAAPs) under the CAADP, the Programme for Infrastructure Development in Africa (PIDA) and the AFCFTA as well as the AU Summit Action Plan on Industrialization and Economic Diversification.

The Secretariat will prepare and submit to the governing bodies a periodic progress report on the implementation of the UNIDO Strategy for Africa. An independent evaluation of the Strategy will be conducted by independent consultant(s) in the penultimate year of the Strategy to inform the development of the next Strategy. The

Strategy evaluation will be in accordance to UNIDO rules and procedures, which adhere to United Nations Evaluation Group (UNEG) norms and standards and follow OECD-DAC criteria. The evaluation will be done to ensure accountability, support learning and inform decision-making on the design of the next planning cycle.

As part of the evaluation and learning, UNIDO will intentionally focus on strategic knowledge management geared toward information sharing, sharing of best practices, learning from feedback to improve the delivery of results. Best practices will be documented from the monitoring and evaluation reports and shared with Member States at the annual conferences of ministers of industry. The entire spectrum of actors that are involved in industrial development from the micro level (people, local communities, firms) through the meso level (intermediary institutions) to macro level (government bodies, global actors) will be engaged.

The platforms that will be used will include peer-to-peer mechanisms, South-South cooperation, webinars, seminars and annual conferences such as the Conference of Ministers in charge of Industry, Economic Development and Planning at regional and continental levels.

## VIII. Statistical annex

Given the rich diversity of the continent and the significant differences that exist between countries, a brief look at industrial performance at the regional level would be useful to provide a better understanding of the dynamics of industrialization on the continent in order to adopt the most appropriate strategic orientations. UNIDO's Competitive Industrial Performance (CPI) Index allows for cross-country comparisons of industrial competitiveness. The index indicates how successful a country's industries are, in relative terms, at producing and selling their goods in domestic and foreign markets while moving along the technological ladder. Hence, a detailed picture of the context in Africa's geographical sub-regions is presented below.

Figure 1 exhibits the considerable heterogeneity of the industrial competitiveness of Africa's geographical regions. While Southern Africa and Northern Africa are positioned in the upper half of the figure, supported by the industrial performance of economies such as South Africa, Morocco and Egypt, other African regions – Western, Middle and Eastern Africa – occupy the bottom three positions of the ranking.<sup>21</sup>

<sup>21</sup> UNIDO International Yearbook of Industrial Statistics 2022. Available at: <https://www.unido.org/resources-publications-flagship-publications/international-yearbook-industrial-statistics>.

Figure 1  
Simple average of CIP rank by geographical region

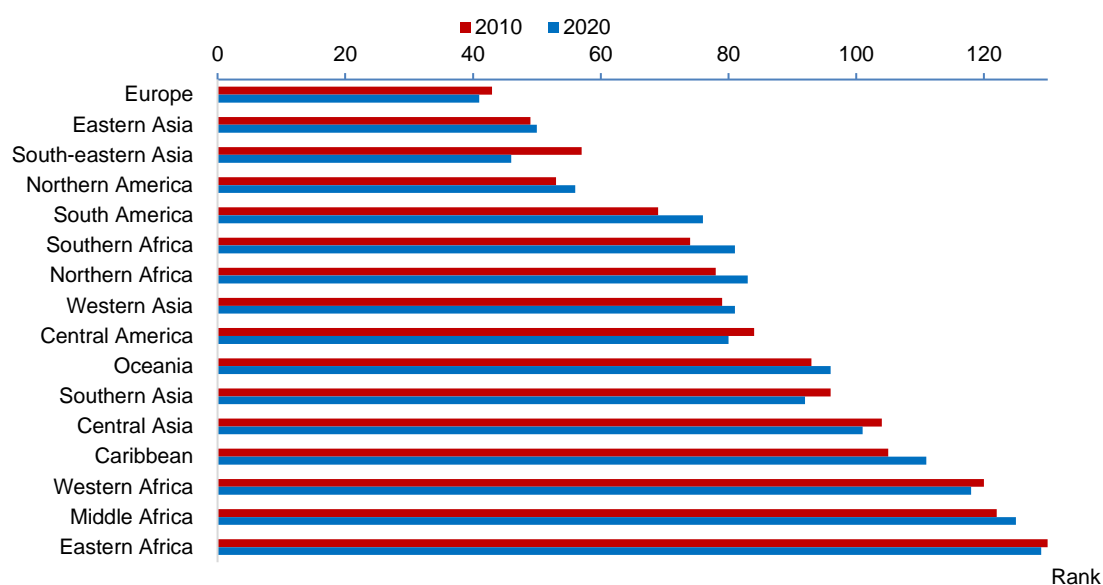


Table 1 sheds some light on the differences and similarities among the five Africa regions. The general statistics confirm the ranking observed above. The 2019 values indicate that Southern Africa is the richest of the five regions, with an average GDP per capita of USD 5,455 and an average MVA per capita of USD 632. It is followed by Northern Africa, with an average GDP per capita of USD 3,462 and MVA per capita of USD 422. The poorest region is Eastern Africa, with a GDP per capita of USD 896 and MVA per capita of USD 65.<sup>22</sup>

Table 1  
GDP and MVA per capita, 2012-2019 (at constant 2015 US Dollars)

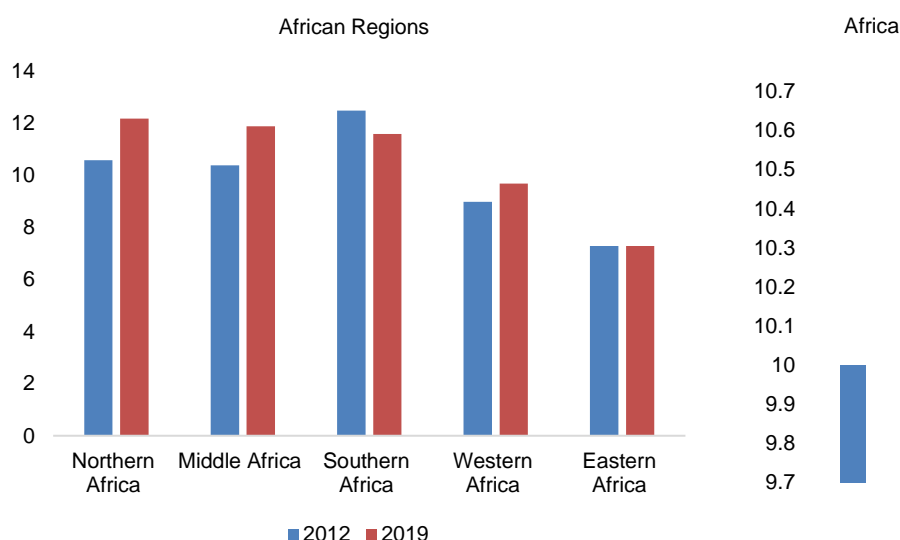
| Region          | GDP per capita (constant 2015 USD) |       | MVA per capita (constant 2015 USD) |      | Population (million) |       |
|-----------------|------------------------------------|-------|------------------------------------|------|----------------------|-------|
|                 | 2012                               | 2019  | 2012                               | 2019 | 2012                 | 2019  |
| Eastern Africa  | 722                                | 896   | 53                                 | 65   | 358                  | 433   |
| Middle Africa   | 1,528                              | 1,378 | 159                                | 164  | 140                  | 174   |
| Northern Africa | 3,711                              | 3,462 | 392                                | 422  | 210                  | 241   |
| Southern Africa | 5,466                              | 5,455 | 684                                | 632  | 60                   | 67    |
| Western Africa  | 1,768                              | 1,856 | 159                                | 181  | 324                  | 391   |
| Africa          | 1,972                              | 1,954 | 198                                | 208  | 1,093                | 1,306 |

The share of MVA in GDP provides a slightly different picture (Figure 2), suggesting that Northern Africa was in 2019 the continent's most industrialized region. The region's manufacturing sector registered an MVA share of 12.2 per cent in GDP in 2019. Northern Africa was followed by Middle Africa, with a share of MVA in GDP of 11.9 per cent, and by Southern Africa, whose share decrease from 12.5 per cent in 2012 to 11.6 per cent in 2019. Western Africa registered a slight increase during the period of analysis and recorded a MVA share in GDP of 9.7 per cent in 2019, which is slightly below the average of the entire continent, namely 10.6 per cent. Eastern Africa ranked low with a stable share of MVA in GDP of 7.3 per cent [UNIDO, 2020].

<sup>22</sup> UNIDO Competitive Industrial Performance Report 2020. Available at: <https://stat.unido.org/content/publications/competitive-industrial-performance-report-2020>.



Figure 2  
Share of MVA in GDP, 2012-2019



Recent post-COVID-19 statistics offer further insights. Despite a growth rate of 1.6 per cent in 2022, the Southern Africa region remained the richest region and regained the position of the continent's most industrialized region. Southern Africa was followed by Central Africa with a share of MVA in GDP of 11.1 per cent, and by Northern Africa whose share decreased from 11.7 per cent in 2021 to 10.7 per cent in 2022. Western Africa registered an increase in share of MVA in GDP from 9.7 per cent in 2019 to 10.3 per cent in 2022, comparable to the continental average of 10.4 per cent in 2022. Eastern Africa continued to rank low despite a MVA growth rate of 3.8 per cent, the third on the continent, and a share of MVA in GDP of 8.4 per cent, an increase compared to 2019 [UNIDO, 2020].

