



UNIDO REGIONAL OFFICE HUB IN ETHIOPIA Quarterly Newsletter

Vol. 1 No. 1 October 2019



FOREWORD

Dear Reader,

It is my pleasure to introduce the first UNIDO's Regional Office Hub Ethiopia newsletter! Take a tour around our world, and discover aspects of UNIDO's engagement in the 2030 Agenda and the Sustainable Development Goals. Meet our people and local authorities, development partners and stakeholders we work with, and learn about our efforts which are valuable examples of good practices for an Inclusive and Sustainable Industrial Development.

Our goal in producing the newsletter is to keep our Government, Development Partners, Stakeholders and followers informed and involved besides looking forward to receiving your feedback!

For a better reading of UNIDO's engagements within the Region and in Ethiopia, the first part of this newsletter focuses on news and features highlighting partnership building and strengthening with Governments and relevant Stakeholders together with UNIDO's participation in key conferences. The second part delves into UNIDO's key operational landmarks within the Regional Office Hub such as the Programme for Country Partnership key success stories with specific insights on coffee, energy, textile and garment, leather and leather products.

The newsletter is then concluded with upcoming international events and conferences that are related with UNIDO's engagement in making this world a better place to live with no one left behind.

Enjoy the reading!

Aurelia Patrizia Calabrò
UNIDO Representative and Director of the Regional Office Hub

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UNIDO and the Regional Office Hub in Ethiopia

UNIDO at a Glance

UNIDO is the Specialized Agency of the United Nations that promotes Industrial Development for Poverty Reduction, Inclusive Globalization and Environmental Sustainability.

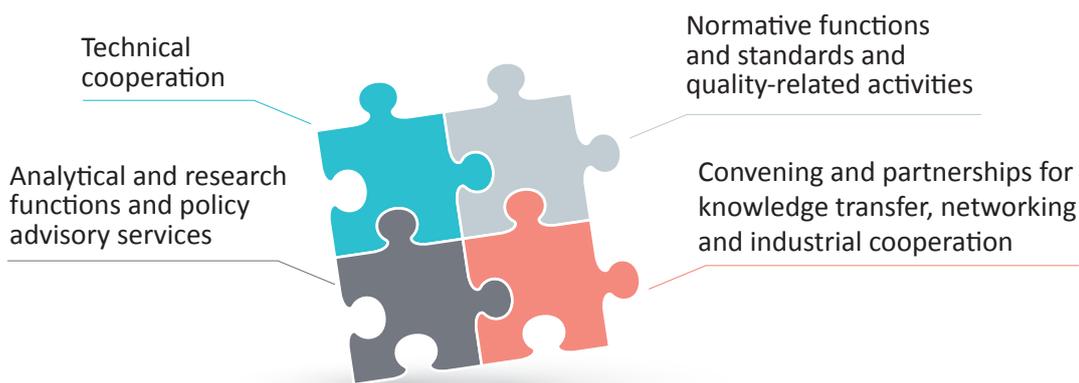
Mission

Promote and Accelerate Inclusive and Sustainable Industrial Development (ISID) in Member States with four major strategic priorities of:

● Creating Shared Prosperity	● Advancing Economic Competitiveness	● Safeguarding the Environment	● Strengthening Knowledge and Institutions	● Cross-cutting Services
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Inclusive and Sustainable Industrial Development (ISID) is a primary approach towards enabling income generation, it allows for rapid and sustained growth in living standards for all people, and provides with the technological solutions to the much needed transition towards environmentally friendly industrialization. Clean technological progress falls in the required efforts of the 2030 agenda to achieve environmental and socio-economic objectives and technological progress. The global development agenda is strongly relying on the technological and innovative green industry. A must for our ISID and SD Goals and to sustainably conserve and optimize our world resources for our future generations.

UNIDO Enabling Functions



UNIDO Regional Office Hub in Ethiopia

UNIDO Ethiopia Office was inaugurated in 1972 as country office and representative to the African Union and the United Nations Economic Commission for Africa (UNECA). Lately it was converted into a Regional Office, acquiring responsibilities on Burundi, Uganda, Rwanda and Madagascar.

The UNIDO Regional Office Hub is presently working with the Governments and Development Partners of the five countries with a total of 44 ongoing projects worth of \$ 56,513,173. As a partner for prosperity, UNIDO is committed to activities that promote sustainable economic development and equitable growth. The Regional Office is working tirelessly towards the attainment of the SDGs and ensure that inclusive prosperity is equally distributed with no one left behind.

UNIDO Representative Presents Letter of Credence to the Minister of Foreign Affairs of Ethiopia

August 7 2019, Addis Ababa UNIDO representative Ms. Calabrò meets with the Minister of Foreign Affairs H.E. Gedu Andargachew and discussed on revitalizing the partnership between the Government of Ethiopia and UNIDO.

During the meeting Ms. Calabrò presented her letter of credence as UNIDO Representative and Director for the Regional Office Hub covering 5 African countries namely Ethiopia, Rwanda, Burundi, Uganda and Mad-

agascar. Aurelia gave a brief introduction of UNIDO's programs that are targeting an inclusive and sustainable Industrial development through its innovative Program for Country Partnership (PCP). His Excellency the Minister, on his part, congratulated the Director on the new appointment and expressed his commitment to reinforce the Government's cooperation with UNIDO for common goals.



Aurelia Calabrò (left) with His Excellency Mr. Gedu Andargachew Minister of Foreign Affairs(right)

Japan-Africa Business Partner Making takes place at the 7th TICAD in Yokohama in August 2019



Company owners and managers from African Countries including Ethiopia, met with Japanese business people during the 7th TICAD held in Yokohama. B-to-B meetings were held in the broader aim to strengthen possible industrial collaborations in the agriculture, chemical, manufacturing value chains among others. UNIDO in the context of its Network of Investment and Technol-

ogy Promotion Offices (ITPOs) has been promoting foreign direct investment attractions in Ethiopia through business offer and demand making, networking, technology transfer promotion and by delivering sector based capacity building. Mr. Tadesse Dadi Segni, Regional Advisor in Ethiopia, UNIDO ITPO Tokyo program, Founder & Managing Director of Walia Steel Industry Mr. Sisay Tes-

faye and General Manager, Yanet Trading Mr. Girma Redda are among the dele-

gates who have participated in the business talks.

Regional Office Hub retreat held in Addis Ababa Ethiopia

The Regional Office Hub retreat was arranged in Addis Ababa from April 1-3, 2019, where Country Representatives from Rwanda, Uganda and Madagascar participated to discuss

their on-going activities, evaluation and future regional initiatives, harmonization of work plans and lessons learned from PCP Ethiopia.



