



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

Country Programmes for Inclusive and Sustainable Industrial Development



Foreword



In the two years since member states adopted UNIDO's inclusive and sustainable industrial development (ISID) mandate, momentous steps have been taken by the international development community. The *2030 Agenda for Sustainable Development*, 17 Sustainable Development Goals (SDGs) and 169 associated targets are of unparalleled scope and significance. They build on the accomplishments of the Millennium Development Goals (MDGs) and will aim at finishing what these did not achieve. Between now and 2030, the global community commits to end poverty and hunger everywhere; combat inequalities within and among countries; build peaceful, just and inclusive societies; promote gender equality and the empowerment of women and girls; and ensure the lasting protection of the planet and its natural resources.

The international community for the first time has acknowledged industrialization as a driving force for economic and social development and poverty elimination. With the strong support of our 170 Member States, UNIDO actively rallied international backing for sustainable and inclusive industrialisation to be part of the 2030 Agenda. The result - SDG 9: **Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation** - vindicates these efforts and represents a clear endorsement of ISID. Goal 9 acknowledges that industry and industrialization are the main drivers of inclusive and sustained economic growth, environmental sustainability and shared prosperity. UNIDO will also have an important contribution to make in realizing a number of SDGs relating to, *inter alia*, energy, gender and partnerships. With its globally relevant ISID mandate and commitment to drive the integration of the economic, social and environmental dimensions of the SDGs in Member States, UNIDO is well positioned to realise the *2030 Agenda* at the regional, sub-regional and national levels.

The SDGs are an opportunity for UNIDO to incorporate ISID into country programming and intra-regional initiatives, based on the four major areas where ISID can play a key role: economic transformation, employment creation, greater social inclusion, and environmental sustainability, including climate change issues.

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Li Yong
Director General

1. Fostering ISID through UNIDO Country Programmes

UNIDO's Country Programmes (CP) and intra-regional programmes are strategic instruments to foster ISID on the ground and contribute to the 2030 Agenda and SDGs. The CPs are well established in many member states and are renewed and adapted in multi-year cycles according to national and regional priorities. The CPs define the scope of UNIDO's interventions and steer the delivery of programmes and projects in key thematic areas based on in-depth consultations with governments, as well as provide a practical guiding instrument for potential donors.

In October 2014¹, a standardised template was launched for the elaboration of CPs, maintaining their strategic, harmonised and flexible character. The template emphasises the benefits of the CP format:

- **Strategically positions UNIDO and aligns with ISID at the country level**
- **Ensures UNIDO programmes address national development priorities**
- **Promotes government ownership**
- **Provides a practical instrument for programme development and donor consultations**
- **Defines the scope of UNIDO intervention**
- **Provides a framework for aligning with UN system wide coherence and Delivering as One**
- **Reinforces monitoring and reporting of implementation and progress**
- **Responds flexibly to changes in national and regional circumstances**

On account of the momentum generated by UNIDO's ISID mandate, the number of CPs in operation or under preparation is expanding at a high rate as demand increases from Member States in all regions. This growing demand reflects the value of CPs in fostering collaborative partnerships with different stakeholders and partners, including the private sector and international organizations.

UNIDO's **Regional Programmes and Field Representation Branch** (RPF) has an essential role in the CP process, as part of its overall responsibility to develop comprehensive strategies and programmes to address regional and national challenges, according to the core pillars of ISID and within the context of the SDGs. The Branch's strategic analysis and outreach activities, including the organization of knowledge and policy discussion platforms, raise the organization's profile, guide UNIDO's technical assistance activities and integrate ISID at every level of UNIDO's cooperation with Member States.

¹ The Director General's administrative instruction No. 24 Country Programme Framework (UNIDO/DGAI.24) was approved by UNIDO's Executive Board on 30 October 2014.

The Branch's five **Regional Bureaux at headquarters and its Field network** are UNIDO's principal channel for maintaining and strengthening relationships with Member States, and monitoring and reporting on the organisation's interventions at the country level. The five Regional Bureaux - **Africa, Arab states, Asia and the Pacific, Europe and Central Asia and Latin America and the Caribbean** – and field network of 47 regional and country offices around the world, coordinate with governments, donors, UNIDO technical cooperation branches, and stakeholders at the country level to formulate projects and mobilize funds. Through the Regional Bureaux and Field network, UNIDO responds effectively and in a timely manner to Member States and partners in the development community.

The RPF Branch also ensures close linkages and coherence with the extended network of UNIDO institutions in the field, i.e. the Investment and Technology Promotion Offices (ITPOs), International Technology Centers (ITCs), National Cleaner Production Centers (NCPCs) and South- South Centers (SSCs). The extended network of UNIDO institutions contribute to a large extent in the development of CPs, projects and intra-regional initiatives.

Integration into the UN system

In an environment increasingly dominated by joint UN programming and activities, UNIDO attaches great importance to ensuring consistency and complementarities between its ISID mandate and its participation in UN programmatic frameworks, in particular UNDAFs. RPF is actively involved in the implementation of the United Nations System Wide Coherence and the Delivering as One approach at headquarters and, in particular, at the field/UN Country Team level through its Field Office network. This new reality has prompted the Organization to incorporate UN coordination in its CPs and regional programmes to emphasize, inter alia, the areas and pillars in which UNIDO is engaged, joint programmes and activities with relevant UN entities, and potential access to the One UN fund.

UNIDO's mandate and the Sustainable Development Goals



The mandate of UNIDO is an essential component of Sustainable Development Goal 9, and is instrumental to the achievement of all the other goals

2. UNIDO's programmatic response

Initiation and formulation of Country Programmes

Country Programmes are formulated in the most practical and harmonized way, making the most of the effective use of combined expertise and capacities of all stakeholders. The joint collegial exercise involves UNIDO in-house and external stakeholders under the leadership of RPF. The participatory approach follows a number of steps (see flow chart), initiated by a formal country request.

The preparatory phase involves detailed analysis of the industrial context of the target country, describing socio-economic developmental issues and challenges, national priorities, the donor environment, and stakeholder capacities.

Technical missions of relevant UNIDO experts to the country follow to probe the scope of required assistance and ensure alignment with government priorities and universally agreed development goals. In some cases, official country delegations hold meetings with UNIDO at headquarters.

Based on the analysis and consultations with government, the public and private sector, potential donors and UN agencies, a CP framework document is prepared, which is shared with the government for feedback and clearance. Upon final approval, the CP is signed by the government and UNIDO. Where relevant, funds mobilization activities are organised to operationalize the CP, including donor roundtables.

Principal standard steps in formulating a CP following a country request

In-depth assessment of development needs and priorities, led by the Regional Bureaux, to determine UNIDO's response to government requests for assistance.



UNIDO experts travel to the respective country and hold discussions with counterparts, beneficiaries and potential donors and UN agencies. The mission evaluates, validates and determines areas of intervention and assistance to address the specific needs and priorities.



Launch of a fully-fledged Country Programme framework document. A funds mobilization strategy is formulated to operationalize the CP and implementation begins.

The CP framework ensures that UNIDO approaches each country and region with differentiated regional and country programmes that reflect specific challenges, levels of development and national policies and priorities.

UNIDO has rolled out CPs in Low Income Countries (LICs), Middle Income Countries (MICs), Landlocked Developing Countries, (LLDCs) Least Developed Countries (LDCs), Small Island Developing States (SIDS), countries rich in natural resources, and fragile states. Intra-regional programmes equally address industrial development issues under UNIDO's three-pronged approach of economic, social and environmental sustainability and are integrated into the CPs. Below is a snapshot of CPs at different stages of preparation and implementation - as well as intra-regional programmes - by UNIDO's Regional Bureaux and Field network.

AFRICA REGION

The Africa Bureau has embarked on a vigorous promotion of CPs. During the 2013-2014 biennium, the Bureau, in close cooperation with regional and field offices, developed several CPs in MICs, LICs as well as in LDCs. The list of ongoing CPs and those scheduled to be signed by the end of 2015 and under development are presented in Table 1.

