

UNIDO GENERAL CONFERENCE ADOPTS NEW RESOLUTION REITERATING SUPPORT FOR THE PROGRAMME FOR COUNTRY PARTNERSHIP (PCP)

Decisions and resolutions of the 18th session of the UNIDO General Conference underlined the PCP as an important tool for accelerating countries' inclusive and sustainable industrial development. Through the Abu Dhabi Declaration, Member States highlighted that the "PCP supports participating States in achieving the SDGs and [we] call on UNIDO to streamline actions towards the implementation of the PCPs".

A resolution specific to the PCP — submitted by the European Union and its Member States, the Group of 77 and China, and co-sponsored by Kyrgyzstan and Peru — was also adopted by the General Conference. The resolution emphasizes the PCP as an effective means

for up-scaling the work of UNIDO and underscores the high-level commitment at the national level. It notes the involvement of various partners from programming to implementation, and the established synergies through the PCP, including with the UN development system. Member States further called on UNIDO to continue supporting the PCP model and to facilitate experience-sharing as the programme expands to additional countries.

PARTNERSHIPS FOR ADVANCING INDUSTRY AND THE 2030 AGENDA, FOCUS OF UNIDO'S SEVENTH ISID FORUM

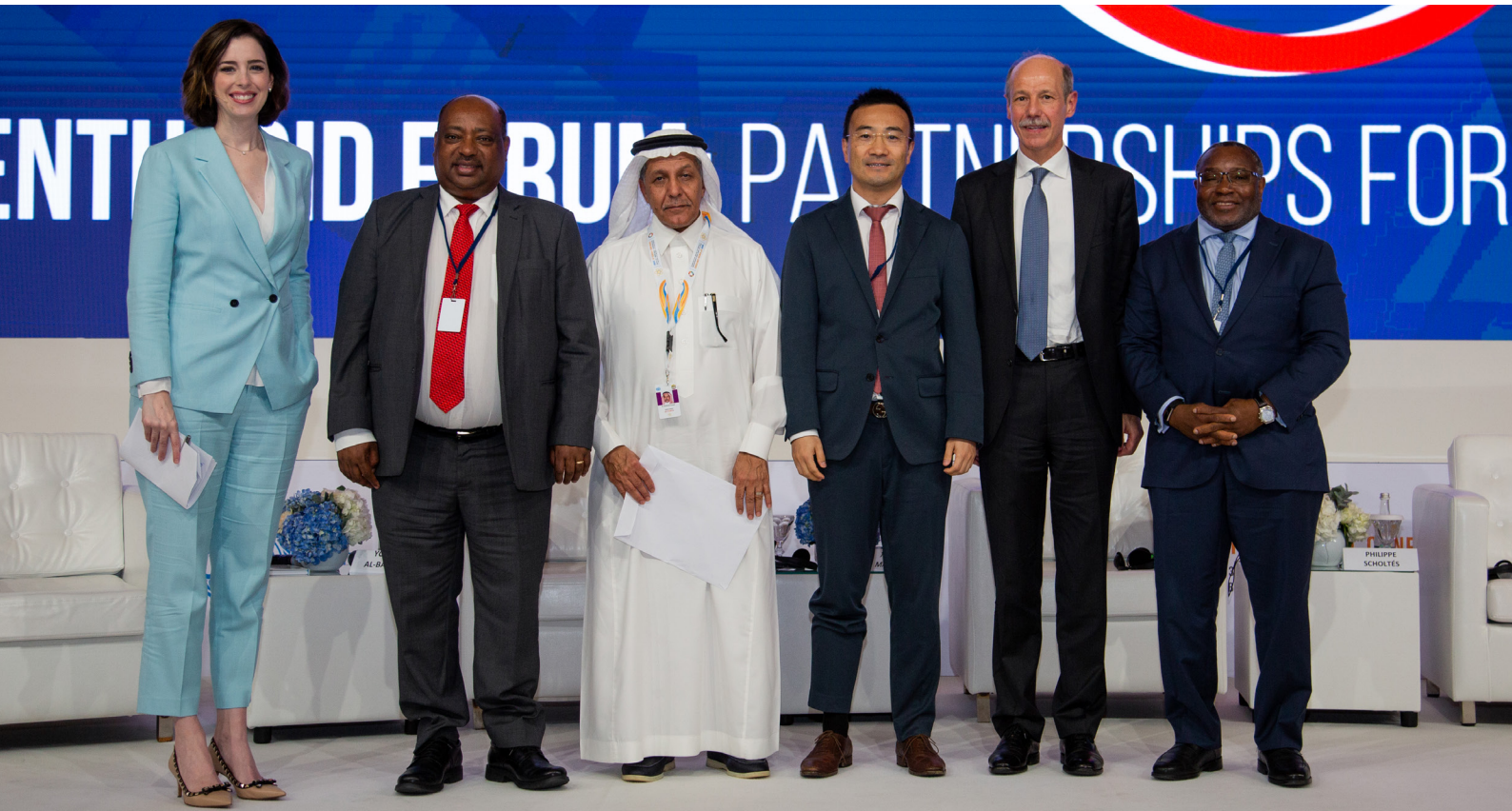
Held on 3 November 2019 as part of the General Conference, the event featured two panel discussions, moderated by journalist and television news anchor, Sarah Kelly.