Table 2  
Industrial indicators by area group (UNIDO2022<sup>b</sup>)

|                    | MVA per capita 2022 (2015, US\$) | MVA growth rate 2022 (%) | MVA share in GDP 2022 (%) | MHT share in MVA 2020 (%) | Share in world MVA 2022 (%) | Industry value added share in GDP 2022 (%) | Manufacturing share in employment 2021 (%) | CO2 intensity of manufacturing 2020 (Kg/US\$) |
|--------------------|----------------------------------|--------------------------|---------------------------|---------------------------|-----------------------------|--|--|---|
| World              | 1,875                            | 3.0                      | 16.8                      | 45.1                      | 100.0                       | 21.4                                       | 13.6                                       | 0.4   |
| Africa             | 206                              | 3.3                      | 10.4                      | 22.9                      | 2.0                         | 19.7                                       | 7.4  | 0.5   |
| Northern Africa    | 383                              | 4.4                      | 10.7                      | 25.1                      | 0.7                         | 23.2                                       | 11.6                                       | 0.6   |
| Sub-Saharan Africa | 167                              | 2.8                      | 10.2                      | 21.6                      | 1.3                         | 18.0                                       | 6.7  | 0.4   |
| Western Africa     | 193                              | 2.3                      | 10.3                      | 28.8                      | 0.6                         | 15.9                                       | 8.5  | 0.2   |
| Eastern Africa     | 80                               | 3.8                      | 8.4                       | 10.7                      | 0.3                         | 13.7                                       | 5.2  | 0.4   |
| Central Africa     | 143                              | 4.7                      | 11.1                      | 5.6                       | 0.2                         | 31.1                                       | 6.6  | 0.2   |
| Southern Africa    | 659                              | 1.6                      | 11.4                      | 23.1                      | 0.3                         | 18.9                                       | 8.7  | 1.0   |

While the African regions show significant differences in MVA per capita and share of MVA in GDP, they follow a very similar trajectory in terms of industrial competitiveness. The five regions have similarities in terms of obstacles and constraints to development. However, the intensity of the specific challenges of LDC/LLDCs, MICs or SIDs varies across geographical regions depending on the representation of these country groupings in each region.

**Eastern Africa** is the home of 18 countries comprises 14 LDCs (Burundi, Comoros, Djibouti, Eritrea, Ethiopia, Madagascar, Malawi, Mozambique, Rwanda, Somalia, South Sudan, Tanzania, Uganda and Zambia), 2 MICs (Djibouti, Kenya, Tanzania and Zimbabwe), 2 HICs (Mauritius and Seychelles) and 3 SIDS (Comoros, Mauritius and Seychelles). According to the United Nations Population Division, roughly 457 million people live in East Africa (in 2021). All the countries belong to at least one of the regional economic communities composing the Tripartite Free Trade Agreement (TFTA), namely EAC, COMESA and SADC.

**Middle Africa** (as used by the United Nations) is the home of 9 countries, with 6 being LDCs (Angola, Burundi, Central African Republic, Chad, Democratic Republic of Congo, and Sao Tome and Principe), 6 MICs (Angola, Cameroon, Congo, Equatorial Guinea, Gabon and Sao Tome and Principe) and 1 SIDS (Sao Tome and Principe). According to the United Nations Population Division, approximately 185 million people live in Central Africa (in 2021). All the countries are member states of the Economic Commission of Central African States (ECCAS) with some of them being member states of other regional economic communities such as the Southern African Development Community (Angola and Democratic Republic of Congo), COMESA and EAC (Burundi, DRC).

**Northern Africa** comprises 5 MICs (Algeria, Egypt, Libya, Morocco and Tunisia) and 1 LDCs (Sudan). Except Egypt and Sudan that are member states of the Common Market for Eastern and Southern Africa (COMESA), the other countries are member states of the Arab Maghreb Union (AMU).

**Southern Africa**<sup>23</sup> comprises 5 countries (Botswana, Eswatini, Lesotho, Namibia and South Africa) all 5 MICs and 1 LDCs (Lesotho) listed by the United Nations geo-scheme, with a total population of about 68.3 million people (in 2021). All the countries are member states of the SADC and one of them part of COMESA (Eswatini).

**Western Africa** is the home 16 countries of which 12 LDCs (Benin, Burkina Faso, Gambia, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Senegal, Sierra Leone and Togo), 4 MICs (Cabo Verde, Côte d'Ivoire, Ghana and Nigeria) and 1 SIDS (Cabo Verde). According to the United Nations Population Division, an estimated 412 million people live in West Africa (in 2021). All the countries are member states of the Economic Commission of West African States (ECOWAS).

**GC.20/Res.2 STRENGTHENING MEMBER STATES' CAPACITIES IN DEVELOPING PRODUCTIVE, RESILIENT AND SUSTAINABLE SUPPLY CHAINS<sup>24</sup>**

*The General Conference,*

*Recalling* the Lima Declaration: Towards inclusive and sustainable industrial development (GC.15/Res.1), which calls upon the United Nations Industrial Development Organization to enhance its support for the efforts of countries towards achieving inclusive and sustainable industrial development,

*Also recalling* the Abu Dhabi Declaration (GC.18/Res.1), which recognizes the important role of the development and adoption of improved and responsible business practices; the promotion of enhanced international industrial standards; impact investments; and effective policymaking aimed at bridging inequality gaps while ensuring the sustainable use and management of natural resources, and equal opportunities for all to achieve inclusive and sustainable industrial development,

<sup>23</sup> The African Union lists 10 countries of which 4 LDCs (Angola, Malawi, Mozambique and Zambia) and 7 MICs (Angola, Eswatini, Botswana, Lesotho, Namibia, South Africa and Zimbabwe).

<sup>24</sup> Submitted by Bangladesh and co-sponsored by Finland.

*Recognizing* the role of productive, resilient and sustainable supply chains in driving inclusive and sustainable industrial development as emphasized through UNIDO's thematic priority on supply chains (IDB.51/6),

*Also recognizing* the alignment of this priority area with the medium-term programme framework 2022–2025 (IDB.49/8-PBC.37/8) in that it draws on a broad range of technologies and sector-specific skills to be transferred to promote low greenhouse gas emissions and climate-resilient industrial development in the light of different national circumstances, foster innovation and accelerate structural transformation, in line with the objectives of the 2030 Agenda for Sustainable Development and the Paris Agreement on climate change, as reported through the Director General's update on the medium-term programme framework (IDB.51/10),

*Acknowledging* UNIDO's long-standing and continued efforts towards productive and sustainable supply chains through its programmatic work with a particular emphasis on supporting Member States, small and medium-sized enterprises in producer countries and workers in championing the relevant Sustainable Development Goals, as well as promoting and facilitating the effective and efficient participation and/or integration of developing countries in global and regional sustainable supply chains, as well as relevant and applicable sustainability standards to ensure shared gains from global trade by generating value at all stages of production,

*Welcoming* the continued efforts of the Secretariat to identify, in consultation with Member States, new approaches to deliver UNIDO's technical assistance in the field of sustainable supply chains to support Member States and producers in a way that creates synergies with all relevant stakeholders from the public and private sector with a view to maximizing the positive impact towards sustainable supply chains,

*Noting* the need to strengthen this commitment towards ensuring that all actors gain from transitioning to more sustainable production in global and regional supply chains, especially small and medium-sized enterprises in producer countries, in light of legally binding international agreements, as applicable, as well as emerging regional and national legislation,

*Requested* the Director General within the mandate and the budget of UNIDO:

1. To continue engaging and cooperating with the public and private sectors and all relevant stakeholders dealing with inclusive and sustainable industrial development, in consultation with concerned Member States, to foster an inclusive process that makes all voices heard to create productive, resilient and sustainable supply chains globally and regionally; to meaningfully enhance the transfer of technology, on mutually agreed terms, and the transfer of knowledge and related know-how, technical and financial support and tools including supply chains digitization to developing countries, and share experiences and best practices to promote actions conducive to trade liberalization and investments;
2. To strengthen its programmatic work and develop a holistic proposal on supporting Member States, firms and workers in further developing productive, resilient and sustainable supply chains, including targeted, sustainable and effective support measures for small and medium-sized enterprises, women and youth in particular, to ensure that all actors can reap the benefits of global and regional supply chains, supporting the needed transition to a more equitable, inclusive, sustainable and economically-viable future for all;
3. To report to the twenty-first session of the General Conference, through the intervening sessions of the Industrial Development Board on up to date developments including the challenges encountered and achievements made regarding the implementation of the present resolution.

*10th plenary meeting  
1 December 2023*

**GC.20/Res.3 UNIDO ACTIVITIES RELATED TO THE VIENNA MINISTERIAL DECLARATION FOR THE LEAST DEVELOPED COUNTRIES<sup>25</sup>**

*The General Conference,*

*Taking note* of the tenth Ministerial Conference of the Least Developed Countries, convened in Vienna on 24 and 25 November 2023,

*Recognizing* the importance of the Vienna Ministerial Declaration for the Least Developed Countries, adopted by the tenth Ministerial Conference of the Least Developed Countries and contained in the annex of the present resolution,

1. *Invited* the Director General to take special account of the needs of the LDCs in accelerating inclusive and sustainable industrial development, in cooperation with relevant partners and stakeholders during the current Decade of Action, particularly with a view to support the implementation of the Doha Programme of Action for the LDCs for 2022–2031, building on the deliberations and outcomes of the tenth Ministerial Conference of the Least Developed Countries;

2. *Welcomed* the UNIDO Operational Strategy for the Least Developed Countries 2022–2031, developed in line with resolution GC.19/Res.3, and *requested* the Director General to develop an action plan for its implementation, in close consultation with Member States and relevant partners and stakeholders, ensuring alignment with the Doha Programme of Action for LDCs and relevant UNIDO strategic frameworks and policies, and to mainstream the new Operational Strategy into the overall work of the Organization;

3. *Invited* UNIDO to duly implement the operational strategy for LDCs 2022–2031, within regular budget and extrabudgetary resources, and *encouraged* its Member States and partners to support this endeavour, including through mobilization of adequate additional resources for normative leadership, policy and advisory services, as well as technical projects and programmes conforming to the priorities outlined in the operational strategy, and capitalizing on the previous good practices and innovative cooperation models, including the UNIDO Programmes for Country Partnerships (PCP);

4. *Invited* UNIDO to continue its contribution to the work of the Inter-agency Task Force on the LDC Graduation support, led by the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, inter alia, by providing necessary inputs on the role of industrialization in the graduation of LDCs;

*Requested* the Director General to report to the twenty-first session of the General Conference, through the intervening sessions of the Industrial Development Board on related UNIDO activities and to continue to report annually to the United Nations Secretary-General on its work in the LDCs.

