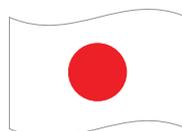


# Marking the 50<sup>th</sup> Anniversary of UNIDO **UNIDO-Japan cooperation**

A longstanding partnership for prosperity, social inclusiveness and environmental sustainability



# About UNIDO

Established in 1966, the United Nations Industrial Development Organization (UNIDO) is the specialized agency of the United Nations that promotes industrial development for poverty reduction, inclusive globalization and environmental sustainability.

The mission of UNIDO is to promote and accelerate inclusive and sustainable industrial development (ISID) in developing countries and economies in transition. In 2013, at its fifteenth session in Peru, the UNIDO General Conference enshrined this fundamental policy principle in the Lima Declaration.

UNIDO's goal of achieving ISID is also explicitly recognized and anchored in the 2030 Agenda for Sustainable Development adopted by the United Nations General Assembly in September 2015. Through Sustainable Development Goal 9, the Member States of the United Nations call upon the international community to "*build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation*". At all levels of development, inclusive and sustainable industrial development can serve as the primary driving force in fighting poverty, ensuring food security, and preventing social polarization and environmental degradation.

## SOCIETY

## ECONOMY

## ENVIRONMENT

UNIDO fosters ISID through three programmatic fields:

- 1) creating shared prosperity;
- 2) advancing economic competitiveness; and
- 3) safeguarding the environment.

To **create shared prosperity**, UNIDO focuses on developing agribusiness and rural entrepreneurship, increasing participation of women and youth in productive activities, and improving human security in post-crisis situations.

To help the Member States **advance their economic competitiveness**, UNIDO provides a range of services, including investment and technology promotion, support for small and medium-sized enterprises and entrepreneurship development, competitive trade capacity-building and the promotion of corporate social responsibility and safety standards.

In **safeguarding the environment**, UNIDO's work concentrates on the following sectors: resource-efficient and low-carbon production; clean energy access for productive uses; and the implementation of multilateral environmental agreements.

UNIDO achieves its goals by providing analytical and policy advisory functions, standard setting and monitoring compliance, as well as by convening stakeholders for knowledge transfer and networking.

established in

**1966**

became a specialized agency in **1985**

**170**

**Member States**

(as at 1 Nov 2016)



43% female 57% male

**638**

**staff members**

(as at 1 Nov 2016)

In 2015, funds available for future implementation amounted to

**\$ 0.476 billion**

In 2015,

**850**

**ongoing**

programmes and projects

## UNIDO global presence

- 📍 Headquarters: Vienna
- 📍 Liaison Offices: Brussels, Geneva, New York
- 📍 Regional Office Hubs and Regional Offices
- 📍 Country Offices and Focal Points

## UNIDO-affiliated networks:

- 📍 Investment and Technology Promotion Offices (ITPOs)
- 📍 Centres for Renewable Energy and Energy Efficiency
- 📍 Resource Efficient and Cleaner Production Centres
- 📍 Subcontracting and Partnership Exchanges (SPXs)

The boundaries shown on this map and on the map on page 12-13 do not imply official endorsement or acceptance by UNIDO or the United Nations. The final boundary between the Republic of Sudan and the Republic of South Sudan has not yet been determined. The final status of Jammu and Kashmir has not yet been agreed upon by the parties.



# UNIDO and Japan

A longstanding partnership for prosperity,  
social inclusiveness and environmental sustainability

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# Foreword by the Director General



This year, UNIDO is celebrating its fiftieth anniversary and reflecting on the past half-century during which UNIDO has worked closely with its Member States and partners to reduce poverty, create jobs, promote greener industries, and help countries benefit from international trade and technological progress.

Japan is one of the founding members of the Organization and has long been a trusted and dependable friend of UNIDO both in terms of its financial contributions and the political support to UNIDO's mandate of promoting inclusive and sustainable industrial development (ISID). Japan is the largest contributor to the regular budget of UNIDO. It has also been a consistent and reliable donor, funding a variety of our projects and programmes in many developing countries and economies in transition. The cooperation between UNIDO and Japan encompasses virtually all aspects of industrial development — from reduction of poverty and bolstering human security to trade and investment facilitation, and from engaging with the private sector to a range of activities in the areas of energy, the environment and climate change — as this brochure exemplifies.

I am particularly pleased to emphasize that the Government of Japan calls for poverty eradication through “quality growth”, a concept that resonates with the ISID agenda of UNIDO. Such growth should be inclusive in that the fruits of growth should be shared with society as a whole, leaving no one behind. It should be sustainable over generations and safe for the environment and the climate. And it should be resilient to be able to withstand and recover from economic crises, natural disasters or other shocks. The concept of “quality growth”, if applied in the industrial development context, has so much in common with UNIDO's concept of ISID that one can say the two are in harmony.

Already towards the end of the era of the eight Millennium Development Goals, which primarily focused on the provision of basic needs, it became a matter of common sense, promoted by both conservative and liberal leaders throughout the world, that industrial development is an adequate vehicle to create decent and high skilled-jobs, build more equitable societies, protect the environment, and foster structural change in advanced and low-income economies.

Japan has long been a shining example of the important role industry can play in economic development. The miracle of Japan's economic growth in the post-war period and its emergence as a modernized nation in the late nineteenth century, are the best testimony of the transformative power

of manufacturing and the dynamic effect of industrialization acting as the strongest catalysts of economic development and social progress. Moreover, its own experience with the social and environmental downsides of rapid industrialization in the 1970s soon made Japan a world-leader in eco-friendly and energy-efficient technologies.

Innovation and state-of-the-art technologies bring Japan to the highest level of global competition today. The country thus possesses a wealth of human and institutional foundations that make Japan an undisputed leader in promoting industrial development worldwide.

Although it is only recently that the international community began giving due attention to the value of industrialization and economic transformation in the context of the 2030 Agenda for Sustainable Development, particularly Sustainable Development Goal 9, Japan has been among those countries that consistently pursued and supported similar objectives for decades.

Due to its unique mandate and expertise in working with both governments and the private sector, UNIDO is well positioned to support the transfer of technologies and foreign direct investments from Japan to developing countries and economies in transition. UNIDO and Japan build their joint efforts on shared principles of development cooperation,

such as taking a people-centred and capacity-development approach, and by providing concrete support to partner countries in the field. This allows the Organization to implement a variety of projects funded by the Government of Japan in common areas of interest.

This publication portrays recent joint initiatives and achievements of UNIDO and Japan promoting inclusive and sustainable industrial development. I hope it will be an interesting read for those involved in development cooperation issues around the world.

LI Yong  
UNIDO Director General



# Congratulatory message

by the State Minister for Foreign Affairs of Japan  
at the occasion of UNIDO's 50<sup>th</sup> anniversary



It is our great pleasure to congratulate the United Nations Industrial Development Organization (UNIDO) on its 50th anniversary. Japan highly values UNIDO's key role in implementing the 2030 agenda and appreciates the Organization's policy engagement in promoting Inclusive and Sustainable Industrial Development (ISID).

Furthermore, we respect its role in promoting the concept of human security in both management of the Organization and implementation of projects, and in networking recipient countries and private sector in donor countries for technology transfer and cooperation.

UNIDO and Japan have been closely cooperating through a wide range of activities in support of industrial development in developing countries and countries with emerging economies since the inception of the Organization in 1966.

We are particularly happy that the cooperation between the Organization and Japanese private sector is strengthened through the active role of the UNIDO ITPO Tokyo and the "Japan-UNIDO multi-stakeholder cooperation dialogue". As reconfirmed during the visit of Director General Li Yong to Japan in May 2016, UNIDO and Japan will continue to cooperate in promoting human security, tackling environment and climate change, and implementing the 2030 development agenda, as well as accelerating African development, including through Tokyo International Conference on African Development (TICAD) process.

In the first year of implementing the 2030 agenda, Japan, as its largest donor, remains a strong supporter of UNIDO and continues to have a constructive partnership with the Organization for its fulfillment of the mandate of ISID and the realization of a world "leaving no-one behind".

Nobuo KISHI  
State Minister for Foreign Affairs of Japan

# Shared policies as a sound basis for cooperation

Japan entered a new era of development cooperation with the adoption of a revised Development Cooperation Charter by the Japanese Government in February 2015 and the entry into force of the 2030 Agenda for Sustainable Development in January 2016.

Similarly, UNIDO's mandate and role as a development partner were invigorated by the 2013 Lima Declaration, as well as the new development agenda setting goals and targets of particular relevance for the Organization.

As the Director General noted in his foreword, the cooperation between UNIDO and Japan is stimulated by their matching policy priorities: UNIDO's mandate of inclusive and sustainable industrial development (ISID) is in harmony with the principle of quality growth, the high-priority objective of the current Development Cooperation Charter of Japan.

## **UNIDO: Inclusive and sustainable industrial development**

UNIDO's vision of responding to today's economic, social and environmental challenges is enshrined in the Lima Declaration adopted by UNIDO Member States at the fifteenth General Conference in December 2013.

On this basis, the Organization pursues inclusive and sustainable industrial development with the aim to contribute to lasting prosperity for all. UNIDO's mandate is based on the recognition by Member States that poverty eradication *"can only be achieved through strong, inclusive, sustainable and resilient economic and industrial growth, and the effective integration of the economic, social and environmental dimensions of sustainable development."*

Inclusive and sustainable industrial development (ISID) means 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 in all countries.
- » Broader economic and social growth is supported within an environmentally sustainable framework.
- » The unique knowledge and resources of all relevant development actors are combined to maximize the development impact of ISID.



## Japan's development cooperation and Quality Growth

The world's poor population is still large in numbers. Therefore, reducing poverty — especially eradicating absolute poverty — remains a fundamental development challenge. Of particular concern for Japan are fragile states that have not been able to grasp development opportunities and people in vulnerable situations. Japan's key priority is to provide humanitarian assistance to such nations and people and, importantly, to deliver targeted assistance setting the development process in motion.

