

ISID NEWSLETTER: focus on the PCP

Advanced session of the Seventh ISID Forum: Insights from PCP countries



27 NOVEMBER 2018

VIENNA INTERNATIONAL CENTRE

Upcoming advanced session of the Seventh ISID Forum to focus on the Programme for Country Partnership (PCP)

UNIDO is organizing an advanced session of the Seventh ISID Forum entitled “Insights from PCP countries”. The session will provide Member States with an opportunity to hear directly from government representatives of PCP countries about their first-hand experiences, achievements, lessons learned and vision for the future. Participants will have the occasion to ask questions and interact directly with the speakers.

The event will take place on Tuesday, 27 November 2018, on the sidelines of the 46th session of the Industrial Development Board, from 9:00 to 10:30 am (CET) at the Vienna International Centre, C-building, Boardroom C.

For more information on the programme, visit the event webpage:

<https://www.unido.org/advanced-session-seventh-isid-forum-insights-pcp-countries>

PCP briefing for Member States

16 November 2018 – Participants at this meeting discussed the work carried out by UNIDO to implement the recommendations of the independent mid-term evaluation on the PCPs and highlights of progress from the six ongoing PCPs. The briefing also introduced the upcoming advanced session of the Seventh ISID Forum and presented UNIDO’s work plan on the PCPs for the first half of 2019. It was attended by representatives of 65 Permanent Missions to UNIDO, including 17 based in Geneva, and is the third such briefing organized for Member States this year.



Highlights

PCP Cambodia launches first projects and partnerships take shape

- **New project to promote the adoption of clean, low-carbon technologies by manufacturing companies in agro-industries:** The project will combine the transfer of environmentally sound technologies, policy advice, incentives and awareness-raising activities, with a focus on manufacturing companies in agro-industries and the garment sector. Funded by USD 1.8 million from the Global Environment Facility (GEF), the project has been developed by UNIDO, together with Cambodia's Ministry of Industry and Handicraft and Ministry of Environment. The new project will support Cambodia's goal of reducing greenhouse gas emissions by 3.1 million tonnes by 2030. An official launch gathered over 120 participants from national institutions, business associations and federations, the private sector and academia.



Project launch in Phnom Penh, Cambodia

- **Capacity-building programme to support to the implementation and monitoring of Cambodia's Industrial Development Policy (IDP 2015-2025):** Senior government representatives from the Council for the Development of Cambodia, the Ministry of Economy and Finance, as well as from ministries responsible for industry and handicrafts, tourism, and agriculture, forestry and fisheries, among others, will benefit from the programme. Valued at USD 1.2 million, the programme is funded by the Republic of Korea. A launch is foreseen in late November 2018.
- **Collaboration with Worldbridge International (Cambodia) initiated to support the development of small and medium-sized enterprise (SME) clusters:** The logistics solutions provider Worldbridge International

and the Government of Cambodia, together with the United Nations Development Programme (UNDP) and UNIDO, organized an initial workshop to discuss ways to further develop Cambodia's SME agro-processing sector and special economic zones, and to diversify manufacturing supply chains, including within the framework of the PCP.

PCP Ethiopia's integrated agro-industrial parks (IAIPs) attract company and investor interest; construction advances

- **Over 300 companies apply for occupancy status in the IAIPs:** Ethiopia's Regional Industrial Park Development Corporation has received over 300 applications to date. Seven companies have been approved to date, including five international companies. Construction of all four pilot IAIPs is expected to be completed in 2019.
- **African Development Bank (AfDB) explores investment opportunities in the IAIPs:** Four missions to Ethiopia were conducted by the Bank over the course of 2018. Loan and grant negotiations are ongoing between the Government of Ethiopia and the European Union (EU), the AfDB and other development partners for potential investments of over USD 200 million in infrastructure, skills development and value chain development linked to the IAIPs.
- **EU and Italian Agency for Development Cooperation fund IAIP gap assessment study:** The results will support the development of a large-scale agricultural value chain development and investment programme linked to the four IAIPs being established. The study is currently ongoing.
- **National strategies for the textile sector and for SME clusters developed by the PCP:** Both strategies were presented to national counterparts and validated at respective workshops. Several trainings have already been organized on the implementation of the SME cluster programme. Next steps include presenting the strategies to potential funding partners with a view to commence implementation next year.



Worker in a textile factory in Ethiopia

PCP Kyrgyzstan works towards finalization of industrial strategy

- **Draft national strategy for industrial development submitted to the government for endorsement:** The strategy identifies priority sectors for the development of Kyrgyz industry, including targets and indicators, and was developed within the framework of the PCP. It was designed by UNIDO in cooperation with the International Institute for Applied System Analysis (IIASA) and the active engagement of national stakeholders, including the Kyrgyz State Committee for Industry, Energy and Subsoil Use and the Ministry of Economy. The draft is currently under review by relevant authorities and, upon approval, will serve to fine-tune the PCP Kyrgyzstan Programme Document and related interventions.
- **PCP Kyrgyzstan presented at the 5th International Economic Forum “Issyk-Kul 2018”:** To increase awareness and understanding of the PCP approach, its objectives and benefits, UNIDO organized a briefing for international and national stakeholders and potential partners. An exhibition was also organized showcasing local products produced with the support of a UNIDO technical project.

