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→ HAITI
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→ LAO PEOPLE'S DEM. REP.
→ LESOTHO
→ LIBERIA

→ MADAGASCAR
→ MALAWI
→ MALI
→ MAURITANIA
→ MOZAMBIQUE
→ MYANMAR
→ NEPAL
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UNIDO Least Developed Countries
MINISTERIAL CONFERENCE

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Operationalizing ISID for LDCs
THE PATH TO GRADUATION AND BEYOND



Operationalizing ISID for LDCs: the path to graduation and beyond

BACKGROUND PAPER SESSION 1: MINISTERIAL DEBATE

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Table of contents:

- I. Context:..... 4**
 - Outcomes of previous LDCs Ministerial Conferences:.....4
 - UNIDO’s response to the IPoA priority areas.....6
 - The critical positioning of 2015's LDC Ministerial Conference:.....6
- II. Objective of the Ministerial debate: 7**
 - Objectives:.....7
 - Facilitators’ role:.....8
 - Synergies towards an efficient graduation:9
- III. UNIDO’s selected examples of technical assistance to LDCs: 10**
 - UNIDO’s Country Programming Framework approach:10
 - Trade capacity building:.....11
 - Income-generating activities and community empowerment:11
 - Infrastructure development, renewable energy and environment:12
 - Industrial capacity-building, policy support and statistics:.....13

I. Context:

“Sustainable development must be an integrated agenda for economic, environmental and social solutions. Its strength lies in the interweaving of its dimensions. This integration provides the basis for economic models that benefit people and the environment; for environmental solutions that contribute to progress; for social approaches that add to economic dynamism and allow for the preservation and sustainable use of the environmental commons; and for reinforcing human rights, equality and sustainability. Responding to all goals as a cohesive and integrated whole will be critical to ensuring the transformations needed at scale. [...] the year 2015 is hence the time for global action. In the course of this single year we have the unequivocal opportunity and responsibility to adopt the sustainable development goals, to restructure the global financial system in line with our needs [...]. We must take the first determined steps toward a sustainable future with dignity for all.”

SYNTHESIS REPORT OF THE SECRETARY-GENERAL ON THE POST-2015 SUSTAINABLE DEVELOPMENT AGENDA

Outcomes of previous LDCs Ministerial Conferences:

UNIDO has organized five ministerial conferences on Least Developed Countries (LDCs) since 2007. The first was held in Vienna, Austria in 2007, in collaboration with the World Trade Organization (WTO) and the Group of 77 (G-77), under the theme “How Can Aid for Trade Transform LDCs?”. The event showcased the key role of UNIDO in developing industrial productive capacity in least developed economies in order to ensure conformity of manufactured products with international norms and standards. During this conference, UNIDO and the World Trade Organization (WTO) signed a framework agreement pertaining to the Standards and Trade Development Facility (STDF). UNIDO became an implementing and supervisory agency for the STDF, which is a WTO mechanism providing financing for technical assistance activities related to international sanitary and phytosanitary standards (SPS).

The second LDC Ministerial Conference was held in Siem Reap, Cambodia, in November 2008, and focused on the design of an industrial development agenda for LDCs. In term of outcomes, the conference reaffirmed UNIDO’s and development stakeholders’ full commitment to assist LDCs in strengthening their trade and productive capacities, and this has been reflected in the development of multiple TCB programmes (national/regional).

The third conference was organized in 2009 in collaboration with OHRLLS under the theme “Impact of the Global Economic Crisis on the LDCs’ Productive Capacities and Trade Prospects: Threats & Opportunities”. As a result, Ministers in charge of industry endorsed a plan of action to help LDCs emerge from the global crisis and move towards a more sustainable industrial development. In this regard, UNIDO prepared value chains analysis (cotton, fruit and vegetables, fisheries and dairy) that provided a sound assessment of existing policies and analysed their effectiveness in the regional and global context. These papers also identified key growth drivers and provided thorough policy recommendations. The conference also featured debates on the role of development partners, and on how to foster synergies among them (ONE UN, DaO), in order to better assist LDCs in facing the crisis’ effects.

