EQuIP – Enhancing the Quality of Industrial Policy
Knowledge transfer & empowerment for structural transformation
For so long, it was difficult to understand why implementation of the industrial policy was such a challenge. Now I understand that much has to do with the way we carry out the process of producing the document in the first place.

Malawi Government Official

Is EQuIP relevant for you?

Does your Government want to...

- Effectively promote the structural transformation of your country?
- Take the driver’s seat in the policy design and implementation process?
- Become independent from external policy advice and no longer be told what to do?
- Pursue an innovative and pragmatic approach to industrial policy?
- Experiment with local solutions instead of following the “copy-paste” approach to policy design?
- Establish a national team of IP experts with state-of-the-art industrial policy design and implementation capacities?
- See concrete results and maximize policy effectiveness?

The evidence-based approach of EQuIP enables the GIZ projects to provide the project partners with tailor-made support based on their very own needs, and to enhance their capacity to formulate more effective strategies for inclusive and sustainable industrial development. EQuIP’s flexibility and ability to respond to the specific needs of the project partners ensure more comprehensive and coherent policy-making at the regional and national levels.

Project Manager, GIZ Open Regional Fund

Does your Development Agency want to...

- Empower national actors in a partner country in their quest to shape the future structure of their economy?
- Approach industrial policy in a holistic way that considers economic, social and environmental dimensions of development?
- Ensure a sustainable solution with full knowledge transfer to counterparts that decreases dependency on continued support?
- Support action and move beyond a theoretical perspective and the production of policy papers?
- Involve a diverse range of stakeholders in a participatory policy process without losing focus and direction?
- Apply a highly flexible program for policy support that can be adapted to different contexts?

Pursue an innovative and pragmatic approach to industrial policy?

Establish a national team of IP experts with state-of-the-art industrial policy design and implementation capacities?

See concrete results and maximize policy effectiveness?

Empower national actors in a partner country in their quest to shape the future structure of their economy?

Approach industrial policy in a holistic way that considers economic, social and environmental dimensions of development?

Ensure a sustainable solution with full knowledge transfer to counterparts that decreases dependency on continued support?

Support action and move beyond a theoretical perspective and the production of policy papers?

Involve a diverse range of stakeholders in a participatory policy process without losing focus and direction?

Apply a highly flexible program for policy support that can be adapted to different contexts?
What is EQuIP?

EQuIP is a highly innovative programme that empowers governments to effectively design Industrial Policies (IP) through on-the-job coaching and knowledge transfer.

Countries recognized that this was undermining effective implementation as the over-reliance on external experts in the policy design process meant that the policies were never fully “owned” by the government and did not reflect local values, capacities and objectives.

GIZ & UNIDO wanted to support governments in their movement towards greater self-determination in the policy design process by developing a toolkit that could support in the areas of industrial diagnosis, strategy and policy design.

EQuIP provides a structured, evidence-based & strategic policy design process that takes advantage of state-of-the-art tools & information on industrial policy. It aims to strengthen the in-house capacities of governments to design, manage and implement industrial policies in an effective manner.

EQuIP was developed by GIZ & UNIDO in response to a rising demand for industrial policy support worldwide. At the time, the standard approach of development agencies was to write industrial policies for governments rather than supporting them to develop effective policies themselves.

EQuIP projects are tailor-made and customized according to countries unique objective & their stage in the policy process. Depending on the specific context, available time and resources, EQuIP can transfer the required technical knowledge to governments and supervise them to independently produce a range of concrete outputs:

- A new Industrial Policy or Strategy
- A strategic review of an existing Industrial Policy
- A costed Action Plan for an Industrial Policy
- A Strategy for the support of priority sub-sectors
- An Industrial Intelligence System (incl. analytical reports & policy briefs)
- A M&E system for Industrial Policy

One startling finding of my PhD research on Industrial Policy in Africa was that while motivation for selective state interventions is great among policy makers, their implementation was limited by the capacity to assess and design these policies by themselves. EQuIP an incredibly timely, innovative, and adequate toolkit to addressing such limitations.

