



UNIDOScope

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20 - 26 March 2005, CONTENTS:

- [UNIDO Director-General in Delhi for launching of business partnership for competitiveness](#)
- [CFC-funded bamboo project announced at workshop in Ethiopia](#)

-
- [COMING SOON](#)
 - [OTHER INDUSTRY NEWSLETTERS](#)
 - [Current Feature](#)
 - [PRINT-FRIENDLY VERSIONS of UNIDOScope](#)
 - [UNIDOScope 2004 archive](#)

UNIDO Director-General in Delhi for launching of business partnership for competitiveness

Delhi, India, 11 March 2005



From left: UNIDO Director General, Carlos Magariños, FICCI Sr. Vice President, Saroj K Poddar, Minister for Commerce and Industry, Kamal Nath, and FICCI Secretary General, Amit Mitra at the launching of the Business Partnership Programme for the Development of Selected Industrial Sectors [larger photo here](#)

UNIDO Director-General Carlos Magariños was in Delhi on 11 March, 2005 for the launching of a Business Partnership Programme to enhance the competitiveness of India's agro food processing and paper and pulp sectors and a UNIDO project for the promotion and management of intellectual property rights. The launching took place at a Federation of Indian Chambers of Commerce and Industry ([FICCI](#)) seminar on industrial competitiveness.

The Business Partnership Programme for the Development of Selected Industrial Sectors, developed jointly by the ([FICCI](#)), [India's Department of Industrial Policy and Promotion \(DIPP\)](#) and UNIDO, was jointly launched by [Commerce and Industry Minister Kamal Nath](#) and the UNIDO Director-General.

Commerce and Industry Minister Nath announced ([view or download statement](#)) that under the Business Partnership Programme, a **Technology Centre for Business Partnership** would be set up at the FICCI for food testing and food research and analysis to promote productivity in the agro and food processing sectors. The Minister stressed the importance of the partnership between government and institutions to fuel entrepreneurship development and economic growth, saying "Although government is important to competitiveness, government alone is not able to build a competitive economy. Linking its own limited resources to those of other actors, in particular private business and public institutions, has become a matter of priority for government. Collective industry bodies such as trade associations and chambers of commerce have important roles to play in promoting successful partnerships. The contribution of FICCI to the growth of Indian Industry is time tested. Therefore FICCI's participation in the Business Partnership Programme being launched today will definitely give us a very good replicable model."

The Technology Centre for Business Partnership (TCBP) will coordinate and act as a clearing house mechanism for technology transfer and innovations for enhancing productivity and competitiveness in selected enterprises. The TCBP will bring together all cooperating agencies on a common platform. FICCI will provide business advisory and technical services and play the key role by providing institutional support. The ICICI Bank will help in formulating bankable proposals and extend targeted loans and financial support to selected enterprises and industrial units. The TCBP will be linked to UNIDO's global investment and technology promotion offices ([ITPOs](#)) and networks for synergy and exchange of information.

On the pulp and paper side, a **Centre for Global Competitiveness** to provide technological inputs, training and application of quality tools among small units in the sectors will be set up. The focus of work in the pulp and paper sector will be on energy efficiency and environment.

In his statement on the launching of the programme ([view or download statement](#)), UNIDO Director-General Magariños shared some thoughts on globalization and its implication for productivity enhancement and competitiveness and how the manufacturing sector in India might interact with this process to deliver economic growth and prosperity. In his statement, the Director-General chose to emphasize the interface that the country's manufacturing sector can have with the outside world to harness its international economic linkages for technology upgradation, innovation and productivity. He concluded by placing the role of UNIDO and significance of this Business Partnership Programme in that overall context.

In his address, Saroj K Poddar, Federation of Indian Chambers of Commerce and Industry Senior Vice President ([view or download statement](#)), said that although the FICCI has had hosted the UNIDO Director-General on several previous occasions, "today is special as we are looking forward to strengthening our relationship by taking it to newer heights - by partnering with the Government - UNIDO and FICCI". He also praised UNIDO for its role in strengthening and linking development to peace and security and ensuring a positive reciprocal interaction between them.

Speaking on the motivation for initiatives taken under the Business Partnerships Programme, FICCI's Mr. Poddar said that in spite of being one of the top few industrialized countries of the world in quantitative terms, India has little share in the global markets. "Our share of export of manufactured goods is much less than some of the very small countries of South East Asia such as Hong Kong, Singapore, Taiwan and South Korea. We export just around 30-40% of what our neighbours in the South East Asian region export." said Mr. Poddar.

"We, at FICCI, are aware of this and from our side, we have initiated steps by establishing the **FICCI Quality Forum**, which provides training & consultancy services not only to Indian industries but also to some of the SAARC countries. **The International Centre for Global Competitiveness**, which we are developing under this joint project, with the assistance of UNIDO, would be a welcome step in this direction. The other sector, where we are looking at capacity building in the project is the agro-processing sector - as India is the world's second largest producer of fruits & vegetables, but hardly 2% of the produce is processed. The wastage levels are very high, resulting in colossal wastage of national wealth, running into millions. Value addition to the raw produce in India is only 7% compared to as much as 23% in China, 45% in the Philippines and 88% in the UK. Although India is the largest producer of milk in the world, only 15% of the total milk production is processed through the organised sector. There is immense scope in the semi-processed and ready to eat packaged food industry too, which is currently at US 1 billion and is growing at over 20%."

