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UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION

# Inclusive and Sustainable Industrial Development in Africa Region



## LIST OF ACRONYMS

3ADI	African Agribusiness and Agro-industries Development Initiative	IFC	International Finance Corporation
AAI	Alliance for Africa's Industrialization	IGAD	Intergovernmental Authority on Development
ADA	Austrian Development Agency	ILO	International Labour Organisation
AfDB	African Development Bank	IOC	Indian Ocean Commission
AFREXIMBANK	African Export-Import Bank	IPoA	Istanbul Programme of Action
AIDA	Accelerated Industrial Development of Africa	ISID	Inclusive and Sustainable Industrial Development
APoA	Almaty Programme of Action	ITC	International Trade Center
AU	African Union	LDCs	Least Developed Countries
AUC	African Union Commission	LKDF	Learning and Knowledge Development Facility
BADEA	Arab Bank for Economic Development in Africa	LLDCs	Land-Locked Developing Countries
BCEAO	Central Bank of West African States	MBS	Malawi Bureau of Standards
BEAC	Bank of Central African States	MRU	Mano River Union
BOAD	West African Development Bank	MVA	Manufacturing Value Added
BRICS	Brazil, Russian Federation, India, China, South Africa (Emerging economies)	NEPAD	New Partnership for Africa's Development (African Union)
CAMI	Conference of African Ministers of Industry	NQI	National Quality Infrastructure (Malawi)
CEMAC	Central African Economic and Monetary Community	OFID	OPEC Fund for International Development
COMESA	Common Market for Eastern and Southern Africa	PAGE	Partnership on Action on Green Economy
CP	Country Programme	PCPs	Programmes for Country Partnership
EAC	East Africa Community	PMPA	Pharmaceutical Manufacturing Plan for Africa
ECCAS	Economic Community of Central African States	POPs	Persistent Organic Pollutants
ECOWAS	Economic Community of Western African States	PPP	Public Private Partnership
ECOWREX	ECOWAS Regional Centre for Renewable Energy and Energy Efficiency	RECP	Resource Efficient and Cleaner Production
ECREEE	ECOWAS Observatory for Renewable Energy and Energy Efficiency	RECs	Regional Economic Communities
EDF	European Development Fund	SADC	Southern Africa Development Community
EIB	European Investment Bank	SIDS	Small Island Developing States
EIF	Enhanced Integrated Framework	SMEs	Small- and Medium-sized Enterprises
EU	European Union	SQAM	Standardization, Quality Assurance, Accreditation and Metrology
FAO	Food and Agriculture Organization	SSTIC	South-South and Triangular Industrial Cooperation
FDI	Foreign Direct Investment	TC	Technical Cooperation
GCIIP	Global Cleantech Innovation Programme	UMA	Arab Maghreb Union
GEF	Global Environmental Facility	UNDAF	United Nations Development Assistance Framework
GIFIUD	Growth Identification and Facilitation for Industrial Upgrading and Diversification (Senegal)	UNDG	United Nations Development Group
HP	Hewlett Packard	UNDP	United Nations Development Programme
ICT	Information and Communications Technologies	UNECA	United Nations Economic Commission for Africa
IDDA 1	Industrial Development Decade for Africa 1 (1980 – 1989)	UNEP	United Nations Environment Programme
IDDA 2	Industrial Development Decade for Africa 2 (1993 – 2002)	WAEMU	West African Economic and Monetary Union
		WHO	World Health Organization
		WTO	World Trade Organization

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# INTRODUCING ISID

UNIDO's long-term strategy of inclusive and sustainable industrial development (ISID) was adopted by UNIDO Member States at the General Conference in December 2013. Through this strategy, UNIDO aims to harness the full potential of industry's contribution to the achievement of sustainable development in the post-2015 era, and lasting prosperity for all.

Industry is the most dynamic driver of prosperity and collective wellbeing. No country has ever reached a high level of economic and social development without having developed an advanced industrial sector. However, too often in the past these transformative structural changes have also been accompanied by environmental degradation and increased social inequalities.

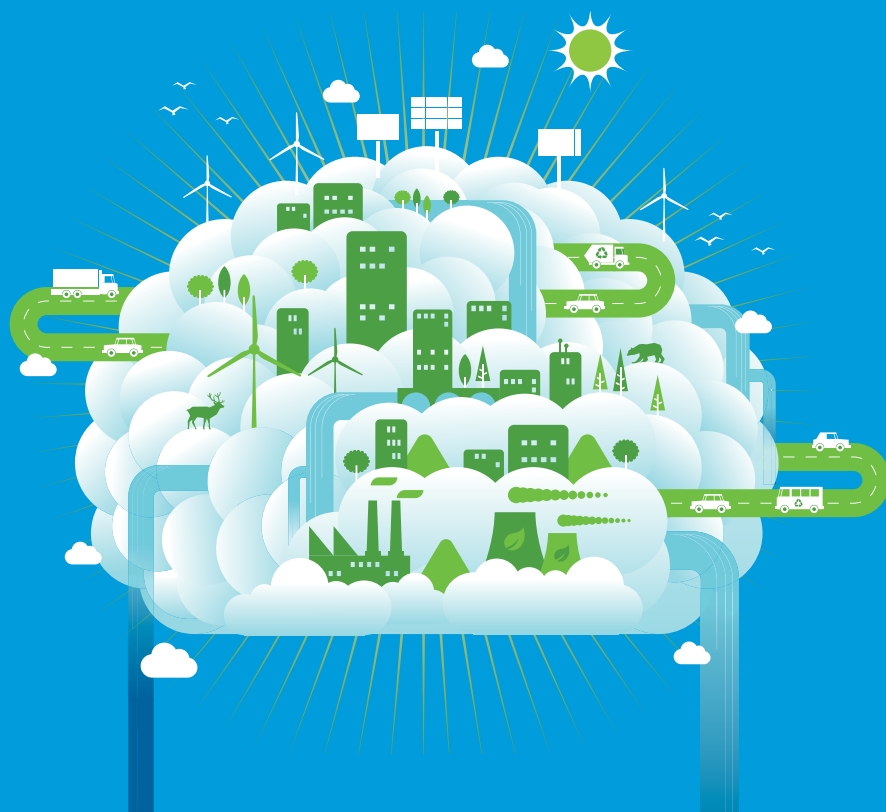
In order to ensure equitable distribution of the economic benefits of industrialization, a robust environmental and social framework must therefore be established. ISID aims to address the multidimensional causes of poverty, through creating shared prosperity, advancing economic competitiveness, and safeguarding the environment.

ISID ensures that:

- » Every country achieves a higher level of industrialization in their economies, and benefits from the globalization of markets for industrial goods and services;
- » No-one is left behind in benefiting from industrial growth, and prosperity is shared among women and men, urban and rural communities and large and small enterprises in all countries;
- » Broader economic and social growth is supported within an environmentally sustainable framework, so that industrial expansion does not jeopardize the well-being of future generations;
- » The unique knowledge and resources of all relevant development actors are combined, including those of the private sector and international financing institutions, to maximize the development impact of ISID.

The importance of industrial development for sustainable development was explicitly recognized by the United Nations General Assembly in their proposition concerning the Sustainable Development Goals (SDGs), which includes inclusive and sustainable industrialization as SDG-9, along with fostering innovation and building resilient infrastructure.

Goal 9 acknowledges that industry and industrialization are the main drivers of sustained economic growth, environmental sustainability and shared prosperity.