“Participant of EQuIP Training-of-Trainers Program

Instead of producing these policy outputs externally, EQuIP puts national policy practitioners in the driver’s seat through:

- Enhancement of strategic capacities for industrial policy design, management & implementation
- Analytical knowledge transfer on industrial diagnosis, monitoring & evaluation as well as on key topical dimensions of industrial policy making
- A holistic range of training modules that consider social, environmental & economic dimensions of development
- Facilitation of multi-stakeholder dialogue and decision-making workshops
- On-the-job coaching & remote supervision while drafting an industrial policy
Why EQuIP?

1. **Self-Determined Industrial Policies**
   
   **Challenge:**
   Many countries continue to rely on external experts to draft their industrial policies. This frequently undermines effective implementation as the policies do not reflect local realities, context and implementation capacities. The “one-size-fits-all” approach to IP is not working.

   **Solution:**
   EQuIP supports greater self-determination by empowering governments to take the lead in designing industrial policies that are fully “owned” and understood by governments and reflect the countries unique context, capacities and objectives. The goal is not to design the most sophisticated strategy but the most pragmatic one that can be implemented effectively.

2. **Multi-Stakeholder Engagement**
   
   **Challenge:**
   Industrial policies frequently fail to achieve their desired results because they are developed in isolation from other policies and without sufficient participation of the private sector and other relevant stakeholders.

   **Solution:**
   EQuIP supports governments to design policies through a highly participatory approach that facilitates multi-stakeholder engagement throughout the policy design process so that there is widespread buy-in and support for the industrial policies.

3. **Focused & Goal-Oriented Industrial Policy**
   
   **Challenge:**
   Many countries face major challenges with implementation due to the fact that their industrial policy documents look more like a long “shopping-list” of interventions rather than a concrete plan. Most Action-Plans don’t consider the limited implementation capacities and available budgets. As a result, industrial policy programmes are commonly implemented in an ad-hoc and piece-meal fashion that do not stimulate the desired structural transformation.

   **Solution:**
   EQuIP supports governments to develop highly strategic industrial policies and realistic costed action plans. It supports governments to strategically allocate resources, prioritize objectives and develop concrete implementation plans to drive structural transformation.

4. **Evidence-Based Industrial Policy**
   
   **Challenge:**
   Industrial policies often fail to achieve their desired results because they are based in theory or power-politics rather than evidence. Many governments do not monitor their industrial performance or have systems in place to determine whether policies and programmes are having their desired effect.

   **Solution:**
   EQuIP trains national analysts to conduct a holistic assessment of industrial performance, set quantitative targets and establish monitoring and evaluation systems to ensure iterative learning and constant adaptations that maximize the impact of industrial policies.
The EQuIP training was an eye-opening experience to capacity-building in the field of policy making. It is more than a methodology, it’s a mind-set and framework to do industrial policy in a way that countries gain ownership of their development objectives. I believe that initiatives like EQuIP are needed all over the world to create the partnerships needed to meet the SDG’s.

Joseph Stiglitz, Nobel Prize Economist

EQuIP Project Structure

**EQuIP** projects enhance the effectiveness of industrial policy by focusing on the establishment of a modern policy design process rather than simply delivering documents. Every country requires a different focus and depth of support according to their stage in the process.

A core principle of **EQuIP** is to adapt the project structure and outcomes to the specific context of the country. However, we can generally distinguish between two types of **EQuIP** projects:

1. An integrated **EQuIP** project which provides a comprehensive support throughout all stages of the industrial policy design process
2. A modular **EQuIP** project which focuses on strengthening a particular aspect of industrial policy making

An integrated **EQuIP** project is most relevant for countries that are developing an industrial policy internally for the first time and would like comprehensive support at each stage of the policy design process. The Integrated **EQuIP** project consists of 7 phases that structure the policy design process into concrete steps and deliverables.

**What is Industrial Policy?**

**EQuIP** defines industrial policy as the government promotion of structural transformation through the support of economic activities that are perceived to be socially beneficial.