At the same time, in order to eradicate poverty completely, Japan believes it essential to achieve economic growth by developing human resources, enhancing infrastructure, and creating a sufficient legal and institutional framework to stimulate growth of the private sector. This comprehensive approach aims to ensure self-reliant development of developing countries.

However, the nature of such growth should not be merely quantitative, given that some of the countries that have achieved some economic growth still face other related challenges: widening disparities, sustainability issues, inadequate social development, and political and economic instability. Rather, it should be “quality growth”.

Quality growth is *inclusive* in that its fruits are shared among all members of society, leaving no one behind. It is *sustainable* as it creates harmony with the environment over generations, enables stable social and economic progress and addresses global warming. And it is *resilient* in that it is able to withstand and recover from economic crises, natural disasters and other shocks.<sup>1</sup>

<sup>1</sup> See Ministry of Foreign Affairs of Japan, 2015, “White Paper on Development Cooperation 2015”. ([http://www.mofa.go.jp/policy/oda/page\\_000138.html](http://www.mofa.go.jp/policy/oda/page_000138.html))

# 2030 Agenda for Sustainable Development

The Sustainable Development Goals (SDGs) constitute the core of the 2030 Agenda for Sustainable Development adopted by world leaders at the UN General Assembly on 25 September 2015. The new development framework seeks to transform our world and will guide all global, regional and national development endeavours until 2030.

The SDGs and their associated targets frame the 2030 Agenda with the vision and ambition to both achieve a balance between the three dimensions of sustainable development — environmental, social and economic — and integrate them into

a universal and visionary framework for global cooperation and action. This approach recognizes the interrelated nature of all goals and targets, their trade-offs and synergies. UNIDO's goal of achieving ISID is explicitly recognized and anchored within the internationally agreed 2030 Agenda.

In Goal 9, the Member States of the United Nations call upon the international community to *“build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation”*. This confirms their belief that ISID can serve as a catalyst not only for job creation and economic growth



but also for technology transfer, investment promotion and skill development. This principle was also acknowledged in the Addis Ababa Action Agenda of the Third International Conference on Financing for Development held in July 2015.

In addition to Goal 9, all other SDGs incorporate some industry-related aspects and targets. As a core driver within the 2030 Agenda for Sustainable Development to eradicate poverty and advance sustainable development, ISID makes a critical contribution towards addressing the economic, social and environmental dimensions of growth in a holistic manner.

UNIDO's extensive knowledge and expertise in supporting countries in their sustainable industrialization efforts make the Organization a reference institution for the implementation of all industry-related aspects of the SDGs, as well as for the follow-up and review of progress.

In line with the renewed mandates given to both UNIDO and the United Nations development system, three interrelated thematic priorities — representing various aspects of ISID — shape the Organization's programmatic approach:

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### ***Creating shared prosperity:***

Advancing poverty eradication and inclusiveness, building productive capacities in an inclusive manner, and providing increased opportunities for all women and men, as well as across social groups, including through partnerships with all relevant stakeholders involved in the industrialization process;

### ***Advancing economic competitiveness:***

Advancing rapid economic and industrial growth, fostering entrepreneurship, building trade capacities in industries, and ensuring that all countries can benefit from international trade and technological progress, including through the application of modern industrial policies and compliance with global standards and norms;

### ***Safeguarding the environment:***

Advancing environmentally sustainable growth, building institutional capacities for greening industries through cleaner production technologies and resource efficiency methodologies, creating green industries, including in the fields of waste management and recycling, supporting energy transitions, and implementing multilateral environmental agreements.

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Strategic partnerships and international industrial cooperation have proven to be innovative and impact-maximizing approaches to address the multiple dimensions of economic deprivation, social inequality, environmental degradation and climate change. Directly through its contribution to Goal 9, or indirectly through programmatic or thematic involvement in other SDGs, UNIDO supports its Member States in the achievement of the 2030 agenda at large.



# Japan's development cooperation

## **“For peace, prosperity and a better future for everyone”**

On 10 February 2015, the Government of Japan established the Development Cooperation Charter, which clarifies the cornerstone values and principles of Japan's Official Development Assistance (ODA) policies, capitalizing on its more than 60 years of experience of international cooperation through ODA.

***“Growth serves as the foundation for all. Only when there is growth, does peace take root and can injustices be rectified over time.”***

Prime Minister Shinzo Abe at the seventy-first Session of the United Nations General Assembly, 21 September 2016

The Charter is based on the philosophy of contributing to peace, stability and prosperity proactively. To this end, Japan implements the following approaches:

- » Contributing to peace and prosperity through developing cooperation for non-military purposes as a peace-loving nation
- » Focusing on human security in development cooperation to protect and empower individuals
- » Collaborating with developing countries under equal partnership, aiming at self-reliant development, utilizing Japan's experience and expertise

Paving the way for its post-2015 development cooperation initiatives, Japan committed itself in the Development Cooperation Charter to:

- » Foster “quality growth” to eradicate poverty. The notion of “quality growth” encompasses (1) creating the foundation of economic growth (infrastructure, human resources, etc.); and (2) overcoming vulnerability that people in developing countries are facing; based on the principles of (a) inclusiveness (reducing disparity, empowering women, etc. thereby leaving no one behind); (b) sustainability (harmony with the environment) and (c) resilience (withstanding and recovering from disasters)
- » Share universal values and achieve a peaceful and secure society as foundations for development (promoting the rule of law, good governance, respect for human rights, democratization, peace-building and anti-terrorism measures)
- » Build a sustainable and resilient international community through efforts to address global challenges (implementing the Sustainable Development Goals (SDGs) tackling such challenges as climate change, infectious diseases, and demographic issues)

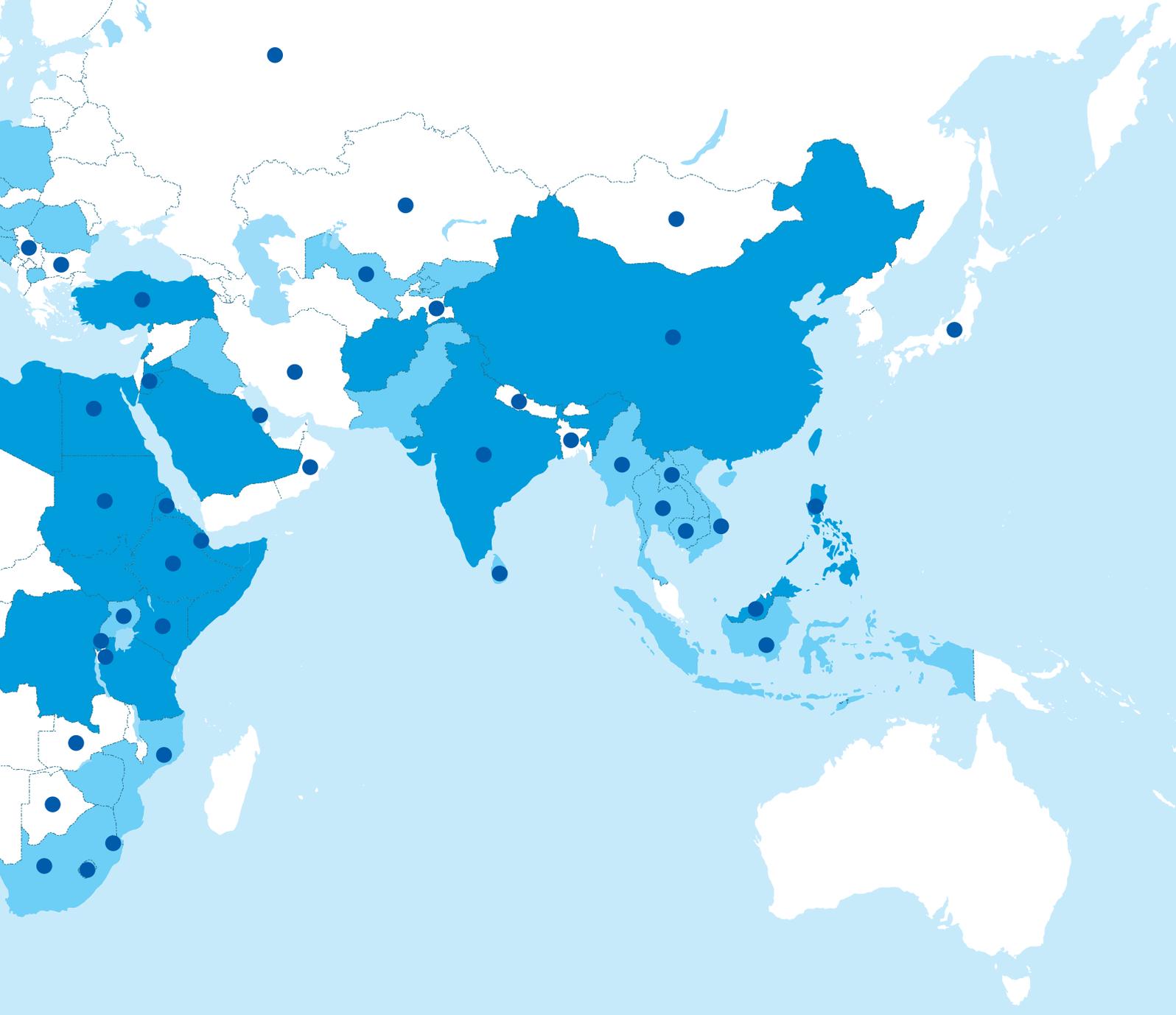
The implementation of development cooperation initiatives creates and augments partnership among central/ local governments, private entities, non-governmental organizations (NGOs) and civil society organizations (CSOs). To ensure inclusive and equitable development, the Charter supports closer cooperation of all relevant actors in pursuing Japan's development cooperation agenda. The Charter emphasizes the need to enhance the role of women and vulnerable groups in all economic sectors, as well.