From Left to right: Mr. Asegid Adane, UNIDO National Program Officer, Mr. Bruno Otto Tokwiny, UNIDO Country Representative in Uganda: Mrs. Volatiana Rakotondrzafy, UNIDO Country Representative in Madagascar: H.E. Mr. Admasu Nebebe, State Minister for Finance in Ethiopia: Ms. Aurelia Calabro UNIDO Representative and Director of the Regional Office Hub: Mr. Andre Habimana, UNIDO Country Representative in Rwanda.

UNIDO on “Beautifying Sheger” Project: Job Creation and Green Economy



His Excellency Abiy Ahmed (PhD) Prime Minister of Ethiopia (left) with His Excellency Li Yong, Director General UNIDO (right)

On the occasion of the bilateral meeting held between H.E. the Prime Minister of Ethiopia Dr. Abiy Ahmed (Ph.D.) and UNIDO Director General Mr. Li Yong in November 2018, UNIDO pledged 1 million Euro to support the beautifying sheger grand project promoted by the H.E. the Prime Minister himself. The project aims at renovating the Akaki river basin in Addis Ababa through the development of green and cultural spaces, recovery of water sources making them usable for private dwellings and urban agriculture as well as creating job opportunities.

UNIDO Regional Representative, Ms. Calabrò was also invited to the Gala Dinner hosted by H.E. the Prime Minister with the goal of fundraising from prominent supporters of the project.

After a set of constructive meetings held with the

project coordinator from the Prime Minister and Mayor’s offices, a concept note was finalized from UNIDO to deliver its pledged support within the Programme. UNIDO’S main areas of support will focus on waste water treatment; creating economic opportunity for SMEs around a specific stretch of the Akaki river sides and development of a state of the art base line assessment on environmentally sound technologies and environmental best practices needed to improve the akaki river sustainable development and recovery.

The 3 years Government Project estimated budget of \$1 Billion which will be utilized for the rehabilitation, restoration and green development of Addis Ababa Akaki river and its tributaries stretching for 23.8kms and 27.5kms respectively.

COMESA Secretary General recognizes UNIDO as a crucial Partner for its Industrialization Strategy Action Plan 2019-2026



UNIDO Representative and Director of the Regional Office Hub Ms. Calabrò participated in the 3rd COMESA Technical Committee and Ministers of Industry Meetings aimed at outlying COMESA’S Industrialization Strategy Action Plan for 2019-2026.

Ms. Calabrò together with Mr. Victor Djemba, Chief of Regional Division-Africa (UNIDO), actively participated in the session and contributed to the inclusion of some specific activities related to green industries, trade capacity building models, cluster development approaches and investment platforms.

UNIDO expressed its role as an important technical cooperation partner with specialized knowledge on: trade facilitation, integrated-Agro-industrial parks, and value chains development that are in line with the road-map for Third Industrial Development De-

cade for Africa (IDDA III) implementation.

COMESA Secretary General Ms. Chileshe Mpundu Kapepwe commended UNIDO as a crucial partner for the implementation of COMESA’S Action Plan on Industry. She also expressed COMESA’S interest to work with UNIDO by developing a detailed plan of activities to be jointly implemented.

Bilateral meetings were also held with Ministers of industry of Madagascar and Democratic Republic of Congo; with representatives of the Africa Leather and Leather Products Institute (ALLPI), COMESA Director of Investment and private sector development and IDDA III Focal Point. Fruitful discussions were made on common areas of collaboration in line with COMESA industrialization strategy.

UNIDO Representative and AU Commissioner agreed on strengthening cooperation towards Industrial Development

April 11, 2019 newly appointed UNIDO Representative and Director of the Regional Office Hub in Ethiopia, Ms. Calabrò submitted her letter of appointment to the African Union Commissioner for Trade and Industry H.E. Amb. Albert M. Muchanga during her official introductory meeting. In the discussions, Ms. Calabrò introduced UNIDO's Regional engagement aimed at enhancing a competitive economic growth and development in line

with Agroindustry Development and Innovation (3ADI) and the Sustainable Development Goals (SDGs).

The commissioner on his part commended UNIDO as a trusted partner of the African Union actively contributing its efforts to sustainable industrial development for the continent's ultimate mission of poverty reduction, growth and wealth creation.

Both representatives agreed on the strategic



(left) Ms. Aurelia Calabrò UNIDO Representative and Director of the Regional Office Hub, (right) AUC Commissioner for Trade and Industry H.E. Amb. Albert M. Muchanga

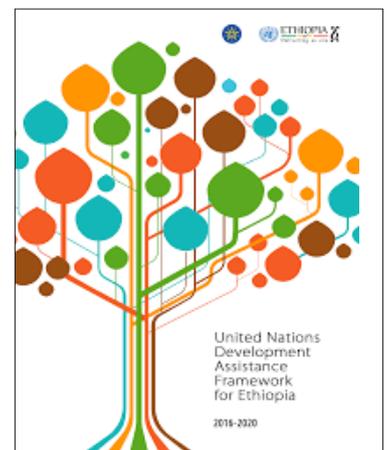
importance of the AU and UNIDO partnership in the Region towards the achievement of industrialization, innovation and technology dissemination.



UNIDO to Co-lead the Economic Transformation Pillar for UNSDCF 2020-2025

UNIDO is deeply engaged in the formulation of the United Nations Sustainable Development Cooperation Framework for Ethiopia 2020-2025, where the PCP is expected to play a key role in shaping the strategy for the UNSDCF Pillar 5 on Economic Transformation. In preparation of UNSDCF strategy 2020-2025, the Common Country Analysis (CCA) development is believed to be a critical step in describing and analyzing the situation in the country. In this context, UNIDO, together with UNDP, has taken the initiation to co-lead the works related to economic transformation and financial

landscaping. Ms. Aurelia Calabrò UNIDO's Regional Representative expressed UNIDO's commitment in convening joint-analysis tasks needed for a long term economic transformational framework development. UNSDCF is planning to work on the Common Country Analysis (CCA) covering thematic areas such as: Conflict analysis; Leave No one behind; Human Rights Based Approach to development; Gender Equality and Women's Empowerment; Economic transformation; Resilience, Regional and transboundary trends; and SDGs assessment.