During the fourth United Nations Conference on LDCs (LDC IV) held in May 2011 in Istanbul, UNIDO, in cooperation with the Turkish International Cooperation and Development Agency (TIKA), hosted a side event entitled – “Enhancing the role of small and medium-sized enterprises (SMEs) in the agribusiness global value chains.” The event contributed to shaping the new development agenda for LDCs. UNIDO also covered a special event of the United Nations – Chiefs of Executive Boards (UN-

CEB) “Cluster on Trade and Productive Capacity”. Among other actions, the meeting promoted increased industrialization efforts through enhancing the economic diversification of LDCs, and domestic value-added processes as core elements of the manufacturing and services sectors. It also recommended, inter alia, the expansion of access to reliable and modern energy services for productive use, and the promotion of foreign investment to enhance the productive, technological and trading capacities in the countries. LDC-IV resulted in the adoption of the action-oriented Istanbul Programme of Action (IPoA) for the decade 2011-2020.

The IPoA was endorsed by the General Assembly Resolution 65/171 dated 17 June 2011 and called upon all relevant stakeholders – specialized agencies and institutions, donors, private sector, experts from the civil society, academia, etc, to fully commit to implementing the charter by 2020. It provided a comprehensive development roadmap for the LDCs and their development partners in support of the structural transformation of their economies through the following priority areas:

- Productive capacity
- Agriculture, food security and rural development
- Trade
- Commodities
- Human and social development
- Multiple crises and other emerging challenges
- Mobilizing financial resources for development and capacity-building
- Good governance at all levels.

Following to the Istanbul conference, UNIDO organized its fourth LDCs ministerial conference in Vienna (Dec 2011) and adopted the UNIDO operational Strategy 2012-2020. The strategy articulates concrete solutions leading to inclusive growth, industrial development and, ultimately, structural transformation of the LDCs’ economies. UNIDO’s operational strategy is based on three core pillars: (i) the conversion of commodities into products; (ii) the focus on vulnerable communities; and (iii) the regional dimension for value chain development. Youth and gender-related policies are to be mainstreamed in all initiatives, as they constitute the largest and the weakest segment of LDCs populations. It should also be mentioned that UNIDO has been the first UN organization to mainstream the IPoA decennial programme.

In December 2013, prior to the 15th UNIDO General Conference, UNIDO organized its fifth LDCs ministerial conference to leverage various potentialities and mechanisms available in the field of private sector and SME development, productive capacities building, trade and employment to implement the UNIDO LDC operational Strategy 2012-2020. It specifically (i) encouraged emerging, as well as traditional, donor countries to develop strategies to support the effective implementation of the UNIDO LDC operational Strategy by 2015 and beyond; (ii) promoted the critical role of South-South and Triangular Cooperation in the LDCs development efforts, (iii) actively engaged Member States in the implementation of the UNIDO’s LDCs Operational Strategy 2012-2020 in the context of the post 2015 agenda. It also introduced the vision of inclusive and sustainable industrial development (ISID) prior. UNIDO’s vision ISID was adopted by UNIDO’s Member States at the General Conference in December 2013. Through this strategy, UNIDO aims to harness the full potential of industry’s contribution to the achievement of sustainable development in the post-2015 era.

Moreover, UNIDO’s ISID mandate and technical assistance is fully aligned with the IPoA and emphasizes that structural transformation, development of productive capacities, and jobs, as well as wealth creation, together with environmental sustainability, are critical to support LDCs graduation in a sustainable manner.

UNIDO response to the IPoA priority areas

IPoA Priority areas	UNIDO's Technical Assistance
1. Productive capacity	<ul style="list-style-type: none"> Strengthening agro Industries Value chains and supplier development
2. Agriculture, food security and rural development	
3. Trade	<ul style="list-style-type: none"> Clusters, export consortia and business linkages Competitiveness, upgrading and modernization Quality and compliance infrastructure
4. Commodities	<ul style="list-style-type: none"> Clusters, export consortia and business linkages Competitiveness, upgrading and modernization
5. Human and social development	<ul style="list-style-type: none"> Productive work for young people and Entrepreneurship development Gender and women's empowerment/employment programmes
6. Multiple crises and other emerging challenges	<ul style="list-style-type: none"> Green Industry solutions; and energy efficiency Water management Post-crisis intervention-sustainable livelihood programmes Renewable and rural energy Cleaner and resource efficient production
7. Mobilizing financial resources for development and capacity-building	<ul style="list-style-type: none"> Investment and technology promotion Partnering with DFIs and other multilateral funding agencies (GEF, MP) Partnership development with the private sector (PPPs) Development of Programme for Country Partnership (PCPs)
8. Good governance at all levels	<ul style="list-style-type: none"> Industrial policy advice