# THE REGIONAL CONTEXT

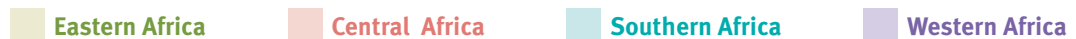
During the 2013-2014 Biennium, programmes and projects assisting African Member States to achieve UNIDO's mandate of "Inclusive and Sustainable Industrial Development" (ISID) have been implemented in all UNIDO priority areas; namely, agribusiness and rural entrepreneurship, industrial policy development, trade capacity building, energy, youth employment, investment promotion, institutional capacity development, energy efficiency and climate change.

The delivery of UNIDO technical assistance in the region amounted to US\$ 37.8 million in 2013 and US\$ 41.2 million in 2014. Moreover, during the 2013-2014 Biennium, UNIDO developed several country programmes in the region, of which 13 were approved and signed. As of April 2015, there were 17 country programmes under development. UNIDO also convened a number of events, including conferences and other thematic global forums in the region.

The region covered by UNIDO's Africa Bureau comprises 45 sub-Saharan countries, including 20 Middle Income Countries (MICs),<sup>1</sup> 31 Least Developed Countries (LDCs, out of 34 in African continent); 16 of the world's 32 Land-Locked Developing Countries (LLDCs)<sup>2</sup> and five Small Island Developing States (SIDS, out of 51 in the world) (See full list in table 1).

## Regional Country Groupings

UNIDO divides the African continent into four major regions:

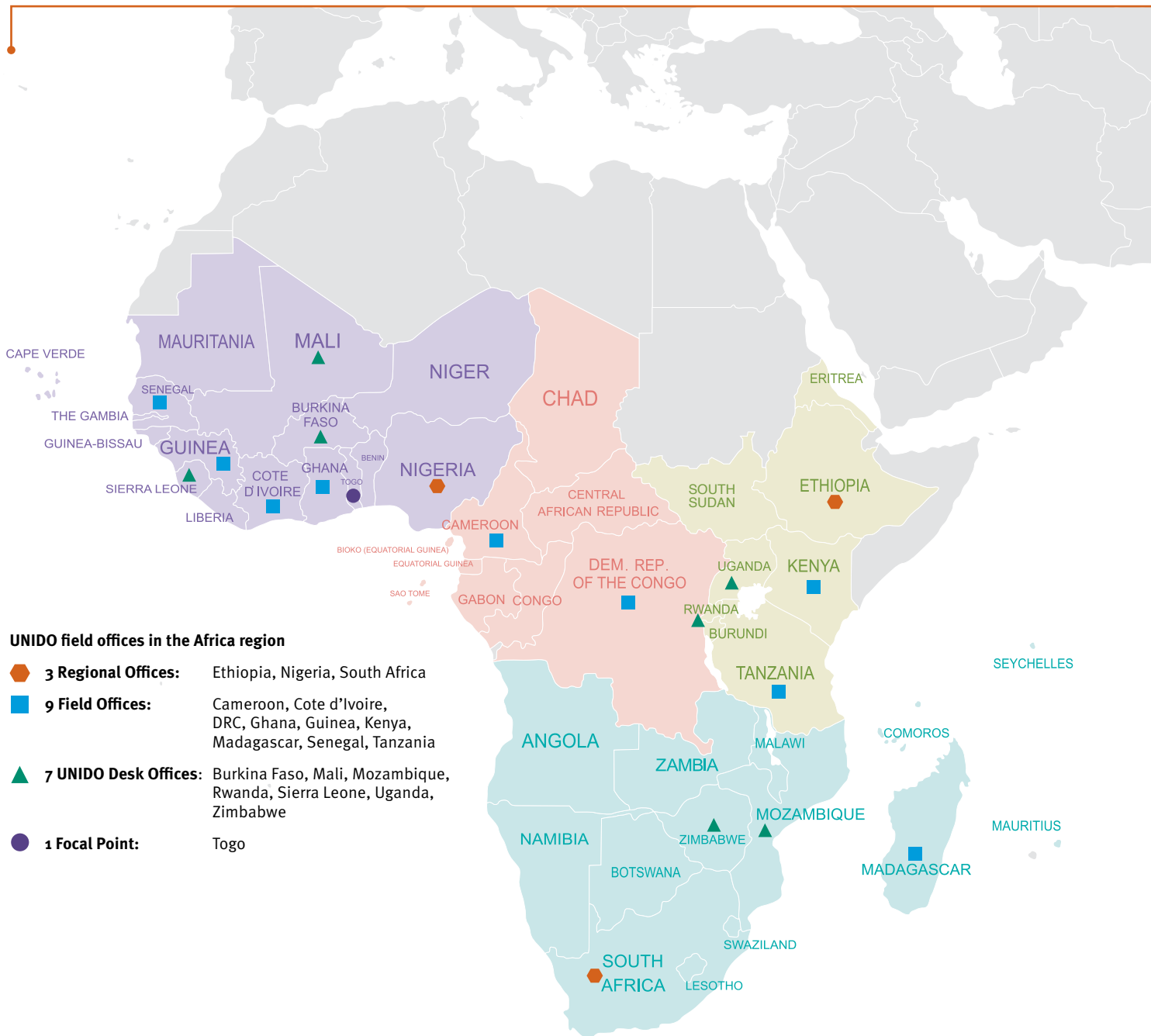


**Table 1: MICs, LDCs, LLDCs and SIDS in the Africa region**

<b>Middle-Income Countries (MICs)</b> as classified by the World Bank. Total: 20	<i>Upper Middle Income:</i> Angola, Botswana, Gabon, Mauritius, Namibia, Seychelles and South Africa.  <i>Lower Middle Income:</i> Cabo Verde, Cameroon, Republic of Congo, Côte d'Ivoire, Ghana, Kenya, Lesotho, Nigeria, São Tomé and Príncipe, Senegal, South Sudan, Swaziland and Zambia.
<b>Least Developed Countries (LDCs)</b>	Angola, Benin, Burkina Faso, Burundi, Central African Republic, Chad, Comoros, Democratic Republic of the Congo, Equatorial Guinea, Eritrea, Ethiopia, Gambia, Guinea, Guinea-Bissau, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Niger, Rwanda, São Tomé and Príncipe, Senegal, Sierra Leone, South Sudan, Togo, Tanzania, Uganda and Zambia.
<b>Landlocked Developing Countries (LLDCs)</b>	Botswana, Burkina Faso, Burundi, Central African Republic, Chad, Ethiopia, Lesotho, Malawi, Mali, Niger, Rwanda, South Sudan, Swaziland, Uganda, Zambia and Zimbabwe.
<b>Small Island Developing States (SIDS)</b>	Cabo Verde, Comoros, Mauritius, São Tomé and Príncipe, and Seychelles.

<sup>1</sup> MIC classification is according to the nomenclature set by the World Bank (defined by income rather than development).

<sup>2</sup> Some of the LLDCs are also classified as LDCs (UN classification).



