DCED Annual Meeting
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MEMBER UPDATE 2013/14:
STRATEGIC CHANGES/DEVELOPMENTS
- UNIDO -

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NEW LEADERSHIP AND RENEWED MANDATE

- New Director General since mid-2013: Mr LI Yong (2003-14: Vice Minister of Finance, China)
- 15th UNIDO General Conference, Peru/Lima, December 2013
  - Lima Declaration “Towards inclusive and sustainable industrial development” (ISID)
  - Roadmap for future work: enhancing productive capacities; supporting structural transformation; encouraging economic growth & creation of decent jobs; increasing productivity and development; promoting sustainable use, management and protection of natural resources; facilitating technology transfer and absorption; supporting related R&D
- Solid basis for further advancing industrial development in post-2015 / SDG (Sustainable Development Goals) processes
- ISID operationalization underway
“Through ISID, we want to eradicate poverty within the next generation.”

Key driver for integrating all three dimensions of sustainable development: economic – social – environmental

Industrialization = holistic process enabling countries to rise from a lower to a higher level of development

Requires suitable institutional capacities, an enabling infrastructure, a vibrant private sector, and a conducive business environment

Transformation to ISID requires varied and strong multi-stakeholder partnerships (private sector, civil society, academia, govt. institutions, int’l development organizations incl. DFIs)

Video on ISID:
http://www.youtube.com/watch?feature=player_embedded&v=cXEpR9EdCUQ
OPERATIONALIZING ISID

• Limited, but important organizational adjustments June 2014 (‘fine-tuning’)
  - Research, Statistics and Industrial Policy Branch
    - Strategic advisory, capacity-building & facilitation services on industrial policy identification, design, implementation & evaluation
    - Applied economic research economic growth/industrial structural change

• Partnerships and Results Monitoring Branch
  - Coordination of all partnerships developed by UNIDO with firms, DFIs, investment funds and the Global Environment Facility (GEF)
  - Tasked to devise 5-year Business Partnership Strategy (UNIDO partnerships with private sector)

• New project/programme preparation/approval process

• First UNIDO Forum on strategies and instruments for inclusive and sustainable industrial development, Vienna, 23-24 June 2014, focus: ‘industrial parks’

• Second Forum in October 2014 to focus on partnerships
As a global forum, UNIDO generates and disseminates knowledge related to industry and provides a platform to enhance cooperation, establish dialogue and develop partnerships.

As a technical cooperation agency, UNIDO designs/implements programmes to support its clients. It also offers tailor-made specialized programme development support.

Two core functions:

**Industrial development for poverty reduction, inclusive globalization and environmental sustainability**

**Poverty reduction through productive activities**
- Includes:
  - Industrial policy
  - Business & institutional environment
  - Cluster/business linkages & technology diffusion
  - Agro-processing & value chain development
  - Rural & women's entrepreneurship
  - Rural energy for productive use
  - Sustainable production in poor communities

**Trade capacity building**
- Includes:
  - Trade policy
  - Technical barriers to trade
  - Compliance with trade standards, metrology, testing and conformity
  - Innovation systems, industrial modernization and upgrading

**Energy and Environment**
- Includes:
  - Industrial energy efficiency & climate change
  - Renewable energy & energy policy
  - Cleaner and sustainable production
  - Water management
  - Green industry

**Thematic priorities & main working areas**

Inclusive and Sustainable Industrial Development
• **Internal structure & capacity development**
  - UNIDO Policy on Business Partnerships published (June 2013)
  - Due diligence mechanism for partner screening & selection made mandatory;
    → Environmental impact, social standards, governance conduct (UN Global Compact principles), exclusion criteria, contextual factors
  - Internal capacity development on designing and implementing partnerships with private sector rolled out to the field

• **Communication**
  - Promotional video ([www.unido.org/businesspartnerships.html](http://www.unido.org/businesspartnerships.html)) showcasing UNIDO’s approach to partnering with the private sector released

• **New Business partnerships**
  - New partnerships signed with DNV-GL, Henkel, Philips, Tetra Pak, Komatsu and VDMA
RECENT UNIDO CORPORATE PARTNERS

- DNV·GL
- Tetra Pak
- Volvo
- BASF
- Microsoft
- Scania
- Carlsberg
- Chevron
- Metro Group
- Philips
- Samsung
- HP
- Cabot
- Aeon
- AkzoNobel
- Ecolab
- Dow
- Henkel
- Komatsu
- VDMA

* = new 2013/14
• Involvement in **post-2015 agenda development process**: elaboration of set of Sustainable Development Goals (SDGs)
  • Return of industrialization in international development
  • Debate/negotiations on inclusion of **industrial development goal as stand-alone or composite** (e.g. economic growth and industrialization) **goal**
  • Last session of Open Working Group (OWG) 14-18 July 2014: report with SDG rec’s to be submitted to General Assembly Sep 2014
POST-2015 DEVELOPMENT AGENDA

1st phase of consultations (2012-13) focused on the potential issues and areas to be included in a post-2015 development agenda.

