



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION



FIFTH ISID FORUM

14 -15 November 2016

DAKAR, SENEGAL

REGIONAL FORUM

**ON INCLUSIVE AND SUSTAINABLE INDUSTRIAL
DEVELOPMENT AND INDUSTRIAL INVESTMENT
PROMOTION MEETINGS**

**Co-organized by
the Government of Senegal and UNIDO**

Foreword

The universal nature of the 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs) calls for a profound transition in the way we view development. While poverty eradication remains the central challenge, the focus shifted to finding solutions to ensure that the world remains on a sustainable and resilient development path, to give a sense of hope and opportunity for present and future generations. UNIDO's mandate of inclusive and sustainable industrial development (ISID) is anchored in Sustainable Development Goal 9 and the 2030 Agenda as a whole. Encompassing three important aspects of sustainable development - infrastructure, industrialization and innovation - the SDG 9 fortified UNIDO's mandate to promote inclusive and sustainable industrial development (ISID), operationalized through the Programme for Country Partnership (PCP).

The overall objective of the PCP approach is to mobilize external partners and additional resources in order to enhance the impact of UNIDO's technical cooperation and accelerate countries' inclusive and sustainable industrial development in Member States. As the PCP is tailored to each country's needs, it serves as a tool for advancing not only Sustainable Development Goal 9 but also the wider 2030 Agenda.

Since the adoption of the ISID mandate at the UNIDO General Conference in December 2013 in Lima, Peru, UNIDO has organized Four ISID Forums, which have contributed to refining and sharing the PCP approach. The PCP approach was first introduced in Africa, in

Ethiopia and Senegal, and in 2015 Peru became the third PCP country.

The relevance of UNIDO's ISID mandate was renewed in July 2016 when the United Nations General Assembly proclaimed the period 2016-2026 as the Third Industrial Development Decade for Africa, calling upon UNIDO to lead this process and upscale its technical assistance to accelerate Africa's industrialization in cooperation with development partners.

With this in mind, UNIDO and the Government of Senegal co-organized the Fifth Inclusive and Sustainable Industrial Development (ISID) Forum, titled: "The



Regional Forum on Inclusive and Sustainable Industrial Development and Industrial Investment Promotion Meetings” featuring high-level panelists and speakers from the Government of Senegal, the Government of Ethiopia, and regional economic commissions (RECs).

The Fifth ISID Forum attracted more than 400 participants from countries all over the world, including representatives of the European Union and its Member States, and international development partners, such as representatives of the African Development Bank, the Special Programme for the Development of Africa, the United Nations Food and Agriculture Organization, the International Fund for Agricultural Development and the Japan International Cooperation Agency, among others.

The successful experiences of the PCPs in Ethiopia and Senegal have generated strong interest from other African governments for a PCP. The Economic Community of West African States has requested UNIDO to assist with the operationalization of the West African Common Industrial Policy and the strengthening of institutional capacities of RECs in order to support the scaling-up of the PCP model in the region. The flexibility and adaptability of the PCP model was affirmed by participants of the Fifth ISID Forum through a joint statement, acknowledging the applicability of the PCP in a sub-region as diverse as West Africa.

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Summary of Proceedings



The Fifth Inclusive and Sustainable Industrial Development (ISID) Forum, entitled “**Regional Forum on ISID and Investment Promotion Meetings**” was co-organized by the United Nations Industrial Development Organization (UNIDO) and the Government of Senegal. Held in Dakar, Senegal, from 14 to 15 November 2016, the Forum had a strong regional dimension and attracted a high profile list of speakers and panelists, and more than 400 participants.

- The **first day** consisted of a high-level discussion focusing on issues related to regional inclusive and sustainable industrial development, building on experiences gained from the implementation of pilot PCPs. It also presented an action plan for the replication of the PCP model across West Africa.
- The **second day** provided a platform for business-to-business and business-to-government meetings. A visit to the integrated industrial park of Diamniadio, one of the flagship industrial projects of the Government of Senegal, was also organized.
- The Fifth ISID Forum also featured an exhibition of locally manufactured industrial products, jointly inaugurated by His Excellency Mr. Mahammed Boun Abdallah Dionne, the Prime Minister of Senegal, and the UNIDO Director General, Mr. LI Yong. The exhibition was on display throughout the duration of the forum.

FIFTH ISID FORUM

Regional Forum on Inclusive and Sustainable Industrial Development and Industrial Investment Promotion Meetings



Day 1

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Opening Ceremony: Statements and Keynote Addresses



His Excellency Mr. Mahammed Boun Abdallah Dionne, the Prime Minister of Senegal chaired the opening ceremony. The moderator, **Mr. Simon Meledje**, welcomed participants, expressed hopes for a successful forum and introduced the distinguished speakers. Opening remarks and keynote addresses expressed optimistic views on the prospect of replicating and progressively disseminating the UNIDO Programme for Country Partnership (PCP) approach throughout Africa. The following is a summary of the main points expressed during the opening remarks.

Mr. Guy Amedee Ajanohoun, Commissioner for Enterprise Development, Energy, Telecommunications and Tourism, West African Economic and Monetary Union (WAEMU), stressed the need for an Africa-wide dissemination of the PCP model, while conveying his optimism that a successful monetary integration in the WAEMU region would increase the chances of successful PCP dissemination.

Recalling the successes of implementing the PCP model in Senegal and Ethiopia, **Mr. Kalilou Traore**, Commissioner for Industry and Private Sector Promotion at the Economic Community of West African States (ECOWAS) Commission, noted that the industrial base of the West African economy could experience significant upgrading as a result of the dissemination of the PCP model throughout the sub-region.

Mr. Li Yong, UNIDO Director General, expressed gratitude to the Government of Senegal for co-hosting the Forum, and to the Prime Minister, H.E. Mr. Mohammed Boun Abdallah Dionne, for being present at the Forum and chairing the opening ceremony. Mr. Li assured that UNIDO will continue to work closely with the Government and the people of Senegal, and other countries, in pursuit of the objectives of the Lima Declaration and UNIDO's mandate of promoting and advancing inclusive and sustainable industrial development.

H.E. Mr. Mohammed Boun Abdallah Dionne, Prime Minister of Senegal, complimented UNIDO

on its continued service to Senegal and Africa, and particularly thanked the UNIDO Director General, Mr. Li, for his committed engagement with Africa, and Senegal in particular. The Prime Minister noted that the PCP model was helping to operationalize the Plan Senegal Emergent and boost the country's industrial base, as important achievements in this cooperation between UNIDO, the Government and the people of Senegal. With those words, Prime Minister Dionne declared the Forum open and offered his wishes for fruitful discussions.



Presentations and Discussions

The following is a summary of the presentations and discussions of the first day, 14 November 2016.

PLENARY 1

SHARING THE PROGRAMME FOR COUNTRY PARTNERSHIP (PCP) MODEL IN AFRICA

Africa's Industrialization Challenge and Regional Integration

Mr. Amedee Ajanohou stressed the importance of regional integration for Africa's industrial development and noted that regional infrastructure projects, which improve market connectivity, are essential for industrialization.

MR. AMEDEE AJANOHOUN, COMMISSIONER FOR ENTERPRISE DEVELOPMENT, ENERGY, TELECOMMUNICATIONS AND TOURISM, WEST AFRICAN ECONOMIC AND MONETARY UNION (WAEMU)

The plenary was opened with a keynote speech by Mr. Amedee Ajanohoun. He spoke on Africa's industrialization challenges and regional integration. Stressing the importance of regional integration for Africa's industrial development, he noted that regional infrastructure projects, which improve market connectivity, are essential for industrialization. In this regard, the expansion of regional markets is a strategic objective, especially given that most African countries have small-scale national economies. As regional grouping is one way of responding to the challenges

presented by globalization, regional economic communities (RECs) can serve for building blocks for achieving economic integration in Africa. The WAEMU is both, a currency union and a free-trade area. The ultimate goal of WAEMU monetary integration is to ensure convergence – the reduction of disparities in economic indicators among countries – of member countries. Despite the adoption of convergence criteria, WAEMU member countries have not yet converged towards similar growth levels. In terms of benefits, the WAEMU zone has experienced

macroeconomic stability, financial integration and increased intraregional trade. However, competitiveness remains a challenge for member countries. It is obvious that more than macroeconomic stability is required to increase competitiveness. Improvements

in the business climate and elimination of gaps in hard and soft infrastructure are also necessary to increase countries' competitiveness. He further emphasized the importance of regional integration for industrial development and for enhancing the PCP process.

Presentation on the Plan Senegal Emergent (PSE) and its "Industrial Strategy" Component

The objective and vision of the PSE is for Senegal to become an emerging economy by 2035 and a country with social solidarity and the rule of law.