*10th plenary meeting  
1 December 2023*

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<sup>25</sup> Submitted by Rwanda as Chair of the tenth UNIDO Ministerial Conference of the Least Developed Countries.

## Annex

### Ministerial Declaration

#### **Fair Globalization: Innovative Solutions for LDCs' Industrialization and Structural Transformation"**

*We*, the Ministers of Industry, Economy, Trade and/or Commerce, and Heads of Delegation of the Least Developed Countries (LDCs) participating at the Tenth United Nations Industrial Development Organization (UNIDO) Ministerial Conference of the LDCs, held on 24 and 25 November 2023 in Vienna, Austria,

*Gathered* to deliberate on innovative solutions for LDCs' industrialization and structural transformation, to share strategic guidance and foster multi-stakeholder partnerships for the acceleration of inclusive and sustainable industrial development (ISID) in LDCs,

*Welcoming the adoption* of the Doha Programme of Action (DPoA) for the LDCs for the Decade 2022–2031 at the Fifth United Nations Conference on the LDCs (LDC5), on 17 March 2022, and UNIDO's valuable contributions to the second part of the conference, held from 5 to 9 March 2023 in Doha, Qatar,

*Also welcoming* the General Assembly resolution [A/RES/76/258](#), which endorsed the DPoA, the various commitments made towards the DPoA implementation by developed countries, the entities of the United Nations system, international and development financial institutions and other development partners during the LDC5, and particularly the agreed five key deliverables of the DPoA that, once implemented, will assist the LDCs in removing structural impediments to inclusive growth and sustainable development,

*Recalling* the strong commitment from the Heads of State and Government and representatives of States to advancing the concrete deliverables of the Doha Programme of Action with respect to the feasibility of a system of stockholding or alternative means, such as cash transfers, taking into account possible economic implications and risks; an online university or other equivalent platforms; an international investment support centre; a sustainable graduation support facility; and comprehensive multi-hazard crisis mitigation and resilience-building measures for least developed countries, requesting the OHRLLS to further elaborate on these deliverables and call upon the development partners and other stakeholders to fully support the timely and effective operationalization of the deliverables,

*Welcoming* the Secretary-General's call to Action for accelerated Food Systems Transformation (FST) launched at the United Nations Food Systems Summit +2 Stocktaking Moment on 26 July 2023 including its call to fully operationalize the LDC5 Food Stockholding Mechanism,

*Recognizing* the critical importance of the work of the Technology Bank for the Least Developed countries in improving their scientific research and innovation base, promoting networking among researchers and research institutions, helping LDCs access and utilize critical technologies, and drawing together bilateral initiatives and support by multilateral institutions and the private and industrial sector, and to implement projects contributing to the use of STI for economic development in LDCs,

*Taking note* with appreciation of the contributions made to the Bank by the host country Türkiye and other countries and call upon all members, especially donor countries and other development partners to make substantive contributions to the Bank for its effective functioning as a focal point for the Least Developed Countries and recently graduated Least Developed countries to strengthen their science, technology and innovation capacity towards building sustainable productive capacities and promoting structural economic transformation,

*Recalling* the 2030 Agenda for Sustainable Development, its Sustainable Development Goals (SDGs) and its acceleration within the Decade of Action, the 2015 Addis Ababa Action Agenda, which is an integral part of the 2030 Agenda, the 2020 United Nations Quadrennial Comprehensive Policy Review (QCPR), which will guide the United Nations development system over the period 2021–2024, the United Nations Convention to Combat Desertification, the United Nations Framework Convention on Climate Change and the Paris Agreement on Climate Change, the Sendai Framework for Disaster Risk Reduction 2015–2030, the 2016 New Urban Agenda,

*Recalling also* other relevant frameworks, such as the LDC 2050 Vision: towards a climate-resilient future, the United Nations system-wide strategy on South-South and triangular cooperation for sustainable development (2020–2024), the Small Island Developing States Accelerated Modalities of Action (SAMOA) Pathway, the Vienna Programme of Action for the Landlocked Developing Countries for the Decade 2014–2024, the African Union’s Agenda 2063: The Africa We Want, the Agreement Establishing the African Continental Free Trade Area (AfCFTA), the General Assembly resolution [A/RES/70/293](#) proclaiming the Third Industrial Development Decade for Africa (IDDA III) (2016–2025), as well as the ASEAN Community Vision 2025 and the ASEAN Trade in Goods Agreement (ATIGA),

*Welcoming* General Assembly resolution 77/246, which decided to hold the upcoming Third United Nations Conference on Landlocked Developing Countries (LLDCs), in 2024 in Kigali, with the objective to review the implementation of the Vienna Programme of Action for LLDCs and to shape the new development agenda for LLDCs for the next decade; and General Assembly resolution 77/245, which decided to hold the Fourth International Conference on Small Island Developing States (SIDS), in 2024, with the aim to assess the ability of SIDS to achieve sustainable development, including the 2030 Agenda for Sustainable Development and its SDGs, and to agree on a bold new programme of action for SIDS; and commending the Government of Rwanda and the Government of Antigua and Barbuda, respectively, to host the two conferences.

***Do hereby:***

*Endorse* the new UNIDO Operational Strategy for the Least Developed Countries for the period 2022–2031, developed in close alignment with the Doha Programme of Action and its six key focus areas for action, and through consultation with all the Member States, particularly LDCs, enclosed herewith as an annex,

*Call upon* our various development partners, including traditional and emerging donor countries, regional economic communities, financial institutions, entities of the United Nations systems, private sector actors as well as academia and various centres of excellence and research, to support UNIDO in the implementation of the new strategy, as a contribution to the DPoA and the 2030 Agenda for Sustainable Development, as well as other relevant frameworks for action.

***In light of the above, we:***

*Call upon* the least developed countries, their development partners, the United Nations system and all other actors to further intensify their efforts to fully and effectively implement, in a coordinated, coherent and expeditious manner, the commitments that have been made in the Framework for the Doha Programme of Action for the Least Developed Countries in its six priority areas, namely, (a) investing in people in least developed countries: eradicating poverty and building capacity to leave no one and no place behind; (b) leveraging the power of science, technology, and innovation to fight against multidimensional vulnerabilities and to achieve the Sustainable Development Goals; (c) supporting structural transformation as a driver of prosperity; (d) enhancing international trade of least developed countries and regional integration; (e) addressing climate change, environmental degradation, recovery from the COVID-19 pandemic and building resilience against future shocks

for risk-informed sustainable development; and (f) mobilizing international solidarity, reinvigorated global partnerships and innovative tools and instruments: a march towards sustainable graduation,

*Call upon* development partners, including the United Nations development system, IFIs, MDBs, multilateral institutions and all other relevant actors to implement the Doha Programme of Action by integrating it into their respective development plans, policies, strategies and programmes, as appropriate, to ensure enhanced, predictable and targeted support to the least developed countries, and giving special attention to least developed countries emerging from conflicts as set out in the Programme of Action, and the delivery of their commitments, and to consider appropriate ambitious measures to overcome challenges, shortfalls or shortcomings, and *request* them to participate fully in reviews of the Programme of Action at the national, subregional, regional and global levels,

*Welcome* the commitment in the DPoA to adopt and implement investment promotion regimes for the least developed countries, reiterating the decision to provide financial and technical support for project preparation and contract negotiation, advisory support for investment-related dispute resolution, access to information on investment facilities, improving enabling environments, and risk insurance and guarantees such as through the Multilateral Investment Guarantee Agency and in this regard, *request* the Secretary-General to explore the feasibility of establishing an international investment support centre for least developed countries in the form of a one-stop shop to mobilize support for the implementation of the investment promotion regime for least developed countries and graduated countries, and to submit the study and recommendations to the General Assembly,

*Encourage* the swift implementation of the United Nations Energy pledge and call upon its members to accelerate actions on all fronts to reach the milestone target by 2025 to raise energy access investment to US\$40 billion of which 50 per cent is directed to the Least Developed Countries. Furthermore, request the Energy Compact Action Network, supported by UN-Energy which was launched on 4 May 2022, to enhance support, through fostering new commitments and attract catalytic finance and investment for driving progress towards the achievement of SDG7 in LDCs,

*Also encourage* Governments, the United Nations system and relevant stakeholders, including the private and industrial sector to leverage the cost-competitiveness of renewable energy, along with appropriate policy initiatives and investments, to enhance renewables-based electricity supply in LDCs, which are falling behind trends in renewable capacity growth observed in other developing countries (+9.8 per cent year-on-year growth in 2021). To this end, the various governments are invited to put in place their national integrated financing strategy in order to identify all existing and probable sources of development financing and implement the necessary reforms,

*Look forward* to COP28 and *call upon* parties to make progress and reach an agreement, among others, on operationalizing and financing the loss and damage fund and a new goal for climate finance, with specific focus on adaptation and mitigation to support least developed countries and all other developing countries to address climate vulnerabilities, including through enhancing climate-resilient industries,

*Request* UNIDO to liaise with its Member States and relevant partners and stakeholders in order to develop an implementation plan with an effective coordination mechanism supported by a knowledge transfer and stakeholder coordination online platform and the biennial organization of the ministerial conferences of the LDCs, containing also concrete activities, indicators and targets, as well as timeline of activities, which will guide the implementation of the new Operational Strategy for the LDCs 2022–2031,

