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INDUSTRIAL DEVELOPMENT ORGANIZATION



Programme for
Country Partnership



SEVENTH FORUM

ISID

INCLUSIVE
SUSTAINABLE
INDUSTRIAL
DEVELOPMENT

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

Report



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

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INTRODUCTION

As part of its convening role, UNIDO organizes regular forums on inclusive and sustainable industrial development (ISID). These forums bring together UNIDO Member States and partners to engage in a dialogue on various aspects of industrial development, exchange knowledge, forge partnerships and shape strategies for advancing ISID. The first such forum was held in 2014. So far, six ISID Forums have been organized.¹

On 27 November 2018, an advanced session of the Seventh ISID Forum was held in Vienna on the sidelines of the forty-sixth session of the UNIDO Industrial Development Board.

The event focused on the Programme for Country Partnership (PCP) and aimed to provide Member States with an opportunity to engage in a direct dialogue with government representatives of all six PCP pilot countries: Cambodia, Ethiopia, Kyrgyzstan, Morocco, Peru and Senegal.

Titled “Insights from PCP countries”, the session was moderated by journalist and television news anchor, Sarah Kelly. Building on this session, UNIDO will hold a Seventh ISID Forum on the sidelines of eighteenth session of the Organization’s General Conference in 2019.



From left to right: Adama Baye Racine Ndiaye, Javier Dávila Quevedo, Admasu Nebebe, Li Yong, Youssef El Bari, Emil Osmonbetov, Bunthon Thay, Sarah Kelly.

¹ For more information on past ISID Forums, visit <https://www.unido.org/first-isid-forum>

About the Programme for Country Partnership

The PCP is UNIDO's newest programmatic service for accelerating ISID in Member States. The PCP aims to facilitate the mobilization of partners, expertise and resources for larger development impact, contributing to the achievement of Sustainable Development Goal (SDG) 9 and other relevant SDGs.

Each programme is tailored to specific country needs and aligned with the national development agenda, while maintaining several key features: (1) ownership and leadership of the host government; (2) selected priority industrial sectors or areas; (3) a multi-stakeholder partnership; and (4) the facilitation of public and private investment. The PCP combines UNIDO's advisory and normative services, technical assistance and convening function to deliver an integrated service package to Member States.

The PCP was first introduced in mid-2014 and is currently ongoing in six countries - Cambodia, Ethiopia, Kyrgyzstan, Morocco, Peru and Senegal - covering each region of the globe and constituting the piloting phase.² In 2019, new PCPs will be initiated to support the industrialization goals of Côte d'Ivoire, Egypt, Rwanda and Zambia. UNIDO will progressively expand the programme to additional countries.

² For more information on the PCPs, visit <https://www.unido.org/programme-country-partnership>.

PROCEEDINGS

This report summarizes the session's proceedings based on the audio transcript.

OPENING REMARKS

Li Yong – Director General, UNIDO

It is a great pleasure to be here today to open this advanced session of the Seventh ISID Forum, which focuses on the Programme for Country Partnership, or, the PCP as we call it. We have the honour to have with us representatives from the six ongoing PCPs: Cambodia, Ethiopia, Kyrgyzstan, Morocco, Peru and Senegal. Thank you all for coming.

Today's advanced session of the Seventh ISID Forum is organized especially to provide, you, representatives of our Member States with the opportunity to hear directly from the owners of the PCPs on their experiences, lessons learned and achievements. I hope this will give you a deeper insight into how the PCP can and are making a difference in accelerating inclusive and sustainable industrial development.



“UNIDO operationalizes the PCP first and foremost as a partnership, one that is owned and led by the respective country. The PCP approach strives to scale up the impact of our technical interventions by leveraging public finance and private investment in key sectors, those that generate jobs and help national economies grow, which supports poverty reduction.”

We seek to facilitate a platform for the pooling of resources and expertise from various partners. We actively build synergies

with ongoing interventions to maximize development impact. And, together with the delivery of technical assistance, advisory services and the convening function, we aim for an integrated service package for our Member States.

Each PCP represented here today is at a different stage and, as you know, each programme is tailored to specific country needs. Government representatives from the very first two PCPs, Ethiopia and Senegal, are on the panel and they will tell you more about some of the milestones achieved during its implementation of flagship and complex industrial projects. In Peru, we have been working closely with the Government on a policy to guide the development of sustainable industrial parks, which you will hear more during this session. In Cambodia, Kyrgyzstan and Morocco, we have been working with our national counterparts and partners to finalize the programming phase and are setting up coordination structure to start implementation. As part of this process, for Kyrgyzstan and Morocco, we conducted a country diagnostic to help identify which key areas to focus on. In Morocco, for instance we will be working with the Government to boost innovation and technology with a PCP priority area specifically dedicated to Industry 4.0. All these experiences in different regions and contexts are helping us learn and refine our approach as we move towards a wider PCP portfolio.