H.E. MR. ABDOUL AZIZ TALL, MINISTER TO THE PRESIDENT OF SENEGAL IN CHARGE OF THE PLAN SENEGAL EMERGENT (PSE)

In his presentation, H.E. Mr. Abdoul Aziz Tall spoke on the PSE and its "industrial strategy" component. The objective and vision of the PSE is for Senegal to become an emerging economy by 2035 and a country with social solidarity and the rule of law. The PSE is a new model of development and aims to accelerate industrialization in the country. Different industrial

projects and expected outcomes of the PSE were briefly outlined. The PCP model is complementary to the PSE. The establishment of competitive and integrated agro-poles and integrated industrial parks are cornerstones for accelerating industrialization in Senegal.

Presentation on the PSE and ISID: The Relevance for Renewed Industrialization in Senegal - The Results

H.E. MR. ALY NGUILLE NDIAYE, MINISTER OF INDUSTRY AND MINING OF SENEGAL

H.E. Mr. Aly Ngouille Ndiaye outlined key PCP Senegal results to date, as part of his presentation on PSE and PCP: The relevance for a renewed industrialization in Senegal - the results. The PSE is a vision for renewed industrialization of Senegal based on the vision of inclusive and sustainable industrial development. The PCP is a model for the operationalization of ISID and the

implementation of SDG 9 ("Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation") of the 2030 Agenda for Sustainable Development. The Government of Senegal adopted the PCP as a means of implementing the industrial stimulus component of the PSE. The PCP therefore is a strategy for translating the vision of PSE into

The PCP is a model for the operationalization of ISID and the implementation of SDG 9 of the 2030 Agenda for Sustainable Development.

tangible results and benefits for the general population of the country. There are two major areas of PCP intervention: vertical intervention and horizontal intervention. Vertical intervention is the core of industrial policy and entails defining a strategy of industrial development, including integrated industrial parks, integrated agro-poles and regional mining hubs. Horizontal intervention encompasses development of the private sector, environment, energy, science, technology and

innovation, and facilitation of exchange. Key features of PCP-Senegal include government ownership at the highest level; a multi-stakeholder partnership with strong participation of the private sector and local enterprises in the national Task Force; investment leverage effects for technical cooperation and pre-investment services; and development of a results-based monitoring and evaluation system.

Presentation on Ethiopia's Industrialization Experience and the Results of PCP Ethiopia

The PCP is recognized as a model that demonstrates how multi-stakeholder partnerships can mobilize financing for industrial infrastructure projects and programmes.

H.E. MR. MOHAMMED SEID YIMER, AMBASSADOR OF THE FEDERAL REPUBLIC OF ETHIOPIA IN SENEGAL

H.E. Mr. Mohammed Seid Yimer presented a paper on Ethiopia's industrialization experience, and the results of PCP Ethiopia. He provided a brief overview of Ethiopia's industrialization experience and concrete results achieved to date as a result of the implementation of PCP Ethiopia. During the Growth and Transformation Plan (GTP) period, some progress was made and a

number of lessons were learned. The PCP Ethiopia addresses key industrial aspects of the GTP. Significant progress is being made in the context of Ethiopia's experience in mobilizing financing and large-scale investment for industrialization. As the implementation of the PCP is highly resource-intensive, much of the progress depends on the availability of financial and other

resources for industrialization. UNIDO is supporting the Government of Ethiopia to mobilize funds for PCP implementation and the organization of an international investment forum. UNIDO is also working with the high-level Joint Steering Committee (JSC) of the PCP Ethiopia to conclude loan and grant negotiations with multilateral development banks (MDBs) for large-scale industrial infrastructure development, and to mobilize funds for technical assistance. The PCP is recognized as a model that demonstrates how multi-stakeholder partnerships can mobilize financing for industrial infrastructure projects and programmes.

Development partners and MDBs active in Ethiopia have demonstrated their commitment and support for the PCP through their active participation in the JSC. In Ethiopia, the PCP is already providing support to the government, including through feasibility studies aimed at facilitating investment from partners and leveraging technical assistance funds for larger-scale investment flows. PCP-Ethiopia corroborates the effectiveness of PCP Senegal, which is operationalizing the industrial component of Senegal's national development agenda, the PSE.

Plan Senegal Emergent, Inclusive and Sustainable industrial Development, which Place for Public-Private Partnerships (PPPs)?

MR. FRANCOIS SERRES, INTERNATIONAL UNIDO EXPERT

In the context of the Plan Senegal Emergent (PSE), Mr. Francois Serres explored the role of public-private partnerships (PPPs) as a means to project development in the West African Economic and Monetary Union (WAEMU) sub-region.

Mr. Francois Serres presented a paper entitled Plan Senegal Emergent, Inclusive and Sustainable Industrial Development: What is the place for PPPs? In the context of the Plan Senegal Emergent (PSE), he explored the role of public-private partnerships (PPPs) as a means to project development in the West African Economic and Monetary Union (WAEMU) sub-region. Although PPPs are a potentially viable instrument of development, and are frequently mentioned in major country policy documents, member states of

WAEMU have not really developed a workable strategy that effectively integrates the PPP instrument into development plans. This failure, he argues, precludes the PPP mechanism from serving development objectives and therefore detracts from its legitimacy as an instrument of poverty reduction.

The PSE was necessitated by inadequate levels of productivity, lack of infrastructure to support production, lack of access to essential and quality inputs,

The PSE outlines three strategic axes to create conditions for Senegal's emergence, namely, structural transformation of the economy and growth, improvements in the living conditions of the population and strengthening of governance.

27 flagship projects have been identified; their phasing, value addition potential, employment effects, impact on trade balance, and costs have been assessed.

problems of access to land and to financing, governance issues, and poor agro-industrial value chains, among others. The PSE was therefore designed to provide strategic directions towards rectifying this situation. It outlines three strategic axes whose synergies, convergence, and cumulative effects would create conditions for Senegal's emergence from this situation. The axes are: (1) structural transformation of the economy and growth, (2) significant improvements in the living conditions of the population (human capital, social protection and sustainable development), and (3) strengthening of governance.

But a successful implementation of the PSE requires Senegal to meet particular challenges. The country must ensure adequate financing for development by improving the budgetary culture, creating room for maneuver and for greater efficiency in resource allocation and expenditure management. In particular, the resources needed to finance the strategic sectors and priority projects must be adequately

mobilized. To initiate and consolidate progress towards the country's emergence, the strengths and opportunities available to it must also be adequately mobilized and exploited.

The structural transformation of Senegal will be based on improving knowledge, technology and know-how. These decisive elements will prepare the country for a qualitative leap towards a quality production base and competitiveness; in turn, the country's market shares for industrial products and services will increase. The aspiration is to make Senegal a multi-service regional industrial hub in which (i) Dakar becomes a tertiary regional platform for the headquarters of companies and international institutions, providing quality health care, education and recreation, (ii) Senegal is positioned among the top 3 outsourcing centers in French-speaking Africa, and (iii) Senegal is a tourist destination of note and reference. Towards these ends, 27 flagship projects have been identified; their phasing, value addition potential, employment

Senegal intends to exploit its huge mining potential to the fullest and to ensure the emergence of industries structured around the mining resources.

Regulatory reforms will improve the investment code, PPP legislation, the legislation on special economic zones, the mining code, land legislation, tax and banking legislation, and legislation on SMEs.

effects, impact on trade balance, and costs have been assessed.

In the agriculture sector, the flagship projects include: development of cereal corridors, 3 integrated agro-poles, 3 integrated seafood processing clusters, and social housing and ecosystem construction. In the mining sector the flagship projects include establishment of a regional mining hub, and a regional logistics and industrial hub that subsumes 2/3 of integrated industrial platforms. Mr. Serres noted that Senegal intends to exploit its huge mining potential to the fullest and to ensure the emergence of industries structured around the mining resources.

The State purposes to promote a better sharing of wealth through the involvement of the national or local private sector and the establishment of a regulatory framework that preserves the interest of the State. The development of projects requires that strong structural reforms be implemented at the regulatory level.