UNIDO's contribution towards Sustainable Economic Opportunities in the Textile Sector: High Level Study Tour to Bangladesh

In line with UNIDO's commitment to enhance the textile and garment sector, a study tour was organized in collaboration with Mr. Razvan Lonele (an international consultant), RO of UNIDO in Bangladesh, Bangladesh knitwear Manufacturers and Exporters Association /BKMEA/. The tour was led by His excellency the State Minister of Trade and Industry Mr. Teka Gebreyessus with a delegation from the Ethiopian Textile Industry Development Institution, Tigray Regional TVET Bureau, UNIDO PCP and project coordinator, and the Ethiopian Textile and Garment Manufacturing Association. During the study tour, garment industries, associations, training centers, traditional branded clusters and



High level delegation to Bangladesh led by State Minister for Trade and Industry H.E. Teka Gebreyessus in the middle

Garment products international producers were visited.

Bangladesh is known for its high technology garment and textile industry where the sector contributes a significant share to the national economy. The sector accounts for 83% of total export earnings of the country, creating 4 million direct employment opportunities, contributes 14% to GDP and indirectly supports livelihoods for 40 million people. The visit encompassed a wide range of sites from huge garment factories to retail settings.

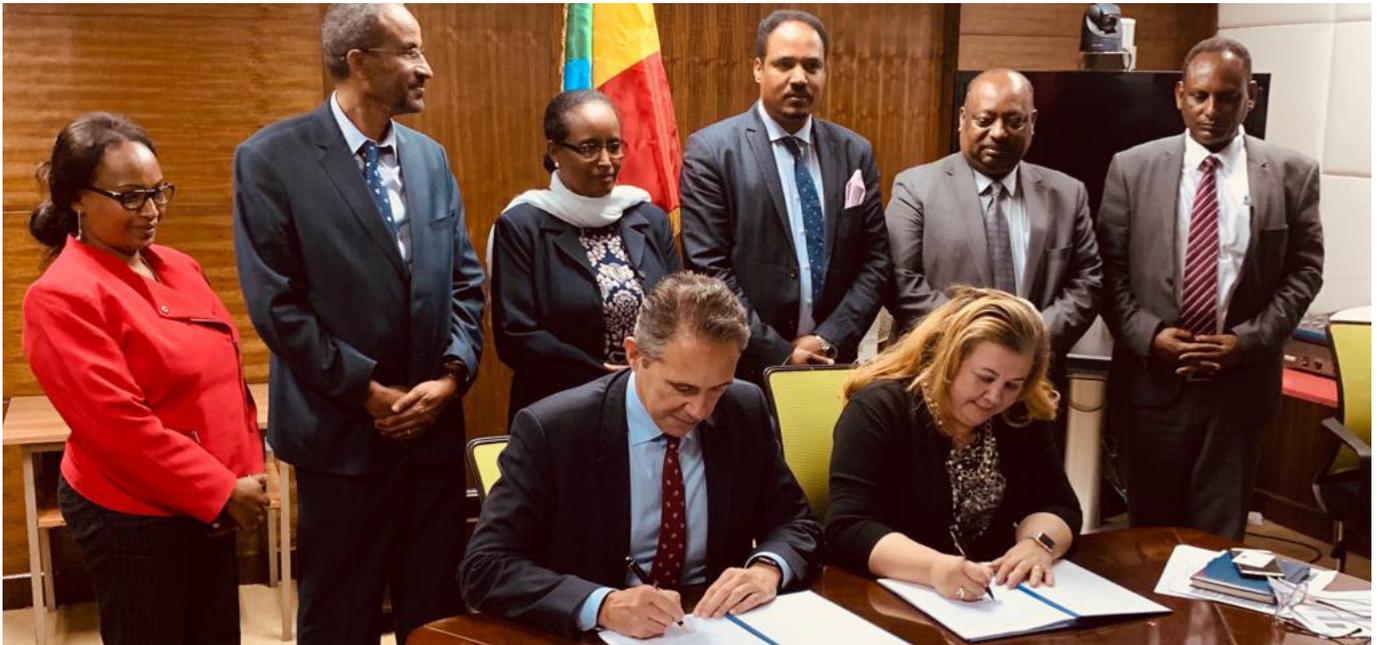
After the visit, an action plan was prepared to adopt the lessons learned focusing on: the inclusion of missing skill gaps in the training institutes that are under development for the sector in Ethiopia; starting a pilot project to test software applications to enhance quality production in the sector and aligning with the skills and knowledge acquired by ETIDI, university of Mekele, regional TVET, Mekelle Garment College Center of Excellence and other training institutions.

Government keeping up the momentum for Program for Country Partnership (PCP)

The 8th PCP-ETH Inter-ministerial Coordination Committee Meeting takes Place

July 16 2019, the Eighth Edition of the PCP-ETH Inter-Ministerial Coordination Committee (IMC) meeting took place in the presence of Ministers and other senior officials from the Ministry of Trade and Industry; Ministry of Agriculture; Ministry of Finance; Environment, Forestry and Climate Change Commission; Federal Small and Medium Manufacturing





A cooperation Agreement Signing Ceremony between Ms. Aurelia Calabro UNIDO, Representative and Director of the Regional Office Hub (sitting right) and H.E. Amb. Johan Borgstam, Head of European Union Delegation to Ethiopia. (Standing witnesses behind) Ministers and State Ministers from Ministry of Trade and Industry, Ministry of Finance, Ministry of Agriculture and Environment and Climate Change Commission.



Industry Promotion Agency together with key development partners and donors such as the European Union, Italian Agency for Development Cooperation (AICS), Food and Agriculture Organization (FAO), African Development Bank (ADB) and UNIDO among others.

This high-level meeting takes place every four months being the highest coordination body of the Program for Country Partnerships (PCP) that aims to support the Government to achieve targets set for the industry sector in the Growth and Transformation Plan II (GTP II, 2015-2020) and realize the vision of building an inclusive and sustainable industrial economy. The meeting was chaired by H.E. the Minister of Ministry for Trade and Industry (MoTI) Mrs. Fetlework Gebre-Egziabher where she had congratulated stakeholders for the progress made through the integration of financial and technical contributions by all actors towards the common goals.

The meeting also marked the coordination agreement signing ceremony between UNIDO and the European

Union (EU) worth of 3.3 Million Euro aiming at supporting coordination activities for the Integrated Agro-Industrial Parks (IAIPs) development and lead by UNIDO.

The PCP in Ethiopia is anchored in the industrial development strategy of Ethiopia. It aims to support the Government in promoting Inclusive and Sustainable Agro-Industrial Development and in addressing challenges associated with structural transformation. The program also supports the other global SDGs and continental AU agenda 2063 commitments through selected priority sectors, namely integrated Agro-food processing, textiles and leather and leather products.