On this occasion, I am happy to announce that the Secretariat has agreed, in principle, to initiate the programme formulation process for four new PCPs over the course of 2019, in Côte d'Ivoire, Egypt, Rwanda and Zambia. UNIDO committed to gradually expanding the PCP to more countries and we look forward to working with our Member States and partners towards the success of these programmes, and other future PCPs.

At the same time, UNIDO is taking the initiative to upgrade, as much as possible, all our current approaches, building on the features of the PCP and the experiences gained through the six pilots so far. UNIDO will also continue its efforts to support Member States in mobilizing funds and strengthening partnerships for all our programmes and services. We remain

committed to engaging with you, hearing your suggestions, and working together to support countries in the achievement inclusive and sustainable industrial development.

Before I conclude, please allow me to extend my thanks again to both our distinguished panellists and representatives of Member States for their presence and for readiness to engage in what I am sure will be very fruitful discussions and exchanges today.

Building on today's session, UNIDO intends to organize the 7th ISID Forum on the sidelines of the 18th General Conference where I hope we all meet again and discuss further PCP achievements including from the new PCP countries.



PANEL SESSION

Sarah Kelly – Moderator



Ladies and gentlemen, it is now time for our panel session for which we have about an hour. We are tapping into insights of PCP countries and, as Mr. Li Yong just mentioned, we have representatives of the six current PCP countries

with me here today: Cambodia, Ethiopia, Kyrgyzstan, Morocco, Peru and Senegal.

Those of you here who might not be familiar with the PCPs, here is a little bit of background to kick us off today. The PCP is UNIDO's programmatic service to support Member States in accelerating inclusive and sustainable industrial development. Here are the four key features on which it is based: (i) government ownership and leadership; (ii) a focus on selected priority industrial sectors or areas; (iii) a multi stakeholder partnership; and (iv) the facilitation of public and private investment.

We also heard the Director General mention the fact that the six PCPs are at different stages of development and today, we are going to kick off with the PCP in the newest stage of development- Morocco. Please allow me to introduce from Morocco, Youssef El Bari, Secretary General of the Ministry of Industry, Investment, Trade and Digital Economy.

Your country already has a well-developed industrial agenda with very clear targets and clear goals. It is called the Industrial Acceleration Plan 2014-2020. One of the goals is to create half a million industrial jobs and another is to increase the share of industry to GDP from 14 per cent to 23 per cent. How do you see the PCP helping you to achieve these goals?

Youssef El Bari – Secretary General of the Ministry of Industry, Investment, Trade and Digital Economy, Morocco



Morocco launched an industrial strategy in 2014, the Industrial Acceleration Plan, with the aim to boost the Moroccan industry and

open itself to international markets through free trade agreements. We also tried to develop new industries with comparative advantages at the international level. This was challenging because by opening up our markets, a number of industrial sectors also became less competitive. We had to make significant investments in our infrastructure and then, step by step, develop industries with a comparative advantage.

The Industrial Acceleration Plan seeks to increase the share of industry to 23 per cent of GDP and foster employment with 500,000 new jobs. This is an ambitious goal, but we are half way there now. Results to date indicate that more than 280,000 jobs have already been created out of the 500,000 planned. We have also been able to increase our exports for various emerging sectors, such as automobile, aeronautic, textiles and agri-food. Moroccan exports rose between 2014 and 2017, averaging over 10 per cent. If we look at the automobile sector, for instance, we are looking at a capacity of 340,000 vehicles per year, which we are already doubling. It will be 700,000 by 2020 and is expected to reach one million. In addition, the level of local integration into vehicle manufacturing rose to 50 per cent and we are expecting this to exceed 65 per cent as of next year.

“We have a clear industrial strategy and we will implement this through the Programme for Country Partnership for Morocco, which has objectives very closely aligned to our national plan.”

We worked closely with UNIDO on a diagnostic and, during this phase of formulation, we defined a programme which addresses a number of sectors part of our strategy, which we will implement jointly.

For specific sectors such as the agri-food industry, we will seek to broaden the range of products with a new center for innovation, as a center of excellence for design and packaging in this specific industry. We will also work in the sector of E-commerce where we also hope to play a greater role through contributions from this programme. There are also other cross-cutting issues such as the sustainability of our industry.

“We will work together to establish a new generation of sustainable industrial parks and focus on the circular economy, which we would like to further strengthen in Morocco. There is also Industry 4.0, South-South cooperation and greater overall integration in the African economy, which is very important for Morocco. We hope that this programme will help us to share our experience with various African countries and also help us to identify business opportunities with different countries.”

