



# UNIDO Business Partnerships

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Partnering for Prosperity



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION

## **UNIDO BUSINESS PARTNERSHIPS**

The United Nations Industrial Development Organization (UNIDO) promotes wealth creation and global prosperity through sustainable industrial development. We want every country to have the opportunity to grow a flourishing productive sector, to increase its participation in international trade, to improve its access to energy and to safeguard its environment. As our objectives increasingly align with the business world, we are collaborating with a growing number of private sector partners and other key stakeholders. Addressing these complex development challenges collectively has resulted in innovative and practical new approaches that combine both development gains and business benefits, to accelerate the achievement of these shared goals.





# UNIDO

- » Profound know-how in industrial development
- » Worldwide pool of experts and trainers
- » In-depth knowledge of developing countries and transition economies
- » Field presence in more than 50 countries



- » Cutting edge expertise in specific industry sectors
- » Products, services and technology
- » Access to markets and value chains
- » Market-driven approach



# BUSINESS

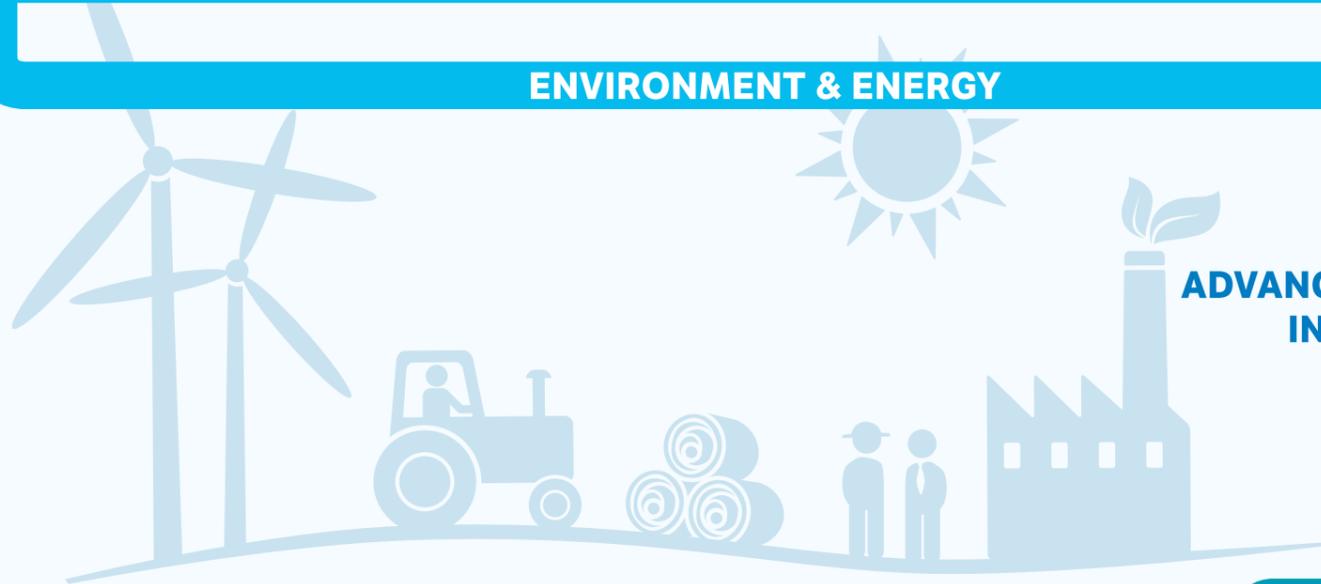


## POVERTY REDUCTION THROUGH PRODUCTIVE ACTIVITIES

### TRADE CAPACITY-BUILDING

### ENVIRONMENT & ENERGY

## ADVANCING INCLUSIVE & SUSTAINABLE INDUSTRIAL DEVELOPMENT



# PARTNERSHIPS

### CORE BUSINESS & VALUE CHAINS

### SOCIAL INVESTMENT & PHILANTHROPY

### MULTI-STAKEHOLDER & TRANSFORMATIONAL PARTNERSHIPS

- » Providing tailored products and services
- » Building local productive capacity
- » Stengthening local supply chains
- » Greening industries
- » Jointly developing international norms and standards
- » Economic diversification and structural transformation
- » Employment generation and wealth creation
- » Transfer of knowledge and technology

## INCREASING STAKEHOLDER VALUE & SUSTAINABLE BUSINESS GROWTH

## PARTNERSHIP MODELS



**Core Business and Value Chain Partnerships:** harness the core strengths of the private sector and/or aim for changing the way businesses operate to be more in line with social, environmental and development goals.



**Social Investment and Philanthropy Partnerships:** provide the UN system with different types of support, including traditional philanthropy, social venture funds, hybrid or blended-value financing mechanisms, employee volunteers or contribute core business expertise, products or services to the public cause.



**Multi-stakeholder and Transformational Partnerships:** enable dynamic processes for issue-focused consultation and scalable operations among numerous private and public parties, as well as including private sector representatives in their governance structures.





## Message from the Director General

At UNIDO we aim at working with and enabling the businesses of tomorrow, today.

There is a growing awareness among business leaders of the necessity to break with old practices and set foot on a new path of more sustainable and more socially inclusive business. We witness a strong commitment to action and a willingness to make the necessary adjustments even in the face of economic hurdles. UNIDO stands ready as a partner to accompany businesses on this new path towards healthier societies, flourishing markets and sound economic progress for the future well-being of the generations to come.

We understand that business is an instrumental partner to achieving global development goals. In recent years we have stepped up our dialogue and collaboration with the private sector, financial institutions and civil society in order to multiply the impact of our technical assistance by combining our efforts, know-how, and resources. We are building a strong alliance with all relevant actors to reach the critical mass for transformative change. At this critical juncture we want to deepen our partnership linkages with strategic actors from multilateral agencies, finance institutions and the private sector.

Companies aiming at long term success must ensure that their operations are sustainable and responsible, creating lasting value – not just financially, but also socially, environmentally and ethically. There is growing evidence that principles and profits are not mutually exclusive. They can go hand-in-hand and create competitive value additions. The partnerships described in this folder illustrate how social, environmental and economic progress can foster competitiveness, business value and long-term sustainability of business operations. They can help meet the growing consumer demand for green products, make employees take pride in their work and build markets of the future.

With more and more businesses, financial institutions and multilateral agencies joining us in our concerted efforts, together we can make inclusive and sustainable industrial development a reality.

Li Yong  
Director General

# 3ADI

## Agribusiness development for food security and poverty reduction

### THE CHALLENGE

In large parts of the developing world the potential of agro-enterprises remains unexploited. Smallholder farms remain trapped in a cycle of subsistence for two main reasons. Firstly, their yields are too low to generate marketable surpluses due to a lack of access to modern technology, information and production factors. Secondly, they cannot get their produce to markets because of weak infrastructure and missing linkages between farm-level production and down-stream activities such as processing and marketing. However, the agriculture sector remains the backbone of economic activity, employment and livelihoods in developing countries. Strengthening the sector and adding value to agricultural commodities are instrumental in enhancing food security, stimulating economic growth and reducing poverty in a sustainable manner.

### THE RESPONSE

Launched in 2010, in partnership with AfDB, FAO and IFAD, the Accelerated Agribusiness and Agro-industries Development Initiative (3ADI) aims at enhancing the productivity and profitability of agribusinesses. In support of this goal, UNIDO designs and implements action-oriented technical assistance programmes and provides integral policy support. Its interventions concentrate on the several key pillars of agribusiness development; upgrading entire value chains, strengthening technology, promoting innovative sources of financing, stimulating private sector participation, improving infrastructure and facilitating market access.



Constraints are first mapped along the value chain of one or two key agricultural products identified by local governments as priority. UNIDO subsequently designs and validates in close collaboration with stakeholders concrete interventions that promote value-addition in agro-processing, post-harvest handling, supply chain management and trade promotion.



#### WEBSITE

[www.3adi.org](http://www.3adi.org)

#### INDUSTRY

Agri-business (food & non-food commodities)

#### PARTNERSHIP OBJECTIVE

Value addition to food and non-food commodities along the entire supply chain, mostly in Least Developed Countries and countries in post-conflict situations

#### PARTNERS

Food and Agriculture Organization (FAO)  
African Development Bank (AfDB)  
International Fund for Agricultural Development (IFAD)

#### BUSINESS PARTNERS

Finance providers, processors, packaging companies, retailers, storage, cooling

#### ADDITIONAL STAKEHOLDERS

Bilateral donor organizations, research institutes and International and Development Finance Institutions

#### RESULTS & OUTLOOK

- Value chain studies in 18 target countries completed
- Current expansion to further geographic areas
- Training centres in selected countries established
- Access to finance for target beneficiaries facilitated

#### GEOGRAPHIC SCOPE

Afghanistan, Brazil, Burkina Faso, Comoros, Democratic Republic of Congo, Ethiopia, Ghana, Haiti, India, Liberia, Madagascar, Niger, Nigeria, Rwanda, Sierra Leone, Republic of the Sudan, Republic of South-Sudan, Tanzania

#### PARTNERSHIP CATEGORY

Multi-stakeholder and transformational partnerships

#### CONTACT

Philippe Scholtes  
Agri-business Development Branch  
email: [P.Scholtes@unido.org](mailto:P.Scholtes@unido.org)

UNIDO further assists beneficiaries in mobilizing the necessary resources (finance, investment, technology, expertise, etc.) so as to contribute to the sustainability of its interventions. The initiative builds on the awareness that tackling complex challenges such as the transformation of subsistence agriculture into productive agribusiness, requires involving a broader range of actors. Hence, 3ADI pools together key stakeholders – governments, development partners, business and research institutions alike – to leverage their core competencies, share knowledge and harmonize efforts. Since the private sector plays an instrumental role in driving the systemic change in agribusiness, the 3ADI also provides a framework for developing cross-sectoral partnerships to help implement large-scale programmes in this area.

