



# SENEGAL

Programme for Country Partnership — PCP



# SUSTAINABLE DEVELOPMENT GOALS

**1** NO POVERTY

**2** ZERO HUNGER

**3** GOOD HEALTH AND WELL-BEING

**4** QUALITY EDUCATION

**10** REDUCED INEQUALITIES

**9** INDUSTRY, INNOVATION AND INFRASTRUCTURE

**5** GENDER EQUALITY

**6** CLEAN WATER AND SANITATION

**11** SUSTAINABLE CITIES AND COMMUNITIES

**7** AFFORDABLE AND CLEAN ENERGY

**8** DECENT WORK AND ECONOMIC GROWTH

**12** RESPONSIBLE CONSUMPTION AND PRODUCTION

**13** CLIMATE ACTION

**14** LIFE BELOW WATER

**17** PARTNERSHIPS FOR THE GOALS

**15** LIFE ON LAND

**16** PEACE, JUSTICE AND STRONG INSTITUTIONS

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# PCP SENEGAL AT A GLANCE

## STATUS

Programming phase: Started in August 2014  
**Implementation phase: April 2015 - ongoing**  
Completion: December 2021

## PRINCIPLE NATIONAL POLICY / STRATEGY SUPPORTED BY THE PCP

National Plan for an Emerging Senegal (Plan Sénégal Emergent, PSE), and its Priority Action Plans for 2014-2018 and 2019-2023

National Economic Recovery Plan 2020-2023 and the adjusted and accelerated Priority Action Plan

## FOCUS SECTORS / AREAS

1. Industrial policy development
2. Integrated industrial platforms
3. Agro-poles
4. Special economic zones and incentive package reform
5. Regional mining hub

## MAIN PARTICIPATING MINISTRIES

Presidency of the Republic (Secretary General and Operational Office for the Follow-up of the Emerging Senegal Plan - BOS)  
Ministry of Economy, Planning and Cooperation  
Ministry of Foreign Affairs and Senegalese Abroad  
Ministry of Industrial Development and Small and Medium Industries (SMIs)  
Ministries of: Trade, Environment, Agriculture, Health, Education, Livestock and Fisheries, Vocational Training and Women, Decentralization, Digital Economy, Higher Education and Research

## KEY DEVELOPMENT PARTNERS

**Financial institutions:** African Development Bank, European Investment Bank, International Fund for Agricultural Development, Islamic Development Bank and World Bank

**Bilateral/multilateral partners:** Belgium (Enabel), China, France (AFD, Ministry of Finance), Germany (BMZ, GIZ, KfW), Japan (JICA, ITPO Tokyo), European Union, Global Environment Facility

**UN entities:** UNFPA, IFAD, ILO, UNDP, UNEP, UN Women, UNITAR, UNESCO, FAO

**Private sector:** Confédération Nationale des Employeurs du Senegal (CNES), Club des Investisseurs Sénégalais (CIS), Conseil National du Patronat du Sénégal (CNPS)

**Local authorities:** Departments, municipalities

**Civil society and academia:** Academy of Sciences, universities

## UNIDO PROJECTS WITH FUNDING SECURED (COMPLETED AND ONGOING)

Total number of projects: 25 (16 national, 9 regional/global)  
Total funding: US\$ 24.7 million (see Annex 1)

## TOTAL INVESTMENTS LEVERAGED (CUMULATIVE)

Estimated at US\$ 808 million (see Annex 2)  
Additional estimated investments in the pipeline for 2021-2023: US\$ 570 million

## TOTAL PCP VOLUME

US\$ 832.7 million

# 1. EXECUTIVE SUMMARY

The Programme for Country Partnership (PCP) is UNIDO's programmatic service aimed at accelerating inclusive and sustainable industrial development (ISID) in countries. Each programme is based on the principle of national ownership and tailored country needs. It focuses on priority industrial sectors and areas critical to the national development agenda, with PCP interventions aimed at attracting public and private investment to implement large-scale industrial projects and generate jobs.

The PCP is based on a multi-stakeholder partnership to ensure synergies between different interventions, and maximize development impact. By facilitating the mobilization of expertise, technology and financial resources from different partners, the PCP helps countries to achieve Sustainable Development Goal 9 on industry, innovation and infrastructure, which corresponds to UNIDO's mandate, while contributing to the other goals of the 2030 Agenda.

The PCP for Senegal, initiated as one of the first PCP pilots in 2014, supports the Government in the implementation of the industrial component of the Plan for an Emerging Senegal (Plan Sénégal Emergent, PSE), the national development strategy. More recently and in the context of the COVID-19 pandemic, it is also supporting the implementation of the Economic Recovery Plan (launched in September 2020), and the Emergency Programme for Employment and the Socio-Economic Integration of Youth. The PCP for Senegal is contributing to a new approach to industrial development at the national level, focusing on large-scale industrial projects and partnerships for greater economic, social and environmental impact.

## SELECTED HIGHLIGHTS

### Improved industrial governance

Through the PCP, the Government of Senegal has strengthened its industrial governance by improving inter-ministerial coordination and policy coherence, in collaboration with development partners, the private sector and civil society. This coordination has made it possible to affirm the multi-sectoral and multidimensional nature of industrial policy, and mobilize different ministries in charge of the economy and industry, but also agriculture and livestock, infrastructure and energy, education and vocational training, innovation and research, etc. In 2020, the PCP Steering Committee met to review the progress made in implementation and approve the work programme for 2020. The review of Senegal's industrial policy started in 2020; it is expected to be finalized in 2021.

### Launch of major industrial projects

The PCP has helped the Government to identify industrial priorities in the areas of agro-industry, textiles, leather and leather products, pharmaceutical products, mining and automotive, and to launch large-scale industrial projects with high employment potential. These projects aim to contribute to Senegal's balance of payments by limiting imports and increasing exports through a competitive productive sector, and by creating a large number of skilled jobs. The goal of establishing by 2023 six integrated industrial parks benefiting from the status of special economic zones, five integrated and competitive agro-poles, as well as a regional mining hub is underway.

In 2020, four industrial parks were under development with new companies progressively investing in these parks: 16 companies are installed in the Diamniadio Industrial Park, 5 in the Sandiara industrial park, and 5 in the Diass industrial park. Negotiations on the financing of the extension of the Diamniadio industrial park were finalized in 2020 for implementation in 2021. The establishment of two additional industrial parks (in the cities of Touba and Casamance) is under discussion between the Government and private investors.

In 2020, a new project execution cell was established to overview the agro-pole initiative and work with all stakeholders and partners, including financial institutions committed to supporting the agro-poles, such as the African Development Bank (AfDB), the Islamic Development Bank (IsDB) and the European Investment Bank (EIB). The feasibility study for the Center agro-pole launched in 2020, under the responsibility of and with the financial contribution of Enabel, Belgium's cooperation agency, with the technical support of UNIDO. A workshop on inclusive planning for the agro-poles was organized by the Government of Senegal, through its Office for the follow-up of the Plan Emerging Senegal (BOS), and Enabel from 15 November to 18 December 2020, with the participation of UNIDO. It brought together all agro-pole stakeholders, including the private sector, to agree on the objectives, means and optimal organization of selected value chains. Through an agreement signed on 18 December 2020, the Minister of Industrial Development and SMIs entrusted UNIDO to conduct the feasibility study for the Northern agro-pole.

### Increased public and private investment

With the support of the feasibility studies carried out by UNIDO, the Government has mobilized a considerable volume of public and private investment, particularly in the context of industrial parks and agro-poles. Total (cumulative) public and private investments towards the objectives of the PCP are estimated at around \$808 million (around \$330 million for industrial parks and around \$478 million expected for the establishment of the agro-poles), with an additional \$570 million expected in the coming years.

As part of this, the Diamniadio industrial park, financed by the State in the amount of around \$40 million, has allowed the installation of private companies, with an investment estimated at over \$60 million. The extension of the park, which was approved in principle in 2020, will be supported through a loan to the Government of Senegal of \$110 million, which was signed with the China EximBank. Over thirty private investors have already expressed their intent to set up operations in the park. In addition, private investment of around \$120 million is expected for the establishment of an industrial park dedicated to local metallurgical production in Bargny, at 40 kms from Dakar.

### Multi-stakeholder partnerships

The PCP has contributed to mobilizing development partners towards the realization of the Government's industrial priorities and projects, supporting industrial investments for youth and women's employment and overall socio-economic progress. The PCP partnership platform has contributed to mobilizing financial resources (grants and loans) for UNIDO's technical assistance to Senegal (USD\$ 24.7 million for UNIDO TC projects national and interregional, cumulative since the start of the PCP) and the launch of large-scale industrial projects (industrial park, agro-poles, mining hub).



Launch of the industrial policy review with (from left to right): M. Olivier Stoullig (AfDB), H.E. M. Arai Tatsuo, Ambassador of Japan, AfDB Representative in Senegal, H.E. M. Moustapha Diop, Minister of Industrial Development and Small and Medium Industries, M. Christophe Yvetot, UNIDO Representative in Senegal, and a private sector representative (CNES).

## 2. INTRODUCTION

Following the adoption of the Lima Declaration in 2013, UNIDO developed a new programmatic service to advance inclusive and sustainable industrial development (ISID) in its Member States - the Programme for Country Partnership (PCP). Aligned with the national development agenda and focused on sectors with high growth potential, the PCP supports a country in achieving its industrial development goals. It is a model that seeks to mobilize partners and resources to achieve a greater development impact.

Each PCP is tailored to country needs and owned by the host government. It is founded on a multi-stakeholder partnership to ensure synergy between different interventions and maximize impact. PCP interventions aim to unlock public and private investment in selected priority industrial sectors and areas. Through the PCP, UNIDO delivers an integrated service package by combining its advisory and normative services, technical cooperation and convening function.

Together with Ethiopia, Senegal was chosen as one of the two pilot countries for the new approach in 2014. A multidisciplinary technical team carried out a mission to Senegal in August and October 2014 to design the PCP. The programme was developed under the leadership of the Government of Senegal (GoS), in consultations with development partners, the business sector and financial institutions. In February 2015, the Government of Senegal approved the PCP Senegal Programme Document, and an agreement was signed with the Ministry of Economy, Finance and Planning in October 2016.

The PCP is implemented within the framework of the Plan Sénégal Emergent (PSE), the country's national development strategy. The overall objective of the PSE is to transform Senegal into "an emerging country by 2035, with social solidarity and the rule of law". The PCP is supporting the implementation of the industrial component of the PSE, with focus on several priority industrial projects aimed at spearheading the structural transformation of the economy.

The PCP Senegal supports the economic transformation of the country through the implementation of the industrial component of the PSE. The PCP focuses on five main areas: i) industrial policy; ii) the establishment of competitive and integrated agro-poles; iii) the operationalization of a new generation of integrated industrial parks; iv) the development of a regional mining hub; and v) a reform on special economic zones and the related investment package.

It also integrates complementary cross-cutting interventions in line with the priorities identified by the Government in the areas of: private sector development; investment promotion; local economic development; youth and women's employment; environment and sustainable energy; trade facilitation and quality; science, technology and innovation for industry; and South-South and triangular cooperation.

## 3. ALIGNMENT WITH AND CONTRIBUTION TO UNSDCF

As a member of the UN Country Team and Chair of the UN Programme Committee (PMT, 34 agencies), UNIDO participated in the elaboration, validation and signing of the UN Sustainable Development Cooperation Framework (UNSDCF 2019-2023) with the Ministry of Economy, Finance and Planning. UNIDO contributes to pillars of the UNSDCF which are aligned with the "Senegal Emerging Plan":

- **Inclusive and sustainable economic growth:** With PCP flagship projects such as special economic zones, industrial parks, agro-poles and the regional mining hub, UNIDO supports large-scale employment contributing to inclusive and sustainable industrialization, one of the major priorities of the Plan "Emerging Senegal".
- **Access to basic quality social services and social protection:** UNIDO supports this pillar through better access to food security with agro-industrial activities, and through vocational training and employment opportunities for youth and women.
- **Governance, peace and security:** UNIDO's support focuses on industrial governance through the strengthening of the industrial capacity of the Government, the establishment of the PCP Steering Committee, the Public-Private Committee of the Special Economic Zones, and initiatives related to industrial policy.