2nd phase on Means of Implementation (2013-14):
**UNIDO and UN Global Compact co-lead** dialogue on “Engaging with the Private Sector”

- How best can businesses contribute to global sustainability?
- National, regional and global consultations
- Online dialogue on [The World We Want](http://www.worldwewant2015.org/privatesector2015) website:

Most recently:
- Europe and Central Asia, Bratislava, June 2014
- Caribbean Region, Aruba, June 2014
- Latin America and Caribbean, Cartagena, June/July 2014
TRADE CAPACITY-BUILDING: NEW SERVICES

- Regional Trade Capacity Building (TCB) Curriculum
  - New modular concept (mix of online/distance learning & classroom training)
  - Quality policy, promotion & infrastructure

- UNIDO TCB Guidelines for Good Governance
  - Directed at QI professional staff
  - Resulted from SIDA-funded joint project with Arab Industrial Development and Mining Organization (AIDMO) on Arab regional Standardization Strategy
  - Guidelines being developed into a generic tool across regions

- Contribution to DCED/BEWG:
  Leveraging the Impact of Business Environment Reform: The Contribution of Quality Infrastructure - Lessons from Practice (DCED publication imminent)
  - Contribution of QI to economic growth, trade & poverty reduction, gender,…
  - QI development principles, choices, best practices
# GREEN INDUSTRY INITIATIVE

## Greening of Industries

*Helping enterprises improve resource productivity and environmental performance*

- Efficient use of materials, energy and water
- Reduction of wastes and emissions
- Safe and responsible management of chemicals, renewable raw materials
- Phasing out toxic substances
- Substituting fossil fuels with renewable energy sources
- Product and process redesign, Green Chemistry

## Creating New Green Industries

*Establishing new operations delivering environmental goods and services*

- Reduce, reuse and recycle (3R) industries
- Pollution control technology and equipment
- Renewable and energy-efficient technologies
- Waste management and resource recovery
- Environmental advisory and analytical services
GREEN INDUSTRY PLATFORM

- High-level, multi-stakeholder, transformative partnership framework
- In total 193 businesses, governments, international and civil society organizations have joined by signing the “Statement of Support”
- Scales up and mainstreams Green Industry throughout global industry
  - Reduces the negative environmental impact of manufacturing
  - Increases social and economic benefits
- Only comprehensive, targeted and practical sector-based strategy
2013 – Engagement through Global Fora and Promotion of Green Industry

- Throughout the year, events held in New York, San Jose, Seoul, Nairobi, London Brussels
- High-Level Paris Forum in April 2013
- Third Green Industry Conference held in Guangzhou, China, in November 2013

2014 – Concrete Cooperation Activities Involving Platform Members

- Greening Value Chains in the food and beverages, textile and agro-industrial sectors
- Water footprint toolkit, sector-level resource efficiency benchmarking
- E-waste management, Green Chemistry
CURRENT ACTIVITIES

- **Policy Support**
  - Policy Gap Analysis
  - Green Industry Policy Advice
  - Low Carbon Industry Policy Advice

- **Technical Assistance**
  - Eco-Industrial Parks
  - Innovative approaches to sound management of chemicals & chemicals waste
  - Greening of Value Chains
  - Low Carbon Technology & Climate Technology Centre and Network (CTCN)
  - Mediterranean test: CP & sound water management

- **Global Capacity Building**
  - Green Industry Summer Course – 2014
  - Sustainable Energy Solution Training - 2013
Partnership for Action on Green Economy

Vision
Provide targeted support that will enable countries to transition to socially inclusive green economies.