## *UNIDO's Regional Partner Associations*

### **The African Union (AU) and Regional Economics Communities (RECs)**

UNIDO has strong working relationships with the African Union largely through the department for Trade and Industry of the African Union Commission (AUC) with which it implements various programmes to propel Africa's industrial development agenda. These include UNIDO support to the:

- AU Conference of African Ministers of Industry (CAMI) through provision of technical and financial support to implement its related events and meetings;
- Africa Union Action Plan for Accelerated Industrial Development of Africa and its Implementation Strategy, which was developed with UNIDO support;
- African Union on the African Agribusiness and Agro-industries Development Initiative (3ADI); and the Pharmaceutical Manufacturing Plan for Africa (PMPA) programmes; and
- The AU's New Partnership for Africa's Development (NEPAD) and its Action Plan on Advancing Regional and Continental Integration in Africa.

UNIDO also cooperates with the African Regional Economic Communities (RECs), in particular:

- Central African Economic and Monetary Community (CEMAC);
- Common Market for Eastern and Southern Africa (COMESA);
- East Africa Community (EAC);
- Economic Community of Central African States (ECCAS);
- Economic Community of Western African States (ECOWAS);
- Mano River Union (MRU);
- Southern Africa Development Community (SADC); and
- West African Economic and Monetary Union (WAEMU).

UNIDO works with other RECs including IGAD, IOC, UMA, CEPGL, CENSAD, ICGLR and SACU. It also cooperates with major regional banks, such as the BCEAO, BEAC, BOAD, BADEA, AFREXIMBANK and the African Development Bank. (Please see List of Acronyms).

## *African Regional Development Priorities*

**Regional economic trends and industrial challenges.** Regional economic trends show that African economies are growing rapidly with an annual GDP growth rate that averaged five percent between 2008 and 2013. Kenya and Nigeria were among the 20 fastest growing economies in the world in 2015. In 2013-2014, the African continent counted over one billion inhabitants and is projected to reach 2.4 billion by 2050 with a growing middle class of 300 million (projected to grow to 1.1 billion by 2060).

With regard to industrialization, the Africa Region shows a strong increase in Manufacturing Value Added (MVA), with the sub-Saharan African average rate at 12.49% (in 2010) and a manufacturing production that has more than doubled in value over the last decade, from US\$ 72 billion in 2002 to US\$ 189 billion in 2012. Driven by strong commodity prices, exports grew faster in Africa (6.1%) than in any other region

of the world in 2012.<sup>3</sup> Despite these positive economic trends, the region continues to face industrial development challenges, including the following:

- *Limited infrastructure*: The African continent would need some US \$93 billion annually to meet its infrastructural needs.
- *Growing unemployment*: Particularly worrisome is the 60% youth unemployment rate (200 million young people aged 15-24), projected to more than double (to 430 million) by 2050.
- *Skills shortage*: This is due to lack of access to quality education and a discrepancy between the market's skill set and the educational curriculum offered.
- *Limited private sector and SME development opportunities*: This hampers the transformative and value addition capacity.

**African continental strategies that prioritize industrial development.** Cognizant of the critical need to sustain economic growth rates in order to reduce poverty and, at the same time, enhance the continent's position in the global economy—Africa currently accounts for only 3.5% of global exports—various regional strategies that define development priorities on the continent have been developed. These strategies include:

- » **Common African Position (CAP) on the 2015 development agenda.** The African Union Heads of State and Government reached consensus on a Common African Position (CAP) on the 2015 development agenda. CAP reiterates the importance of prioritizing structural transformation for inclusive and people-centered development on the continent. This requires the development of adequate policy adaptability and productive capacities, notably through infrastructure, science, technology development, transfer and innovation. It also requires addressing the challenges posed by climate change, desertification and land degradation, drought and loss of biodiversity. The goals are to achieve sustainable natural resource management; to ensure peace and security; and to promote responsive and accountable global governance.
- » **African Union's Agenda 2063.** This Agenda is “a global strategy to optimize the use of Africa's resources for the benefits of all Africans”. The priorities and specific targets of the AU Agenda 2063 relevant to industrial development are:
  1. Eradicating poverty in a generation by 2025;
  2. Transforming, growing and industrializing African economies through beneficiation and the value addition of natural resources;
  3. Catalyzing an education and skills “revolution” and actively promoting science, technology, research and innovation, building knowledge, human resources, capabilities and skills;
  4. Consolidating the modernization of African agriculture and agro-businesses;
  5. Addressing climate change and preserving the environment; and
  6. Connecting Africa through world-class infrastructure.

The AU Agenda highlights the need to implement continental strategies for industrialization in Africa, including the African Union Action Plan for the Accelerated Industrial Development of Africa (AIDA), initiatives to develop agribusinesses, SMEs and the private sector, regional and commodity value chains, green economies and the productivity agenda for Africa.

<sup>3</sup> Sources used for section on trends and challenges: (then followed by list as is).



- » **African Union Action Plan for the Accelerated Industrial Development of Africa (AIDA).** Under this plan, UNIDO provided technical and financial assistance for AIDA's development with industrialization as a key pillar. AIDA's Action Plan and Implementation Strategy constitute the latest manifestation of far-reaching consequences adopted by African Heads of State since the Industrial Development Decade of Africa 1 (IDDA 1) and Industrial Development Decade of Africa 2 (IDDA 2) programmes of the 1980s and 1990s, and the 2003 Alliance for Africa's Industrialization (AAI). The Strategy embodies seven clusters, 21 programmes and 53 projects covering substantial aspects of industrial development, including: upgrading and modernization; industrial policy development and management; industrial innovation and technology systems; industrial skills development; renewable energy; and trade capacity building.
- » **The AU/NEPAD Action Plan on Advancing Regional and Continental Integration in Africa (2010-2015).** This Action Plan is being implemented under the New Partnership for Africa's Development (NEPAD), the strategic framework for pan-African socio-economic development and that implements the African Action Plan in various thematic areas: agriculture and food security; climate change and natural resource management; regional integration and infrastructure; human development; economic governance; and cross-cutting issues, such as gender, capacity development and Information and Communications Technologies (ICT).
- » **The African Union Pharmaceutical Manufacturing Plan for Africa (PMPA).** Within this framework, UNIDO authored the PMPA Business Plan that is currently being implemented in several countries in Africa, including Botswana, Cameroon, Ghana and Kenya. The PMPA recognizes that developing the pharmaceutical sector has the potential to achieve both public health and economic development benefits, but in order to do so it requires industrial development expertise and public health involvement. The Plan's vision is to develop a competitive and integrated pharmaceutical manufacturing industry in Africa, able to respond to the continent's need for a secure and reliable supply of quality, affordable, accessible, safe and efficacious medicines.



- » **The African Agribusiness and Agro-industries Development Initiative (3ADI).** This initiative aims at enhancing countries' resource-based comparative advantages through the implementation of competitive agro value chains. 3ADI is a joint initiative between UNIDO, FAO and IFAD. Its main goals include: providing support to Africa's agriculture sector to create highly productive and profitable agricultural value chains that effectively link small and medium-size agricultural producers to markets; increasing farmers' incomes through value-addition processes; supplying higher-valued and differentiated products to consumers in local, regional and global markets; retaining a higher proportion of the consumer price within the communities and countries where the primary production takes place; and sustainable resource management.

- » **The Istanbul Plan of Action 2011-2020.** The IPOA was adopted in 2011 to address specific challenges faced by LDCs (please refer to "Cross-cutting Issues" for more information).
- » **The Vienna Programme of Action 2014-2024.** This Programme, adopted by the United Nations in November 2014, addresses the special needs of Land-Locked Developing Countries (LLDCs) as expressed in the 2003 Almaty Declaration. The aim is to promote LLDCs' full and effective integration into the global economy through programmes on transit policy issues, infrastructure development and maintenance, international trade and trade facilitation and international support measures, as well as their implementation and review. UNIDO is currently mainstreaming the VPoA into its overall development strategies.