**Why do countries pursue industrial policy?**

• Today countries are using industrial policy for a variety of objectives, including:
  • Enhance competitiveness and accelerate economic growth
  • Generate employment and combat “jobless growth”
  • Diversify beyond a resource-based economy
  • Reduce inequality and poverty
  • Improve resource-efficiency and adapt to climate change
  • Build economic resiliency and self-sufficiency
  • ... More!

There is now a global consensus that industrial policies are an important part of the toolkit by which governments can help shape the economy for the better.

Joseph Stiglitz, Nobel Prize Economist

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Overview: Example project structure and timeline of an integrated EQuIP project

<table>
<thead>
<tr>
<th>Phases</th>
<th>Year 1</th>
<th>Year 2</th>
</tr>
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<tbody>
<tr>
<td>1. Project inception</td>
<td>2-3 weeks</td>
<td></td>
</tr>
<tr>
<td>2. Create shared IP vision</td>
<td>1-3 month</td>
<td></td>
</tr>
<tr>
<td>3. Conduct Industrial Diagnosis</td>
<td>6-9 month</td>
<td>Industrial Performance Report</td>
</tr>
<tr>
<td>4. Develop IP Strategy</td>
<td>9-12 month</td>
<td>Industrial Strategy document</td>
</tr>
<tr>
<td>5. Plan IP implementation</td>
<td>6-9 month</td>
<td>Draft IP &amp; Action Plan</td>
</tr>
<tr>
<td>6. Design M&amp;E framework</td>
<td>6-9 month</td>
<td></td>
</tr>
<tr>
<td>7. Finalize IP document</td>
<td>1-3 month</td>
<td>Industrial Policy validated</td>
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</tbody>
</table>

During the inception phase, the EQuIP project is tailored to the countries specific context, capacities and desired policy outputs.

The second phase brings together various stakeholders to establish a national “industrial policy expert group” and define a shared industrial policy vision for the country.

The third phase builds analytical capacities and an industrial intelligence system to inform an evidence-based policy design process.

The fourth phase supports the government to draft a new industrial strategy document through a goal-oriented, evidence-based and participatory process.

In the fifth phase the government is supported to assess current IP instruments, select new IP instruments and develop a costed action plan for implementation.

In the sixth phase, the government is supported to develop a practical and tailor-made M&E system for the new Industrial Policy.

In the final phase, the new industrial policy is finalized and validated.

* A full EQuIP project commonly requires a duration of 1.5–2 years (dependent on country capacities, resources, etc.)
### Integrated EQuIP project phases, milestones, knowledge transfer & work package

#### 1 Project inception

**MILESTONES**
- EQuIP project roadmap

**KNOWLEDGE TRANSFER RESULTS**
- The EQuIP approach
- Principles of effective IP
- How to set-up an IP task force
- ...

**KEY WORK PACKAGES**
- Consultation calls/meetings
- Project kick-off workshop
- Stakeholder mapping
- Creation of national drafting group
- Draft project roadmap & implementation plan
- ...

#### 2 Create shared IP vision

**MILESTONES**
- Multi-stakeholder IP vision

**KNOWLEDGE TRANSFER RESULTS**
- The role of IP for development
- Options for scope and orientation of IP
- How to organize public-private dialogue for IP
- Inter-ministerial cooperation for IP
- ...

**KEY WORK PACKAGES**
- Initiation of multi-stakeholder dialogue
- High-level forum on IP
- Expert group workshop on IP role in the country
- Facilitation of participatory decision-making
- Supervise national drafting group
- Support drafting of IP context & vision
- ...

#### 3 Industrial Performance Report

**MILESTONES**
- Industrial Performance Report

**KNOWLEDGE TRANSFER RESULTS**
- Methodologies to analyze industrial sector
- Economic, social & environmental assessments
- Industrial performance indicators
- Industrial & trade statistics/databases
- Data interpretation & analytical drafting
- Comparative analysis and benchmarking
- ...