"Another sector which is being paid special attention in the project is - the paper and pulp industry. We feel, this industry, has an important role to play in the Indian economy. The increasing demand for paper puts pressure into supply of papermaking fibres, including efficient recovery of recycled paper, use of non-wood raw materials and the need to develop and expand sustainable use of wood. Further, there is a growing need to invest - as capital is needed for modernization and introduce energy efficient and clean technologies for enhancing competitiveness and productivity improvements. If adequate measures are taken, India's competitiveness could substantially be improved and the paper and pulp industry will be prepared for global competition."

Mr Poddar then moved on to the work UNIDO was doing with FICCI in Intellectual Property Rights (IPR). "In broadly enunciating vital areas affecting growth, we cannot afford not to consider IPR. For a developing country like India, IPR regime will definitely provide more strength and support to the intellectual capital as it has a large talent pool, hundreds of top class R&D centers, and rich biodiversity and traditional knowledge. India is embracing the new network model of R&D by collaborating with research institutes, universities and other counterparts and is forming a solid base for industrial and economic development. However, despite these developments, the over all IP related activities in India are yet to reach the desired level. With the IPR Initiative, we hope to secure our industries, contribute to their growth, and stimulate innovation, which in turn, would lead to increased private investment in R&D activities."

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CFC-funded bamboo project announced at workshop in Ethiopia

Addis Ababa, Ethiopia, 11 March 2005



at the bamboo workshop [larger photo here](#)

The International Network for Bamboo and Rattan ([INBAR](#)), the Ethiopian Ministry of Trade and Industry, the Embassy of the People's Republic of China and UNIDO held a workshop to build awareness on the potential of the bamboo industry in Ethiopia on 11 March 2005. Chaired by State Minister for Industry, Ato Tadesse Haile and co-chaired by the Ambassador of the People's Republic of China, Mr. Lin Lin, the workshop was attended by some 60 participants. The Chinese Ambassador emphasized the important role the bamboo industry has played in poverty alleviation in his country, and confirmed his Government's commitment to supporting Ethiopia in their efforts to develop the industry. The Workshop included an exhibition of a range of new design bamboo products developed during a two month training course conducted by INBAR through the Federal

Micro & Small Enterprises Development Agency ([FeMSEDA](#)) that was supported by the Chinese Embassy.

At the closing of the workshop, Head of UNIDO's Regional Office in Ethiopia, Geoffrey Mariki announced a US\$ 2.5 million four year UNIDO-INBAR project in Ethiopia and Kenya funded by a US\$1.7million grant from the Common Fund for Commodities ([CFC](#)). The CFC grant is supplemented by a counterpart contributions from the Government of Ethiopia, through FeMSEDA - (US\$351,000), the Government of Kenya, through Kenyan Forest Research Institute (US\$368,000) and UNIDO, (US\$166,000). The long-term objective of the project is to promote sustainable production and use of bamboo products in East African countries.

Bamboo is an exceptional natural resource. Among other things, it can be eaten, fashioned into utensils to eat with, a plate to eat off, a table to put the plate on, a floor to stand the table on, and to top it off, a house to put all that and ourselves in. ([see UNIDOScope 20 - 26 April, 2003](#))

The project is focusing on markets as the driving force behind the development of bamboo sector to contribute to the reduction of poverty in rural, degraded and marginalized areas by turning bamboo from being the "poor man's timber" into a cash crop. In Ethiopia, FeMSEDA is working together with the Ministry of Agriculture and Rural Development and local government in bamboo growing areas. The project will contribute to the reduction of poverty in rural, degraded and marginalized areas by turning bamboo from being the "poor man's timber" into a cash crop.

The main source of funding for the project, the Common Fund for Commodities, is an intergovernmental financial

institution established by the United Nations. The main objective of the Fund is to assist developing countries which are dependent on the production and export of primary commodities. The main target groups are commodity producers in Least Developed Countries and the poorer strata of the population in other Developing Countries. The Common Fund is headquartered in Amsterdam, the Netherlands.

To promote the development of bamboo products in East African countries the project will seek to increase quality and value created by existing bamboo production and processing systems. This will be achieved by: - optimising technical inputs; development of new products with large sustainable markets; increased access to markets; and by enabling more equitable sharing of benefits amongst stakeholders. The project will further develop measures to support the long-term sustainability of the successfully tested product options, and to promote greater dissemination of the results. Options tested in one location can then be replicated in other locations as part of the project. Furthermore, the project will develop models for replication outside the direct project areas.

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[coming events](#)

▲ TOP

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