## Donor relationship in Africa

UNIDO's projects in Africa are funded by a wide number of donors, including traditional bilateral donor countries, emerging donor countries, as well as international and multilateral organizations. Other sources of funding include financing through trust fund agreements and business partnerships.

**“Traditional” bilateral donor countries.** The donors that traditionally fund UNIDO activities in sub-Saharan Africa include Austria, Denmark, the European Development Fund (EDF), Finland, France, Germany, Italy, Japan, the Republic of Korea, Norway, Sweden and Switzerland. Emerging donors include the BRICS, in particular China, India and the Russian Federation (with China topping the list). Some African countries (e.g. the Democratic Republic of the Congo, Niger, Nigeria, South Africa and Zambia) also self-finance their activities through trust fund agreements.

**Partnerships with international development organizations.** In order to augment its technical impact and better address industrial development challenges, UNIDO fosters joint programming activities with several UN organizations across the African continent. Its major partners include the United Nations Development Programme (UNDP), the Food and Agriculture Organization (FAO), the International Labour Organisation (ILO), the International Trade Center (ITC) and the United Nations Economic Commission for Africa (UNECA). Through joint programming activities, UNIDO directly assists in the elaboration of the UN Development Assistance Framework (UNDAF). Within this framework, UNIDO participates in the “One UN” initiative through its interventions in countries, such as Cabo Verde, Mozambique, Rwanda and Tanzania. It also works closely with the UN Peacebuilding Fund in post-crisis areas (e.g. Ghana, Ivory Coast, Liberia and Mali) to restore the industrial infrastructure and encourage productivity.



Other resources come from the Multilateral Fund for the Implementation of the Montreal Protocol, which provides funding for UNIDO's ozone layer protection, climate change mitigation and energy efficiency projects. The Global Environmental Facility (GEF) also contributes substantially to funding programmes and projects related to the development of mini-grids, renewable energy and Persistent Organic Pollutants (POPs) management within the framework of the Stockholm Convention and energy efficiency development. Furthermore, UNIDO partners with the Enhanced Integrated Framework (EIF) for trade-related capacity-building activities in LDCs. Other UNIDO partners include the African Development Bank (AfDB); the World Bank—International Financial Corporation (IFC); and the European Investment Bank (EIB).

**UNIDO business partnerships in Africa.** As its objectives increasingly align with those of the business world, UNIDO collaborates with a growing number of private sector partners and other key stakeholders to increase its impact in sub-Saharan Africa. It has developed several public-private partnerships in Africa, including EON Reality Inc., Hewlett-Packard, Microsoft, Festo, WorldSkills Foundation, Chemical Leasing, Philipps and the Learning and Knowledge Development Facility (LKDF). Below are some examples of innovative business partnerships that enhance ISID in Africa.

- **UNIDO and Komatsu in Liberia: Partnering to promote youth employment in the mining, construction and agriculture sectors.** The project (with a budget of US\$ 1.4 million funded by the Government of Japan) aims at upgrading Liberia's training infrastructure to meet modern industry needs that enable vulnerable population groups, particularly youth, to benefit from the



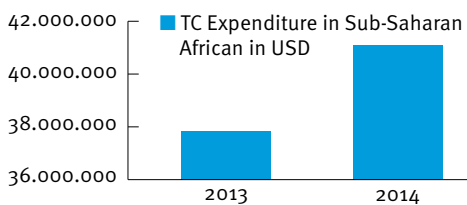
employment opportunities generated. The private sector partner, Komatsu Ltd., has shared its knowledge on industry best practices by providing training workshops for servicing and operating modern heavy equipment and will also provide equipment for the established training center.

- **UNIDO and the Volvo Group in Ethiopia: Partnering to enhance skills development and youth employment.** In collaboration with Volvo and the Swedish International Development Cooperation Agency (SIDA), this UNIDO project provides Ethiopian youth with specialized skills to improve their access to gainful employment in advanced commercial vehicle maintenance. The project; with a budget of US\$ 5.3 million (i.e. contributions of US\$ 2.8 million from Volvo, US\$ 2.2 million from SIDA and US\$ 340,000 from Selam) will establish a modern training center for heavy-duty commercial vehicles, harnessing Volvo’s advanced knowledge and technology in this sector.

- **UNIDO and Chevron in Angola: Supporting the next generation of entrepreneurs.** Since 2010, UNIDO has been cooperating with Chevron to introduce “Entrepreneurship” as a subject in Angolan secondary schools. Chevron provided US\$ one million in funding for this project. Key results as of 2015 include: entrepreneurship curriculum materials developed; 139 teachers trained and qualified to teach Entrepreneurship; 70 education officials trained; more than 10,000 students learning Entrepreneurship in secondary pilot schools; and a national roll-out planned to potentially reach half a million young people.

## TECHNICAL COOPERATION IN THE AFRICA REGION

**TC Expenditure in Sub-Saharan Africa in USD**



**Overview.** UNIDO’s involvement with Africa as a region has continued to grow over the years. From 2013 to 2014 its technical cooperation expenditure in sub-Saharan Africa increased from US\$ 37,814,000 to US\$ 41,159,879. These investments enabled the implementation of various UNIDO services that showcase the Organization’s mandate to promote “inclusive and sustainable industrial development” (ISID).

## Technical Cooperation expenditure in the region

### UNIDO thematic areas and TC expenditure in sub-Saharan Africa 2013-2014

- » **Poverty reduction through income-generating activities** remained the first thematic area, accounting for US\$ 16.1 million or 42.6% of total expenditures in sub-Saharan Africa in 2013, and increasing to US\$ 19.6 million or 47.6% in 2014. The activities implemented under this thematic area support developing countries' efforts to reduce poverty and increase vulnerable communities' incomes. They also encourage the promotion of gender equality and empowering women as effective ways to combat poverty, hunger and disease. UNIDO activities in Africa under this priority area include: business, investment and technology services; agribusiness and rural entrepreneurship development; human security and post-crisis rehabilitation; and interventions supporting women and youth in productive activities.
- » **Trade Capacity Building** services provided by UNIDO in sub-Saharan Africa accounted for US\$ 5.7 million or 15.16% of total expenditures in 2013 and US\$ 4.9 million or 11.92% in 2014. Enhancing the capacity of developing countries and countries with economies in transition to participate in global trade is becoming increasingly critical for the economic growth of these countries. The ability of enterprises in these African countries to trade internationally depends increasingly upon their ability to enter into global value chains created by transnational corporations. UNIDO supports interventions in the following areas: competitive productive capacities for international trade; quality and compliance infrastructure; and corporate social responsibility for market integration.
- » **Energy and the environment** interventions by UNIDO in sub-Saharan Africa accounted for US\$ 15.8 million or 41.78% of total expenditures in 2013 and US\$ 16.5 million or 40.08% in 2014. UNIDO has long recognized the need to address environmental issues and promote cleaner production methodologies in industrial development. Specific activities in the region include: resource-efficient and low-carbon industrial production; green industry for a sustainable and economically viable future; enhanced access to modern and reliable energy supplies for productive uses; and capacity building for the implementation of multilateral environmental agreements, such as the Montreal Protocol on the phasing out of ozone depleting substances and the Stockholm Convention on Persistent Organic Pollutants (POPs).