Table 1 | **Ongoing and pipeline CPs in Sub-Saharan Africa**

Ongoing CPs	Burkina Faso, Cabo Verde, Chad, DRC, Guinea, the Gambia, Lesotho, Mozambique, Niger, Senegal, Sierra Leone, Tanzania, Togo, Uganda;
Pipeline CPs	To be signed: Cameroon, Congo, Namibia, Rwanda, Swaziland, Zambia
	To be developed: Angola, Benin, Botswana, Burundi, Equatorial Guinea Eritrea, Gabon, Ghana, Malawi, Mali, Mauritania ,Mauritius, South Africa, Zimbabwe

Examples of recently implemented country programmes in Sub-Saharan Africa include Tanzania and Niger.

Tanzania Country Programme 2011-2016

Country Programme design

Developed in 2011, Tanzania is among the first of the new generation of UNIDO country programmes. The ‘UNIDO Country Framework of support to United Nations Development Assistance Programme (UNDAP) (2011–2015),’ comprises three areas of interventions: (1) Industrial policy and statistics support; (2) Investment promotion and enterprise support for enhanced competitiveness; and (3) Cleaner production and renewable energy for productive uses. The areas reflect consultations with the Government and the main development national strategies, including Vision 2025, the Government’s medium term development strategy (2011-2015), the five-year Development Plan (2011/12 – 2015/16) and the Sustainable Industrial Development Strategy (1996–2020).



As its title indicates, the CP is aligned with the UNDAP 2011–2016 and contributes in particular to Cluster 1 on “Inclusive and Pro Poor Economic Growth”, which aims at building and strengthening capacities in agro-value chain development, manufacturing, SME development, environmental protection and climate change mitigation.

Funding

Since the CP's launch in 2011, project activities worth US\$10.92 million have been implemented. US\$5.8 million was funded by the One UN Fund and the remaining from various donors (including the Government of Sweden and the UN's Delivering Results Together Fund). Two examples of successful projects deriving from the CP are in the agro-industry and footwear sectors:

Successful CP in Tanzania project:

Modern slaughterhouses help advance the agro-industry and create new jobs

UNIDO supported the establishment of four slaughterhouses in the cities of Mbeya and Iringa. Two of slaughterhouses are already operational. Butchers have received training on meat and skin handling, and on entrepreneurship. Additionally, the introduction of food safety standards has resulted in improved hygiene at slaughtering facilities, leading to greater demand for their meat. UNIDO will also help install a biogas energy unit at the Iringa site. To date, over **270 new jobs** have been created as a result of UNIDO's intervention.

Successful CP project in Tanzania:

UNIDO support to the Footwear Industry contributes to economic diversification

In cooperation with the Tanzania Institute of Leather Technology at the Dar es Salaam Institute of Technology, the project provides capacity building and training in the leather sector. UNIDO has provided ICT and laboratory equipment, training materials, and facilitated the participation of staff in national and international exhibitions and study tours. Entrepreneurs have been trained in footwear pattern engineering, and effluent and waste management. The training enabled the entrepreneurs to participate in local and international trade fairs, including the 2014 Dar es Salaam International Trade Fair. UNIDO also developed an animated e-learning course on footwear pattern engineering and conducted training of trainers. Online training content is enabling trainers, entrepreneurs and shoe designers to keep abreast of the latest technical innovations.

Box 1 | Key achievements of other projects under the Country Programme

Industrial policy and statistics support

- Trainings on industrial policy analysis/formulation and industrial statistics.
- Support to the development and publishing of the first Tanzania Industrial Competitiveness Report.

Tanzania Industrial Upgrading and Modernisation Programme (IUMP):

- Industrial diagnosis and upgrading of 19 enterprises operating in dairy, edible oil and food processing sectors.
- 50 national experts trained on industrial upgrading methodologies.

Investment Promotion and Subcontracting and Partnership Exchange Programme (SPX) :

- Investment Monitoring Platform (IMP) established and training conducted.
- Data from 450 companies and investors in Africa for 2010 collected and uploaded into IMP database.
- SPX centre established, including training of staff.
- Profiling for 211 companies conducted and respective database created.

Niger Country Programme 2014-2018

Developed and signed in 2013, the Niger CP was launched in early 2014. From the outset, national counterparts and main stakeholders, including the donor community and private sector representatives, have enthusiastically supported the CP and explored partnerships with UNIDO to realise Niger's development priorities. UNIDO is also working with the UN Country Team to achieve the goals set by the CP.

With an estimated budget of US\$16.5 million, the CP is oriented towards agro-industries and agribusiness development with a special focus on SMEs and entrepreneurship, especially for young people and women. The programme also features interventions in investment promotion, quality infrastructure and upgrading of industry, and industrial governance and statistics. The overall goal is to contribute to job creation by increasing national capacity and productivity while taking into consideration environmental safeguards, modern technologies and sustainable energy generation.

Successful CP in Niger project: Enhancing food security and incomes

Within the CP, a highlight is the project **Enhancing food security and income generation through sustainable revitalization of meat, milk and cowpea value chains (a 3ADI² project in Niger)**. Based on a trust fund agreement between UNIDO and the Government of Niger, the US\$12 million project represents 70% of total indicative funding for the CP. This is recognized as best practice for funding schemes in LDCs, allowing greater ownership, sustainability and replication opportunities within the country and in other member states in the region.

The 3ADI project supports agricultural transformation in the country's most important value chains (meat, milk and cowpea), addressing food insecurity and job creation. The project is revitalizing these value chains, drawing on local resources and available skills to increase the quantity, quality and affordability of processed meat and cowpea-based products.



In meat processing, the project indirectly builds a market outlet for upstream livestock production and increases access to profitable international markets. The project is rehabilitating two slaughterhouses, creating a production centre for kilishi (a version of biltong) and two milk collection centres. The cowpea initiative alleviates food insecurity and generates additional revenue through exports for target beneficiaries of rural smallholders and vulnerable groups (women and youth).

² The African (Accelerated) Agribusiness and Agro-industries Development Initiative (3ADI) is a collaboration between UNIDO, the Food and Agriculture Organization and the International Fund for Agricultural Development

A regional programme included in Country Programmes (Mali and Senegal)

The Inclusive Development and Entrepreneurship for All (IDEA) programme features strongly in UNIDO's CPs, especially in the ECOWAS and COMESA regions. The IDEA approach addresses youth unemployment through targeted training on job market skills, and equips young aspiring entrepreneurs with the tools necessary to start and run their own businesses.

IDEA goes beyond common training and technology transfer approaches, putting the conditions in place for successful start-up and enterprise development. Key components are financial and technical capacity, and partnership building along the entire process with the private sector, national authorities, civil society, and opinion leaders. Stakeholders at all levels within a country are involved, thus enhancing dialogue and maximizing implementation.

The programme is currently being implemented in Senegal and Mali (funded respectively by the Government of Luxembourg and the UN Peace Building Fund) and is planned to jump-start next year in Niger, Burkina Faso and Togo in the ECOWAS region. The programme will also launch in early 2016 in the COMESA region, starting with Zambia as a pilot.

In Senegal, ILO, UNDP and UNIDO have joined forces to maximize output and efficiency of their respective technical assistance in the field of youth entrepreneurship.

Box 2 | Key Achievements in Senegal

- **1517** youths out of 1643 young graduates trained and oriented towards self-employment or in firms.
- **75** private sector professionals in **27** sectors mobilized for youth training and mentoring.
- **17%** of the **302** young people coached were recruited for their first job in established firms
- **1154** candidates were oriented towards enterprise creation, of which:
 - **38%** developed individual or collective business plans
 - **316** business plans formulated and **186** business plans financed in **19** different sectors
- **38%** of individual business plans were transformed into MSMEs with the creation of **392 jobs** (250 women and 142 men), which accounts for **34%** of the total beneficiary group
- The establishment of business networks structured around 10 Cluster Development Agents (CDAs) supervising more than **30** consortia. One of the biggest successes was the structuring of a cluster of **500** shoemakers, who later forged a strategic partnership with the Crédit Mutuel du Senegal, generating funding of approximately **600 million** CFA francs.
- The establishment of a cluster system through the structuring of four emerging clusters, including the young shoemakers' cluster, a fishermen's cluster in Soumbédioune; a recycling cluster and a green industry cluster structured around sanitation and garbage collection. The sanitation cluster was designed with the twofold objective of integrating youth through employment activities and promoting a clean and better living environment.