Sarah Kelly

Next, we are going to hear from one of the first PCPs, which is in implementation since 2015 – Ethiopia. Please allow me to introduce Mr. Admasu Nebebe, Minister of Finance and Economic Cooperation. We know that in Ethiopia, the PCP is supporting Ethiopia's Growth and Transformation Plan II and vision of becoming a leading manufacturing hub in the region. You have been involved in the PCP from the very beginning, over the course

of the past few years, so you have firsthand insights that you bring to the table. What would you say, in your opinion, has been the main contribution of PCP Ethiopia to your country's industrial development over these past three years?

Admasu Nebebe – Minister of Finance and Economic Cooperation, Ethiopia



“I would like to highlight several benefits which the PCP has provided to my country. Number one is about strengthening partnerships; it is a critical element or a key success factor for the acceleration of Ethiopia's industrial process. When we say partnerships, we are talking about internal and external partnerships.”

Internal partnerships is about coordinating and establishing an institution within the government. Previously, it was left only to the Ministry of Industry to handle the issue of industrialization in my country. But after the introduction of PCP, what we have managed to do is to mobilize many sectors relevant to industrial development, such as the Ministry of Agriculture, the Ministry of Livestock, the Ministry of Finance, and the Ministry of Science and Technology. Similarly, at the regional level, we have brought together different bureaus related to agricultural industries and established an industrial corporation in the region.

“Institutions within the government are now working together; we established inter-ministerial taskforces led by different ministries, which has helped us to synergize and coordinate our activities.”

The second benefit is related to the partners around us. Previously, many of our partners were supporting the industrial sector but in a very fragmented manner, separately. Now we have mobilized, we have established a taskforce that coordinates partnership issues through the Ministry of Finance. Because of this, we have synergized the resources that we are mobilizing from partners, also the knowledge and the technical assistance provided by different entities.

“This partnership, synergy and coordination has also helped us to mobilize more resources.”

We are getting significant resources from many actors and seeing huge interest from new actors. We are mobilizing hundreds of millions of US dollars for the establishment of four pilot integrated agro-industrial parks. So, this is another one of the benefits. Again, we are really building institutions; institutions at the federal and at the regional level to implement our industrial policies and strategies.

The other benefit of the PCP is that it has helped us to focus, because there is a huge need in industrial development. We have a lot of comparative advantages but we focused on three critical elements: number one is agro-industry (agro-processing); the

second is textiles; and the third is leather and leather products. We have created many industrial parks specialized in textiles and are also establishing a Modjo Leather City; a big city specialized in the leather sector. We have identified four pilot integrated agro-industrial parks. It has helped us to focus our energy, our resources, and our knowledge and technology. Our partners are really mobilized along this line and, because of this, we are moving forward. These are, in a nutshell, the benefits so far that the PCP has provided to my country.

Sarah Kelly

Next, we are going to head to Kyrgyzstan, where we are joined today by his Excellency Mr. Emil Osmonbetov, Chairperson of the State Committee on Industry, Energy and Subsoil Use.

Excellency, we know that UNIDO, for example, has been supporting your government in formulating a national strategy for industrial development, based on the results of the country diagnostic that was conducted. How has the support provided through the PCP so far helped your government to define the way forward?

Emil Osmonbetov – Chairperson of the State Committee on Industry, Energy and Subsoil Use of the Kyrgyz Republic.



The Kyrgyz Republic was once, if not an industrial country, an agro-industrial one with a large number of industrial companies for various agricultural products. Today, however, some of this capacity has been lost.

“UNIDO’s support in developing a strategy for sustainable industrial development was extremely relevant and I would like to thank UNIDO for that.

On the basis of the diagnostic conducted by UNIDO experts, we identified priority sectors for boosting the country’s industrial capacity, including renewable energy, extractive industry, light-industry (including textiles), as well as the production of construction materials from local raw materials. ”

We defined the most promising areas for industrial development that will be addressed through a cluster approach, as well as the conditions, including mineral fuel resources, labour resources and the energy potential. On the basis of all of this, we identified about two dozen regions to be targeted by the strategy.

First and foremost, we are focusing on resource-saving, the influx of new technologies, and training of our experts who would be working in these fields. The potential I talked about earlier needs to be strengthened at government level. Today, the President and the Prime Minister are focusing on developing the country’s industrial capacity to support the economy. Regarding mineral resources in our country, in the early days we had great extractive capacity and were the main coal extractors in Central Asia. Today, developing green economies has taken the forefront.

Sarah Kelly

Next, we head to PCP Peru, which has been in implementation since this year, 2018. It is my great honor to introduce Mr. Javier Dávila Quevedo, Vice-Minister of Industry and Small and Medium-Sized Enterprises, Ministry of Production.