### Technical cooperation expenditure in sub-Saharan Africa by thematic areas in 2013-2014

Thematic Areas	Year	2013	2014
<b>Poverty Reduction:</b>		16,113,000	19,591,022
<b>Trade Capacity Building:</b>		5,733,000	4,908,817
<b>Environment and Energy:</b>		15,800,000	16,498,668
<b>Others/cross-cutting issues:</b>		168,000	161,372
<b>TOTAL USD:</b>		<b>37,814,000</b>	<b>41,159,879</b>

## Advocacy initiatives 2013-2014

**ISID and the Development of Programme for Country Partnership (PCPs).** Africa is the first of UNIDO's five regions to benefit from its new ISID mandate. In particular, 2014 saw the selection of Ethiopia and Senegal as the first pilot countries for implementation of the Programme for Country Partnership. The ISID-PCP approach is based on five tenets:

- Strong country ownership;
- Clear reflection of UNIDO's ISID objectives;
- Close alignment with national resource mobilization strategies and the potential to scale up technical cooperation services through the establishment of partnerships;
- Opportunities to deploy a multi-disciplinary array of UNIDO services; and
- Rigorous monitoring and reporting mechanisms that allow Member States and partners to measure the concrete benefits of this new approach.

In addition, UNIDO's PCP approach puts emphasis on partnership development in order to harness the full capacities of all development stakeholders, including the private sector, bilateral and multilateral donors, financial institutions and other UN agencies.

Two UNIDO-approved PCP pilot projects mentioned above are being developed together with the respective governments.

- » **Ethiopia** (PCP-EHT): The programme document was approved by UNIDO and the Government of Ethiopia in 2014 and a national task force was established to coordinate PCP implementation. This UNIDO-supported task force is composed of different government institutions and the private sector. A high-level ISID-PCP joint task force has also been created, chaired by the Ethiopian Minister of Finance and Economic Development, with selected development partners, including the World Bank (WB), the African Development Bank (AfDB), the International Finance Corporation (IFC) and the Ethiopian Ministries of Industry and Agriculture. The task force will coordinate the programmes of different partners in support of ISID. In addition, feasibility studies have been finalized for large-scale investment in four Integrated Agro-Industrial Parks and in one large leather city for Public Private Partnership (PPP) investment.
- » **Senegal** (PCP-SEN): A technical mission, as well as a technical workshop, with national counterparts and partners to adopt the 2015 Priority Action Plan—March 2015 were conducted. The official launch took place on 20 April 2015 and was chaired by the Prime Minister. It established a National Steering Committee and a Partner and Donor Working Group. A Partner and Donor Roundtable is planned to take place in May/June 2015. The report to the Government of Senegal on Growth Identification and Facilitation for Industrial Upgrading and Diversification (GIFIUD) and its recommendations were finalized for presentation in May 2015.

**Development of UNIDO Country Programme (CP) Frameworks in the Region.** In order to further streamline UNIDO's approach and assist Member States in achieving ISID, the Africa Bureau has developed Country Programme (CP) Frameworks in several countries. These CPs provide a frame of reference for technical assistance between the respective governments and UNIDO and signify UNIDO's commitment to the industrial development of that country. The following UNIDO Country Programmes were approved and signed in 2013 and 2014: Burkina Faso, Cabo Verde, Chad, Guinea, Lesotho, Mozambique, Niger, Sierra Leone, Togo, Uganda and Zambia.

## *Global Forum activities*

- **CAMI-20 (20<sup>th</sup> African Union Conference of African Ministers of Industry) held in Nairobi, Kenya in June 2013.** The objective of the meeting was to reflect on some of the key issues for African industrial development and contribute to the post-2015 development agenda. The main outcome was the "Nairobi Declaration on Accelerating Industrialization in Africa within the Post-2015 Development



Agenda”, highlighting private sector development, renewable energy and green development, South-South cooperation, quality, standards and metrology, and long-term financing.

- **1st Bureau Meeting of CAMI 20 in September 2014 in Nairobi, Kenya.** The participants from the AUC, UNIDO, UNECA and the RECs discussed the status of various initiatives within the context of the African Union Action Plan for the Accelerated Industrial Development of Africa (AIDA), including the Pharmaceutical Manufacturing Plan (PMPA); the 3ADI and the Africa Mining Vision (AMV). Agreements were reached on areas of cooperation for enhanced impact within the AIDA framework, including the way forward for the implementation of several regional programmes.



- **Land-Locked Developing Countries (LLDCs) Conference in November 2014 in Vienna, Austria.** UNIDO organized a side event on “Regional coherence and South-South cooperation to promote sustainable energy investments, markets and industries in LLDCs”, where the Global Network of Regional Sustainable Energy Centers, a South-South multi-stakeholder partnership coordinated by UNIDO, was presented. Innovative models and strategies to strengthen regional sustainable energy cooperation (Action Plan for 2014-2024) were discussed at this event.
- **Africa Industrialization Day (AID).** The AID is observed annually on 20 November. The AID symposium offers a global platform encouraging expression of the international community’s commitment to accelerate economic development in Africa through structural industrial development and inclusion of vulnerable communities. Themes: “Job Creation and Entrepreneurship: A Means to Accelerate Industrialization in Africa” in 2013; and “ISID and African Agro Industry for Food Security” in 2014.

**Upcoming conferences and Global Forum events relevant to the Africa Region:** In order to highlight ISID in Africa, the following conferences and Global Forums will be convened in 2015:

- High-Level Meeting to follow-up the Second United Nations Conference on Landlocked Developing Countries (2-4 June 2015 in Livingstone, Zambia);
- Ministerial Meeting of African LDCs (8-10 June 2015 in Milan, Italy);
- Vienna Energy Forum: Sustainable Energy for Inclusive development (18-20 June 2015, in Vienna, Austria);
- 25<sup>th</sup> Ordinary Session of the Assembly of the African Union (14-15 June 2015 in Pretoria and Johannesburg, South Africa);
- China-Africa Investment Forum, co-organized by UNIDO, the World Bank and the Governments of Ethiopia and China (30 June – 1 July 2015 in Addis Ababa, Ethiopia);
- 3<sup>rd</sup> UNIDO ISID Forum at the 3<sup>rd</sup> International Conference on Financing for Development (13-16 July 2015 in Addis Ababa, Ethiopia);

- Roundtable on the theme, “Operationalization of the Post-2015 Development Agenda for African Industrialization” at the UN Summit for the Adoption of the Post-2015 Development Agenda (26 September 2015 in New York, USA);
- Conference of African Ministers of Industry (October 2015);
- Africa Industrialization Day (20 November 2015);
- Ministerial LDC Conference (26-27 November 2015 in Vienna); and
- UNIDO General Conference (30 November-4 December 2015 in Vienna).

## Country evaluations

- » **Republic of Congo:** An evaluation of the *Programme Intégré de Relance Industrielle* (PIRI) (€ 5,400,000) for the Republic of Congo was carried out in May 2014. The evaluation revealed strong ownership by the government that partially funded activities through a trust fund agreement. It stressed the key outcome of the programme: creation of an investment promotion agency to help the Congolese Government increase both domestic and Foreign Direct Investment (FDI).

## Cross-cutting issues

**Cross-cutting issue 1: Assistance rendered to Least Developed Countries (LDCs).** UNIDO has increasingly tailored its assistance to LDCs in the region. LDC-dedicated delivery amounted to US\$ 32.2 million in 2013 and US\$ 27.2 million in 2014. Below are selected strategies and activities within the LDC framework.