### THE BENEFITS OF PARTNERING

By involving various actors and linking their unique resources, UNIDO can enhance the effectiveness and sustainability of its activities, promoting the expansion of local and international value chains to the benefit of small producers and entrepreneurs. As a consequence, additional income for producers as well as new jobs are created. The integration of smallholder farmers into commercially viable business linkages also allows UNIDO to expand the social inclusiveness of agribusiness value chains. Overall the whole economy of target countries benefits from the higher proportion of consumer price that can be retained within its borders. Partnering with the private sector helps ensure that UNIDO interventions in the industrial development effort remain relevant to the needs of industry. Private partners also facilitate the knowledge and technology transfer required for the empowerment of SMEs and the industrialization of least developed countries.

Business engages in the 3ADI because it provides opportunities to enhance its profitability and, at the same time, to mitigate social and environmental risks. Moreover, partnering with UNIDO under the 3ADI framework offers business advantages for new markets and consumer segments. It also provides additional visibility vis-à-vis prospective clients and stakeholders.



### 3ADI – PARTNERSHIP WITH INVESTMENT FUNDS

UNIDO, as a co-sponsor of the Technical Assistance Facility (TAF) of the African Agriculture Fund (AAF), is supporting the delivery of quality technical assistance services for the agribusiness sector in Africa. The TAF is created to extend the development mileage of private investment from the AAF, a private equity fund established to enhance and diversify food production and distribution in Africa. The AAF is funded by European and African development finance institutions and managed by Phatisa, a private fund management company based in South Africa.

Technical assistance services funded by the TAF include building outgrower schemes for the AAF investee companies; entrepreneurship programmes for the rural poor; and capacity development of food processing small medium sized enterprises.

UNIDO's participation in the TAF enhances viability of private investment from the AAF and simultaneously mitigates potential social and environmental risks. Along the planning and provision of the technical assistance services, synergies with 3ADI projects are actively pursued.



# UNIDO-AEON Group

Increasing safe and sustainable sourcing and strengthening business linkages

## THE CHALLENGE

Malaysian small-scale suppliers have difficulties to adequately respond to market requirements, especially in terms of quality, quantity, productivity and sustainability, which prevent them from seizing business opportunities with local, regional and global buyers. By developing the supply-side through SME clustering and upgrading, there will be an overall improvement of management, quality, safety, productivity and sustainability practices within the SMEs that, in turn, will positively impact their overall business, environmental and social performance. In addition, special attention needs to be paid to the integration of Corporate Social Responsibility (CSR) objectives with business objectives at enterprise, cluster and country level.

## THE RESPONSE

Based on its successful experiences with the METRO Group in Egypt, India and the Russian Federation, UNIDO is implementing a Sustainable Supplier Development Programme (SSDP) in Malaysia that aims to upgrade clusters of suppliers, focusing on food safety, quality, productivity, corporate social responsibility and sustainability. For the first time the programme covers both food safety and CSR/sustainability.

### Food safety component

In January 2013, 32 Malaysian experts, both independent individuals and those selected from partner institutions, were trained on the Basic Level of the GFSI Global Markets Programme (GMP) to become food safety trainers and assessors. They are now enabled to deliver related training and provide assessment and mentoring to local suppliers. The experts were chosen from within the University of Kebangsaan (UNIQEP), AEON, the Ministry of Health, the Standard and Industrial Research Institute of Malaysia (SIRIM) and the Business Department of Islamic Development (JAKIM). In addition, 12 individual experts also participated after being selected through a competitive process. UNIQEP lead the process of localizing the training modules and incorporating HALAL requirements followed by delivering the training, jointly with AEON, to the experts and suppliers. A cluster of 25 food processors, current and potential AEON suppliers, have undergone a series of training and mentoring sessions to effectively implement food safety systems in line with the Basic Level of the GFSI GMP, and later, Intermediate Level. Additional training in food safety for experts and suppliers is foreseen through an e-learning and classroom training module, in cooperation with the Michigan State University, funded by the World Bank. Following successful results, the project will also cover primary production.

### CSR/sustainability component

In June 2013, the component will kick-off with an awareness raising workshop on social, ethical and environmental aspects



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**BUSINESS PARTNER**

AEON Group

**WEBSITE**

www.aeonretail.com.my

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**INDUSTRY**

Retail

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**PARTNERSHIP OBJECTIVE**

Facilitating the access of clusters of suppliers to profitable new market opportunities, thus increasing the availability of safe and sustainable products and improving livelihoods

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**EXPECTED RESULTS**

- Capacity of local institutions and experts strengthened in terms of international food safety standards and requirements, sustainability and supply chain best practices
  - 25 food processors have increased productivity and are upgraded to conform to international quality and safety standards and requirements
  - 15 SMEs achieve higher level of productivity and sustainability through implementation of ethical, social and environmental international best practices
  - CSR activities at community level implemented with AEON
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**OUTLOOK**

- Roll-out plan to reach up to 100 SMEs (food and non-food suppliers)
  - Expansion to cover primary production
  - Malaysia is supported to become a hub for sustainable supplier development in the region
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**GEOGRAPHIC SCOPE**

Malaysia, with possible roll-out to neighbouring countries

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**PARTNERSHIP CATEGORY**

Core business and value chain partnerships

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**PROGRAMME PARTNERS**

AEON Japan and Malaysia; Ministry of International Trade and Industry (MITI); Small and Medium Enterprise Corporation (SME Corp); University of Kebangsaan (UNIQEP)

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**CONTACT**

Gerardo Pataconi

Business, Investment and Technology Services Branch  
email: G.Pataconi@unido.org

of CSR, involving local and regional stakeholders. Following the preparation phase, a cluster of up to 15 current and potential AEON suppliers, both food and non-food, will undergo a CSR capacity building programme and will receive continuous assessment and mentoring to improve their sustainability and productivity. In order to adjust it to international best practices, the training will be based on an upgraded version of UNIDO's Responsible Entrepreneurs Achievement Programme (REAP), including its monitoring software, done in partnership with the Global Social Compliance Programme (GSCP) by alignment with their reference tools for both environmental and social aspects. GSCP is a business-driven programme for the continuous improvement of working and environmental conditions in global supply chains, whose members are leading global private sector companies. The project will also advocate the importance of CSR and sustainability within communities and with authorities where AEON suppliers operate to ensure that they have an increased awareness for ethical, social and environmental sustainability.

### THE BENEFITS OF PARTNERING

Following the programme's completion, 40 current and potential AEON food and non-food suppliers will be upgraded in terms of food safety and quality through the application of the GFSI GMP, and in terms of social, ethical and environmental sustainability through the application of the REAP+ capacity building programme and will achieve an increase in productivity. By upgrading the supply capacity of local producers in partnership with a global retailer such as AEON, UNIDO will ensure that clusters of local suppliers establish sustainable business linkages with potential buyers and gain access to national and, at a later stage, international markets. As a direct consequence, the quality and volume of marketable products will improve and consumers will benefit from more sustainable and safer products, and can expect, as a result of the larger range of products available, more stable food prices. The programme has established strong partnership with national counterpart institutions and in particular with UNIQE, which has been strengthened and has positioned itself as a main centre for building the capacity of suppliers in Malaysia, which will support the establishment of the country as a regional hub for supplier development. SME Corp., partnering with UNIDO



Meeting of the Localisation Task Force, January 2013

### AT A GLANCE:

- › **Duration:** August 2012 – February 2014
- › **Location:** Malaysia
- › **Budget:** US\$ 500,000 with additional in-kind contribution from AEON (US\$ 100,000)
- › **Donor:** Government of Japan and AEON; possible funding from the World Bank (US\$ 200,000)
- › **Other Programme Partners:** Ministry of Health (MoH); Ministry of Higher Education (MOHE); Ministry of Domestic Trade, Co-operatives and Consumerism (KPDNKK); Halal Industry Development Corporation; Standard and Industrial Research Institute of Malaysia (SIRIM); Business Department of Islamic Development (JAKIM); Federation of Malaysia Manufacturers (FMM) and School of University of Northern Malaysia (UUM)

and AEON, will be able to share knowledge and know-how and will benefit from UNIDO's supplier development and upgrading tools, resulting in the upgrading of local suppliers through the application of capacity building programmes, in whose development UNIDO has been actively involved. Ultimately, the programme will benefit Malaysian SMEs and farmers as well as local communities and consumers.



Delivery of participation certificate to 25 AEON suppliers selected to take part in the food safety component of the programme

# UNIDO-Carlsberg Group

Promoting resource efficient cleaner production along the entire brewery value chain

## THE CHALLENGE

Natural resources in the Russian Federation are under increasing stress due to widespread over-extraction of water resources and unsustainable land use patterns, such as the excessive use of fertilizers in agricultural production. This is a particularly important issue for brewers, as significant quantities of water and land are used, not only by the breweries directly but also in the production of beer's principle agricultural raw materials (barley, rye, wheat etc.).

There are significant opportunities to further improve the sustainability of Russian Brewers and agro-industrial suppliers and reduce their impact on the environment. However, under the prevailing water and energy price regime there is a lack of incentives to switch to more resource efficient cleaner production processes. The capacities of public institutions for natural resource management also need to be strengthened to mainstream the application of resource efficient cleaner production principles, and in turn promote environmental sustainability.

## THE RESPONSE

In October, 2012 UNIDO entered into a partnership with the Carlsberg Group, the world's fourth largest brewer, and its subsidiary Baltika Breweries. With the support of the Global Environment Facility (GEF), the partnership aims to reduce natural resource consumption, pollution and greenhouse gas emissions, while also improving the agro-ecosystem and water systems in the Russian Federation. The overall objective of the public-private partnership is to demonstrate a replicable approach of how Baltika Breweries, as a corporate socially responsible industrial player, can become a pro-active steward for resource efficient cleaner production along its entire value chain.



