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### UNIDO activities related to the Abu Dhabi Declaration

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### Report by the Director General

The present document provides information on the implementation of the Abu Dhabi Declaration adopted at the eighteenth session of the UNIDO General Conference in 2019.

## I. Introduction

1. The Abu Dhabi Declaration adopted by the eighteenth session of the General Conference (GC.18/Res.1) follows the Lima Declaration of 2013 (GC.15/Res.1), which established and defined the common vision of inclusive and sustainable industrial development (ISID). At the cusp of the expiration of the Millennium Development Goals, the Lima Declaration also laid the foundation for a dedicated Sustainable Development Goal on building resilient infrastructure, promoting sustainable industrialization and fostering innovation (SDG 9).
2. The Abu Dhabi Declaration reiterates the mandate of UNIDO to advance inclusive and sustainable industrial development and serves as a strong statement in support of multilateralism and international cooperation in this area.
3. The Declaration recognizes that eradicating poverty and combating climate change and environmental degradation are among the greatest global challenges of today. At the beginning of the Secretary-General's Decade for Action, it reaffirms the commitment of UNIDO Member States to the 2030 Agenda for Sustainable Development and to achieving sustainable development in its three dimensions.
4. Through the Abu Dhabi Declaration, Member States further reiterated their commitment to UNIDO as the specialized agency of the United Nations with the mandate to promote international industrial cooperation and inclusive and sustainable industrial development and as the central coordinator of ISID in the United Nations system.

For reasons of sustainability, this document has not been printed. Delegates are kindly requested to refer to electronic versions of all documents.



## II. Operationalizing the Abu Dhabi Declaration

5. Several documents presented to this session of the Conference outline the work of UNIDO in operationalizing the Abu Dhabi Declaration. The 2030 Agenda remains the main focus and compass for UNIDO to implement its mandate, as outlined in document IDB.49/17.

6. While the Declaration restates priorities in all areas of UNIDO's mandate, it emphasizes two issues of particular importance: first, it highlights the important role of the private sector in achieving the Sustainable Development Goals, and of UNIDO as a platform for cooperation. Secondly, it draws attention to the emergence of frontier technologies of the fourth industrial revolution, which raises concern due to their disruptive potential, but which, more importantly, offer tremendous opportunities to advance economic growth and human well-being, and to safeguard the environment.

7. Private sector cooperation and the fourth industrial revolution are elements that render UNIDO's global mandate unique and set the Organization apart from most other development organizations. The documents under agenda item 20, including GC.19/10, provide information on UNIDO activities related to digital transformation and innovation.

8. The Declaration calls for effective international cooperation and recalls the mandate given to the Organization in General Assembly resolution [70/293](#) to lead the development, operationalization and implementation of the Third Industrial Development Decade for Africa (2016–2025). An update on these efforts is given in document GC.19/9. An account of UNIDO activities in support of least developed countries is given in GC.19/16, small island developing States in GC.19/17, and middle-income countries in GC.19/18.

9. The Declaration recognizes the role of ISID and of UNIDO in supporting the inclusion, participation and contribution of all stakeholders in economic development. It stresses the need for targeted actions to promote gender equality and the empowerment of women and girls, which document GC.19/8 reports on.

## III. Global Alliance of private sector manufacturers

10. Due to its mandate of ISID, UNIDO has unique and long-standing experience in facilitating platforms for cooperation among private sector actors. Since its inception, the Organization has worked with the business sector in a variety of forms. UNIDO's business partnerships harness the expertise, knowledge and resources of the private sector to tackle important global industrial development issues such as green industry, circular economy, climate change, sustainable energy, eco-innovation, as well as poverty eradication, gender equality, employability and empowerment of youth and women, and food and human security.

11. The 2030 Agenda and the Addis Ababa Action Agenda provided impetus for the United Nations development system to enhance partnerships with the private sector, highlighting the role of business partnerships as an essential approach to achieve the Sustainable Development Goals. Goal 17 specifically calls for a global partnership for sustainable development and includes a target (17.17) dedicated to multi-stakeholder collaboration. In September 2019, the Secretary-General called on all sectors of society to mobilize for a Decade of Action to deliver the global goals. The Decade of Action calls for accelerating sustainable solutions to all the world's biggest challenges — ranging from poverty and gender to climate change, inequality and closing the finance gap.

12. The Abu Dhabi Declaration underlines the crucial role of UNIDO in providing a platform to coordinate and catalyse initiatives of and with private sector entities. It calls upon UNIDO to spearhead the collaborative efforts of private sector manufacturers through coordination, knowledge-sharing and targeted support. In

paragraph 24, the Declaration encourages the establishment of a global alliance of private sector manufacturers for ISID under the auspices of UNIDO.