- » **The Istanbul Plan of Action (IPoA) (2011–2020) and the UNIDO LCD Operational Strategy (2012-2020).** The IPoA, endorsed by the UN General Assembly June 2011, calls upon all relevant stakeholders—specialized agencies and institutions, donors, the private sector, experts from the civil society, academia etc.—to commit to implementing the Istanbul Plan of Action by 2020. This LDC-oriented UN strategy focuses on the following priority areas: productive capacity; agriculture, food security and rural development; trade; commodities; human and social development; multiple crises and other emerging challenges; mobilization of financial resources for development and capacity-building; and good governance at all levels. Following its 2011 adoption, UNIDO was one of the first agencies to mainstream the IPoA into its agenda through its LDC Operational Strategy, which is based on a three dimensional approach; namely: conversion of commodities into products; empowerment of communities; and regional industrial infrastructure for cross-border value chain development.



- » **Least Developed Countries Ministerial Conference: Lima, Peru, December 2013.** Convened bi-annually prior to the UNIDO General Conference, this LDCs Conference provided a platform for deliberation and

solutions to specific LDC challenges under the theme: “From the Istanbul Plan of Action to the world we want in 2015 and beyond: Implementing the UNIDO operational strategy”. The 2013 conference specifically: 1) encouraged emerging, as well as traditional, donor countries to develop strategies to support the effective implementation of the IPoA and, by extension, UNIDO’s strategy; 2) promoted the critical role of South-South and Triangular Cooperation in the LDC development efforts; 3) promoted the role of women in LDCs in converting commodities into products; and 4) encouraged LDCs to fully embrace the implementation of the UNIDO LDC Strategy at the national level.

**Cross-cutting issue 2: UNIDO South-South and Triangular Industrial Cooperation (SSTIC) in the Africa Region.** The focus on South-South cooperation as an innovative development model has increased over the years, especially with the establishment of two South-South Industrial Cooperation centers in Beijing, China and New Delhi, India. SSTIC presents an opportunity for Member States to tap into alternative, affordable and appropriate solutions from the emerging South (e.g. emerging African economies).

The following projects were implemented through funding from the South-South Center in India during the 2013-2014 biennium:

- **Benin:** Technical assistance in establishing a biomass gasification technology resource center in Songhai;
- **Kenya:** Demonstration and promotion of coconut husk processing for income generation in rural communities in Kenya’s Coast Province;
- **Nigeria, Sierra Leone and Ghana:** Development of production capacity and promotion of neem-derived bio-pesticides in West Africa (pilot phase);
- **Sudan:** Capacity building and technology upgrading of stone quarrying and processing for inclusive development and promotion of productive activities for poverty alleviation; and
- **Uganda:** Capacity building of youth in biomass gasification systems to promote productive activities for clean energy in the country’s rural north.

**Cross cutting issue 3: Gender and Women’s Empowerment.** In 2013 and 2014, the Africa Bureau actively encouraged activities related to the empowerment of women and gender equality in Africa. Focused efforts were made to ensure inclusion of the gender dimension in UNIDO’s Country Programmes and stand-alone projects developed by the Bureau in the region. Some examples are provided below:

- » **CAMI-20 (June 2014 in Kenya):** A session on “Sustainable Employment and Economic Empowerment of Women” to promote private sector entrepreneurship and SME development focused on women and youth.
- » **LDC Ministerial Conference (December 2013 in Peru):** A Roundtable on “Converting Commodities into Products: The Role of Women in LDCs”.

Some specific examples of UNIDO programmes and projects in the sub-Saharan African Region that encourage women’s empowerment:

- **Kenya:** The Joint Programme (UNIDO and UN WOMEN) on Gender Equality and Women’s Empowerment. UNIDO gave guidance to women entrepreneurs on marketing and packaging (mainly food products and flowers) to increase their access to local markets, provided training on business quality standards in six provinces and trained 1,800 women in 2013-2014.

- **Mali:** In close cooperation with UNDP, the entrepreneurship programme developed a shea butter value chain, which increased competitiveness and improved women's livelihoods.
- **Mozambique:** Empowering women and girls through entrepreneurship education in secondary and vocational schools.

## UNIDO in Action



UNIDO's industrial development mandate is implemented through technical assistance in three priority areas: poverty reduction through productive activities; trade capacity building; and energy and the environment. Below are some "snapshots of success" in the form of selected Africa Region projects in 2013-2014.

### » Focus on poverty reduction through productive activities

**The 3ADI Initiatives.** 3ADI projects are currently being implemented in Burkina Faso, the Comoros, the Democratic Republic of Congo, Ethiopia, Ghana, Liberia, Madagascar, Niger, Nigeria, Rwanda, Sierra Leone, Sudan and the United Republic of Tanzania. For instance, in Mali the Shea Butter Value Chain Project, funded by the Government of Luxembourg (€ 1,000,000) facilitated market access, increased competitiveness and improved the livelihoods of 1,000 Malian women. In Uganda, through the "Resilience Building through Banana Value Addition" project (US\$ 10,934,933), UNIDO is strengthening local communities' capacities to engage in the production of processed goods for export. In Ethiopia, UNIDO and the OPEC Fund for International Development (OFID) supported the implementation of the Beles Value Chain Project (US\$ 600,000) and provided technical assistance to farming communities to increase their production of high value goods for export.



**Private Sector Development: The Global Cleantech Innovation Programme (GCIP) for SMEs in South Africa.** Part of a joint venture between UNIDO, the Global Environment Facility (GEF) and the Cleantech Innovation programme, GCIP was launched in 2014 to help start-up small and medium-sized enterprises (SMEs) tackle today's most urgent environmental challenges. With an overall budget of some US\$ two million, the project targets:

- Promotion of the most promising innovative local clean energy technologies;
- Coordination of existing and planned national programmes, funds, competitions, etc. that develop clean energy technologies; and
- Global networking to put South African start-ups in touch with mentors and potential business partners abroad.

The project set up a "national accelerator", identified and selected innovative clean energy technology entrepreneurs who will then receive professional mentoring and training on the development and commercialization of their business models.



**Entrepreneurship Curriculum Programme in Mozambique.** In 2007, UNIDO, in collaboration with the Government of Norway (NORAD) and the Ministry of Education and Culture of Mozambique, introduced the Entrepreneurship Curriculum Programme (ECP) in secondary and vocational schools throughout Mozambique. With an overall budget of US\$ 2.7 million, the ECP develops entrepreneurial aptitude and skills and has been integrated into the formal National Education Strategy. As of 2014, 331 schools were implementing the programme; 1,654 teachers had been trained; 496,400 students took the course and 127,800 had graduated (ratio: 55% male, 45% female); 85% of the students had acquired entrepreneurial skills. This project, which has also been implemented in Angola, Namibia, Rwanda and Uganda, entered a second phase in 2014. This programme was also launched in Cabo Verde in September 2014.