The connection between public and private interest in sustainable development is becoming increasingly clear, and the development and implementation of the Post-2015 agenda will require an unprecedented level of partnership between industry, governments, civil society and other major stakeholders. In this regard, UNIDO's ISID approach, in line with the IPoA and the SDGs, places partnership development at the core of its implementing strategy. By promoting ISID, UNIDO positioned the essential role of industrialization in reaching shared prosperity within the post 2015 development agenda especially in LDCs (e.g. SDG 9 - ISID).

The critical positioning of 2015's LDC Ministerial Conference:

The year 2015 marks a turning point for development policies: from a period when development efforts focused on the MDGs, to a post-2015 development agenda, namely the 2030 Agenda for sustainable Development, which encapsulates a broader and much more ambitious set of Sustainable Development Goals (SDGs) to be achieved by 2030. Therefore, it is of utmost importance to assess available tools for its implementation. The IPoA and ISID are both emphasizing that structural transformation, development of productive capacities, jobs and wealth creation, together with environmental sustainability and partnership creation, are critical to poverty reduction.

The targeted actions for LDCs, as spelled out in the Istanbul Plan of Action, focus on key development priorities, which are fully aligned with the core priorities of UNIDO. In this regard, UNIDO has deepened its efforts to support the LDCs development agenda and IPoA implementation by formulating an Operational LDCs Strategy for the period 2012-2020, being one of the first UN agencies to mainstream the IPoA in its mandate.

The UNIDO roadmap encompasses three dimensions, namely (i) conversion of commodities into products; (ii) empowerment of communities; and (iii) regional industrial infrastructure for value chain development across borders. Gender and youth mainstreaming in LDC-related activities are addressed as cross-cutting issues. The strategy builds on ongoing activities developed by UNIDO in LDCs and proposes a comprehensive, integrated and focused approach to delivering UNIDO technical assistance to LDCs. The below table relates to the compact for LDCs and includes, among others, the following:

- The **strategic objectives**, which target the commodities, while focusing on the communities, and using regional industrial infrastructure;
- **The operational interventions**, relating to the enhancement of institutional capacity-building; building of technological capabilities, promotion of public-private partnership and support of SME consortia; facilitation of capital flows particularly into agro-industry; and encouraging increased South-South and triangular investment;
- **The target beneficiaries**, ranging from the LDC populations (with focus on young people and women), ministries, private sector agencies/associations, industrial/vocational technical centres, SME incubators, LDC firms, Regional Economic Commissions (RECs), etc.

In addition, over the last decade, LDCs governments increasingly included industrial strategies in their development agenda and emerging visions (e.g. “Plan Sénégal Emergent”- Senegal; “Growth Transformation Plan” – Ethiopia; etc.) in order to address the underlying economic causes of poverty. Consequently, industrialization represents a strategic pillar in the new development paradigm of the post 2015 agenda towards LDCs graduation. Meeting the new goals will require nothing short of a revolution in LDCs’ economic performance. More specifically, it will require an unprecedented sound structural transformation of LDCs economic base. In this regard, ISID offers the necessary tools to leverage such profound changes.

II. Objective of the Ministerial debate:

Objectives:

This session aims at providing an overview of the achievements and concrete measures implemented in order to implement the IPoA. It will also allow the identification of concrete measures and detailed strategies identified as good practices to accelerate progress towards graduation of LDCs, including specific areas and sectors where greater focus and strong domestic and international support is required. Indeed, as a result of deliberate choices and commitments, a few LDCs have entered the path of graduation. Many challenges to graduation persist, however. The purpose of the session is to shed light on these challenges and offer some recommendations extracted from best practices, emphasizing the central role of UNIDO, ISID and the Organization's Operational LDCs Strategy for the period 2012-2020.

Additionally, the Ministerial debate will provide a timely platform alongside offering invaluable inputs to transition from the United Nations Summit in September 2015 towards the IPoA mid-term review in to be held in June 2016, and lay the basis of next sessions' debates and discussions.