In 2020, the UN PMT was particularly active supporting the Government during the COVID-19 crisis. Among others, the PMT prepared a joint response to the Economic and Social Resilience Plan (PRES) presented by the Government in April 2020, which focused on the following priorities: reinforcing the health system and the social resilience of populations; ensuring

macro-economic stability to support the private sector and employment; and securing the provision of food, fuel, medical and pharmaceutical products. The UN realigned the current UNSDCF (UNDAF) to the priorities of the PRES to support the Government in mitigating the negative impacts of the pandemic (see section on Response to COVID-19).

In February 2021, the Government of Senegal through the Ministry of Economy, Planning and Cooperation and the UN Country Team jointly assessed the implementation of the UNSDCF for the year 2020. UNIDO, as chair of the United Nations Programme Committee, co-chaired the Senegal/UN meeting, which approved the report on the implementation of the UNSDCF in 2020. On this occasion, the Ministry of Economy, Planning and Cooperation congratulated the UN system, in particular for the substantial support provided in the context of COVID-19. The PCP has played a key role in increasing the level of industrial investments for the implementation of the UNSDCF.

## 4. PROGRAMME-LEVEL RESULTS

### 4.1. COORDINATION AND GOVERNANCE

#### **Institutionalizing industrial governance**

The PCP has helped to strengthen industrial governance through the establishment of the PCP Steering Committee and the Public-Private Committee for Special Economic Zone (SEZs)<sup>1</sup>. These two committees enhance inter-ministerial coordination as well as dialogue with the private sector, which is indispensable for the success of industrial policy implementation. Coordination was enhanced among the Ministry of Industrial Development and Small and Medium Industries (MDIPMI), other ministries (economy, agriculture, livestock, environment, vocational training and employment, decentralization and local authorities, etc.) and development partners (AfDB, IsDB, EIB, EU, Germany, China, Belgium, France, Japan, etc.), and the private sector.

The PCP Steering Committee met in January 2020 to plan the activities for the coming year and to present the industrial projects to the different stakeholders. The PCP Steering Committee gathered over 100 people representing all ministries relevant to ISID, as well as development partners, civil society and the private sector. In addition, the financing of the industrial policy review (African Development Bank), facilitated by UNIDO within the framework of the PCP, will further support industrial governance and the mobilization of various stakeholders.

#### **Technical working groups**

The National Working Group and the Restricted Working Group, which were created to guide and validate the work done for the establishment of the agro-poles, in particular the feasibility studies for the Northern, Central and Southern agro-poles, met several times during 2020. The SEZ Public-Private Committee also met several times to support the future development of SEZs.

#### **Project working groups**

In 2020, the working groups on industrial policy and on the various UNIDO projects in Senegal met with stakeholders to share information and take the necessary decisions for their implementation. These include the following projects: the Sustainable Cities Project (GEF), the Sustainable Management of Municipal and Hazardous Waste Project (PRODEMUD, GEF), the Support to the Resilience of Agricultural Value Chains Project (PARFA, GEF, IFAD), among others.

### 4.2. PARTNERSHIPS AND RESOURCE MOBILIZATION

**Financial institutions** :An important achievement of the PCP has been the collaboration with financial institutions for large-scale industrial projects of the PSE, which are also flagship initiatives of the PCP. Several financial institutions have been particularly supportive of this approach: the African Development Bank (AfDB), the Islamic Development Bank (IDB), the European Investment Bank (EIB) and the International Fund for Agricultural Development (IFAD). These partners have allocated resources (grants and loans) for the establishment of three agro-poles in northern, central and southern Senegal. In addition, the Republic of Korea, through the Koafec Trust Fund managed by the AfDB, is expected to provide a grant for the feasibility study of the Northern agro-pole, while Japan (JICA) is expected to finance technical assistance to help prepare the feasibility study (data collection, etc.). As a bilateral agency, Enabel has also played an important role in providing significant grants for a feasibility study and investments (see section on bilateral/multilateral development partners below).

In order to launch the agro-pole initiative, the Government of Senegal has contributed its own resources (around \$950,000) to finance the feasibility study for the Southern agro-pole, which helped to mobilize the support of the AfDB and the IsDB and resulted in the signature of two loan agreements on the basis of feasibility studies conducted by UNIDO.

<sup>1</sup> The Public-Private Committee for SEZs was established in January 2017 by the law on special economic zones. Members include representatives of various ministries concerned (Economy, Finance and Industry), the Agency managing the industrial parks (APROSI), the Investment Promotion Agency (APIX) and private sector representatives.

**AfDB:** A \$43 million loan for the Southern agro-pole was signed in January 2020 between the AfDB and Senegal's Ministry of Economy, Planning and Cooperation. In addition, two \$50 million loans were pledged for the Center and North agro-poles, respectively. A \$679,660 grant (Koafec Trust Fund managed by the AfDB) was signed between UNIDO and the Ministry of Industrial Development and SMIs on 18 December 2020 for the feasibility study for the Northern agro-pole (expected to be finalized by end of 2021).

**IsDB:** A \$27 million loan for the establishment of the Southern agro-pole was signed with the Government of Senegal in December 2019.

**IFAD:** Through a joint support project for the resilience of value chains (PARFA), funded by the GEF (\$7.2 million) and with national co-funding resources (USD 28.5 million), UNIDO and IFAD are supporting smallholder farmers to add value to their agricultural produce and address climate change linked to the establishment of the Center agro-pole.

**Bilateral/multilateral development partners:** Belgium (Enabel), China, European Union, France (AFD, Ministry of Finance), Germany (BMZ, GIZ, KfW), Global Environment Facility, Japan (JICA, ITPO Tokyo), Republic of Korea, Luxembourg.

- **China:** Through its contributions to the UNIDO Partnership Trust Fund, China has contributed to the programming of the PCP for Senegal and its coordination function, as well as UNIDO's support to the Government in the drafting of a new law on special economic zones and expertise provided for the establishment of the Diamniadio industrial park. The China EximBank has pledged a \$110 million loan to Senegal for the expansion of the Diamniadio Industrial Park, which was established with UNIDO's support through the PCP.
- **European Union:** Within the framework of the new regional programme for the competitiveness of West Africa (WACOMP), the EU and UNIDO support the Senegalese quality system and the business environment in West Africa. This programme has strong potential for cooperation within the framework of the Southern agro-pole, in particular with the German-funded project (BMZ). In addition, the national component of the WACOMP focuses on supporting the upgrading of 200 enterprises and five laboratories to support the COVID19 Economic Recovery Plan.
- **European Union - ACP Secretariat:** A new agreement was signed with UNIDO under the 11th European Development Fund (EDF) to support business-friendly and inclusive national and regional policies, and strengthen investment promotion, productive capacity and value chains in the African, Caribbean and Pacific (ACP) countries, implemented in partnership with the World Bank and ITC. UNIDO will implement \$8 million as part of this project, which also benefits Senegal, and started in 2020.
- **France:** In preparation for the Africa-France Summit in June 2020, the Ministry of Finance launched a competition to finance 10 innovative projects in Africa. A private sector project (Cap Vert Energie, \$2.5 million), supported by UNIDO and aiming to install a solar grid in the Diamniadio industrial park to ensure sustainable energy, was selected for an amount of € 500,000. This project is part of France's efforts to support green industrial parks in Africa.
- **Belgium (Enabel):** The Belgian Cooperation Agency (Enabel) allocated resources (grants) to support the feasibility study (€820,000). As part of this, the Government, Enabel and UNIDO approved the re-allocation of €480,000 to support the establishment of an Industrial Observatory, to help producer organizations, and capacity-building for the Ministry of Industrial Development and SMIs. Enabel has also committed investments for the Centre agro-pole (total of about a \$30 million grant, approved in the cooperation agreement with Senegal).
- **Germany:** Within the framework of the G20 Compact with Africa, consultations between Germany and UNIDO led to the signature of an agreement (€8 million) to support vocational training and job creation in the context of the PCPs in Ethiopia and Senegal. In Senegal, the project focuses on supporting the Southern agro-pole in Casamance and providing technical assistance for the development of industrial parks. In addition, Germany is funding a UNIDO project on women's empowerment in green industry, which is in implementation.
- **Global Environment Facility:** In addition to the joint UNIDO-IFAD PARFA project, two additional projects are funded by the GEF to support sustainable industrial development in Senegal. The first is PRODEMUD (Environmentally Sound Management of Municipal Solid and Hazardous Waste to Reduce Unintentional POPs Emissions, which is funded by the GEF in the amount of \$2 million, with \$17 million in co-financing. The second is the "Sustainable Cities" project, funded by the GEF in the amount of \$3.2 million, with \$11.8 million in co-financing.
- **Japan:** UNIDO's Investment and Technology Promotion Office (ITPO) in Tokyo has assigned an advisor in the UNIDO office in Dakar (since August 2019) to prepare for TICAD 7 in Yokohama, and to support the Japan-UNIDO cooperation and Japanese private investments in Senegal. The UNIDO office in Dakar has focused this cooperation on two

flagship projects. The first is related to the Northern agro-pole in a region where Japan has extensive experience in the development of the rice value chain. Japan is supporting the preparatory work for the UNIDO feasibility study for the Northern agro-pole with a contribution of around \$1 million. The second concerns SEZs as Japan is interested in developing a SEZ dedicated to the Japanese private sector.

- **Luxembourg:** Through various projects funded by Luxembourg, UNIDO and ILO are supporting innovative approaches to vocational training, job placement and local economic development. These approaches and methodologies will be used to support human capital development in the agro-poles being established in Senegal. In addition, UNIDO, the EU and Luxembourg are supporting public-private partnerships in the field of vocational training, in partnership with the Ministries of Industrial Development and SMEs, and the Ministries of Employment, Vocational Training and Handicrafts. A Dakar Declaration on "Public-Private Partnerships in Vocational Training" was jointly presented by the two ministries and approved by all stakeholders in November 2019.

#### **Others: UN development system, business sector, local authorities, civil society**

**UNIDO-UNFPA:** A new agreement was signed for a pilot phase aimed at combining the demographic dividend with inclusive and sustainable industrial development. It consists of supporting the social and economic empowerment of women in the decentralized municipalities of Dakar. The extension to a large-scale programming phase will take place in the future, based on the results obtained. This programme has successfully implemented a new model for local economic development, including a social dimension (health and education) and an economic dimension (entrepreneurship). A second phase may take place if the initiative is selected within the framework of the UN Joint SDG Fund. Other UN agencies contributing to this programme are UNDP, UNFPA, UNICEF and UN-Women.

**UNIDO, UNCDF, UNFPA, UNICEF, FAO:** A proposal for a COVID-19 platform to support the productive sector of vulnerable groups was prepared for funding consideration by the UN COVID-19 Multi-Partner Trust Fund.

UNIDO's technical cooperation portfolio through PCP Senegal amounts to \$24.2 million across 26 projects (17 national and 9 regional/global projects), cumulative since the start of the PCP. Additional initiatives are in the pipeline.

The AfDB has included industrial priorities of the PCP in a project entitled "Institutional Support Project for Resource Mobilization and Investment Attractiveness (PAIMRAI)", led by Senegal's Ministry of Finance and Budget. AfDB commitments towards PCP priorities will be implemented in 2020-2021 for a total of \$1.67 million focusing on: Industrial Policy (\$300,000, started in 2020); Leather Industry Study (\$100,000, 2021); Automotive Industry Study (\$160,000, 2021); SEZ Manual (\$150,000, 2021); National Quality Policy (\$500,000, 2021); and Study for the Establishment of the Regional Mining Hub (\$460,000, 2021). The aforementioned studies will be conducted under the responsibility of the Ministry of Industrial Development and SMEs; the resources were secured through the signing of an agreement with the Ministry of Finance and Budget.