We know that Peru has developed a “Plan 2021” to accelerate inclusive and sustainable development and work towards achieving OECD membership. Your Ministry, together with UNIDO, has been working closely with the private sector to develop a national strategy for industrial park development that is in its final stages. Can you tell us a bit more about the strategy and why it is so important for Peru? Also, as a second point, how has the private sector been involved?

Javier Dávila Quevedo – Vice-Minister of Industry and Small and Medium-Sized Enterprises, Peru



In Peru, we have been working on a strategic productive diversification plan since 2014 and, as part this plan, we have established a number of significant elements. One of our deficiencies has been to develop industrial infrastructure, which is our focus now. There is need to redirect our strategy for the development of industrial parks. That means we need not only to allocate space and land for establishment of industries, but also to take a strategic approach to how these industries can be set up and looking at what types of industrial parks we want to promote.

Accordingly, we have been working with UNIDO and the private sector in developing these strategies. We expect to finalize this process towards the third quarter of next year. There are four types of industrial parks: mixed parks, where one can find different sectors and different sized enterprises: mainly medium and large. We have industrial parks that offer a space for small and medium-sized enterprises, which can be linked to bigger industrial parks and special economic zones where national and foreign companies are located, mainly export companies. We also have logistics parks. These four types of industrial parks have to be linked to the national industrial park infrastructure. We are working on this in order to ensure synergies.

“The benefits we hope to derive from the PCP Peru are as follows: on the one hand, improving overall governance throughout the country with regard to industrial development and, on the other, better public and private coordination and closer relationships between the public and private sectors. It is very important that the private sector is involved from the very outset so that there is a sense of ownership of the model and the strategies being developed, feeding into a shared industrial vision.”

There are four main elements: infrastructure, which is fundamental to increase competitiveness; innovation; development through global value chains; and the cluster approach. These are the areas we have been working on through the PCP with UNIDO. We hope that by 2021, we will have a changed production model in our country.

Sarah Kelly

Next, we will head to Cambodia, to his Excellency Mr. Bunthoung Thay. He is the Ambassador and Permanent Representative of the Permanent Mission of Cambodia to the World Trade Organization.

We know that Cambodia has an Industrial Development Policy (IDP) 2015-2025. One of the main priority areas is industrial diversification and the development of special economic zones (SEZs). Cambodia already has some SEZs that are already up and running and very well established. Why do you want to expand this particular area now through the PCP and what are your plans for the future. How can the PCP help you achieve these national development goals?

Bunthoung Thay – Ambassador and Permanent Representative of the Permanent Mission of Cambodia to the World Trade Organization



We have more than 40 special economic zones with 15 currently under operation. The SEZs operate under the authority of the Council of Development of Cambodia and

seek to attract investment and create jobs for youth. We have the potential to establish a SEZ in the coastal province of Sihanoukville, not only for agro-food processing but also for service sectors such as tourism, and this is being supported by the PCP.

“Our development policy, the IDP for 2015 to 2025, has identified SEZs as a means to support competitive industries and to create high skilled jobs for youth.”

With regard to the question on how the PCP helps to achieve this, the PCP for Cambodia focuses on three main areas: the development of tourism; the development of competitive agro-industry and creative industry value-chains; and industrial diversification, in particular through SEZs.

“The PCP supports the government in adopting appropriate mechanisms, facilitating public and private investment, and facilitating international financial institution loans in support of SEZ infrastructure. The PCP is very unique and well suited to complement our efforts. The PCP also allows us to easily access international best practices and experiences.”

The PCP is aligned with the IDP of Cambodia and our goal to accelerate the sustainable development of industry.

Sarah Kelly

Next, we go to PCP Senegal which was launched back in 2015, so has already been in operation for a number of years. Please allow me the great pleasure of introducing Mr. Adama Baye Racine Ndiaye, the Secretary General of the Ministry of Industry and Small and Medium Industry of Senegal.

I know that one of the most important priorities in your country is the establishment of integrated industrial parks. One of these modern complexes, the Diamniadio industrial park, was just inaugurated a few days ago by your country's president. How did the park come about and what are your expectations for the park in the future in terms of impact for the greater Dakar area as well as for Senegal's overall economy?

Adama Baye Racine Ndiaye – Secretary General of the Ministry of Industry and Small and Medium Industry of Senegal



“The Programme for Country Partnership for Senegal was launched in 2015 and is a tool for operationalizing the industrial component of the Plan Sénégal Emergent, which is Senegal’s principal policy framework for social and economic development. Several significant achievements have recently been made. As you mentioned, the President of the Republic, H.E. Mr. Macky Sall, inaugurated Diamniadio, the first industrial park supported through the PCP. This is an achievement for both the Plan Sénégal Emergent as well as for the Programme.”