UNIDO's expertise has been called upon again to support Senegalese youth and create an inclusive and sustainable mechanism that ensures youth employment and youth enterprise creation. As is a strategic partner for Senegal and for young graduates entering the labour market, UNIDO is committed to fostering innovation, skills development and entrepreneurship for all.

ARAB REGION

The Arab Bureau is implementing a variety of country and intra-regional programmes as a coherent and coordinated response to multiple challenges facing the region. The impetus behind UNIDO's programmes in Arab countries is the drive for sustained economic growth and economic and social inclusion, particularly of youth. UNIDO's assistance is mostly aligned with UN strategic frameworks, and national and regional priorities - inclusive growth, creating employment for tens of millions of people, alleviating poverty, and addressing food and water security risks.

Box 3 | Upcoming Country Programmes

The roll-out of CPs in the region is growing. UNIDO is exploring the preparation of a new CP for ISID for **Tunisia** targeting youth employment, agribusiness, creative industries, trade capacity building, energy and environment, as well as entrepreneurship and vocational training. UNIDO's approach in Tunisia will be in line with Tunisia's UNDAF 2015-2019. UNIDO's large portfolio of technical cooperation projects in **Egypt** is being explored for conversion into a consolidated CP. Based on a strong partnership with the Government and the private sector, UNIDO's portfolio in Egypt as of 2013 covers several aspects of ISID, including: agro-industrial development, human security and local economic development in Upper Egypt; micro, small and medium enterprise (MSME) development and job creation; energy efficiency and renewable energies; implementation of Montreal Protocol activities; and promotion of green industries.

Two examples in the region that highlight the coordinated and flexibility of the CP approach and its close integration with national and UN priorities are **Lebanon** and **Sudan**.

Lebanon Country Programme 2015-2018

UNIDO's technical cooperation in Lebanon evolved from an Integrated Programmes (IP) approach to a sequence of CPs. First devised in 2003, the UNIDO Lebanon IP was revised following the 2006 war to be in line with Government priority areas and the Lebanon Recovery Plan. The IP was funded by the Lebanese Recovery Fund.

Following an independent evaluation of the IP in 2009, UNIDO's intervention was redefined. Thereafter, a CP framework was formulated in 2010 upon request by the Government. A new CP was designed in 2011 to guide UNIDO's operations in the country for a period of three years from 2011 to 2014. Its main focus was to support the Government in peace-building and creating jobs and economic growth.

Country Programme design



A key driver for inclusive and sustainable growth: assistance equipment delivered to 53 SMEs and 17 cooperatives in the agro-industry

The CP, which initially addressed four areas, was revised in December 2014 at the Government's behest amid considerable developments in the region and in line with UNIDO's ISID mandate. The five newly defined revised areas by end of 2014 were: 1) industrial parks and infrastructure upgrading; 2) development of agro-industry value-chains; 3) energy efficiency, renewable energies and environmental management promotion; 4) support to competitiveness of industrial SMEs; and 5) promotion of inclusive industrial development. The new CP has been formulated in full cooperation with the Ministry of Industry and is fully aligned with the Government's industrial policies, including the "Integrated vision of the industrial sector 2025" and country-level UN priorities. The CP's wide-ranging goals aim at stimulating sustainable and inclusive economic growth, creating jobs and incomes, particularly for the most vulnerable groups.

The CP is planned to support the stabilization priorities identified in the Government/UN *Lebanese Crisis Response Plan 2015-2016*, by restoring and expanding economic and livelihood opportunities, particularly for vulnerable groups in areas of high refugee concentration. The main elements of the CP are also part of country-level UN focus areas, as part of the UNDAF, related to socio-economic development and environmental sustainability.

Funding

In terms of funding, the CP engages all stakeholders, including bilateral and multilateral donors. Projects related to community empowerment and livelihoods enhancement have been financed through a multi-donor trust fund - the Lebanon Recovery Fund, and following the Syrian crisis, by multiple Japanese supplementary funding schemes.

Successful CP project in Lebanon: Assisting vulnerable communities

The results of assistance provided within the CP are already apparent. The project Supporting vulnerable communities in Lebanon affected by a high influx of Syrian refugees, funded by Japan and implemented in close partnership with the private sector, has helped 15 micro and small enterprises during the crisis and sustained the livelihoods of over 1500 households in highly vulnerable communities.

A further example is the ongoing project Community Empowerment and Livelihood Enhancement, initially financed by Italy, which supports agro-industrial value chains in rural Lebanon. The project has enhanced competitiveness in 53 agro-enterprises and strengthened 17 women's agricultural cooperatives. The new project phase launched in 2015 will benefit 1000 households in the dairy and olive oil sectors.

Sudan Country Programme 2013 - 2018

The current Sudan CP was also preceded by Integrated Programmes (IPs), the main objective of which was to enhance productive performance of agro-related industries and the capabilities of rural communities in support of sustainable livelihoods and the MDGs. Between 2004 and 2008, the Sudan IP priority components were social stabilization and rural energy for productive use and a range of UNIDO services aimed at increasing the capabilities of Sudanese entrepreneurs, firms and support institutions to foster sustainable livelihoods, targeting a high degree of rural community empowerment.

The Sudan IPs' industrial agenda for poverty relief and transition to sustainable development was recognised by the World Bank and the UN-driven Joint Assessment Mission as a practical approach to foster sustainable industrial expansion in Sudan during the post-conflict era. Following an independent evaluation in 2010, the IP phases in Sudan were completed in early 2012.

Country Programme design

Following programming and coordination exercises in priority areas defined by Sudan, a new CP entitled the **UNIDO Industrial Modernization Programme (IMP)**, signed in June 2013, promotes both public and private sector development in Sudan through a portfolio of projects worth US\$10.5 million. Backed by the Ministry of Industry, the IMP seeks to unleash the potential of targeted industrial sectors by increasing productive activities, supporting industrial policies, institution building and providing industrial support services.

The IMP is designed to contribute to industrial modernization of priority sectors, foster sustainable growth in the public and private sectors, and create jobs and sustainable livelihoods for factory workers, farmers, fishermen and their families, including the most in need (internally displaced persons, youth and women).

The IMP complements Sudan's priorities elaborated in the *National Development Plan* (2012-2015) and the *Interim Poverty Reduction Strategy Paper*, including job creation, especially for youth, revitalization of agriculture and industry, combating environmental degradation and the impacts of climate change, and reducing the risk of natural and manmade disasters.

Importantly, UNIDO's activities contribute to strategic joint programming of UN agencies through the UNDAF 2013-2016, in poverty reduction, job and sustainable livelihood creation, and resurgence of agriculture - essential for economic diversification and food security. UNIDO also participates in a Government/UN joint programme on gender equality, women's empowerment, economic growth and peace and security in rural areas. In Darfur, UNIDO is working closely with the international community, donor agencies, and development partners towards sustainable economic recovery and peace, including joint programming as part of the UN Fund for Recovery and Development in Darfur.

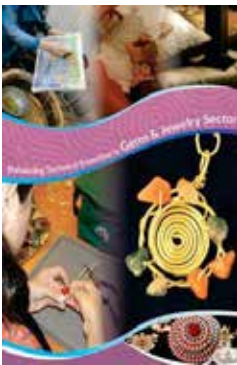
In early 2016, UNIDO is planning to hold the "Inclusive and Sustainable Industrial Investment Forum in Sudan" in Khartoum. The Forum will promote international investment in several industrial sectors in line with the UNIDO IMP. Funds mobilization strategies will be fine-tuned in specific areas of investment, guided by UNIDO's vision for Africa's industrial competitiveness to catch up with the rest of the world by 2030.