From the program governance and coordination perspective, the four task forces namely; Resource Mobilization and Partnership Management (RMPM TF), Manufacturing (MTF), Agricultural Productivity Enhancement and Commercialization (APECTF) and Investment (ITF) are fully operational. The TFs are led by State Ministers, and meet every month to review progress and chal-

lenges within the sector/intervention area they are responsible for and flag issues that require policy level support to the IMC. In resource mobilization, apart from UNIDO's portfolio worth 46million, additional 8 new initiatives have been secured with the required funds making the current parallel funding reach over 690 million USD.

The African Development Bank (with USD 82.2 million), and European Union Delegation (USD 392.8 million) projects are already approved to be operationalized in 2019, another USD 731 million agricultural value chain development and infrastructure investment plan is being jointly developed by FAO, EU and UNIDO. RMPM TF will lead fund raising for the latter aimed at upgrading the agricultural supply chain to the Integrated Agro-Industrial Parks (IAIPs).

UNIDO in its PCP Institutional Capacity Building and Advisory Support has made 2 studies on a technology-oriented chemical industrial policy framework and development roadmap for the Ethiopian trade show and exhibition sector.

SMEs vibrant role in Industrial Economies: High Level Study Tour, Japan Tokyo

A high-level study tour led by Her Excellency the Minister of Trade and Industry Mrs. Fetlework Gebre-Egziabher was facilitated by UNIDO. The visit has brought multifaceted knowledge and experience to the participating delegates through the discussions and on-site industry visits.

During the tour the delegation attended a Roundtable Discussion on Global Value Chains for Inclusive Development, Investment Facilitation and Linkage Creation organized by UNIDO and the German Develop-

ment Institute (DIE) at the sideline of the G20, T20 summit. H.E. Mrs. Fetlework Gebre-Egziabher, in her keynote address, emphasized the importance of FDI for economic development especially in developing countries.

The Minister had also highlighted Ethiopia's effort to encourage more FDI by creating a conducive investment climate and attractive industrial ecosystem including industrial parks with advanced infrastructure and attractive incentive packages.

In alignment with UNIDO's Capacity Building Component of the Program for Country Partnership (PCP) Japan's SMEs-based experience (70% of the working force and 50% of national GDP) in formation, facilitation of access to finance and resources, creation of market linkages modalities are among the lessons learned.

Japan Financial Cooperation; Toshiba Science Museum at Kawasaki City; Techno-Wing an SME Complex at Ota City; Japan External Trade Organization (ETRO); Graduate Research Institute for Policy Studies at the United Nations University and Japan Development Cooperation Agency (JICA) were among the learning destinations.

Following a week-long visit (June 11-15, 2019) a working group was assigned by the minister of trade and industry to prepare a capacity building program with the facilitation of UNIDO to translate the lesson learned into actions.



High level study tour to Japan led by H.E. Fetlework Gebre-Egziabher Minister of Trade and Industry in the middle

Partnering with the Minister of Trade and Industry to accelerate sustainable Inclusive Industrial Development in Rwanda

UNIDO Representative and Director of the Regional Office Hub Ms. Calabrò held a strategy meeting with H.E. Mrs. Soraya Hakuziyaremye Minister of Trade and Industry of Rwanda together with Mr. André Habimana, UNIDO Country Representative in Rwanda.

The bilateral discussion focused on ways of strengthening the partnership on common Agro-industries' priority areas such as: coffee, leather and textile value chains. H.E.



the Minister expressed her appreciation to UNIDO's efforts towards sustainable industrial development in Rwanda and in the region. Key discussion objectives covered joint synergies towards accelerating inclusive and sustainable industrial development in the country within the framework of Program for Country Partnership (PCP).

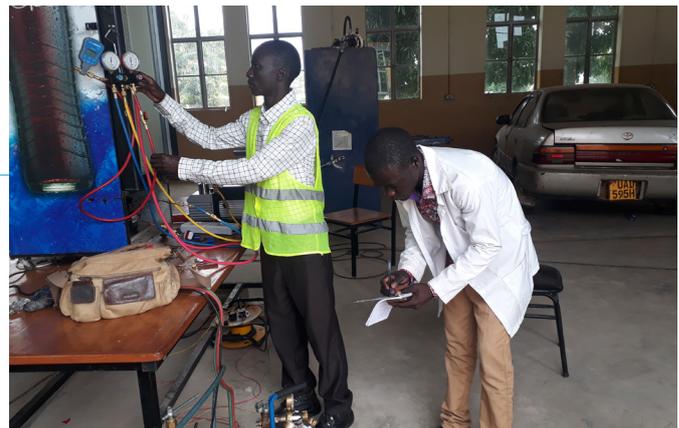


UNIDO Uganda Scales up Training to Address Ozone Depletion

UGANDA - The United Nations Industrial Development Organization (UNIDO) has scaled up training of refrigeration and air conditioning technicians in the country. In the month of June, more than 100 technicians were trained on sound management and best practices in refrigeration and air conditioning. This included 25 technicians of Ogolai Technical Institute in Amuria District, 100 in Kampala, while 20 technicians are set to undergo training at

Bushenyi Technical Institute by end of July.

The training is aimed at equipping the technicians with knowledge and skills in areas such as installation, energy efficiency in the refrigeration sector, component selection, assembling and test running as well as the recovery and recycling of refrigerants (gases used in refrigeration). The training was conducted by a team of experts from UNIDO led by Mr. Paulo Odu and represent a key activity



Students of Ogolai vocational institute in Amavia district repair a damaged refrigerator during a practical session

for the implementation of the Hydro chlorofluorocarbons (HCFC) phase down management plan (HPMP). UNIDO further provided training kits and equipment for training in good Refrigeration and Air Conditioning practic-

es. "We are providing this technical support to four Vocational Training Institutes including Ogolai, Elgon, Lira and Bushenyi and we want to ensure that the technicians are highly skilled," Mr. Odu said.





The technicians have been taught the importance of the ozone layer and effects of its destruction, alternative refrigerants to Ozone Depleting Substances (ODSs), recovery, recycling and reclaiming refrigerants, and the avoidance of leakage among others.

The project is being implemented as part of the Montreal Protocol on substances that deplete the ozone layer, to which Uganda is a signatory member state.

The first phase of the implementation started in 2017 and ends in 2020 with the United Nations Environment Program (UNEP) as the lead implementing agency.

Chlorofluorocarbons are chemical gases mainly used in refrigeration and air conditioning that are harmful to the environment because they erode the ozone layer which protects human life from the dangerous ultraviolet rays of the sun.