### **4.3. RESULTS OF PCP ADVISORY SERVICES**

UNIDO is supporting the review of Senegal's Industrial Policy, one of the priorities of the PCP, which was initiated in 2020 with AfDB funding. During 2020, UNIDO supported the Ministry of Industrial Development in preparing a response to the COVID-19 crisis, including support for the productive sectors. This resulted in the prioritization of industry in the Economic Recovery Plan launched by the President of the Republic on 29 September 2020. The Plan aims at "endogenous development supported by a conducive and competitive productive sector and based on a strong private sector". The priorities are inclusive and sustainable industrial development, food, health and pharmaceutical sovereignty and support for the private sector. The priorities of the PCP are reflected in the Adapted and Accelerated Priority Action Plan (PAP2A) adopted on this occasion.

## 4.4. TECHNICAL COOPERATION RESULTS

UNIDO's technical cooperation (TC) portfolio in Senegal amounts to a total of \$24.7 million (cumulative since the start of the PCP), across 16 national and 9 regional/global projects. The TC projects support the priorities of the PCP (i.e. industrial policy development; the establishment of agro-poles; integrated industrial platforms; special economic zones and incentive package reform; and the development of a regional mining hub), and cross-cutting thematic interventions (private sector development; investment promotion and industrial modernization; job creation and vocational training; local economic development; environment/energy and sustainable cities; quality infrastructure and trade facilitation). Most of those projects are in implementation already for several years and continued their activities in 2020.

### SELECTED HIGHLIGHTS

**Logistics platforms for private investors:** In addition to the first three industrial parks already operational since 2018 (Diamniadio, Diass and Sandiara), three new industrial parks are under preparation for development over the course of 2021-2023. The development of two such new parks is expected to be financed by China and Syno-Hydro in the central and northern regions of Senegal. The third is expected to be funded by Turkey in the port of Bargny in Dakar.

**Agro-industrial processing:** The feasibility study for the southern agro-pole was finalized by UNIDO at the end of 2019. Based on the results of the feasibility study, loan agreements for the development of infrastructure and the provision of technical assistance were signed between the Government of Senegal and the IsDB (\$27 million), and with the AfDB (\$43 million). The feasibility study for the Centre agro-pole was launched in 2020 and the financing agreement entrusting UNIDO for the feasibility study of Northern agro-pole was signed by UNIDO and the Minister of Industrial Development and SMIs in December 2020. Once the feasibility studies are finalized, the corresponding loan agreements are expected to be signed for the Centre agro-pole (2021) and the North agro-pole (2022).

**Training and jobs in industry:** The "Special Initiative for Training and Job Creation" financed by the German Development Cooperation (BMZ) was launched in the framework of the German Compact for Africa (G20). The project in Senegal, which supports the development of the Southern agro-pole through training and entrepreneurship for youth and women, started activities in 2020.

**Youth and women's empowerment (Fass Emergent):** UNIDO and UNFPA launched a new partnership for the operationalization of the demographic dividend concept through an initiative on social and economic empowerment of women and youth in a decentralized municipality of Dakar, Fass. The main outcomes of this project in 2020 are the training of a network of economic advisors and the construction of a financial scheme to finance business projects led by youth and women.

**Investment promotion (OACPS/EU):** Senegal is a pilot country for a programme funded by the Organization of African, Caribbean and Pacific States and the European Union, which aims to support investment promotion and value chains. It is implemented jointly by the World Bank, ITC and UNIDO for a total amount of €34 million. In Senegal, the component implemented directly by UNIDO will contribute to an enhanced investment promotion, and a policy and institutional set-up according to international best practices. In 2020, the project developed a work programme, which was approved by Senegal's Investment Promotion Agency (APIX).

#### 4.4.1 ESTABLISHMENT OF COMPETITIVE AND INTEGRATED AGRO-POLES

Building on the pre-feasibility studies conducted by UNIDO in 2015 to support the establishment of agro-poles, the Senegalese Government decided to support the development of three agro-poles as foreseen in the Plan Sénégal Emergent. In terms of investments, each agro-pole is expected to mobilize around \$150 million in public investments. These public investments are expected to be financed through grants from Enabel (Center agro-pole), and through loans from the AfDB and the EIB (agro-poles in the Center and the North), and the already signed loans by the AfDB and IsDB for the agro-pole in the South. These public investments are expected to leverage high volumes of private investments as the agro-poles develop.

#### ONGOING UNIDO TC

| ERP ID | Establishment of competitive and integrated agro-poles  | Area covered   | Donor   | Type of funding                 | Year of funding | Funding (US\$)  |
|--------|---|--|---|---------------------------------|-----------------|---|
| 190020 | Establishment of a competitive and integrated agro-pole in the Centre   | National   | ENABEL (Belgium)  | Grant to UNIDO                  | 2020            | 860,064   |
| 180031 | <b>Phase 1:</b> Feasibility study for the establishment of a competitive and integrated agro-pole in the South                | National   | Government of Senegal   | Public funding through UNIDO TC | 2018            | 553,700   |
|        | <b>Phase 2:</b> Feasibility study for the establishment of a competitive and integrated agro-pole in the South                |  |   |                                 |                 | 300,000   |
| 190092 | Inclusive and sustainable industrial development for job creation in Ethiopia and Senegal (Agro-pole South) Sonder Initiative | Inter-regional project covering Senegal and Ethiopia (total \$8 million) | Germany (BMZ)   | Grant to UNIDO                  | 2020            | 4,444,000 (part of a \$5 million country allocation to Senegal) |
| 190021 | Feasibility study for the establishment of a competitive and integrated agro-pole in the North                                |  | African Development Bank (AfDB) through the Government of Senegal | Grant to UNIDO                  | 2020            | 679,660   |



**South agro-pole:** Signature of loan agreement (US\$ 43 million), based on the UNIDO feasibility study, between H.E. M. Amadou Hott, Senegal's Minister of Economy, Planning and Cooperation and M. Serge N'Guessan, AfDB's Deputy Director-General for West Africa in the presence of H.E. M. Moustapha Diop, Minister of Industrial Development and Small and Medium Industries (MDIPMI) and M. Adama Ndiaye, Secretary General (MDIPMI), M. Christophe Yvetot, UNIDO's Representative in Senegal, and M. Hatem Fellah, Principal Agronomist, AfDB Office in Senegal. (9 January 2020)

## INVESTMENTS LEVERAGED

| Establishment of competitive and integrated agro-poles | Donor                           | Type of funding                   | Year of funding | Funding (US\$)         |
|--|---------------------------------|-----------------------------------|-----------------|------------------------|
| Agro-pole South  | Islamic Development Bank (IDB)  | Loan to the Government of Senegal | 2019            | 27,000,000             |
| Agro-pole South  | African Development Bank (AfDB) | Loan to the Government of Senegal | 2019            | 43,000,000             |
| <b>Sub-total</b>                                       |                                 |                                   |                 | <b>US\$ 70,000,000</b> |

## PIPELINE UNIDO TC

| ERP ID | Establishment of competitive and integrated agro-poles                               | Donor          | Type of funding   | Year of funding | Funding (US\$) |
|--------|--|----------------|---|-----------------|----------------|
|        | Resilience and Recovery Programme for Micro, Small and Medium Enterprises in Senegal | European Union | Grant (financing decision made, agreement under finalization for 2021). | 2021            | 2,6 million    |

## PIPELINE INVESTMENTS

| Establishment of competitive and integrated agro-poles | Donor                          | Type of funding   | Year of funding | Funding (US\$) |
|--|--------------------------------|---|-----------------|----------------|
| Agro-pole Centre                                       | Enabel (Belgium)               | Grants to GoS   | 2020-2021       | 30,000,000     |
| Agro-pole Centre                                       | European Investment Bank (EIB) | Loan to the Government of Senegal (co-financing with AfDB at 50%, to be confirmed)  | 2021            | 50,000,000     |
| Agro-pole Centre                                       | African Development Bank       | Loan to the Government of Senegal (half co-financing with the EIB, to be confirmed) | 2021            | 50,000,000     |
| Agro-pole North  | African Development Bank       | Loan to the Government of Senegal (co-financing with EIB to be confirmed)           | 2022            | 50,000,000     |

| Establishment of competitive and integrated agro-poles | Donor                                 | Type of funding  | Year of funding | Funding (US\$)          |
|--|---------------------------------------|--|-----------------|-------------------------|
| Agro-pole North  | European Investment Bank (EIB)        | Loan to the Government of Senegal (co-financing with AfDB at 50%, to be confirmed) | 2022            | 50,000,000              |
| Agro-pole South  | Senegal                               | Investments  | 2020-2021       | 27,000,000              |
| Agro-pole South  | Construction and Exploitation Society | Private investments  | 2020-2021       | 27,000,000              |
| <b>Sub-total</b>                                       |                                       |  |                 | <b>US\$ 284,000,000</b> |



#### 4.4.2 OPERATIONALIZATION OF A NEW GENERATION OF INTEGRATED INDUSTRIAL PARKS

Integrated industrial parks are one of the flagship projects of the PSE. UNIDO's support through the PCP has made it possible to define the concepts, in particular regarding the establishment of a legal and regulatory framework. This has helped to attract the interest of Senegal's technical and financial partners, and especially public and private investors, which in turn, boosted initial ambitions, doubling the number of parks under construction to seven.

The first three operational parks (Diamniadio, Diass, Sandiara) have already obtained the status of a special economic zone by decree of the President of the Republic. They differ in size and ownership of the initiative, but all host companies in various sectors.

- **The Diamniadio industrial park** (53 hectares) was initiated by the Government of Senegal, through the Ministry of Industrial Development and its agency for the development of industrial sites, for its first phase of 13 hectares. The expansion of the park to an additional 40 hectares will be supported by the China EximBank. Two UNIDO (GEF-funded) projects are supporting efficient waste management, energy efficiency and the dissemination of methodologies to measure the emission of greenhouse gases in Diamniadio. UNIDO has also advocated for the establishment of a solar mini-grid in the park through a public-private partnership between the Ministry of Treasury of France and a private company Cap Vert Energie.
- **The Diass industrial park** was initiated by the Government of Senegal, through the former Ministry of Investment Promotion, and its agency for the promotion of investments and major works (APIX), in partnership with the Senegalese private sector and the Chinese private sector, which finalized the feasibility studies for the development of 700 hectares.
- **The industrial park of Sandiara**, located in the region of Thiès, was initiated by the municipality. This initiative is within the context of the country's new decentralization policy, which seeks to give a central role to local authorities, and achieve the objective of inclusive, equitable and balanced industrial development. In 2020, UNIDO ITPO Tokyo facilitated the signature of a MoU with the Japanese Company SUCRECUBE for an investment in a production site dedicated to products combining access to ITC and renewable energy.

The other four industrial parks were initiated mainly by the Government of Senegal and foreign private sector partners.

- The first park in Bargny, where construction started in 2020, was initiated by a Turkish private sector company (TOSYALI IRON & STEEL). It has already obtained the status of a SEZ and will be dedicated to the development of the steel industry with the prospect of developing a second phase, which includes the exploitation of an iron deposit in the Falémé region (Tambacounda). UNIDO has initiated consultations with UNDP for a joint initiative to support local agriculture in partnership with Tosyali.
- The establishment of two industrial parks (in central Senegal (Touba) and northern Senegal) was initiated by a Chinese industrial company (SINOHYDRO), in partnership with the Ministry of Industrial Development and SMIs. They are in a study phase and will be financed in the form of a loan to the Senegalese Government.
- The latest park project, which was initiated in 2020, entirely dedicated to the promotion of the pharmaceutical industry, is part of Senegal's drive for sovereignty, particularly in strategic sectors such as agri-food, pharmaceuticals, etc. This is an initiative of the Senegalese private sector, in partnership with the Ministry of Industrial Development and SMIs, the Ministry of Economy, Planning and Cooperation, the Presidency of the Republic, and with the support of the United Kingdom (DFID).