Accordingly, the Ministerial debate will aim at answering the following:

- How have the challenges faced by LDCs been addressed at a local and regional level? What are the specific measures, initiatives and mechanisms still need to be implemented to promote structural transformation and graduation in LDCs?
- In which areas is external support further needed by graduating LDCs?
- What measures can be taken and which incentive provided in order to encourage and foster graduation?

- The focus on structural transformation is the realization that graduation should not be an end in itself but rather the outcome of global efforts towards economic diversifications, sustainable development and inclusive growth. In this regard, what mechanisms could be implemented to ensure sustainable graduation in line with the IPoA and increased national ownership?
- UNIDO's mandate and operational strategy supporting the implementation of the IPoA strongly advocate for the involvement of the private sector as the main engine to undertake the most needed structural transformation and as a key player to gather the necessary resources towards graduation. Based on your countries' experiences, what policies are needed to provide the private sector with the enabling environment to trigger such changes?

Facilitators' role:

The facilitators together with the Moderator H.E. Mr. Guyan Acharya UNSG, UNOHRLLS will aim to develop the debate and enhance interactions, while also presenting concrete examples of different cooperation and joint activities in support of the LDCs and the IPoA. Mr. Acharya has been selected as the moderator to enrich the discussion on the basis of the overview of LDCs specificities that he possesses as the Undersecretary General of OHRLLS.

As previously explored, the IPoA focuses mainly on the structural transformation of LDCs economies through developing their trade and productive capacities, through local commodities value addition, together with fostering the necessary reforms at the institutional level to implement good governance at all levels directly benefiting human and social development. Additionally, particular support is provided to countries in crisis, conflicts and post conflict situation in order to face emerging challenges. Finally, the IPoA also aims to mobilize financial resources through innovative partnership creation and private sector involvement towards development and capacity-building.

Accordingly, each organization represented within the panel play a key role in supporting LDCs developmental endeavours and strongly participates in the implementation of the IPoA at different levels. The following illustrates each organization's core mandate and participation towards supporting LDCs to achieve the goals set by the IPoA and to reach graduation:

- **WTO:** The WTO agreements provide the legal ground-rules for international commerce. They are essentially contracts, binding governments to keep their trade policies within agreed limits. Although negotiated and signed by governments, the goal is to help producers of goods and services, exporters, and importers conduct their business, while allowing governments to meet social and environmental objectives.
- **UNODC:** UNODC is mandated to assist Member States in their struggle against illicit drugs, crime and terrorism. As such, UNODC is strongly advocating for peaceful and inclusive societies, fostering human and social development, together with participation, to develop good governance at all levels and stabilize post crisis countries, while mobilizing financial resources for development and capacity-building.
- **UNDP:** Through its cross developmental nature, UNDP provides technical assistance in more than 170 countries and territories, helping to achieve the eradication of poverty, and the reduction of inequalities and exclusion, to develop policies, leadership skills, partnering abilities, institutional capabilities and build resilience in order to sustain development results.
- **ITC:** ITC's goal is to strengthen the integration of the business sector of developing countries and economies in transition into the global economy, improve the performance of trade and investment support institutions for the benefit of SMEs improve the international competitiveness of SMEs. ITC particularly intervenes in LDCs. ITC delivers integrated solutions

around a core set of six focus areas: (i) Trade and market intelligence for SME competitiveness; (ii) Supporting regional economic integration and South-South links (iii) Connecting to value chains: SME competitiveness, diversification and links to export markets (iv) Strengthening trade and investment support institutions (v) Promoting and mainstreaming inclusive and green trade (vi) Building a conducive business environment.