### » Focus on Trade Capacity Building

**Joint UNIDO-WTO Trade Capacity-Building Programme Framework in Zambia.** UNIDO assisted Zambia in reviewing its overall organizational framework relating to standards, accreditation, inspection, testing and certification. Following the successful implementation of Phase I from 2008-2013, UNIDO launched Phase II in July 2013 to help re-engineer the integrated National Metrology Institute. It is also supporting creation of a National Accreditation Service and operationalization of a technical regulations framework. The direct beneficiaries of this US\$ 1,850,000 project are institutions and facilities that upgrade their capabilities and organizational procedures to the level of internationally accepted practice, together with provision of direct training. Manufacturers and exporters in the strategic export sectors will also benefit, expanding their production, gaining access to new markets by better complying with export country regulations, standards and buyers' requirements (e.g. national testing laboratories to improve the food sector's compliance, and hence facilitate exports).

### **Development of Robust Standardization, Quality Assurance, Accreditation and Metrology (SQAM) Infrastructure in Malawi:**

The purpose of this project is to enhance the performance of the Malawi Bureau of Standards (MBS) by developing a more efficient, effective and sustainable National Quality Infrastructure (NQI) in accordance with international and regional principles and practices. With an overall budget of US\$ three million funded by the European Union (EU), the project aims to improve the quality, safety and marketability of Malawian goods and services by removing technical trade barriers. In 2013-2014, a market survey on the demand for testing and calibration in Malawi was conducted; a business plan and monitoring system for MBS was prepared; a strategy and plan on the institutionalization of "Better Regulations" was put in place; a management systems certification body for ISO 9001 and ISO 22000 / HACCP was developed; and calibration and testing laboratories in MBS were upgraded and accredited.



### **Quality infrastructure and sustainability along the coffee value chain in Burundi.**

UNIDO is assisting Burundi to increase its exports and facilitate access of local products to regional and international markets by strengthening the country's capacity to comply with sanitary and phyto-sanitary measures. The project uses a value chain approach to improve the product quality and structural capacity for quality verification. By December 2014, the project, amounting to US\$ three million, had trained around 80 inspectors in ISO/IEC 17020 and market surveillance; over 100 executives had been sensitized on standardization and regulation; 110 executives of processing units had been trained in quality and food safety; and two consortia, BUCOCO (48 containers of coffee already sold)



and COCOCA, had been established and were operational in Burundi's coffee sector. This project also supported participation in the 11<sup>th</sup> African Fine Coffee Conference and Exhibition that took place in Burundi in 2014.

#### » Focus on Energy and the Environment



##### **Micro-Hydro scheme to augment rural electrification in Tanzania.**

Under this US\$ 3.35 million GEF-funded project, UNIDO's assistance promotes micro-hydropower capacity in rural Tanzania. Key outputs through 2014 included: construction of a 10 kW micro-hydropower plant in the village of Kinko (Tanga region); expansion of the electricity network to more than 80 households; local job creation; and income generation. The network provides power to a nearby national park, thereby promoting local tourism. The project also created a community center with internet connectivity, computers and a battery-charging facility.

##### **The ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE) in West Africa.**

This Centre helps the region's countries to:

develop renewable energy and energy efficiency markets; improve policy and capacity and quality assurance; design financing mechanisms; and introduce demonstration projects with regional upscaling potential. The first phase of the project facilitated the establishment of the ECOWAS Observatory for Renewable Energy and Energy Efficiency (ECOWREX) in November 2012. The ongoing project (second phase) supports 22 GEF-funded energy components (US\$ 39.86 million) in the ECOWAS region. The goals are to improve knowledge management, networking and advocacy to strengthen renewable energy capacities and efficiency. In December 2013 UNIDO and the Austrian Development Agency (ADA) signed agreements amounting to € 3.5 million to support ECREEE's second operational phase. There are plans to set up similar centers in East Africa (EACREEE) and Southern Africa (SACREEE) for which baseline surveys and needs assessments on the technical institutional design have already been undertaken.



**In addition to the three thematic areas above, UNIDO also provides other essential components of technical cooperation, including policy advisory services.**

**Policy Advisory Services.** During the 2013-2014 Biennium, many African countries, including Tanzania and Cameroon, benefitted from UNIDO's policy, research, statistical and advisory services. For example, through a US\$ 432,962 project, training sessions were conducted to strengthen national institutional capacities in Tanzania. In addition, training was conducted for national statisticians on the latest available survey techniques and international guidelines on industrial statistics, after which Tanzania was able to publish its first industrial competitiveness report in 2013. Due to this success, the project is being replicated and scaled up in other African countries (e.g. Burkina Faso, Burundi, Cabo Verde, Ethiopia, Gabon, Malawi, Mozambique, Niger, Senegal and Zambia). In Cameroon UNIDO has been helping to establish a competitiveness observatory and local capacity building to monitor the country's industrial competitiveness. During 2013-2014, UNIDO also assisted the Southern Africa Development Community (SADC) to finalize its regional industrial policy and helped the East Africa Community (EAC) design a policy advisory project to support implementation of its Industrialization Strategy 2012-2032.

### Partnership on Action on Green Economy (PAGE) in Ghana

The Partnership on Action on Green Economy is an inter-agency initiative between UNEP, ILO, UNIDO and UNITAR that supports countries seeking to develop and implement national green economy strategies. Between 2014 and 2020, PAGE aims to catalyze the transformation process of 30 countries' economies by shifting investment and policies towards the creation of a new generation of assets: clean technology, well-functioning ecosystems, a skilled labor force with green jobs driven by strong institutions and good governance. UNIDO leads the implementation of this initiative that was officially launched in August 2014 at a national workshop attended by over 80 participants from government, the private sector, academia and civil society.

## UNIDO AND ITS ENGAGEMENT IN THE UN SYSTEM AT THE FIELD LEVEL

Since the 2010 introduction of the UN's "Delivering as One" process, UNIDO's involvement in related activities at the field level has significantly increased. It played an active role in the initial eight pilot countries, four of which were in Africa (i.e. Cabo Verde, Mozambique, Rwanda and Tanzania). After an evaluation of the initial DaO, the second generation of "Delivering as One" countries included 26 African countries as of March 2015.

UNIDO's engagement in the UN Development Assistance Framework (UNDAF) process has increased its participation in the "One UN" processes. Up to the end of 2014, a total of 24 African countries were supported, ten of which with NRA (non-resident agency) status, thereby strengthening UNIDO's field capacity and participation in UNDAF activities. Through its field offices, UNIDO's activities have been appropriately reflected in the various UNDAFs. For example, over US\$ 4.5 million were mobilized in 2013 for UNDAF activities in selected African countries.

**Snapshot of Joint UN Agency Programmes.** UNIDO cooperates closely with other UN agencies, following the ISID mandate with the view to fostering synergies and augmenting overall impact in the region. These include, for example, UNIDO's collaboration with: 1) the United Nations Environment Programme (UNEP) in areas related to energy development and climate change (e.g. the Green Industry Platform); and 2) the Food and Agriculture Organization (FAO), the International Fund for Agricultural Development (IFAD) and the African Development Bank (AfDB) on the African Agribusiness and Agro-industries Development Initiative (3ADI).

# UNIDO HIGH-LEVEL MISSIONS 2013-2014



The UNIDO Director General's **Africa** Missions in 2013-2014 were as follows:

**October 2013:** Two country missions to South Africa and Ethiopia were undertaken in order to meet with ministers and underscore UNIDO's commitment to inclusive and sustainable industrial development in Africa and to explore new partnership opportunities.

**March 2014:** The DG visited Ghana, Senegal and Nigeria to promote ISID at the highest level and to speak at the 7th Joint African Union Conference of Ministers of Finance, Planning and Economic Development in Nigeria. High-level government officials welcomed the new ISID mandate, highlighted its strategic importance for their own national priorities and development plans and expressed their

support, as well as their interest in developing innovative partnerships with UNIDO.