*Also request* UNIDO to regularly report to all its Member States on the implementation progress, following the finalization of the plan preparation process and endorsement through its policymaking organs, in line with established practices,

*Invite* UNIDO to continue its contribution to the work of the Inter-agency Task Force on LDC Graduation Support, led by UN-OHRLLS, particularly by taking the lead in the provision of necessary inputs on the role of industrialization in the graduation of LDCs and by contributing to the work of the Task Force related to the development of the DPoA Roadmap and to monitoring and reporting on the progress in the DPoA implementation,

*Also invite* UNIDO to collaborate with other entities of the United Nations system in the delivery of technical assistance aimed at strengthening the capacity of least developed country Governments to undertake the major phases of industrial policy and other policies aimed at structural transformation, including diagnosis, planning, implementation and evaluation,

*Invite* the international community, including the United Nations system agencies, to foster regional integration and in the spirit of solidarity and partnership, through joint programming, public-private partnerships, and support for the establishment of an international development institute for South-South and Triangular Cooperation and through UNIDO's model of Programme for Country Partnership (PCP), in support of LDCs' accelerated industrialization and structural transformation, in line with the DPoA and UNIDO's Operational Strategy for LDCs 2022–2031,

*Congratulate* the LDCs that are currently in various stages of the graduation process<sup>26</sup> and *call upon* UNIDO to work closely with OHRLLS and its partners to support other LDCs towards their graduation, and to facilitate smooth graduation and transition process of countries scheduled for timely graduation, including through its industrial policy expertise and advisory function, as part of the strategy implementation process and in line with the DPoA target of 15 additional LDCs meeting the graduation criteria by 2031,

*Call* on Member States to support the operationalization of the Sustainable Graduation Support Facility – iGRAD by OHRLLS, as Chair of the inter-agency task force on least developed country graduation, and the Department of Economic and Social Affairs, as the secretariat for the Committee for Development Policy, to enable it to provide concrete, country-led solution of dedicated capacity development support,

*Invite* the private sector, civil society and foundations to contribute to the implementation of the Doha Programme of Action in their respective areas of competence in line with the national priorities of the least developed countries,

*Appeal* to the donor countries that left UNIDO to take the necessary steps to rejoin the organization to strengthen its support to the LDCs,

*Call upon* WTO members to support the agenda for LDCs in the forthcoming World Trade Organization (WTO) thirteenth Ministerial Conference (MC13) to be held in Abu Dhabi, United Arab Emirates in February 2024,

*Encourage* UNIDO Secretariat to strengthen its cooperation with FAO, IAEA and other relevant partners on food security agenda.

<sup>26</sup> As of September 2023, the following 16 LDCs are in the process of graduation: Bhutan is scheduled to graduate on 13 December 2023; Angola, Sao Tome and Principe are due to graduate in 2024; Bangladesh, Nepal and Lao People's Democratic Republic are due to graduate in 2026; Solomon Islands is due to graduate in 2027, furthermore Cambodia, Comoros, Djibouti, Senegal and Zambia first met the graduation criteria in 2021, Kiribati and Tuvalu are recommended for graduation by the Committee for Development Policy (CDP); and the CDP deferred the recommendation on their graduation of Myanmar and Timor-Leste to 2024.



## Annex I

## UNIDO Operational Strategy for the Least Developed Countries 2022–2031

## I. Background

1. Since 1971, the United Nations (UN) has recognized the Least Developed Countries (LDCs) as the poorest and most vulnerable segment of the international community.
2. The LDCs face structural and emerging challenges, including but not limited to the following:
  - The low level of investment in research and development, and socioeconomic development in the LDCs, which is characterized by historically weak development capacity and scarcity of domestic financial resources, inter alia results in low and unequally distributed income – with women and girls, young people, persons with disabilities, older persons, indigenous peoples, local communities, refugees, displaced persons and migrants being disproportionately affected.<sup>27</sup>
  - The LDCs are severely food insecure and often need help to meet their food demand domestically. They typically rely on agrarian economies affected by low productivity and inadequate food production infrastructure, as well as high post-harvest losses, which result in an increasing dependency on food imports. Regional conflicts exacerbate food insecurity further by constraining trade and access to food.<sup>28</sup>
  - Many LDCs face the challenge of a chronic trade deficit and cannot move away from exporting primary goods. Some LDCs have been able to diversify into the manufacturing sector, though they often remain highly limited to products in labour-intensive industries, such as textiles and apparel.<sup>29</sup> Trade patterns have exposed most LDCs to commodity price volatilities and global shocks.
  - Most LDCs tend to underperform in the usual engines of growth: entrepreneurship, innovation and technology ecosystems. Despite recent efforts, such ecosystems still need to be successful in mobilizing entrepreneurs, entrepreneurial support organizations, academia, public and private sector stakeholders, and financiers to a degree sufficient to foster digital transformation in society. The entrepreneurial system, dominated by self-employed persons and microenterprises, remains marked by the so-called “missing middle”, a phenomenon whereby many firms fail to go beyond the start-up phase to grow in size and become innovative, dynamic players.<sup>30</sup>
  - The utilization of advanced digital production (ADP) technologies in manufacturing and agri-business sectors are highly limited in most LDCs. Barriers to adopting digitalization are often due to insufficient awareness of and lack of access to technologies and their application.<sup>31</sup>
  - Additionally, the impacts of the COVID-19 pandemic and the Ukraine crisis have disturbed manufacturing industries and caused disruptions in global value chains and the supply of product,<sup>32</sup> heightening the risk of conflict and fragility.

<sup>27</sup> Source: United Nations data. More information is available at: [www.un.org/ohrrls/content/about-least-developed-countries](http://www.un.org/ohrrls/content/about-least-developed-countries).

<sup>28</sup> Source: OECD data. More information is available at: <https://oecd-development-matters.org/2022/07/05/the-expanding-threat-to-food-security-in-least-developed-countries/>.

<sup>29</sup> Source: WTO data. More information is available at: [www.wto.org/english/res\\_e/booksp\\_e/boosting\\_trade\\_opportunities\\_for\\_ldcs\\_e.pdf](http://www.wto.org/english/res_e/booksp_e/boosting_trade_opportunities_for_ldcs_e.pdf).

<sup>30</sup> Source: Report of the Secretary General A/77/254. Entrepreneurship for sustainable development. Available at: <https://digitallibrary.un.org/record/3985466?ln=en>.

<sup>31</sup> Source: UNIDO data. More information is available at: [www.unido.org/resources-publications-flagship-publications-industrial-development-report-series/idr2020](http://www.unido.org/resources-publications-flagship-publications-industrial-development-report-series/idr2020).

<sup>32</sup> Source: UNIDO data. More information is available at: <http://stat.unido.org>.

They have exposed and increased the existing global inequalities, especially affecting the LDCs and the digital and vaccine divide.

- Although they bear the least responsibility for climate change, the LDCs are the most affected by its implications. Many mineral rich LDCs do not have the needed capacities and regulatory systems for sustainable mining, processing, and recycling of minerals to reshape mineral supply chains and achieve sustainable industrial decarbonization. However, by becoming competitive low-carbon economies, the LDCs could support the high mineral demand needed to build a global, renewable energy-based future.<sup>33</sup>

3. Since its establishment in 2001, the United Nations Office of the High Representative for the LDCs, Landlocked Developing Countries (LLDCs) and Small Island Developing States (SIDS) (UN OHRLLS) has been working to mobilize and coordinate the United Nations system and other stakeholders towards supporting implementation, coherent follow-up and monitoring of the Programme of Action (PoA) for the LDCs at the country, regional and global levels. Following the implementation, completion and assessment of the Istanbul Programme of Action (IPoA) 2011–2020, the fourth United Nations Programme of Action for LDCs since its inception, the UN OHRLLS facilitated the development of the Doha Programme of Action for the LDCs for the Decade 2022–2031 (DPoA). The DPoA was adopted at the first part of the Fifth United Nations Conference on LDCs (UN LDC5) on March 17, 2022. It includes six focus areas and manifests a new generation of renewed and strengthened commitments between the LDCs and their development partners, including the private sector, civil society, and governments at all levels.

4. The DPoA acknowledges that the LDCs represent enormous human, cultural, and natural resource potential for sustainable economic growth, welfare, peace, prosperity, and food and energy security. Nevertheless, significant future efforts are necessary to harness the available potential and reach the DPoA targets. Notably:

- The LDCs are endowed with rich natural resources. However, the depletion of natural resources to export raw commodities is economically and environmentally unsustainable. Many LDCs have largely untapped but abundant renewable energy resources, including solar, hydro, wind, geothermal energy, and biomass. In this regard, domestic and international support is strongly needed in the form of financial, technology transfers and capacity building.
- The DPoA provides the necessary momentum for a reinvigorated global partnership for the sustainable development of the LDCs. It also acknowledges the special role of the private sector as forerunners of technological change and innovation, contributors to effective policies, and investment partners for infrastructure development. Finally, North-South, South-South, and triangular cooperation are vital to LDCs.

5. UNIDO places particular emphasis on LDCs in its work. It has been engaging with the LDCs, the United Nations system, including the UN OHRLLS, and other development partners in the PoA formulation and implementation processes. The Organization also formulated its operational responses and strategies accordingly. The UNIDO Operational Strategy for the LDCs 2011–2021 was aligned with the IPoA. The current Operational Strategy for the LDCs 2022–2031 aligns with the DPoA and is based on a comprehensive assessment of the previous operational strategy and identified best practices. It further guides UNIDO's work in LLDCs. However, UNIDO does not have a strategy or position paper specifically designed for those countries, considering that 17 out of 32 LLDCs are also LDCs.