The Government of Uganda is currently reviewing the Harmonised Policy and Action Plan, and Regulations for controlling Ozone Depleting Substances (ODSs) in the COMESA Region.

“The Regulations under review require refrigeration and air conditioning technicians to use codes of practice in their operations, to be trained in what to do, certified in accordance with the BTVET Act, by the Directorate of Industrial Training, and use ozone friendly and climate friendly alternatives, among others,” Mr. Isaac Mugabi Project Assistant, National Ozone Unit said.

The review is aimed at addressing existing loopholes and integrating emerging issues under the Montreal Protocol such as the phase down of HCFCs.

UNIDO to construct the Training Center for Heavy Equipment Operators in Uganda



United Nations Industrial Development Organization (UNIDO) is to receive a grant of USD 2.4 Million from the Government of Japan to provide technical support in developing and constructing a training center for heavy equipment operators.

The center will be constructed in Luwero district in Central Uganda and UNIDO will implement the project jointly with the Ministry of Works and Transport.

On Thursday 8th August, 2019 UNIDO and the Government of Japan signed Exchange Notes capturing the procedural details with which the project will be implemented.

Speaking at the signing ceremony, the UNIDO Country Representative Mr. Bruno Otto Tokwiny underscored the importance of industrialization towards poverty reduction.

“Whether you look at the early advances of the European countries,

United States, or Japan or those that caught up with the global trend in the later half of the 20th century, including the republic of Korea, China and the many other Asian “Tigers” and “Dragons” it was always industrial development and trade in industrial goods that shaped their successes,” Mr. Otto said.

Meanwhile, the Japanese Ambassador to Uganda H.E. Kazuaki Kameda said that the Government of Japan has decided to entrust UNIDO to implement the project due to its successful track record in similar projects.

UNIDO has previously undertaken similar assignments and facilitated Public-Private Development Partnerships (PPDP) with companies such as Komatsu, Volvo and Scania in Liberia, Ethiopia, Iraq, Morocco and Zambia.





In 2017, the Government of Uganda through the presidential initiative to boost local economy and to promote commercialization of Agriculture by improving access to market and farms procured over 1,000 units of road equipment from Japan as part of efforts to scale up economic growth.

However, Uganda does not have enough skilled personnel to handle inspection and maintenance of such machinery. It is envisaged that once operational, the Equipment Operator Training Centre will impart skills to nearly 500 technicians.

"I deeply believe that the success of this presidential initiative depends on how the equipment is properly operated and maintained with regular check-ups," H.E Kameda observed.

The signing event was graced by several high-ranking Government officials including the Minister of state for Works and Transport Gen. Katumba Wamala who officiated at the function, the Minister of State for Local Government Jenipher Namuyangu, and the State Minister for Higher Education John Chrysestom Muyingo.

Others include representatives from Japanese Heavy Equipment Manufacturers and Distributors such as Komatsu Ltd, Sumitomo Corporation and Victoria Equipment.

Creative Industries proved to be an effective agent of change for Sustainable Development in Madagascar



Handing over of TSARA project with the Minister of Industry, Trade and Crafts and UCR

In June 2019, UNIDO Madagascar proceeded to the official closing of the TSARA Project which was implemented in various regions of the country, namely Farafangana, Ambohitra, Antsirabe and Antananarivo.

Through this project, creative industries have proved to be an effective agent of change and a sustainable instrument to reduce poverty. They contribute 8% of the Malagasy Gross Domestic Product and provide more than two million jobs.

"TSARA project (2015-2019), funded by the Kingdom of Norway, seeks to improve the livelihood of vulnerable rural women in the southern part of Madagascar, getting them involved in a socially and economically sustainable

venture that improves their quality of life while simultaneously strengthening the image of Madagascar on the global stage. 350 persons benefitted training and revenue diversification from the project.

While partnering with the Institute of Communication, Business and Management (ISCAM), a TSARA Creative Centre was set up through a Master course in design and innovation to foster the development of local designers. In parallel, a curriculum in youth entrepreneurship was formulated for vocational schools and is under testing and expected to be rolled up across the country.

TSARA offered an innovative approach to revitalize the creative industries in the country while improv-

ing the revenues of craftsmen, particularly rural women. It also increased the competitiveness of the local craft all along the value chain, with a market-oriented approach and an enhanced creativity. An opportunity not only to translate Malagasy culture into a sustainable business model but also to operate a branding of the Island at an international level.

Thanks to UNIDO's approach in fostering creative ecosystems, the Organization was awarded with the prestigious Compasso d'Oro for the consistent use of industrial design as a methodology for driving development and improving livelihoods.

Considered as success story, it informed UNIDO'S



REGIONAL FOCUS: PROJECT SUMMARIES FROM UNIDO'S REGIONAL PROGRAMS



← practices in promoting gender empowerment in the field of agribusiness.

In order to ensure project sustainability, UNIDO prepared the handing

over to various partners during the last year of implementation. A private company, named HARENANTSIKA (literally OUR WEALTH) took the production and sales of the TSARA Collection over while the teaching materials, tools and equipment

were handed over to the respective Ministries, including the Ministry of industry, Trade and Crafts, the Ministry of Education and Technical and Vocational Training, the Ministry of Employment.

UNIDO to Develop and Implement the First Partnership for Country Program in Madagascar

Following a consultation between the Government and UNIDO on the margins of the 17th General Conference and through a Government official request in March 2018, it was decided that a new technical cooperation framework be developed with UNIDO's assistance. First of its kind, this Country Programming Framework (CP) is designed to enhance UNIDO's support to the Government of the Republic of Madagascar to implement a road-map towards Inclusive and Sustainable Industrial Development (ISID). In doing this, UNIDO has aligned the priorities of its new framework of intervention to the Country's National Development Plan (NDP), General

State Policy as well as the Plan for the Emergence of Madagascar 2019-2023 which puts industrialization as one of the main pillars, building on the achievements of UNIDO past projects, programmes and best practices. As industrialization is a long-term endeavor involving many stakeholders, efforts will be made to strengthen synergies and minimize duplication by collaborating with development cooperation partners, state and non-state actors, including the private sector in the country. As a framework based on established national priorities, it will be a practical guide for UNIDO's interventions in Madagascar over the next 4 years (2019-2023).

A Country Program Formulation Mission was held to develop and validate the Country Programme approach as well as identify reliable funding mechanisms with potential stakeholders and donors. The mission was successfully held in March 2019 and UNIDO's technical assistance for Country Programming Framework for an inclusive and sustainable industrial development of the Republic of Madagascar has been developed in order to support job creation, foster the economic diversification and the industrialization process of the country. The CP will be shortly signed between the Government of Madagascar and UNIDO.