SEVENTH ISID FORUM: PARTNERSHIPS FOR INDUSTRY 2030



From left to right: Sarah Kelly, Moderator; Prasidh Cham, Senior Minister of Industry and Handicrafts, Cambodia; Souleymane Diarrassouba, Minister of Commerce and Industry, Côte d'Ivoire; Rocío Ingrid Barrios Alvarado, Minister of Production, Peru; Adama Baye Racine Ndiaye, Secretary General, Ministry of Industry and Small and Medium Industry, Senegal; Albert M. Muchanga, Commissioner for Trade and Industry, African Union Commission; Mamadou Traoré, Commissioner for Industry and Private Sector Promotion, Commission of the Economic Community of West African States.



From left to right: Sarah Kelly; Admasu Nebebe, State Minister of Finance and Economic Cooperation, Ethiopia; Yousef Ibrahim Al-Bassam, Chairman of the Board of Directors, Arab Bank for Economic Development in Africa; XUE Man, Vice-President, Huawei; Philippe Scholtès, Managing Director, Programme Development and Technical Cooperation, UNIDO; David Luke, Coordinator of the African Trade Policy Centre, United Nations Economic Commission for Africa.

High-level government officials from PCP countries, representatives of international and regional organizations, financial institutions, the private sector and other development partners shared their experiences and views on challenges and opportunities as we strive to advance the 2030 Agenda. The first session looked at how multi-stakeholder partnership models, such as the PCP, can advance national development goals, including the Third Industrial Development Decade for Africa. The second session drew attention to how various entities contribute knowledge, expertise, technology and financial resources to support industrialization.

Côte d'Ivoire's national commitment to the new PCP was underlined through an exchange of letters between Director General LI Yong and Souleymane Diarrassouba, the Minister of Trade and Industry, at a signing ceremony as part of the event. A joint declaration was also signed between UNIDO and Huawei on promoting information and communication technologies in developing countries, as well as an implementation agreement for a new project on sustainable industrial zones in Peru.

NEW PCPs IN DEVELOPMENT: CÔTE D'IVOIRE, EGYPT, RWANDA AND ZAMBIA

CÔTE D'IVOIRE

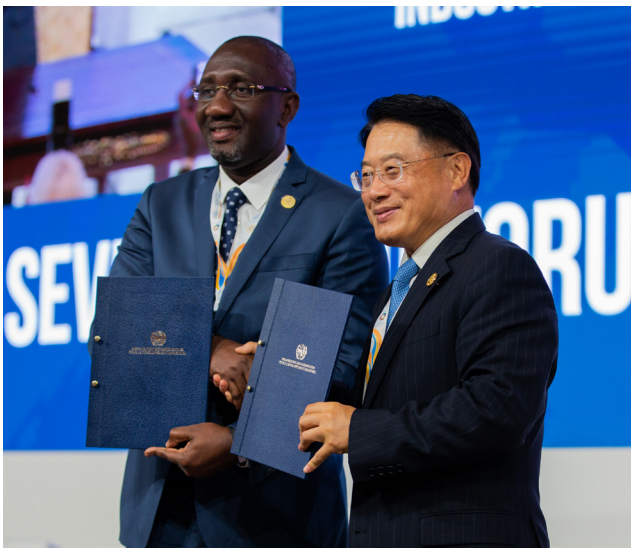
Government confirms commitment to the PCP, including through a national resource allocation: The Prime Minister of Côte d'Ivoire, Amadou Gon Coulibaly, through an official letter addressed to Director General Li, committed to financial contributions of € 120,000 to support the programming phase of the PCP. DG Li and Souleymane Diarrassouba, Minister of Trade and Industry of Côte d'Ivoire, exchanged letters on this commitment at the occasion of UNIDO's Seventh ISID Forum in Abu Dhabi.