## *Member States' Bilateral Meetings with the DG at UNIDO HQ*

**December 2013:** During the Least Developed Countries (LDC) Conference and the 15<sup>th</sup> General Conference held in Lima, Peru, the DG met with the African-based Ministers of Angola, Burundi, Ethiopia, Kenya, Madagascar, Mali, Mozambique and Zimbabwe. He signed three country programmes: with Uganda, Niger and Guinea, as well as an earlier one with Togo in November 2013 and a later one with Lesotho in February 2014.

**October 2014:** The signing of an agreement on a Resource Efficient and Cleaner Production (RECP) programme in Mauritius took place. The project targets the domestic food processing, textiles, chemicals and light engineering sectors.



**June and November 2014:** During the 1<sup>st</sup> and 2<sup>nd</sup> ISID Forums held in Vienna, several bilateral meetings were held with the DG: in June, bilateral meetings with Ministers of Industry of Lesotho, Mozambique, Niger, Nigeria, Rwanda and Uganda, as well as the signing of a joint declaration with Zambia on advancing cooperation and implementing a new Country Programme. In November, bilateral meetings with the Prime Ministers of Ethiopia and Senegal on the development of Partnership Country Programmes (PCPs) took place. The DG also held bilateral meetings with Ministers of Ghana, Lesotho, Mozambique, Niger, Zimbabwe and the AU Commissioner for Trade and Industry during the second ISID Forum.

# THE WAY FORWARD

**Future outlook.** To enhance development cooperation in the region, the Africa Bureau will focus on a few key activities in collaboration with Member States, including: 1) development of Country Programmes; 2) support to Partnership Country Programmes in Ethiopia and Senegal and their replicability in other countries; 3) exploration of new and innovative funding sources from strategic donors, the private sector, DFI, and public-private partnerships (PPPs) to implement UNIDO activities in Africa. This includes the establishment of self-financed trust funds by recipient countries and the development of joint UN programming.

The Africa Bureau will also promote South-South cooperation as an innovative modality to enhance economic development. Involvement in the “One UN” and UNDAF programmes will also be enhanced. Attention will be particularly paid to ensuring that UNIDO inputs are included in the UNDAF roll-out countries for 2015 and 2016. In collaboration with stakeholders, the Bureau will coordinate a selected number of Global Forum events, including the Conference of African Ministers of Industry (CAMI), the LDC Ministerial Conference in 2015 and AID 2015.

**Strengthening cooperation.** UNIDO’s Africa Bureau also plans to enhance its cooperation with: 1) the African Union and its Regional Economic Communities to implement activities within the “AU 2063” development agenda; 2) AIDA; and 3) other related continental strategies, including 3ADI and PMPA. In this regard, UNIDO will continue to support the AUC by providing relevant technical assistance. In particular, and within the framework of AIDA, UNIDO will work with the African Union Commission to mobilize funds for implementation of regional projects that have been jointly developed by the RECs and UNIDO. See below for key activities.

**UNIDO Country Programme Development:** Country Programmes (CPs) are a significant vehicle to further promote ISID but also to support Member States in implementing their national strategies and policies. In 2015 UNIDO is developing CPs for 17 African countries: Angola, Benin, Burundi, Cameroon, the Republic of Congo, the Comoros, Eritrea, Gabon, Ghana, Malawi, Mali, Mauritania, Mauritius, Namibia, Rwanda, Swaziland and Zimbabwe. Recently signed CPs will also serve as significant drivers for inclusive and sustainable development in the region.

**UN System cooperation at the regional and country level.** UNIDO will continue to actively participate in various UN system processes, including “Delivering as One” and UNDAFs in order to promote industrial development as a driver of growth and to increase synergies within UN agencies in order to facilitate the development and implementation of joint programmes. UNIDO will also pursue its ISID vision and inclusion within SDGs as is already the case in the outcome document (SDG 9), which forms the basis of ongoing intergovernmental negotiations to finalize the post-2015 framework. This will help to ensure that inclusive and sustainable industrial development is deeply rooted in all UN development activities. In this connection, UNIDO will remain fully engaged in contributing to all the processes leading to the launching of the new development agenda in September 2015.

**Post-2015 positioning.** The convergence between public and private interests in African development is becoming increasingly significant and the development and implementation of the post-2015 agenda will require an unprecedented level of **partnerships** between the private sector, governments, civil societies and other key stakeholders. It will also require significant capacity, mobilization of resources, as well as collaboration and co-investment amongst all relevant stakeholders.

UNIDO will continue to promote ISID and its inclusion in the Sustainable Development Goal 9 (SDG9)—“*to build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation*”—related to industrial development, thereby supporting its interventions and TC initiatives in Africa, especially in the continent’s Least Developed Countries (LDCs).

Engaging with the **private sector** is one of UNIDO's priorities for its post-2015 development agenda. UNIDO and the United Nations Global Compact (UNGC) jointly lead this initiative and have identified the following five implementation themes:

- **Developing government policies that drive corporate sustainability:** For the private sector to succeed, and in order for companies to be supported in pursuing sustainability, national governments must play a key role to create the right conditions.
- **Enhancing partnerships:** Transformative partnerships and collective action is needed to achieve systemic change, especially with a view to better including actors from the global South so as to leverage their context-specific knowledge.
- **Mobilizing private sustainability finance:** Mobilizing financial resources and investment will be imperative to achieving critical global objectives in the new era. Private finance and investment, in particular, will be required as a complement to public funding, especially given the anticipated fiscal constraints within the public sector.
- **Localizing the architecture for SME engagement:** Small and Medium-sized Enterprises (SMEs) make up an integral part of the African economy and will thus play an important role in implementing the post-2015 Development Agenda.
- **Building trust through enhanced transparency and accountability:** Measurement practices, reporting standards and certification schemes can be utilized by companies to enhance legitimacy and build trust, as they engage as partners in sustainable development.

In implementing its “way forward”, UNIDO will continue to advocate for the importance of industry/private sector collaboration through various channels, such as the one described in the figure above.

At the same time, UNIDO will enhance its role regarding private sector development through its traditional technical services, as well as through the PCP approach. Emphasis will be put on programmes aimed at SMEs and private sector development, including investment promotion, clusters and business linkages development, industrial upgrading and modernization, information and communications technologies (ICT), especially targeting women and youth.



Cooperation with partners in Government, the private sector, civil society, academia and others to realize the full potential of ISID will be a major priority for UNIDO in its future endeavors. As Director General Li Yong put it in introducing UNIDO's concept of ISID in 2013, "our challenge now, and our historic opportunity, is to recognize the potential of ISID and contribute our efforts for the common good in a new long-term development agenda beyond 2015."

We invite you to join us in making shared prosperity and sustainable development a reality for all the people on our planet, men and women, young and old, rural or urban-dwellers alike.



AFRICA BUREAU

# REGIONAL PROGRAMMES & FIELD REPRESENTATION BRANCH

[regprogrammefield@unido.org](mailto:regprogrammefield@unido.org)



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION

Vienna International Centre · P.O. Box 300 · 1400 Vienna · Austria  
Tel.: (+43-1) 26026-0 · E-mail: [unido@unido.org](mailto:unido@unido.org)  
[www.unido.org](http://www.unido.org)