For Senegal to emerge from the unsustainable situation that necessitated the design of the PSE, strong regulatory reforms must be implemented. These reforms will improve the investment code, PPP legislation, the legislation on special economic zones, the mining code, land legislation, tax and banking legislation, and legislation on SMEs. The goal is for the national or local private sector to play an increasingly significant role in the industrial development process. PPPs are an instrument of development in that they can help in restructuring the economy. PPPs are also an instrument of governance because they enable and shape the contractual schemes, thus fostering the development and financing of industrial strategies. Under the PPP scheme, and in accordance with the objectives of the PSE, the prerequisites for developing the flagship projects include: preliminary socio-economic studies, budget sustainability studies, feasibility studies (technical, legal, and financial) leading to a contractual scheme, industrial studies (value

A United Nations General Assembly's resolution, approved in July 2016, specifically requested UNIDO to develop, operationalize and lead the implementation of the Third Industrial Development Decade for Africa in cooperation with other relevant stakeholders.

chain, technology development, R&D), increasing the local content in SMEs, etc. Mr. Serres recalled the United Nations General Assembly (GA) resolution of July 2016, which proclaimed the period 2016-2025 as the Third Industrial Development Decade for Africa (IDDA III) and the mandate given to UNIDO to scale up its technical assistance to African countries to promote inclusive and sustainable industrial development. The GA resolution specifically requests UNIDO to develop, operationalize and lead the implementation of IDDA III in cooperation with other relevant stakeholders. It furthermore requests UNIDO to promote the necessary linkages to develop joint initiatives in favor of industrialization, including technology transfer, access to information and communications technology, product diversification, agribusiness value chain development, trade capacity building, renewable energy and energy efficiency, while also strengthening public-private partnerships. With regard to the PCP, UNIDO's model for achieving inclusive and sustainable

industrialization at country level, the Growth Identification and Facilitation for Industrial Upgrading and Diversification (GIFIUD) analysis was used to identify three priority sectors with strong potential to achieve "quick wins": 1) Wearing apparel; 2) leather and leather goods, including footwear; and 3) commercial agriculture, including horticulture and food processing. The objective of UNIDO's technical assistance programme for integrated industrial platforms (IIPs) is to foster and promote strong involvement of the private sector throughout the platforms' development and to mobilize public and private technical and financial resources, especially through public-private partnerships (PPPs). So far, local content is limited in the PCP process and measures should be devised not only to encourage local private sector participation but also to make it a reality. Mr. Serres noted that the objectives of UNIDO's technical assistance programme for IIPs are to foster and promote strong involvement of the private sector throughout the platforms' development, and to mobilize public

UNIDO's assistance facilitated in-depth reviews of the legal, regulatory and institutional frameworks, including amendments thereof.

Donor strategies focus particularly on regional integration and the development of infrastructure, and the private sector.

and private technical and financial resources, especially through public-private partnerships (PPPs). With UNIDO's assistance, in-depth reviews of the legal, regulatory and institutional frameworks, and amendments were thereof conducted. These reviews helped ensure that the Diamniadio IIP was operationalized as early as possible in 2016, and that the foundations for the future IIPs were firmly laid. UNIDO assistance also enabled the development of a public-private business entity for the development, management and administration of the Diamniadio IIP in the medium-term, and transitory provisions until the legal, regulatory and institutional issuances come into effect. UNIDO's assistance further enabled a cost-benefit analysis as well as economic and financial analyses of the Diamniadio IIP. Based on the foregoing, a strategy for the development of a business plan for the Diamniadio IIP was also developed with UNIDO's assistance.

Donor strategies focus particularly on regional integration and the development of infrastructure, and the private sector.

In the energy sector, PPP strategy emphasizes building cross-border energy markets capable of supplying consumers more reliably and at lower cost. In the transport sector, States are encouraged to adopt a cross-border "corridor" approach that favours the economies of scale permitted by the development of regional infrastructures. Development of regional securities market may be an asset for projects. Under PPP schemes, both regional and community projects have industrial components. The European Commission is a party to building partnerships mostly in the field of research, such as the Joint Technology Initiatives (JTI). In the long term, PPPs industrial research are established in the key technology areas and have the function to leverage European industrial competitiveness into cutting-edge sectors. The JTI are co-financed not only by investments from the private sector but also by public funds of the European Union (EU) and its Member States.

PLENARY 2

THE DISSEMINATION OF THE PCP MODEL IN AFRICA

This session was chaired by **Mr. Kalilou Traore**, Commissioner for Industry and Private Sector Promotion at ECOWAS Commission, and co-chaired by **Mr. Guy Amedee Ajanohoun**, Commissioner for Enterprise Development, Energy, Telecommunications and Tourism, WAEMU. **Mr. Tidiane Boye**, Industrial Development Officer, UNIDO, and Team Leader, PCP Senegal, moderated the session. The moderator introduced the topic of this session with opening remarks focusing on the need to upscale the PCP model as a means to achieving the objectives of the SDGs and, more broadly, ISID in Africa, and ensuring a successful IDDA III. The Plan of Action, he explained, is meant to be viewed as a guide for disseminating the PCP model throughout the continent. West Africa could be a pilot sub-region for applications of the model. He then invited the Chair to present the PCP dissemination proposals.

Proposed Modalities for Expanding the PCP Approach in Africa

The PCP is a new approach that integrates economic, social and environmental aspects of development in the pursuit of ISID outcomes.

MR. KALILOU TRAORE, COMMISSIONER FOR INDUSTRY AND THE PRIVATE SECTOR, ECONOMIC COMMISSION OF WEST AFRICAN STATES (ECOWAS)

Mr. Kalilou Traore outlined the key objectives of the PCP, which include engineering a process of inclusive and sustainable industrial development; creating conditions for the attainment of ISID and SDG objectives; aligning with West African Common Industrial Policy (WACIP) towards attaining its strategic goals; expanding and strengthening the productive base of industry and diversifying manufacturing activities; and contributing to strengthening economic integration in the ECOWAS sub-region. The PCP is a new approach

that integrates economic, social and environmental aspects of development in the pursuit of ISID outcomes. It is a comprehensive process of consultations, sensitization, project formulation, inception, and implementation with partner and fund mobilization strategies. The model is based on several principles that guarantee coherence and synergies: (a) strong government and country ownership; (b) alignment with national strategies for ISID; (c) coordinated efforts to create enhanced efficiency; (d) holistic attention to industrialization; (e)

Each country has been implementing its own national industrial development policy with consultations at the ECOWAS regional level.

PCP implementation in individual member countries will require regional consultations to ensure harmonization with the integration agenda.

alignment with national resource mobilization; (f) robust monitoring and evaluation framework; and (g) coordinated implementation with public and private sector partners. In the ECOWAS sub-region, the PCP model will help expand and strengthen the productive base of industry and diversify manufacturing activities. In the on-going process of economic integration in the sub-region, each country has been implementing its own national industrial development policy with consultations at the ECOWAS regional level. Being a significant economic event, PCP implementation in individual member countries will similarly require such regional consultations to ensure harmonization with the integration agenda. If multiple countries were to implement the PCP in the region then the need for coordination would arise in part because of on-going process of economic integration in the region. As the regional economic body, ECOWAS should not only be aware of PCP implementation in the countries but should also be an integral part of the process.

The Plan of Action proposes a preparatory phase in January of 2017 during which several preliminary activities are envisaged to be undertaken including, programme kickoff; consultations with ECOWAS and RECs; and establishment of Joint Task Forces for programme preparation and coordination. These steps should be followed by a sensitization and awareness-raising phase during February-March 2017 entailing, joint preparation and dissemination of a study on "Current status of ISID in West Africa"; joint consultations with member countries; and national PCP dissemination workshops in selected countries. The next phase is PCP scoping and formulation during April-May 2017 defined by following activities: UNIDO technical scoping mission to each of the selected countries for PCP implementation; joint fund mobilization consultations with potential donors and partners for selected PCP; and the Programme for Regional Partnerships (PRP) programme formulation with ECOWAS and REC entities. Throughout the month of June 2017, a PRP final programme shall

Successful PRP implementation will usher in a process of inclusive and sustainable industrial development in the ECOWAS region.

be developed through validation consultations and workshops. Funds mobilization for the PRP programme and endorsement of it shall conclude the Plan of Action process.

of the private sector; active engagement of regional and national actors in the implementation process; and active engagement of development partners. Successful implementation will usher in a process of inclusive and sustainable industrial development in the ECOWAS region, which shall lead to the attainment of the objectives of the SDGs, IDDA III, and of the West African Common Industrial Policy.

The conditions for successful implementation include: endorsement of the Plan of Action at the highest political level; strong political will and commitment; successful mobilization of partners and financing; active engagement

Discussion

Emphasis was placed on the urgent need to attract foreign investors.

Representatives of the private sector, governments and development partners responded to the Plan of Action and offered their observations and recommendations. Generally, the Plan of Action was favorably received. Issues about its financing and the role and participation of the private sector in the implementation process were raised, especially due to the difficulties faced by the local private sector operators. It was noted that the private sector in Africa was weak and it had very limited access

to resources, which would enable the implementation of large projects. Appropriate mechanisms were called for in order to promote financial inclusion. This would mitigate some of the challenges, such as high and unaffordable bank rates. Accordingly, the possibility of Senegalese joint venture working with foreign investors in the mining business project, for example, was deemed to be quite remote. Emphasis was placed on the urgent need to attract foreign (for example, European) investors.