Sudanese researcher study tour in Japan – soybean processing

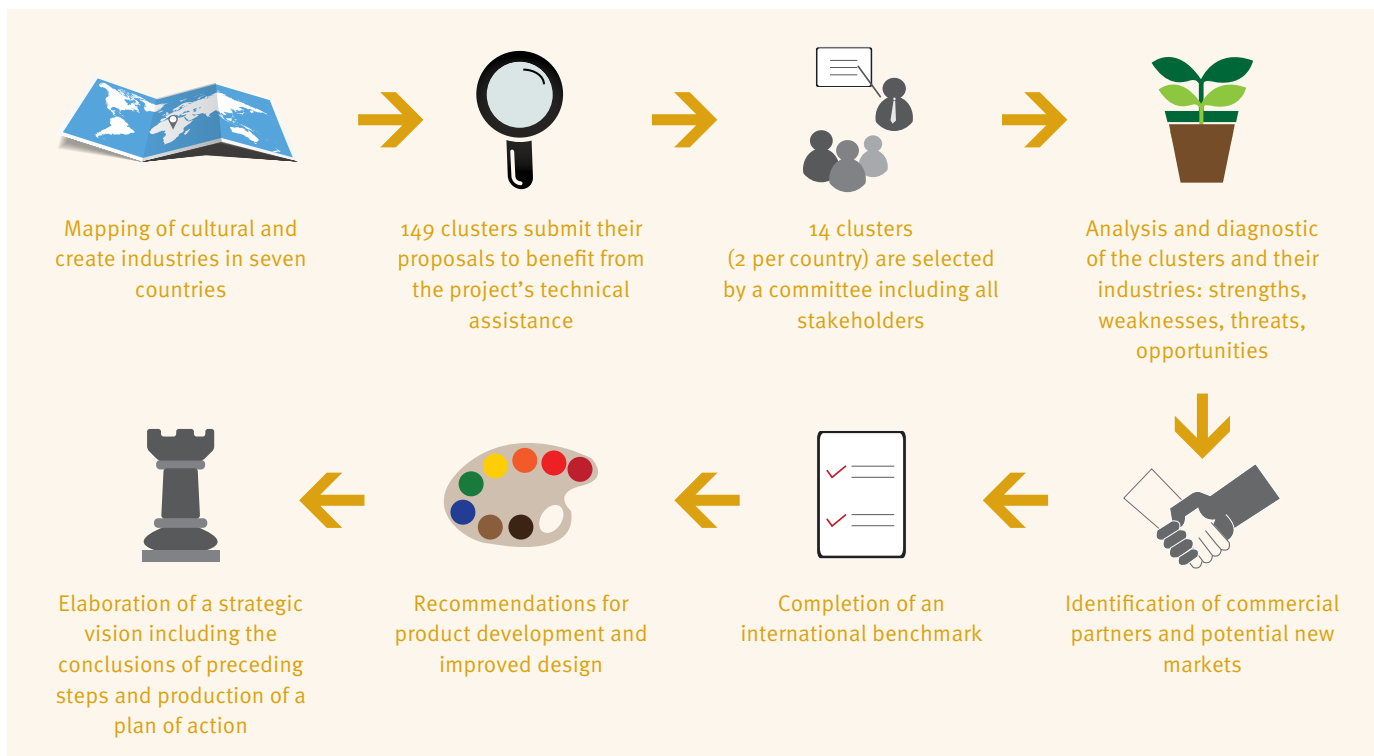
Regional programmes integrated into Country Programmes

Cultural and creative industries (CCIs) increasingly contribute to the Southern Mediterranean's socio-economic development (2013-2017)



Funded by the EU with a contribution from Italy, this intra-regional programme has received special recognition from the Union for the Mediterranean (UfM) for its potential to deliver concrete benefits to the citizens of the Euro-Mediterranean region. The programme complements UNIDO's CPs and current and future activities funded by the EU and other donors in the Southern Mediterranean. Further regional activities will be undertaken with the backing of the UfM, which will act as a forum and platform for information exchange and knowledge sharing.

The project aims at benefiting 14 clusters in Algeria, Egypt, Jordan, Lebanon, Morocco, Palestine and Tunisia, strengthening the private sector and promoting cooperation in the region. UNIDO will provide technical assistance and advice to at least one business cluster initiative (textiles, garments and shoes, jewellery, stone and marble, etc.) in each target country. For example, a mapping exercise in Lebanon identified a preliminary list of potential clusters for job creation, including audiovisual and multimedia in Beirut (Beirut Creative Cluster), copper crafts in Tripoli and El Qalamoun, cutlery in Jezzine, and furniture in Tripoli. Similarly, in Algeria jewellery and brasswork have been identified, in Egypt carpets and home textiles, and jewellery and furniture design in Morocco and Tunisia.



UNIDO's cluster project involving 7 countries in the Southern Mediterranean is already benefiting 1000s of firms and individuals working in CCIs

Key achievements: UNIDO supporting cultural and creative industries in the Southern Mediterranean

- 7 project launching workshops engaging 900 stakeholders
- 19 design workshops involving 520 participants
- 3 marketing trainings involving 60 participants
- 55 clusters meetings and workshops with 1000 participants
- 14 trainings of trainers for Cluster Development Agents (CDAs)

1000 firms and 500 artisans and workshops already engaged in the clusters

Algeria	13 firms and 100 artisans
Jordan	10 firms (SMEs and individual designers)
Palestine	90 firms
Lebanon	680 firms (mainly workshops)
Egypt	30 firms (designers, companies, factories, workshops)
Morocco	320 MSMEs
Tunisia	150 firms

Next steps will strengthen clusters' capacities through, among other activities, improved logistics and access to raw materials, website development and social media intervention. Further, the clusters will be encouraged to build partnerships with different financial institutions, donors and local banks, a range of public institutions, and retailers. The project will support product design and targeted collections for national and international markets.

Women's economic empowerment in the MENA Region through Enterprise Creation and Growth and Investment Promotion. A regional project in synergy with programmes in MENA countries is supporting women's entrepreneurship development.

The project originated from a collaboration of six MENA women business associations in Egypt, Jordan, Lebanon, Morocco, State of Palestine and Tunisia and is funded by the Italian Government.



Expo Milan, 15 October 2015, Conference on "Promoting women economic empowerment"

ASIA AND THE PACIFIC REGION

The Asia and the Pacific (ASP) region consists of 29 countries - 10 LDCs, 17 MICs and two HICs. This includes five LLDCs and 7 SIDS. The common challenges in the region are poverty, rising urbanization, youth unemployment, climate change, and social exclusion, among others. In response, UNIDO is promoting ISID in the region, operationalized through country-specific and region-specific tailored programmes based on comprehensive packages of services and multi-stakeholder partnerships based on development priorities.

Among the 29 countries, 22 countries are recipients of UNIDO technical cooperation services. Among these countries, 15 countries (Iran, Indonesia, Myanmar, Pakistan, Viet Nam, India, Sri Lanka, China, Cambodia, Bangladesh, Mongolia, Nepal, Lao PDR, Thailand and Philippines) have benefitted from various forms of country programming (IP, CSF and CP). Seven countries (Afghanistan, Bhutan, DPRK, Malaysia, Maldives, Timor-Leste and Vanuatu) have received UNIDO support in the form of standalone projects, with the exception of Vanuatu. In Bangladesh, Cambodia and Sri Lanka the CPs are being renewed. Additionally, new CPs are being initiated for Afghanistan and Vanuatu.

All CP formulations are based on a results-based logical framework and are subject to independent evaluations. The conclusions and findings derived from these evaluation reports provide guidance in the formulation of subsequent CPs. The recently completed evaluations are Indonesia, Sri Lanka and Pakistan. An evaluation for Thailand is planned for late 2015.