PCP governance structure being established: A national coordination body is being set up under the chairmanship of the Prime Minister's office; inter-ministerial composition and private sector

representation have been agreed upon. A partner and donor working group will also be established, co-chaired by the Minister of Economy and Finance and the Minister of Trade and Industry.

Tentative priority areas identified to support the National Development Plan and the Government's Social Programme: The four tentative focus areas are:

i) ISID governance, competitiveness and innovation; ii) eco-industrial parks; iii) agro-industry; and iv) circular economy. Cross-cutting interventions will comprise skills development, including related to Industry 4.0, and investment promotion. In 2020, UNIDO will conduct a country diagnostic to finalize the programme's components.



Exchange of letters between **Souleymane Diarrassouba**, Minister of Trade and Industry of Côte d'Ivoire, and **DG Li** at the occasion of UNIDO's Seventh ISID Forum in Abu Dhabi.

EGYPT

Programming in full swing; country diagnostic in final stages: PCP focus areas are being finalized together with the Government of Egypt, building on the results of the ongoing UNIDO country diagnostic. The diagnostic is expected to be completed early 2020. This will guide the formulation of a comprehensive programme document for the PCP, and support the development of Egypt's industrial roadmap for the period 2020-2025. In December 2019, DG Li met with Abdel Fattah Al Sisi, President of Egypt, to discuss the PCP. They agreed to expedite the programming phase to move the PCP into implementation.

National coordination body established and operational: Three meetings were already held in the course of 2019. The PCP coordination body is chaired by the Chief of the Prime Minister's office



UNIDO delegation led by DG Li meets **Abdel Fattah Al Sisi**, President of Egypt, to discuss the PCP (December 2019).

and composed of representatives from all relevant ministries and national authorities. The Government of Egypt has also pledged to allocate national funds to PCP programming.

UN development system, donors, financial institutions and the private sector engaged from the onset: Several roundtables were held in Egypt to raise awareness on the PCP and identify collaboration opportunities. The UN Resident Coordinator in Egypt and UNIDO hosted a workshop for representatives of the Afreximbank, the European Bank for Reconstruction and Development (EBRD), the International Fund for Agricultural Development (IFAD), and the World Bank Group to explore PCP cooperation. At the occasion of DG Li's mission to Egypt, the President of the Egyptian Federation of Industries also indicated a strong interest in participating in the PCP.

RWANDA AND ZAMBIA

Tentative PCP priority areas identified, next step country diagnostic: UNIDO teams conducted several missions to discuss PCP formulation with the respective government and potential partners. Discussions were held on the national coordination structures and composition, including specialized task forces, and national in-kind and financial resource allocations to the PCP. Tentative priority areas were identified. Next steps include the launching the country diagnostic, which will help finalize the PCP priority areas and the development of respective programme documents.

- **PCP Rwanda:** i) integrated agro-industrial parks; ii) livestock value chain development; iii) garments; iv) Industry 4.0.
- **PCP Zambia:** i) improving the policy environment; ii) industrial skills development; iii) promoting value addition in light manufacturing.

SELECTED PCP HIGHLIGHTS

ETHIOPIA

Multi-stakeholder initiative amounting to US\$ 270 million to support the development of the four integrated agro-industrial parks (IAIPs); UNIDO to support stakeholder coordination.

UNIDO will support the coordination of a new initiative called the "Promotion of Sustainable Ethiopian Agro-industrial Development (PROSEAD)", which centers on the four IAIPs. The European Union (EU) and UNIDO signed an agreement on this at the occasion of the PCP's Inter-Ministerial Coordination Committee meeting held in July 2019.

PROSEAD is the result of joint efforts by the Government of Ethiopia, the EU, the African Development Bank (AfDB), the European Investment Bank (EIB), the International Fund for Agricultural Development (IFAD), the French Development Agency (AFD), the German Society for International Cooperation (GIZ), and UNIDO. Additional parallel projects funded by Italy, the AfDB, the Korean Exim Bank and the AFD, among others, will support the PROSEAD initiative, amounting to over \$270 million in pooled resources.

UNIDO will work to establish a coordination framework to harmonize the various stakeholder interventions related to the IAIPs, including PROSEAD itself, and accelerate the mobilization of public and private investments.



Signing ceremony of the UNIDO-EU cooperation agreement as part of PROSEAD, in the presence of Ethiopian Government representatives.

UNIDO to support the Government of Ethiopia by implementing an AfDB grant: UNIDO's technical services will support the government in implementing the capacity-building component of the Bank's IAIP-support project. This will contribute to the PROSEAD initiative where the AfDB is responsible for the implementation of agro-industrial infrastructure and capacity development. UNIDO will implement US\$ 4.5 million of the Bank's grant through a new five-year project. An agreement on this was signed between UNIDO and the Ethiopian Ministry of Trade and Industry in October 2019.