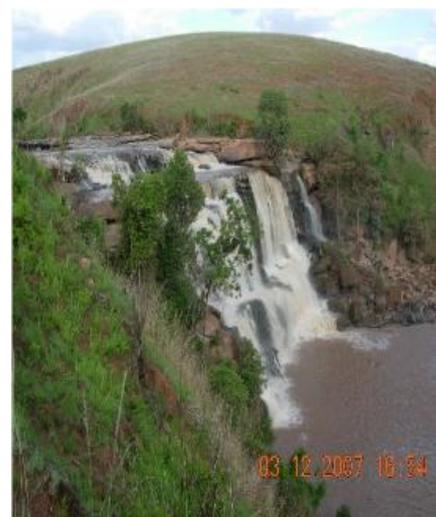
Increased energy access for productive use through small hydropower development in rural areas in Madagascar

In July, the Field Office hosted a mission to review the progress of the project named *"Increased energy access for productive use through small hydropower development in rural areas"* in Madagascar. This project aims at stimulating the use of small hydropower to reduce Greenhouse Gas Emission and triggering productive use for income generation in rural areas, in alignment with strategic and policy priorities of the Government of Madagascar.

This project will contribute to the GEF Climate Change Strategic Objective 3 (Promoting investment in Renewable Energy Technologies). The project seeks to transform the small hydropower (SHP) market for productive use in Madagascar in order to provide sustainable income generation for women and men in targeted areas. The approach includes triggering private sector investment

in combination with public funds, through market demonstration, development of appropriate financial instruments, establishment of technical specifications, capacity building (for SMEs, academic institutions, policy makers and financial sector) and strengthening the policy and regulatory environment. Setting up a stimulating market environment that enables the realization and replication of SHP projects will lead to significant GHG emission reduction through the replacement of diesel-based generation. It will as well help Madagascar in activating its significant hydropower potential to achieve the country transformation toward low carbon development and in fine, contribute to the implementation of its poverty reduction strategy.

The mission included the 4th meeting of the steering committee, chaired by the Ministry of Energy



and Hydrocarbons. A presentation of the mid-term review was also carried out which concluded with an overall ranking "satisfactory". The project closely works with the Agency for the promotion of rural electrification (ADER) and the National Bureau for Climate Change Coordination (BNC-CC). UNIDO is very well recognized both by national counterparts and technical & financial partners as one of the main actors in the Renewable Energy sector in Madagascar, and particularly in the development of small hydropower plants.



UNIDO facilitates the development of the first National Entrepreneurship Strategy for Ethiopia

Addis Ababa, Ethiopia, 24th July 2019 - the draft National Entrepreneurship Strategy for Ethiopia was validated during a two-day workshop organized by UNIDO in partnership with the Ministry of Trade and Industry and the Federal Small and Medium Manufacturing Industry

Promotion Agency (FSMMIPA). The formulation of the National Entrepreneurship Strategy is one of the outputs of UNIDO's ongoing project called *"Productive work for youth and women through Small and Medium Enterprises (SMEs) promotion in Ethiopia"*

Funded by the Italian Agency for Development Cooperation, the Austrian Development Agency and Global Affairs Canada. The validation of the Strategy and the subsequent design of a detailed Action Plan are expected to create synergies among the different policy and strategy initiatives already supporting entrepreneurship development in the Country. It also identifies and addresses gaps in these policies to create an enabling environment for the development of MSMEs, particularly youth and women-led.

The National Entrepreneurship Strategy was formulated according to the international good practice and based on the tested tools and methodologies developed by the United Nations Conference on Trade and Investment (UNCTAD).

The validation workshop was honored by the presence of State Ministers from the Ministry of Trade and Industry and brought together more than 110 participants composed of representatives from governmental institutions, development partners, civil society organizations, experts and consultants both from national and international settings.

Following the Validation workshop, a press conference was conducted on the 8th of August 2019 to make the general public aware of the development of the strategy. Speakers at the press conference were H.E. Mr. Teka Gebreyessus, State Minister, Ministry of Trade and Industry, Ms. Aurelia Calabro UNIDO Representative and Director of the Regional office Hub, Dr. Joy Kategekwa, Head Regional Office for Africa, UNCTAD and Mr. Asfaw Abebe, Director General of Federal Small and Medium Manufacturing Industry Promotion Authority.



From right to left: Mr. Asfaw Abebe, Director General at FSMMIPA, Mr. Asegid Adane UNIDO National Program Officer, H.E. Amb. Mesganu Arga, State Minister for Trade and Mrs. Joy Kagetwa (PhD) UNCTAD Representative

UNIDO emphasizes the importance of Innovative Center for Entrepreneurs

UNIDO has come closer to realize the long-awaited plan of creating an innovative center for entrepreneurs in Addis Ababa. Funded by the Italian Development Cooperation Agency, UNIDO has launched the construction of the center at the premises of the Federal Small and Medium Manufacturing Industry Promotion Agency at the heart of Addis Ababa in April 2019. The center is expected to foster innovation and development by improving creativity and access to capital necessary to initiate new business in the leather sector. It will include physical spaces and machineries for laboratories, mentoring, incubation, lectures, halls for conferences and special events with a capacity of holding up to 200 people at a time.

Upon its expected completion within six months, the center will serve to bring business startups, research-



ers, companies and trainers under one roof to translate their innovative ideas in to actions. Through these interactions creative SMEs and young

entrepreneurs will be linked to advanced skills for quality production, international markets and financial opportunities.

UNIDO Fosters Youth and Women Employment in Textile Sector

UNIDO, under the project “Capacity-building and job creation for youth and women in the textile sector in migration prone areas of Ethiopia” has created employment opportunities for 369 young graduates (in synergy with SINCE Programme funded by the EUTF and managed by the Embassy of Italy in Addis Ababa.) who have been recruited by Textile and Garment Industries in Mekelle Industrial Park. Project activities have been



Official opening of the Center of Excellence: ribbon cutting

REGIONAL FOCUS: PROJECT SUMMARIES FROM UNIDO'S REGIONAL PROGRAMS



Visiting facilities at the center

← advancing through delivery of Training to 54 trainers on Basic Technical Sewing skills; providing training on sustainable leadership for Government Officials and members of sectoral association from Frankfurt School of Finance and Management.

In addition: September 19 2019, a Center of Excellence was inaugurated at Mekelle Garment College equipped with state-of-the-art machinery aimed at enhancing quality and volume of production in the sector. The inauguration also marked the graduation ceremony for additional 199 youth (out of which 122 Females and 11 returnees) from Mekelle Garment Center of Excellence who will join the Textile and Garment industrial sector.