- **Linking tourism to productive activities in the Kyrgyz Republic:** As part of its ongoing technical cooperation project focused on linking tourism to productive activities in the Issyk-Kul region, UNIDO will further support SMEs operating in selected value chains to acquire modern equipment and upgrade facilities to boost their export competitiveness. Study tours to Slovenia, Spain, the Russian Federation and Uzbekistan were organized for government representatives, agro-processors and tour operators from Kyrgyzstan to help them learn from other countries’ best practices in creating synergies between productive activities and tourism.



Dordoi Bazaar, Bishkek, Kyrgyzstan

Final programming mission for PCP Morocco; national coordination body holds its first meeting

- **UNIDO PCP team conducts final programming mission to Morocco 23-29 September 2018:** The mission served to conduct a final round of data collection and hold additional discussions with various counterparts and stakeholders to finalize PCP Morocco components. It builds on earlier discussions and consultations held during the visit to UNIDO headquarters by the PCP team leader of the Government of Morocco, Taofique Moucharaf, Director of Communications, International Cooperation and Partnerships at the Ministry of Industry, Investment, Trade and Digital Economy. A signing ceremony for the Programme Document is expected to take place on the sidelines of the 46th session of the UNIDO Industrial Development Board.



Mission to Morocco 23-29 September 2018

- **First meeting of the National Coordination Body (NCB) takes place:** The NCB held its first meeting in September 2018, gathering focal points from all ministries involved in the PCP. The NCB is responsible for PCP management at the national level and will oversee the operational coordination and implementation of programme activities.
- **Roundtable held in Rabat brings together PCP Morocco focal points and potential partners:** Representatives of financial institutions including the AfDB, the European Investment Bank, the World Bank and the Islamic Development Bank participated in the roundtable chaired by the Ministry of Industry, Trade, Investment and Digital Economy of Morocco. Consultations were also held with potential donors and business sector associations to identify synergies and collaboration opportunities within the PCP.



Roundtable in Rabat, Morocco

PCP Peru strengthens institutional foothold; work on industrial park strategy in final stages

- **Coordination body of PCP Peru becomes embedded in the national Multi-sectoral Commission for Productive Diversification:** As a way to further strengthen the governance structure of the PCP, Peru's Ministry of Production established a sub-group at the Commission to host the PCP National Advisory Board. The Commission already has established legal status and active membership of government representatives, including the Ministry of Economy and Finance, as well as chambers of commerce, private sector associations and other key public and private institutions in the sphere of industrial development.
- **National strategy for industrial parks in final stages:** The Ministry of Production and UNIDO, in close collaboration with the business sector, are now in the final stages of formulating the National Strategy for Industrial Park Development. The World Bank and the Inter-American Development Bank are also involved in the development process. The Strategy will have an emphasis on productive infrastructure, decentralized logistics and sustainability, and is expected to be finalized in December 2018.
- **PCP Peru promotes transition towards a circular economy:** Peru hosted its first international forum on circular economy from 12 to 13 September 2018 to promote the exchange of knowledge, experiences and success stories of sustainable models of industrial development. The event was organized by UNIDO, in cooperation with the EU and Peru's Ministry of Production and Ministry of Environment. It gathered over 200 representatives of

government, academia, civil society and industry from the European Union and the Latin America and the Caribbean region. At the closing of the forum, Peru's Vice-Ministers of Production and Environment announced their commitment to developing a comprehensive work plan for a circular economy in Peru.



Circular Economy Forum 2018 in Lima, Peru

PCP Senegal prepares for upcoming inauguration of Diamniadio industrial park; companies already installed



Entrance to Diamniadio industrial park in Senegal

- **Diamniadio industrial park opens for business:** An official inauguration by the President of Senegal, Macky Sall, is planned for 22 November 2018, starting with celebrations for Africa Industrialization Day gathering UNIDO, development partners and the private sector. The park already hosts seven companies, national and international, operating in the sectors of electronics, leather and textiles. The Government of Senegal has invested around USD 44 million in the establishment of this park, which has already unlocked around USD 40 million of private investment. Diamniadio is a flagship project of the industrial component of the Plan Senegal Emergent and has benefited from UNIDO technical assistance and advisory support through the PCP.

- **President Macky Sall becomes Champion of the Third Industrial Development Decade for Africa (IDDA III):** The President was awarded the title on the occasion of a high-level event on the IDDA III organized on the margins of 73rd UN General Assembly in New York, recognizing Senegal's accomplishments in advancing industrialization and leadership of the PCP.

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