### Some of UNIDO's institutional partners in Japan

- » Japan Bank for International Cooperation (JBIC),
- » Japan Chamber of Commerce and Industry (JCCI),
- » Japan Cooperation Centre for the Middle East (JCCME),
- » Japan External Trade Organization (JETRO),
- » Japan International Cooperation Agency (JICA),
- » Japan Management Association (JMA),
- » Japan Productivity Center (JPC),
- » KEIDANREN (Japan Business Federation),
- » KEIZAI DOYUKAI (Japan Association of Corporate Executives),
- » Ministry of Economy, Trade and Industry (METI),
- » Ministry of Foreign Affairs (MOFA),
- » New Energy and Industrial Technology Development Organization (NEDO),
- » Nippon Export and Investment Insurance (NEXI),
- » Osaka Chamber of Commerce and Industry (OCCI),
- » Overseas Human Resources and Industry Development Association (HIDA),
- » ROTOBO (Japan Association for Trade with Russia and NIS)

The list above is non-exhaustive and does not include private sector partners or municipal institutions.



# UNIDO-Japan Cooperation

## Voluntary contributions by the Government of Japan (2010-2015) by region and UNIDO thematic priority



The Government of Japan has consistently been one of the largest contributors to UNIDO both through its assessed contributions to the regular budget of the Organization, and regular voluntary contributions to technical cooperation programmes and projects.

UNIDO receives these contributions via the Ministry of Foreign Affairs (MOFA) and the Ministry of Economy, Trade and Industry (METI). Between 2006 and 2015, the Government of Japan provided a net contribution of over USD 74.8 million for UNIDO's project activities. In the past five years the average annual contribution from Japan amounted to approximately USD 10.8 million.

The Ministry of Foreign Affairs provided funds under trust fund arrangements for specific project proposals developed by UNIDO upon requests from developing countries. For the countries with urgent needs and recovering from crisis situations such as armed conflicts, natural disasters, social instability and large-scale migration, the supplementary budget of the Government of Japan continues to be an important funding source. In addition, close cooperation between UNIDO and Japanese embassies in the field also resulted in the allocation of funds for individual projects.

The Ministry of Economy, Trade and Industry (METI) has been a reliable and faithful supporter of UNIDO's Investment and Technology Promotion Office (ITPO) network. METI provides regular contributions for the activities of the ITPO in Tokyo, which was established in 1981. Cooperation between UNIDO and the Ministry expanded in recent years when METI decided to sponsor the "Low-carbon low-emission clean energy technology transfer" (LCET) programme.

Furthermore, the Government of Japan made bilateral contributions to the Multilateral Fund for the implementation of the Montreal Protocol on Substances that Deplete the Ozone Layer. UNIDO has recently implemented, and is still implementing, respective projects in the People's Republic of China, Nigeria, the Philippines, Saudi Arabia, and on a regional level in Africa (in the "demonstration project" format).

Apart from funding technical cooperation projects, Japan has also been a generous supporter of UNIDO's Associate Expert and Junior Professional Officer (JPO) programme and provides funding for several JPO positions in the Organization. Many Japanese JPOs who started their career in the Organization have become staff members in UNIDO and other UN organizations.

UNIDO, which was established as an autonomous body of the United Nations in 1966, became a specialized agency in 1985. On 21 June 1985, when UNIDO's Constitution entered into force, Japan became a Member State of the Organization. Japan has been a member of both the Industrial Development Board and the Programme and Budget Committee since 1986.

## Japan at UNIDO policymaking organs

Japan has been a strong supporter of the Organization since its inception and is the largest contributor of assessed contributions to UNIDO's regular budget. As such, Japan plays a particularly important and active role by providing guidance to the Secretariat at UNIDO's policymaking organs and shaping consensus among Member States on a variety of issues. Japan shows active engagement in all governing bodies of the Organization, including the General Conference, UNIDO's supreme policymaking organ where all Member States meet biennially; the Industrial Development Board, which reviews the implementation of UNIDO's work programme and budget, and which makes recommendations to the General Conference on policy matters; and the Programme and Budget Committee, which assists the Board in preparing and reviewing the work programme, the budget and other financial matters.



Mitsuru Kitano, Permanent Representative of Japan to UNIDO

## MOFA reviews of international organizations of 2015 and 2016

The Government of Japan introduced and subsequently expanded a system of evaluation to assess government policies, activities and spending. The evaluation system serves to improve the efficiency and transparency of government operations and contributions to the international community.

The Japanese Ministry of Foreign Affairs (MOFA) published reviews of its core contributions to international organizations. In 2014 and 2015, the reviews assessed 64 and 68 assessed contributions respectively. Four of them received the highest rating in 2015, and eight in 2016.

UNIDO is honoured to be ranked among the top performing international organizations in both reviews.

The assessment criteria included the organization's relevance and global influence; its relevance to Japan's key foreign policy priorities; the effectiveness of its organizational and financial management; its use of Japanese expertise and knowledge to contribute to the industrial development of developing countries; and the application of a PDCA (Plan, Do, Check and Act) cycle in the organization's management.

## Increasing visibility of the cooperation

UNIDO appreciates generous voluntary contributions by the Government of Japan to its technical cooperation activities and ensures visibility of Japan's support throughout the project implementation period and beyond. In addition, UNIDO also gives due recognition to its cooperation with Japan at various events, including the UNIDO Donor Meetings.

The purpose of UNIDO Donor Meetings is to showcase success stories from the technical cooperation portfolio and present overviews of the Organization's technical assistance programmes and their funding. Panel discussions between donors, beneficiaries and UNIDO experts also emphasize the link between UNIDO's work and global efforts towards the SDGs.

The first UNIDO Donor Meeting took place on 3 November 2014 in Vienna. It gathered over 260 participants, including ministers, deputy ministers, high-level government officials, representatives of Permanent Missions of the Member States to UNIDO and donor institutions, as well as representatives of the European Union, African Union, private sector, regional economic communities, and development finance institutions. The first Donor Meeting served as a forerunner to the second UNIDO "Forum to scale up investment for ISID".

Three out of the six success stories presented at the first UNIDO Donor Meeting were projects funded by the Government of Japan:

» *Partnering for sustainable change in the foam industry in the Philippines*

The project, financed by the Multilateral Fund and the Government of Japan, had a positive impact on the recovery of the ozone layer, helping to eliminate some 40 tons of ozone-depleting potential. It also provided a reduction in climate emissions totalling 263,000 tons of CO<sub>2</sub>-equivalent per year. UNIDO assisted 19 enterprises in replacing an ozone-depleting substance, HCFC-141b, widely used in the foam sector with a safe substitute.



Kick-off ceremony held in March 2016 for a contribution of over USD 7.4 million for seven projects in Africa and the Middle East

» *Promoting industrial skills in Liberia's path towards recovery*

In cooperation with Komatsu, a Japanese mining and construction equipment manufacturer, UNIDO introduced a vocational training system and set up a school to support economic growth of industries relying on the operation and maintenance of heavy equipment. Vulnerable groups, especially young people, learned skills needed in the mining, forestry, agriculture and construction sectors.

» *Low-carbon low-emission technologies (LCET) Programme*

This joint flagship initiative of UNIDO and Japan promotes solutions that simultaneously address three key global challenges: energy poverty, job creation and climate change. The LCET programme provides a comprehensive technology transfer mechanism for developing countries by identifying appropriate LCETs, establishing public-private partnerships and knowledge management, as well as by offering policy recommendations for replication and market development. A special section of this brochure (see further) describes the LCET programme in detail.



Yuzu Goto, Trade and Economic Cooperation Bureau, Ministry of Economy, Trade and Industry at the First UNIDO Donor Meeting in November 2014



HAYAT project in Upper Egypt

On 1 December 2015, the second UNIDO Donor Meeting was held on the margins of the Sixteenth Session of the UNIDO General Conference. It gathered over 400 participants. Out of the six success stories discussed at the event, two projects were related UNIDO-Japan Cooperation:

» *HAYAT: empowering people – building resilient communities*

This programme funded by Japan, Switzerland and the UN Trust Fund for Human Security is executed by ILO, IOM, UNHABITAT, and UNWOMEN under the leadership of UNIDO and provides technical assistance and self-help support to local communities. Based on a people-centred, needs-oriented and participatory approach, the programme focuses on income generation and job creation, and helps empower local governments and NGOs.

» *A journey towards responsible gold in West Africa*

The project brought the West African region closer to fulfilling its obligations under the Minamata Convention on Mercury adopted by governments in 2013 in Kumamoto, Japan. It regulates the use and environmental releases of mercury from sectors such as artisanal mining, coal combustion and mercury-added products.





Former State Minister for Foreign Affairs, Yasuhide Nakayama, concluded a meeting with Director General LI Yong in 2015 with his own rendition of what the acronym UNIDO stands for: “U 'n' I DO!” (You and I do!)



Meeting with Masakazu Hamachi, Parliamentary Vice-Minister for Foreign Affairs

# U 'n' I DO!

You and I do!

## UNIDO events and high-level meetings in Japan

Delegations from UNIDO headquarters, led by the Director General, regularly visit Tokyo to meet with high-level government officials, as well as representatives of public and private sector institutions. These high-level meetings as well as a newly established UNIDO-Japan Multi-stakeholder Cooperation Dialogue aim to continue dialogue with UNIDO’s partners and identify common interests and new areas of cooperation. In the past years, well-attended UNIDO seminars and the launches of the Industrial Development Report in Tokyo also raised awareness about the Organization, its activities and research.



Tsuyoshi Hoshino, Parliamentary Vice-Minister of Economy, Trade and Industry



Meeting with Tatsuo Yamasaki, Vice-Minister of Finance for International Affairs



Meeting with Seiji Kihara, Parliamentary Vice-Minister for Foreign Affairs



His Imperial Highness, Crown Prince Naruhito, is welcomed by the UNIDO Deputy to the Director General and UNU Rector David Malone at an event co-organized by UNIDO in Tokyo.