Indonesia Country Programme 2009-2015

Country Programme design

The current CP in Indonesia supports the national priorities of poverty alleviation, trade and investment, energy development and environment. The CP is aligned with the *National Long Term Development Plan 2005-2025 and the Medium-Term Development Priorities (2010-2015)*, as well as the target areas of the Indonesia-UN Partnership Development Framework (UNPDF 2011-2015). Implementation of the CP involves ten government ministries, and ten national technical, academic and business support institutions.

Within the CP, UNIDO is implementing ten projects in five programme components: (1) poverty reduction; (2) trade capacity building; (3) energy for productive use; (4) environmental management; and (5) cross-cutting programmes (South-South cooperation). To give some project examples, in trade capacity, UNIDO is strengthening selected value chains in the fisheries sector by developing high value-added exports and enhancing compliance with international quality standards. A project in Maluku Province is contributing to sustainable livelihoods in rural areas by supporting SMEs, with a focus on the empowerment of women. In other areas, UNIDO is promoting green energy, environmentally-friendly chemical management and disposal, and industrial energy efficiency and renewable energy in different industrial sectors through its Resource Efficient and Cleaner Production (RECP) programme.

Funding

The CP has been funded by eight international donors; Austria, the Global Environmental Facility, Italy, Japan, the Republic of Korea, New Zealand, Switzerland and the Montreal Protocol Multilateral Fund).

Successful CP project in Indonesia:

Alleviation and restoring sustainable livelihoods on Nias island through micro hydro power based Community Development Centre for common facilities



In April 2008, UNIDO installed a 40 kW plant on the island of Nias. The operation has been financed from post-crisis funds that became available following the impact of the Tsunami in 2004 and an earthquake in 2005. The plant is designed for 200 households.

The €540,000 project established a technically sound small hydro power plant and its associated distribution system. The micro hydro plant is now fully operational. In recognition of the project's impact, UNIDO received an award of appreciation from the President of the Republic of Indonesia.

Positive evaluation and next steps

A 2015 evaluation praised the CP's alignment with national needs and priorities, and the strong national ownership of its projects. By attracting project funding in excess of the initially planned US\$27 million, the CP has clearly demonstrated its relevance for addressing national development policies and priorities. The evaluation also found the CP to be in line with Indonesia's UNPDF 2011-2015 and its three pillars - trade capacity building, agribusiness development, and climate change issues related to energy and environment.

The CP's success is attributed to engagement with donors in the design, monitoring, and self-assessment of projects, as well as the coordinated CP formulation involving relevant national stakeholders. Continuous follow-up and monitoring, coordination meetings, strong leadership, and a focus on strategic priorities at all working levels, have also been critical.

Moving forward, the CP for the next period will continue to focus on partnerships with the Government to develop projects on green industry, poverty alleviation through agro-industries, industrial waste management and water use optimization, among others. The CP will also consider aspects of programming relating to Indonesia's entry into the "One UN" Programme.

Myanmar Country Programme 2015-2020

Cooperation between Myanmar and UNIDO was re-established in 2011. In 2014, the Union Minister of Industry formally requested the preparation of a CP for Myanmar in line with UNIDO's ISID mandate. Consequently, UNIDO conducted a programming mission comprised of staff from the ASP Bureau, relevant in-house technical branches and the field office in Thailand. The mission team held extensive consultations with national counterparts including various line ministries, donors and other specialized agencies, resulting in the preparation and completion of the proposed CP for Myanmar for the period 2015-2020.

Country Programme design

Strongly aligned with the Government's development policies and strategies and the upcoming UNDAF, the CP aims at supporting the economic transformation of Myanmar from a predominantly rural and agriculture based economy into an industrialised export oriented one. The CP has been formulated in consultation with the Government and is based on a thorough assessment of the country's industrial development priorities, constraints and challenges. The CP design targets technical assistance to address these opportunities and challenges.

The programme interventions focus on five components based on the ISID framework and its technical cooperation service modules: (1) Elaboration and implementation of industrial strategies and policies, (2) Building a vibrant, inclusive and sustainable SME sector, (3) Productive Employment Generation in the Rural Sector, (4) Developing Myanmar's Export Potential, and (5) Ensuring Sustainable Industrial Development.

Funding

The proposed CP envisages a total indicative budget of US\$28 million of which US\$9.25 million has already been mobilised. The CP includes 19 projects of which 7 are ongoing. Throughout the CP's implementation, UNIDO, in cooperation with national stakeholders and donor partners, will undertake joint initiatives to mobilize funds. Potential donors identified during the programming mission are the governments of Italy, Norway, the Republic of Korea and Switzerland, the EU, the International Centre for ISID in India, the UNIDO Centre for South-South Industrial Cooperation in China, the Livelihoods and Food Security Trust Fund (managed by UNOPS) and the Global Environmental Facility.

Successful CP project in Myanmar:

Fostering pro-poor and inclusive MSME development



The CP emphasizes building a vibrant and inclusive SME sector in Myanmar. To these ends, UNIDO is implementing a US\$1.2 million project aiming at 'Fostering Pro-Poor and Inclusive SME Development'.

The project, funded by the Government of Italy, is helping to boost private sector-led growth in Myanmar and provide better employment and livelihood opportunities for local communities.

With a budget of US\$1.28 million, the project

focuses on increasing the competitiveness of micro, small and medium enterprises (MSMEs) through developing cluster and business linkages.

Preliminary activities include policy advice for MSME development, industrial zones, cluster mapping and skills upgrading, including to the Ministry of Industry, and the Ministry of Cooperatives. Further, the project is supporting a review of Myanmar's SME Law and will also help in the preparation of an Industrial Zone Law. Under the project, a project intervention in the lacquerware cluster in Bagan and has been recognized by both the target beneficiaries and the Government for its positive results.

India Country Programme 2013-2017

Country Programme design

India's current CP has two main components – Promotion of Green Industrial Development of India and Inclusive Economic Development. The CP has a strategic focus on the promotion of sustainable and inclusive development in India. The expected outcomes are: (i) More sustainable and cleaner industrial development by applying various technical and policy tools and methodologies; (ii) Expanded private sector development, particularly MSMEs; and (iii) Establishment of enhanced knowledge base towards sustainable industrial development.

The CP objectives are aligned with the UNDAF 2013-2017 as well as India's 12th five-year plan (2012-2017), whose objectives are Faster, Sustainable and More Inclusive Growth. The CP is strongly supported by the Government and is implemented in cooperation with the Ministries of Environment and Forestry, Industry and Energy and the Department of Industrial Policy and Promotion.

Funding

As one of UNIDO's largest in terms of project portfolios, the India CP has a total budget of US\$169.68 million, and consists of 15 ongoing projects worth US\$58.17 million, 20 completed projects worth US\$16.19 million, and 11 pipeline projects worth US\$95.32 million.

India Country Programme - Project achievements

The CP includes projects promoting energy efficiency and renewable energy in MSME clusters in India (budget US\$7,172,098). A project on environmentally sound management and final disposal of PCBs in India, (budget US\$1.41 million), has achieved capacity-building through training, initiation of the construction of the disposal facility and technical assistance in the operation of transformers.

The project supporting small and medium sized manufacturers in the automotive industry achieved positive results and efficiency gains with average sales increase of 33% in 30 months and increased equipment effectiveness by 67%, combined with a progressive increase in delivery schedule adherence from 75% to 96% in overall performance.



*Energy efficiency – UNIDO intervention in
a foundry cluster, Coimbatore*



*Supporting small and medium-sized manufacturers
in the automotive component industry in India*

Promoting South-South Cooperation (SCC)

The India CP also focuses on strengthening South-South Cooperation through the International Centre for Inclusive and Sustainable Industrial Development, especially in LDCs. The SSC projects support the implementation of the Istanbul Programme of Action in LDCs. Currently, the Centre supports South-South Cooperation projects such as the Promotion of Neem derived bio-pesticides in West Africa (Ghana, Nigeria, Sierra Leone), Strengthening the technical service capabilities of the Kenya Industrial Research and Development Institute and Demonstration and promotion of coconut husk processing for income generation in rural communities in Kenya.