The new top five priorities of the African Development Bank were presented: light up and power Africa, feed Africa, integrate Africa, improve quality of life for the people of Africa, and industrialize Africa.

AfDB is in the process of establishing financial and technical instruments to promote industrialization in Africa.

MR. ALHASSANE HAIDARA, CHIEF INVESTMENT OFFICER, HEAD OF MINING AND MANUFACTURING TEAMS, PRIVATE SECTOR DEPARTMENT, AFRICAN DEVELOPMENT BANK (AFDB)

In this connection, Mr. Alhassane Haidara presented the new priorities of the AfDB, its High Fives: light up and power Africa, feed Africa, integrate Africa, improve quality of life for the people of Africa, and industrialize Africa. He recalled the Bank's joint aide memoire with UNIDO and the United Nations Economic Commission for Africa (UNECA) in which key outcomes of the organizations' discussions on a framework for closer partnership and cooperation are laid out, including their agreement on the way forward. Mr. Haidara noted that the tripartite initiative aimed at supporting the implementation of the strategic goal "industrialize Africa" as anchored in the High

Five priorities of the Bank. He also recalled the Bank's discussions with UNIDO and ECOWAS on operationalizing the WACIP, and suggested that if a programme/project proposal based on the Plan of Action was presented to AfDB, the Bank would be glad to consider funding the implementation of the Preparatory Phase. He further noted that AfDB is in the process of establishing financial and technical instruments to promote industrialization in Africa.

A question was raised as to whether the implementation of the PCPs in the pilot countries, namely Ethiopia and Senegal, have been evaluated and what the exercise revealed.

MR. TIDIANE BOYE, TEAM LEADER OF PCP SENEGAL

Mr. Tidiane Boye explained that a systematic evaluation has not yet been undertaken because the implementation of the PCPs is an ongoing process and it would be difficult to undergo this exercise at

this, relatively early stage. However, there are plans to organize in early 2017 the evaluation of the programme implementation to date, starting with the establishment of parameters and

Successful PRP implementation will usher in a process of inclusive and sustainable industrial development in the ECOWAS region.

verifiable indicators following which, a mid-term evaluation is planned to start in the second half of 2017. However, it was emphasized that a lack of evaluation of the implementation of PCPs in Ethiopia and Senegal

so far should not influence or delay the contemplation and/or implementation of the Plan of Action for Disseminating the Model in West Africa and the rest of the continent.

MR. LAMIN DAMPHA, DEPUTY PERMANENT SECRETARY, TRADE, INDUSTRY, REGIONAL INTEGRATION AND EMPLOYMENT OF THE GAMBIA

Emphasis was placed on the urgent need to attract foreign investors.

Mr. Lamin Dampha expressed the hope that the PCP, as an industrial development programme would not end up the way many programmes previously did - with little effectiveness. The private sector's involvement in the dissemination of the PCP was an issue raised from the audience multiple times. The general weakness of the private sector, particularly the local private sector, was of great concern, leading to questions as to how the private sector could be mobilized for the implementation of the Plan of Action. Some suggestions for addressing this challenge were proposed, including:

- Risk sharing arrangements could be designed jointly by donors and partners thereby helping to catalyze investments by the private sector and mobilize local capital;

- Building public-private partnerships, especially where business interests and development objectives coincide, could be a means of forging partnerships with local companies in which the strengths of the respective partners are fully utilized;
- Engaging the private sector in policy and advocacy actions by involving them in multi-stakeholder partnerships that bring stakeholders from across industries and sectors to work together in addressing challenges that also impact business. It was underscored that the mere involvement of private sector operators in the implementation of PCP-PRP processes can spur innovation and entrepreneurship.





Day 2

15 November 2016

- 28** PLENARY
Investment Promotion Meetings

- 35** **Concluding Remarks**

The following is a summary of the presentations and discussions of the second day, 15 November 2016.

PLENARY:

INVESTMENT PROMOTION MEETINGS

This session was chaired by H.E. Ms. Khoudia Mbaye, Minister of Investment Promotion, Partnerships and State Teleservices Development of Senegal. The following distinguished representatives were present: H.E. Mr. Abdou Jobe, Minister of Trade, Industry, Regional Integration and Employment of the Gambia, H.E. Mr. Aly Ngouille Ndiaye, Minister of Industry and Mines of Senegal, and Mr. Kalilou Traore, Commissioner for Industry and Private Sector Promotion at the ECOWAS Commission. The session was moderated by Mr. Simon Meledje.

The session reviewed the investment climate in Senegal and assessed how the PCP process is helping to enhance investment possibilities and opportunities by examining key projects implemented under the PCP.

The moderator introduced the representatives of the respective institutions in charge of investment promotion and major industrial projects.

The Investment Climate in Senegal and Advantages for Investors

Mr. Sy identified investment opportunities in agriculture, including agro-processing, as well as in the energy and tourism sectors.

MR. MOUNTAGA SY, CHIEF EXECUTIVE OFFICER (CEO) OF INVESTMENT PROMOTION AND MAJOR PROJECTS AGENCY (APIX)

Mr. Mountaga Sy spoke on the investment climate in Senegal and the advantages for investors. He outlined the general investment climate in Senegal and highlighting the contribution of the PCP to the improvement of the investment climate through reforms. Mr. Sy presented a short video depicting the very strong impact of the operationalization of the

PSE on the economy, and how the PSE has placed Senegal on a stronger footing than hitherto with observable higher levels of macroeconomic aggregates. His presentation identified investment opportunities in agriculture, including agro-processing, as well as in the energy and tourism sectors.

Agro-poles are the link to economic, agricultural, industrial and territorial development, providing also the context and the stakes for economic growth. Seven plans integrate agriculture in the PSE. UNIDO's contribution ensures the alignment of the PCP with

the PSE, as well as true value addition as outcome. The results include three installations of agro-poles, incubators of small and medium enterprises (SMEs), and twenty rural centers of transformation.

Presentation of Agro-Pole Projects

The PSE strategy is to transform agriculture into a strong and stable engine for exports, reduce the current dependence on imports for basic food products and stem or reduce rural to urban migration by stimulating the rural economy and boosting local employment.

MR. IBRAHIM WADE, DIRECTOR GENERAL OF THE OPERATIONAL AND MONITORING OFFICE OF THE PSE (BOS)

Mr. Ibrahim Wade presented a paper on the creation of integrated agro-pole projects in the context of the PSE. He began with a brief lay of the land. The agro-food industry of Senegal is weak. The country imports about 77 per cent of agro-food products and processes only about 13 per cent of agricultural produce. About 60 per cent of the active population is engaged in the industrial and primary sectors of the economy although the primary sector records a 13 per cent commercial deficit. The goal of the country's industrialization agenda is to substitute import and expand export of manufactures. The PSE strategy is to transform agriculture into a strong and stable engine for exports, reduce the current dependence on imports for basic food products (e.g.,

cereals), and stem or reduce rural to urban migration by stimulating the rural economy and boosting local employment. Through accelerated development of value chains the country can become a major exporter of processed food products.

The PCP, he noted, is helping to operationalize the PSE. The PSE reinforces value addition to agricultural produce through creating three agro-poles for the transformation of fruits and vegetables, oils, dairy products, grains, etc.. On the other hand, the PCP supports the industrialization of Senegal across agricultural value chains by developing and operationalizing integrated and competitive agro-poles; establishing services that

The goal of Senegal's industrialization agenda is to substitute import and expand export of manufactures.

The PCP is aligned with the industrial component of the PSE and ISID is in perfect harmony with the PSE. It aligns with the PSE at two component levels: horizontal and vertical.

favour SMEs like access to finance and infrastructure development; and establishing 20 Rural Transformation Centers (RTCs) around each agro-pole. All this will require substantial mobilization of land and preparation of ground plans before mid-2017.

Mr. Wade noted that preliminary studies on the establishment of three agro-poles have been finalized. One agro-pole would be established in the North (Richard Toll) to process cereals, rice, horticulture, fish and aquaculture; a second would be established in the Centre (Kaolack) to process cereals and grains; and a third would be established in the South (Zinguinchor) to process mango; fish and aquaculture; and horticulture. Investment and operating costs for financing the agro-poles are estimated at 11 billion CFA for a period of two years per agro-pole. About 75 per cent (8.25 billion CFA) of this amount will come from public sources and will cover new investments in basic infrastructure, governance and internal modules, and 25 per cent (2.75 billion CFA) is earmarked for the upgrading of

value chains and the rehabilitation of existing infrastructures and will come from PPP. Operating annual costs are estimated at 690 million CFA. In 2017, the following shall be accomplished or established: selected feasibility studies, corresponding Territorial Task Forces, land mobilization and Site Servicing. During 2018-2011, competent modules of production, investment promotion and progressive infrastructure development shall be established.