6. UNIDO has a comparative advantage within the United Nations system in addressing industry-related challenges in LDCs. Its interconnected areas include

<sup>33</sup> Source: WB data. More information is available at: [www.worldbank.org/en/news/feature/2022/06/06/mineral-rich-developing-countries-can-drive-a-net-zero-future](http://www.worldbank.org/en/news/feature/2022/06/06/mineral-rich-developing-countries-can-drive-a-net-zero-future).

structural transformation and sectoral expertise, digital transformation and innovation, sustainable energy, agri-business and entrepreneurship development, investment and technology promotion, industrial decarbonization, and circular economy. In the context of the Fourth Industrial Revolution (4IR), artificial intelligence, climate and environment and, environment protection and industry decarbonisation have become even more essential in UNIDO's response to regional and global challenges. The Organization also promotes gender equality, youth and women's empowerment, and the principle of leaving no one and no place behind. All these competencies and approaches are indispensable for addressing the LDCs' existing challenges.

#### **Box 1: Imperative to act**

- Currently consisting of 46 nations (33 of which are in Africa, 9 in Asia, 1 in the Caribbean and 3 in the Pacific) and comprising some 14 per cent of the global population, the LDCs account for only 1.3 per cent of the global GDP, 1.4 per cent of global FDI and just under 1 per cent of global merchandising exports.<sup>34</sup> LDCs in Asia are progressing at a higher speed than those in Africa. This is, on the one hand, due to the higher share of Manufacturing Value Added in GDP in Asian LDCs than in African LDCs, and on the other hand, due to the higher levels of regional integration in Asia.
- They host about 40 per cent of the world's poor, while most suffer from acute conflict and internally displaced persons or recover from one leading to substantial numbers of internally displaced persons, migrants and refugees.
- For the LDCs, the share of food imports in total merchandise exports was 25 per cent on average in recent years, substantially higher than the world average of about 5 per cent.<sup>35</sup>
- While the share of manufactured products in exports from the LDCs increased from 22 per cent in 2011 to 40 per cent in 2019, owing mainly to a higher share of clothing products, the majority of the LDCs have nonetheless remained largely dependent on commodities for production and trade.<sup>36</sup>
- In a quarter of the world's LDCs, more than 75 per cent of the population lacks access to electricity. Even in urban centres, up to one-third of the population does not have access to electricity. Rural electrification is particularly low, with two-thirds of the rural LDC population (458 million people) completely without access.
- The LDCs are estimated to account for approximately 1.1 per cent of total world CO<sub>2</sub> emissions from fossil fuel combustion and industrial processes.<sup>37</sup>

## **II. Mandate**

7. On 18 November 1971, the United Nations General Assembly resolution 2768 (XXVI) requested UNIDO to initiate, as appropriate, action-oriented programmes, within its specific fields of competence, in favour of the LDCs. UNIDO's 1975 Lima Declaration dedicates section IV, para. 62, to "the least developed, landlocked and

<sup>34</sup> Source: Doha Programme of Action for the LDCs 2022–2031.

<sup>35</sup> Source: Report of the Secretary-General A/77/291. Food insecurity in the least developed countries: options for a system of stockholding and complementary means at the global, regional and subregional levels. Available at: <https://digitallibrary.un.org/record/3987325?ln=en>.

<sup>36</sup> Source: Report of the Secretary General A/76/71. Implementation of the Programme of Action for the Least Developed Countries for the Decade 2011–2020. Available at: <https://digitallibrary.un.org/record/3922148?ln=en>.

<sup>37</sup> Source: UNIDO data. More information is available at: <https://unctad.org/topic/least-developed-countries/chart-october-2021>.

island developing countries” which laid down the grounds for the promotion of their industrialization through specific projects and measures.

8. Guided by the Abu Dhabi Declaration, UNIDO pursues inclusive and sustainable industrial development (ISID) to harness its full potential to contribute to lasting prosperity for all. Furthermore, via the Vienna Ministerial Declaration of the LDCs adopted at the 19th session of the UNIDO General Conference, the Member States called upon UNIDO to develop its Operational Strategy for the LDCs and to mainstream it into the overall work.

9. Lastly, the DPoA calls upon the entities of the United Nations development system to integrate the PoA into their strategic plans, annual work programmes and reporting at all levels. Applying a mainstreamed and integrated approach for transformative change, the Organization’s Medium-Term Programme Framework 2022–2025 asserts that UNIDO’s assistance for LDCs is guided by strategically focused approaches, in coordination with partners within and outside the United Nations development system.

### **III. Vision 2031**

10. Structurally transformed LDCs, where low-emission, climate-resilient industry, thriving agribusiness, strong institutions, dynamic private sector and skilled labour force all drive resilient, diversified and competitive economies and local content are well integrated into regional and global value chains for fair and responsible resource use and long-lasting prosperity of the population.

### **IV. Mission statement**

11. Recognizing the special status and vulnerability of the LDCs and acknowledging ISID as the key driver of structural transformation, UNIDO is committed to supporting the LDCs in achieving sustainable and irreversible graduation from the LDC group through lasting industrial and economic development, in cooperation with relevant stakeholders and partners. UNIDO’s Operational strategy for the LDCs 2022–2031 will constitute a guiding framework for bilateral, regional, global and thematic engagements in relation to the LDCs during the next decade, and as such will reflect the Organization’s special focus on LDCs in its overall programme of work.

### **V. Scope**

12. In assisting the LDCs, UNIDO is guided by the 2030 Agenda for Sustainable Development. The Operational Strategy is aligned with the Doha Programme of Action and its targets. Noting that the majority of the LDCs are in Africa, UNIDO’s work in the LDCs is also guided by the Africa Union’s Agenda 2063: The Africa We Want, the mandate of the Third Industrial Development Decade for Africa IDDA III (2016–2025), and will aim to support the African Continental Free Trade Area (AfCFTA) Agreement.

13. The Operational Strategy seeks alignment with other UNIDO strategic frameworks, including the Strategy for Post-conflict/-crisis Situations, the Strategy for Small Island Developing States, the Strategy for Gender Equality and Empowerment of Women, as well as other regional and thematic strategies, and the South-South and triangular institutes and industrial cooperation (SSTIIC) approach.

14. UNIDO assists its Member States through four core functions, including (i) technical cooperation; (ii) analytical and research and policy advisory services; (iii) normative functions and standards-related activities; and (iv) convening function and partnerships for the development and implementation of industrial transition strategies. These will form a basis for implementing policies and the Operational Strategy for the LDCs 2022–2031 while striving for better integration of its services and scale-up in its impact.

## **VI. Guiding principles aligned with the focus areas of the Doha Programme of Action**

15. One of the key recommendations resulting from the review of the UNIDO Operational Strategy for the LDCs 2011–2021 is to structure the future work in the LDCs fully in line with the new global PoA. Thus, the current policies and Operational Strategy for the LDCs 2022–2031 adopts the six DPoA focus areas. This alignment is the overarching guiding principle of UNIDO’s work in the LDCs in the coming decade, with specific guiding principles identified for each of the six focus areas as follows.

### **Focus Area 1: Investing in people**

16. People, especially the large youth and working-age population in the LDCs, are critical assets for their development. UNIDO’s activities implemented under this focus area are underpinned by the human-rights based approach, women and youth empowerment and the principle of leaving no one and no place behind.

17. Adequate finance and technology transfer, good and effective governance at all levels, with informed and effective industrial policies, increased use of national systems and an enabling business environment, will play an effective role in the LDCs’ economic and social development. UNIDO’s activities will, therefore depend on the ownership and leadership of the industrial development process by local and national governments, key stakeholders, and relevant regional and continental intergovernmental institutions.

### **Focus Area 2: Leveraging the power of science, technology, and innovation**

18. Science, technology and innovation (STI), including inclusive and enabling innovation ecosystems, environmentally sound technologies and ICT, are critical in pursuing SDGs. They can also play a key role in accelerating the pace of economic diversification, value chains, and transformation, and in improving productivity and competitiveness, maximizing benefits for people, the planet and prosperity and enabling the LDCs’ full participation in the global economy. Moreover, the 4IR technologies, artificial intelligence can potentially raise global income levels and improve the quality of life for the LDCs’ populations specifically.

19. In the LDCs, UNIDO will prioritize investment promotion develop and scale-up of innovation and technology solutions, guided by its motto “Progress by innovation”. It will support the digital transition, strengthen digital literacy and skills and enhance efforts to bridge the digital divide through North-South, SSTIIC and partnerships with the private sector, academia and specialized United Nations entities, such as the United Nations Technology Bank for the LDCs, regional and international financial institutions and integrate the international development institute for South-South and triangular cooperation.

### **Focus Area 3: Supporting structural transformation**

20. For LDCs to fully utilize their potential and eradicate poverty, inclusive and sustainable structural transformation, capable of increasing productivity and growth, creating value addition, reducing disaster risk and vulnerabilities, and creating decent jobs is key.

21. Its achievement is conditioned by different activities ranging from various productive capacity-building activities, including through the implementation of national industrial policies and strategies, entrepreneurship promotion and support for start-ups and micro-, small and medium-sized enterprises (MSMEs), in particular those run by young people and women. It will entail the use of modern, sustainable, cost-effective and locally adapted technologies in manufacturing, agriculture and services sectors, sharing of knowledge and best practices, considerable investments into transport, affordable and reliable energy infrastructure, integration into global and regional value chains and trade flows, and the use of economic clusters or

hubs/industry parks/special economic zones to reduce obstacles for investment, business operations and infrastructure usage and to facilitate trade. Accordingly, UNIDO emphasizes these activities in the LDCs and cooperates with policymakers and local firms as key targeted actors under this focus area.

#### **Focus Area 4: Enhancing international trade of LDCs and regional integration**

22. The multilateral trading system embodied in the World Trade Organization plays an important role in the integration of the LDCs into the global economy. The meaningful integration of LDCs requires the efforts of all WTO Members to support LDCs economic transformation, the diversification of their production and export base, and the provision of trade-related technical assistance and capacity-building. Special and differential treatment for LDCs should remain an integral part of existing and future WTO Agreements.