Yoshihiro Seki, Parliamentary Vice-Minister of Economy, Trade and Industry



Meeting with Kazuo Furukawa, Chairman of the New Energy and Industrial Technology Development Organization (NEDO)



Meeting with Masatsuga Asakawa, Vice-Minister of Finance for International Affairs



Meeting with Ambassadors of the African Diplomatic Corps in Tokyo, 2015



Meeting with Kazuo Furukawa, Executive Vice President, Japan External Trade Organization (JETRO)



Meeting with Hiroshi Watanabe, then Governor and CEO of the Japan Bank for International Cooperation



Meeting with Takashi Funato, Chairman of the Policy Sub-Committee on International Cooperation, Keidanren, and Executive Vice President, Mitsubishi Heavy Industries, Ltd.



UNIDO delegation visiting a Japanese company



The UNIDO Seminar in Tokyo in May 2015 titled “Sustainable industrialization for shared prosperity” attracted around 300 participants

## Tokyo International Conference on African Development

UNIDO has been an active partner and supporter of the Tokyo International Conference on African Development (TICAD) since it was first held in October 1993.

At the second TICAD in 1998, Keizo Obuchi, then Prime Minister of Japan, requested UNIDO's assistance in developing an Asia-African Investment and Technology Promotion Centre (AAITPC) in Kuala Lumpur, Malaysia. The AAITPC was launched in 1999 to contribute to economic development of African countries, with the prospect that the promotion of trade with and investment from Asia would encourage private sector development in Africa.

Another initiative of the TICAD process with similar objective was the Africa-Asia Business Forum, established to promote trade between Asia and Africa, and direct Asian investment into Africa in the format of South-South cooperation. In 2007 and 2009 UNIDO served as co-organizer of the Africa-Asia Business Forums.

The current and former Directors Generals of UNIDO assumed various roles at TICAD, acting as keynote speakers, introductory speakers, moderators, and panellists. Addressing delegates, they focused on economic growth, investment promotion, private-sector development, environment and climate change, productivity enhancement, energy efficiency, and other issues pertinent to the mandate of the Organization.

UNIDO remains a key contributor to the effective collaboration between countries and institutions involved in the TICAD process, including the Government of Japan and developing countries of Africa. It is notable in this respect that UNIDO — due to its strong relations with the African continent and the African Union Commission (AUC) — acted as facilitator for the inclusion of the AUC as a co-organizer of TICAD V in June 2013.



Kandeh K. Yumkella, former UNIDO Director General, speaking at the UNIDO-AU side event at TICAD V in Yokohama in 2013

Kandeh K. Yumkella, who at that time served as UNIDO Director General, said in his address to the TICAD V conference:

*“I remain very optimistic about the future of Africa’s development, but the continent’s renaissance will depend on political will and on making the right choices. Africa can realize its economic potential if Africans take the lead in defining the post-2015 development goals and ensure that private sector wealth and job creation are at the core of the new agenda. I am certain that TICAD V, as a universal institution, will help catalyse the decisions that will ensure that Africa’s economic needs are recognized as a matter of global concern.”*

UNIDO co-organized four side-events at the TICAD V conference that took place in June 2013 in Yokohama:

- » UNIDO and African Union (AU): “Clean technologies for sustainable industrial development of Africa”
- » UNIDO and ITPO Tokyo: “Investment and technology promotion in Africa — case studies
- » UNIDO and Japan Productivity Centre (JPC): “Diffusion of green productivity from Asia to Africa — quest for sustainable growth in Africa”
- » UNIDO and Overseas Human Resources and Industry Development Association (HIDA): “Linking the World through human resource development”

### TICAD I, 1993:

At the first conference (TICAD I), the co-organizers vowed to reverse the decline in development assistance for Africa that had followed the end of the Cold War. Participants adopted the Tokyo Declaration on African Development, committing to the pursuit of political and economic reforms in Africa, increased public sector development, regional cooperation and integration, and the harnessing of Asian experience for the benefit of African development.

### TICAD II, 1999:

The second conference (TICAD II) addressed Africa's development challenges with poverty reduction and integration of Africa in the global economy as the primary theme. The Tokyo Agenda for Action (TAA) outlined the framework for cooperation in the TICAD process, identifying shared goals, objectives and guidelines for actions to be taken by Africa and its partners. TICAD II also advocated the dual principle of TICAD: the ownership of Africa and the partnership of the international community.

### TICAD III, 2003:

The third conference (TICAD III) made an explicit commitment for the TICAD initiative to support the African Union's New Partnership for Africa's Development (NEPAD), which is a blueprint for Africa's peace and socio-economic growth and development. The TICAD 10th Anniversary Declaration, an outcome statement that renewed the commitment of leaders for African development, was adopted at the conference, placing special emphasis on the concept of human security.

### TICAD IV, 2008:

The fourth conference (TICAD IV) addressed the following three priority areas: 1) Boosting economic growth; 2) Ensuring human security, including the achievement of the Millennium Development Goals (MDGs) and the consolidation of peace and good governance, and 3) Addressing environmental issues and climate change. The Yokohama Declaration and Yokohama Plan of Action, political commitment towards African development, was adopted.

### TICAD V, 2013:

The fifth conference (TICAD V) commemorated the 20th anniversary of the TICAD process and the 50th anniversary of the Organization of African Unity, the predecessor of the African Union. "Hand in Hand with a More Dynamic Africa" was the overarching theme for TICAD V. The discussions were based on the three interrelated themes of "Robust and Sustainable Economy", "Inclusive and Resilient Society" and "Peace and Stability".

### TICAD VI, 2016:

The sixth conference (TICAD VI) was held for the first time on the African continent, in Nairobi, Kenya. It discussed progress achieved in economic growth, infrastructure development, agriculture, peace and security in Africa, and social inclusiveness. It also focused on emerging challenges: the decline in global commodity prices, the Ebola disease outbreak, as well as terrorism and violent extremism. The Nairobi Declaration and Implementation Plan were adopted, highlighting the three priority areas for TICAD, namely, promotion of economic transformation through economic diversification and industrialization, resilient health systems, and social stability for shared prosperity.





Li Yong, UNIDO Director General, meets Fumio Kishida, Minister for Foreign Affairs of Japan, at TICAD VI in Nairobi, August 2016



Li Yong, UNIDO Director General, and Hiroyuki Ishige, Chairman and CEO of JETRO, after the signing of a memorandum of understanding at the margins of TICAD VI, Nairobi, 26 August 2016

The most recent conference, TICAD VI, was held from 27 to 28 August 2016 in Nairobi, Kenya. It was the first TICAD summit to take place on the African continent and received over 11,000 participants, including the representatives of 53 African countries.

At TICAD VI, UNIDO organized two side-events:

- » *“Enhancing Africa’s structural economic transformation through Agenda 2063 and inclusive and sustainable industrial development: fostering partnerships between the Government of Kenya, the African Union Commission, UNIDO and the private sector”*

The event, jointly organized by UNIDO, the African Union Commission (AUC), and the Government of the Republic of Kenya, provided a platform for discussing mechanisms to support the implementation of the Agenda 2030 for Sustainable Development and, specifically, Sustainable Development Goal 9. On this occasion, UNIDO also signed a memorandum of understanding with the Japan External Trade Organization (JETRO).

- » *“Technology enabling innovation and industrialization in Africa”*

The event focused on productivity, human resources, technology transfer and investment promotion — all important factors for Africa’s industrialization. The event was organized jointly with the Ministry of Economy, Trade and Industry of Japan (METI), Overseas Human Resources and Industry Development Association (HIDA), and Japan Productivity Centre (JPC).

# UNIDO Investment and Technology Promotion Office in Tokyo

UNIDO's Investment and Technology Promotion Office in Tokyo (ITPO Tokyo) was established in March 1981 by an agreement between UNIDO and the Government of Japan. It is one of the eight offices worldwide that form UNIDO's ITPO Network.

The mission of UNIDO ITPO Tokyo is to help developing countries and economies in transition in their efforts to achieve inclusive and sustainable economic development by promoting foreign direct investment (FDI) and technology transfer from Japan.

The ITPO undertakes a variety of activities to achieve this objective, including:

- » A delegate programme enabling government officials of developing countries to visit Japan;
- » Technology transfer programmes to identify and promote the transfer of Japanese technologies, especially in the field of energy and environment;
- » Seminars, events and exhibitions at trade fairs to market various countries and their industrial sectors; and
- » Activities to establish and augment business relations between Japanese and foreign companies, including by facilitating overseas business missions of Japanese firms. The geographical coverage of ITPO Tokyo extends to the whole developing world.

The ITPO Tokyo acts for the benefit of inclusive and sustainable development in developing countries, and simultaneously fosters the international outreach of Japanese industries. In recent years the office increased its focus on Africa and least developed countries on other continents. Its activities cover a wide spectrum of industries, including manufacturing, agro-sector, and environment- and energy-related industries. It also focuses on the promotion of small- and medium-sized enterprises (SMEs).

The Advisory Programme for Africa of ITPO Tokyo has been successful in this area. In Ethiopia alone, the office supported 30 Japanese companies in seeking new investment opportunities in diverse sectors such as medical equipment, pharmaceuticals, energy, finance, trading, and infrastructure.

UNIDO cooperates with Japanese Embassies, the Japan External Trade Organization (JETRO), and the Japan International Cooperation Agency (JICA) and disseminates information about the sectors of African economy of special interest to Japanese companies. These sectors include agricultural and leather industries, forestry, fishery, healthcare, engineering, construction and energy.