The project is multi-focal in nature. Over the next five years Baltika Breweries will invest US\$ 30 million in resource efficient cleaner production and pollution reduction to improve the direct and indirect environmental footprint of all of its breweries in Russia operating in Saint-Petersburg, Tula,



### BUSINESS PARTNERS

Carlsberg Group  
Baltika Breweries

### WEBSITE

[www.carlsberggroup.com](http://www.carlsberggroup.com)  
<http://corporate.baltika.ru>

### INDUSTRY

Beer and non-alcoholic beverages

### PARTNERSHIP OBJECTIVE

Catalyzing market transformation of breweries from a natural resource consuming industry to a pro-active steward for resource efficient cleaner production

### EXPECTED RESULTS

- Life-cycle assessment methodology developed to measure environmental footprint of breweries and suppliers from cradle to grave
- Innovative, economically not yet feasible brewery waste to energy approaches developed for GHG emission reduction. (Incremental GHG emissions >43,000 t CO<sub>2</sub> equivalents per year)
- Natural resource consumption, pollution and greenhouse gas emissions of 10 Breweries operated by Baltika and their agro-industrial suppliers significantly reduced
- Capacity of local institutions and experts strengthened in terms of sustainable resource management
- Regional, national and international policies and policy instruments developed for the mainstreaming of resource efficient cleaner production principles

### GEOGRAPHIC SCOPE

The Russian Federation

### PARTNERSHIP CATEGORY

Core business and value chain partnerships

### PROGRAMME PARTNERS

Global Environment Facility (GEF)  
Centre for International Industrial Cooperation in the Russian Federation  
Volga International Cleaner Production Centre  
St. Petersburg National Cleaner Production Centre

### CONTACT

Christian Susan  
Environmental Management Branch  
email: [C.Susan@unido.org](mailto:C.Susan@unido.org)

Yaroslavl, Voronezh, Samara, Chelyabinsk, Rostov-am-Don, Krasnoyarsk, Novosibirsk and Khabarovsk. This will involve investing in infrastructure for waste water treatment and ground water replenishment, in catchment areas under water stress in which Baltika is a main water user, improved energy efficiency production processes, as well as developing and testing innovative solutions such as approaches to convert brewery waste into energy which are not yet economically feasible. Funding provided by GEF will focus on improving water and energy efficiency of agro-industrial suppliers, providing technical assistance to reduce over fertilization, pioneering environmental friendly brewing technologies and strengthening the capacities of public institutions for sustainable resource management.

Leveraging its well established structures and networks in the Russian Federation, UNIDO will provide technical expertise and assistance to ensure the smooth implementation of the programme. Sustainability and up-scaling will be achieved by disseminating the results to other industries in the sector through industry associations and by creating the regulatory framework including economic incentives required for the mainstreaming of resource efficient cleaner production processes in breweries and their agro-industrial supply chain.

### THE BENEFITS OF PARTNERING

This public-private partnership is the first of its kind in Russia and represents a new way of thinking about environmental sustainability. The partnership is expected to deliver environmental benefits by reducing natural resource consumption, pollution, and greenhouse gas emissions, while also improving the agro-ecosystem and water systems.

UNIDO has a proven track record of helping industrial organizations improve their environmental standards. Baltika Breweries has already received widespread recognition for its environmental sustainability activities in Russia. Through this partnership, UNIDO can support and strengthen these environmental efforts by developing and sharing international industry-related knowledge and providing technical expertise. By working with UNIDO, Baltika and the Carlsberg Group will have an opportunity to further strengthen one of their core values of engaging with society through dedicated community activities focused at improving the environment and implementing sustainable practices in agro-projects. The partners will also contribute to the Russian Federation's ongoing efforts of ensuring environmental sustainability.



Isaac Sheps and Sergey Korotkov at the Signature Ceremony

**“This partnership is an historic example of a public-private partnership where we, as market leaders, invest in supporting and sustaining the environment in which we operate. The partnership shows our commitment to investing not only in the Russian economy but also in its environment, and we do so by partnering with one of the most respected and experienced international organizations in the field of industrial environmental sustainability.”**

Isaac Sheps, Senior Vice President of Carlsberg Group in Eastern Europe and President of Baltika Breweries

**“This partnership is a good example of how UNIDO and a leading company in the beverage sector contribute to greening the industry in the Russian Federation”**

Sergey Korotkov, Director of UNIDO's Investment and Technology Promotion Office in the Russian Federation



# Chemical Leasing

## Redefining the sustainable management of chemicals

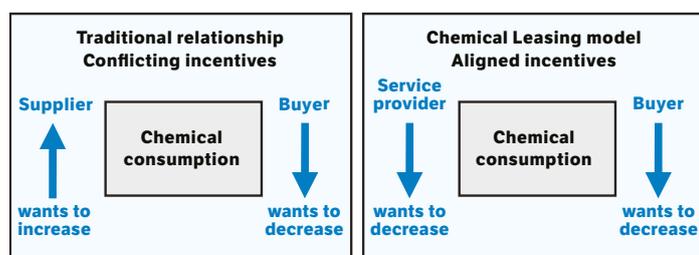
### THE CHALLENGE

Chemicals used for industrial processes play a beneficial and important role in the economy but can have an adverse impact on the environment and humans during their manufacture, use and disposal. Industry is one of the main contributors to hazardous waste and as more areas of the world industrialize the amount of chemicals used in industrial processes has risen heavily.

Despite growing concerns about the environment, traditional business models are fuelling the unnecessary consumption of chemicals and the generation of hazardous waste. Financial incentives encourage suppliers to increase the amount of chemicals they sell. This model also rewards the supplier if chemicals are used inefficiently, inhibiting progressive and environmentally sound industrial development. This is an increasing global challenge, particularly for Small and Medium Sized Enterprises (SMEs) in developing and transition countries, many of which have neither the capacity nor the capability to manage their waste in an environmentally sound way.

### THE RESPONSE

Since 2004, UNIDO has been pioneering Chemical Leasing (ChL) in developing and transition economies, with the direct support of the governments of Austria and Germany. ChL is a one-of-a-kind service-orientated business model that promotes the sustainable management of chemicals.



Chemical Leasing models align incentives for a win-win situation

ChL shifts the focus from increasing the sales volume of chemicals to a value-added approach. Under ChL the supplier sells the functions performed by the chemical and functional units (number of pieces cleaned, amount of area coated, etc.) become the main basis for payment. For example, a producer of metal parts needs detergents to clean them. Instead of being paid for the amount of detergent provided, the chemical supplier sells the functions performed by the detergent, such as the cleaned metal parts. In order to increase profit margins, the supplier trains the user's employees to optimise the usage of the detergent and reduce the amount of detergent consumed.

By decoupling the payment from the consumption of chemicals, ChL aligns incentives, bringing about a win-win situation for the chemical supplier and user, as well as the environment. Since



#### WEBSITE

[www.chemicalleasing.com](http://www.chemicalleasing.com)

#### INDUSTRY

Any sector using chemicals

#### PARTNERSHIP OBJECTIVE

A win-win situation for both business and the environment

#### BUSINESS PARTNERS

Chemical Supplier and Chemical User, including numerous multinationals such as Cabot, Ecolab, Ecopetrol, General Motors, Henkel, Safechem as well as national companies and SMEs

#### PROGRAMME PARTNERS

UNIDO / UNEP Global Resource and Efficient Cleaner Production Network

#### ADDITIONAL STAKEHOLDERS

Equipment suppliers, chemical distributors, recycling/disposal companies, national governments, quality assurance institutes, consultancies

#### RESULTS & OUTLOOK

- Methodology, tools and sustainability criteria developed
- Over 40 projects successfully implemented
- Global Chemical Leasing Award launched
- Plans to expand the model to further regions

#### GEOGRAPHIC SCOPE

Brazil, Colombia, Croatia, Egypt, Mexico, Nicaragua, Russia, Serbia, Sri Lanka, Uganda, Ukraine

#### PARTNERSHIP CATEGORY

Multi-stakeholder and transformational partnerships

#### CONTACT

Petra Schwager  
Environmental Management Branch  
email: [P.Schwager@unido.org](mailto:P.Schwager@unido.org)

chemical products provide a broad variety of services (such as cleaning, coating, colouring and degreasing), the ChL model is applicable in a multitude of industry sectors in large companies,

as well as in SMEs. Experience has proven, however, that best results are achieved when the model is applied to processes that are not the core know-how of the chemical user.

UNIDO promotes Chemical Leasing through its world-wide network of National Cleaner Production Centres. The Centres help companies to prepare Chemical Leasing contracts and provide UNIDO's methodology and tools for the successful implementation of ChL business models. UNIDO ensures that partnerships are based on mutual trust and that the benefits are equally shared among partners. It also oversees that ChL models are effectively customized and adapted for implementation in developing and transition countries.

The first pilot projects were initiated in various sectors in Egypt, Mexico and Russia in 2005, followed by Sri Lanka, Serbia and Colombia in 2008. Additional ChL activities started in cooperation with the Centres in Brazil, Croatia, Russia, Ukraine and Nicaragua. Since then, over 40 projects have been successfully implemented. A growing number of businesses from diverse industrial sectors are partnering with UNIDO and its respective National Cleaner Production Centres to switch over to the ChL business model.

### THE BENEFITS OF PARTNERING

Chemical Leasing leads to more efficient and economic use of chemicals and to lower water, raw material and energy consumption, significantly reducing the environmental impact of the production process. By sharing the added value created through the more economic use of chemicals, both the chemical supplier and user gain an economic advantage from applying the ChL business model.

Alongside improving the economic and environmental performance of participating companies, ChL also reduces occupational health and safety risks, protecting human health from the hazardous effect of chemicals. Companies are better positioned to respond to the latest changes in international chemical policies and also enhance their access to new markets. Unlike the outsourcing model ChL involves a transfer of knowledge from the supplier to the user, so there is no loss of jobs at the user's location. It also fosters long-term collaboration between the partners, leading to innovation and the transfer of environmentally sound technology.

UNIDO, as the partnership's convener, leverages the knowledge and implementation capacity of its National Cleaner Production Centres to ensure the success and sustainability of projects in developing and transition economies.



### CHEMICAL LEASING: A SUCCESS STORY IN SERBIA

In 2009, UNIDO cooperated with Knjaz Miloš, Serbia's largest producer of mineral water and beverages, and its chemical supplier, Ecolab, to implement a Chemical Leasing project. Knjaz Miloš conveyor belts have to be lubricated to ensure the smooth movement of bottles along the lines, but the water-based lubricant it used to spray the conveyor belts contained hazardous properties. It also made the floor slippery and led to stoppages.

Following an assessment by UNIDO's Cleaner Production Centre, the production process was modified and the lubricant was substituted by a non-hazardous dry lubricant, which leaves the factory floor dry. New equipment, such as automated dosage systems and spraying nozzles were also installed. Instead of buying the lubricant per kilogram, the factory pays Ecolab for the working time of the conveyor belt. Ecolab's profit is directly linked to how little of the lubricant is used and it motivates the chemical supplier to optimise the effectiveness of the lubricant.