**KEY WORK PACKAGES**
- Organizational development for Industrial analysis
- Establishment of industrial intelligence unit
- Training courses: "EQuIP diagnostic modules"
- Creation of industrial observatory
- Forum on industrial performance
- Production of policy briefs
- Support drafting of industrial performance report
- ...

#### 4 Develop IP Strategy

**MILESTONES**
- Industrial Strategy document

**KNOWLEDGE TRANSFER RESULTS**
- Key economic, social and environmental objectives of IP
- Strategic decision-making & prioritization
- International case studies of industrial strategy
- Setting strategic targets for IP
- Prioritizing intervention areas
- Target groups for IP (incl. sector selection)
- ...

**KEY WORK PACKAGES**
- Training courses: "Variety of IP objectives" & "IP intervention areas"
- Workshops to prioritize objectives, intervention areas
- Analytical workshops to develop target values for IP
- Multi-stakeholder dialogue on intervention areas
- Support drafting of IP strategy document
- ...

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**Notes:**
- The content is organized into phases, milestones, and work packages, providing a structured approach to the project.
- Each phase includes milestones, knowledge transfer results, and key work packages.
- The project focuses on creating shared IP visions, developing industrial performance reports, and strategizing for IP development.
<table>
<thead>
<tr>
<th>5 Plan IP implementation</th>
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<tbody>
<tr>
<td><strong>MILESTONES</strong></td>
</tr>
<tr>
<td>IP Instrument Action Plan</td>
</tr>
<tr>
<td><strong>KNOWLEDGE TRANSFER RESULTS</strong></td>
</tr>
<tr>
<td>+ Main types of industrial policy instruments</td>
</tr>
<tr>
<td>+ International case studies of IP implementation</td>
</tr>
<tr>
<td>+ How to create an IP instrument inventory</td>
</tr>
<tr>
<td>+ Assessing strategic fit and feasibility of IP instruments</td>
</tr>
<tr>
<td>+ Structure and role of IP action plans</td>
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<tr>
<td>+ Budgeting &amp; management of IP implementation</td>
</tr>
<tr>
<td><strong>KEY WORK PACKAGES</strong></td>
</tr>
<tr>
<td>+ Training course: “Types of IP instruments”</td>
</tr>
<tr>
<td>+ Support to create IP instrument inventory</td>
</tr>
<tr>
<td>+ Workshop to map &amp; assess IP instruments</td>
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<tr>
<td>+ Multi-stakeholder dialogue on IP instruments</td>
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<tr>
<td>+ Training on IP implementation tools</td>
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<tr>
<td>+ IP implementation planning workshop</td>
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<tr>
<td>+ Support drafting of IP action plan</td>
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<td>+ …</td>
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<tr>
<th>6 Design M&amp;E framework</th>
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<tr>
<td><strong>MILESTONES</strong></td>
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<tr>
<td>IP M&amp;E system</td>
</tr>
<tr>
<td><strong>KNOWLEDGE TRANSFER RESULTS</strong></td>
</tr>
<tr>
<td>+ Key M&amp;E tools for IP (intervention logic, ToC, logframes)</td>
</tr>
<tr>
<td>+ Definition of key performance indicators</td>
</tr>
<tr>
<td>+ Calculation of baseline and target values</td>
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<tr>
<td>+ Creating an IP monitoring system</td>
</tr>
<tr>
<td>+ Evaluation methods</td>
</tr>
<tr>
<td>+ Management of M&amp;E of IP</td>
</tr>
<tr>
<td>+ Experimentation and policy adaptation</td>
</tr>
<tr>
<td><strong>KEY WORK PACKAGES</strong></td>
</tr>
<tr>
<td>+ Training course: “M&amp;E of IP”</td>
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<tr>
<td>+ Set-up and coaching of national M&amp;E team</td>
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<tr>
<td>+ On-the-job training on M&amp;E processes</td>
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<tr>
<td>+ Facilitate M&amp;E data generation and analysis</td>
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<tr>
<td>+ Workshop to reconstruct measurable IP intervention logic</td>
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<tr>
<td>+ Support drafting of IP monitoring reports, mid-term reviews and impact evaluations</td>
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<td>+ …</td>
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<tr>
<th>7 Finalize IP document</th>
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<tbody>
<tr>
<td><strong>MILESTONES</strong></td>
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<tr>
<td>Validated IP document</td>
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<tr>
<td><strong>KNOWLEDGE TRANSFER RESULTS</strong></td>
</tr>
<tr>
<td>+ Stakeholder engagement process for IP validation</td>
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<tr>
<td>+ Political process of policy adoption</td>
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<tr>
<td>+ Strategic communication of IP</td>
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<tr>
<td>+ …</td>
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<tr>
<td><strong>KEY WORK PACKAGES</strong></td>
</tr>
<tr>
<td>+ Stakeholder validation workshop for new IP document</td>
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<tr>
<td>+ Facilitation of inter-institutional process of policy adoption</td>
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<tr>
<td>+ Support of final review, editing and refinement of IP documents</td>
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<tr>
<td>+ Development of communication plan for the IP</td>
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<td>+ …</td>
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Overview of available EQuIP knowledge transfer modules