23. Trade is critical to prosperity, and standards form the foundation of world trade. Through increased export diversification and enhanced compliance with standards and market requirements, LDCs can better integrate into global, continental and regional trade and reduce transaction costs when engaging in cross-border trade. Active LDCs' participation in standards-setting processes is essential for the successful uptake of international standards and to ensure full benefits from using standards in addressing social, economic and environmental challenges.

24. Accordingly, UNIDO will prioritize quality infrastructure, policies and capacity-building of national standard bodies to engage in standards development and harmonization, strengthening and sharing technical knowledge, enabling exposure and engagement with international partners (e.g. ISO), e-commerce and participation in diverse technical committees. Furthermore, it will foster regional value chains and integration through its close collaboration with Regional Economic Communities, and regional partnership programmes, particularly those focusing on enhanced trade competitiveness, market access and value chain development.

#### **Focus Area 5: Addressing climate change, environmental degradation, recovering from the COVID-19 pandemic and building resilience against future shocks**

25. It is a prerogative that the LDCs adopt good practices in addressing adverse effects of climate change, including early warning systems and adaptation solutions in key sectors and systems such as agriculture and food security, water, health, infrastructure and ecosystems. Climate change, environmental and disaster risk considerations must be included in development planning, risk management approaches and sustainable management of natural resources. UNIDO remains committed to supporting these processes with its technical expertise and services.

26. Furthermore, strengthened partnerships between developing and developed countries, funds, technical agencies, civil society and communities, as well as delivery on the United Nations Framework Convention on Climate Change (UNFCCC) financial pledges and recent commitments related to loss and damage, are key for tackling climate related challenges in the future. It is equally important to utilize partnerships to transfer environmentally sound technologies for resource-efficient and cleaner production that mitigate pollution and GHG emissions. The resulting decoupling of resource use and economic growth will provide conditions for a more diversified and resilient economy, which can facilitate climate change adaptation. This can enhance a green recovery and support the LDCs' Nationally Determined Contributions (NDC) and National Adaptation Plans (NAP).

27. Notwithstanding the climate change vulnerabilities, resilience also must be strengthened given supply chain and production disruptions related to geopolitical and health related crises. Also, adequate measures must be taken to protect the public health of the LDCs' populations, including by boosting local pharmaceutical productive capacities.

### **Focus Area 6: Mobilizing international solidarity, reinvigorated global partnerships and innovative tools and instruments**

28. Continued development of LDCs' institutional capacities for efficient, effective and transparent public procurement practices as well as intensified efforts to attract foreign direct investment (FDI) is an important opportunity for domestic and foreign resource mobilization and channelling towards sustainable development and smooth and irreversible graduation from the LDC category. Nonetheless, official development assistance (ODA), as well as innovative sources of finance, such as blended finance, public-private partnerships and financing mechanisms, and SSTIC, remain crucial for financing LDCs' sustainable development.

29. With demonstrated expertise and established tools for investment promotion, UNIDO will prioritize identifying and mobilizing capital, knowledge and technological resources for a more targeted investment development impact in LDCs. It will build upon its global reach, vast networks and strong partnerships to help entrepreneurs, businesses, investment institutions and policymakers in LDCs to mobilize investment for ISID. A particular focus will be to assist the LDCs with preparations for a smooth and sustainable graduation process.

## **VII. Areas of Work**

30. Each of the six focus areas of the UNIDO Operational Strategy for the LDCs 2022–2031 is underpinned by the Organization's four core functions, and each targets key action areas in line with UNIDO's mandate and services. Furthermore, flagship initiatives with a high impact potential have been proposed to further guide the work in each focus area towards meaningful results for the benefit of the LDCs and their people. Lastly, each focus area cites the respective DPoA targets that UNIDO's activities will contribute towards.

### **Focus Area 1: Investing in people**

31. UNIDO will support the LDCs in building capacities through technical and vocational education and training (TVET) and apprenticeships; by fostering production and processing capacities, and promoting entrepreneurship and decent work opportunities.

32. The Organization's key action areas will include: (1) Industrial skills development through education and TVET; (2) Entrepreneurship promotion; (3) Gender equality and youth and women empowerment; (4) Empowerment of vulnerable groups and LNOB; (5) Health industry; (6) Good and effective industrial governance.

33. The activities within this focus areas may be guided, facilitated and supported by the following existing UNIDO flagship initiatives: (1) Entrepreneurship Curriculum Programme; (2) UNIDO Learning and Knowledge Development (LKDF) Facility; (3) National TVET projects, implemented under the leadership of the national ministries of education, higher education and science; (4) PPPs focusing on capacity building and technology transfer; (5) Projects and initiatives focusing on industrial policy advice, research and statistics.

#### **Box 2: DPoA Focus Area 1 targets related to the UNIDO mandate**

- By 2030, ensure equal access for all women and men to affordable, inclusive and quality technical, vocational and tertiary education.
- Expand professional training and quality apprenticeships and promote other active labour market policies to facilitate a smooth school-to work transition for young people, especially young women.
- Support women's equal opportunities in education, training, business, entrepreneurship and decent jobs.

- Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
- Ensure access to lifelong digital learning opportunities for skills development.
- Increase youth participation and inclusion in decision-making processes.
- Increase access to safe and healthy working conditions, decent work opportunities, knowledge and skills for all young people in the least developed countries.
- Promote entrepreneurial training to young people, including via financial and technical assistance.
- Enhance the positive contribution of migrants to inclusive growth and sustainable development.
- Invest in the skills development of migrants.
- Provide continued support for the strengthened and effective voice and participation of LDCs in relevant international forums.
- Build up efficient public administration institutions.

### **Focus Area 2: Leveraging the power of science, technology, and innovation**

34. Science, technology and national innovation systems are crucial dimensions of a country's transformation path. They allow a transition away from a low value-added economy based on natural resources and low-technology products towards a higher value-added, manufacturing-based economy and high-technology products and services. The development and strengthening of industrial sectors, including through opportunities provided by digital industrialization, will increase the resilience of businesses and countries to natural and socio-economic challenges and crises, including shocks and pandemics. UNIDO will thus support the LDCs in adopting the 4IR technologies, and artificial intelligence. It will facilitate transfer of knowledge, as well as appropriate and environmentally sound technologies; upscale capacities with respect to digital transformation and human-centric digital development, support innovative ecosystems and firm-level competitiveness, partnerships, investment, STI infrastructure and e-governance.

35. The Organization's key action areas within this focus area will include: (1) Facilitating transfer and enhancing access to modern technologies for LDCs' sustainable industrial development through North-South, SSTIC, networks and partnerships, and advisory function; (2) Strengthening national systems of innovation; (3) Promoting digitalization and building digital capacities in the private sector; (4) Promoting North-South development assistance and SSTIC in LDCs.

36. The activities within this focus areas may be guided, facilitated and supported by the following existing UNIDO flagship initiatives: Programme for Country Partnership (PCP) (1) PPPs focusing on capacity building and technology transfer; (2) Industrial Upgrading and Modernization Programme; (3) Global Clean-Tech Innovation Programme (GCIP) and promotion of clean-tech innovation for climate action and as support to SMEs; (4) UNIDO Centre for SSIC; (5) The Resource Efficient and Cleaner Production (RECP) Network; (6) The Global Network of Regional Sustainable Energy Centers (GN-SEC).

#### **Box 3: DPoA Focus Area 2 targets related to UNIDO mandate**

- Promote technology transfer on mutually agreed terms, including digital and environmentally sound technologies, to LDCs.
- Promote the development of effective, balanced, inclusive and enabling ecosystems for innovation and creativity in LDCs.



- Move away from low value-added natural resources and low-technology products to higher value-added manufactures and higher-technology products.
- Build human capital through skills development, including digital skills and literacy, and expand professional competencies.
- Support the efforts of LDCs to significantly improve their STI infrastructure and innovation capacities by 2031.
- Encourage investment in MSMEs that facilitate access to the Internet and digital services.
- Promote productive capacity and competitiveness in the LDCs through technology-driven entrepreneurship.
- Develop competitive digital innovation ecosystems in LDCs that are resilient to future pandemics and fit for purpose.

### **Focus Area 3: Supporting structural transformation**

37. UNIDO will support the LDCs in increasing economic diversification, value-added manufacturing, labour productivity, private sector development, energy access and strengthened participation within global and regional value chains. It will also facilitate establishing and enhancing quality, reliable, sustainable and resilient infrastructure in LDCs. This includes industrial zones and parks, cleaner, more energy-efficient and environmentally friendly infrastructure, and using renewable energy and energy efficiency in production.

38. The Organization's key action areas will include: (1) Productive capacity-building through technical cooperation projects as well as policy advice and mobilization through partnerships and resources; (2) Infrastructure development, especially for rural electrification, productive clusters and export consortia; (3) Connecting LDCs to global and regional value chains and strengthening their service economies and trade; (4) Support for private sector development, including transition from the informal to formal sector and connection to local supply chains; (5) Strengthening productive activities in LDCs' rural communities.

39. The activities within these focus areas may be guided, facilitated, and supported by the following existing UNIDO flagship initiatives: (1) Integrated Agro-Industrial Parks (IAIP); (2) the network of Investment and Technology Promotion Offices (ITPOs); (3) National projects focusing on developing industrial policy, strategy and governance in main sectors; (4) National, regional and continental value chain development projects and programmes; (5) Food systems development and upgrade and the Agrifood Systems Transformation Accelerator (ASTA); (6) Industrial upgrading and modernization, branding and industrial design; (7) Enhancing quality and compliance infrastructure; (8) Renewable energy-based mini-grids for rural electrification and productive uses, including solar and hydropower; (9) Global Programme for Green Hydrogen in Industry; (10) Energy efficient lighting and appliances regional programme (EELA) in Southern and Eastern Africa; (11) Global Cleantech Innovation Programme (GCIP); (12) Global Network of Regional Sustainable Energy Centres (GN-SEC); (13) International Vienna Energy and Climate Forum (IVECF).