For Knjaz Miloš the substitution is reducing running costs, improving performance and making the company better prepared for Serbia's possible accession into the European Union. In 2009 packaging line number 3 used 6000kg of the lubricant and 1,500 m<sup>3</sup> of water. By switching to the dry lubricant, the company no longer requires water or chemicals for pre-treatment and waste water treatment, reducing chemical consumption by 50 per cent and conserving water. It has also improved occupational health and safety due to a reduced risk of injuries and a lower quantity of aerosols in the working environment. Total cost savings per packaging line amount to EUR 5,700 per year.

For Ecolab the profit margin for its dry lubricant is 10 per cent higher, even though the company sells less lubricant per production line, and has costs for the service. Ecolab is now the sole lubricant supplier of Knjaz Miloš. The partners have already adopted Chemical Leasing for two more lines and plan to extend the model to all packaging lines. Due to the success of the partnership, both companies were honoured with a Gold for their project at the Global Chemical Leasing Award in June 2012.



Site visit at Ecopetrol S.A. in Colombia which adopted Chemical Leasing together with its chemical supplier Nalco de Colombia Ltda., in 2008

# UNIDO-Chevron

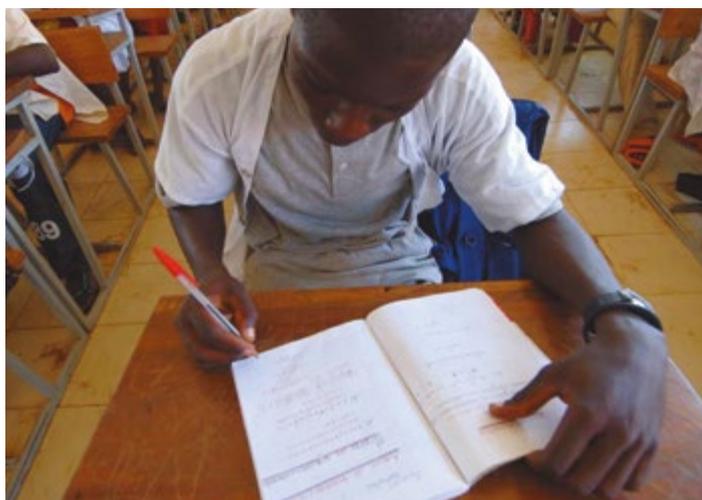
## Supporting the next generation of entrepreneurs in Angola

### THE CHALLENGE

In recent years Angola has experienced high growth rates and is set to continue on this path, mainly driven by its oil sector. Yet, growth has been capital intensive, import dependent and has not created enough employment for a fast growing population. Unemployment is estimated at 26%, and many people work in subsistence agriculture or the informal economy. In order to support much-needed job creation and economic diversification, the Government embarked on a major reform of the education system to better equip youth for the future.

### THE RESPONSE

In 2010 Chevron, one of the world's leading energy companies, contributed funding of USD 1 million to a partnership initiative to introduce entrepreneurship as a subject in secondary schools in Angola. Supporting the Government of Angola's education reform endeavours, the Entrepreneurship Curriculum Programme aims to develop entrepreneurship skills among young people, building the foundation of a sustainable and dynamic private sector.



"Learning for a future career. I want to be an entrepreneur one day." The entrepreneurship curriculum is being taught in schools in Cabinda

The programme helps bring together young people, the education system and the private sector, linking the classroom to the business world. It ignites the entrepreneurial spirit of young Angolan girls and boys, who acquire skills to identify, develop and manage new business opportunities. They learn concepts such as "save, invest and grow", which encourages the application of self-help principles. Entrepreneurship teaching fosters personal qualities such as creativity, self-confidence and the ability to take calculated risks. Students participate in unique learning experiences outside the classroom as they interface with the Angolan business community.



#### BUSINESS PARTNER

Chevron

#### WEBSITE

[www.chevroninangola.com](http://www.chevroninangola.com)

#### INDUSTRY

Oil and Gas, Mining

#### PARTNERSHIP OBJECTIVE

Building a foundation for a sustainable private sector by introducing entrepreneurship curricula in secondary education

#### RESULTS & OUTLOOK

- Entrepreneurship curriculum materials developed and approved for pilot testing
- 139 teachers trained and qualified to teach entrepreneurship
- 70 education officials trained to implement entrepreneurship curriculum
- More than 10,000 students learning entrepreneurship in secondary pilot schools
- National roll-out planned for 2014, potentially reaching 500,000 youth

#### GEOGRAPHIC SCOPE

Angola

#### PARTNERSHIP CATEGORY

Social investment and philanthropy partnerships

#### PROGRAMME PARTNERS

Angola Ministry of Education (MED)  
National Institute for Education Research and Development (INIDE)  
Government of Portugal  
Government of the Republic of Korea  
United Nations Development Programme (UNDP) Angola

#### CONTACT

Gabriele Ott  
Agri-business Development Branch  
email: [G.Ott@unido.org](mailto:G.Ott@unido.org)

UNIDO supports the Ministry of Education in developing and testing vital tools such as syllabi, teachers' guides, students' textbooks and teacher training manuals. Working with its counterparts and by drawing on international experiences, UNIDO trains teachers and education officials using materials it customized to meet the needs of the local context. This builds local capacity and ensures local ownership of the national programme, strengthening the sustainability of the project.

On a pilot basis, the entrepreneurship curriculum is currently being taught in 45 schools in nine provinces of Angola, with over 10,000 students taking part. The Government plans to roll out the curriculum to the whole country, potentially reaching 500,000 students.

The project builds on similar projects successfully implemented by UNIDO in other countries including Cape Verde, Mozambique, Namibia, Rwanda, Tanzania, Timor-Leste and Uganda.

### THE BENEFITS OF PARTNERING

Through the partnership, Chevron and UNIDO are working closely with the Government of Angola and other partners to develop a future generation of competent professionals committed to the country's economic and social recovery.

UNIDO's Entrepreneurship Curriculum Programme promotes linkages between business, education and government and is systemically laying the foundation for private sector development. The programme holds the potential for significant impact at national and local levels, in line with the Government policy.

By supporting the initiative, Chevron highlights the company's long term commitment to the sustainable development of Angola and the well-being of its people. The initiative also forms a key part of the company's national Corporate Social Responsibility strategy.

UNIDO's Entrepreneurship Curriculum Programme is supported by a variety of partners from governments, the UN system and the private sector. The programme offers a wide scope for private sector engagement, whether in the form of funding, contributing knowledge and expertise to the design of the curriculum content, or through internships and excursions to national companies and local SMEs. This helps ensure that the curriculum remains responsive to the requirements of the private sector.



**“Entrepreneurship discipline helps us to understand how an entrepreneur manages a business. It is useful in our day-to-day life. Entrepreneurship is important for those who dream to start a business because it will help us a lot in our future. I intend to open a business.”**

Dunisia Almeida, student of entrepreneurship

**“We can already see astonishing differences in students. Parents told us that their kids are improving their attitude towards their responsibility in the household. Some students started to make savings. Young people are developing confidence so they can climb up with their entrepreneurial efforts. I believe we are on good track.”**

Diasala Jacinto Andre,  
National Programme Coordinator, INIDE

**“This programme will have an immediate impact on 500,000 students. It will foster creativity, a spirit of entrepreneurship and self-confidence among youth, and create the foundations for sustainable growth. Chevron is proud of the contribution the company makes in the communities where it works.”**

Eunice de Carvalho, Chevron  
Policy, Government and Public Affairs General Manager



“Business is tough, but exciting!” Entrepreneurship student in Malanje province growing shrubs and plants to sell

# The Green Industry Platform

An action-based initiative for a greener industrial footprint

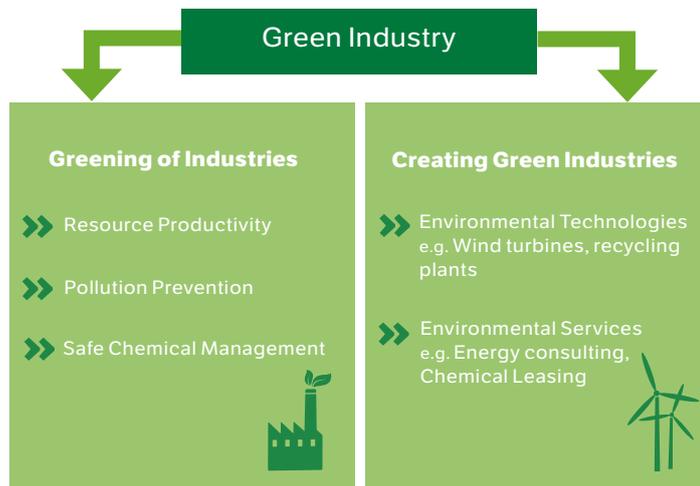
## THE CHALLENGE

Economic development based on the current wasteful industrial model is creating more demand for an ever-diminishing stock of natural resources and increasing pollution. This is a recipe for unprecedented and escalating social, economic and ecological disruptions. While it is essential that industry, as one of the primary motors of economic growth, continues to prosper, economies can no longer ignore the need for more sustainable production processes.

Enterprises are also at a critical juncture. Increasing competition for raw materials and high price volatility require the private sector to not only fundamentally change the way it does business, but to also become more efficient and responsive to market demands. This situation is even more pressing in developing countries where the local capacity and technology needed for designing more sustainable production patterns is not keeping pace with economic growth.

## THE RESPONSE

The Green Industry Platform is a global multi-stakeholder partnership aimed at transforming manufacturing activities with a view towards increasing resource efficiency, and at the same time reducing waste and pollution. The Platform concentrates on creating new green industries, as well as helping existing industries improve their contributions to societal and ecological protection.