UNIDO ITPO Tokyo located at the UNU headquarters building in Shibuya, Tokyo



## Achievements of the UNIDO ITPO Tokyo (2011-2015)

### DELEGATE PROGRAMME

Hosting investment or technology promotion delegates (mainly officials from semi-governmental or government institutions) coming for a short-term stay (for an average of two weeks) in Japan to promote their country and its specific sectors and projects with the view of attracting foreign direct investment (FDI) and technology transfer from Japan



**60 delegates**



**1,300 business meetings**



**43 seminars**



**+3,000 participants**

### SEMINARS AND EVENTS

Organizing and supporting various regional, country-specific and thematic forums, seminars and workshops, usually in cooperation with other stakeholders in Japan. These events often feature delegates (see the delegate programme above) or high-level government representatives during their official or working visits to Japan



**182 seminars**



**22,000 participants**



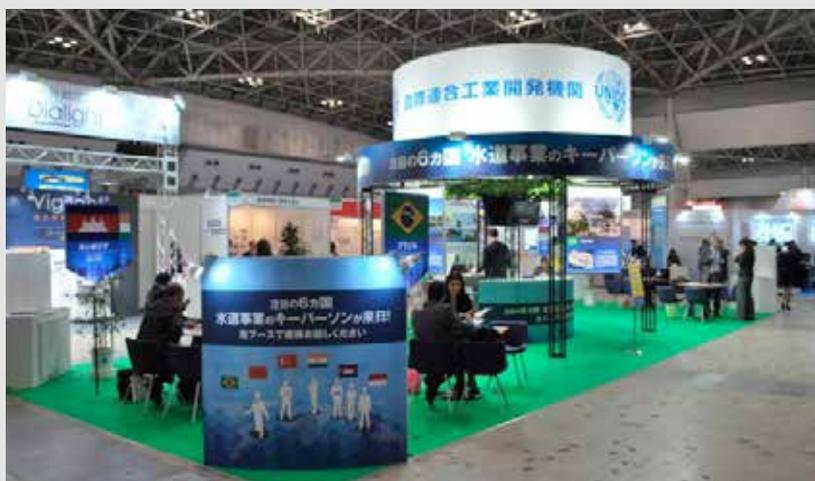
**3,900 business meetings**



**25 exhibitions**



**8,300 visitors**



ITPO Tokyo has taken part and contributed to previous INCHEM TOKYO exhibitions, Japan's only and Asia's largest comprehensive exhibition focusing on the chemical and process industries, energy conservation, environmental measure and water treatment for industries

## ACTIVITIES OVERSEAS

Sending business and technical expert on field missions to recipient countries, often in coordination with partner institutions in Japan and overseas. During such missions, Japanese business people meet government leaders and business partners overseas to promote Japanese technologies.



**163 missions overseas**

### Africa Advisory Programme of ITPO Tokyo

Since 2013, three advisors of the ITPO Tokyo are assigned to serve at UNIDO offices in selected African countries (Algeria, Ethiopia and Mozambique) as part of the ITPO's Africa advisory programme. The programme provides consultancy services to Japanese enterprises interested in starting their business in these countries. This helps connect enterprises with local business partners. By October 2016, the advisors supported around 90 Japanese companies through this programme.

**Algeria:** Support in organizing briefings, meetings and market research was provided to Japanese companies in the health, automotive, steel, household appliances, and financial services sectors. Achievements included the issuance of an import license for a refrigerator assembling company and the support in setting up a country office for a company specialized in X-ray medical equipment.

**Ethiopia:** Support in organizing briefings, meetings and identifying potential partners was provided to Japanese companies of the medical equipment, pharmaceuticals, energy, finance, trading, and infrastructure sectors. Achievements included the streamlined custom clearance of equipment and granting of a business license to set up a local factory for a Yokohama-based leather manufacturer and the identification of local business partners for a large company active in the solar energy industry.

**Mozambique:** Support in disseminating information and arranging meetings with government authorities was provided to Japanese companies working in the forestry, fishery, healthcare, engineering, construction and energy sectors. Achievements include the business license obtained for a clam processing company and the comprehensive research into statutory regulation of the energy sector for a natural gas company.

Factory visit organized by ITPO Tokyo, Yokohama 2014



## TECHNOLOGY TRANSFER

Promoting selected efficient and eco-friendly technologies and know-how of Japanese companies seeking partners overseas to assist sustainable development efforts worldwide



**Environmental Technology Database: 39 technologies, 34 companies (as of October 2016)**

## CAPACITY BUILDING

Organizing capacity-building activities, such as lectures, factory visits and fact-finding meetings, for delegations from developing countries and for staff of their embassies in Japan. These activities enable participants to learn about networking, technologies and business promotion opportunities in Japan.



**26 Embassy programmes**



**590 diplomats**



**36 incoming missions**



**193 visitors**

# Cooperation with the Japanese private sector

As the only UN agency mandated to promote sustainable industrialization, UNIDO is in a unique position to partner with the private sector. UNIDO is proud of its thriving partnerships with a large number of companies, supporting technology and know-how transfer to recipient countries for the benefit of all actors.

With the concept of inclusive and sustainable industrial development in mind, partnerships with Japanese companies focus, among others, on supporting green technology solutions (water treatment, mercury waste recycling, nanotechnology and industrial coatings), food safety, quality and productivity, waste water recycling, as well as on corporate social responsibility and sustainability.

In November 2011, the Ministry of Economy, Trade and Industry (METI), the Government of Japan, and UNIDO jointly organized the **Tokyo Green Industry Conference 2011**. The conference highlighted the availability of environmental and resource conservation techniques and practices that are advantageous for businesses, environment- and climate-friendly, and beneficial for employees, communities and consumers.

Kandeh K. Yumkella, former UNIDO Director General, addressing the Tokyo Green Industry Conference 2011, co-organized by UNIDO, the Ministry of Economy, Trade and Industry and the Ministry of Foreign Affairs.



In preparation for the United Nations Conference on Sustainable Development in 2012, also known as the Rio+20 Earth Summit, UNIDO produced a compendium of selected Japanese environmental technologies for green industry, which were at the cutting edge of innovation and could be deployed and transferred to other countries to help them achieve their sustainable development goals.

UNIDO booth in the Japan pavilion "Japan green innovation" at the Rio+20 Summit, Brazil, 2012





In the implementation of its technical cooperation programmes, UNIDO often partners with Japanese companies. Two examples of such partnerships with the private sector are detailed below.

## **AEON**

A project implemented in cooperation with retailing company AEON had the objective of increasing the availability of safe and sustainable products, while facilitating access of small-scale producers to new market opportunities by linking Malaysian suppliers with Japanese vendors.

Capitalizing on its successful experience with the METRO Group in Egypt, India and the Russian Federation, UNIDO implemented a sustainable supplier development programme in Malaysia between 2012 and 2015. The project, jointly funded by the Government of Japan and AEON Co., Ltd., helped upgrade clusters of suppliers with the focus on food safety, quality, productivity, corporate social responsibility (CSR) and sustainability.

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The AEON Group comprises 252 companies and over 17,000 superstores, supermarkets, drugstores, convenience stores, financial services and specialty stores in 14 countries. The group's annual revenue exceeds USD 60 billion, which makes it one of the top retailers in the world.

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In the course of the project, 32 food suppliers were upgraded to match the highest food safety requirements and three suppliers brought in compliance with CSR and sustainability standards. These companies subsequently became suppliers of AEON. Additionally, 51 local experts received training on food safety and qualified against the Sustainable Supplier Development Programme (SSDP) protocol; and seven participants of the programme were hired by AEON after successfully completing the programme.

The sustainable supplier development programme was presented at the Global Food Safety Conference on 5 March 2015, the flagship food safety event of the Global Food Safety Initiative (GFSI), which gathered 1,000 food industry leaders in Kuala Lumpur, Malaysia.

In 2016, the Malaysian Ministry of Health adopted the UNIDO SSDP programme as part of its national food safety capacity-building initiative and expanded its scope to reach out to more buyers and local partners. The UNIDO-AEON partnership model and the outstanding results achieved were recently recognized by the Global Food Safety Initiative (GFSI) and the Global Food Safety Partnership (GFSP) with plans to replicate and scale up the model in the Southeast Asia region.



## Komatsu

As a post-war society, Liberia is experiencing a transition to sustainable development. The country's growth is heavily dependent on natural resources, making its mining sector an attractive field for potential employment.

Supported by the Government of Japan, UNIDO works together with Komatsu, one of the world's leading manufacturers of heavy equipment, to promote youth employment in the mining, construction and agriculture sectors of Liberia.

As part of the project, a fully-operational training school has been established at the Booker Washington Institute in Kakata, Margibi County. This Japan Heavy Equipment Operator School is the first operator training school in West Africa, is equipped with three classrooms, an operator simulator training area, information technology resources and workshop facilities. A team of five instructors, trained by Komatsu in Japan, run a modular training system, which covers safety, diesel engine maintenance, cooling systems and heavy machinery operation.

The school has a yearly training capacity of 180 students. As of July 2014, the project had enabled 148 diesel technicians and 84 machine operators to complete their training. On 30 July 2014, the Government of Liberia closed all schools as a measure to contain the spread of the deadly Ebola virus disease.

Following the closure of schools, the project re-oriented its activities to contribute to efforts of the Government of Liberia and international partners to contain the spread of the disease by providing construction support for Ebola treatment units. The trainers, the hydraulic excavator and equipment of the school supported for instance the construction of an Ebola treatment unit located in the capital city, Monrovia.

The Ebola crisis and weak commodity prices have slowed growth projections for Liberia. Recovery efforts and full-scale resumption of economic activity will demand a trained and skilled workforce. The second implementation phase of the project, which Japan agreed to fund in March 2016, concentrates on expanding the capacities of the school by introducing new courses on electrical systems, hydraulics and service techniques. Trainers will undergo intensive courses organized by Komatsu South Africa and additional facilities and equipment will be added to the training school.