EUROPE AND CENTRAL ASIA REGION

The region covers a diverse group of countries stretching from Central Europe to the Caucasus and Central Asia. This group of upper and lower MICs masks vast differences in terms of market economy transition, and levels of industry and technology, skills, infrastructure, employment, social inclusion and environmental protection. UNIDO technical cooperation activities seek to address national and regional challenges, increasingly under the CP approach.

The Europe and Central Asia Bureau is preparing a number of CPs based on requests from member states. In 2016, the Bureau will forge ahead with CP implementation in Kazakhstan and with CP formulation for Albania, Georgia, Kyrgyzstan, Moldova, Montenegro and Serbia following formal requests.

Kazakhstan Country Programme 2015-2017

Preparations for a CP in Kazakhstan are the most advanced in the region. In 2014, UNIDO and the Government of Kazakhstan signed a Joint Declaration to cooperate on the country's industrialization goals, as stipulated in the second five-year industrial development plan for 2015-2019 through, in particular, adoption and implementation of the UNIDO CP for 2015-2017. In July 2014, the Government submitted its feedback on the CP and signalled its intention to explore funding possibilities from the state budget to finance the main phase of the projects planned in the CP.

The CP currently under consultations with the Government is a vision and strategy for partnership for inclusive and sustainable industrial development (ISID) between Kazakhstan and UNIDO, based on dialogue with the Government, national stakeholders and development partners. UNIDO's enhanced assistance will contribute to the efforts of the Government of Kazakhstan towards industrialization of the economy.

Country Programme design

The CP is aligned with the country's development policy frameworks, the long-term socio-economic strategy Kazakhstan's Way – 2050: Common Aim, Common Interests, Common Future; the State Programme of Industrial-Innovative Development of Kazakhstan for 2015-2019, and the Plan of the Nation 100 Concrete Steps. It also draws on the new Partnership Framework for Development (PFD) of Kazakhstan 2016-2020, as well as the United Nations Development Assistance Framework 2010-2015 for Kazakhstan.

KAZAKHSTAN COUNTRY PROGRAMME

Alignment of CP



National development policies and strategies

Sustainable Development Goals (esp. SDG 9)

Donors

UN Development Assistance Frameworks (UNDAF)

CP structure and projects



COMPONENT 1

Industrial modernization & sustainable entrepreneurship

COMPONENT 2

Investment promotion & industrial cooperation

COMPONENT 3

Trade capacity building and industrial statistics

COMPONENT 4

Industrial energy efficiency & environmental management



➤ Industrial Modernization & Enterprise Competitiveness

➤ Strengthening the Centre for Development of Industrial Enterprises

➤ Subcontracting and Partnership Exchange

➤ Trade capacity building through strengthening standards, metrology, testing & quality infrastructure

➤ Development of industrial statistics based on international & European standards

➤ Energy management system capacity building for industrial enterprises & energy efficiency consultants

➤ Introduction of ODS³ alternatives in agriculture & in post-harvest sector

Funding

With an overall estimated indicative budget of over € 15.5 million, the CP will be co-funded by the Government of Kazakhstan, the Global Environment Facility (GEF) the “Damu Fund”, as well as by other potential donors and partners.

³ ozone-depleting substances

Country Programme preparations for Georgia and Moldova

The Bureau is at the initial stage of preparing CPs for several countries in the region. Preparatory phases in Georgia and Moldova will soon launch following requests from both governments for increased UNIDO project portfolios and strengthened cooperation in priority areas of sustainable industrial development.

Between 2013 and 2015, UNIDO received requests for UNIDO technical assistance from several Georgian ministries (the Ministry of Economy and Sustainable Development, the Ministry of Environment and Natural Resources Protection, and the Ministry of Energy and Natural Resources). Likewise, the Government of Moldova has on several occasions called upon UNIDO to expand its technical cooperation activities in the country, culminating in an official request to the UNIDO Director General from the Minister of Economy and Deputy Prime Minister for a comprehensive CP to assist Moldova achieve its industrial development targets.

Country Programme design

To align the CPs with national development strategy documents, as well as the UN system's collective strategic response to national development challenges and to common objectives as part of the respective UNDAFs, the Bureau has conducted in-depth analysis of both countries' national policies and strategies for industrial development and areas where UNIDO expertise can help realise development goals.

Efforts to strengthen UNIDO's presence in Georgia and Moldova coincide with implementation of the new Eastern Partnership (EaP) Agenda for 2014-2015 to consolidate the process of political association and economic integration of the countries of the Eastern Partnership, of which Georgia and Moldova are members. The Agenda envisages enhancing multilateral cooperation in the areas relevant to UNIDO's expertise: trade and economic cooperation, renewable energy and energy efficiency, environment and climate change, youth and training, business environment including SME policies, and agriculture and rural development.



Energy efficiency in the industrial sector is a priority of the Government of Moldova.

Photo: an ongoing UNIDO project to increase energy efficiency and reduce energy consumption at a cheese company in Riscani, Moldova

Funding

In light of increasing harmonization of donors' development assistance strategies with the objectives of the EaP and the signing of an Association Agreement with the EU in 2014, opening up funding flows, the Bureau is grasping the momentum to develop a diversified technical assistance portfolio for Georgia and Moldova to embed ISID at the country level in line with the countries' priorities and areas of potential funding.

Regional Programmes

The Bureau coordinates intra-regional programmes integrated in respective CPs and UNDAFs. One example is **Capacity Building for Developing Programmes for Mitigation of Global Environmental Problems in Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russian Federation and Ukraine**. The project strengthens the capacity of local experts and institutions to develop project concepts with UNIDO and to leverage funding from bilateral and multilateral donors, particularly the Global Environmental Facility. Several regional and country training workshops have been held in participating countries tackling relevant thematic areas of respective countries.

Another programme, **Fostering inclusive and sustainable local industrial development in Europe and Central Asia –The role of science, industrial and technology parks**, facilitates platforms for representatives from governments, the private sector and other institutions from the region to share knowledge and experience, and identify common challenges and opportunities for the development of different types of parks. The programme contributes to a better understanding of the role of science, industrial and technology parks in economic diversification and job creation. So far, the programme has organized two conferences in Azerbaijan and Slovenia, both praised as mediums to share knowledge and best practices on establishing and managing parks. Several government requests for increased UNIDO cooperation – as well as for CP formulation - have resulted from countries' participation in the programme.

Two major regional initiatives that will be launched in 2015 are promoting knowledge platforms to exchange best practice and lessons learned in the areas of 1) fostering ISID through the development of industrial corridors, and 2) social inclusion of marginalized communities:

Fostering inclusive and sustainable industrial development along the New Silk Road Economic Belt in Azerbaijan, Tajikistan, Turkmenistan and Uzbekistan. The project will contribute to strengthening cooperation on regional economic integration among the countries of the New Silk Road economic belt and to provide a unique platform for mobilizing regional collective actions to eliminate poverty, address environmental issues, and raise competitiveness by pursuing the green economy. The project aims at pursuing inclusive and sustainable industrial development by facilitating flows of goods, investment, knowledge and information.

Social inclusion of marginalised communities: In cooperation with the Government of Hungary, UNIDO will implement a regional project to showcase initiatives to address social and economic exclusion of disadvantaged and marginalized communities, including ethnic minorities, youth and women. The project will facilitate the exchange of good practices and experiences, and tools to support policy makers, practitioners and other relevant actors, and will identify and support promising innovative business concepts and models for addressing social exclusion on the ground.

LATIN AMERICA AND THE CARIBBEAN REGION

The Latin American and the Caribbean (LAC) Bureau currently manages a CP in Cuba and will launch CPs in Argentina, El Salvador and Suriname in 2016. These CPs are formulated to improve resource mobilization, strengthen partnerships among different institutions and stakeholders, enhance synergies among UNIDO technical services and initiatives, and align assistance priorities with UNDAF and national development strategies that contribute towards countries' ISID implementation. The approach followed in each case consists of a high level country delegation visit to UNIDO HQ to discuss potential priority areas with UNIDO technical branches followed by a UNIDO technical mission to the country to fine-tune specific interventions according to agreed priority areas and the interests of donors and investors.