Green Industry - A Two Pronged Strategy

Recognizing that such complex tasks can only be effectively tackled when all relevant stakeholders are involved, the Green Industry Platform provides a framework for business, governments and civil society to secure concrete commitments and mobilize action in support of a greener industrial model. The Platform provides a forum for all stakeholders to share and profile best practices, promotes research, innovation and deployment of green technologies, while raising awareness about the benefits



### WEBSITE

[www.greenindustryplatform.org](http://www.greenindustryplatform.org)

### INDUSTRY

All sectors

### PLATFORM OBJECTIVE

To bring together business, government and civil society at the highest levels, in an effort to scale up and mainstream the application of Green Industry policies and practices throughout global manufacturing

### BUSINESS PARTNERS

More than 70 businesses from all geographies, sizes, and sectors

### ADDITIONAL STAKEHOLDERS

Governments, Civil Society, Academia, International Organizations

### RESULTS & OUTLOOK

- Launched on June 16th 2012 at the United Nations Conference on Sustainable Development (Rio+20)
- Approximately 150 signatories and rapidly growing
- Business plan for 2013-2014 adopted
- Global survey on knowledge gaps and implementation barriers in late 2013
- First best practice reports in the food and beverages sector and the textiles sector to be published in late 2013 and 2014, respectively

### GEOGRAPHIC SCOPE

Global

### PARTNERSHIP CATEGORY

Multi-stakeholder and transformational partnerships

### CONTACT

Heinz Leuenberger  
Environmental Management Branch  
email: [H.Leuenberger@unido.org](mailto:H.Leuenberger@unido.org)  
email: [giplatform@unido.org](mailto:giplatform@unido.org)

of green industry. Above all however, the Platform provides a unique engagement mechanism to develop substantial road maps and partnerships to integrate green industry strategies and practices into policies and business plans alike. Only when concrete action is linked with knowledge-sharing and advocacy, a systemic transformation of the global manufacturing sector will be achieved.

The Green Industry Platform's formal structure is based on voluntary membership, with signatory organizations from all sectors subscribing to a common 'Statement of Support', which outlines shared objectives and commitments, and describes ways to promote the green industry agenda. To ensure the necessary political profile and momentum, the Platform is driven by ministers and CEOs at the broad policy and programme level. A high-level governing body is tasked with approving the Platform's strategy and programme of work, and reviewing its progress. Furthermore, the Platform's secretariat will guarantee the smooth day-to-day management of the platform's activities and communication, as well as coordinate its network.

### THE BENEFITS OF PARTNERING

By encouraging the more efficient use of energy and raw materials in manufacturing processes and services, the Green Industry Platform will contribute both to cleaner and more competitive industrial development, and will help reduce pollution and reliance on the unsustainable use of natural resources. The Platform thereby provides new sources for sustainable jobs and economic growth, which is a key to alleviating poverty.

By participating in the Platform, all stakeholders are offered the opportunity to contribute to policymaking, as well as enhancing their reputation as an active player in the communal response to a global challenge. Business can inspire the policy dialogue by introducing its challenges and needs. By being involved in the process, businesses can also gain from mitigating risks and capturing opportunities from regulations at an early stage.

Networking and partnering with like-minded companies, governments, international and civil society organizations can build a better understanding of how to operationalize a green growth foot print and design strategies for new market segments and geographic areas. Overall, taking part in the Platform promises to enhance the bottom line of private sector participants, since improved resource management and innovation capacity reduces operating costs, mitigates the risk of price volatility, and eliminates dependency on scarce factors of production.



Members of the Green Industry Platform at the first Advisory Board meeting in Paris, April 2013

### THE PLATFORM QUICKLY BUILDING ITS BASE

Since the Platform's launch at the United Nations Conference on Sustainable Development (Rio+20) in June 2012, UNIDO and UNEP have been working side by side with businesses around the world to promote best practices in Green Industry, with the aim of increasing the uptake of resource efficient and cleaner production practices amongst both new and established enterprises in the manufacturing industry.

Expressions of interest and signatures of the Platform's "Statement of Support" document are being received on a regular basis. Currently, around half of the Platform's signatories are businesses, ranging from SMEs, such as Cambodian Modern Rattan, to global multinational companies such as Microsoft Corporation and Total S.A.

The Platform also enjoys high-level support from key policy actors, including the European Commission, the Global Environment Facility, and the International Chamber of Commerce, as well as a wide range of national governments and international organizations.

**"One of the things I'm hoping from the Platform is that it will be a convening forum for different players in the value chain – and if we all get together in that value chain, we can look at what we can all do together to improve the situation."**

Steen Riisgaard,  
former President & CEO, Novozymes A/S



# UNIDO-HP

## Joining hands to provide business and IT training for job creation

### THE CHALLENGE

In less developed countries, micro- and small scale enterprises are the backbone of the local economy, playing an integral role in generating jobs and wealth creation. However, they often operate below their potential as business owners frequently lack essential entrepreneurship, management and information technology (IT) skills to help setup, grow and run their enterprise more efficiently. At the same time, more entrepreneurs are needed to establish businesses, helping to tackle high rates of unemployment, especially among young people. Although aspiring entrepreneurs often have business ideas, they may not take the steps required to implement their ideas as they lack the confidence and necessary practical skills to start a business.

### THE RESPONSE

Since 2008, UNIDO has been partnering with Hewlett Packard (HP), a leading technology provider, to extend the reach and impact of HP's flagship entrepreneurship education programme 'HP Learning Initiative for Entrepreneurs (HP LIFE)' across Africa, Latin America and the Middle East. The partners are also engaging in shared activities with the Education Development Centre, Inc. (EDC) to promote the programme in Asia.



HP LIFE Training of Trainers in Morocco

HP LIFE is a global programme that trains students, aspiring entrepreneurs and small business owners to harness the power of IT to establish and grow their businesses. By equipping entrepreneurs with skills to overcome some of the challenges they face, the partnership programme aims to create jobs and in turn trigger poverty reduction.

HP LIFE teaches hands-on IT and business skills covering selected topics in the areas of marketing, operations, communication and finance. The face-to-face LIFE Curriculum was developed by Micro-Enterprise Acceleration Institute (MEA-I) in partnership with HP. It contains five entrepreneurship levels and is modular,



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<b>BUSINESS PARTNER</b> Hewlett Packard	<b>WEBSITE</b> www.hp.com
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**INDUSTRY**  
Information Technology

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**PARTNERSHIP OBJECTIVE**  
Providing business and IT training to enhance job creation and entrepreneurship development

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**RESULTS**

- Created over 20,000 jobs
- Trained more than 50,000 students
- Set up 122 LIFE centres in 15 countries
- Certified more than 270 trainers

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**GEOGRAPHIC SCOPE**  
Algeria, Brazil, China, Colombia, Egypt, India, Kenya, Morocco, Nigeria, Saudi Arabia, South Africa, Tunisia, Turkey, United Arab Emirates, Uganda

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**PARTNERSHIP CATEGORY**  
Social investment and philanthropy partnerships

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**PROGRAMME PARTNERS**  
Education Development Center, Inc. (EDC)  
Micro-Enterprise Acceleration Institute (MEA-I)

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**CONTACT**  
Barbara Kreissler  
Business, Investment and Technology Services Branch  
email: B.Kreissler@unido.org

allowing entrepreneurs to choose the courses they need. The training materials are delivered in several languages through face-to-face trainings held in local training centres. This ensures entrepreneurs receive training that is customized and reflects the conditions and challenges specific to their local communities.

UNIDO identifies suitable local non-profit training organizations, already active in social and job creation fields, to become HP LIFE partners in these regions. HP offers the selected organizations grant packages comprising of: a classroom set of state-of-the-art HP technology, a professional training-of-trainer course, access to the LIFE Curriculum, promotion materials and

a cash donation. UNIDO oversees the activities of the partners to ensure sustainability of the training programme and is in charge of the overall deployment of the HP LIFE across Africa, Latin America and the Middle East.

In June 2012, HP introduced HP LIFE e-Learning, which was developed in collaboration with EDC. HP LIFE e-Learning is a free, innovative, online training programme that builds on the existing programme, helping many more entrepreneurs and small business owners learn IT and business skills in their own time, at their own pace, to help establish or grow their business. UNIDO's ongoing stewardship of the selected partners creates synergies and linkages between HP LIFE, the e-learning solution, as well as other UNIDO programmes, further increasing the outreach and impact of the partnership.

### THE BENEFITS OF PARTNERING

Since the start of the cooperation, the programme has trained more than 50,000 people through the network of 122 LIFE centres in the 15 countries UNIDO oversees. Many of these graduates have successfully set-up businesses and enhanced their business competitiveness, creating new jobs, strengthening enterprise development and improving livelihoods.

UNIDO plays a vital role in making HP LIFE a success. Drawing on its expansive field network, expertise, and on the ground implementation capacity, UNIDO supports the global roll-out of HP LIFE. UNIDO also helps deepen the development impact of the programme, ensuring the training resources effectively reach underserved groups, particularly youth, women and rural communities, in turn promoting greater social inclusion.

HP LIFE forms an integral part of HP's Sustainability and Social Innovation strategy, underscoring the company's commitment to applying its scale, talent, partnerships, and portfolio to be a positive force for change. HP plays an active role in the programme and goes beyond traditional corporate sponsorship by not only donating funds and equipment, but also tapping into its vast technology expertise and mobilizing members of its workforce to participate via mentoring and volunteering. The results of the partnership programme demonstrate that with a shared vision, long-term commitment, and continual strategic collaboration, greater development impact and outreach can be achieved where it is needed most.



### HP LIFE GIVES EVERYONE NEW PROSPECTS

Since the launch at the end of 2008, the Center of Skill Development and Training (Censirt) in Nigeria has trained over 15,000 young graduates. A survey of 561 students revealed the following results:

- › 163 started their own business
- › 255 found jobs in their fields of choice
- › 361 were able to work more efficiently in their work places
- › 73 entrepreneurs increased their business revenues and profits

One of these graduates is Rachel, pictured below. After completing the HP LIFE training at Censirt she was able to establish her own farm, Bridge Farm, using the IT knowledge on operations and management that she acquired. Bridge Farm has 242 birds ready for market and Rachel plans to complete a second pen, which will hold more than one thousand birds. Today, Bridge Farm is not only a source of healthy food but also provides job opportunities for her community.



Rachel, owner of Bridge Farm and HP LIFE graduate of the Center of Skill Development and Training (Censirt), Nigeria

# UNIDO-METRO GROUP

Improving livelihoods and sustainable food supplies through inclusive value chains

## THE CHALLENGE

Small suppliers in developing countries and economies in transition often face difficulties complying with market requirements. These small producers and manufacturers frequently lack the technical and financial means to produce cost-effective goods that are of sufficient quantity and required high-quality. As a result, when profitable new market opportunities with major retailers and manufacturers arise, they are unable to be accepted as suppliers and new sources of income. These challenges are shared by companies like the METRO Group, which are committed to making their supply chains not only more efficient but also more inclusive and sustainable, especially as they expand their operations in emerging markets.