EQuIP Diagnostic Training Modules
+ Quantitative methodologies to assess performance of the industrial sector
+ 12 training manuals for various topics of economic, social, environmental analysis
+ Introduction to key global databases for industrial statistics
+ Instructions for calculation of key performance indicators
+ Foundation for evidence-based IP process

EQuIP Policy Training Modules
+ Systematic step-by-step approach to structure IP design process
+ Detailed description of 10 common IP objectives and relevant intervention areas
+ Comprehensive database of global industrial policy instrument options
+ International examples of institutional set-up for IP
+ Foundation for focused and goal-oriented IP process

Examples of diagnostic training workshops:
+ Industrial production and export capacity
+ Sub-sector competitive performance
+ Upgrading of industrial production and export
+ Diversification of Industrial production and export
+ Industrial Employment and poverty alleviation
+ Gender equality in industry (?)
+ Industrial Energy & Material Efficiency
+ Industrial CO2 emissions (Climate change?)
+ Global value chains
+ Industrial organization and firm profiling
+ Industrial capabilities
+ Technological change and Industry 4.0 (?)
+ Benchmarking industrial performance with key competitors
+ Setting quantitative targets for industrial policy objectives

Examples of policy training workshops:
+ Aligning industrial policy to the countries’ national development goals
+ How to prioritize industrial policy objectives
+ Identifying synergies & trade-offs between various IP objectives
+ How to define suitable intervention areas to achieve priority IP objectives
+ Selecting priority sectors for Industrial Policy support
+ How to assess the strategic fit and feasibility of current Industrial Policy interventions
+ Propose and select concrete Industrial Policy instruments for implementation
+ How to develop an M&E system for industrial policy
+ Examples of institutional set-ups for industrial policy

Examples of Modular EQuIP Projects

If a country does not require a full-fledged integrated EQuIP project, a modular design approach should be considered. Modular EQuIP projects are more focused on individual components of the industrial policy design process and could encompass any of the phases of the integrated project described above. These projects commonly have a shorter duration, require a smaller project budget and follow a more selective approach to knowledge transfer. The following table summarizes selected examples of modular projects.
Establishment of Industrial Intelligence Unit
1. Establishment of analytical unit for continuous industrial analysis & monitoring
2. Knowledge transfer on holistic assessments of industrial performance
3. Creation of industrial performance reports, sector studies and policy briefs

Includes: 4-10 trainings on diagnostic modules of EQuIP, remote supervision of analytical work and establishment of industrial intelligence unit

Approx. 8 months

Facilitation of high-level, multi-stakeholder dialogue on Industrial development
1. Facilitation of a strategic exchange between various ministries, private sector representatives, civil society and donor agencies to discuss IP & development
2. Selecting priority IP objectives and crafting IP vision for the country