- **AUC:** As a regional entity, the African Union Commission plays a key role in supporting the African LDCs (34 out of the 48 LDCs are in located in Africa). The AU Commission intervenes in the following core areas: Peace and Security; Political Affairs; Trade and Industry; Infrastructure and Energy; Social Affairs; Rural Economy and Agriculture; Human Resources, Science and Technology; and Economic Affairs. Furthermore the AUC developed a continental framework as roadmaps towards fostering the region's sustainable development and inclusion within the world economics stream, setting the path towards prosperity and poverty eradication. In this regard, the Accelerated Industrial Development for Africa (AIDA) and the Agenda 2063 set medium and long-term visions directly contributing to LDCs' development, and graduation, and offering strong synergies with the IPoA.
- **UNIDO:** As mentioned, UNIDO has been one of the first agencies to mainstream the IPoA within its mandate but also its financing schemes (Multi Donor Trust Fund) and budget. Moreover, UNIDO has entered in a new generation of country programming framework mainly targeting LDCs since 2011. Furthermore, through adopting ISID, UNIDO reaffirmed to its member states and especially LDCs its readiness to assist them to address the multi-dimensional causes of poverty, through creating shared prosperity, advancing economic competitiveness, and safeguarding the environment. ISID ensures that:
 - Every country achieves a higher level of industrialization in their economies, and benefits from the globalization of markets for industrial goods and services;
 - No-one is left behind in benefiting from industrial growth, and prosperity is shared among women and men, urban and rural communities and large and small enterprises in all countries;
 - Broader economic and social growth is supported within an environmentally sustainable framework, so that industrial expansion does not jeopardize the well-being of future generations;
 - The unique knowledge and resources of all relevant development actors are combined, including those of the private sector and international financing institutions, to maximize the development impact of ISID.

Synergies towards an efficient graduation:

The above mentioned organizations present close interlinkages and complementarities that should be further strengthened and encouraged but also with other relevant agencies in order to duplicate the international sphere impact, as well as trigger most needed structural transformation in LDCs. Indeed, through their respective mandates, the organizations represented in this session offer a full array of services geared towards supporting LDCs and the IPoA in particular. The complementarity of these services is instrumental in advancing interactions and synergies paving the ground to enhance economies of scale at all levels, while bolstering LDCs' participation in the world's economic streams.

Thus, UNIDO stands as a key strategic partner, directly contributing to support the development of local productive capacities through sustainable and inclusive industrialization. The session will underline the correlations and synergies among the different organizations and their possible spillover effects for LDCs in their path to graduation. It will also explore successful existing joint programmes and reaffirm the centrality of industrialization as the channeling agent toward achieving sustainable structural transformation, the key to a successful graduation. The instrumental role of

ISID in harnessing the full potential of industry to achieve sustainable development for all and direct contribution to the achievement of the goals set by the IPoA will also be showcased.

III. UNIDO's selected example of technical assistance towards LDCs:

The following summarizes UNIDO's customized activities aiming at unlocking LDCs industrial potential in support of the IPoA. It aims to showcase UNIDO's tailored technical assistance and best practices, as well as success stories, in order to provide valuable inputs and stand as a basis for the debate:

UNIDO's Country Programming Framework approach:

UNIDO's Country Programming Frameworks (CPs) are strategic instruments to foster and mainstream ISID and the critical role of industrialization on the ground and within national policies in order to contribute to achieving the goals set by IPoA. 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 providing a practical guiding instrument for potential donors.

The benefits of the CP format can be summarized in the following way:

- Strategically positions UNIDO and aligns with ISID at the country level
- Ensures UNIDO programmes address national development priorities
- Promotes government ownership
- Facilitate resources mobilization jointly with the national counterparts
- 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

The following list presents LDCs where CPs have been developed since the adoption of the IPoA and the UNIDO's operational Strategy for LDCs in 2011: Angola, Burkina Faso, Burundi, Cabo Verde, Chad, DRC, Guinea, the Gambia, Lesotho, Mozambique, Niger, Senegal, Sierra Leone, Tanzania, Togo, Uganda, Zambia;

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.

Finally, and in order to operationalize its vision, UNIDO selected two pilot countries (Senegal and Ethiopia) to develop Partnership Country Programmes (PCPs)¹. Through this particular approach, UNIDO especially focused on partnership development in order to harness the full capacities of all development stakeholders, from UN sister agencies (UNEP, UNDP, FAO, etc.), to bilateral and multilateral donors, financial institutions (AFD, GIZ, LuxDev, etc.) and especially from the private sector.