Key initiatives for transforming the economy include: establishing 100-150 high value added projects, instituting three grains corridors, restructuring storage facilities, creating three integrated agro-poles, establishing 150-200 agro-projects, accelerated development of aquaculture, and creating three integrated industrial parks for the transformation of fisheries products. The PCP is aligned with the industrial component of the PSE and ISID is in perfect harmony with the PSE. The PCP aligns with the PSE at two component levels: horizontal and the vertical. The horizontal alignment includes integrated

The goal of the agro-pole projects is to support industrialization by moving up the value chain (fruits and vegetables; oils; dairy products; aviculture) for the development of integrated and competitive agro-poles.

industrial platforms, integrated agro-poles, and regional mining hub. The vertical components include: development of the private sector, the environment, energy, facilitation of exchanges, and promotion of investments. UNIDO provided technical support towards reinforcing complementary components, establishment of industrial projects, and generating partner-donor interest in funds mobilization.

Mr. Wade noted that UNIDO's technical and financial support was

necessary to establish the industrial projects, generate interest and secure the engagement of partners and donors for resource mobilization. The goal of the agro-pole projects is to support industrialization by moving up the value chain (fruits and vegetables; oils; dairy products; aviculture) for the development of integrated and competitive agro-poles. He presented the achievements of the projects to date including concrete investment opportunities in Senegal that are now available as a result of the projects.

Presentation of the Regional Mining Hub of the Plan Senegal Emergent

The strategic objective is to establish multiple reference mines, and make Senegal the center of mining services in the sub-region.

MR. ABDOULAYE LY, DIRECTOR OF INVESTMENT PROMOTION AND PROJECT MANAGER, THE MINISTRY OF INVESTMENT PROMOTION, PARTNERSHIPS AND STATE TELESERVICES DEVELOPMENT OF SENEGAL

Mr. Abdoulaye Ly spoke on the regional mining hub of the Plan Senegal Emergent (PSE). The aim of the project is to establish a reference center for mining services in the West African region that encompasses an Academic Hub, a Logistics Hub, and a Services Hub. The strategic objective is

to establish multiple reference mines, and make Senegal the center of mining services in the sub-region. The operational goal of the project is to create a motor that drives growth and investment. The mining Hub will provide opportunities for sub-contracting – catering, facility management; geo-

The outlook for the mining sector in West Africa is promising, with strong potential demand for mining services, equipment and training.

technical services, certifications and guarantees of miner's rights, including the manufacturing of mining equipment. It will provide opportunities for research and development and for training both in theory and practice.

Although the mining sector in West Africa accounts for about 9 per cent of the regional GDP totaling some US\$33 billion, the outlook for the sector in the sub-region is promising. There are indications of strong demand for mining services, equipment and training, and plans are unfolding for developing the sector in neighboring countries, including Burkina Faso, Côte d'Ivoire, Guinea, Ghana, and Mali. The location of the Hub in Senegal is strategic because the country possesses the necessary infrastructures that are not available to its neighbors. It is serviced by a seaport, an airport, and a railway. There are other advantages unique to Senegal: the sector is predictable; it makes for socio-political stability; and faces a concrete regional market.

There are three major actors in the mining sector of Senegal: the State, the constructors and private sector operators.

There are three major actors in the mining sector of Senegal: the State, the constructors and private sector operators. The State defines the preferences and incentives and the legal framework. The constructors include entities from the government and the private sector. The operators are generally comprised of the private sector. Thus, the Hub shall be operated through different forms of public-private partnerships. The achievements of the project include: (a) successes in national and international promotion of the project; (b) registering of no less than 103 interests from potential actors (government and private entities); (c) establishment of two Steering Committees; (d) design of a term of reference (TOR) for the development of school curriculum for improving mining studies; (e) the defining of an "incentive package"; (f) design of a Terms of Reference (TOR) for finalizing study of mining needs in West Africa; (g) launch of a consolidated consultations study; and (h) establishment of partnerships with the government of Canada, the

African Development Bank, United Nations Industrial Development Organization and the European Union. The Project is currently progressing with: (1) putting together a package for investors; (2) consultations for a consolidated study (to be done by BOS) and (3) exploring further partnership interests.

Presentation of the Integrated Industrial Park of Diamniadio

The Diamniadio project seeks to expand the Senegalese industrial fabric, relocate industries outside of Dakar, and attract foreign direct investment (FDI) into the country.

The Government of Senegal is providing 25 billion CFA for the first phase while the second phase shall be financed through public-private partnership.

MR. MOMATH BA, DIRECTOR-GENERAL OF THE AGENCY FOR THE PROMOTION OF INDUSTRIAL SITES (APROSI)

Mr. Momath Ba presented a paper on the Integrated Industrial Platform of Diamniadio (P2ID). The objective of the project, which derives from the PSE, is to progressively achieve economic and social growth. The project is an important investment initiative that involves strong and sustained growth dynamics. It is part of a national development strategy that seeks to organize Senegal in viable, competitive, inclusive, decentralized, and sustainable functions. The Diamniadio project seeks to expand the Senegalese industrial fabric, relocate industries outside of Dakar, and attract foreign direct investment (FDI) into the country. If successfully executed, the project would: (1) create dedicated spaces that combine efficient infrastructures and services; (2) create 15 000

direct jobs and 8 000 indirect jobs; (3) induce increases in GDP by 139 billion CFA annually from 2018 onwards, and (4) increase exports by 129 billion CFA annually from 2018 onwards.

The surface area of the Diamniadio Integrated Industrial Platform is 53 hectares (ha.), 12 acres, and 62 square meters. It will be executed in two phases. The first phase shall cover an area of 13 ha at the estimated cost of 25 billion CFA. The second phase of the project shall cover 40 ha with an estimated cost of 80 billion CFA. The Government of Senegal is providing 25 billion CFA for the first phase while the second phase shall be financed through public-private partnership. The project is strategically located at Diamniadio with excellent connectivity. It is only 20 minutes

The Integrated Industrial Park of Diamniandio offers well-tailored and competitive real estate facilities, as well as several other advantages.

from Dakar and 15 minutes from the Blaise Diagne International Airport (AIBD) airport with access via the toll highway and the national road? RN1. It is also near the port of Sendou with proximity to the railways. The Integrated Industrial Park of Diamniandio, an international hub, is only three hours from European capitals and five hours from the United States of America by airplane. It offers well-tailored and competitive real estate facilities: turnkey buildings for sale or for renting, offices for renting, modular office trays, bare or equipped land areas, lots of land and spaces for professional

activities such as hotels, shops, etc. Diamniandio offers several other advantages including customs, fiscal, non-tax benefits, freedom to recruit foreign and Senegalese staff, possibility of concluding fixed-term contracts for five years, and preferential tariffs on factors of production (water, electricity).

The Fifth ISID Forum ended with a final statement by participants of the forum, which is summarized in a Declaration (the Dakar Declaration) and was read out by Mr. Kalilou Traore, Commissioner for Industry and Private Sector Promotion, at the ECOWAS Commission.

The Dakar Declaration: Final Statement by Participants of the Forum

The final statement by participants acknowledged the importance of regional integration to underpin Africa's industrialization. Highlighting the significant benefits of the PCP approach, the participants voiced strong interest in its dissemination among West African countries and using the PCPs as the leading mechanism to support national industrial development strategies in the region.

The full text of the Declaration (final statement of participants) is provided after the Proceedings of this report.

Concluding Remarks

H. E. MS. KHOUDIA MBAYE, MINISTER OF INVESTMENT PROMOTION, PARTNERSHIPS AND STATE TELESERVICES DEVELOPMENT OF SENEGAL

The moderator of the Session, H. E. Ms. Khoudia Mbaye offered a few concluding remarks. She reaffirmed the commitment of the Government of Senegal to use the PCP approach in PSE implementation, and inclusiveness and sustainability as the key words with which to define the vision of Senegal's PSE. She noted that the pursuit of industrial development required African countries to engage in equitable distribution of resources. The responsibility of developing Africa, she said, was with Africans themselves who therefore need to be more focused in finding solutions to the funding/financing problems; and should work to enhance cooperation as only then is good progress possible. The Honourable Chair of the Session expressed her sincere and profound gratitude to all participants especially those

who made presentations, asked questions and offered comments; inputs that enabled a clearer understanding of the issues. She stressed that community and the private sector should be involved in the dissemination of the PCP towards the attainment of ISID. More local banks were needed to facilitate access to resources, and studies of the banks should help to understand why they are not supporting more local private sector operators. It is the private sector that will create jobs, but government has to create the environment that enables the private sector to thrive and play this role. The Chair noted that in terms of exporting quality products, efforts need to be constantly made to upgrade productive capacity. African leaders are aware of these problems and the need to address them.