This park stretches over 53 hectares. The first phase of the park, which covers 13 hectares was entirely financed by the Government of Senegal in the amount of CFA 25 billion. Funding for second phase is already committed with around CFA 60 billion mobilized by the Government of the People’s Republic of China. The park aims to house non-polluting labour-intensive manufacturing industries whose products are aimed at exports in addition to import substitution. With this park, we sought to move industry out of Dakar and accelerate sustainable industrial development in Senegal.

The park is expected to establish 23 non-polluting industrial units, create 23,000 jobs, contribute to a GDP increase of CFA 139 billion per year, and increase exports by CFA 192 billion per year.

This is particularly significant in a context of youth unemployment and needing jobs for youth and women, which we believe can be generated through industrial parks. This is also why national strategies for industrial park development are so important, as PCP Peru discussed.

Such a strategy would help us to consolidate our achievements, namely the first phase of the Diamniadio industrial park, the other two existing industrial parks in the country – Sandiara and Diass – but also to accelerate the second phase of Diamniadio which covers 43 hectares. There are also two additional industrial parks in the pipeline which we would like to establish within the framework of the *Plan Sénégal Emergent*.

Overall, we have a great dynamic. I would like to take this occasion to highlight the work and the support of UNIDO in Senegal, which has allowed us to boost industrial development in the country.

Sarah Kelly

We understand that there are many Member States who are interested in the PCP. We have six representatives present here today that hold a lot of insights, a lot of keys to the success of their programmes. This is an opportunity for you to ask questions and tap into that insight. I see one question here in Vienna.

Vivian Okeke – Ambassador of the Federal Republic of Nigeria to the Republic of Austria

I am the Nigerian Permanent Representative to UNIDO in Austria. I would like to direct my questions to the State Minister from Ethiopia.

Your model of the PCP has been very successful and, because of that, we from other African countries are looking forward to becoming part of the PCP programme. I noted you said that one of the main elements of the programme was the mobilization of financial resources, especially with the broader involvement of the private sector.

My question and concern is the sustainability of industrialization programmes not only in your country but across the African continent, especially with regard to policy changes. What efforts are being made to increase the involvement of the private sector in order to ensure the sustainability of these programmes even after the government in power has

changed? Because if the private sector is involved, then projects and programmes can be sustained.

Admasu Nebebe

The private sector is one of the critical factors for industrial development in my country and in Africa. If the private sector is less or otherwise not fully involved, then it will not be sustainable anymore. Among the key measures being implemented by the new Government of Ethiopia, especially the Prime Minister, are economic reforms that seek to attract both the domestic and the international private sector to serve as an engine of economic growth for the country.

Agro-industrial parks are one of the priorities of the Prime Minister with regard to the industrialization process. We are implementing an economic policy reform that will create a more enabling environment for the private sector, both local and international, to sustain our activities in this process. All policies are trying to address bottlenecks faced by the private sector in the past. The private sector in Ethiopia has still to grow. There has been a lot of focus on small and medium-sized enterprises in the country, including implementing favorable policies, such as to promote inclusiveness in financing. The government is providing an enabling environment for the private sector, such as through the provision of energy, infrastructure, including roads for the agro-industrial process, logistics and others. In the agro-processing sector, the private sector is already getting involved and starting production.

Sarah Kelly

One of the key features of the programme is the multi-stakeholder approach based on the idea that by combining resources from various stakeholders, for example, expertise, finance, investment and technology, a larger impact can be achieved. Therefore, I would like to propose to our panellists to tell us a little bit more about the multi-stakeholder approach and how it has been working within the PCP. Excellency Thay, can you tell us more about how you have been engaging with different partners as part of PCP Cambodia?

Bunthon Thay

As part of PCP Cambodia, we have been engaging with various stakeholders, including from the public and private sector and development partners. The PCP, which is supported by UNIDO, is helping us to have a dialogue with these partners. We have strong ties with the European Union, the World Bank and other development partners. Within the PCP, for instance, we established cooperation with the Republic of Korea, which is funding technical assistance support of more than US\$ 1 million. The European Union has been supporting Cambodia in the fisheries sector

with about US\$ 100 million supporting the Ministry of Agriculture and Fisheries.

Similarly, we are in the process of coordinating with the World Bank and the UN, in particular UNIDO, the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP), together with non-governmental organizations, for funding support through the Global Environment Facility (GEF). Finally, we see great cooperation potential with development partners such as Japan and China.

Sarah Kelly

There are many Member States interested in the PCP programme. I would like to ask the representative from Senegal - what would you say to countries that are interested in a PCP? What would you advise and what do you see as the key to the success of the programme?