## THE RESPONSE

In 2009, UNIDO and the METRO Group, one of the world's largest retailers, joined forces in a strategic alliance for safe and sustainable food supplies. Through the first full-scale application of the Global Markets Protocol, established by the Global Food Safety Initiative (GFSI), the joint capacity building programme was developed and successfully implemented enabling clusters of suppliers to meet METRO and GFSI market requirements in terms of food safety and quality. The success was also due to the adoption of a cost-sharing business model where all involved parties contributed in an inclusive Public Private Partnership.

MILESTONES	SOURCE OF FUNDING
Adaptation / development of training packages, assessment tools, translation of materials	UNIDO / Donors / Academia
Local capacity building and training of trainers	UNIDO / Donors / METRO (in kind- Human Resources/ logistics)
Pilot implementation (training, assessment, mentoring, coaching, upgrading)	UNIDO / Donors, cost-sharing with METRO, suppliers and local insitutions / schemes
Roll out	METRO, suppliers and local institutions / schemes and UNIDO technical guidance
CSR projects for local communities	METRO Group

UNIDO carried out an initial pilot project in Egypt (2009–2010), in cooperation with the ETRACE/ATC Centre in Egypt and METRO (locally branded as MAKRO) to test the GFSI Global Markets Protocol – Basic and Intermediate Level – and to upgrade clusters of local suppliers in Egypt, where the METRO Group had two new stores opening.

The METRO Group initially selected 18 potential suppliers. Then together with UNIDO and its local partner, ETRACE/ATC, assessments of the capacity and competences of local food processors (e.g. fish, meat and dairy products) were carried out.



**METRO GROUP**

### BUSINESS PARTNER

METRO GROUP

### WEBSITE

www.metrogroup.de

### INDUSTRY

Retail

### PARTNERSHIP OBJECTIVE

Enable clusters of suppliers in developing countries to gain access to profitable new market opportunities and establish long-lasting business linkages with potential buyers

### RESULTS & OUTLOOK

- Cost-sharing business model developed and implemented
- Egypt: 90 suppliers upgraded; India: 10 suppliers upgraded; Russia: 22 suppliers upgraded
- Upgraded SMEs have shown a significant improvement in the compliance with basic food safety standards (45% increase) as well as in their individual competencies (14% increase in performance) and were accepted as reliable METRO suppliers
- The partnership served as a basis to develop a global Sustainable Supplier Development Programme (SSDP) which UNIDO will also implement in partnership with other private sector companies and their suppliers throughout the world
- In line with the METRO Group's geographic expansion plans, scale up and roll out of the model is foreseen to other regions of South-East Asia and NIS countries and to non-food sector, also covering CSR/sustainability

### GEOGRAPHIC SCOPE

Pilot projects in Egypt, India and Russia

### PARTNERSHIP CATEGORY

Core business and value chain partnerships

### PROGRAMME PARTNERS

Egyptian Traceability Centre for Agro-Industrial Exports (ETRA/ATC), established in 2004 by UNIDO and the Egyptian Ministry of Trade and Industry

### CONTACT

Gerardo Pataconi  
Business, Investment and Technology Services Branch  
email: G.Pataconi@unido.org

The local processors received intensive training and mentoring in aspects related to food safety management systems, good manufacturing practices and control of food hazards to ensure compliance with the GFSI Protocol. In less than 5 months, the suppliers passed the Basic Level and Intermediate Level requirements of the Global Markets Protocol and were considered suitable to become METRO suppliers.

Due to the success of the pilot project in Egypt, which garnered significant results for both the METRO Group and the upgraded suppliers, the project was expanded to cover 90 suppliers. In parallel, a project which focuses on primary production of 800 farmers was implemented jointly by UNIDO and ETRACE/ATC. In addition, similar pilots were implemented in Russia and India in 2011. The partners also expanded the scope of the cooperation to cover the non-food sector and include environmental and social aspects in the upcoming capacity building programmes. Based on the success of the partnership model with the METRO Group, UNIDO has developed a global Sustainable Supplier Development Programme (SSDP), whose objective is to enable clusters of suppliers in developing countries to gain access to profitable new market opportunities and establish long-lasting business linkages with potential buyers.

### THE BENEFITS OF PARTNERING

Working in partnership with UNIDO, the METRO Group has been able to share knowledge and know-how and benefit from UNIDO knowledge of the local industry and of the GFSI Global Markets Protocol as UNIDO participated actively in its development. Furthermore, UNIDO has also been able to leverage the resources of its local facilities and of the expertise created in Egypt through the ETRACE/ATC, to ensure effective localization and the long-term sustainability of the programme.

By upgrading the supply capacity of local producers together with a global retail company like the METRO Group, UNIDO has ensured that clusters of local suppliers have established sustainable business linkages with potential buyers and have gained access to national and, at a later stage, international markets.

The suppliers upgraded through the capacity building programme have demonstrated a considerable improvement in their performance and compliance with food safety standards. As a result, the quality and volume of marketable products has improved. At the same time, consumers benefit from better and safer products and can expect more stable food prices as a result of the larger range of products.



### THE IMPACT OF THE SUSTAINABLE SUPPLIER DEVELOPMENT PROGRAMME IN EGYPT, INDIA AND RUSSIA

	Egypt	India	Russia
Implementing Party	National Institution (non-profit)	METRO Staff	Individual Consultants
Scope	Basic and Intermediate	Basic	Basic
Numbers of Suppliers	18 Basic 25 Intermediate	10	22
Duration of Basic	3 Months	5 Months	8 Months
Up-scaling	90 Suppliers	Ongoing Discussions	120 Suppliers

The results of the three pilot projects demonstrate:

- › 45% improvement in compliance with food safety standards after the first assessment
- › Average increase of 16% in performance
- › Over 90% of the trained and upgraded suppliers entered into METRO's supply chain
- › Significant impact on local livelihoods



# UNIDO-Microsoft

Real impact for better economic opportunity: Enabling innovation and jobs through ICT

## THE CHALLENGE

Small and medium-sized enterprises (SMEs) are a vital source of jobs, wealth creation and entrepreneurship opportunities in Africa. These businesses form the bedrock of economic activity but continue to face a multitude of challenges. Despite a thriving entrepreneurial spirit, SMEs often lack the skills needed to leverage the benefits of Information and Communication Technology (ICT). Access to quality hardware and software tailored to their needs remains expensive and difficult to obtain. This is hindering the growth and competitiveness of SMEs and, in turn affecting productivity, employment generation and economic growth.

## THE RESPONSE

Since July 2006, UNIDO and Microsoft have been pooling expertise to promote innovative uses of ICT that foster entrepreneurship, help create new business opportunities, unleash future innovators and improve the competitiveness of SMEs in Africa. The partnership continues to evolve and has resulted in several collaborative initiatives including:

### Business Information Centres

UNIDO establishes Business Information Centres (BICs) in rural areas that provide integrated solutions for SMEs on a demand-driven and self-sustaining basis. The centres offer tailored entrepreneurial advisory services, ICT training and provide a fast and reliable internet connection, enabling rural entrepreneurs to access relevant information on markets, customers and technology, in order to improve their efficiency and day-to-day business. Microsoft supports the centres by developing relevant ICT related services and training for the rural business community and awareness building on the benefits of ICT tools via its Digital Literacy program and SME relevant training curriculum.



Entrepreneurs receiving ICT training at a Business Information Centre, Uganda



**Microsoft**<sup>®</sup>

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#### BUSINESS PARTNER

Microsoft

#### WEBSITE

[www.microsoft.com](http://www.microsoft.com)

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#### INDUSTRY

Computer Software and Technology

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#### PARTNERSHIP OBJECTIVE

Enabling social and economic empowerment in Africa through access to technology

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#### RESULTS & OUTLOOK

- Network of rural Business Information Centres established to foster IT training and usage
  - Electronic waste programme initiated to address responsible IT recycling practices
  - Microsoft Innovation Centre inaugurated to promote local software industry
  - Microsoft will play an advisory role on UNIDO's Green Industry Platform to advance environmentally sound technologies.
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#### GEOGRAPHIC SCOPE

Africa

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#### PARTNERSHIP CATEGORY

Core business and value chain partnerships

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#### CONTACT

Barbara Kreissler

Business, Investment and Technology Services Branch

email: [B.Kreissler@unido.org](mailto:B.Kreissler@unido.org)

### Computer Refurbishment and E-Waste Initiative

The partners created a joint initiative to make affordable hardware and relevant software available to SMEs in Africa. The programme is built on a sustainable business model that addresses the lifetime of the hardware including its environmentally sound disposal. UNIDO and Microsoft support the establishment of local computer refurbishment centres, based on international best practices. Rather than relying on donations, the secondary computers are sold at reduced rates and are delivered with genuine Microsoft Windows software, a warranty, after-sales support and a means to return the computers at the end of their useful lifetime to ensure their responsible recycle and disposal.

## Microsoft Innovation Centres

UNIDO and Microsoft are cooperating to promote a sustainable local software economy in Africa. In 2011, the partners jointly launched the first Microsoft Innovation Centre in Uganda. Hosted at the College of Computing and Information Sciences at Makerere University, the Centre is an extension of the global Microsoft Innovation Centre Network and aims to accelerate the development of innovation and growth of the Ugandan software economy. The state of the art technology facility focuses on skills development and enhancing employability by offering training to local students to help them improve their professional IT knowledge and gain real project experience before graduating. Resources and assistance is provided to startups, Independent Software Vendors (ISVs) and SMEs to create new and innovative products and services, and to bring those products to the market, spurring their business competitiveness. In addition, the Centre helps software developers, entrepreneurs and IT professionals learn about the latest technologies, stimulating technology innovation and driving the local software economy to boost national competitiveness.

## THE BENEFITS OF PARTNERING

The dynamic partnership between UNIDO and Microsoft is helping SMEs in Africa to harness the power of ICT to enhance their profitability and labor productivity. As SMEs become more skilled in using ICT, they multiply their chances of attracting investment and increase their exposure to, and even integration into, regional and global value chains.