MR. LI YONG, DIRECTOR GENERAL OF UNIDO

Mr. Li Yong expressed the full commitment of his organization to the pursuit of inclusive and sustainable industrial development (ISID). He reiterated the

willingness and commitment of UNIDO to accompany West Africa in achieving ISID through disseminating the PCP in the sub-region.



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Annex 1: Opening Remarks (transcript)

MR. LI YONG, DIRECTOR GENERAL, UNIDO

“Excellences, Distinguished guests, Ladies and Gentlemen, Dear Friends and Colleagues,

It is my great pleasure to welcome you today to the Fifth Inclusive and Sustainable Industrial Development (ISID) Forum: the Regional Forum on Inclusive and Sustainable Industrial Development and Industrial Investment Promotion Meetings. I would like to extend my sincere thanks to the Government of Senegal for co-organizing this important event with UNIDO.

President Macky Sall, thank you for inviting us all here and for setting the stage for what this great country has to offer the world as it continues its industrial development journey.

As you know, this year marks the entry into force of the 2030 Sustainable Development Agenda and its 17 Sustainable Development Goals. I would like to make reference to SDG 9 – “Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation”, which is of particular relevance to UNIDO’s mandate for inclusive and sustainable industrial development, in short, ISID.

This ISID mandate enables UNIDO to integrate, in a balanced manner, the three dimensions of sustainable development –economic, social and environmental– into its technical assistance in cooperation with all relevant stakeholders.

This complex goal, however, requires a broader range of resources than any individual entity can provide. With this in mind, UNIDO developed an innovative new partnership model, the Programme for Country Partnership (PCP).

The PCP model is based on strong Government ownership and leadership. At the same time, it is a multi-stakeholder partnership – bringing together government, UN agencies, development partners, financial institutions and the private sector. It leverages additional investment and, as such, acts as a catalyst for the achievement of a country’s industrial development goals and broader development plan.

The relevance of UNIDO’s ISID mandate for African countries was underlined in July 2016 when the General Assembly proclaimed the period 2016-2025 as the Third Industrial Development Decade for Africa.

The resolution specifically calls upon UNIDO to lead this process and upscale its technical assistance to accelerate Africa's industrialization over the next ten years, in cooperation with other development partners.

I would like to recall that since the adoption of the ISID mandate at the UNIDO General Conference in December 2013 in Lima, Peru, UNIDO has organized four ISID forums in cooperation with the Governments of Ethiopia and Senegal. These Forums have allowed us to develop, refine and share the PCP approach.

Therefore, today's event is a continuation of the discussions and results of the previous forums. Taking stock of the lessons learned and best practices, the emphasis of the Fifth ISID Forum will be on the replication and progressive dissemination of the PCP model across the African region.

The Forum will focus on sharing some of the key results of the PCP model in pilot countries- of course our host Senegal, as well as Ethiopia, and the most recent PCP country, Peru. It will illustrate how the PCP approach can serve as a model to operationalize the industrial component of the national development plans of African countries and as a mechanism for leveraging large-scale regional investment for industrial projects.

I would like to highlight a few key features of the Forum:

First, the results to date of PCP implementation in the two African pilot countries, Ethiopia and Senegal, indicate that significant progress has been made in the areas of

industrialization as identified in the respective national development plans - the Plan Senegal Emergent in Senegal and the Growth and Transformation Plan II in Ethiopia. Government ownership of the PCP has been established at the highest political level. PCPs have proven their efficiency in fostering partnerships and promoting the use of blended financing mechanisms.

This has successfully leveraged additional large-scale investment from both the public and private sector, in particular for infrastructure development. The PCP has proven to be an efficient model for engagement with the private sector by identifying specific investment opportunities. The PCP places UNIDO as a key advisor to the respective governments on industry-related issues and as a central partner to both development finance institutions and the private sector.

The PCP is helping to improve the overall investment climate in both Ethiopia and Senegal. One of the key achievements of the PCP for Senegal has been to leverage large-scale resources for the establishment of integrated industrial parks, including through the provision of pre-investment services.

In Peru, the implementation of the PCP approach has demonstrated its applicability and adaptability to middle-income countries.

This Forum has a strong regional dimension. In the context of SDG 9 and the Third Industrial Development Decade for Africa, or IDDA III, it is important to build partnerships with regional development partners

in order to mobilize resources for financing Africa's industrialization. It is of particular relevance for the identification and implementation of large-scale industrial projects at the regional level.

We now come to the core of the discussion of this Forum, namely, how to advance inclusive and sustainable industrialization across the region. And how the Programme for Country Partnership model can be disseminated to other countries in Africa. UNIDO – together with regional economic communities – has prepared a draft Action Plan for the roll-out of the PCP model across the region. You will have the opportunity to hear more about this Action Plan later today. The discussions and recommendations of this Forum will guide the way forward.

This Fifth ISID Forum will also serve as a global platform for industrial investment promotion. The entire second day will be devoted to industrial investment promotion meetings - both business-to-government and business-to-business meetings. This will allow you to share your experiences and questions, find out more on specific investment opportunities and hopefully forge new business partnerships

You will have the opportunity to take part in a field visit to the integrated industrial park of Diamniadio, which is being established with the support of the PCP for Senegal, and see firsthand the important progress made on the ground. I also encourage you to visit the exhibition set up for the duration of this event and see some of the local and regional industrial products.

Before concluding, I would like to draw your attention to the importance of fostering partnerships once again. Already through the preceding ISID Forums, a firm foundation has been built for the formation of enduring partnerships. The 2030 Agenda and the operationalization of UNIDO's ISID mandate through the PCP model have provided us with a unique opportunity to construct an innovative and pioneering approach to fostering partnerships for industrial development.

I encourage you to take this opportunity over the next few days to engage with each other – government representatives, the private sector, development finance institutions and development partners – see how you can learn from each other and work together to advance inclusive and sustainable industrial development across the region.

I urge all of you to engage in dialogue and scale up your engagement for the industrial development of Africa. Let's work together to seek out innovative solutions, to leverage resources and to explore means to replicate and disseminate the PCP model across Africa.

I sincerely hope that our discussions and deliberations will result in the creation of fruitful, long-term collaborative strategic partnerships".

Annex 2: Interventions (transcripts)

H.E. MR. MAHAMMED BOUN ABDALLAH DIONNE, PRIME MINISTER OF SENEGAL (in French)

“Monsieur le Ministre de l'Industrie et des Mines, Excellences, Mesdames, Messieurs les Ministres, Excellence, Monsieur le Directeur Général de l'ONUDI, Excellence, Monsieur l'Ambassadeur d'Ethiopie, Monsieur le Représentant de la Commission de l'Union Africaine, Monsieur le Représentant de la Banque Africaine de Développement (BAD), Excellences, Mesdames, Messieurs les Ambassadeurs et membres du Corps Diplomatique, Mesdames, Messieurs les Représentants de la Commission Economique pour l'Afrique, Mesdames, Messieurs, en vos rangs et qualités respectifs.

C'est avec un réel plaisir que je préside ce matin, au nom du Chef de l'Etat, Son Excellence Monsieur Macky SALL, l'ouverture du 5e Forum sur le Développement Industriel inclusif et durable (DIID), co-organisé par le Sénégal et l'Organisation des Nations Unies pour le Développement Industriel (ONUDI).

Je voudrais saisir cet instant solennel pour adresser mes sincères remerciements au Directeur Général de l'ONUDI d'avoir bien voulu proposer le Sénégal pour abriter cette importante rencontre.

A tous nos distingués hôtes, je souhaite une chaleureuse bienvenue en terre sénégalaise, au pays de la Téranga, et les remercie pour leur présence à Dakar.

Excellences, Mesdames, Messieurs.

Si le Gouvernement a donné son accord pour la tenue de ce Forum à Dakar, c'est bien sûr pour marquer la place déterminante de l'Industrie dans notre politique de développement économique et social.

Élément important dans la transformation de la structure de l'économie, l'Industrie est un moteur privilégié d'accélération de la croissance et de création d'emplois. Elle constitue, à cet égard une réponse adéquate à la lutte contre la pauvreté.

Ce n'est donc pas un hasard si le rapport économique sur l'Afrique 2014 de la Commission économique pour l'Afrique des Nations Unies et de l'Union Africaine considère l'Industrie comme un «préalable à la réalisation par l'Afrique, d'une croissance économique inclusive et durable ».