¹ PCPs will be further presented in Session 2

Trade capacity-building:

- Ensuring quality and sustainability along the coffee value chain – Burundi:

UNIDO is helping Burundi to improve its competitiveness by facilitating local products' access to regional and international markets through strengthening the country's compliance capacity with Sanitary and Phytosanitary measures (SPS). By building up a national quality infrastructure (standardization, testing, metrology, etc.) as well as human capital through training; UNIDO aims to improve the products' quality and ensure knowledge retention, while generating extra incomes for small-scale producers, especially women and youth. The project amounts to USD 3 million and has been developed and funded in collaboration with NORAD and the EIF. To date, several achievements can already be underlined: 80 inspectors have been trained in ISO/IEC 17020 and market surveillance; over 100 executives have been sensitized on standardization and regulation. Moreover, a pool of national experts on international food safety and environmental standard is currently available, and 110 executives of processing units have been trained in quality and food safety.

- Partnership project to support sustainable small holder farmer's milk production - Bangladesh:

In partnership with Tetra LAVAL / PRAN and SIDA, UNIDO introduced international best practices and knowledge in efficient dairy farming to poor, small-scale dairy farmers in Bangladesh, as well as establishing a milk collection system allowing collection and preservation of growing volumes of high-quality raw milk. The project, amounting to USD 10, 085, 859, includes the optimization of three hubs, trade capacity building, training activities, improved access to finance for farm investments (cow sheds, cows, milking equipment, bio gas plants etc). So far the project facilitated a rise in the average milk production liters per cow of 36.61% while increasing the product quality and generating an increase of income of over 33 % for the small holders. In addition, milk production became the main source of income for 112 smallholders and in total 438 women have benefitted from the project.

Income-generating activities and community empowerment:

- Entrepreneurship development for young people – Angola & Mozambique:

UNIDO, in collaboration with the government of Norway (NORAD) and the Ministry of Education and Culture, introduced the Entrepreneurship Curriculum Programme (ECP) in secondary and vocational schools throughout Mozambique. With a budget of USD 2, 7 million, the ECP aimed at developing entrepreneurial aptitude and skills, the project has been integrated in the formal National Education Strategy. Concomitantly, 331 schools are currently implementing the programmes and 1, 654 teachers have been trained, 496, 4000 students took the course and 127,800 have graduated (45% are female); 85% of the students have acquired entrepreneurial skills. This project has also been developed in Angola with the participation of Chevron and the support of the Government of Portugal. To date, 139 teachers received a training, 9, 800 students have taken the course (42% are female) and 70 education officials have been trained in implementing the entrepreneurship curriculum.

- **Entrepreneurship development in Creative Industries (CI) - Bhutan:**

Based on the results of the pilot project for the promotion of culture-based creative industries for poverty reduction, community vitalization, and youth and women's (self-) employment, UNIDO, in collaboration with UNDP and the Royal Government of Bhutan, developed a project aiming at fostering entrepreneurship development for young and women through developing the creative industries value chain. As such, the project, amounting to USD 500, 000, targeted the enhancement of community-based tourism by encouraging creative industry development. Subsequently, vulnerable communities in rural areas in Bhutan benefited from the income-generating activities, thus creating jobs. In terms of results, a National Entrepreneurship Strategy (NES) was developed and implemented, 20 people were trained in entrepreneurship development techniques; and more than 100 people were trained either on rural enterprise growth or touristic activities development (a third were women).

- **Fostering pro-poor and inclusive MSME Development – Myanmar:**

The UNIDO cluster development approach focuses on enhancing the performance of existing concentrations of enterprises by managing common threats and building on shared opportunities. In Myanmar, UNIDO's technical expertise has been requested to create a dynamic economic environment supportive of MSME development. In this regard, UNIDO developed a project in the tune of EUR 3, 473, 327 in cooperation with the Italian Cooperation and the EU. It aims to support potential MSME clusters through achieving collective efficiency, fostering cooperation, linkages and joint initiatives, strengthening local associations and institutions. The following achievement can be highlighted: cluster development awareness has been encouraged among policy makers, entrepreneurs, private sector institutions and SME support service providers; 27 training sessions have been delivered and more than 800 public officers have been trained around the country. In addition, more than 300 MSME representatives participated in training and discussions on cluster and MSME development, including 12 industrial zones management committees; 3 technical reports have been drafted and discussed with stakeholders.