The IAIPs and the surrounding rural transformation centers are 80-100% complete: Since the launch of this project, more than US\$ 700 million has been earmarked from various development partners towards IAIP-related initiatives. To date, it has created approximately 21,000 jobs and attracted more than 150 private companies wishing to invest and relocate businesses within the parks. The construction of the Yirgalem IAIP in the Southern region is finished, 11 investors have signed contract agreements with the Regional Industrial Park Development Corporation, and an avocado processing company is already operating in the park.



Construction complete at the Yirgalem IAIP (SNNP region).



Avocado processing company at the Yirgalem IAIP.

CAMBODIA

PCP Cambodia expands its partnerships and technical portfolio: So far, over US\$ 20 million was mobilized for new projects within the PCP, in particular for industrial policy support, industrial statistics, the fisheries value chain, the development of special economic zones (SEZs), and the promotion of clean technologies. The Government of Cambodia and UNIDO held a partner briefing for representatives of permanent missions in Vienna to provide an update on progress and discuss collaboration opportunities. In addition to ongoing partnerships with China, the EU, Germany and the Republic of Korea, interest in cooperating through the PCP was expressed by Japan, Norway and Switzerland in areas such as skills development, investment, technology transfer, and SEZ development.



Large-scale fisheries programme launches in PCP priority area on agro-industry value chains: UNIDO will support the Government of Cambodia in developing the fishery sector through a five-year programme funded by the EU amounting to Euro 16 million (CAPFish). The new project will focus on strengthening national control systems, increasing the capacities of the private sector to comply with international standards and market requirements, and enhancing overall business competitiveness.

Capacity-building for industrial policymaking: PCP Cambodia is supporting the government in implementing its industrial development policy for the period 2015-2025, but also in enhancing national capacities in policy design, monitoring and evaluation. This is being done through a capacity-building project of US\$ 1.2 million funded by the Republic of Korea. A complementary project, funded by China, is helping to develop industrial statistics and monitor the PCP's contribution to the implementation of Cambodia's Industrial Development Policy (IDP) and progress towards the Sustainable Development Goals.



Partner briefing on PCP Cambodia held at UNIDO Headquarters, Vienna, September 2019.

MOROCCO

New technical projects for PCP priority areas in final stages of development; partnership and resource mobilization ongoing: Since the signing of the PCP Morocco Programme Document in March 2019, UNIDO has been developing nine new technical projects to support the priority areas of the PCP. The Government of Morocco has allocated resources to the programming phase and committed yearly financial contributions to the coordination of the PCP.

In parallel, various activities were carried out to mobilize partners and identify concrete cooperation opportunities as the PCP moves towards implementation in 2020. Meetings on cooperation prospects were held with various bilateral and multilateral partners. A mapping exercise was conducted by UNIDO, in particular for collaboration with financial institutions and the business sector. Closer synergies were also established with the national private sector and international enterprises.



Morocco's Industry Meeting Day 2019.

PCP supports key industry events in Morocco: This included Industry Meeting Day, the largest annual national conference on the industrial sector, which in 2019 also launched the first edition of the "Industry Awards". Organized by the Industry of Morocco Magazine and supported by the Ministry of Industry, Trade, and Green and Digital Economy, the event gathered more than 1,500 participants

from the national and international private sector, as well as policymakers, academia and media. UNIDO presented its experience supporting technical and vocational education and training (TVET), in line with this year's theme of industrial innovation and training for employment creation. UNIDO also supported the country's first Forum on Industrial Parks, which helped to share experiences and best practices in the development of industrial infrastructure and modern industrial zones, as well as Morocco's first Global Industry 4.0 Conference.

KYRGYZSTAN

Approval of the Kyrgyz National Strategy for Sustainable Industrial Development 2019-2023: On 27 September 2019, the Prime Minister of the Kyrgyz Republic signed a government decree approving the new Sustainable Industrial Development Strategy for 2019-2023 and its accompanying Action Plan. The Strategy and Action Plan were developed with the support of UNIDO, building on the findings of the country diagnostic conducted in 2018. UNIDO has refocused the PCP's priority sectors based on the new priorities in the Strategy. The revised PCP Kyrgyzstan Programme Document was submitted to the government for approval in November 2019. Next steps include the setting up of a national coordination body, the official signing of the Programme Document, and ongoing resource mobilization activities in view of starting implementation in 2020.