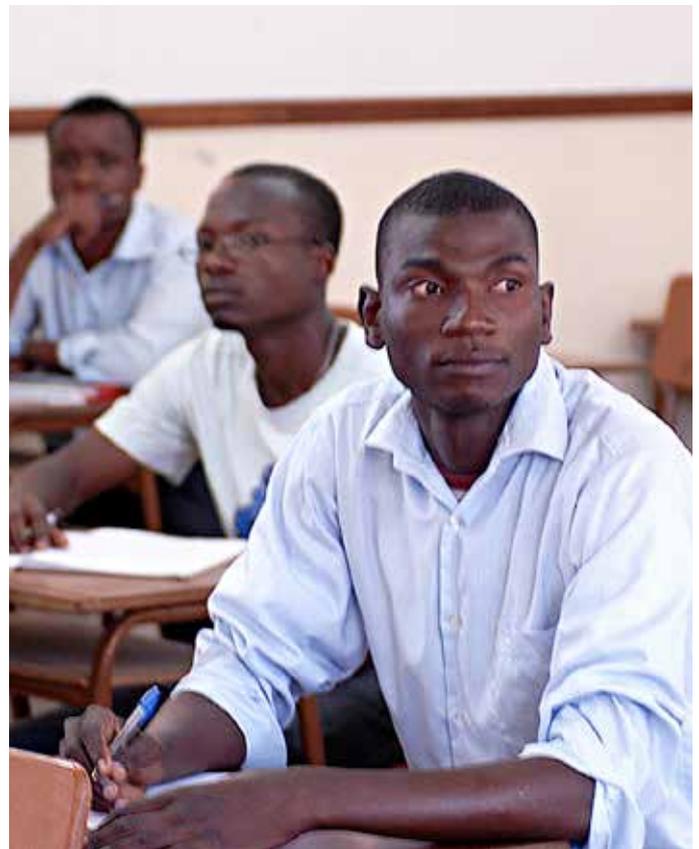


Clement James, one of the Komatsu trainees said after completing his one-month training course in the summer of 2014: *“The training course not only provided me with technical knowledge but also offered me practical tips on how to make teaching more useful in my future work as a trainer at the Japan Heavy Equipment Operator School.”*

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The project represents one of several public-private development partnerships that UNIDO is implementing in cooperation with heavy-duty equipment manufacturers. All these projects are under the umbrella of UNIDO’s “Learning and Knowledge Development Facility” (LKDF), a programme that promotes industrial skills among young people in developing countries by supporting the establishment and upgrading of local industrial training academies.

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# Cooperation with municipalities

## Creating an eco-city network in South East Asia

UNIDO supported the “Cities of the Future” conference held in October 2013 in Kitakyushu, Japan, and initiated an exchange of experience between cities in South East Asia. The ultimate objective was to establish a network of cities that would jointly promote green industry solutions.

The project aimed to promote exchange of experience and joint green solutions in five cities of a similar size with substantial experience in environmental management. UNIDO identified Cebu (Philippines), Da Nang (Vietnam), Kitakyushu (Japan), Map Ta Put (Thailand), and Yokohama (Japan) to form the eco-city network.

The Kitakyushu conference launched this project. Each member city presented its vision of a city of the future and a plan for achieving it. Amsterdam and Vienna were also invited to present their green management concepts. UNIDO and its ITPO in Tokyo also secured the participation of private companies in this initiative by offering them a platform to present their green urban solutions at a side event.

As part of the following implementation stage, UNIDO performed peer reviews of each city’s concept and action plan and assessed the efficiency of their environmental management policies and practice.

The eco-city network led to the conclusion of memoranda of understanding between Kitakyushu and Cebu, Kitakyushu und Map Ta Put, and between Yokohama and Da Nang. The network also identified common challenges for the participating cities – including solid waste management, waste-water management, and clean public transport – and sought relevant solutions.

Additionally, a team of officials from each city received training on the peer-review methodology and best practices in environmental management.



Fumiko Hayashi, Mayor of the City of Yokohama welcomed by the Director General. Following the agreement signed in May 2013 between UNIDO and Kitakyushu, one of the greenest industrial cities in the world, UNIDO and the City of Yokohama agreed on a partnership in June 2013.





## UNIDO-Kitakyushu partnership

UNIDO forged a strong partnership with Kitakyushu, the Japanese first eco-town with a solid regulatory framework, structure and funding. First concluded in 2010 and extended in 2013 and 2016, this partnership serves as a platform for promoting eco-towns in developing countries to develop waste-recycling industries. The first two phases of the UNIDO-Kitakyushu partnership yielded investments into the following projects:

- » An e-waste recycling facility in India
- » The establishment of an eco-industrial town in Map Tha Put, Thailand, to tackle e-waste, distributed power generation and water-saving, waste recycling, and to improve the efficiency of solar power generation
- » A car-recycling facility in Nigeria

The third phase of the partnership will offer special training to stakeholders from developing countries focusing on various aspects of environmental technology and waste recycling.

Plans of the UNIDO-Kitakyushu partnership also include:

- » Administering a three-year seminar for ecotown managers
- » Arranging study visits of high-level delegations from recipient countries to sensitize authorities on the benefits of eco-towns
- » Linking the eco-town platform with UNIDO's ongoing and pipeline projects
- » Developing a pilot facility with the assistance from Kitakyushu experts
- » Pursuing the development of eco-town models in target countries



# Human security and post-crisis rehabilitation

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In September 2012, the United Nations General Assembly adopted resolution 66/290 outlining the scope of “human security”. Human security is a holistic approach that addresses widespread and cross-cutting challenges to the survival, livelihood and dignity of people, recognizing the interlinkages between peace, development and human rights. The application of human security derives much of its strength from a dual approach based on the mutually reinforcing pillars of protection and empowerment, combining top-down norms, processes and institutions with a bottom-up focus on the role of people as key actors.

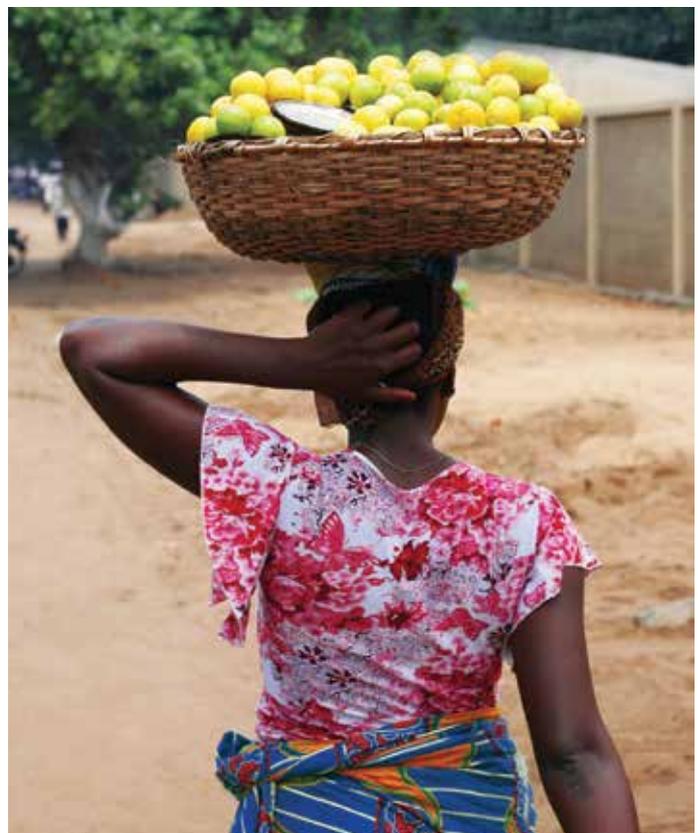
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The Government of Japan was one of the pioneers endorsing the human security concept in the mid-1990s, when it was first designed. In 1998, late Prime Minister Keizo Obuchi expressed support for the concept and called for the establishment of a United Nations Trust Fund for Human Security, which was launched a year later with the initial contribution from the Government of Japan. Human security continues to play a central role in Japan’s foreign and development cooperation policy and is declared a guiding principle in Japan’s Development Cooperation Charter 2015.

In view of UNIDO’s mandate to promote inclusive and sustainable industrial development, the human security- and human rights-based approach to industrialization has a special place in UNIDO’s programmatic activities. UNIDO initiatives promoting post-crisis productive rehabilitation, reconstruction and sustainable livelihoods empower communities in countries and regions recovering from crises.

The Organization strengthens the ability of individuals and underprivileged groups to alleviate risks, threats and vulnerabilities, ensuring uninterrupted productive activities and livelihoods. It also integrates energy, health and environmental security concerns affecting people’s productive capacities into its activities.

UNIDO’s assistance ensures that restored livelihoods and productive capacities are free from future risks and vulnerabilities and guarantee environmental sustainability. No human life is free from risks and shocks, but with higher resilience and reduced vulnerability, people are able to cope with them better and recover faster.





UNIDO's human security activities for the restoration of livelihoods devastated by conflicts and natural disasters concentrate on creating economic opportunities for the affected populations. Such activities include:

- » Restoring and strengthening vocational training systems to promote demand-oriented training programmes for vulnerable groups, which also instill an entrepreneurial culture;
- » Upgrading physical infrastructure and supplying modern equipment to vocational training systems;
- » Establishing outreach training programmes to target specific groups and remote areas;
- » Setting up enterprise-based technical vocational training programmes, involving the private sector; and
- » Fostering creation and expansion of micro- and small-scale enterprises through facilitation of business development services, market linkages, micro-finance schemes and business promotion.



## UNIDO and the United Nations Trust Fund for Human Security

UNIDO works closely with the United Nations Trust Fund for Human Security (UNTFHS) to improve lives of vulnerable and marginalized people and communities around the world.

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The United Nations Trust Fund for Human Security was created in 1999 and received its initial contribution from the Government of Japan. Since then, the trust fund has also received contributions from the Governments of Greece, Malta, Mexico, Slovenia and Thailand. The trust fund is aimed to promote human security by financing comprehensive and integrated programmes managed by United Nations agencies and their partners to mitigate risks, prevent crises and strengthen the resilience of people and communities around the world. Programmes funded by the United Nations Trust Fund for Human Security emphasize the added value of the human security approach. They also raise awareness within and outside of the UN system of the human security approach and its value. The trust fund is managed by the United Nations Human Security Unit, reporting to the Executive Office of the United Nations Secretary-General.

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Since 2003, UNIDO has implemented a series of projects worldwide funded from the UNTFHS. The projects address a wide range of human security situations: from recovery following armed conflicts and natural disasters to structural threats that endanger people's lives. Remedies include increased productivity, better employability, livelihood and entrepreneurial opportunities, as well as improved healthcare, environmental protection and access to energy.