#### **Box 4: DPoA Focus Area 3 targets related to UNIDO mandate**

- Generate quality employment opportunities for all and increase labour productivity by 50 per cent by 2031.
- Substantially increase economic and export diversification to reach the level of other developing countries in export concentration by 2030.

- Promote inclusive and sustainable industrialization and, by 2030, double the industry's share of employment and GDP in LDCs.
- By 2030, ensure universal access to affordable, reliable, sustainable and modern energy services.
- Double electricity generation per capita in LDCs by 2030.
- Increase substantially the share of renewable energy in the energy mix (target 7.2 of the SDGs).
- Double financing from all sources in support of clean and renewable energy and enhance capacities in energy production, trade and distribution in LDCs.
- Enhance technology transfer on mutually agreed terms to LDCs to accelerate the transition to clean and renewable energy.
- By 2030, enhance international cooperation to facilitate access to and promote investment in clean energy research and technology, as well as infrastructure, in accordance with SDG 7.
- 50 per cent of the annual financing flows to clean cooking and electricity access directed to the LDCs.
- Significantly increase the MVA of the exports of LDCs, with the objective of integrating LDCs into the regional and global value chains.
- Create an enabling environment for private sector development.

#### **Focus Area 4: Enhancing international trade of LDCs and regional integration**

40. Trade increases incomes through more efficient resource allocation and specialization, boosts productivity, competitiveness, and GDP growth, and helps diversify economies. It is important to use ISID to overcome some of the LDCs' constraints to trade, including lack of quality trade-related infrastructure, remoteness, inefficient customs procedures, low-quality products, and weak support services for producers and exporters. An important factor is the lack of integration and harmonization of LDC markets, which hampers the trade of goods and services within regions and is a cause of added value and opportunity losses. UNIDO will thus support the LDCs in export diversification through regional and national quality assurance systems, identification and integration into export markets for domestically manufactured products in LDCs, industrial upgrading and modernization, and advice on trade policies and strategies.

41. The Organization's key action areas within this focus area will include: (1) Technical assistance and capacity-building related to regional and national quality infrastructure, metrology systems and support through the Aid for Trade initiative; (2) Support to regional value chains; (3) E-commerce and building digital capacities of the private sector for trade; (4) Facilitation of regional integration, including through support to Regional Economic Communities, and support to the AfCFTA implementation in African LDCs.

42. The activities within this focus areas may be guided, facilitated and supported by the following existing UNIDO flagship initiatives: (1) Regional and continental value chain development, especially in African LDCs through support to the African Union Commission's (AUC) Comprehensive African Agricultural Development Programme (CAADP) and the AfCFTA implementation, in line with the African Union's Agenda 2063; (2) Regional and cross-border productive systems, especially in African LDCs through support to the initiative Common African Agro-Parks (CAAPs), envisioned as transboundary mega agro-industrial hubs on the continent and serving as a vehicle for attracting private investments; (3) Enhancing quality and compliance infrastructure, e.g. through support within the framework of the West

Africa Competitiveness Programme (WACOMP) regional initiative and its national components.<sup>38</sup>

**Box 5: DPoA Focus Area 4 targets related to UNIDO mandate**

- Facilitate market access for products of LDCs by developing simple and transparent rules of origin applicable to imports from LDCs.
- Significantly increase the exports of LDCs, in particular to double their share of global exports by 2031.
- Significantly increase Aid for Trade support for LDCs.
- Support LDCs by providing incentives to enterprises and institutions in developed country member territories to promote and encourage technology transfer to LDCs, to enable them to create a sound and viable technological base.
- Fully implement the Agreement on Trade Facilitation and provide assistance in the capacity-building of LDCs, in accordance with development cooperation effectiveness principles.
- Increase the participation of LDCs in e-commerce by strengthening ICT infrastructure and building their human and institutional capacities to better support the development of and integration into digital value chains.

**Focus Area 5: Addressing climate change, environmental degradation, recovering from the COVID-19 pandemic and building resilience against future shocks**

43. Through ISID, it is important to address climate change, environmental degradation, mitigation and adaptation, and fossil fuel import dependency. UNIDO will thus support the LDCs in resource efficient and low carbon industrial production, industrial pollution regulation and cleaner production approaches, preparation and implementation of LDCs' climate adaptation and mitigation plans and the implementation of multilateral environmental agreements, including for biodiversity loss and environmental pollution. Similarly, building resilience to geopolitical and health related crises, given the recent global disruptions in various supply chains and a persisting lack of vaccines and essential medicines in LDCs, must be addressed. UNDO would support national and regional pharmaceutical manufacturing and distribution centres, facilitating recovery from the COVID-19 pandemic and building supply chain resilience. The ISID could greatly enhance pharmaceutical manufacturing capabilities to overcome future endemics and pandemics. UNIDO's activities would include support to national health systems and local pharmaceutical production (LPP), knowledge sharing, forum and training programs, and collaboration with regional research institutes and centres of excellence.

44. The Organization's key action areas within this focus area will include: (1) Building sustainable and inclusive recovery from COVID-19 and resilience against future shocks; (2) Supporting the health industry and local pharmaceutical manufacturing; (3) Enhancing climate adaptation capacities and resilience building; (4) Supporting sustainable management of natural resources; (5) Enhancing access to finance and technology to address climate change.

45. The activities within this focus area may be guided, facilitated and supported by the following existing UNIDO flagship initiatives: (1) Eco-Industrial parks; (2) Regional and national projects fostering a circular economy approach; (3) COVID-19 Industrial Recovery Programme (CIRP); (4) Policy advisory support

<sup>38</sup> Under the WACOMP initiative, UNIDO is currently implementing the West Africa Competitiveness and Quality Infrastructure Project (WACQIP) at the regional level and national projects in Guinea, Guinea-Bissau, Senegal, Sierra Leone and the Gambia. Separate projects on quality infrastructure are under implementation in Angola, Tanzania, Mozambique, Nepal and Timor-Leste.

through Partnership for Action on Green Economy (PAGE); (5) The Industrial Deep Decarbonization Initiative (IDDI); (6) UNIDO's Global Programme for Green Hydrogen in Industry; (7) Implementation of multilateral environmental agreements (MEAs) on global, regional and national levels; (8) Promotion of Waste-to-Energy (WTE) Applications.

**Box 6: DPoA Focus Area 5 targets related to UNIDO mandate**

- Promote and encourage technology transfer to increase production capacities of the entire supply chain of vaccines and any other health products in the regions of LDCs.
- Support awareness-raising campaigns about the benefits of COVID-19 vaccination.
- Promote the building of strong health systems and regulatory authorities that ensure universal access to health care in the LDCs to address current and future shocks.
- Support the implementation of national adaptation plans and national adaptation programmes of action of LDCs under the GCF and other climate-relevant funds under the GEF, including the LDCF, the SCCF and AF.
- Continue to support the development and implementation of adaptation communications, strategies and plans, including those that may be included as components of nationally determined contributions and long-term strategies under the Paris Agreement.

**Focus Area 6: Mobilizing international solidarity, reinvigorated global partnerships and innovative tools and instruments**

46. UNIDO will continue to leverage support for the LDCs from its partnerships and networks and focus on supporting the LDCs specifically in developing investment promotion regimes, including for a sustainable graduation and smooth transition of LDCs after graduation.

47. The Organization's key action areas in this focus area will include: (1) Supporting domestic resource mobilization, especially through innovative partnership models; (2) Promoting investments, especially FDI; (3) Extension of international support measures to graduating and graduated LDCs to make graduation sustainable and irreversible; (4) Availability and use of data to measure and track progress in SDGs and the DPoA goals and targets.

48. The activities within this focus area may be guided, facilitated and supported by the following existing UNIDO flagship initiatives: (1) UNIDO Network of ITPOs; (2) UNIDO Network of Subcontracting and Partnership Exchange (SPX); (4) UNIDO Programme for Country Partnership (PCP); (5) ACP Business Friendly Programme; (6) African Industry Observatory.

**Box 7: DPoA Focus Area 6 targets related to UNIDO mandate**

- Adopt and implement investment promotion regimes for LDCs.
- Enable 15 additional LDCs to meet the criteria for graduation by 2031.
- Improve the scope, where necessary, and use of smooth transition measures and incentives for all graduating LDCs.
- Provide specific support measures to recently graduated countries for making the graduation sustainable and irreversible.
- Significantly increase the availability of high-quality, timely, reliable and disaggregated data.

### VIII. Implementation of the operational strategy

49. As underscored by the UNIDO Member States and the UNIDO Director General, there is a critical need for a renewed, strengthened global partnership and a new, fair deal for the LDCs to be realized expeditiously through the DPoA 2022–2031. UNIDO will implement the Operational Strategy in collaboration with all Member States, in a spirit of global solidarity and international cooperation, resonating with the DPoA focus area six. UNIDO will work closely with the members of the Inter-Agency Consultative Group on LDCs, as well as with development cooperation agencies, Regional Economic Communities (RECs) and relevant public and private sector partners, and strengthen innovative partnership modalities and non-traditional funding avenues further. UNIDO will also explore funding opportunities deriving from major initiatives of the international community to be developed together with development finance institutions (DFIs).

50. Through the ISID, UNIDO will work together with the international community to support the developed countries towards the full implementation of their official development assistance commitments, including their obligation to provide climate finance for US\$ 100 billion per year, stemming from the 15th Conference of Parties (COP15) of the United Nations Climate Change Conference (UNFCCC),<sup>39</sup> and on the creation of a specific fund for loss and damage, committed to at the COP27.