The Inauguration ceremony was honored by the presence of Her excellency Mrs. Fetlework Gebre-Egziabher , Minister of Trade and Industry: State Minister for Textile and Leather Industry His Excellency Mr. Teka: Ms. Aurelia Calabrò, UNIDO Representative and Director of the Regional

Office Hub in Ethiopia and Mr. Tiberio Chiari, Director of the Italian Agency for Development Cooperation (AICS) in Addis Ababa.

“...the center of excellence that is equipped with skilled labor and state of the art machineries, will have the opportunity to catalyze the efforts made by the Ethiopian Government and its partners to enhance the textile sector as an important and essential vehicle to promote the economic and social growth in the Country” added Ms. Calabro on her key note speech during the inauguration.

Her excellency the minister of Trade and Industry has also commended the tireless effort made by UNIDO and the great support of Italian Agency for Development Cooperation for making this substantial step towards inclusive and sustainable industrialization in the Textile and Garment sector.

Mr. Tiberio Chiari on his part underlined the need to be quality oriented and work towards competitive targets to meet the requirements of today’s dynamic market demand.

Leather Initiative for Sustainable Employment Creation (LISEC)

LISEC Inaugural Project Steering Committee Meeting Takes Place

Being the highest governing body of the Leather Initiative for Sustainable Employment Creation (LISEC) project, the steering committee met on July 13th 2019 under the Chairmanship of H.E. the State Minister, Ministry of Trade and Industry Mr. Teka Gebreyessus.

According to the agenda, a concise presentation was made on overall features of the project by the national Project Coordinator and the Chief Technical Adviser. The Committee then delved on discussions on

the three key components, namely: (1) Economic competitiveness by strengthening the leather value chain (2) Safeguarding the environment by facilitating financial investments towards the establishment of an eco-friendly leather industrial park; (3) Strengthening social cohesion by supporting local economic and social development initiatives.

From the three components UNIDO is mandated to work on the implementation of the first compo-



UNIDO LISEC Team meeting with LIDI Director General and staff



UNIDO LISEC Team introductory meeting with Mojo City Administration



ment with three targeted outputs namely: 1) Improve quality and quantity of hides and skins, 2) support tanneries towards integration in to global value chains and 3) promote investments in/around Modjo city.

During the discussion, members have expressed their commitment to collaborate towards the attainment of the project common goals. His Excellency the Chairperson further emphasized that the project aims at addressing the long-standing gaps in job creation, environmental protection and technology transfer in the leather sector. Reaffirming the Government's commitment His Excellency Mr. Teka called for a joint effort from all key actors to deliver towards achieving the project goals.

Following the steering committee meeting, UNIDO LISEC Project Team held fruitful technical planning meetings with key Project partners including the Ethiopian Leather Industry Development Institute (LIDI), Ministry of Agriculture, Mojo City Administration and Federal Small and Medium Manufacturing Industries Promotion Authority.

UNIDO LISEC is a four-year EU funded project aimed at creating employment opportunities for sustainable economic opportunities through integrated approach.

UNIDO inaugurated the Common Production Facility for Footwear at the Ethio-International Footwear Cluster Cooperative Society

Driven by its more than three decades dedication in working with private and public partners to develop the Ethiopian leather industry, UNIDO has achieved another milestone.

On May 13, 2019 UNIDO inaugurated the common production facility for footwear at the Ethio-International Footwear Cluster Cooperative Society (EIFCCOS) located in Addis Ababa Ethiopia.

The event was marked by the procurement and installation of 30 state-of-the-art footwear production equipment, an investment worth EUR 320,000, to equip EIFCCOS's common production unit.

The inaugural ceremony was attended by the African Union Commissioner for Trade and Industry Ambassador Albert

Muchanga; Mr. Bogale Feleke Director General at Ethiopian Leather Industry Development Institute and Mr. Asfaw Abebe, Director General for Federal Small and Medium Manufacturing Industry Promotion Agency. The AU Commissioner during his remark emphasized on the market opportunities that manufacturers should look into and reconsider their trends in export markets. Mr. Tiberio Chiari, Director of the Italian Agency for Development Cooperation also underlined the need to focus on quality improvement and expressed

the Agency's commitment to continue its support to strengthen the production line in the cluster. Ms. Aurelia Calabrò, UNIDO Representative and Director of the Regional Office Hub, highlighted UNIDO's contribution in supporting over 400 SMEs that currently employ 3,800 workers in the cluster. She added that the establishment of the common leather production line for footwear is an important step for the cluster to enhance its production capacity (500 pair of shoes per 8 hours) and diversify its production line.



Technology support to improve competitiveness of priority value chains In Rwanda

Over the past 4 years, the United Nations Industrial Development Organization (UNIDO), with funds from the Korean International Cooperation Agency (KOICA), has implemented a capacity building project for industrial research and development in Rwanda

The support was benchmarked on achieving the Government of Rwanda's Vision 2020's targets for the growth of the industrial sector, that is increasing the contribution of the industrial sector from 16 per cent of GDP to 26% of GDP and also achieving employment targets of non-farm employment from 4 per cent of the workforce to 1.4 million.

In order to achieve these targets, in July 2015, the UNIDO-KOICA Project supported the revamp of the former Institute for Scientific and Technological Research (ISTR) into the National Industrial Research and Development Agency (NIRDA) into a service institution, with a simplified research business interface to help enterprises address technological and technical barriers to their growth and competitiveness.

Leveraging UNIDO's support, NIRDA today has in place a 5-year strategy and action plan aimed at providing technological support to selected value chains to increase their competitiveness (which should lead to export growth or the substitution of imports); (ii) a dynamic organisational structure appropriate to its new mandate; (iii) a wide range of standardised systems and procedures (including an internal monitoring system); (iv) capacity building program for its staff based on a thorough training needs analysis; and (v) evident refurbishment of its facilities and finally, capital



(From top) Banana Wine Client company testing new Banana crusher machine provided by the Project; Banana Wine and Garments Value chain Open Calls winners, together with the Minister of Trade, UNIDO, NIRDA and KOICA representatives; Pilot Companies Representatives undergoing business management training.

investments in pilot projects in new value chains.

The Project also supported NIRDA's first "Open Calls" approach, aimed at identifying and supporting selected industries within priority value chains for technology upgrading and business management support. In 2017, UNIDO undertook an assessment of priority value chains, which included audits of the use of technology by firms within these value chains. These value chains included; Leather, Phyto-medicines, Textile and Garments and Banana Wine. A comprehensive scoping study of the Ceramics value chain sector was also conducted.