Cuba Country Programme 2016 - 2020

In 2014, the Cuban Minister of Foreign Trade and Cooperation requested UNIDO to formulate a CP to support the country's economic transformation, based on the Government's 2011 "Guidelines for Economic and Social Policy", prioritising efficiency and competitiveness in key industrial sectors, the promotion of foreign investment, and social progress and inclusiveness. Among recent government initiatives to realise its objectives are the approval of new foreign investment laws and the creation of a special development zone at the Port of Mariel.

Country Programme design

The CP is structured according to three main outcomes; a) improvement of the business environment and sustainability, b) improvement of industrial competitiveness, and c) attraction of foreign investment. Specifically, the CP seeks to: create and strengthen Cuba's institutional and productive capacities to achieve inclusive prosperity; develop entrepreneurship; support new models of non-state business management; increase the participation of women and youth in decision-making processes; and boost innovation, knowledge sharing, technology transfer and investment. The framework is fully aligned to the implementation of the 2030 Development Agenda and SDG 9, and the UNDAF 2014-2018 (see Figure 1).

The design of the CP has been a multi-stakeholder joint exercise involving relevant UNIDO branches and government agencies, entrepreneurs, the private sector, academic institutions, development organizations, and community representatives. As the leading government agency, the Ministry of Foreign Trade and Cooperation coordinates the national counterparts, including the Ministry of Industry, the Ministry of Energy and Mines, the Ministry of Economy and Planning, the National Commission for implementing the "Guidelines for Economic and Social Policy", and the National Statistics and Information Bureau. From UNIDO's side, the LAC Bureau leads the coordination of in-house experts, including from ITPO-Korea, and the agro-business, energy, business investment and technology, and environmental branches. During the formulation process, a Cuban high-level delegation visited Vienna in February 2015. Later, in July 2015, UNIDO experts undertook a technical mission to Cuba to fine-tune the CP interventions and hold advanced negotiations with several donors.

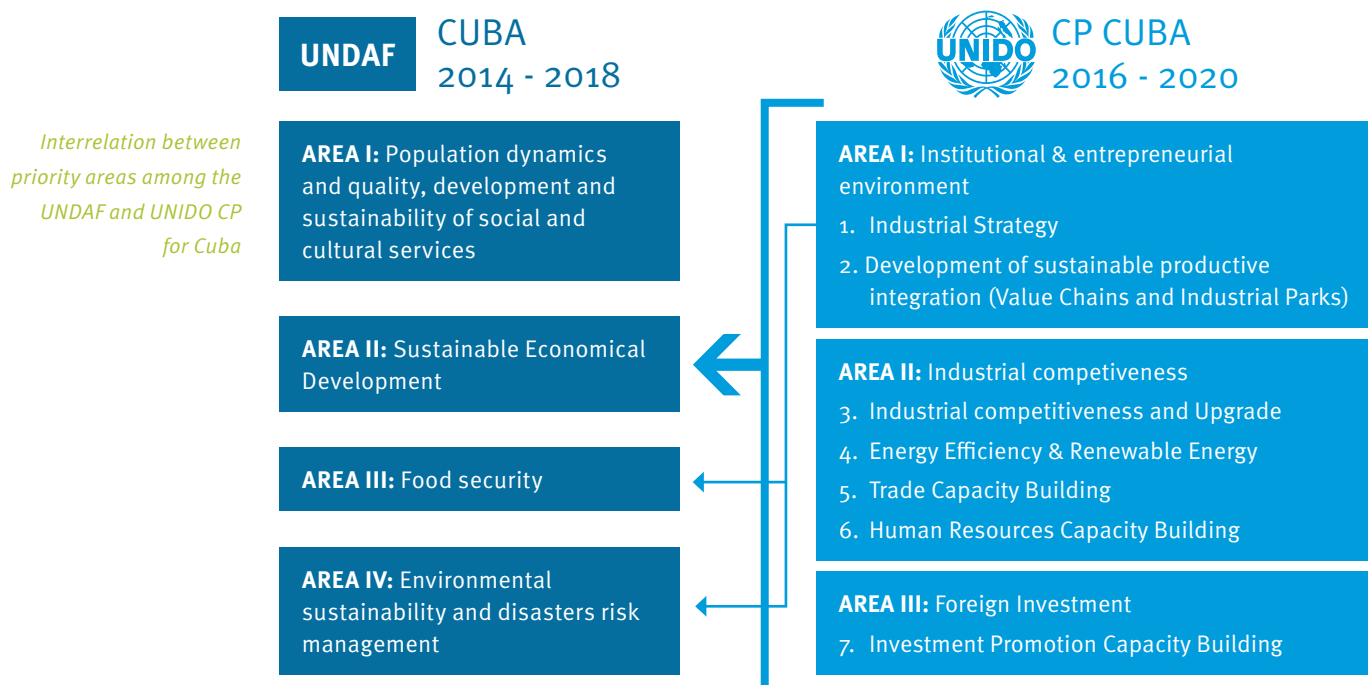


The largest steel factory in Cuba will be part of an eco-industrial park project within the CP

Funding

Advanced negotiations are ongoing with donors, including the European Commission, the Global Environmental Facility, the Republic of Korea and the Russian Federation, to fund up to €24 million of the €50 million estimated costs of implementing the CP. Three initial projects are set to start in 2016 on: i) industrial policy formulation and implementation (US\$1.5 million), ii) music industry value chain development (US\$1.3 million), and iii) technological and enterprise upgrading in agro-chemical and agricultural machinery production sectors (US\$4 million).

UNDAF & UNIDO COUNTRY PROGRAMME



El Salvador Country Programme 2016 - 2020

In July 2015, the Minister of Foreign Relations requested UNIDO to initiate a CP for El Salvador, following which the LAC Bureau launched the preparatory phase.

Throughout the implementation of the CP, UNIDO will target implementation of the country's development goals as identified in the "Productive Promotion, Diversification and Transformation Policy" (FDTP) and the "Law for the Promotion of Entrepreneurial Production". The CP has high-level support, including from the President of El Salvador, Mr. Sanchez Seren, who has called for national sustained and inclusive economic growth.

Country Programme design

The CP will support the Government's goal to raise productivity in the manufacturing and service sectors, expand the private sector, and improve industrial productivity. The three main outcomes are:

1) implementation of the FDTP and institution building; 2) value chain development, productive integration and trade capacity building; and 3) technological and enterprise upgrading. Specifically, the CP aims at strengthening productivity, increasing incomes, creating a business-friendly environment and raising SME competitiveness, rural entrepreneurship cooperatives as a means to promote ISID, job creation and the transition to a green economy.

The CP is in line with the goals and targets of the 2030 Agenda for Sustainable Development, with the outcome *promotion of decent jobs and livelihoods* of the UNDAF 2016-2020, as well as the EU's 2014-2020 "Multiannual Indicative Programme for El Salvador" (EU MIP ES).

UNIDO's CP in El Salvador will be implemented in cooperation with national and international stakeholders. The main national agency responsible, the Ministry of Foreign Relations, coordinates national counterparts, including the Presidency Technical Secretariat, the Ministry of Economy, the Agency for Export and Investment Promotion, the National Commission for Micro and Small Enterprise, the Ministry of Agriculture and Livestock, the Salvadorian Industrial Association, and the Exporters' Corporation of El Salvador. A high level delegation from these institutions will visit UNIDO in December 2015 to hold consultations.

The LAC Bureau coordinates the CP process at UNIDO, bringing together in-house experts from the rural entrepreneurship unit, the investment and technology unit, quality, standards and conformity unit, and the research and policy unit. A UNIDO technical mission to the country is planned for the beginning of 2016 to finalise details on specific technical assistance activities.

Funding

A budget of US\$9.6 million has been tentatively identified for implementation of projects within the CP, and negotiations are advanced with the European Union to fund several projects through the EU MIP ES.