51. The UNIDO Operational Strategy for the Least Developed Countries 2022–2031 will be operationalized through an implementation plan identifying targeted actions and innovative resource mobilization avenues. To the extent possible, the indicators and targets will be harmonized with the UNIDO Integrated Results Performance Framework (IRPF) and aligned with the DPoA's key focus areas. The implementation plan will be aligned with the United Nations Roadmap for Accelerated Implementation of the DPoA, as developed by the UN-OHRLLS.

52. The development of the operational strategy and the implementation plan have been budgeted from UNIDO's regular programme of technical cooperation resources. Additional resources from the UNIDO budget and voluntary contributions would be required to implement the operational strategy. As called for by UNIDO Member States, UNIDO and development partners should duly implement the strategy through joint mobilization of adequate resources, engagement in global and regional forums, technical cooperation projects and programmes conforming to the priorities of the current strategy and capitalising on the previous good practices of the UNIDO Operational Strategy for the LDCs 2011–2021. Hence, the implementation plan will cover resource mobilization, partnerships and communication activities required to implement the Operational Strategy.

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<sup>39</sup> More information is available at: [www.oecd.org/climate-change/finance-usd-100-billion-goal/](http://www.oecd.org/climate-change/finance-usd-100-billion-goal/).

## Annex

### Documents submitted to the General Conference at its twentieth regular session

|   |  |   |  |
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| 1 | Opening of the session   | -   | -  |
| 2 | Election of officers   | -   | -  |
| 3 | Adoption of the agenda   | <a href="#">GC.20/1</a><br><a href="#">GC.20/1/Add.1/Rev.2</a><br>GC.20/INF/3               | Provisional agenda<br>Annotated provisional agenda<br>List of documents  |
| 4 | Organization of work   | <a href="#">GC.20/20</a><br><br>GC.20/20/Rev.1<br><br>GC.20/CRP.1                           | Lists of States included in Annex I to the Constitution of UNIDO. Note by the Secretariat<br><br>Lists of States included in Annex I to the Constitution of UNIDO. Note by the Secretariat.<br><br>Report on the results of the informal consultations of Permanent Missions in Vienna for the preparation of the General Conference. Submitted by the President of the fifty-first session of the Industrial Development Board, H.E. Mr. Magdi Ahmed Mofadal Elnour (Sudan) |
| 5 | Credentials of representatives to the Conference   | -   | -  |
| 6 | Elections to organs  | -   | -  |
| 7 | Annual reports of the Director General on the activities of the Organization for 2021 and 2022           | <a href="#">IDB.50/2</a><br><a href="#">IDB.51/2</a>  | <i>Annual Report of UNIDO 2021</i><br><i>Annual Report of UNIDO 2022</i>   |
| 8 | Reports of the Industrial Development Board on the work of its fiftieth and fifty-first regular sessions | <a href="#">GC.20/2</a><br><br><a href="#">GC.20/3</a><br><br><a href="#">GC.20/3/Add.1</a> | Report of the Industrial Development Board on the work of its fiftieth session, 21–23 November 2022<br><br>Report of the Industrial Development Board on the work of its fifty-first session, 3–6 July 2023<br><br>Report of the Industrial Development Board on the work of its fifty-first session. Addendum. Resumed fifty-first session of 29 November   |
| 9 | Forum on industrial development issues   | <a href="#">GC.20/4</a>   | Forum on industrial development issues. Issues paper by the Secretariat  |

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| 10 | Financial matters |  |   |
|    | (a)               | Scale of assessments for apportionment of the regular budget expenses for the biennium 2024–2025 | Decision IDB.51/Dec.3<br><br>Board decision on the scale of assessments for apportionment of the regular budget expenses for the biennium 2024–2025 |
|    |                   | <a href="#">IDB.51/7/Rev.1</a>   | Scale of assessments for the fiscal period 2024–2025. Note by the Secretariat   |
|    |                   | <a href="#">GC.20/22</a>   | Scale of assessments for the fiscal period 2024–2025. Note by the Secretariat   |
|    | (b)               | Financial situation of UNIDO   | <a href="#">GC.20/5</a><br><br>Financial situation of UNIDO. Report by the Director General   |
|    |                   | <a href="#">GC.20/CRP.2</a>  | Status of assessed contributions. Note by the Secretariat   |
|    |                   | <a href="#">GC.20/CRP.3</a>  | Status of unutilized balances of appropriations. Note by the Secretariat  |
|    | (c)               | Working Capital Fund for the biennium 2024–2025  | Decision IDB.51/Dec.4<br><br>Board decision on the Working Capital Fund for the biennium 2024–2025  |
|    |                   | <a href="#">IDB.51/8</a>   | Working Capital Fund for the biennium 2024–2025. Proposals of the Director General  |
|    | (d)               | Appointment of an External Auditor   | <a href="#">IDB.51/13</a><br><br>Candidates for the appointment of an External Auditor. Report by the Director General                              |
|    |                   | <a href="#">IDB.51/13/Add.1</a>  | Candidates for the appointment of an External Auditor. Report by the Director General. Addendum   |
|    |                   | <a href="#">GC.20/21</a>   | Candidates for the appointment of an External Auditor. Report by the Director General   |
|    |                   | <a href="#">GC.20/21/Add.1</a>   | Candidates for the appointment of an External Auditor. Report by the Director General   |
|    |                   | <a href="#">GC.20/21/Add.2</a>   | Candidates for the appointment of an External Auditor. Report by the Director General   |
|    |                   | <a href="#">PBC.39/CRP.7</a>   | Candidates for the appointment of an External Auditor. Note by the Secretariat  |
|    | (e)               | Other financial matters  | Decision IDB.51/Dec.6<br><br>Board decision on budget implementation flexibility  |
|    |                   | <a href="#">IDB.51/9</a>   | Budget implementation flexibility. Note by the Secretariat  |
|    |                   | <a href="#">IDB.51/CRP.10</a>  | The UNIDO Programme and Budgets, 2024–2025: supplementary information on budget implementation flexibility  |

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| 11 | Programme and budgets, 2024–2025   | Decision IDB.51/Dec.7<br><a href="#">IDB.51/6</a><br><a href="#">IDB.51/6/Add.1</a> | Board decision on the programme and budgets, 2024–2025<br>Programme and budgets 2024–2025. Proposals of the Director General<br>Programme and budgets 2024–2025. Adjustments to the proposals of the Director General |
| 12 | Midterm review of the medium-term programme framework, 2022–2025: midterm update | <a href="#">IDB.51/10</a>   | Medium-term programme framework 2022–2025: midterm update. Report by the Director General   |
| 13 | United Nations development system reform   | <a href="#">IDB.51/16</a>   | United Nations development system reform. Report by the Director General  |
| 14 | UNIDO, gender equality and the empowerment of women                              | <a href="#">GC.20/6</a><br><a href="#">GC.20/7</a>                                  | UNIDO, gender equality and the empowerment of women. Report by the Director General<br>UNIDO Operational Strategy for Gender Equality and the Empowerment of Women, 2024–2027. Report by the Director General         |
| 15 | UNIDO and the 2030 Agenda for Sustainable Development                            | <a href="#">IDB.51/17</a>   | UNIDO and the 2030 Agenda for Sustainable Development. Report by the Director General   |
| 16 | Reform of the UNIDO field network  | <a href="#">GC.20/8</a>   | Reform of the UNIDO field network. Report by the Director General   |
| 17 | Outlook on UNIDO activities in different regions                                 | <a href="#">GC.20/9</a>   | Outlook on UNIDO activities in different regions. Report by the Director General  |
| 18 | UNIDO activities related to digital transformation, innovation and AI            |   |   |
|    | (a) UNIDO Operational Strategy for Digital Transformation                        | <a href="#">GC.20/10</a><br><a href="#">GC.20/CRP.4</a>                             | UNIDO activities related to digital transformation, innovation and AI. Report by the Director General<br>UNIDO Operational Strategy for Digital Transformation. Note by the Secretariat                               |
| 19 | UNIDO activities related to the environment, energy and circular economy         | <a href="#">GC.20/11</a><br><a href="#">GC.20/CRP.5</a>                             | UNIDO activities related to the environment, energy and circular economy. Report by the Director General<br>UNIDO and the biodiversity-industry nexus. Note by the Secretariat  |
|    | (a) UNIDO climate strategy and its action plan                                   | <a href="#">GC.20/12</a>  | Update on the development of the action plan for the implementation of the UNIDO Climate Change Strategy. Report by the Director General  |



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| 20  | UNIDO activities related to structural transformation and sectoral expertise                     |  |   |
| (a) | UNIDO activities related to agribusiness, trade capacity-building and job creation               | <a href="#">GC.20/13</a>                             | UNIDO activities related to agribusiness, trade capacity-building and job creation. Report by the Director General  |
| 21  | UNIDO activities related to the Vienna Ministerial Declaration for the Least Developed Countries | <a href="#">GC.20/14</a><br><a href="#">GC.20/15</a> | UNIDO activities in support of least developed countries. Report by the Director General<br><br>Update on the preparation process of the UNIDO Operational Strategy for the Least Developed Countries 2022–2031. Report by the Director General |
| 22  | UNIDO activities related to cooperation with middle-income countries                             | <a href="#">GC.20/16</a>                             | UNIDO activities related to cooperation with middle-income countries. Report by the Director General  |
| 23  | Personnel matters, including the UNIDO Staff Pension Committee                                   | <a href="#">GC.20/17</a>                             | Personnel matters: UNIDO Staff Pension Committee. Report by the Director General  |
| 24  | Matters related to intergovernmental, non-governmental, governmental and other organizations     | <a href="#">GC.20/18</a>                             | Relations with intergovernmental, non-governmental, governmental and other organizations. Note by the Director General  |
| 25  | Date and place of the twenty-first session   | <a href="#">GC.20/19</a>                             | Date and place of the twenty-first session of the General Conference. Report by the Director General  |
| 30  | Closure of the session   | -  | -   |

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