Infrastructure development, renewable energy and environment:

- **Enabling Framework for renewable energy - Pacific Islands:**

The lack of access to modern energy services considerably hinders industrial development in Small Island Developing Countries (SIDS). Consequently, UNIDO together with the Government of Austria, the secretariat of the Pacific Community and the Pacific Power Association, is implementing a project aiming at supporting capacity building and networking related activities in order to promote renewable energy for industrial applications. The project resulted in the implementation of a solar-powered community Centre in the Solomon Island using solar photovoltaic technologies. This centre improved the local living conditions of 15 communities, increasing employment and income-generating activities such as sewing, food-processing and storage. In parallel, to ensure knowledge retention, local entrepreneurs were trained and the project effectively reduced CO2 emissions by 460 kg per year. Also, the Strategic Plan for Community of the Pacific Power Utilities (framework of intervention) was developed and approved with the aim of providing guidance on priority areas of interventions to decisions makers.

- **Industrial Upgrading Programme, environmental and energy upgrading for SMEs - Senegal:**

The overall objective of the project is to contribute to the continuous improvement of economic competitiveness, reducing the environmental footprint and strengthening the business development of Senegal. In this regards the project aims at building up national capacities related to environmental protection and energy as well as industrial upgrading services. The project, amounting to EUR 500,000, has been developed in cooperation with the National Upgrading Office (BMN) through funding from the French Development Agency (AFD) and UNIDO. In terms of achievements 12 national experts have been trained on cleaner production and energy efficiency assessments in SMEs and 31 people from banking institutions have been trained on cleaner production (CP) and energy efficiency (EE) project evaluation. Besides, an awareness-raising campaign has been organized through seminars targeting media, SMEs, professional associations, financial institutions, academia, NGOs, etc. and 5 SMEs successfully conducted CP and EE assessment as pilots before scaling up the activities in the forthcoming second phase.

- **Photovoltaic and biogas - Cambodia:**

In Cambodia, UNIDO with the support of the Government of Austria is developing photovoltaic and biogas mini grids in order to develop the electricity grids while increasing the renewable energy participation in the country's electrical production. The EUR 500, 000 project's goal is to harness renewable energy technologies and improve living conditions in remote rural areas. It will also contribute to develop income generating activities for vulnerable communities, with a special focus on young and women. As a result, the project facilitated the creation of public private partnerships which enhanced the dissemination of renewable energy technologies and promoted solar photovoltaic, solar drying and biomass gasification technologies. In addition, photovoltaic battery-charging stations were installed in 6 remote villages providing energy for 1, 073 households, reducing charging costs by 32% and replacing diesel generators. Training were provided for staff of the Institute of Technology of Cambodia as well as to the Ministry of Industry, the University of Battambang and Private Sectors Company. It is also worth mentioning that a solar dryer technology unit was installed to improve dried fish production which significantly boosted the capacity of local businesses. Alongside, a 150Kw rice husk gasifier allowed an additional 300 households (300 people) to access an electricity supply while reducing CO2 emissions per year by 900 tons.

Industrial capacity building, policy support and statistics:

UNIDO assisted LDC governments in building their industrial policymaking schemes/strategies by providing tailored and timely advices, capacity building and facilitation services. For instance, the "Industrial policy capacity building support programme" developed by UNIDO aims at assisting countries such as the United Republic of Tanzania in formulating and implementing evidence based industrial policies and strategies. So far, the USD 432, 962 project, developed in cooperation with Ministry of Industry and Trade (MIT, Tanzania Mainland), the Ministry of Industry Trade and Marketing (zMoTIM, Zanzibar), and the President's Office Planning Commission (POPC, Mainland), has resulted in 54 people trained in four sessions strengthening several institutions capacities of the above mentioned institutions., research institutions/academia, as well as the National Bureau of Statistics. Moreover, two Industrial Intelligence Units in Tanzania Mainland and at zMoTIM in Zanzibar have been set up permanently to support government's activities.

In parallel, UNIDO provided its expertise to collect, compile and disseminate global industrial statistics. In this regard, by training national statisticians using the latest available survey techniques and international guidelines on industrial statistics, Tanzania was able to publish the very first industrial competitiveness report in 2013. A second report, covering 2014, is being drafted. Due to these successes, the project is being replicated and scaled up to all the EAC countries. Additionally, UNIDO has been requested to provide similar assistance to Malawi, Burundi, Burkina Faso, Niger, Zambia, Mozambique, Ethiopia and Senegal etc. as well as to SIDS of the Pacific including Tuvalu and the Salomon Island.