Cette prise de conscience politique en faveur de l'industrialisation de l'Afrique vient d'être confortée le 27 juillet 2016, avec la décision de l'Assemblée Générale des Nations Unies proclamant la période 2016-2025 comme celle de « la troisième décennie du développement industriel de l'Afrique ».

Cette prise de conscience, il nous revient de la traduire en actes concrets à travers nos politiques.

L'Afrique est un continent extrêmement riche en ressources naturelles. Au moment où le taux de pauvreté du continent est estimé à 35,2%, l'Afrique possède environ : 16,5 % des terres arables mondiales, pour 16 % de la population ; 97% des réserves mondiales de cuivre ; 57% des réserves d'or ; 20% de celles de fer et de cuivre ; 23% de celles d'uranium et phosphates ; 14% de celles de pétrole.

L'industrie n'a jusqu'ici contribué que de manière modeste à la croissance africaine. L'Afrique ne représente guère plus de 1,1 pour cent de la valeur ajoutée manufacturière mondiale (VAM) et des exportations manufacturières mondiales.

Cette situation résulte du fait que la plupart de nos ressources sont exportées à l'état brut à travers des contrats peu profitables pour nos économies victimes des fluctuations des termes de l'échange moins équitables.

Or, une valorisation de ces ressources, leur bonne gouvernance et leur redistribution équitables

suffiraient à éloigner le spectre du chômage pour les jeunes et celui de la précarité pour nos populations.

Le potentiel de l'Afrique justifie aujourd'hui toutes les attentes en matière de renouveau industriel du continent.

Le Sénégal s'est inscrit dans cette voie en adoptant depuis 2014, son nouveau modèle de développement intitulé « Plan Sénégal Emergent » (PSE).

Ce Plan traduit la vision du Président Macky SALL « d'un Sénégal émergent en 2035, avec une société solidaire, dans un Etat de droit ».

Dans le PSE, l'Industrie est considérée comme secteur prioritaire, porteur de croissance, d'emplois et d'Investissements Directs Etrangers (IDE) et la stratégie industrielle du PSE est bâtie autour de notre option d'accélération de la transformation structurelle de l'économie.

Elle est portée par des projets phares tels les Parcs industriels intégrés, les agropoles, les plateformes industrielles halieutiques intégrées, les Parcs industriels avec une place de choix pour le développement de Petite et Moyenne Entreprise (PME) et de la Petite et Moyenne Industrie.

A travers cette stratégie, nous avons pris l'option d'incorporer davantage de valeur ajoutée dans nos productions en transformant davantage nos produits primaires. Nous soutenons également la création des

industries de production de services. C'est dire toute la place que nous accordons à l'initiative privée, en lui offrant un meilleur cadre d'expression à travers un cadre incitatif attractif permettant plus de productivité et de compétitivité.

Excellences, Mesdames, Messieurs.

Le Gouvernement a aussi marqué son accord à la tenue de ce Forum pour appuyer l'ONUDI dans le nouveau mandat que lui a été confié à l'issue de la Conférence Générale des Chefs d'Etat et de Gouvernement tenue à LIMA au Pérou, en Décembre 2013.

Pour la mise en œuvre de cette nouvelle approche dite de Développement Industriel Inclusif et Durable (DIID), le Sénégal et l'Éthiopie ont été désignés comme pays pilotes en juin 2014 à Vienne et chacun de ces pays a signé un Programme de Partenariat Pays (PCP) avec l'ONUDI.

Pour le Sénégal, le lancement du PCP a eu lieu en Avril 2015 dans un contexte de mise en œuvre de réformes majeures avec :

- l'adoption d'une Loi et d'un nouveau cadre incitatif pour la promotion de zones économiques spéciales;
- la création d'un parc industriel offrant les commodités requises pour l'installation d'entreprises d'envergure pouvant contribuer à la croissance et à l'emploi;

- l'accélération de la dématérialisation des procédures administratives et le renforcement des dispositifs incitatifs et de sécurisation de l'investissement;
- l'adoption d'un nouveau code minier pour stimuler le développement des industries extractives;
- la finalisation en cours de la réforme foncière pour donner une nouvelle impulsion à l'agrobusiness et la modernisation des exploitations familiales.

Excellences, Mesdames, Messieurs.

Vous avez tous pu noter la forte cohérence entre la vision du « Plan Sénégal Emergent » (PSE) et l'approche DIID de l'ONUDI, qui partagent toutes les deux les mêmes objectifs d'un développement inclusif et durable où l'Industrie joue un rôle moteur.

Nous avons là deux visions convergentes pour un renouveau industriel du Sénégal.

En adoptant l'approche DIID, le Sénégal reste aussi en parfaite harmonie avec les Objectifs de Développement Durable (ODD) du « Programme de développement durable à l'horizon 2030 » adopté le 25 septembre 2015, par l'Assemblée générale des Nations Unies, qui constitue désormais le nouveau référentiel du développement du monde.

L'approche de l'ONUDI est également avec la Politique Industrielle Commune de l'Afrique de l'Ouest (PICA) adoptée par la CEDEAO le 2 juillet 2010, qui préconise

«d'entretenir un tissu industriel compétitif sur le plan international, respectueux de l'environnement et propre à améliorer significativement le niveau de vie des populations à l'horizon 2030».

Le Forum de Dakar sera donc l'occasion pour le Sénégal et l'Ethiopie de faire le point de l'exécution de leurs programmes respectifs et de partager leurs expériences dans le cadre d'échanges que je présume très fructueux. Le Pérou, nouvellement désigné comme 3ème pays pilote à l'issue de la session de Vienne tenue en Novembre 2015, contribuera également à enrichir ces échanges.

Excellences, Mesdames, Messieurs,

Avant de terminer, je voudrais réitérer mes remerciements à l'ONUDI pour la confiance placée en notre pays. Le choix du Sénégal comme pays pilote, témoigne une fois de plus de l'engagement de ses plus hautes autorités et de leurs collaborateurs à nos côtés pour soutenir notre politique de développement industriel.

Notre reconnaissance et notre profonde gratitude vont également à tous nos partenaires au développement, au secteur privé sénégalais, à la société civile et à tous ceux qui nous accompagnent depuis le début du processus de réalisation du Programme de Partenariat pays.

J'adresse également mes félicitations au Président et aux membres du Comité d'organisation pour

l'engagement et tous les efforts consentis pour l'organisation de ce forum.

J'associe à ces remerciements toutes les personnalités et experts de haut niveau qui ont répondu massivement à notre invitation.

Nous sommes aujourd'hui face à de grands défis.

Ce qui est en jeu, c'est l'avenir de milliers de jeunes qui doivent trouver des opportunités d'emplois et contribuer au développement de leurs pays. Ce qui est aussi en jeu, c'est de soustraire nos pays de situations de vulnérabilité, résultant de leur confinement dans l'exportation de produits primaires dont ils n'ont aucun contrôle sur les prix et de leur forte dépendance de biens et services provenant de l'extérieur et fabriqués à partir de leurs propres ressources.

Ce qui est en jeu c'est l'opportunité que nous avons de libérer toutes les énergies pour rehausser suffisamment nos capacités productives afin de satisfaire nos propres besoins et aller à la conquête des marchés extérieurs.

Nous avons l'opportunité de relever ces défis, nous devons nous en donner tous les moyens.

C'est sur ces mots que je voudrais conclure et je déclare ouvert, le 5ème Forum régional sur « le Développement Industriel Inclusif et Durable et rencontres de promotion des investissements industriels ».

Je vous remercie de votre attention."

MR. LI YONG, DIRECTOR GENERAL, UNIDO

“Excellencies, Distinguished guests, Ladies and Gentlemen, Dear Friends and Colleagues,

First of all, I would like to thank the Government of Senegal, under the visionary leadership of H.E. President Macky Sall, for co-organizing with UNIDO this important Forum – the Fifth ISID Forum: Regional Forum on Inclusive and Sustainable Industrial Development and Industrial Investment Promotion Meetings”.

Allow me to express my gratitude to H.E., Mr. Dionne, Prime Minister of Senegal for his determined support for the organization of the Forum and his kind hospitality. I would also like to recognize the diligent work of the Forum’s Organizing Committee.

I thank the participants for their valuable contributions to the Forum. I would like to acknowledge with appreciation the participation of H.E. the Ministers in charge of Industry of Côte d'Ivoire, Mali, Niger, Senegal and The Gambia as well as the high-level representatives of the Ministries of Industry of Cape Vert, Mauritania, Nigeria, the representatives of the Presidents of West African Economic and Monetary Union (UEMOA) and Economic Community of West African States (ECOWAS).