Refocus of PCP priority areas: PCP Kyrgyzstan will focus on five prioritized sectors: energy; food and beverages; construction materials; textiles and apparel; and tourism. In addition, it will address cross-cutting issues such as institutional capacity-building, access to finance and investment promotion, export promotion and quality infrastructure, regional development, environmental sustainability, and gender mainstreaming.

PERU

New requests for UNIDO's technical expertise and advisory support: The Government of Peru has requested UNIDO's support in the formulation and implementation of a national industrial development policy and national guidelines for the establishment of technology parks. This builds on the established collaboration in the formulation of a national strategy for industrial park development, which will be integrated in Peru's new national Competitiveness and Productivity Policy for 2019-2030, and the national road map for circular economy, which launched in December 2019.

Refined national coordination body; PCP works to expand partnerships with the private sector and financial entities: The refined national coordination body of the PCP, the Inter-Ministerial National Advisory Board, was approved by presidential decree in November 2019. To facilitate regular engagement and consultations with the private sector, the PCP Peru Coordination Office was relocated to the premises of the National Association of Industries (SNI). Formalizing this enhanced collaboration, UNIDO and the SNI signed, in June 2019, a Joint Declaration on the promotion of PCP activities.

Strengthening cooperation with financial institutions was a focus in 2019, in particular with the National Development Bank (COFIDE). UNIDO and COFIDE are currently establishing a cooperation framework to support industrial park development, innovation, and to establish credit schemes for small and medium-enterprises (SMEs) in industrial zones.

The Development Bank of Latin America (CAF) and the Inter-American Development Bank (IaDB) have also voiced interest in supporting PCP projects, industrial policy development, and the implementation of the new strategy for industrial park development.



UNIDO delegation meets with the National Development Bank of Peru (COFIDE), at the occasion of the Director General's mission to Peru in June 2019.

Peru successfully holds its first international industrial park conference: UNIDO, the Ministry of Production and the National Association of Industries (SNI), organized Peru's first international conference on "Industrial Parks for Inclusive and Sustainable Industrial Development" in June 2019 in Lima. The event served to share international experiences and know-how on different aspects of industrial parks, including government policies, financial tools, private sector initiatives, eco-industrial parks, circular economy business practices, and applications of Industry 4.0.

Over 800 participants attended from more than 30 countries across Africa, the Arab region, Asia, Europe, and Latin America. Sixty international and national panelists, including government officials of Argentina, Egypt, Ethiopia and Indonesia, shared their know-how on industrial parks. At the conference, UNIDO also launched its International Guidelines for Industrial Parks, which provide step-by-step advice on the planning, development and operation of industrial parks.



DG Li with Peru's Minister of Production, Ms. Rocío Ingrid Barrios Alvarado, and the President of SNI, Mr. Ricardo Márquez, at the inauguration of the industrial park conference.

SENEGAL

Establishment of agro-poles gains momentum: Feasibility study for the first agro-pole is under finalization; Belgium's development agency, Enabel, signs funding agreement for next study.

The first study, funded by the Government of Senegal and focused on the establishment of an agro-pole in the southern region of Senegal, is nearly finalized. The AfDB and the Islamic Development Bank (IsDB) have already committed funding for the development of infrastructure.

The other two studies will focus on the setting up of agro-poles in the north and centre regions, and are expected to start in 2020. In December 2019, Enabel signed a funding agreement for € 860,000 with UNIDO for conducting the feasibility study in the country's central region. In parallel, the AfDB and the EIB have pledged to provide up to € 100 million in concessional loans to the government. The funding agreement for the feasibility study for the northern agro-pole is under finalization with the AfDB. In total, the three agro-poles are expected to create around 23,000 new jobs by 2023.

Diamniadio industrial park prepares for the next phase of expansion: The Export-Import Bank of China has committed over US\$ 100 million to the Government of Senegal to expand the Diamniadio industrial park by an additional 40 hectares. Currently, the park hosts 14 companies. An additional 30 companies have expressed interest in establishing their operations within the park, which is expected to create a total of 20,000 jobs by 2025. UNIDO will continue providing technical expertise and advisory services as the park expands.

PCP Steering Committee approves new road map for 2019-2020: Priorities in 2020 include the finalization of feasibility studies for the three agro-poles, the further development of industrial parks, and the review of Senegal's industrial policy. The PCP Steering Committee brought together Moustapha Diop, Senegal's Minister of Industry and Small and Medium Industry, as well as other government representatives, the UN Resident Coordinator in Senegal, Pryia Gajraj, development partners and the private sector to assess progress and identify priorities for 2020. Senegal's parliament has approved a budget of around US\$ 180 million for industrial reforms and projects in 2020.



PCP Steering Committee validates road map for 2019-2020.

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