### UNIDO activities supported by UNTFHS

In **Afghanistan**, UNIDO improved technical and business skills in food production of around 10,000 residents of 43 villages in the Ghazni and Herat provinces, focusing on small farmers and women.

In **Armenia**, UNIDO's project helped restore infrastructure, improved access to clean energy and fostered new business opportunities in the Kotayk and Gegharkunik regions.

In **Bangladesh**, UNIDO improved the quality of water in Hajiganj and Shahrasti by distributing simple arsenic-removal units to 1,500 households and transferring 20 community-level arsenic-removal units into local ownership.

In **Egypt**, UNIDO has been running a project since 2003 to empower rural communities for better income generation. The Government of Japan, along with the UN Trust Fund and the Swiss Development Cooperation, have been funding the project.

In **Ghana**, working with UNHCR and FAO, UNIDO improved self-reliance of Liberian refugees in Buduburam Refugee Camp by providing vocational and entrepreneurial skills training to prepare them for future repatriation and local integration.

In **Guinea**, UNIDO generated income creation opportunities for refugees and IDPs (internally displaced persons) in the host communities in the refugee zones of Forest Guinea.

In **Indonesia**, together with ILO, UNIDO supported the reconstruction and development of local industries in Maluku Islands that were devastated by ethnic and religious violence; and promoted peace among the local communities.



In **Iraq**, UNIDO assisted with the rehabilitation of production facilities for milk products and date palm sector. It also helped local individuals to establish viable small-scale businesses in food processing, metal working, wood working, textiles and agro-mechanics.

In **Lao People's Democratic Republic**, together with UNODC, UNIDO rehabilitated former poppy-growing communities through crop diversification and adding value to agricultural commodities in replace of opium production.

In **Malawi**, UNIDO empowered HIV/AIDS-stricken poor rural communities, suffering from labour shortages, by introducing labour-saving technologies for increased productivity, food production and income generation.

In **Sri Lanka**, UNIDO supported restructuring community networks and rural self-help initiatives led by women in the tsunami and conflict-affected regions.

In **Sudan**, UNIDO provided support to post-conflict rural villages in the Nuba Mountains in South Sudan, boosting income and employment among poor and marginalized farmers, artisans and former refugees.

In **Thailand**, UNIDO helped increase productivity in the soybean, sugarcane, coffee, garlic and textile sectors, and promoted small-scale businesses in Mae Hong Son Province.

In **Uganda**, UNIDO assisted the social and economic reintegration of Ugandan military veterans, former rebels and their families into a productive civilian life.

In the **United Republic of Tanzania**, UNIDO — through nutritional education, value chain analysis, technology transfer and the establishment of demonstration centres for food processing technologies — helped local farmers set up and strengthen processing association, reduce post-harvest losses and improve the availability and quality of processed food.

## The Syria crisis: Japan-funded UNIDO projects in the affected region

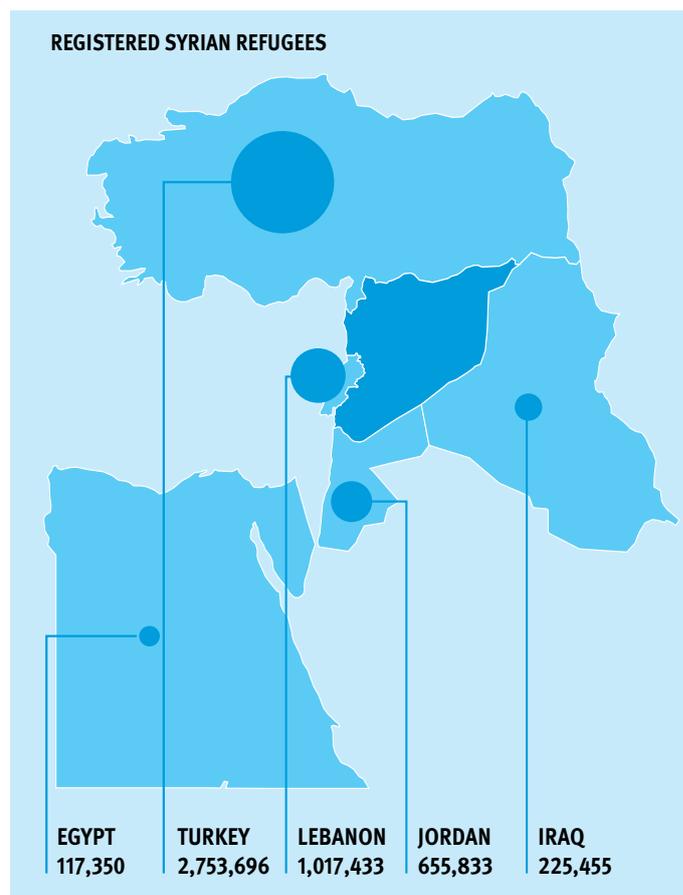
The crisis in Syria is one of the largest political, humanitarian and development challenges faced in modern times. The protracted conflict directly results in lost human lives, large-scale displacement and migration, weakened social services and destroyed infrastructure, as well as loss of livelihood and property.

Almost 4.8 million people have fled Syria since the start of the conflict. A further 6.5 million people are internally displaced inside Syria, including those stranded near the country's southern and northern borders. After almost six years, there is no end to the conflict in sight.

In some countries where refugees have found safety, their families are still struggling to satisfy their basic needs: food, housing, and health and trauma care. They are exhausting their savings and resources and falling deeper into poverty.

Host governments and communities continue to bear the burden of political, economic, social and security spillovers of the conflict. Public institutions are trying to deliver basic services to an increasingly high number of vulnerable people. In a context of shrinking resources, this is testing the limits of infrastructure and public services that were already fragile before the crisis. Another concern is the high unemployment rate in countries of the region, which, in absence of opportunities, could drive young people into negative coping strategies, including extremism.

It is a duty of the international community to support the states doing a great public good by hosting refugees and dealing with enormous financial and social costs of the refugee crisis. UNIDO is committed to support the livelihoods of those most in need and affected by the Syrian crisis.



Data: UNHCR (8 November 2016), <http://data.unhcr.org/syrianrefugees>

In the aftermath of a crisis, UNIDO's immediate objective is to reduce dependence of affected communities on emergency aid by helping them regain self-sustaining productive activities.

UNIDO has been working in some of the most challenging operating environments for 50 years, and has provided assistance in a range of countries affected by crises, including war and natural disasters. UNIDO's work in this context focuses on restoring devastated livelihoods, building resilience and promoting social cohesion, by enhancing skills for greater (self-) employability and restoring production capacities.

With a view to balancing short-term humanitarian responses with long-term development needs, UNIDO's approach in post-crisis situations is about "teaching people how to make and use a fishing rod" rather than "handing out fish".



## Projects in the region funded by the Government of Japan

### Iraq: Integrated stabilization, economic recovery and reconstruction support for displaced persons and returnees

This project started in spring 2016, upon request by the Government of Iraq to support the economic recovery and reconstruction of communities affected by the armed conflict.

The project focuses on three areas: (1) support to income generation activities via vocational skills training; (2) restoration of micro- and small-scale enterprises damaged during the conflict, and (3) reconstruction of community infrastructure by offering vocational skills training.

At the start-up phase, UNIDO conducted a mapping and damage assessment of over 150 micro and small-scale enterprises in light manufacturing (automotive, metal, wood work, etc.) in the liberated areas of Tikrit and Kirkuk.

In addition to assistance extended to such companies, UNIDO is working closely with the Ministry of Labour and Social Affairs to deliver vocational trainings for internally displaced people, refugees and host-communities. It is expected that over 500 persons will be able to upgrade their skills, including in forklift truck operations, welding, metal works and mobile phone repair. With the further influx of internally displaced people to the North of Iraq, trainings will be extended to communities residing in refugee camps built around the city of Erbil.

### Jordan: Creating employment and improving food security in the host communities of Syrian refugees in Northern and Central Badia

This project tackles food insecurity in communities hosting Syrian refugees in North and Central Badia by exploiting the agricultural potential of this area, the so-called “food basket” of Jordan. The project aims to contribute to creating employment and generating income for the beneficiaries with a special focus on women and young people.

This initiative is improving harvesting methods, building the capacity of local community in processing agricultural products and helping farmers to market their products.

### Jordan: Promoting social cohesion and harmony in the host communities of Syrian refugees in Mafraq

The project contributed to the efforts of the Government of Jordan to relieve socio-economic pressure on the host communities in Mafraq by supporting resilience and self-reliance of vulnerable women and youth and promoting social cohesion and harmony in the host communities through improved livelihood opportunities.

The project helped to build technical capacity within the community to facilitate entrepreneurship and skills training for trainers; deliver training courses for women and youth in designing, manufacturing and marketing handcrafts; and establish producer groups as self-help initiatives. In total, 228 women and young people received training. The project also provided local producer groups with necessary equipment.

### Lebanon: Creating sustainable livelihoods for communities affected by the influx of Syrian refugees in Northern Lebanon through improving job opportunities in the furniture industry

Aiming to improve livelihood in the Lebanese host communities affected by the influx of Syrian refugees in North Lebanon, this project is set to increase job opportunities in the furniture industry, particularly in micro-, small- and medium-sized enterprises. Project activities include building confidence in these enterprises by training their personnel on quality standards, productivity, occupational health and safety, waste management and other subjects. Equipment provided to furniture makers is also part of the project, as is the training to the youth and unemployed to increase their hiring chances.

### Turkey: Vocational training for Syrian youth and women refugees using fixed and mobile apparel skills units

The project served the initial recovery of refugees who lost their homes, jobs and belongings. It offered refugees means and skills to generate income inside refugee camps, boosting the overall human security for the most vulnerable groups.

Ten trainers and 1,000 refugees — mainly women and youth — received training from fixed apparel units. The “train the trainer” programme concentrated on planning and delivering training events, developing instruction skills, classroom management and mentoring. A separate training component on conflict resolution and mediation was also offered.