Adama Baye Racine Ndiaye

The opening of the Diamniadio industrial park is really a source of pride for us. People needed to see it to believe it. Our industry was lacking partners for a long time. I still remember, together with the UNIDO Representative for Senegal at that time, working on mobilizing partners to support us in this endeavor. It took a lot of effort, but today, with the opening of the Diamniadio park, we are witnessing a lot of interest from partners. This of course is thanks to the work of the Government of Senegal but also thanks to UNIDO's support. The Diamniadio industrial park hosts various

businesses from different countries, which currently employ more than 1,000 people. This is a tangible outcome, an operational park that people can come and see with their own eyes and which is helping us to attract partners.

The establishment of agro-poles is also another flagship project part of the PCP on which we are working on with a lot of partners. The Government of Senegal wants to establish three agro-poles; in the North, Centre and South. This endeavor is being supported by UNIDO, particularly with regards to partner mobilization. For the agro-pole in the South, in addition to UNIDO supporting us, we have the Islamic Development Bank which is interested. For the agro-pole in the Centre, in addition to UNIDO who will be conducting the feasibility study, we have interest in cooperation from Belgium and the World Bank. For the agro-pole in the North, the African Development Bank and other partners stand ready to support us. I think it was needed to see something tangible, such as the Diamniadio park, to mobilize more partners.

Sarah Kelly

What we heard from Senegal is a real success story. I would now like to turn to the representative from Morocco as one of the newer PCPs. Can you tell us a bit more about the initial steps that you are taking within the PCP?

Youssef El Bari

Indeed, we are at a different stage in Morocco, but we have already had an opportunity to witness the efficiency of the approach during the design phase.

“Even the formulation of the programme integrated this multi-stakeholder approach, which is specific to the PCP process. In particular, we ensured that funding partners were on board from the outset, which is something that will provide a great deal of added value. We also witnessed how the private sector got involved, which is equally essential and something we did for our industrial strategy as well.”

However, it is challenging to get the private sector not only involved in the design phase, but also the implementation phase. We count on the PCP to support us in getting the private sector involved in the implementation stage. There is always a degree of mistrust between the public and the private sectors and we believe that UNIDO, with its credibility and expertise, can help us ensure that this governance runs as smoothly as possible. With regard to the PCP, we also count on all the expertise that UNIDO brings to the table. That is why we emphasized the need to have very clearly defined focus areas, so that we may benefit the most from this expertise.

Sarah Kelly

Excellency from Kyrgyzstan, how have you been engaging with different partners as part of the PCP?

Emil Osmonbetov

The Kyrgyz Republic is actively working with donors as well as with international organizations. We are carrying out a broad spectrum of projects with UNIDO including in the areas of trade, export, promotion of priority sectors, green economy, as well as other fields of industrial development. A strong cooperation was developed with the Kyrgyz-Russian Development Fund. Today, about 1.5 thousand projects are being carried out amounting to US\$ 300 million. We opened Textile Trans for textile production, Imperial Group for footwear production and I would also like to note that we recently opened the Aravan Cement Factory which produces not only cement but also CO₂, where we applied the most modern technologies that, in principle, do not produce emissions. We are working with TIKa in the area of education. In the field of medicine, a new modern public clinic was inaugurated. From 7 to 16 of November, the Kyrgyz textile week was organized with the support of UNDP, the International Trade Center and the European Bank for Reconstruction and Development. I would say there is still room for improvement and we will continue working on this in the future.

Sarah Kelly

I would like to head to Peru now. How have you been engaging with different partners as part of PCP Peru?

Javier Dávila Quevedo

In Peru we have been working in the framework of a multi-sectoral commission in order to ensure better coordination between the public and private sectors. We focused on establishing a PCP group or task force, which brings together representatives from the public and private sector, lead ministries and main trade and business associations in the country to cooperate on coordination of the PCP with UNIDO, and to ensure greater efficiency over time. At the same time, we are also working on setting up a partner and donor working group. This is one of the commitments from the Government of Peru to ensure that we have the necessary financing in place to implement projects and, to date, we have already received support from Switzerland, Spain, China and the European Union. However, it is important in parallel with this donor group to work together with the private and public sector in order to develop strategies to secure funding for projects such as industrial parks.

“The PCP, as we see it, is as a mechanism that helps us to ensure greater coordination nationally between the public and private sector in the area of industrial development.”

One example of this close coordination is identifying partners and this is part of our ongoing efforts focused on the circular economy. In September 2018, a first international forum on the circular economy was held in Lima, with support from UNIDO and the European Union, co-organized together with the Ministry of Production and the Ministry of Environment, and this helped mobilize the private sector's interest in developing an industrial strategy. It led to an increased mobilization of the private sector that is very interested in developing a strategy for circular economy. In this regard, we are working together with the European Union, UNIDO and our government on a first road map. This will lead to mechanisms for further developing the circular economy and

will allow us to make further progress. We are moving forward in trying to identify synergies and ensure coordination between the public and private sector to meet the objectives set under the PCP.

