

eio

Independent evaluation

Third Industrial Development Decade for Africa - IDDA III 2016-2025

September 2024

OBJECTIVES



CONDUCT
a comprehensive assessment of progress made



EXAMINE
contributions of various stakeholders



IDENTIFY
Challenges, gaps and constraints, proposing pragmatic solutions



IDENTIFY
best practices and lessons learned



PROVIDE
recommendations to feed into negotiations at UNGA

SCOPE

The evaluation focused on the implementation and outcomes of IDDA III from 2016 to 2024. Emphasis was placed on achievement of stated objectives, stakeholder efforts and initiatives in support of Africa's ISID, and implementation challenges.

METHODOLOGY



DESK REVIEW
of documents and databases



INTERVIEWS
conducted online with 17 relevant stakeholders



SURVEY
conducted of 150 participants at IDDA III related events



FINANCIAL ANALYSIS
of UNIDO funding to Africa related initiatives 2012 to 2024



ANALYSIS
Of ISID Data in Africa

44%
Safeguarding the Environment

29%
Creating Shared Prosperity

20%
Advancing Economic Competitiveness

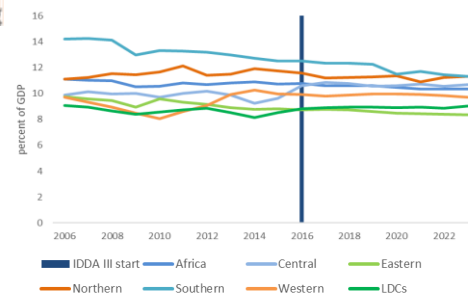
7%
Cross-cutting

Projects by Thematic Priority

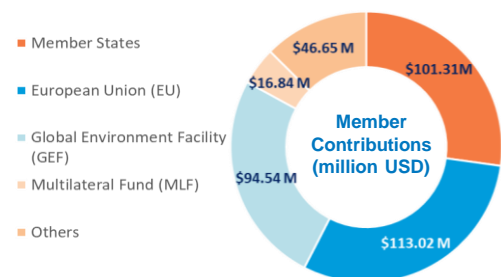
Geographical distribution of PCPs



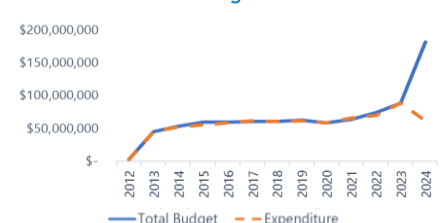
Manufacturing value added as a share of GDP



UNIDO TC portfolio in Africa, 2017-2023



Trends of funding for technical cooperation in ISID before and during IDDA III



KEY FINDINGS

Overall assessment: IDDA III was relevant with some positive outcomes, but with design flaws and few measurable targets for its six objectives.

Value-added: Raised awareness of importance of ISID in Africa and put industrialisation high on political agenda.

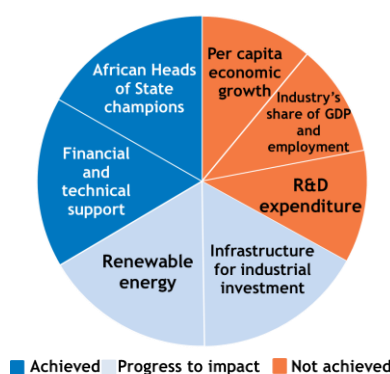
Visibility and ownership: IDDA III had low name recognition and weak stakeholder engagement, limiting ownership.

Governance and funding: Coordination issues, inactive Steering Committee, and lack of dedicated funding hindered programme effectiveness.

Knowledge management: No central repository of IDDA III information; outdated contact details affected communication and coordination.

Technical assistance and cooperation: UNIDO significantly increased technical support, with over 700 joint events and activities.

Key industrial and economic progress indicators achievement for IDDA III



STRENGTHS

- **Relevance and coherence of IDDA III:** The programme aligns with key continental and global frameworks.
- **Broad stakeholder engagement:** Efforts were made to involve a wide range of stakeholders from the early stages of the programme.
- **Increased ISID awareness:** IDDA III succeeded in elevating Africa's ISID on the political agenda.
- **Institutional advocacy:** Establishment of high-level advocacy platforms, including the IDDA III Focal Points Initiative and the Africa Industrialisation Summit.
- **Growth of technical support:** Significant increase in technical assistance for ISID from UNIDO and international partners.
- **Rich documentation:** Rich and extensive documentation on IDDA III and other aspects of ISID in Africa.