The collaboration serves both partners' objectives alike. Through this partnership, UNIDO is able to leverage Microsoft's industry knowledge and technology to ensure the replicability and scalability of its programmes, building local capacities and increasing job opportunities. At the same time, the partnership helps Microsoft fulfill its corporate social commitment of making a real impact toward improving employability and entrepreneurship, education, digital inclusion, and unleashing creativity and innovation - creating new opportunities through technology, programs and partnerships. It also allows the company to gain a deeper knowledge of the conditions and particular needs of the ICT markets in recipient countries.



## BUSINESS INFORMATION CENTRES SUPPORT SMALL BUSINESSES AND IMPROVE LIVELIHOODS

Charles Tulimulugendo is an aloe vera farmer in Uganda who was struggling to find the right market for his products. When Charles learned there was a Business Information Centre located in the Municipality of Jinja he went there to access information concerning micro-finance services and was also provided with advice on how to process aloe vera leaves. He quickly realized the Centre offered a wide range of business information. Charles was able to access information on machinery and equipment, and research the number of farmers in the area with whom he could form a cooperative to sell aloe vera plants and products.

**“The Business Information Centre allowed me to add value to my business and enhance my income opportunities.”**

Charles Tulimulugendo, aloe vera farmer in Uganda



The Microsoft Innovation Centre hosted at the College of Computing and Information Sciences at Makerere University, Uganda

# UNIDO-SAMSUNG

## Transforming e-waste into job and business opportunities

### THE CHALLENGE

Electrical and electronic waste (e-waste) is the fastest growing waste stream, driven by a growing electronics market and the rising obsolescence rate of electronic equipment. Cambodia's economy has grown remarkably in recent years, with increasing urbanization creating a rising demand for ownership of electronic products. These units cause negative consequences to the environment and to human health as they reach the end of their life span and eventually become hazardous. Currently most people involved in repairing the electronic equipments in Cambodia lack technical skills and perform the service with inappropriate facilities resulting in not only lower recovery rates, but also in dangerous exposure to environmental and health risks. Likewise, there is limited institutional capacity for e-waste management in the country. On the social dimension, the unemployment rate among youth has become a serious concern. The moderate increase in job opportunities has not been enough to absorb the growing working age population in Cambodia so that today more than 70% of job seekers in the capital are between 15-24 years old.

### THE RESPONSE

UNIDO, together with the Republic of Korea through Korea International Cooperation Agency (KOICA) and Samsung Electronics joined hands in 2012 to design and implement a programme that aims at ensuring effective e-waste management and creating employment opportunities in the electronics industry in Cambodia.



Mr. Yong Soo Kim, Vice President, Samsung Regional Customer Service, South East Asia, Oceania & Taiwan and Mr. Chin-Pen Chua, UNIDO Representative and Director of Regional Office Thailand

The programme focuses on two interrelated components. On the one hand, the provision of capacity-building measures improves the skills of youth in handling electronic products, upgrading repair services and e-waste management. On the other hand, the programme supports the local economy by promoting e-waste management practices and providing relevant market information on e-products repair services and e-waste management businesses to SMEs. Since an appropriate regulatory framework is crucial for sustaining the programme's efforts in the long-run



#### BUSINESS PARTNER

Samsung

#### WEBSITE

[www.samsung.com](http://www.samsung.com)

#### INDUSTRY

Electronics

#### PARTNERSHIP OBJECTIVE

To create employment and ensure effective e-waste management

#### RESULTS & OUTLOOK

- Local and institutional capacity building strategies developed for effective e-waste management
- Enterprise based training strategy conducted for the youth, as special focus of the project
- Over 100 Local experts trained as trainers on installation and repair services
- Over 300 Youth trained for repair services and e-waste management related services
- Upgraded local businesses (waste and non-waste businesses) in pilot project areas
- Curriculum developed with vocational training institutes for state of the art repair services-electronics course

#### GEOGRAPHIC SCOPE

Cambodia

#### PARTNERSHIP CATEGORY

Core business and value chain partnerships

#### PROGRAMME PARTNERS

Republic of Korea through Korea International Cooperation Agency (KOICA)  
Royal Government of Cambodia, Ministry of Labor & Vocational Training and Ministry of Environment

#### CONTACT

Gloria M. Adapon

Regional Office Thailand

email: [G.Adapon@unido.org](mailto:G.Adapon@unido.org)

Chin-Pen Chua

Regional Office Thailand

email: [C.Chua@unido.org](mailto:C.Chua@unido.org)

and mainstreaming sound environmental management in the local economy, the programme assists the governmental counterparts in formulating and advocating relevant policies. Samsung is a leader in consumer electronics and ICT products in Cambodia and contributes financial resources and technical

know-how through the provision of experts and equipment to this initiative. The company's interventions focus on vocational trainings in repair services and e-waste treatment in the form of technical workshops, curriculum development exchanges, training of trainers and study tours that address both disadvantaged youth as the main target beneficiaries, as well as local trainers and experts from the private and public sector, so as to build institutional capacity.

Currently at its pilot stage, Battambang, Banteay Meanchey, Siem Reap, Kampong Cham, and the capital Phnom Penh were identified as focus areas, based on the status of youth employment, the role of the electronics industry and its impact on the environment. The specific needs of targeted employers, local businesses and existing local institutions in these pilot areas were mapped as a baseline so that tailored training programmes and strategies could be developed. The conduct of comprehensive assessment has also been initiated by the programme partners to support an informed policy dialogue among all local stakeholders and to formulate most appropriate national policies. Taking the results of a joint evaluation of the pilot stage into consideration, the programme seeks to expand to other Cambodian provinces and to new target countries in Southeast Asia.

### THE BENEFITS OF PARTNERING

Through their collaboration, UNIDO and Samsung can leverage their complementary resources to tackle the barriers to a flourishing electronics industry in Cambodia, i.e. the lack in adequate training, technology, and regulatory frameworks.

Promoting employment creation and business opportunities in the electronics industry as well as improving e-waste management skills, policies and practices is an integral part of UNIDO's mandate to advance inclusive and sustainable industrial development. By harnessing Samsung's expertise, Cambodia's young population benefits from state-of-the-art trainings and thus has a greater chance of passing accreditation procedures or getting employed in customer care or service repair centers. Efficient e-waste management also positively contributes to the conservation of natural resources, energy savings, and reduction of emissions. For Samsung, as a major player in the Cambodian electronics industry, the development of strong local supply chains is of strategic importance. Hence, investing in capacity building supports the business' customer services and growth in sales. Furthermore, adopting a closed-loop approach for its supply chain management is an integral part of its CSR strategy, further strengthening Samsung's image as a responsible corporate citizen in the region.



### THE 3Rs – FROM CHALLENGE TO BUSINESS OPPORTUNITY

The responsible reduction, reuse, and recycling of electronic hardware can trigger a range of environmental, social and economic benefits for developing countries. Extending the life span of electrical and electronic equipment through refurbishment, for example, can not only substantially reduce the carbon footprint of manufacturers but also makes recycled equipment available at an affordable rate, thus offering increased services to poor communities. In addition, e-waste management and the development of green technologies offer a still largely untapped potential for the creation of sustainable jobs and business opportunities for entrepreneurs.

UNIDO's approach to e-waste management takes all relevant stages into account, starting with an inventory of the current status until the sound end-processing. It aims at mainstreaming and disseminating safe and environmentally sound management practices of e-waste in developing countries through the design of sustainable business plans, including an effective take-back system, manual dismantling facilities, and local processing activities. That way a higher recovery rate of valuable metals can be achieved while properly addressing health and environmental risks.



Training of Trainers in 'Installation and repair services in the electronics industry' in Cambodia, December 2012

# UNIDO-SCANIA

Partnering for employment and economic revival of Iraq's industrial manufacturing sector

## THE CHALLENGE

Unemployment continues to be a serious issue for Iraqis, especially among youth, who represent around 78 percent of the population. The war in Iraq severely disrupted the local infrastructure, including numerous higher education and vocational training institutions. As a result, there remains a serious shortage of opportunities for individuals to develop their vocational and professional skills which, in turn, has led to a significant lack of heavy equipment mechanical maintenance personnel, sorely needed by modern industries. This situation is not only negatively affecting individuals and their families, it is also putting a constraint on the ability to service the industrial sector – stalling reconstruction and the recovery of the economy as a whole.

## THE RESPONSE

UNIDO and Scania, a leading manufacturer of heavy trucks, buses and engines, have been strategic partners since 2011. Together with the Swedish International Development Cooperation Agency (Sida), Education First (EF) and the Kurdistan Regional Government Ministry of Labour and Social Affairs (MoLSA), the partners established The Swedish Academy for Training, which was officially opened in April 2012.



Mr. Sinan Celebi, Minister of Trade and Industry, Kurdistan Regional Government, Mrs. Ewa Björling, Minister of Trade, Sweden, Ms. Asos Najib Abdullah, Minister of Labour and Social Affairs, Kurdistan Regional Government, Mr. Nawzzaad Hadi Mawlood, Governor of Erbil.

Located in Erbil, in the Kurdistan region of Iraq, the academy targets unemployed Iraqis under the age of 30, offering them a chance to develop relevant skills and to find professional employment. Simultaneously, the training facility aims to bolster Iraq's wider economic development, by addressing the serious shortage of skilled labour required by modern enterprises operating and expanding in the country today. The Swedish Academy for Training uses advanced and specialized training equipment and



### BUSINESS PARTNER

Scania

### WEBSITE

[www.scania.com](http://www.scania.com)

### INDUSTRY

Heavy Duty and Industrial Vehicles

### PARTNERSHIP OBJECTIVE

To train and enhance the skills of local heavy equipment mechanics for Iraqi industry

### RESULTS & OUTLOOK

- Swedish Academy for Training opened in April 2012
- Curriculum developed, training materials and equipment in place, first round of training complete
- Over 300 beneficiaries are trained annually, with 30% female participation in courses
- Graduates are supported in finding jobs within local industry

### GEOGRAPHIC SCOPE

Iraq

### PARTNERSHIP CATEGORY

Core business and value chain partnerships

### PROGRAMME PARTNERS

Swedish International Development Cooperation Agency (Sida)  
Kurdistan Regional Government Ministry of Labour and Social Affairs (MoLSA-KRG)  
Education First (EF)

### CONTACT

Chakib Jenane  
Agri-business Development Branch  
email: [C.Jenane@unido.org](mailto:C.Jenane@unido.org)

is the only training facility of its kind in Iraq. Courses are offered not only in maintaining and operating heavy machinery, such as modern fleets of trucks, engines and agricultural equipment, but also in English language and computer literacy. In 2013, the programme will be extended to include after-sales support and business management. Although typically a male domain, the academy aims to achieve a 30% female participation. Women are actively encouraged to attend the technical and

managerial trainings, so that they are also well prepared for opportunities in the workplace. The academy aims to train at least 300 students a year. Training is delivered so that skills are transferable to various platforms. After graduation the academy will actively connect students with local companies in the region. This includes Scania which has a national dealership and maintenance centre in Erbil.