Sarah Kelly

Ladies and gentlemen, I would like to open the floor to any questions.

Juan Menaia – Participant

My name is Juan Menaia from Peru and I would like to ask a question to Mr. Javier Dávila, the Vice-Minister of Industry of Peru. We know that informalities are a big problem in developing countries and I would like to ask- how can the PCP help deal with this challenge, particularly through the aggregation of industrial parks. How can industrial parks reduce informality directly or indirectly?

Javier Dávila Quevedo

Informality as you put it, or the informal sector, is one of the issues that we need to work on in our country, as is the case for other developing countries too. We think that the PCP is going to help us in a number of areas. Chiefly, because we are trying to promote an approach that ensures that the companies that are involved in this process gain market access.

In our Ministry, we believe that one of the ways to reduce the informal nature of employment is to promote or facilitate market access for enterprises to work in industrial parks so that they can be formally established, become true formal structures. Those companies that are interested in being located in industrial parks, as would be the case for most of them, will have to abide by the rules. Generally speaking, working with the PCP is going to allow us to further develop some of the tools and instruments that will lead to greater formality of the employment sector. This means providing incentives to attract more companies.

Sarah Kelly

We now have a question from Geneva.

Delegate from Senegal to the WTO – Geneva

There are certain overall difficulties encountered by the industrial sector in developing countries, particularly in Africa; therefore I would like to hear the panellists' views on how the PCP can provide tangible solutions to some of these challenges.

Sarah Kelly

Perhaps we can give this question to the representative from Ethiopia as one of the more established PCPs.

Admasu Nebebe

I think one of the critical challenges faced by African countries in the past is a lack of linkages between the agricultural sector and industrial development. Industrial development alone will never take Africa forward. We must link agricultural transformation with industrial development. Unless we work with whole value chains, we will still have a problem.

☞ *The PCP, in the case of Ethiopia, is helping to create a linkage; we are not talking about industrial development alone, but also about agricultural transformation with equal emphasis.* ☞

The resources we are mobilizing are not only for building the industrial park, but also for transforming agriculture. Most of Africa's

industrial factories are dependent on the import of natural or raw materials, which has created many challenges. We must develop the full value chain in order to address and accelerate the agro-industrial process, especially in manufacturing. We must exploit our comparative advantages. Investment should not only be on the hard infrastructure but also on the soft linkages. This in my view is a very critical element.

Diversification is an important issue for countries embarking on agro-industrial development. Trading among African countries will be a challenge if we are producing the same kinds of products. We must focus on the key comparative advantage of each country to ensure diversity and linkages, so there is also trade among African countries.

Sarah Kelly

Thank you very much for sharing that visit vision and, on that positive note, ladies and gentlemen, we conclude our panel session this morning. I would like to thank you very much for joining us here at the advanced session of the Seventh ISID Forum, "Insights from PCP countries". Today, we heard lessons learned and keys to the success of these programmes. We heard from the six PCP countries, from the newest to the most established, including Ethiopia, Cambodia, Senegal, Morocco, Peru, and Kyrgyzstan. We do indeed hope that we provided a bit of insight today here as many Member States interested in establishing a PCP.

BIOGRAPHIES

MODERATOR

Sarah Kelly – TV News Anchor and Journalist



Sarah Kelly is an American journalist and television news anchor. She is the Anchor-at-Large at Deutsche Welle in Berlin, where she hosts the flagship international news programme “DW News” and the talk show “Global Talk”. Previously, Sarah was an anchor and producer at Bloomberg Television in New York. In addition to her journalism, Sarah moderates at high-level global conferences, such as the World Economic Forum and the G20. She has been named a German Chancellor Fellow and an Atlantik-Brücke Young Leader. Sarah holds a Bachelor of Arts in political science (magna cum laude) from Columbia University, where she was a trustee scholar.

OPENING REMARKS

LI Yong – Director General United Nations Industrial Development Organization (UNIDO)



LI Yong, Director General of the United Nations Industrial Development Organization (UNIDO), has had an extensive career as a senior economic and financial policymaker. As Vice-Minister of Finance of the People’s Republic of China and a member of the Monetary Policy Committee of the Central Bank for a decade, LI has long been involved in setting and harmonizing fiscal, monetary and industrial policies and in supporting sound economic growth in China. Throughout his career, he has advocated financial-sector reform and prompted major financial institutions to establish corporate governance, deal with toxic assets and strengthen risk management. LI prioritizes fiscal and financial measures to promote agricultural development and small and medium-sized enterprises, both of which represent cornerstones for creating economic opportunities, reducing poverty and promoting gender equality. He played a key role in China’s cooperation with multilateral development organizations, such as the World Bank Group and the Asian Development Bank.