UNIDO’s mandate, as entrusted to our Organization by the 2013 Lima Declaration, is firmly anchored in the principle of forging industrial partnerships that bring together a wide range of stakeholders to achieve

inclusive sustainable industrial development, notably through the Programmes for Country Partnership (PCPs).

This Fifth ISID Forum has served to share and discuss the results of UNIDO’s PCPs in the two pilot countries in Africa, namely Ethiopia and Senegal. The Forum has underscored the pertinence and benefits of the principle of inclusive and sustainable industrial development operationalized through PCPs, in particular for the West African region.

I am very impressed by the active participation of more than 400 high-level participants, by the intensive exchanges through panel discussions, by the business matchmaking events as well as by the exhibition of industrial products. They all constitute a sound proof of the strong commitment of the leading West African actors to the imperious necessity to boost the sustainable and inclusive development of the region through ISID.

Please allow me to highlight some key achievements of this Forum:

The Government of Senegal has reiterated its commitment to achieve inclusive and sustainable industrial development through the PCP which supports, in turn, the industrial component of the Plan Senegal Emergent, PSE.

In this respect, I would like to announce that in October 2016 Senegal and UNIDO signed a PCP Industrial Development Fund (IDF). The IDF will channel the Government's contribution to ensure the PCP implementation. This demonstrates the strong national ownership and engagement. UNIDO will strive to accompany and support further Senegal in its efforts to spur the country's industrialization.

I was pleased to note that participants of the Forum confirmed the applicability and potential of UNIDO's PCP approach to support the inclusive and sustainable industrialization process of the West African region.

Also I have taken good note that the Forum requested UNIDO's technical support to operationalize, through the PCP approach, the West African Common Industrial Policy and to implement in the region the programme for the Third Industrial Development Decade for Africa (IDDA_3).

Finally, I have noticed your call addressed to the development finance institutions and the international community as well as to the Governments of the region and the private sector to ensure the availability and deployment of the necessary resources to achieve such an ambitious endeavour.

Excellencies, Distinguished guests, Ladies and Gentlemen, Dear Friends,

Allow me to take this opportunity to reiterate, once more, the willingness and commitment of UNIDO,

your UN agency for inclusive and sustainable industrial development, to redouble our work, in close cooperation with you, to accompany the countries of the West African region in their journey to achieve ISID. Our Organization will spare no effort to operationalize your firm decision and commitment to use ISID as the engine of sustainable development in the region.

I wish you all a very successful stay and a safe journey home.

Thank you."

H.E. MR. ALY NGOUILLE NDIAYE, MINISTER OF INDUSTRY AND MINES OF SENEGAL (in French)

“Messieurs les Ministres, Monsieur le Commissaire de la CEDEAO, Monsieur le Directeur Général, Distingués invités, Chers participants,

Nous voici au 2ème et dernier jour de ce forum régional organisé par l'ONUDI conjointement avec le Gouvernement du Sénégal. Le programme de ce jour prévoit la visite cette après-midi du parc industriel de Diamniadio et les rencontres B to B pendant que se poursuivront les visites des stands des Sociétés.

Nous terminons donc ce matin les dernières sessions plénières et je voudrais saisir cette occasion pour vous adresser ces quelques mots en guise de clôture.

Avant d'aller plus loin, je voudrais, au nom du Gouvernement, réitérer mes remerciements à l'ONUDI pour avoir porté son choix sur notre pays comme pays pilote du Développement Industriel Inclusif et Durable (DIID) et d'avoir accepté la tenue du 5ème forum en terre sénégalaise, une semaine seulement avant les cérémonies du 50ème anniversaire de cette Institution prévues à Vienne, en Autriche.

J'adresse également mes remerciements appuyés à tous mes collègues des pays frères et au Commissaire de la CEDEAO en charge de l'Industrie et du secteur privé de nous avoir fait l'amitié d'honorer notre invitation malgré un calendrier que je sais chargé en cette fin d'année.

Je n'oublie pas aussi tous les autres participants dont la contribution a été remarquable à la réussite de nos assises.

Mesdames, Messieurs.

Ce forum qui est le 5ème après celui tenu en juin 2014 à Vienne a été l'occasion d'échanges approfondis autour de l'approche DIID dont la pertinence n'est plus à démontrer.

C'est pourquoi, l'ONUDI a proposé une rencontre régionale qui, d'une certaine manière, sera celle de la maturité et c'est en cela que la rencontre de Dakar restera historique.

Toute l'après-midi d'hier a été consacrée aux discussions sur le plan d'action de dissémination régionale du DIID.

La déclaration de Dakar qui en a résultée et dont lecture vient d'être donnée, place désormais le DIID sur une dimension communautaire et très bientôt, l'ONUDI, en relation avec la Commission de la CEDEAO, élaboreront le plan d'actions pour la dissémination de cette approche dans notre région.

Je dirai que moment ne pouvait être mieux choisi quand on se rappelle que l'approche DIID est désormais

consacrée par les Objectifs du Développement Durable (ODD), en particulier l'ODD 9 ; je voudrai donc exhorter les autres Etats de la région à saisir cette occasion pour s'approprier cette démarche dans le cadre d'une véritable politique de développement industriel inclusif et durable, c'est-à-dire qui profite à tous.

Dans cette perspective, le Sénégal pays-pilote, apportera toute son expérience aux côtés de l'ONUDI.

Mesdames, Messieurs.

Je voudrais, encore une fois, remercier l'ONUDI et particulièrement son Directeur Général de l'ONUDI pour son engagement sans faille à nos côtés et son soutien constant à notre politique de développement industriel.

J'exprime également ma reconnaissance et ma profonde gratitude à tous nos partenaires au développement, au secteur privé sénégalais, à la société civile et à tous ceux qui nous accompagnent depuis le début du processus de réalisation du Programme Partenariat pays.

J'adresse mes vives félicitations aux membres du Comité d'organisation qui ont œuvré sans relâche pour une bonne réussite de ce Forum.

C'est sur ces mots que je déclare clos le 5ème Forum de l'ONUDI sur le Développement Industriel Inclusif et Durable.

Je vous remercie de votre aimable attention."

Annex 3: The Dakar Declaration

Final Statement of Participants

FINAL STATEMENT BY THE PARTICIPANTS AT THE REGIONAL FORUM ON
INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT (ISID)

Dakar, 15 November 2016

Co-organized by the Government of Senegal and the United Nations Industrial Development Organization (UNIDO), the Fifth ISID Forum was chaired by H.E. Mr. Dionne, Prime Minister of Senegal and gathered more than 400 participants including H.E. Ministers in charge of Industry of Côte d'Ivoire, Mali, Niger, Senegal and The Gambia as well as high-level representatives of the Ministries of Industry of Cape Vert, Mauritania, Nigeria, the representatives of the Presidents of West African Economic and Monetary Union (UEMOA) and Economic Community of West African States (ECOWAS). Representing his country, the Ambassador of the Federal Democratic Republic of Ethiopia also attended the Forum. The national and international public and private sector as well as leading multilateral and bilateral development partners were also represented.

Participants of the Forum

- Acknowledged the importance of regional integration to underpin Africa's industrialization and recalled the coordination role of ECOWAS to facilitate a harmonious industrial development of the West Africa region.
- Discussed and commended the successful experience and concrete results of the Programmes for Country Partnership (PCP) in Senegal and Ethiopia developed and implemented jointly with UNIDO.

- Highlighted the significant benefits of the PCP approach through high level national ownership and commitment to establish large partnerships between governments, development finance institutions, the private sector, all relevant development partners and UNIDO to mobilize and leverage the knowledge, expertise, technology, investment and funds necessary to spur ISID.
- Confirmed the high relevance and strong potential offered by UNIDO's PCP approach to support the ongoing and future efforts of West African countries to achieve ISID and commended the work of UNIDO.
- Voiced their strong interest in having the PCP model disseminated among the West African countries and in using the PCPs as the leading mechanism to underpin the national industrial development strategies within the region.
- Proposed to use the PCP approach to operationalize the West African Common Industrial Policy (WACIP) and to implement in the region the programme for the Third Industrial Development Decade for Africa (IDDA III) with the technical support of UNIDO.
- Invited the West African countries and ECOWAS in collaboration with UEMOA to strengthen cooperation with UNIDO and thus identify the most suitable, technically- and economically- feasible modalities to disseminate the PCP approach in the region and to establish a workable and achievable roadmap.
- Called the Governments of the region to ensure the mobilization and the deployment of all necessary means and resources to ensure that the West Africa region reaps the benefits of achieving ISID, notably by using the PCP approach.

- Requested the development finance institutions and the international community to support financially the efforts of the West African countries to achieve ISID through the design and implementation of new PCPs in the region.
 - Invited the regional and international private sector operators to play a leading role in the industrialization of West Africa, notably by scaling up industrial investment.
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