Includes: High-level kick-off meeting, strategic workshop on IP objectives, public-private dialogue forums, support of vision drafting

Approx. 2 months

Assessment and Review of existing IP programs and instruments
1. Review of current IP instruments strategic fit vs. priority development outcomes
2. Implementation feasibility and gap assessment of current IP instrument package

Includes: supervision of creating inventory of current IP instruments, 2 trainings on policy process (IP instruments & IP intervention logic), 1 strategic workshop to assess instruments suitability and feasibility

Approx. 4 months

Review/revision of existing Industrial Policy
1. Assessment of current IP focus, implementation progress and impact
2. Development of revised context appropriate Industrial Strategy (incl. IP vision, objectives, intervention areas and priority sectors)
3. Transfer of policy process knowledge

Includes: Facilitation of multi-stakeholder process, 2-3 trainings on policy process, 2-4 analytical workshops, 4-6 strategic decision making workshops, remote supervision of drafting group

Approx. 1 year

Development of Action Plan for the IP
1. Development of suitable and feasible IP Action Plan with detailed policy instrument package (incl. responsibilities, budget, time plan, etc.)

Includes: 2 strategic decision making workshops, 2 trainings on policy process (IP instruments & action plans), supervision of action plan drafting

Approx. 5 months
Establishment of an M&E system for IP

1. Tailor-made development of IP specific M&E framework, monitoring system and impact assessment plan

Includes: 3 trainings on policy process (focus on M&E), 2 analytical trainings on indicators, 1 analytical workshop to calculate baselines, advice on creation of IP M&E unit, supervision of drafting M&E plan

Approx. 9 months

Establishment of an M&E system for IP + Industrial policy for inclusive & sustainable development + Evidence-based industrial policy + How to harmonize industrial policy and trade policy + Industrial Policy Sector Selection Strategies + Industrial Policy for: • Employment Generation • Diversification & resource-beneficiation • Inequality Reduction • Resource efficiency and climate change mitigation + Industrial Policy Instruments: types and case studies + Methodologies for effective M&E of Industrial Policy + Planning an impact assessment for Industrial Policy instruments + ... and more!

Topical Industrial Policy Trainings

1-2 weeks

Ukraine – Development of New Industrial Strategy

EQuIP was used to support the government of Ukraine to develop a new industrial strategy in a capacity development approach.

Ukraine has experienced dramatic de-industrialization in recent decades and the government placed industrial policy as a critical priority to ensure greater economic prosperity and security. As a result of their history, there is high levels of expertise related to industry but also large ideological barriers between those who advocate for a protectionist vs. liberalization approach to industrial policy.

A multi-stakeholder process with higher level officials was facilitated by EQuIP experts through a series of expert group meetings that focused on the prioritization of industrial policy objectives, strategy development and selection of policy instruments. The results of the expert group meetings were then synthesized by the Ministry of Industry drafting group in the form of a new industrial policy.

The project was successful in transferring a large amount of knowledge to the key IP experts in the government while simultaneously ensuring the finalization of a high-quality draft industrial strategy document for submission to the cabinet.

I had the pleasure of working with EQuIP in 2017, collaborating on the Ukrainian Industrial Policy design project. This project united different Ukrainian experts from different fields. I was always in awe of the EQuIP team’s ability to get people on board with ideas, even people who were initially on completely different pages. No matter how tense an expert group meeting, the team made sure everyone left with a sense of personal importance to the group.

I would like to express my appreciation for this work, which brought outstanding contribution to our group. The EQuIP experts have a wide-ranged knowledge of all aspects of industrial policy, not only developed countries, but also developing countries such as Ukraine that made a dramatic difference in the productivity of our team.