PANELLISTS

Youssef El Bari – Secretary General of the Ministry of Industry, Investment, Trade and Digital Economy, Morocco



Youssef El Bari serves as Secretary General of the Ministry of Industry, Investment, Trade and Digital Economy of Morocco, a position he holds since July 2017. He joined the Cabinet of the Minister of Industry, Investment, Trade and Digital Economy in 2014. Prior to this, he held several managerial positions at OCP Group, including as Director of Strategy as well as Director of Industrial Innovation, joining the company in 2009. Youssef El Bari began his professional career in 2004 with Air Liquide, the world leader in gases, technologies and services for industry and health. Among other tasks, he managed major industrial developments projects and production activities. Youssef El Bari is a graduate of the École Polytechnique, and holds a Master's of advanced studies in applied mathematics.

Admasu Nebebe – Minister of Finance and Economic Cooperation, Ethiopia



Admasu Nebebe is State Minister at the Ministry of Finance and Economic Cooperation of Ethiopia since December 2016, before which

he held several different positions within the same Ministry. Admasu Nebebe also acts as the Focal Person on aid coordination in Ethiopia. In this context, he leads the establishment of the aid architecture in the country, serves as Chairperson of the Harmonization Task Force established by the Development Assistance Group and the Government of Ethiopia High-Level Forum. He is currently the Chairperson of the Task Force on Partnerships and Resources Mobilization within the Programme for Country Partnership for Ethiopia. Admasu Nebebe holds a Master's degree in development studies from the Institute of Social Studies in The Hague, Netherlands, and a Bachelor's degree in management and public administration from Addis Ababa University.

Emil Osmonbetov – Chairperson of the State Committee on Industry, Energy and Subsoil Use of the Kyrgyz Republic



Emil Osmonbetov serves as the Chairperson of the State Committee on Industry, Energy and Subsoil Use of the Kyrgyz Republic. Previously, he served as Board Member of Kyrgyzaltyn OJSC, the biggest Kyrgyz company specialized in the development of gold deposits, as Chief Executives Officer of the Mineral Resources Company, and as Deputy Head of the State Agency for Geology and Mineral Resources under the Government of the Kyrgyz Republic, among other positions. Osmonbetov holds academic degrees specialized in prospecting and exploration of mineral deposits, and state and municipal management.

Javier Dávila Quevedo – Vice-Minister of Industry and Small and Medium-Sized Enterprises, Peru



Javier Dávila Quevedo is the Vice-Minister of Industry and Small and Medium Enterprises (SMEs) at the Ministry of Production in Peru. Prior to joining the Ministry of Production in May 2018, he held positions as Director of Employment Promotion in the Ministry of Labour and Employment Promotion and as Director of the Institute for Economic and Social Studies at the National Association of Industries. He has extensive experience in research and financial analysis, as well as in innovation and development projects for SMEs. Dávila is an economist who graduated from the University of Lima and holds a Master's degree from the Universidad Científica del Sur where he acts as Professor.

Bunthon Thay – Ambassador and Permanent Representative of the Permanent Mission of Cambodia to the World Trade Organization



Bunthon Thay serves as the Ambassador and Permanent Representative of the Permanent Mission of Cambodia to the World Trade Organization (WTO) and other international organizations related to economy and trade in Geneva, including UNIDO, since June 2018. Before this, he served as the Deputy

Permanent Representative of the Permanent Mission of Cambodia to the United Nations Office, the WTO and other international organizations in Geneva, appointed in 2015. He was Commercial Counselor during Cambodia's ASEAN Chairmanship in 2012, and between 2006 and 2011, served as the First Secretary of the Permanent Mission of Cambodia in Geneva, responsible for the WTO, the World Intellectual Property Organization and other negotiations. Bunthon Thay has held various positions with the Government of Cambodia since first joining in 1996, including as the Deputy Chief of the Service Office at the Ministry of Commerce responsible for preparations of ASEAN-India trade negotiations between 2003 and 2006, among others. He holds a Master of Business Administration in international business strategy from the Hitotsubashi University of Japan and a Bachelor of Business Administration in accounting from the Faculty of Business in Cambodia.

Adama Baye Racine Ndiaye – Secretary General of the Ministry of Industry and Small and Medium Industry of Senegal



Adama Baye Racine Ndiaye serves as Secretary General of the Ministry of Industry and Small and Medium Industry of Senegal since December 2017. Prior to this, he served as Deputy Governor, President of the Special Delegation of the Diourbel Regional Council, Prefet of Department and as Director of Cabinet. Adama Baye Racine Ndiaye is a civil administrator by training. He holds a Master's degree in economic sciences, a diploma of engineering in works planning, and a diploma from the National School of Administration of Senegal.



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