WEAKNESSES

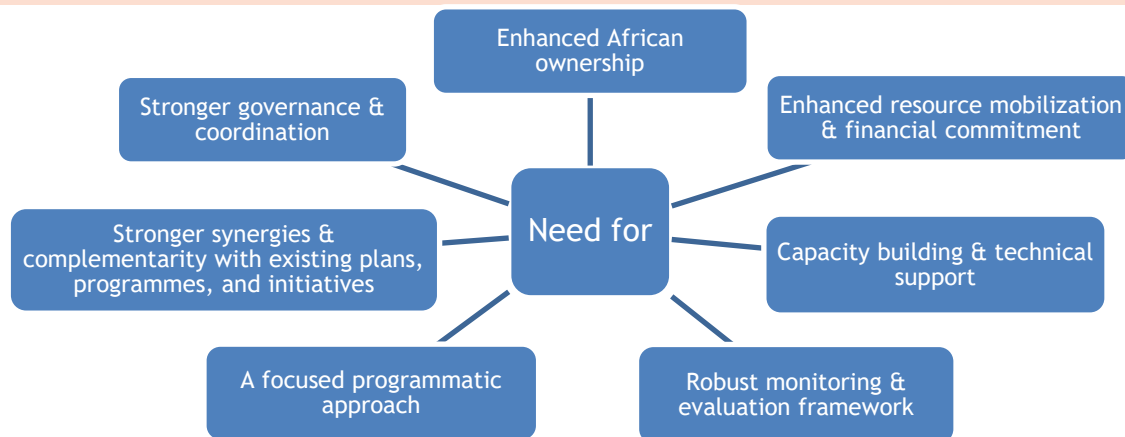
- **Weak visibility and stakeholder ownership:** Despite efforts, there was poor name recognition of IDDA III and weak ownership by stakeholders.
- **Coordination challenges:** Lack of a Joint Secretariat hindered stakeholder coordination with international development platforms.
- **Limited financial resources:** IDDA III lacked dedicated funding, which significantly affected its implementation.
- **Weak knowledge management:** Despite extensive documentation, the absence of an IDDA III database hindered effective knowledge management.
- **Limited technical capacity:** Many African stakeholders, including RECs and the AUC, faced staffing challenges in industrialisation, hindering policy implementation.

OPPORTUNITIES

- **Youthful demographic:** Harnessing the growing young population through education and skill development.
- **Rich natural resources:** Leveraging resources for industries such as mining, energy, and agro-processing.
- **Manufacturing growth:** Increasing focus on manufacturing exports and industrial diversification.
- **Economic resilience:** Strong post-COVID recovery and high GDP growth rates.
- **Rising intra-African trade:** AfCFTA prospects enhancing market integration and trade.
- **Policy initiatives:** Implementation of national policies, SEZs, and industrial parks to promote FDI and several cognate policies, plans and programmes.

THREATS

- **Economic vulnerabilities:** Vulnerability to global economic fluctuations, commodity price shocks and other emerging global challenges such as health crises and climate change.
- **Political instability:** Pockets of ongoing political instability deters investment and industrial growth.
- **Infrastructural and financial deficits:** Significant gaps in transportation, energy, and digital infrastructure coupled with limited access to finance.
- **Gaps in education and skills:** Gender gaps and low human capital development impact workforce skills. Skills mismatch with industry needs.
- **Low per capita GDP:** Despite growth, Africa's per capita GDP remains the lowest among world regions.



Input into negotiations on potential need for IDDA IV

NEXT STEPS

KEY RECOMMENDATIONS

1. If IDDA III were to continue to serve as a priority or flagship, then the coordinating role within UNIDO would need to be stronger and more functional.

2. As a matter of priority, UNIDO should spearhead the creation of an IDDA III database to enhance improved documentation of progress and milestones, tracking the targets, and offering a clear sense of what is needed to ensure IDDA III achieves its objectives.

3. UNIDO should further integrate its scattered interventions and take a programmatic approach in subsequent initiatives.