Director of Industrial Policy Department, Ministry of Economic Development and Trade Ukraine

Examples of EQuIP in Action

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Director of Industrial Policy Department, Ministry of Economic Development and Trade Ukraine
"Honestly, I would like to express the following heart felt statement about the EQuIP team. In 2017, our Working Group on Industrial Policy and Action Plan of the Ministry of Industry had the opportunity to work with EQuIP through UNIDO’s technical assistance project on Myanmar’s Industrial Development Policy, Strategy and Action Plan. We obtained precious knowledge and themes for consideration on policy making in which approaching from the foundation of goals through the suitable and feasible actions are highlighted. During the working days with the EQuIP team, wide knowledge and global awareness could be achieved. Now, we can see a way forward to continue to climb up the next stairs. How great is that?

Deputy Director General, Ministry of Industry, Myanmar

Myanmar – Development of Sector Strategies

EQuIP was applied to enhance the capacity of the government in the industrial policy process and particularly to draft an Action Plan for the textile sector.

After decades of relative isolation, Myanmar has been overwhelmed with the wide variety of development projects and initiatives that were implemented in the country in recent years. The government already had five different industrial policies written for them by various donors but could not make use of any of these documents because they did not reflect the country’s reality and implementation capacities. The EQuIP approach was brought in to introduce a general process that they can use in the future if they wanted to develop a suitable policy themselves. After being exposed to the EQuIP process, the government of Myanmar realized that various sub-sector strategies that were being developed by foreign experts actively conflicted with one another and were not in line with their development priorities. They therefore requested to halt the drafting of the sector strategies and to bring back EQuIP experts to support them to draft suitable sector strategies independently.

The EQuIP team came in to support a national expert team through a series of training courses and analytical as well as strategic decision making workshops. The knowledge transfer focused on conducting industrial diagnosis of economic and social performance, the EQuIP methodology for IP design, the structure and content of IP Action Plans and examples of strategies for sustainable development in the textile sector.

In a true team effort, the national team was supported intensively and successfully to develop a context-appropriate Textile Sector Action Plan by themselves. The team immediately applied this new knowledge to replicate the work process and develop Action Plans for the textile sector.

In the end the work was done by the experts to support them to draft suitable sector strategies independently.

We have gone through the same process of policy development before, following various steps, but in the end the work was done by external experts with many challenges for us. The EQuIP approach is extremely useful to overcome these challenges.

Deputy Minister of Industry & Trade, Fed. Bosnia i.H.

Western Balkan (6 countries) – Establishment of M&E systems for IP

The EQuIP approach was chosen to develop tailor-made impact oriented M&E systems for Albania, Bosnia i.H., Kosovo, Montenegro, North Macedonia and Serbia in a capacity development process.

The six Western Balkan countries are required to develop state-of-the-art Industrial Policies as a prerequisite for their negotiations towards EU membership. In the area of monitoring and evaluation they were facing the challenge that their monitoring systems were mainly analysing the implementation of industrial policy interventions but did not measure the concrete outcomes and impacts yet. The 6 countries decided to jointly apply the EQuIP approach for the development of M&E systems that would be able to track the economic, social and environmental impact of their industrial policy packages.

Through a series of regional and national training courses as well as a remote-supervision process, the EQuIP team supported 6 national M&E teams by transferring knowledge and coaching the team members on-the-job during the M&E process. The trainings focused on constructing IP intervention logics, key indicators for M&E of Industrial policy, calculating baselines and developing quantitative target values for IP objectives, creating an IP monitoring system and evaluation methods for IP impact assessments.

As a result of the project, the knowledge of national M&E teams was enhanced significantly and M&E plans for IP were developed successfully. The application of the new M&E systems will make IP more transparent and effective and inform the adaptation of existing industrial policies and the design of future ones in an evidence-based process.

The 6 countries decided to jointly apply the EQuIP approach for the development of M&E systems that would be able to track the economic, social and environmental impact of their industrial policy packages.

For me and my colleagues, who drafted many strategies before with external experts, we received a great new methodology with EQuIP. This will be a sound basis for us, not just for conducting M&E, but also for drafting our revised industrial policy as well as other strategies of the government in the future. This new way of working will help us to be more thorough and allow us to make our strategies more concrete and effective.