13. In January 2020, a task team in UNIDO started to analyse how partnerships with the business sector could be institutionalized to enrich UNIDO's convening and normative functions through a new advisory mechanism, such as a global alliance, to facilitate public and private dialogue and consultation. A review of UNIDO's experience in this area provided a starting point for the analysis.

14. In 1975, UNIDO established and led the System of Consultations as a forum to share experiences and technologies between developed and developing countries and as a framework for identifying challenges associated with industrialization. The system operated at four levels (global, regional, interregional and sectoral) and each of the consultations attracted up to 150–200 industrial experts from governments, business, labour, consumer and other groups.

15. In 1986, UNIDO introduced the first Investment Promotion Services, now known as Investment and Technology Promotion Offices (ITPOs), offering opportunities for investors and technology suppliers in developed countries to find potential partners in developing countries with the advisory and technical support of UNIDO on how to do business in local environments.

16. Even before joining the United Nations Global Compact in 2003, UNIDO had made first experiences working with companies, such as with Fiat in 1994. The nature of cooperation evolved from philanthropy and social cause-related marketing to an integrated business approach.

17. UNIDO has further accumulated extensive experience with the business sector through technical cooperation, and the engagement in several industry-related multi-stakeholder platforms. These include, among others, the Global Alliance for Circular Economy and Resource Efficiency (GACERE), the UNIDO Hydrogen Partnership, the Learning and Knowledge Development Facility (LKDF), the Green Industry Platform (GIP), the Green Industry Conference (GIC), the Global Network for Resource Efficient and Cleaner Production (RECP*net*), the Bridge for Cities conference series, the Vienna Energy Forum (VEF), the Industrial Energy Accelerator, and the Global Manufacturing and Industrialisation Summit (GMIS).

18. UNIDO also has a track record convening various private and public sector stakeholders in the framework of its projects and programmes focused on entrepreneurship development and innovation support, including the Private Financing Advisory Network (PFAN), the Global Cleantech Innovation Programme (GCIP), and the Climate Technology Centre and Network (CTCN).

19. UNIDO's flagship country-level multi-stakeholder partnership model, the Programme for Country Partnership (PCP), focuses on building synergies between public and private actors for transformational development impact. The PCP supports the mobilization of different streams of resources, including private sector investment, especially for the realization of large-scale industrial projects contributing to job creation and economic growth.

20. Furthermore, to clarify the unique value proposition for the Global Alliance, a mapping exercise in 2020 reviewed comparable initiatives outside and within UNIDO and the United Nations system. Many of the existing platforms bring together private, public, academic and development actors to discuss sustainable development, with most of them not limited to a particular industry or sector. Most platforms claim to be global in their geographic scope, while the mapping revealed that developing countries are less well represented. Membership models also vary.

21. Considering UNIDO's past experiences, the results of the analysis and mapping exercise, its ISID mandate, and the specific needs arising from the COVID-19 crisis, it is being considered that the scope of the Global Alliance would cover the industrial sector, rather than being limited to the manufacturing sector, potentially also

encompassing related value chain actors, such as industry associations and chambers of commerce.

22. The analysis, taking global development trends and needs into account, further suggests focusing the work of the Global Alliance on the fourth industrial revolution and the related frontier technologies, as well as the global movement for just and gender-responsive transitions to low-carbon and climate resilient recovery, including circular economy solutions and sustainable energy, innovation and other relevant mandated areas.

23. The creation of an innovative, solution-oriented, normative and convening alliance holds great potential to take full advantage of the benefits of the fourth industrial revolution to address the world's most pressing development challenges, among others, climate change and environmental degradation, and poverty and inequality.

24. The initial assessment considered various aspects, amongst others regarding the scope and status (ranging from the alliance acting as umbrella of existing UNIDO networks and alliances; UNIDO leading the set-up and running the alliance; UNIDO joining forces with existing initiatives; to UNIDO solely advising), the duration (open-ended or limited), the sustainability and funding mechanism, the membership structure and criteria, and the legal status of the Global Alliance.

25. It was concluded that to clearly define the scope of the Global Alliance and its governance model, a needs assessment with the business sector and UNIDO Member States would be necessary.

26. Under the guidance of its Member States and the leadership of the Director General, UNIDO will strive to advance the operationalization of the Global Alliance in the year ahead, including through the identification of the necessary resource and financial requirements. The support of Member States to identify and mobilize participants from their respective industrial and business sectors will be important for the operationalization.

#### **IV. Action required of the Conference**

27. The Conference may wish to take note of the information contained in the present document.

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