# Cooperation in the area of environment and energy

## Montreal Protocol

Since becoming an implementing agency of the Multilateral Fund for the Implementation of the Montreal Protocol in 1992, UNIDO has assisted developing countries in phasing out ozone depleting substances and switching to ozone- and climate-friendly alternatives through a wide range of programmes.

Japan became a party to the Montreal Protocol on 30 September 1988 and has since then played an important role due to its support to the treaty and as the second largest contributor to the Multilateral Fund. Through its advanced technologies, Japan also makes an important contribution to the discussion on the protection of the ozone layer.

UNIDO has already contributed to the phase-out over a third of ozone-depleting substances in the developing world. Between 1990 and 2015, UNIDO also helped avoid the use and potential emission of 340 million tons of CO<sub>2</sub>-equivalent per year. This corresponds to the amount exhausted by 71 million passenger vehicles in one year.

UNIDO achieves such results by encouraging the adoption of sustainable industrial solutions. They allow producers to convert and upgrade production lines of all sizes. Interventions particularly target the foam, refrigeration, air conditioning, aerosol, solvent and healthcare sectors, as well as fire protection and agro-industry. The introduction of new technologies and equipment is coupled with training on technology use and safety. Furthermore, UNIDO supports government institutions in strengthening regulatory frameworks and monitoring the consumption of ozone-depleting substances.



To date, the Organization has completed over 1,340 Montreal Protocol projects and is currently implementing hydro-chlorofluorocarbons (HCFCs) phase-out management plans in 70 countries. UNIDO promotes the use of solutions with low global warming potential and supplements its activities in this area with projects improving the energy efficiency of manufactured products and appliances. This is important considering that, for instance, air conditioning account for more than 40 percent of electricity consumption in some developing countries.

UNIDO's activities in this area also have a positive impact on climate change mitigation. Most of the chemicals on the list of controlled substances under the Montreal Protocol are also potent greenhouse gases. UNIDO is supporting a large number of countries to achieve the phase-out of the production and use of these substances.

As the phase-out of controlled substances entails converting and upgrading key industrial sectors, UNIDO simultaneously helps industries achieve increased productivity and improved economic performance. Additional benefits of UNIDO projects in this area include introducing clean modern technologies, upgrading production lines with new equipment, and the provision of adequate training on technology and industrial safety, including human health aspects. Not only does this allow for better access to new markets, but it also helps sustain businesses in the long term through lower operating costs, less maintenance and higher product quality and reliability.

Following the historic Paris Agreement adopted at the Twenty-first Conference of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC) in December 2015, the adoption of another historic climate deal was reached on 15 October 2016 in Kigali, Rwanda. Negotiators from 197 countries agreed to amend the Montreal Protocol to phase down super-potent greenhouse gas emissions known as hydrofluorocarbons (HFCs). The Kigali Amendment calls on developed countries, including the United States and the European Union, to start phasing down HFCs by 2019. A group of developing countries, such as the Peoples Republic of China, Brazil and most of Africa, are to follow up with a freeze of HFCs consumption levels in 2024, some others in 2028. UNIDO is ready to assist countries in meeting their obligations and challenges under the Kigali Amendment.

### “Partnering for sustainable change in the foam industry” in the Philippines

The polyurethane foam industry is a key sector of the economy of the Philippines, where many manufacturing sectors depend on the production of foam. The growth of the foam sector in the last decade resulted in higher consumption rates of chemicals, such as the foam-blowing agent HCFC-141b, an ozone-depleting substance controlled under the Montreal Protocol.

UNIDO supported efforts of Government of the Philippines to achieve its phase-out targets by implementing a project funded by the Multilateral Fund for the Implementation of the Montreal Protocol and a bilateral contribution by the Government of Japan. Nineteen foam manufacturing companies received assistance in replacing their old technologies and are now using alternative technologies such as liquid CO<sub>2</sub>, water-blown technology and hydrocarbons.

Apart from being ozone-friendly, these alternative substances also have a very low global-warming potential.

Project activities also included refurbishing manufacturing lines, purchasing new equipment (such as foam dispensers, or other safety equipment) and providing technical assistance and training to technicians.

One of the most unique aspects of the project was the strategy to identify the optimal alternative blowing agent for the production of spray foam. The country’s climate—hot and humid—and the locally available equipment made the adoption of any existing technology challenging.

To facilitate the selection, technology demonstrations by international chemical suppliers were organized in cooperation with all national stakeholders. In particular, Japanese suppliers and experts conducted a test of supercritical CO<sub>2</sub> technology. It became the first registered application of this technology in a developing country.

Like all projects funded by the Multilateral Fund in assisting countries in their HCFC phase-out, this one had a positive impact on the recovery of the ozone layer by eliminating some 40 tons of ozone-depleting potential. It also contributed to a reduction in climate emissions totalling 263,000 tons of CO<sub>2</sub>-equivalent per year.

The success of this project serves as an example to other countries that are in the process of phasing-out HCFC-141b from their foam sectors and seek sustainable alternative technologies.



## The Low-carbon low-emission clean energy technology transfer (LCET) programme

Energy poverty, inadequate generation capacity, unreliable services and high energy costs hinder access to affordable clean energy in many developing and least developed countries. Low-carbon, low-emission clean energy technologies and systems offer solutions to three key global challenges: energy poverty, lack of jobs and climate change. Innovative low-carbon technology solutions play a key role in linking sustainable energy with productive use, promoting climate action and sustainable industrial development. They can significantly help not only in reducing greenhouse gas emissions, but also in improving livelihoods.

To address the above-mentioned challenges, UNIDO and the Ministry of Economy, Trade and Industry (METI) of Japan initiated a global collaborative programme in 2013. The programme is called “Low-carbon low-emission clean energy technology transfer (LCET)”. The LCET programme provides linkages to the Joint Crediting Mechanism (JCM).

The LCET programme provides an innovative comprehensive technology transfer mechanism assisting developing countries in the following areas:

1. Identifying Japanese low-carbon, low-emission clean energy technologies for demonstration projects
2. Demonstrating such technologies for local system deployment
3. Showcasing best-practice technologies and business models
4. Mainstreaming sustained replication and knowledge management
5. Catalysing the development of market environment for new technologies



### Impact

In its first phase, the programme focused on LCETs in the fields of micro-hydropower, solar energy, and waste-to-energy technology solutions in Africa. Two ultra-low head micro-hydropower (ULH-MHP) technology system projects were implemented in Mwea (Kenya) and Fentale (Ethiopia). They demonstrated on a local level how the technology is operated to generate electricity for productive use and how it should be maintained.

In contrast to conventional hydro-power systems, the ULH-MHP technology system can generate electricity when installed in agricultural irrigation canals, as well as in drinking and waste water canals. The installation of this environmentally friendly system requires minimal engineering works. Moreover, it is also easy to maintain. This makes it suitable for generating electricity in off-grid areas, especially in developing countries.

In 2015, training sessions on installation, operation and maintenance of ULH-MHP technology system were held in Japan for Ethiopian and Kenyan trainers who would later teach local staff. The first ULH-MHP technology demonstration pilot installation was launched in Fentale in April 2015 and in Mwea in November 2015 with over one hundred participants present. The mini-grid system based on a 10 kW ULH-MHP unit aimed to catalyse productive activities in the rural area of Fentale while developing institutional human capacity, scaling up the industrial value chain and enhancing the policy framework.



## Key results

- » The LCET programme links energy services with industrial needs to stimulate economic growth
- » Innovative business models based on new technologies increase the efficiency of everyday activities
- » Multi-stakeholder and multi-disciplinary approaches strengthen the links between government policy development and industry application
- » Improved institutional mechanisms enable to adopt better policies to regulate rural energy services
- » Industrial value chains are promoted for technologies and policies
- » Fostered strategic partnerships, including linkage to the Joint Credit Mechanism (JCM)



Photo after and before the installation of the 10kW ULHMHP system at an irrigation canal close to Kiuria village in Mwea (Kenya)



# The way forward

Decades of successful cooperation, recent strengthening of relations, and synergies between UNIDO's mandate of inclusive and sustainable industrial development and Japan's quality growth principle — all these factors have laid solid blocks in the foundation for expanded future cooperation between UNIDO and Japan.

UNIDO appreciates this close relationship and hopes that Japan — as a key partner and major donor of the UNIDO — will offer the Organization its further support both as an active Member State in the governing bodies and a generous sponsor of technical cooperation projects.

Future joint UNIDO-Japan initiatives will continue to address persisting and emerging challenges faced by developing and least developed countries: industrial development and rehabilitation of countries on the way from humanitarian needs to development; poverty eradication and job creation in post-conflict nations and countries affected by migration; assistance to nations struggling with the aftermaths of natural disasters and other shocks, as well as countries in the middle income trap. The supplementary budget of the Government of Japan, for instance, has proved it can offer reliable assistance to address the urgent and unanticipated needs of the poor.

There is also much potential in further expanding the close cooperation between UNIDO and the Ministry of Economy, Trade and Industry (METI) of Japan. The aforementioned LCET programme is a flagship initiative of UNIDO and a model for the public-private partnership approach. Discussions are already underway about expanding this programme to include geothermal energy promotion.

UNIDO's advantage, when compared to other UN programmes and organizations or national implementing agencies, is its practical hands-on experience and specific expertise in the area of private-sector development, built up over the past five decades. Its finely-crafted long-term relations with various industry branches and research institutions, as well as its pioneering philosophy of modern growth make this Organization a solid partner for Japan, the land of ultra-modern technology and innovation.

Based on its unique mandate and its role in helping developing countries and countries in transition gain access to new technologies, UNIDO will continue working closely with the private sector, including Japanese companies. Also, the Investment and Technology Promotion Office in Tokyo, which celebrates its thirty-fifth anniversary this year, will continue to provide opportunities for partners in developing and emerging countries, creating such partnerships.

By joining their efforts, UNIDO and Japan will continue setting and achieving ambitious targets in the area of inclusive and sustainable industrial development.

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