Deputy Director of Industrial Policy Department, Ministry of Trade and Industry, Kosovo

Western Balkan (6 countries) – Establishment of M&E systems for IP

The EQuIP approach was chosen to develop tailor-made impact oriented M&E systems for Albania, Bosnia i.H., Kosovo, Montenegro, North Macedonia and Serbia in a capacity development process.

The six Western Balkan countries are required to develop state-of-the-art Industrial Policies as a prerequisite for their negotiations towards EU membership. In the area of monitoring and evaluation they were facing the challenge that their monitoring systems were mainly analysing the implementation of industrial policy interventions but did not measure the concrete outcomes and impacts yet. The six countries decided to jointly apply the EQuIP approach for the development of M&E systems that would be able to track the economic, social and environmental impact of their industrial policy packages.

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Deputy Director of Industrial Policy Department, Ministry of Trade and Industry, Kosovo
Frequently Asked Questions

Can we use the EQuIP tools and approach without taking part in a structured project?
Yes, all EQuIP tools are open source and available at www.equip-project.org. However, we recommend initially working with an EQuIP expert in order to ensure an effective transfer of the information and full understanding of the approach.

How much would an EQuIP project cost?
The cost of EQuIP support depends a lot on the implementing agency, capacity levels and desired outcomes from the support. Each EQuIP project is tailored the country but ultimately is a much more cost-effective approach than continuously hiring external consultants to draft and revise policies for governments.

Can the EQuIP approach be applied to develop other policies beside industrial policy?
Yes, the EQuIP approach can be used to support with the development of broader economic policies, trade policy, ICT policy, SME policy and other related policy areas. The core information within the tools is however industrial policy specific.

How does EQuIP deal with issues of "Brain-drain" and high institutional turn over?
While EQuIP cannot prevent brain-drain, the approach builds the policy design capacities of a multi-stakeholder group of national experts in order to reduce the risk of inter-institutional migration (and strengthen policy design processes in related institutions). We support institution- and organization-building that seeks to establish sustained and capable administrative structures.

Can EQuIP help with power-politics and negotiations in the policy design process?
The EQuIP approach is focused on building the technical policy design capacities of governments and does not explicitly focus on issues of power-politics. It does however help to ensure continuous buy-in and support throughout the policy design process to ensure a highly persuasive policy that has widespread support by the time the final draft is presented for validation.

In which languages is EQuIP support available?
Presently, we have EQuIP experts who speak French, English, Spanish, German & Russian. We aim to have EQuIP experts with Arabic and Portuguese language capacities soon.

Can we hire EQuIP experts to write an industrial policy for our country?
No, the fundamental philosophy of EQuIP is to strengthen the capacities of governments to independently design industrial policies.

Can the EQuIP approach be used to analyse performance and determine strategic priorities for a country?
Yes, the EQuIP approach has strong quantitative foundations and can be used to support more evidence-based policy making in your country. It is not however, meant to be used by external researchers or consultants to dictate strategic priorities.
By following a highly transparent and structured policy design process, the resulting policy is far less likely to be subject to rent-seeking. The multi-stakeholder participatory approach ensures the consideration of a large variety of private sector and civil society representatives in the decision making process.

**How does EQuIP deal with issues of corruption?**

The most important factor for policy success is that it is fully understood by the government and other relevant stakeholders. With this said, EQuIP experts provide continuous support and guidance to the national drafting team in order to assure a certain level of quality assurance.

**What happens if the industrial policy written through the EQuIP approach is not of high enough quality?**

The Pragmatic skill development reduces and structures information to stimulate strategic thinking and effective policy design. It facilitates multi-stakeholder dialogue and buy-in. Development of context-appropriate and implementable industrial policy promotes learning-by-doing. Non-deterministic approach (ensures locally driven process) supports with resource mobilization from industrial policy programs from ministry of finance & donor organizations. EQuIP policy design approach transferrable to other policy design areas. Empowers policy practitioners to strategically design industrial policies. Builds local capacities while developing concrete outputs to ensure sustainability of intervention.