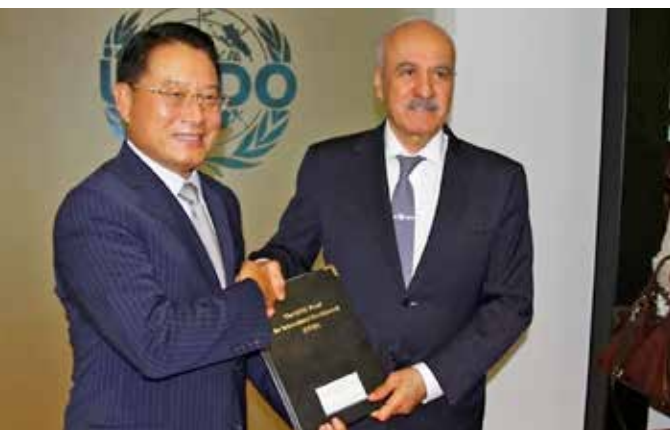
Table 2 | **Initial projects in the El Salvador Country Programme 2016-2020**

Projects	Budget	Donor
Strengthening of national strategies and policies for ISID implementation in priority sectors	US\$ 1.5 million	EU MIP ES
Strengthening weaker segments of selected value chains via increased knowledge, improved organization, enhanced compliance capacity, and technology transfer	US\$ 4.5 million	EU MIP ES
Improving existing enterprise technology and entrepreneurial practice in selected value chains	US\$ 3 million	EU MIP ES
Establishment of a Mesoamerican Centre for Renewable Energy and Energy Efficiency	tbc	EU, Austria, Finland, SICA-CCAD ³
Eco-Industrial Parks Development in Latin American countries	€ 700,600	UNIDO LAC Trust Fund

⁴ Central American Integration System (SICA)
Central American Commission on Environment and Development (CCAD)

Intra-Regional Programmes

The LAC Bureau is implementing several intra-regional programmes, which promote South–South Cooperation, strengthen regional complementarities, leverage regional value chain (VC) opportunities, establish closer dialogue between national stakeholders, and facilitate the exchange of knowledge and solutions among actors in the region.



UNIDO DG Li Yong and OFID DG Suleiman J Al-Herbish sign a grant agreement to support fisheries sector in LAC, 25 August 2015

One project that highlights UNIDO service integration under the overall coordination of LAC Bureau is **South-South cooperation to improve competitiveness and sustainability of fishery value chains in LAC region**. Three UNIDO technical branches – Agri-Business Development, Trade Capacity Building, and Environment – are involved in the project.

The project aims at improving the productivity and competitiveness of the fishery VCs in six countries—Colombia, Cuba, the Dominican Republic, Ecuador, Nicaragua and Mexico—through strengthened regional cooperation. It will encourage synergies and partnerships between academia, public institutions and private industrial sectors and improve links between local businesses and national, regional and global markets. Further, the project will promote the exchange of technical information on best practices and methodologies among actors.

The overall goal is to increase financial revenues of actors within the VCs by: 1) enhancing organizational and economic management along the entire VC, based on regional complementarities; 2) increasing the productivity and efficiency of shrimp production and processing; 3) strengthening technological and human capacities to ensure conformity with export market requirements; and 4) enabling environmental sustainability of the entire VC.

A launch workshop has been successfully organized in Vienna to discuss the technical needs for each country and potential regional cooperation, as well as identification of national coordination platforms for the value chain. A technical workshop is planned for September 2016 to review progress on implementation of each technical component.

Funding

The total cost of the project accounts for €760,000, of which 64% is covered by the LAC Trust Fund and the remaining amount by the OPEC Fund for International Development (OFID).

3. Way forward

Increasing demand from Member States and positive evaluations of completed CPs demonstrate the clear value of the approach for structuring and monitoring UNIDO's activities. Over the coming period, RPF foresees the formulation of many additional CPs in all regions, fully aligned with UNDAF and other UN strategic frameworks. Through such endeavours, RPF will expand and deepen its cooperation with countries. The Branch will also continue to promote its programmes at the regional level, which create exchange platforms for countries to interact, share expertise and experiences, combine resources and develop together.

RPF will make all necessary efforts to foster successful partnerships, to intertwine the public and private sectors with the research and academia fields, and with civil society. Inter and intra-regional programmes, included also in respective CPs, will be promoted to strengthen cooperation between regions and trading blocs for a more inclusive, harmonized policy direction based on resource endowments and comparative advantages.

In terms of finance, RPF, through its Regional Bureaux and network of Field Offices, will expand the development of tailor-made and innovative strategies to increase funds mobilization. Attention will be geared towards building partnerships with public and private sector organizations, development financial institutions, and various regional development banks and institutions, as well as other financial technical partners. The bureaux will seek to extend partnerships with various international and regional organizations.

The alignment of CPs with UNDAFs and/or UN Delivering as One frameworks and vice versa is becoming a reality with the institutionalisation and acceleration of UN system wide coherence and the Delivering as One approach. In this context, RPF will continue to work towards strengthening its involvement in UN Country Teams to promote SDG9 and other SDGs relevant to its mandate, as well as enhance its partnerships and cooperation with relevant UN sister agencies to create synergies, implement joint programmes and benefit from diversified funding opportunities.

List of abbreviations and acronyms

3ADI	African (Accelerated) Agribusiness and Agro-industries Development Initiative	LIFT	Livelihoods and Food Security Trust Fund
ASP	Asia and the Pacific	LLDCs	Land-Locked Developing Countries
BWF	Business Women Forum	LDCs	Least developed countries
CCAD	Central American Commission on Environment and Development	MDGs	Millennium Development Goals
CCIs	Cultural and creative industries	MENA	Middle East and North Africa
CDA	Cluster Development Agent	MICs	Middle Income Countries
CIS	Commonwealth of Independent States	MSMEs	Micro, Small and Medium Enterprises
COMESA	Common Market for Eastern and Southern Africa	NCPC	National Cleaner Production Center
CP	Country Programme	ODS	Ozone-depleting substances
CSF	Country Service Framework	OFID	OPEC Fund for International Development
DRC	Democratic Republic of the Congo	PCBs	Polychlorinated biphenyls
EaP	Eastern Partnership	PCP	Programmes for Country Partnership
ECOWAS	Economic Community of West African States	PFD	Partnership Framework for Development
EU	European Union	RECP	Resource Efficient and Cleaner Production
EU MIP ES	EU's 2014-2020 "Multiannual Indicative Programme for El Salvador	RPF	Regional Programmes and Field Representation Branch
FDTP	Productive Promotion, Diversification and Transformation Policy	SICA	Central American Integration System
GEF	Global Environment Facility	SDGs	Sustainable Development Goals
HICs	High Income Countries	SIDS	Small Island Developing States
IC-ISID	International Centre for Inclusive and Sustainable Industrial Development	SME	Small and Medium-sized Enterprise
ICT	Information and Communications Technologies	SPX	Subcontracting and Partnership Exchange Programme
IDEA	Inclusive Development and Entrepreneurship for All	SSC	South-South Center
IDPs	Internally Displaced Persons	TC	Technical Cooperation
ILO	International Labour Organization	TICR	Tanzania Industrial Competitiveness Report
IP	Integrated Programmes	UCSSIC	UNIDO Centre for South-South Industrial Cooperation
ISID	Inclusive and Sustainable Industrial Development	UfM	Union for the Mediterranean
ITC	International Technology Center	UN	United Nations
ITPO	Investment and Technology Promotion Office	UNDAF	United Nations Development Assistance Framework
IMP	Investment Monitoring Platform	UNDAP	United Nations Development Assistance Programme
IMP	Industrial Modernization Programme	UNDP	United Nations Development Programme
IPoA	Istanbul Programme of Action	UNIDO	United Nations Industrial Development Organization
IUMP	Industrial Upgrading and Modernisation Programme	UNOPS	United Nations Office for Project Services
KIRDI	Kenya Industrial Research and Development Institute	UNPBF	United Nations Peacebuilding Fund
LAC	Latin American and the Caribbean	UNPDF	UN Partnership Development Framework
		VC	Value chain

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