Based on the assessment, in June 2018, the UNIDO-KOICA-NIRDA project began supporting the upgrading

and improved competitiveness of firms in two value chains: garments and banana wine. This involved a call to the private sector for project proposals in these two value chains. Overall, 136 applications were received and 12 companies, 6 in Banana Wine and 6 in Garments sector were selected for the Project's pilot activities.

Through the Project's support, the 12 Pilot companies have so far received various equipment for technology upgrading of their industries, in addition to various training opportunities aimed at improving their marketing, quality and standards, packaging and labelling, business processes such as, tax filing, book keeping and financial management.

Photo credit: NIRDA

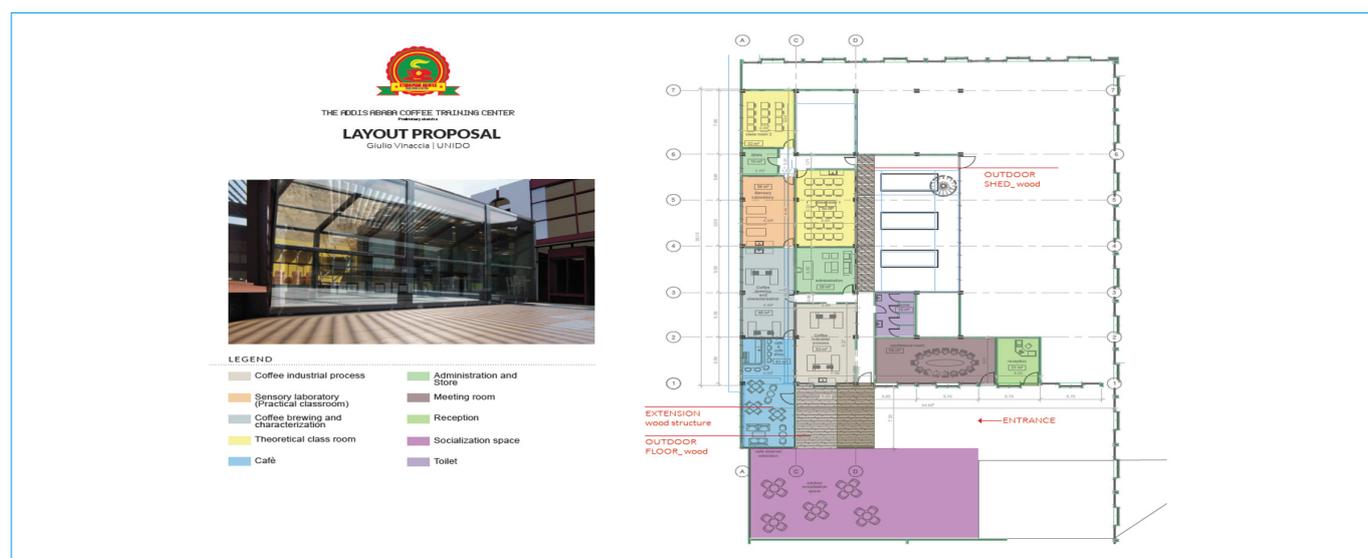
Photo credit: BPN

UNIDO supporting direct export to improve smallholders' well-being

With the support of UNIDO project “Improving the sustainability and inclusiveness of the Ethiopian coffee value chain through Private and Public Partnership”, funded by the Italian Agency for Development Cooperation (AICS), the Burka Yadot Farmers' Cooperative Union (BYFCU) of Delo Mena, Oromia Regional State, is currently exporting 20160kg of Grade 2 Hareenna Forest Coffee to Italy. The coffee, which received a 30% premium from the buyer as recognition of

the improved quality, is exported as SlowFood “Hareenna Forest Wild Coffee Presidium” and will be roasted and marketed in Italy by high-level specialty coffee roasters. By following the Ethiopian Law, the smallholder farmers who contributed to the export with their coffee will receive a dividend of 70% from the margin gained by the Union. The project activities in Delo Mena Woreda, aiming at increasing smallholder farmers' revenues deriving from sustainable

and inclusive coffee production, started in 2016 and include farmers' training on coffee harvesting and post-harvesting, the establishment of 12 Cooperative Drying Centres, T/A to the cooperatives and to the BYFCU on coffee management and marketing. Thanks to the project interventions, the quality of the coffee produced by affiliated farmers drastically increased, from Grade 7 and 8 to Grade 3 and 2, qualifying Delo Mena's coffee as “Specialty Coffee”.



Business-friendly, Inclusive and Responsible National Policies for Investment Promotion

The new Program “Support Business Friendly and Inclusive National and Regional Policies and Strengthen Productive Capacities and Value Chains” is benefiting Ethiopia with support from the European Union worth EUR 640,000. A Joint programme between the World Bank Group, the International Trade Centre (ITC) and UNIDO focuses on two results namely: (1) Business-friendly, inclusive and

responsible national policies and legal frameworks are implemented; (2) higher productivity and competitiveness. UNIDO will be the sole implementer focusing on meso-level interventions aimed at strengthening key institutions and their capacity to deliver on investment facilitation. The project will also look at creating Small and Medium Enterprises-Foreign Direct Investment linkages through

business support services and efficient market information directories.

During the first half of 2019, the investment opportunity profiling exercise was carried out by UNIDO in collaboration with Ministry of Trade and Industry. It was concluded by delivering 168 investment project profiles and 25 enterprise benchmarking assessments. According to the findings, 30 of the assisted companies are owned by women entrepreneurs; 23 are managed by women. An investment inventory has been also developed and will be soon disseminated to international business partners.

FORTHCOMING EVENTS

- **UNIDO 8th Least Developed Countries (LDC) Ministerial Conference 2019**
November 2 2019
Abu Dhabi, United Arab Emirates
- **The Seventh Inclusive and Sustainable Industrial Development (ISID) Forum**
November 3 2019
Abu Dhabi, United Arab Emirates
- **18th Session of UNIDO General Conference**
November 3-7 2019
Abu Dhabi, United Arab Emirates
- **All African Leather Fair**
November 9-12 2019
Addis Ababa, Millennium Hall, Ethiopia
- **Africa Sourcing and Fashion Week**
November 9-12 2019 Millennium Hall
Addis Ababa, Ethiopia
- **African Industrialization Day**
November 20 2019
African Union Commission
Addis Ababa, Ethiopia
- **African Economic Conference**
December 2-4 2019
Sharm el-Sheikh, Egypt

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