Through the PCP, UNIDO has provided technical support to the Government for the development of the parks, including:

- Definition of the cost-benefit model of the Diamniadio industrial platform (P2ID);
- Development of the business plan to maximize the profitability of P2ID;
- Recommendations on the relevance and implementation of the P2ID SEZ regime;
- Benchmarking study and finalization of the incentive package (fiscal, customs, labour code, etc.) and legal framework for P2ID;

- Promoting the involvement of the private sector at the local, regional and international levels;
- Supporting the Government in mobilizing public and private resources;
- Supporting the Government in mobilizing and coordinating the resources of technical and financial partners;
- Strengthening the capacity of implementing structures to ensure effective project implementation and optimal management;
- Establishment of a public-private dialogue platform;
- Planning and preliminary studies for the implementation of other industrial platforms;
- Transfer of methodological tools;
- Communication and promotion;
- Capacity-building.

## COMPLETED

| ERP ID | Operationalization of a new generation of industrial parks                                | Donor          | Type of funding | Year of funding | Funding (US\$) |
|--------|---|----------------|-----------------|-----------------|----------------|
| 140215 | Technical assistance for the implementation of integrated industrial platforms in Senegal | Senegal, China | Grant to UNIDO  | 2016            | 360,000        |

## ONGOING UNIDO TC

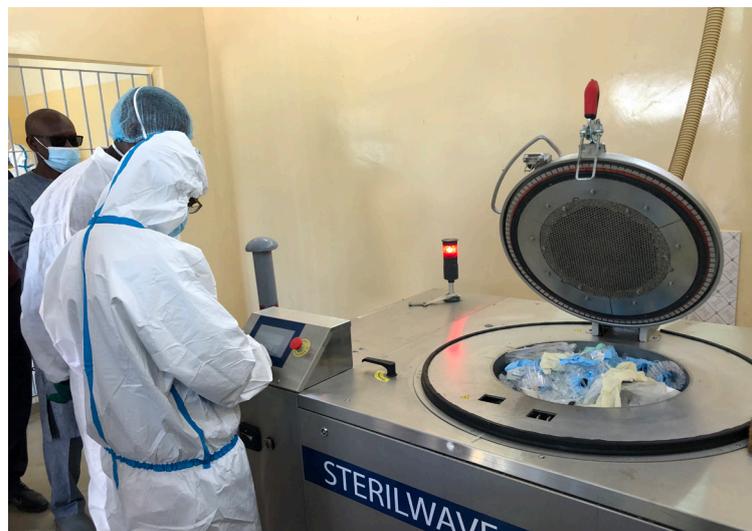
| ERP ID | Operationalization of a new generation of industrial parks | Area covered   | Donor         | Type of funding                    | Year of funding | Funding (US\$)                           |
|--------|--|--|---------------|------------------------------------|-----------------|--|
| 190092 | Technical assistance regarding SEZs and industrial parks   | Inter-regional project covering Senegal and Ethiopia (total \$8 million) | Germany (BMZ) | Grant to UNIDO (Sonder Initiative) | 2019            | 556,000 (part of US\$ 5 million project) |

## INVESTMENTS - 3 OPERATIONAL INDUSTRIAL PARKS

| Operationalization of a new generation of industrial parks | Donor                         | Type of funding       | Year of funding | Funding (US\$)          |
|--|-------------------------------|-----------------------|-----------------|-------------------------|
| Diamniadio Integrated Industrial Park                      | Senegal                       | Direct public funding | 2017            | 40,000,000              |
|  | Private sector (16 companies) | Private investments   | 2018            | 60,000,000              |
| Industrial Park of Sandiara                                | Private sector (5 companies)  | Private investments   | 2019            | 70,000,000              |
| Diass integrated industrial park                           | Private sector (5 companies)  | Private investments   | 2019            | 2,000,000 (initial)     |
| <b>Sub-total</b>   |                               |                       |                 | <b>US\$ 172,916,000</b> |

## PIPELINE INVESTMENTS

| Operationalization of a new generation of industrial parks | Donor             | Type of funding                   | Year of funding | Funding (US\$)                          |
|--|-------------------|-----------------------------------|-----------------|---|
| Diamniadio Integrated Industrial Park                      | EximBank China    | Loan to the Government of Senegal | 2020-2021       | 112,700,000                             |
| Investments for the industrial park of Touba               | China - SINOHYDRO | Loan to Senegal                   | 2021            | To be confirmed after feasibility study |
| Investments for the Northern Industrial Park               | China - SINOHYDRO | Loan to Senegal                   | 2021            | To be confirmed after feasibility study |
| Investments for the port of Dakar Bargny (phase 1)         | Turkey            | Loan to Senegal                   | 2021            | 120,000,000 (to be confirmed)           |
| Investments for the port of Dakar Bargny (phase 2)         | Turkey            | Loan to Senegal                   | 2022            | 450,000,000 (to be confirmed)           |
| <b>Sub-total</b>   |                   |                                   |                 | <b>US\$ 582,000,000</b>                 |



Inauguration of a Centre for the treatment of bio-medical waste, including COVID-19 infected material, with the Ministry of Environment and Sustainable Development, in Ziguinchor, Casamance, in the presence of local authorities, which was supported through a UNIDO project. (24 September 2020)

### 4.4.3 REFORM ON SEZs AND INCENTIVE PACKAGES

UNIDO supported the Government with advisory services for the drafting of two SEZ laws and related decrees, as well as advisory support for the drafting of agreements between the SEZ administrator (APIX) and different developers, such as APROSI or the municipality of Sandiara.

The parks of Diamniadio, Sandiara, Diass and Bargny are recognized as SEZs by the Government. A masterplan on the location of SEZs throughout the country was produced by the Government, which indicates the possible future development of eight SEZs in Senegal, including new industrial parks, a regional mining hub and tourist zones.

Agro-poles do not yet have SEZ status, but studies conducted by UNIDO for the Southern agro-pole recommend developing an incentive package to attract investments. UNIDO is also supporting the SEZ through a grant from the AfDB for the “SEZ Public Private Committee”.

#### COMPLETED

| ERP ID | Reform on SEZs and incentive packages   | Donor   | Type of funding | Year of funding | Funding (US\$) |
|--------|---|---|-----------------|-----------------|----------------|
| 140215 | <p>Technical assistance for the implementation of integrated industrial platforms</p> <p>Technical support to design and operationalize the legal framework of SEZs (laws, decrees and MOU) and build the capacity of governance of SEZ, i.e. the institutions in charge of the administration of the control and supervision of SEZ (Joint Public-Private Committee)</p> | Contribution of the Government of Senegal through the IDF | Grant to UNIDO  | 2018            | 100,000        |

#### 4.4.4 DEVELOPMENT OF A REGIONAL MINING HUB

Following preliminary work to develop small and medium-sized enterprise (SME) activities in the Kédougou mining region, UNIDO supported the dialogue between the Ministry of Industrial Development and the AfDB on a feasibility study to assess the potential of establishing a regional mining hub. At the request of the Government of Senegal, the AfDB included US\$ 460,000 to finance the feasibility study under a grant financing agreement with the Ministry of Finance (PAIMRAI - Projet d'Appui Institutionnel à la Mobilisation des Ressources et à l'Attractivité des Investissements). The feasibility study of the regional mining cluster is expected to start in 2021, under the leadership of the Ministry of Industrial Development and SMI, in partnership with UNIDO and various government departments and institutions.

#### PIPELINE INVESTMENTS

| Development of a regional mining hub                                 | Donor  | Type of funding  | Year of funding | Funding (US\$) |
|--|--|------------------|-----------------|----------------|
| Feasibility study  |  |                  |                 |                |
| Feasibility study for the establishment of a regional mining cluster | African Development Bank<br>European Investment Bank | Grant to the GoS | 2021            | 460,000        |

#### 4.4.5 INDUSTRIAL POLICY

The Plan Emerging Senegal identifies industrialization as a major priority for Senegal. The PCP supports the implementation of the industrial component of this Plan, which includes the revision of the industrial policy. Since the initiation of the PCP, UNIDO has supported the process of improving industrial policy through several actions such as: the training of staff of the Ministry of Industry and the Ministry of Economy, the provision of technical expertise and policy advice in the elaboration of the "Lettre de Politique Sectorielle de Développement de l'Industrie" (LPSD) and its Action Plan, and a study on "Identifying Growth for Industrial Upgrading and Diversification" (GIFIUD) focused on identifying "quick wins", i.e. sectors in which Senegal could become internationally competitive and create a large number of jobs.

As a result of a policy dialogue between the AfDB and the Government of Senegal, supported by UNIDO, a grant of USD 300,000 was mobilized in 2019 for the review of Senegal's industrial policy in 2020. In addition, another grant to the GoS from the AfDB will support the implementation of the national quality policy (USD 500,000). These activities are integrated into a programme between the AfDB and the Ministry of Finance (PAIMRAI- Institutional Support Project for Resource Mobilization and Investment Attractiveness).

#### ONGOING

| Industrial policy                     | Donor  | Type of funding  | Year of funding | Funding (US\$) |
|---------------------------------------|--|------------------|-----------------|----------------|
| Review of Senegal's industrial policy | African Development Bank<br>European Investment Bank | Grant to the GoS | 2020-2021       | 300,000        |

#### 4.4.5.1 ADDRESSING INDUSTRIAL CHALLENGES IN THE LEATHER INDUSTRY AND THE AUTOMOTIVE SECTOR

The Government has identified the automotive and leather industries as sectors with high potential for value-addition and increasing Senegal's international competitiveness. ECOWAS Ministries of Industry have also prioritized the automotive sector as part of a regional development strategy, while the leather sector was identified as one of the sectors with the potential for "quick wins" through a study conducted by UNIDO and Peking University on "Identifying Growth for Industrial Upgrading and Diversification". UNIDO's support to the Government supported the mobilization of USD 160,000 from the AfDB for a feasibility study on the automotive industry and USD 100,000 for a study on the leather sector. The studies are expected to start in 2021 under the responsibility of the Ministry of Industrial Development and SMI, through the recruitment of a consultancy company and bidding according to AfDB procedures.

#### ONGOING

| Title  | Donor                    | Type of funding  | Year of funding | Funding (US\$)      |
|--|--------------------------|------------------|-----------------|---------------------|
| Feasibility study  |                          |                  |                 |                     |
| Feasibility study for the revitalization of the leather industry                         | African Development Bank | Grant to the GoS | 2020-2021       | 100,000             |
| Study of feasibility for the social integration of the automotive value chain in Senegal | African Development Bank | Grant to the GoS | 2020-2021       | 160,000             |
| <b>Total</b>   |                          |                  |                 | <b>US\$ 260,000</b> |

#### 4.4.6 CROSS-CUTTING PROJECTS

UNIDO is implementing projects in cross-cutting areas to support the creation of shared prosperity (agro-industry, youth and women employment, vocational training, etc.), advancing economic competitiveness (industrial upgrading, quality, innovation, industrial policies, investment promotion, etc.), and safeguarding the environment (clean production, circular economy, energy efficiency and clean energy, and compliance with multilateral environmental agreements, etc.).

Projects in these areas support the PSE and its Priority Action Plan 2019-2023, in particular its Strategic Priority 6 "Inclusive and sustainable industrialization" and its expected impacts, namely:

- Outcome 6.1: The industrial sector is densified and diversified.
- Outcome 6.2: The industrial sector is more dynamic in terms of innovation, wealth creation, employment and innovation.
- Outcome 6.3: Sustainable production and consumption patterns are established.

#### 4.4.6.1 STRATEGIC PRIORITY "INCLUSIVE AND SUSTAINABLE INDUSTRIALIZATION - OUTCOME 6.1: THE INDUSTRIAL SECTOR IS DENSIFIED AND DIVERSIFIED

##### Project to support the resilience of agricultural value chains (PARFA)

Under the authority of the Ministry of Agriculture and Rural Equipment of Senegal, PARFA is being implemented jointly by UNIDO and IFAD, acting as GEF Implementing Agencies under the GEF Pilot Integrated Approach to Food Security, its regional programme of support to sub-Saharan countries. The project is funded by GEF-6 funds (\$7.2 million 2015-2021). It focuses on improving agro-ecosystem services, food security and incomes of smallholder farmers by creating income-generating jobs for rural people - especially youth and women - in the most sustainable way possible, including land conservation and the greening of agricultural and processing activities. In 2020, the project continued to support smallholder farmers in using new methodologies and modern equipment (powered by renewable energy) for the processing and conservation of food products. Activities focused on trainings and equipment delivery.

##### TRAINING IN CEREAL PROCESSING



##### TRAINING IN MILK PROCESSING

##### Social and economic empowerment of women in the decentralized municipalities of Dakar

A new partnership was launched in 2018 between UNIDO and the UNFPA regional and country offices in Dakar, with the objective of launching a joint project in the municipality of Fass in Dakar, with a focus on women's empowerment and youth employment, with a view to possibly replicating it in other parts of the country and in other African countries. A project document was approved by UNIDO in November 2018 and an agreement was signed in September 2019. Based on the cooperation between UNIDO and UNFPA in Zambia, UNFPA in Senegal expressed interest in extending the collaboration to Guinea-Bissau and Mauritania. The common medium-term objective of the two organizations is to gradually extend the approach to the 23 countries covered by the UNFPA regional office in Dakar. In 2020, the joint UN initiative was visited by the Director of the UN Development Cooperation Office for Africa. It was an opportunity to present the project and its achievements.

##### German G20 initiative on "vocational training and jobs" to support job creation through the PCP approach in Ethiopia and Senegal (Compact with Africa, Sonder Initiative)

Within the framework of the G20 Compact with Africa, Germany (BMZ) is supporting vocational training and employment creation in Ethiopia and Senegal. This three-year project was approved in 2019 for implementation from 2020. The specific budget for Senegal is USD 5 million.

In Senegal, project activities are linked to the establishment of the agro-pole in the South, as well as the development of industrial parks. The project will implement UNIDO's IDEA approach which consists of: creating sustainable jobs in selected sectors or value chains; encouraging private sector development through entrepreneurship and the creation of a strong network of SMEs anchored in the formal sector; building partnerships to secure long-term employment and attract investment; and facilitating access to innovative financing programmes/tools to support MSMEs during their initial development.

In 2020, the project started its operations through trainings for youth and women, the provision of technical and financial support to entrepreneurs, and the facilitation of partnerships with national and international public and private sector entities interested in developing their activities within the framework of the agro-pole.

#### **4.4.6.2 STRATEGIC PRIORITY "INCLUSIVE AND SUSTAINABLE INDUSTRIALIZATION - OUTCOME 6.2: THE INDUSTRIAL SECTOR IS MORE DYNAMIC IN TERMS OF INNOVATION, WEALTH CREATION, EMPLOYMENT AND INNOVATION"**

##### **Upgrading programme for small and medium-sized enterprises**

The Industrial Upgrading Bureau (BMN) was established with the support of UNIDO in partnership with AFD (Agence Française de Développement) and the European Union. The BMN has strengthened its capacities over time with UNIDO's technical assistance at the regional (WAEMU Industrial Upgrading Programme) and national levels. It has become a model for other African countries in the region and beyond (Central Africa). Its work consists of supporting local enterprises in increasing their international competitiveness through upgrading of industrial processes and market strategies.

In 2020, the BMN worked closely with UNIDO to support the transfer of UNIDO methodologies and know-how to the private and public sectors. This was particularly within the framework of two GEF-funded projects implemented by UNIDO: PRODEMUD on the sustainable management of municipal and hazardous waste, and the Sustainable Cities initiative. Those two projects were executed in the Diamniadio Industrial Park with the support of the BMN.

##### **Academy of Commercial Vehicles and Heavy Engines (AGEVEC)**

AGEVEC is the result of an innovative public-private partnership development initiative led by UNIDO in the field of vocational training, covering Morocco, Côte d'Ivoire and Senegal. The objective of AGEVEC in Senegal was to improve the employability of young people trained in vocational and technical training institutions, and to support the human resource needs of industrial projects that are part of the PCP. It contributes to increasing the supply of qualified intermediate and senior technicians by setting up academic hubs in the country, which will also support the agro-poles, industrial parks and the regional mining hub.

The results of the project in Senegal include:

- 37 young Senegalese, including 4 girls, who have a technical BAC and/or BTS in mechanics, have successfully completed the academy's courses and carried out their one-year qualifying training cycle in Morocco, from 2017 to 2019;
- 37 young people are integrated and employed in Senegalese and Moroccan companies and hold positions of responsibility (workshop manager, maintenance etc.);
- A network of 25 companies and brand dealers is set up to facilitate the placement of young and returning trainees and their professional integration ;
- 1 project for the creation and development of an Academy (AGEVEC Senegal) is in the formulation phase with the State of Senegal (Ministry of Employment, Professional Training and Handicrafts)
- 1 declaration of the authorities (MEFPA, MDIPMI, PTF) to establish public-private partnerships in the FPT system as a lever for the development of education and training policies.

In 2020, UNIDO continued exploring the potential of establishing a similar vocational training center in Senegal, through collaboration with the private sector and discussions with donors.

##### **Supporting the promotion of investment in value chains with the ACP Group of States and the EU**

The programme, entitled "EU/ACP Supporting Business-Friendly and Inclusive National and Regional Policies to Strengthen Productive Capacities and Value Chains", is a major initiative launched by the ACP Secretariat with the financial support of the European Union (US\$ 37 million). It is jointly implemented by UNIDO, the World Bank and the International Trade Centre (ITC). The investment promotion component (\$8.7 million) is being implemented by UNIDO, including in Senegal, which has been selected as a pilot country.

The objective of the five-year project, which started in 2020, is to improve Senegal's investment promotion policy and function in line with UNIDO methodologies and international best practices. In the framework of this project, UNIDO is working closely with the Investment Promotion Agency (APIX), the Ministry of Industrial Development and SMIs, the Ministry of Economy, Planning and Cooperation, as well as with all ministries, institutions and actors involved in investment promotion, including the private sector.

##### **Trade Facilitation and Quality - The West Africa Quality System Programme (WAQSP) and the West Africa Competitiveness Programme (WACOMP)**

Funded by the European Union since 2001, OQPS is a regional programme covering the fifteen ECOWAS countries and Mauritania. Its objective is to improve and upgrade West Africa's infrastructure and quality system, which are essential for regional and international trade and for the region's competitiveness. Through this programme, West African products will benefit from a harmonized framework for quality requirements (quality policy) and the region will be able to certify the

quality of products, including sanitary and phytosanitary standards, prior to export to international markets. Products will be certified through a regional accreditation system consisting of internationally recognized laboratories.

As a follow-up to this programme, the WACOMP, implemented jointly by UNIDO and ITC, aims to support value chain development at the regional and national levels. UNIDO will manage the regional quality component as well as some national projects. Senegal will benefit from both the regional and national components. The national component is expected to include activities related to mango value chain development, which are in line with the objectives of the Southern agro-pole.

#### **4.4.6.3 STRATEGIC PRIORITY ON "INCLUSIVE AND SUSTAINABLE INDUSTRIALIZATION - OUTCOME 6.3: SUSTAINABLE PRODUCTION AND CONSUMPTION PATTERNS ARE ESTABLISHED**

Progress in cross-cutting interventions is particularly marked by the continued implementation of two GEF integrated approach programmes. The first is on sustainable cities, the second on municipal and hazardous waste management. Both projects are aligned with the flagship projects on industrial parks and agro-poles.

##### **Sustainable Cities Initiative**

The Sustainable Cities project aims to promote renewable energy, energy efficiency and integrated waste management in the Diamniadio industrial park. The main objective of this four-year project, funded by GEF and supported by UNIDO technical assistance, is to improve the capacity to plan and implement sustainable city management practices. The project focuses on the integration of industrial parks, promoting investments in renewable energy, energy efficiency, low carbon technologies and the reduction of persistent organic pollutants (POPs) in businesses in Diamniadio and the greater Dakar area. It is being implemented with the support of national institutions such as the Industrial Upgrading Office, which was established in 2004 with technical support from UNIDO.

##### **Rational management of municipal waste for the reduction of unintentional POPs emissions (PRODEMUD)**

Launched at the end of 2016 for five years, PRODEMUD aims to reduce unintentionally produced POPs emissions in two municipalities in Senegal, Tivaouane and Ziguinchor. As part of its activities, PRODEMUD will help hospitals to safely manage their biomedical waste and will support an additional 50 health centres in this regard by pooling modern equipment to neutralise and destroy the waste. PRODEMUD is part of a regional programme created by ministerial decision. It is implemented by UNIDO, in collaboration with the State of Senegal through the Ministry of Environment and Sustainable Development, with a total budget of US\$ 19,030,186 or 9,515,093,000 CFA francs, co-financed by GEF, UNIDO, the State of Senegal, the National Solid Waste Management Programme and the municipalities of Tivaouane and Ziguinchor where it operates.

##### **Low carbon programme**

UNIDO is working with the Government of Japan and in partnership with the National Cleaner Production Centres to raise awareness and demonstrate the opportunities and benefits of low-carbon and climate-resilient development in productive industries in Egypt, Kenya, Senegal and South Africa. This is being done, among other things, through the promotion and introduction of green industry policy instruments and resource efficient and clean production (RECP) practices and techniques.

Under this project, UNIDO is assisting Senegal to develop and implement climate resilient solutions by enabling the transfer, deployment and scaling up of appropriate technical solutions in the areas of resource efficiency, cleaner production and waste and effluent management. The project has three components:

- **Government action:** The vulnerability of the industry to climate change is assessed and relevant national policies and strategies are reviewed to propose an action plan to help implementation and operationalization existing policies.
- **Green industry policy drivers:** Technical assessments are conducted in selected companies to explore the needs and opportunities for low-carbon and climate-resilient industrial development.
- **Partnerships:** Demonstration projects are prepared and information dissemination events are organized to promote the application of green industry to achieve low carbon and climate resilient industrial development. These projects and events also aim to foster partnerships at government and business level through awareness raising and information exchange. As a follow-up to the 2013 Yokohama Declaration, it is encouraged to establish a Japan-Africa business partnership, in collaboration with the Investment and Technology Promotion Office (ITPO) in Tokyo, through project activities. Since 2019, ITPO has been funding an ITPO advisor based at the UNIDO office in Senegal.

In Senegal, the project supported 12 enterprises in the targeted sub-sectors (i.e. processing of cereals, fruit juices and local fishery products) and identified the need for clean technologies for drying, cooking, washing processes, etc.

## Women's empowerment in the green industry

It is a global project of US\$1,000,000 implemented in four countries: Senegal, Cambodia, Peru and South Africa. Funded by Germany (BMZ), it focuses on women's economic empowerment in the green industry and is implemented by UNIDO in partnership with UN Women. It started in 2017 with a diagnostic study on the status of women in the green industry in Senegal, which was conducted by UNIDO. This study assessed the gender mainstreaming of the country's green industry policies, and consisted of an analysis and developing strategies that take into account equal opportunities for men and women in institutions and the private sector. In 2020, a study assessed the participation of women from the definition of roles and responsibilities, to the implementation of tasks, to the control of resources and the fair distribution of benefits. The report was finalized in 2020 and validated at the occasion of the project Steering Committee.

## FUNDING FOR CROSS-CUTTING PROJECTS

### UNIDO TC: COMPLETED NATIONAL PROJECTS

| ERP ID   | National project / Sub-programme  | Donor  | Type of funding | Year of funding | Funding (US\$)        |
|--|---|--|-----------------|-----------------|-----------------------|
| PCP Coordination and Events  |   |  |                 |                 |                       |
| 140100   | Technical cooperation framework between UNIDO and Senegal   | Trust Fund for Trade-Related Capacity-Building | Grant           | 2015            | 132,000               |
| 160090   | Fifth Inclusive and Sustainable Industrial Development Forum and Industrial Investment Promotion Meetings | Partnership Trust Fund- China                  | Grant           | 2016            | 225,000               |
| Private sector development and investment promotion, including agro-industry |   |  |                 |                 |                       |
| 130316   | Industrial upgrading and development of the industrial approach   | Senegal  | Grant           | 2016            | 984,000               |
| Youth and women's employment   |   |  |                 |                 |                       |
| 120103   | Insertion of continuous vocational and technical training in the northern and central regions of Senegal  | Luxembourg                                     | Grant           | 2013            | 1,100,000             |
| 120489   | Promotion of the economic development of the Louga region (IDEA1)   | Luxembourg                                     | Grant           | 2013            | 715,000               |
| <b>Sub-total</b>   |   |  |                 |                 | <b>US\$ 3,156,000</b> |

### REGIONAL PROJECTS COMPLETED

| ERP ID           | Title   | Donor  | Type of funding | Year of funding | Funding (US\$)  |
|------------------|---|--|-----------------|-----------------|---|
| 130028           | Low-carbon and climate-resilient industrial development in Africa   | Japan  | Grant           | 2013            | 500,000 (Part of US\$2 million) regional project - See Annex 1 for Senegal's allocation |
| 140046           | Upgrading SPS and value chain standards to facilitate access to regional and international markets for artisanal fishers in West Africa | Trade and Standards Development Support Fund | Grant           | 2015            | 1,033,818 See Annex 1 for Senegal's allocation  |
| <b>Sub-total</b> |   |  |                 |                 | <b>US\$ 1,533,818</b>   |

## ONGOING NATIONAL PROJECTS IN 2020

| ERP ID   | Title   | Donor   | Type of funding | Year of funding | Funding (US\$)  |
|--|---|---|-----------------|-----------------|---|
| PCP Coordination   |   |   |                 |                 |   |
| 150038   | PCP - Programme for Country Partnership for Senegal   | Trust Fund for Trade- Related Capacity Building, Partnership Trust Fund - China | Grant           | Several         | 127,200<br>150,000  |
| Private sector development and investment promotion, including agro-industry |   |   |                 |                 |   |
| 150071   | Agricultural Value Chain Resilience Support Project (PARFA) Improving the resilience of rural communities facing the challenges of climate change and land degradation, affecting their livelihoods and therefore their food security situation   | GEF   | Grant           | 2017            | UNIDO<br>3,646,000<br>IFAD<br>3,600,000<br>Co-financing<br>28,500,000 |
| Environment-Energy   |   |   |                 |                 |   |
| 100114   | Environmentally sound management of municipal and hazardous solid waste to reduce unintentional POPs emissions (PRODEMUD) Reduce POPs releases from hazardous and municipal waste by building the technical and institutional capacity of a group of private sectors that can support and replicate the best available technique and practical environment (BAT/BEP) demonstrated in the project as part of the implementation of the National Implementation Plan (NIP) under the Stockholm Convention | GEF   | Grant           | 2017            | UNIDO<br>2,000,000<br>Co-financing<br>17,000,000                      |
| 105415   | HCFC phase-out management plan (stage I). The Government of Senegal plans to freeze HCFC consumption by 1 January 2013 at the level of 657.28 mt (36.15 ODP tonnes) and gradually reduce it from the baseline following the Montreal Protocol control measures to achieve the 35% reduction in 2020.  | Montreal Protocol   | Grant           | 2018            | 280,000   |

| ERP ID                       | Title  | Donor                                      | Type of funding | Year of funding | Funding (US\$)  |
|------------------------------|--|--|-----------------|-----------------|---|
| 150270                       | <p>Management of sustainable cities initiatives Improve capacity to plan and implement sustainable city management practices, including climate resilience, in selected urban areas.</p> <p>The project has two components: one related to improving urban governance and better flood management in Dakar and Saint-Louis (implemented by the World Bank in Senegal); the second component aims to improve livability in the new town of Diamniadio with interventions to green production in the industrial estate, integrate RE and EE systems into the energy mix and manage industrial waste sustainably.</p> | GEF  | Grant           | 2018            | 500,000 (Part of US\$2 million) regional project - See Annex 1 for Senegal's allocation |
| Youth and women's employment |  |  |                 |                 |   |
| 180292                       | Social and economic empowerment of women in the decentralized communes of Dakar. Support UNFPA's efforts to operationalize the concept of demographic dividend that they are trying to promote in their regional office in Dakar covering 23 African countries. Through a pilot project on the theme of women's empowerment in a pilot commune of Dakar (Fass)   | Regular programme of technical cooperation | Grant           | 2018            | 62,170  |
| <b>Sub-total</b>             |  |  |                 |                 | <b>US\$ 9,493,370</b>   |

**ONGOING REGIONAL /GLOBAL PROJECTS BENEFITTING SENEGAL**

| ERP ID   | Title  | Donor                                     | Type of funding | Year of funding | Funding (US\$)   |
|--|--|---|-----------------|-----------------|--|
| Trade facilitation and quality   |  |   |                 |                 |  |
| 140203   | Support to the EU West African Quality System for the implementation of the ECOWAS Quality Policy Support the implementation of the ECOWAS regional quality policy aiming at establishing a framework for the development and operation of appropriate, relevant, efficient and effective quality infrastructures to facilitate international trade, protect the consumer and the environment and promote sustainable economic development | European Union                            | Grant           | 2015            | 127,200<br>150,000   |
| 170095   | Competitiveness and quality infrastructure in West Africa Project (Idem 16)  | European Union                            | Grant           | 2015            | 6,300,000<br>Total for the regional project<br>- See Annex 1 for Allocation in Senegal       |
| 170049   | EU / ACP Support inclusive national and regional business-friendly policies and strengthen productive capacities and value chains (Idem 16)  | Secretariat of the ACP-EU Group of States | Grant           | 2017            | 8,700,000<br>Total for the overall project<br>- See Annex 1 for Allocation in Senegal        |
| Private sector development and investment promotion, including agro-industry |  |   |                 |                 |  |
| 170065   | Economic improvement of women in the green industry Establishment of a policy framework that integrates gender and green industry policies with the aim of influencing change and empowering more women to take on leadership roles in the green industries as entrepreneurs or professionals  | Germany                                   | Grant           | 2018            | 250,000 (Part of USD 1.1 million)<br>regional project - See Annex 1 for Senegal's allocation |

| Environment-Energy           |   |                |       |                  |   |
|------------------------------|---|----------------|-------|------------------|---|
| 150416                       | Mitigating Toxic Exposures to Health in Low- and Middle-Income Countries: Global Alliance for Health and Pollution This project aims to help governments and communities heavily affected by pollution in low- and middle-income countries, particularly the least developed countries (LDCs), to take leadership in improving the health and livelihoods of these communities by breaking the pathways of exposure to pollution and preventing future toxic emissions  | European Union | Grant | 2016             | 5,100,000<br>Total for the project<br>- See Annex 1 for Allocation in Senegal         |
| 170094                       | EU IOMC Toolkit for Decision-Making in Chemicals Management Phase III: From Concept to Action The project builds on Phases I and II of the IOMC Toolkit project. Phase I focused on the development of a proof-of-concept version of the IOMC Toolkit to help countries identify practical and cost-effective chemicals management options developed by IOMC participating organizations. In Phase II, the proof-of-concept version was pilot tested, further developed and some functionalities were improved IOMC EU Decision Toolbox | European Union | Grant | 2017             | 424,000<br>Total for the project<br>- See Annex 1 for Allowance in Senegal            |
| 140139                       | The Academy of Commercial Vehicles and Heavy Engines (AGEVEC) aims to contribute to the development of human resources in priority growth sectors in terms of quantity and quality, mainly for the agro-poles, industrial parks and the mining pole through the establishment of an academic pole in the country's economic pole  | USA, Morocco   | Grant | 2015             | 1,400,000<br>Total for the regional project<br>- See Annex 1 for Allowance in Senegal |
| Youth and women's employment |   |                |       |                  |   |
| 190092                       | Sonder Initiative (Senegal – Ethiopia) A new cooperation between UNIDO and German cooperation has started since October 2018 to support the country on industrial programmes with a focus on the promotion of local content inside the industrial parks and mainly in the South and Central agro-poles  | Germany        | Grant | 2019             | 8,000,000<br>Regional project total - See Annex 1 for Senegal's allocation            |
|                              |   |                |       | <b>Sub-total</b> | <b>US\$ 50,109,1880</b><br><b>See Annex 1 for Senegal's allocation</b>                |

## PIPELINE PROJECTS

| ERP ID                               | Project in preparation / Sub-programme title  | Donor                     | Type of funding   | Year of funding | Funding (US\$)                              |
|--------------------------------------|---|---------------------------|---|-----------------|---|
| Trade facilitation and quality       |   |                           |   |                 |   |
| 130028                               | Senegal Component of the West Africa Competitiveness Programme (WACOMP)   | EU                        | Grant (approved in 2020, agreement to be signed in 2021)      | 2021            | 2.2 million                                 |
| Employment of women and young people |   |                           |   |                 |   |
|                                      | Academy of Heavy Vehicles and Commercial Vehicles (AGEVEC) - Senegal  | EU, USAID, private sector | Grant   | 2020-2021       | 2.2 million                                 |
| Environment-Energy                   |   |                           |   |                 |   |
|                                      | Implementation of the eco-industrial parks initiative for industrial zones in Senegal. This proposal to the Green Climate Fund (GCF), complements two ongoing CTCN interventions in Senegal: (1) The development of a roadmap on CCP / CCCP 1 energy technologies (2) Cleaner and Efficient Production (RECP) assessments and the development of guidelines for eco-industrial development.<br>It will place particular emphasis on creating industrial symbiosis in existing industrial parks, introducing new technologies to increase productivity and competitiveness and thereby attract foreign investment. | GCF                       |   |                 |   |
|                                      | Accelerating the adoption of innovative clean technology solutions for climate action and sustainable and inclusive agricultural green value chains.  | GEF                       | Grant (decision made in 2020, agreement to be signed in 2021) | 2021            | 3 million (GEF)<br>Co-financing: 21 million |
|                                      | Promoting sustainable mobility through green investments in Senegal.  | GEF                       | Grant   | 2021            | 3 million (GEF)<br>Co-financing: 21 million |

## 5. RESPONSE TO COVID-19

In 2020, the UN Programme Committee (PMT), chaired by UNIDO, was active in supporting the Government during the COVID-19 crisis. The UN PMT prepared a joint response to the Economic and Social Resilience Plan (PRES), which was presented by the Government in April 2020 and focused on the following priorities: reinforcing the health system and the social resilience of populations; ensuring macro-economic stability to support the private sector and employment; and securing the provision of food, fuel, medical and pharmaceutical products. The UN realigned the current UNSDCF (UNDAF) to the priorities of the PRES with access to food, health, sanitary and pharmaceutical products, a response totaling an amount of \$200 million. In addition, the PMT, with the technical support of UNDP and UNIDEP and supported by all agencies, prepared the UN framework for the immediate socio-economic response to COVID 19 in Senegal.

UNIDO supported the Ministry of Industrial Development and SMIs in the inter-ministerial consultations for the Senegal Economic Recovery Programme, including by presenting the results of UNIDO COVID-related research and UNIDO COVID 19-related programmes, which demonstrate the strategic importance of industry to support the production of essential products such as food, sanitary and pharmaceutical products. The Senegal Economic Recovery Programme aims to support “endogenous development through competitive productive sectors and the support of a strong national private sector”. One of the first challenges identified is “inclusive and sustainable industrialization” and sovereignty in the production of food, sanitary and pharmaceutical products. Major industrial projects supported through the PCP, such as industrial parks and agro-poles, will support economic recovery and job creation.

The PCP and all UNIDO projects prepared contingency plans in the context of COVID-19 to ensure continued implementation, as possible, through the reorganization of plans and activities. Some projects reoriented activities, such as the project “Investment in Employment Opportunities” financed by Germany (BMZ), which supported the production of sanitary masks through a cluster of 50 artisans who produced thousands of masks with the standard developed by the Senegalese Standardization Agency. In addition, the project supported the polytechnical School of Dakar and Ziguinchor in producing prototypes of gel distributors and producing sanitary gels at semi-industrial level. Through the project PRODEMUD, UNIDO supported two centres in the safe treatment of bio-medical waste to prevent COVID-19 infections.

## 6. LESSONS LEARNED AND BEST PRACTICES

**Partnerships and coordination:** The PCP brought together the Government of Senegal, development partners and the private sector around common ISID objectives in a coordinated manner, while allowing each to implement their respective activities through their own instruments. The PCP steering committee in Senegal has brought together different entities to establish a common consensus agenda around industrial priorities. In addition, regular communication and exchanges with development partners and the private sector have helped to mobilize significant resources.

**Resource mobilization:** Through a strong partnership approach, the PCP has helped MDIPMI to develop dialogue and cooperation with development partners. Moving from a project-based approach to large-scale investments, the content of cooperation with development partners has changed considerably with a more holistic view, moving from policy considerations to the micro, meso and macro levels. In addition, through the partnership approach, the PCP has proven to be an important mechanism for leveraging investments. UNIDO's technical cooperation projects, totaling \$24.7 million across 26 national and interregional projects, have helped to leverage estimated industrial investments of over \$800 million.

**Strengthening the government's industrial capacity:** The Ministry of Industrial Development and SMIs (MDIPMI) has progressively strengthened its capacity in three important functions supported by the PCP: industrial governance, industrial project development, and partnerships and resource mobilization. Other ministries have benefited directly from the PCP through technical assistance, including the ministries in charge of the economy, agriculture, trade, women, vocational training, research and innovation, investment promotion, energy and the environment.

**Industrial governance:** Through the PCP steering committee and the management of various projects, MDIPMI has strengthened its role as inter-ministerial coordinator on industrial issues. The cross-cutting issue of industrialization requires strong cooperation with other ministries such as agriculture, fisheries, decentralization, environment, energy, economy, vocational training, trade, or research and higher education, etc. The industrial policy review will be an opportunity to build consensus with other key ministries and all stakeholders from academia, the private sector and civil society. The focus on inclusive and sustainable industrialization will accelerate and intensify job creation, exports, industrial modernization, technology adoption, etc. With a clear roadmap led by the Government of Sudan and the partnership approach, the different partners can together focus and align their interventions on major projects, resulting in greater development impact.

**Industrial projects:** MDIPMI's role as a leader and manager of large-scale projects has increased significantly with the industrial parks, agro-poles and the regional mining cluster. Through the PCP, MDIPMI has benefited from a supportive framework that brings together the Government of Sudan, development partners and the private sector. Having a national coordinating body has overcome past difficulties through inter-institutional and inter-agency linkages and collaboration, structuring support around industry initiatives that require a variety of financial and technical inputs that no single entity can deploy alone. Clear examples are large-scale projects such as industrial parks and agro-poles where interventions range from financing, vocational training, investment promotion and park development to legal, customs and environmental issues. This variety of actors requires structured coordination, which the PCP aims to improve and support. Trust between partners can be strengthened through regular communication and transparency on respective roles and interventions.

## 7. COMMUNICATION

The Senegal PCP's communication strategy aims to inform all key stakeholders and the general public about the objectives, activities and achievements of the PCP. This communication is done at national, regional or global level through multiple channels: international conferences, workshops and meetings, media and press, and social media. In 2020, efforts have been made to systematize communication activities at programme-level, as well as at specific project level with the increasing mobilization of media, press and social media on the occasion of PCP-related events.

For the national level, it is important to note that the PCP Steering Committee plays a key role in terms of communication and resource mobilization. In 2020, the PCP Steering Committee brought together over 100 representatives from ministries, development agencies, UN entities, the private sector and local authorities. The examples below report on events organized or co-organized by UNIDO in 2020 with extensive national media, press and social media coverage that served to promote the PCP for Senegal.

- Signing of the financing agreement (\$43 million) for the southern agro-pole by the Minister of Economy and the Representative of the African Development Bank, in the presence of the Minister MDIPMI and the Representative of UNIDO.
- Joint visit by the United Nations of the "Empowerment of women" project in the context of the operationalization of the demographic dividend in the communes of Gueule-Tapée-Fass-Colobane in the presence of the United Nations RC in Senegal and the United Nations Representative for Africa (UNDCO) and the UNIDO Representative.
- Workshop to launch the Industrial Policy Review with the Minister MDIPMI, UNIDO Representative, AfDB, Japan, private sector and civil society.
- Africa Day of the European Investment Bank in the presence of the President of the Republic and the Government, the President of the EIB, the Executive Director of UN-Habitat, UNIDO and over 200 participants.
- Presentation of UNIDO's vision and activities on green industry at the Green Economy Conference with the Minister of Environment and Sustainable Development, the EU Ambassador and over 200 participants
- Webinar: UN support to Senegal's COVID 19 response. Presentation of UNIDO's activities.
- Presentation to development partners of the Economic and Social Resilience Programme by the Minister of Economy, Planning and Cooperation.
- Meeting between the Economic Commission for Africa, UN Resident Coordinators and Regional Directors on the COVID 19 response in Africa.
- Presentation by UNIDO to the Minister of Economy, Planning and Cooperation of the UN response to the Government's Economic and Social Resilience Programme. The UNDAF for 2020 (US\$ 200 million) is reoriented to support the Government's priorities. The Minister of Economy, Planning and Cooperation expresses his high satisfaction with the rapid and substantial response of the United Nations.
- UNIDO presents the UN's response to the Government's Economic and Social Resilience Programme to development partners. The UNSDCF for 2020 (\$200 million) is reoriented to support the Government's priorities.
- Participation in the Presidential Council on the Economic Recovery of Senegal which places industrialization as a priority.
- Presentation of the PCP to Members of Parliament as part of the EU-funded Parliamentary Action on Climate and Energy project.
- Signing on 18 December 2020 by the Ministry of Industrial Development and SMI and UNIDO of the agreement for the conduct of the agro-pole North feasibility study, to be financed by the AfDB (KOAFEC, Republic of Korea Trust Fund).

## 8. UPCOMING MILESTONES AND MAJOR RESULTS EXPECTED IN 2021

Policy: Launch of the new industrial policy, review of the performance of the special economic zones reform, launch of AfDB-funded studies on the leather and automotive sectors.

Industrial projects :

- Special economic zones: a study on SEZs is expected to be finalized under the AfDB-funded PAIMRAI programme.
- Integrated and competitive agro-poles: finalization of two feasibility studies (agro-pole Centre and North)
- Industrial parks: extension of the Diamniadio industrial park (40 ha) and continuation of the development of the Sandiara industrial park and of the Diass industrial park.
- Regional mining hub: AfDB-funded feasibility study to be launched.

Continued implementation of ongoing cross-cutting UNIDO projects for the transfer of expertise, knowledge and technology, and initiation of new projects, including:

- Official launch of the project entitled "Investment in Employment Opportunities", funded by the German Federal Ministry for Economic Cooperation and Development (BMZ);
- Implementation of the EU regional competitiveness programme for West Africa;
- Signature and launch of the Resilience and Recovery Programme for Micro, Small and Medium Enterprises in Senegal, funded by the European Union;
- Start of the UNDP Small Enterprise Recovery Programme project;
- Launch of the EU/ACP project "Supporting national and regional policies for business and inclusion and strengthening productive capacities and value chains";
- GEF Clean-Tech programme to be signed in 2021.

In addition, several initiatives related to agro-industry, investment promotion and the environment are still under development.



PCP Steering Committee with more than 100 representatives from the Government, the private sector and civil society with the participation of H.E.M. Moustapha Diop, Minister of Industrial Development and Small and Medium Industries, M. Adama Ndiaye, Secretary General MDIPMI, Mr. Christophe Yvetot, UNIDO Representative, the President of the Senegalese Union of Industry Professionals (SPIS) and UN-Women Programme National Coordinator. (28 January 2020)

## 9. ANNEX 1: PCP PORTFOLIO OVERVIEW - UNIDO TC

### NATIONAL PROJECTS

| ERP ID  | Donor   | Project  | Type of funding | ALLOCATION |         |             |                    |      |         | Funding (US\$) |
|---|---|--|-----------------|------------|---------|-------------|--------------------|------|---------|----------------|
|   |   |  |                 | 2015       | 2016    | 2017        | 2018               | 2019 | 2020    |                |
| <b>VERTICAL PROJECTS OF THE PCP (PSE FLAGSHIP PROJECTS)</b> |   |  |                 |            |         |             |                    |      |         |                |
| Coordination and PCP Events                                 |   |  |                 |            |         |             |                    |      |         |                |
| 150038  | UNIDO Trust Fund for Trade Related Capacity-Building, Senegal, Partnership Trust Fund-China | PCP - Programme for Country Partnership in Senegal   | Grant           |            |         |             |                    |      |         | 927,000        |
| 140100  | UNIDO Trust Fund for Trade related Capacity Building  | Framework for cooperation technique between UNIDO and Senegal  | Grant           | 132,000    |         |             |                    |      |         | 132,000        |
| 160090  | UNIDO Partnership Trust Fund - China  | Fifth Inclusive and Sustainable Industrial Development Forum and industrial investment promotion meetings, Dakar             | Grant           |            |         | 225,000     |                    |      |         | 225,000        |
| Industrial Parks / Special Economic Zones                   |   |  |                 |            |         |             |                    |      |         |                |
| 140215  | Senegal, China  | Technical assistance for implementation of integrated industrial platforms in Senegal  | Grant           |            | 360,000 |             |                    |      |         | 360,000        |
| Integrated and Competitive Agro-poles                       |   |  |                 |            |         |             |                    |      |         |                |
| 180031  | Senegal   | Feasibility study and business plan for the establishment of an integrated and competitive agro-pole in the South of Senegal | Grant           |            |         |             | 553,700 (phase I)  |      |         | 853,700        |
|   |   |  |                 |            |         |             | 300,000 (phase II) |      |         |                |
| 190020  | Belgium (Enabel)  | Feasibility study Center Agro-pole   | Grant           |            |         | 0,9 million |                    |      |         | 0.9 million    |
| 190021  | African Development Bank (AfDB) through the Government of Senegal                           | Feasibility study for the establishment of a competitive and integrated agro-pole in the North                               | Grant to UNIDO  |            |         |             |                    |      | 679,660 | 679,660        |

|   |                   |   |                 | ALLOCATION |         |               |               |  |      |                               |
|---|-------------------|---|-----------------|------------|---------|---------------|---------------|--|------|-------------------------------|
| ERP ID  | Donor             | Project   | Type of funding | 2015       | 2016    | 2017          | 2018          | 2019   | 2020 | Funding (US\$)                |
| 190092  | Germany (BMZ)     | Sonder Initiative   | Grant           |            |         |               |               | Total \$8.9 million for Senegal and Ethiopia |      | 5 million national allocation |
| <b>PCP HORIZONTAL PROJECTS (CROSS-CUTTING KNOWLEDGE AND TECHNOLOGY TRANSFER PROJECTS)</b> |                   |   |                 |            |         |               |               |  |      |                               |
| Private sector development and investment promotion, including agro-industry              |                   |   |                 |            |         |               |               |  |      |                               |
| 130316  | Senegal           | Integrated Industrial Upgrading and Enterprise Development Approach   | Grant           |            | 984,000 |               |               |  |      | 984,000                       |
| 150071  | GEF               | Agricultural Value Chain Support Project  | Grant           |            |         | 3,646 million |               |  |      | 3,646 million                 |
| Environment and energy  |                   |   |                 |            |         |               |               |  |      |                               |
| 150270  | GEF               | Sustainable Cities Management Initiative for Senegal  | Grant           |            |         |               | 3,280 million |  |      | 3,280 million                 |
| 100114  | GEF               | Environmentally sound management of municipal and hazardous solid waste to reduce emission of unintentional POPs - Implementation Phase | Grant           |            |         | 2 million     |               |  |      | 2 million                     |
| 105415  | Montreal Protocol | HCFC Phase-out Management Plan (Stage I)  | Grant           |            |         | 280,000       |               |  |      | 280,000                       |
| Youth and women's employment  |                   |   |                 |            |         |               |               |  |      |                               |
| 180292  | UNFPA             | Social and economic empowerment of women in decentralized municipalities of Dakar   | Grant           |            |         |               | 10,170        | 52,000                                       |      | 62,170                        |
| 120103  | Luxembourg        | Insertion of outgoing professional and technical training in the northern and central regions of Senegal (IDEA1)                        | Grant           | 1,100,000  |         |               |               |  |      | 1,100,000                     |
| 120489  | Luxembourg        | Promotion of local economic development in the Louga region (IDEA2)   | Grant           | 715,000    |         |               |               |  |      | 715,000                       |

## REGIONAL / GLOBAL PROJECTS

| ERP ID                            | Donor   | Project  | Type of funding | ALLOCATION                           |        |      |                            |      |      | Funding (US\$)  |
|-----------------------------------|---|--|-----------------|--------------------------------------|--------|------|----------------------------|------|------|---|
|                                   |   |  |                 | 2015                                 | 2016   | 2017 | 2018                       | 2019 | 2020 |   |
| Facilitation of trade and quality |   |  |                 |                                      |        |      |                            |      |      |   |
| 140203                            | European Union  | West African Quality System Support for the implementation of the ECOWAS quality policy  | Grant           | 12.9 million total global            |        |      |                            |      |      | 900,000 national allocation<br><br>(part of total \$12.9 million global project)  |
| 170095                            | European Union  | West Africa Competitiveness and Quality Infrastructure Project   | Grant           |                                      |        |      | 6.3 million total regional |      |      | 400,000 national allocation<br><br>(part of total \$6.3 million regional project) |
| 170049                            | Secretariat of the ACP Group of States – European Union | EU/ACP Supporting business-friendly and inclusive national and regional policies, and strengthening productive capabilities and value chains     | Grant           |                                      |        |      | 8.7 million total regional |      |      | 700,000 national allocation<br><br>(part of total 8.7 million global project)     |
| 140046                            | Standards and Trade Development Facility                | Upgrading of SPS standards and the value chain to facilitate access to regional and international markets for artisanal fishermen in West Africa |                 |                                      |        |      |                            |      |      | 335,000 national allocation<br><br>(part of total \$1,033,818 regional project)   |
| Environment and energy            |   |  |                 |                                      |        |      |                            |      |      |   |
| 150416                            | European Union  | EU Mitigating toxic health exposures in low and middle-income countries: Global Alliance on Health and Pollution                                 | Grant           | 5.1 million total for global project |        |      |                            |      |      | 100,000 national allocation<br><br>(part of total \$5.1 million global project)   |
| 170094                            | European Union  | EU IOMC Toolbox for Decision Making in Chemicals Management Phase III: From design to action   | Grant           |                                      | 28,266 |      |                            |      |      | 28,266 national allocation<br><br>(part of total Euro 424,000 global project)     |

|                            |                                   |  |       |  |         |  |  |  |                                   |   |
|----------------------------|-----------------------------------|--|-------|--|---------|--|--|--|-----------------------------------|---|
| 130028                     | Japan                             | Low Carbon Low Emission Clean Energy Technology Transfer Programme: \$2 million total for global project | Grant |  | 500,000 |  |  |  |                                   | 500,000 national allocation<br><br>(part of total \$2 million global project)   |
| Youth and women employment |                                   |  |       |  |         |  |  |  |                                   |   |
| 140139                     | United States of America, Morocco | AGEVEC, Académie Engins Lourds et Commerciaux: \$1.4 million total project                               | Grant |  | 500,000 |  |  |  |                                   | 500,000 national allocation<br><br>(part of total \$2 million global project)   |
| 170065                     | Germany (BMZ)                     | Empowerment of women in the green industry   | Grant |  |         |  |  |  | Total global project: 1.1 million | 100,000 national allocation<br><br>(part of total \$1.1 million global project) |
|                            |                                   |  |       |  |         |  |  |  | <b>Total</b>                      | <b>US\$ 24,727.092</b>  |

## 10. ANNEX 2: INVESTMENTS LEVERAGED BY THE PCP

|  |  |   | ALLOCATION |            |            |                                    |  |  |
|--|--|---|------------|------------|------------|------------------------------------|--|--|
| Partner  | Project  | Type of funding   | 2016       | 2017       | 2018       | 2019                               | 2020   | Total (US\$)   |
| <b>VERTICAL PROJECTS OF THE PCP (PSE FLAGSHIP PROJECTS)</b>      |  |   |            |            |            |                                    |  |  |
| Industrial policy and challenges                                 |  |   |            |            |            |                                    |  |  |
| African Development Bank   | Review of Industrial Policy  | Grant to Senegal managed by AfDB                                |            |            |            |                                    | 0,3 million  | 0,3 million (Confirmed)                                      |
|  | Implementation of the national Quality Policy  | Grant to Senegal  |            |            |            |                                    | 0,5 million  | 0,5 million (Confirmed)                                      |
|  | Feasibility study on automotive sector   | Grant to Senegal managed by AfDB                                |            |            |            |                                    | 0,1 million  | 0,1 million (Confirmed)                                      |
|  | Feasibility study on leather   | Grant to Senegal managed by AfDB                                |            |            |            |                                    | 0,1 million  | 0,1 million (Confirmed)                                      |
| Integrated Industrial Parks                                      |  |   |            |            |            |                                    |  |  |
| Diamniadio International Industrial Platform                     |  |   |            |            |            |                                    |  |  |
| Government of Senegal  | Building of Diamniadio Integrated Industrial Park  | Senegal public investment                                       |            | 40 million |            |                                    |  | 40 million (Completed)                                       |
| Private sector (14 registered companies)                         | Industrial production (textile, biometric cards, electric bikes and solar panels, PVC tubes) and services (banking, engineering) | Private investment  |            |            | 60 million |                                    |  | 60 million (Completed)                                       |
| France (Ministry of Finance) / Cap Vert Energie (private sector) | Solar grid for Diamniadio Industrial Park  | Public grant (France) and private investment (Cap Vert Energie) |            |            |            |                                    | 0,5 million (France)<br>3,5 million (Cap Vert Energie) | 4 million (Confirmed by France and Cap Vert Energie)         |
| Sandiara Industrial Park   |  |   |            |            |            |                                    |  |  |
| Municipality of Sandiara/Senegal                                 |  | Senegal public investment                                       |            |            |            | 60 million                         |  | 60 million (Announced by Mayor of Sandiara, to be confirmed) |
| Private sector (6 registered companies)                          | Agro-industry, water, packaging, etc.  | Private investment  |            |            | 70 million | 32 additional companies interested |  | 70 million (Completed)                                       |

| Partner  | Project                                | Type of funding                     | 2016 | 2017 | 2018  | 2019   | 2020  | Total (US\$)  |
|--|--|-------------------------------------|------|------|---|--|---|---|
| <b>Diass Industrial Park</b>                   |  |                                     |      |      |   |  |   |   |
| Private sector                                 | Industrial activities                  | Private investment                  |      |      | Investments pledged by 13 companies (to be confirmed) |  |   | 60 million (Completed)  |
| <b>New Industrial Investments</b>              |  |                                     |      |      |   |  |   |   |
| Turkey   | Industrial in Bargny                   | Loan and private investment         |      |      |   | 570 million  |   | 570 million (to be confirmed)   |
| E-Road Tong Consortium, Private sector (China) | Establishment of industrial parks      | Private investment                  |      |      |   |  | Establishment of 2 industrial parks (To be confirmed) |   |
| <b>Integrated and Competitive Agro-poles</b>   |  |                                     |      |      |   |  |   |   |
| <b>Northern Agro-pole</b>                      |  |                                     |      |      |   |  |   |   |
| African Development Bank                       |  | Public Investment (Loan to Senegal) |      |      |   | 50 million (pledged in 2019)                       |   | 50 million (to be confirmed on basis of feasibility study and co-funding by EIB)  |
| Private sector (Japan)                         |  | Public Investment (Loan to Senegal) |      |      | 70 million  | 50 million (pledged in 2019)                       |   | 50 million (to be confirmed on basis of feasibility study and co-funding by AfDB) |
| <b>Center Agro-pole</b>                        |  |                                     |      |      |   |  |   |   |
| Enabel (Belgium)                               | Investment in agro-pole infrastructure | Grant to Senegal                    |      |      |   | 30 million approved in 2019 Co-operation Agreement |   | 30 million (to be confirmed on the basis of the feasibility study)                |
| African Development Bank                       | Investment                             | Loan to Senegal                     |      |      |   | 40 million (pledged in 2019)                       |   | 40 million (to be confirmed on basis of feasibility study and co-funding by EIB)  |

|   |   |   |  |  |               |                              |              |  |
|---|---|---|--|--|---------------|------------------------------|--------------|--|
| European Investment Bank  | Investment  | Loan to Senegal   |  |  |               | 40 million (pledged in 2019) |              | 40 million (to be confirmed on basis of feasibility study and co-funding by AfDB)  |
| <b>Southern Agro-pole</b>   |   |   |  |  |               |                              |              |  |
| Senegal   | Feasibility study   | Senegal contribution to UNIDO Industrial Development Fund |  |  | 0,554 million |                              |              | 0,554 million (Confirmed)  |
| African Development Bank  | Investment  | Loan to Senegal   |  |  |               |                              | 43 million   | 43 million (Signed agreement)  |
| Islamic Development Bank  | Investment  | Loan to Senegal   |  |  |               | 27 million                   |              | 27 million (Signed agreement)  |
| <b>Regional Mining Hub</b>  |   |   |  |  |               |                              |              |  |
| African Development Bank  | Feasibility study on regional mining hub  | Grant to Senegal managed by AfDB                          |  |  |               | 0,460 million                |              | 0,460 million (Confirmed)  |
| <b>PCP HORIZONTAL PROJECTS (CROSS-CUTTING KNOWLEDGE AND TECHNOLOGY TRANSFER PROJECTS)</b> |   |   |  |  |               |                              |              |  |
| <b>Private sector development and investment promotion, including agro-industry</b>       |   |   |  |  |               |                              |              |  |
| Global Environment Facility (GEF)   | Agricultural Value Chain Support Project  | Grant   |  |  | 3,646 million |                              |              | UNIDO TC 3,646 million<br>Funds leveraged: IFAD (3,6 million);<br>Co-funding 28,5 million  |
| <b>Environment and Energy</b>   |   |   |  |  |               |                              |              |  |
| Global Environment Facility (GEF)   | Sustainable Cities Management Initiative for Senegal  | Grant   |  |  | 3,280 million |                              |              | UNIDO TC: 3,280 million<br>Funds leveraged: 11,8 million   |
| Global Environment Facility (GEF)   | Environmentally sound management of municipal and hazardous solid waste to reduce emission of unintentional POPs - Implementation Phase | Grant   |  |  | 2 million     |                              |              | UNIDO TC: 2 million<br>Funds leveraged: 17 million<br>Co-funding   |
|   |   |   |  |  |               |                              | <b>Total</b> | <b>US\$ 808 million estimated by the end of 2020</b><br><br><b>Pipeline the investments for 2021-2023: \$570 million (to be confirmed)</b> |

For more information, please scan the QR Code to  
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