Objectives
• To provide a springboard for action on commitments made at the Rio+20 Summit.
• To create an enabling environment and strengthen the capacity of Governments in their transition to a green economy.
• To harness expertise and ensure a coordinated response to countries’ needs.
UNIDO’s Contribution

- Tools and methodologies to promote Green Industrial Policy Development (Practitioner’s Guide)

- Country level Green Industrial Policy development advice (Green Industry Assessments)
**GENDER: MAINSTREAMING CONTINUED**

- Strengthening of *organizational* culture through staff *capacity building* (branch level gender mainstreaming training workshops, > 140 managers)...
- ... *Branch-specific guides, frameworks & tools* (imminent latest one: ECC Guide to Gender Mainstreaming)...
- ...Analysis of *gender mainstreaming of HR Policies*; runing competency based recruitment *skills training* that has a special emphasis on gender *for all hiring managers*; *upgrading gender resource tracking system* to full fledged Gender Marker (ongoing)
- New project/programme formulation & appraisal processes: gender advisory function
- Coordinate (with Statistics) the promotion of the *collection and use of sex disaggregated data in monitoring and reporting*
- Global Forums, inter-agency meetings, partnering/advocacy/knowledge sharing events
  - High-level Inter-regional Debate on “Empowering women: Fostering Entrepreneurship” at the UNIDO 15th GC
  - Panel-discussion on *Women in Green Industry* at Green Industry Conference, Guangzhou/China
  - Contribution to *post-2015 consultations* in regards to *gender and ISID*
  - *Co-sponsoring SEED Gender Equality Award 2014* with UN Women and Hogan Lovells law firm.
  - Regularly contributing to global information portals such as *UN Women’s Knowledge Gateway*
- UNIDO among core members of global platform for information sharing (www.empowerwomen.org): contributing gender and ISID knowledge products
WOMEN AND THE ENVIRONMENT

E-discussion

- In cooperation with SEED Initiative, UNEP, and UN Women
- Hosted 10-24 June 2014 on Knowledge Gateway for Women’s Economic Empowerment

- Over 4,000 visitors and 179 replies on:
  - Women entrepreneurs and workers in green economies
  - Impact of climate change, environmental degradation and natural disasters on women’s livelihoods
  - Women in green industries: promoting clean technologies and eco-innovation for sustainable development
  - Women farmers and food and nutrition security
  - Women’s roles in sustainable patterns of production and consumption
YOUTH EMPLOYMENT

Enterprise creation and growth – sustainable solutions for youth employment

Purpose:
Support young women and men in becoming actors in the socio-economic development of their societies by enhancing the creation of productive and decent work

Problem: Youth unemployment and poverty due to limited absorptive capacity of the public sector and of the formal labour market.

MSMEs, incl. youth-led, create positive externalities: they greatly contribute to economic growth, job creation, structural change and innovation.

MSME and value chain development strategies as a solution, addressing youth unemployment and promoting domestic investment, which serves as indicator to attract FDI.
1. Self-employment (supporting start ups):

- **Productive Work for Youth** – supporting young entrepreneurs
  Integrated approach that assists governments and support structures to support young women and men to create and develop sustainable enterprises, providing non-financial and financial services.

- **EDIP Entrepreneurship Development Program**: 4 steps tool kits approach for enterprise start-up and growth
  Capacity building programs on MSME development through UNIDO-ARCEIT partnership, developed in over 35 countries, 65 specialized centers, including an e-learning platform

- **HP LIFE**: HP Learning Initiative for Entrepreneurs
  Objective: empower aspiring and existing entrepreneurs with innovative entrepreneurship and IT skills to facilitate the creation, management and growth of their enterprises
  Locations: 14 countries in Africa, Asia, Latin America, Middle East
YOUTH EMPLOYMENT

2. Employment (devt/expansion of existing businesses)

- **Mapping of skills required by industry**
- **Clusters:**
  - Upgrading and building sustainable linkages between small-size enterprises, their larger scale business partners and support institutions
    - SMEs combine their strengths and take advantage of market opportunities or solve common problems with a combined effort
- **Export Consortia:**
  - Combining knowledge, financial resources and contacts within an export consortium
    - SMEs improve their export potential and reduce the costs and risks involved
- **Linkages to local and international investment:**
  - Facilitating access to finance
  - Attract and mobilize domestic and foreign investment
  - Stimulate CSR initiatives
  - Promote investment and technology transfer with foreign and domestic partners
  - Promotion of domestic and foreign investment through tools like the Investment survey and the Sub-contracting Programme Exchange (SPX)