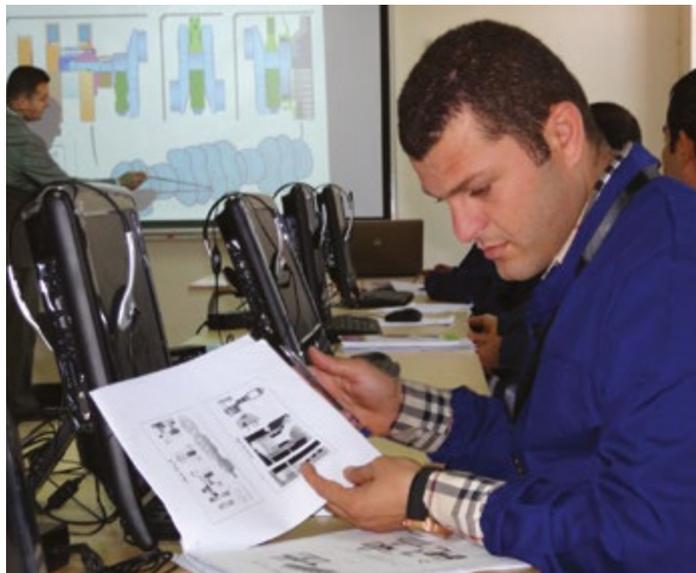
Leveraging its local network and implementation capacity, UNIDO oversees the project management, ensuring the smooth delivery and operation of the training facility. UNIDO also supervises day-to-day operations of the academy, in coordination with Ministry staff, to enhance the sustainability of the programme following the project's completion. Drawing on its extensive industry know-how and expertise, Scania is engaged in the joint development of the curriculum and training tools. The company also provides financial and in-kind contributions, including certified teachers and bespoke equipment for the training of service technicians.

### THE BENEFITS OF PARTNERING

By engaging in joint activities, Scania and UNIDO are helping to ensure that a lack of skills does not limit or hamper industrial investment and are enabling Iraqi people to be better placed to take full advantage of the region's developing industries.

Through the partnership, UNIDO is able to leverage Scania's cutting edge industry knowledge and technology to enhance the effectiveness of the programme. The holistic approach to the establishment of the training facility promotes a symbiosis between industry and education, strengthening the sustainability of the programme. The technical input of Scania in the development of the curriculum helps ensure that the training provided by the Swedish Academy for Training remains marketable, and is focused on the needs of industry.

By investing in local training Scania is helping to develop the local value chain and strengthen economic development through better service provision of local enterprises. The academy will also serve as a base for recruitment of employees needed for the continued expansion of Scania's service and sales units in Iraq.



### BUILDING ESSENTIAL SKILLS FOR ECONOMIC RECONSTRUCTION

After studying mechanics at the Mosul Technical Institute in northern Iraq, 29-year-old Ammar Akram worked as an apprentice in the Mosul industrial district, repairing cylinders and tractor grinders. However, as the security situation deteriorated after the invasion in 2003 and Mosul became a ghost city, Ammar Akram lost his job as his employer closed his workshop. Ammar Akram heard about the Swedish Academy for Training through his brother who works in Erbil. He is currently attending a 3 month training in basic mechanics, English language and IT and said the academy is his only hope to find a job.

**“After graduation I would like to work at the Scania maintenance center. If that’s not possible I’ll work as a truck mechanic in Mosul.”**

Ammar Akram, Swedish Academy for Training student



Zana Mustafa Rafiq, teacher at the Swedish Academy for Training, instructing students on the layout and operations of a Scania truck dashboard.

# UNIDO-Volvo Group

Partnering to enhance skills development and youth employment in Ethiopia

## THE CHALLENGE

Unemployment and underemployment are persistent problems in Ethiopia, especially among youth. Most of the workforce, around 35 million people, have very low levels of educational attainment and are engaged in low skill employment sectors. Technical vocational education and training (TVET) programmes, established to improve the quality of human resources in the country, are often of low quality and theory driven due to resource constraints and a lack of skilled technical teachers. These educational establishments are also ill-prepared to adjust to changing labour market demands and cannot keep pace with the rapidly increasing demand for trained manpower in sectors such as construction and commercial vehicles maintenance. This severe shortage of skilled technicians is having a major impact on productivity and growth in the sector, and thus on Ethiopia's economic and social development.

## THE RESPONSE

In collaboration with Volvo, a global company manufacturing heavy duty construction and transport trucks, the Swedish International Development Cooperation Agency (Sida) and UNIDO have started a new initiative to establish a training academy for technicians of heavy duty machinery and commercial vehicles.



Ambassador Odlander (far left) School guide (left) Mr. Jean B. Bakole, Regional Director of UNIDO (center) Dr. Kabba Urgessa, State Minister of Education (right) and Mr. Tadesse Haile, State Minister of Industry (far right) at the inauguration of the auto-mechanic school, February 5th, 2013.

The project aims to improve access of poor and young Ethiopians to gainful employment opportunities in advanced commercial vehicle maintenance, thereby contributing to poverty reduction efforts in the country. The partners will establish a modern, well-equipped training centre for heavy duty commercial vehicles (trucks, engines, agricultural equipment, etc.) at Selam premises outside Addis Ababa. This will involve strengthening the institutional capacity of a local non-governmental training



Sida

**VOLVO**

### BUSINESS PARTNER

Volvo Group

### WEBSITE

[www.volvogroup.com](http://www.volvogroup.com)

### INDUSTRY

Heavy Duty Machinery and Commercial Vehicles

### PARTNERSHIP OBJECTIVE

Specialised skills development to improve access of Ethiopian youth to gainful employment opportunities

### EXPECTED RESULTS

- Training Academy in Heavy Duty Equipment and Commercial Vehicles fully equipped and operational in Ethiopia
- New curriculum modules developed and approved by relevant authorities
- 3-4 trainers provided with up-to-date technical skills to deliver high level technical training. 3 support subject instructors trained to deliver language and computer courses
- 25-30 Young trainees to graduate annually in operations and maintenance of commercial vehicles
- Students undertake apprenticeships in relevant industries to gain practical experience
- More than 100 local technicians and SMEs to benefit annually from short-term skill upgrading trainings

### GEOGRAPHIC SCOPE

Ethiopia

### PARTNERSHIP CATEGORY

Core business and value chain partnerships

### PROGRAMME PARTNERS

Swedish International Development Cooperation Agency (Sida)  
Selam children's Village (SCV) / Selam Vocational College  
Ministry of education (Ethiopia)  
Ministry of Industry (Ethiopia)

### CONTACT

Dejene Tezera  
Agri-business Development Branch  
email: [d.tezera@unido.org](mailto:d.tezera@unido.org)

service provider, Selam Vocational Training College, to deliver up-to-date training courses relevant to the requirements of modern enterprises, which are expanding their operations in Ethiopia.

Leveraging its international experience in technical vocational training, UNIDO is responsible for the overall project management and implementation, ensuring the smooth delivery of the academy. Volvo provides new equipment, training material, teacher training, ongoing curriculum development and apprenticeship opportunities for students. The Selam Vocational Training College is the project owner and will manage administration of the academy, recruitment of teachers and the selection of students.

The initiative at Selam Vocational Training College will be the first state of the art vocational training for heavy machinery in Ethiopia that will be open to applicants irrespective of their background. The facility will train 25-30 high school students per year. The four-year training will include, inter alia, courses in English and Information Technology. In addition, more than 100 local technicians will benefit annually from short-term skill upgrading trainings held at the academy. The total calculated project cost is USD 5.3 million with contributions of Volvo (USD 2,8 million), Selam (USD 340,000) and SIDA (USD 2,2 million).

### THE BENEFITS OF PARTNERING

Through this innovative public-private partnership programme, UNIDO, Volvo and Sida are helping to ensure that a lack of skilled labour does not restrict industrial investment, while also contributing to Ethiopia's efforts to generate gainful employment opportunities for youth. By engaging in joint activities, UNIDO is able to harness Volvo's advanced knowledge and technology in the sector to improve the quality of vocational training. Partnering with Selam Vocational Training College strengthens linkages between education institutions and industry. The local ownership of the project also helps ensure the long-term sustainability of the programme. By investing in local training Volvo is helping to develop the local value chain and strengthen economic development through the better service provision of local enterprises. The academy will also provide the Group with an effective way to build relationships with potential employees.



### DRIVING SKILL DEVELOPMENT & YOUTH EMPLOYMENT

Hanna Negussie, pictured above, is a 21 year old trainee at the Training Academy in Heavy Duty Equipment & Commercial Vehicles in Selam. Before joining the Academy she was attending courses at the Selam VTC in Auto Department and Autoelectricity, in Level II. The opportunity to learn new skills and work on big trucks motivated Hanna to join the training. After graduating she would like to find a job as a mechanic or set up her own garage.

**“After graduation I would like to work as a mechanic for a company like Volvo or start up my own garage for big trucks.”**

Hanna Negussie, Training Academy in Heavy Duty Equipment & Commercial Vehicles student



Students receiving specialised training at the Volvo Selam Training Academy in Heavy Duty Equipment and Commercial Vehicles in Addis Ababa

**For further information please contact:**

e-mail: **[businesspartnerships@unido.org](mailto:businesspartnerships@unido.org)**

[www.unido.org/businesspartnerships](http://www.unido.org/businesspartnerships)



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION