



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

The IDR 2016 findings in the context of the 2030 Agenda for Sustainable Development

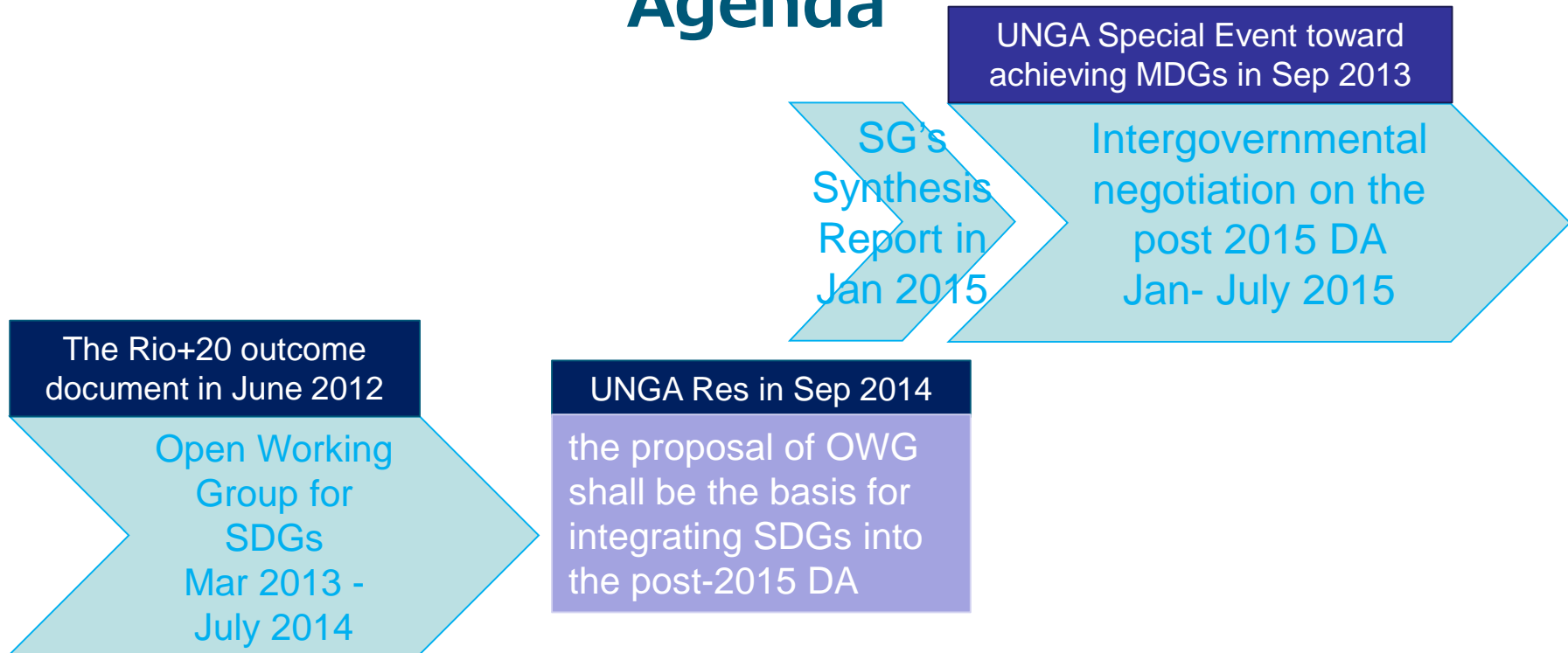
Taizo Nishikawa, Ph.D.

Deputy to the Director-General

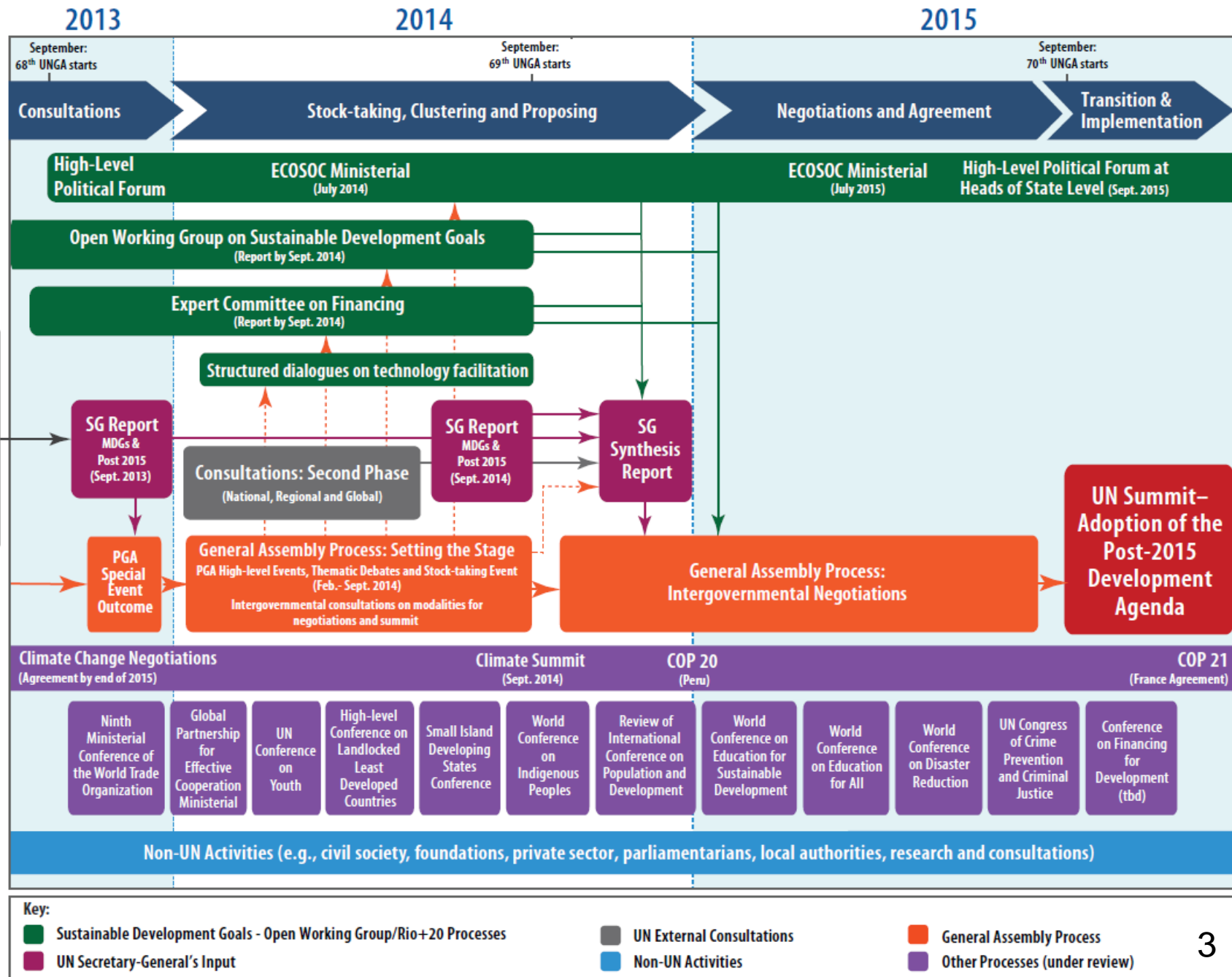
United Nations Industrial Development Organization (UNIDO)

18 December 2015

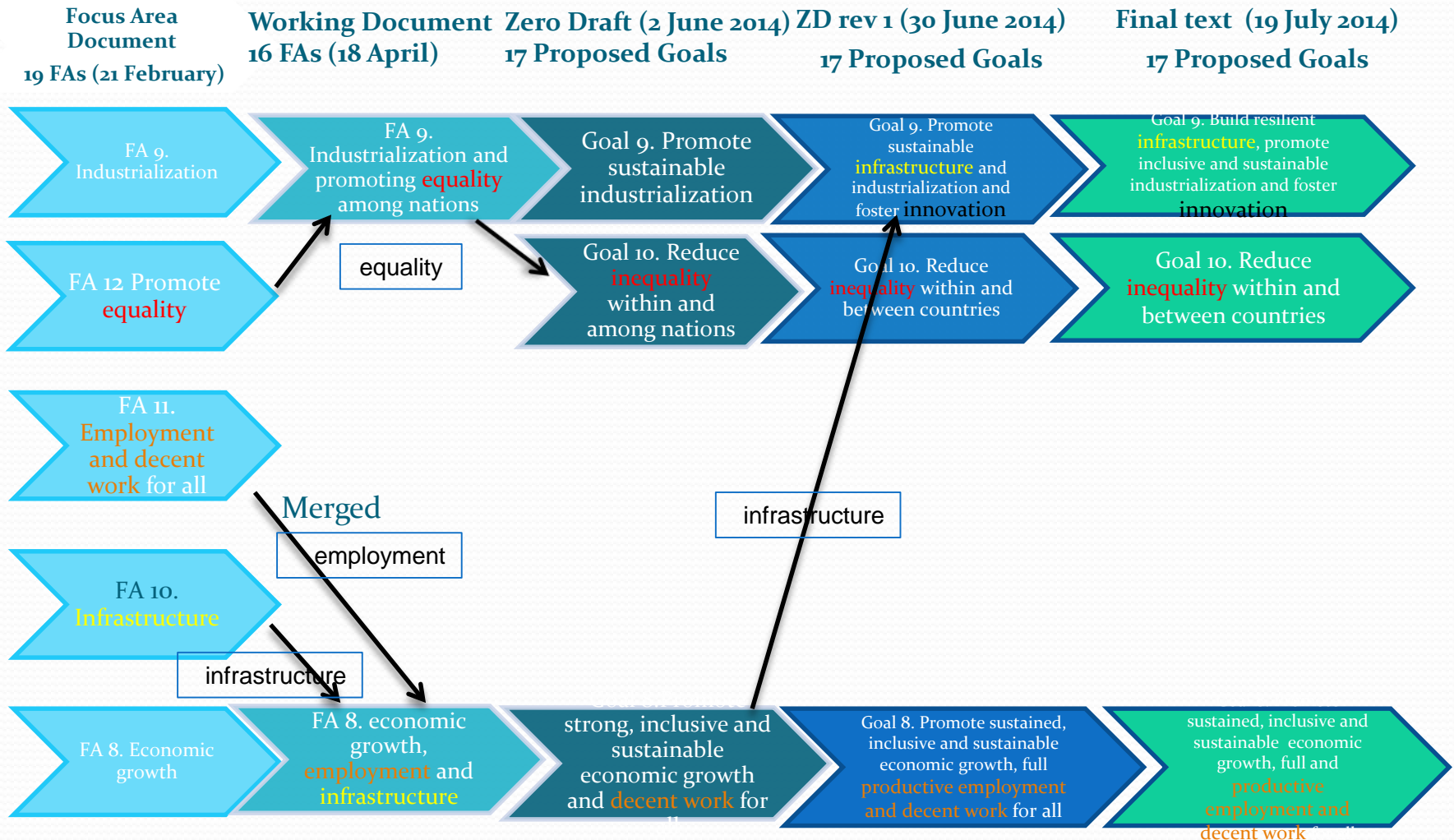
Origins of the Post 2015 Development Agenda



Processes feeding into the Post-2015 Development Agenda



Shifting and Merging of Focus Areas/Proposed Goals



TRANSFORMING OUR WORLD: The 2030 Agenda for Sustainable Development

- Preamble: 5Ps

This Agenda is a plan of action for **People**, **Planet** and **Prosperity**. It also seeks to strengthen universal **Peace**. All countries and stakeholders, acting in collaborative **Partnership**, will implement this plan.

- **Declaration:** vision, shared principles and commitments.
- **Sustainable Development Goals and targets:** 17 SDGs & 169 targets.
- **Means of implementation and the Global Partnership.**
- **Follow-up and review.**



SUSTAINABLE DEVELOPMENT GOALS





9 INDUSTRY, INNOVATION AND INFRASTRUCTURE





Goal 9: Science, Technology & Innovation Targets

- **Build resilient infrastructure, promote sustainable industrialization and foster innovation**
 - 9.5: Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.
 - 9.b: Support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities.
 - 9.c: Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020.

Science, Technology & Innovation and other SDGs

- Goal17

- Technology

- Enhance access to ST&I ..through global technology facilitation mechanism
 - Promote the development, transfer...of environmentally sound technologies to developing countries on favorable terms.
 - Fully operationalize the technology bank and ST&I capacity-building mechanism for LDC

- MOI

- Technology Facilitation Mechanism

- TFM was established by AAAA to support SDGs
 - TFM will be composed of UN Interagency TT on ST&I for the SDGs (UNDESA, UNIDO, UNESCO, UNCTAD, ITU, WIPO & WB) and on-line platform
 - On-line platform will establish comprehensive mapping of, and serve as a gateway for, information on ST&I initiatives, programmes, etc.

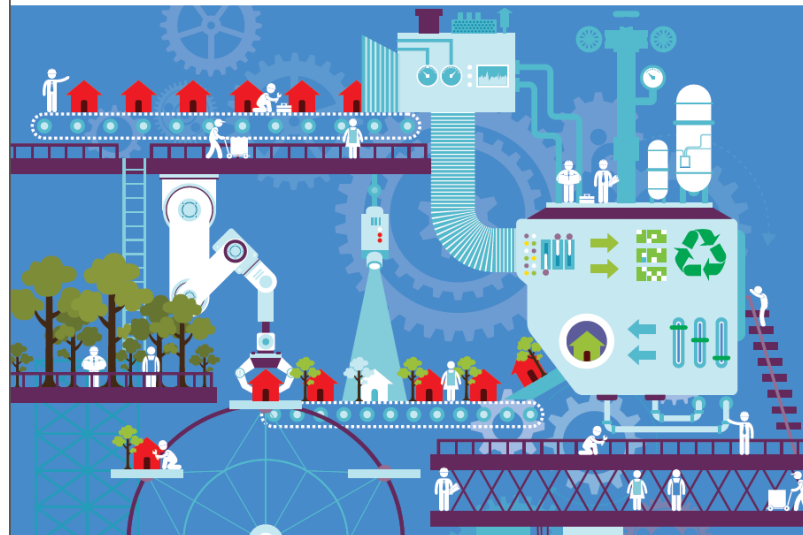
UNIDO activities to promote technologies

- Climate Technology Centre Network (**CTCN**), aimed at responding to the demands for technical assistance by developing countries through a network of selected specialized institutions.
- National Cleaner Production Centres (**NCPCs**) located in various developing countries to assist national industries, and in particular SMEs, to adopt sustainable production techniques; these have been linked with each other through a Resource Efficiency and Cleaner Production (**RECP**) network
- International Technology Centers (**ITCs**) located in various countries, including developing countries, to develop specific technologies, especially in the field of renewable energies.
- Investment and Technology Promotion Offices (**ITPOs**), located primarily in a number of industrialized countries for the purpose of supporting and facilitating investment and technology flows to developing countries.
- Centres for South-South Industrial Cooperation located in emerging economies and expected to be expanded to other middle income countries with the objective of promoting South-South investment and technology flows.
- The UNIDO Institute for Capacity Development aimed at building up national capacities in developing countries to meet the challenges of industrial development.

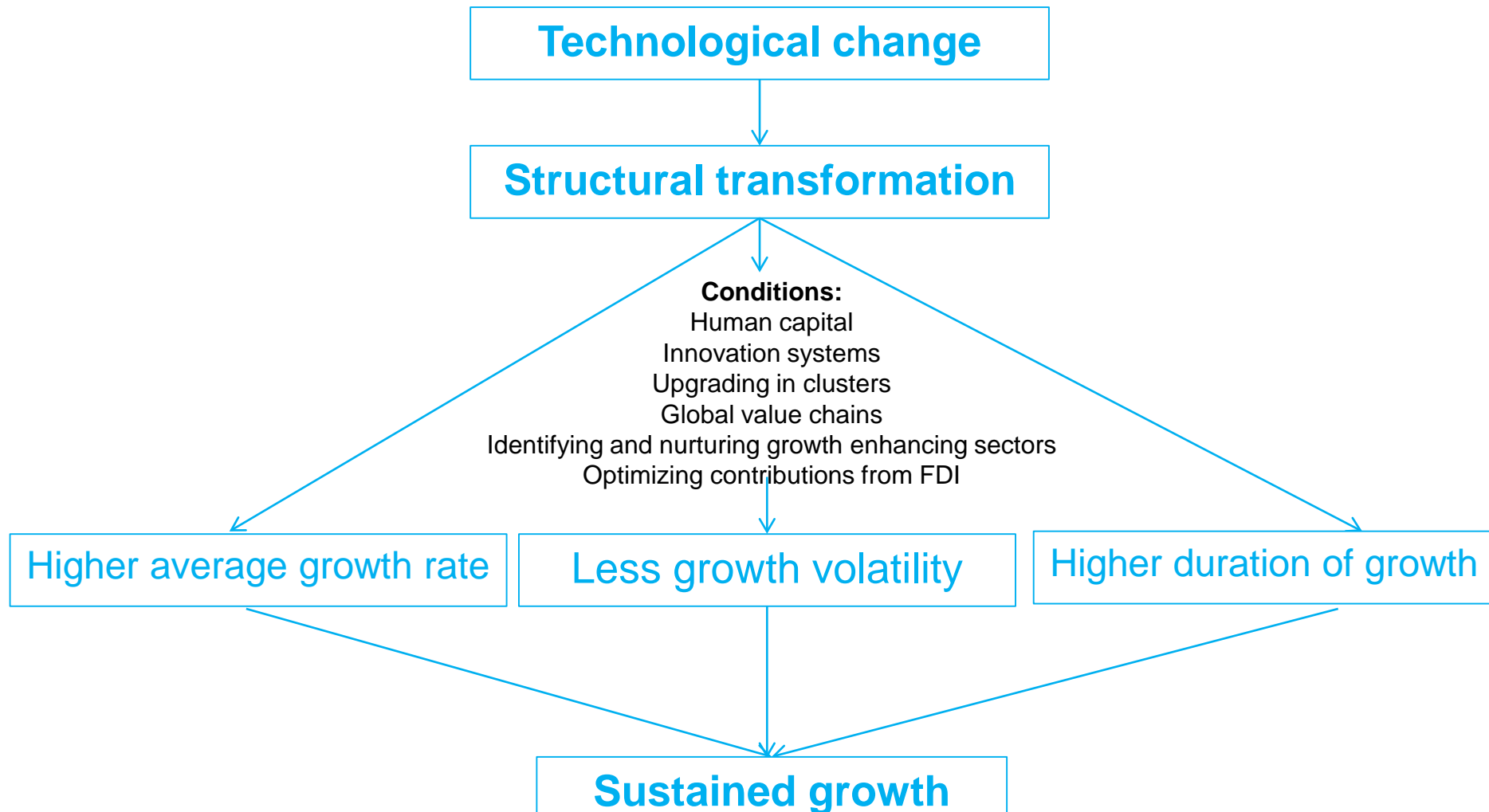


Industrial Development Report 2016

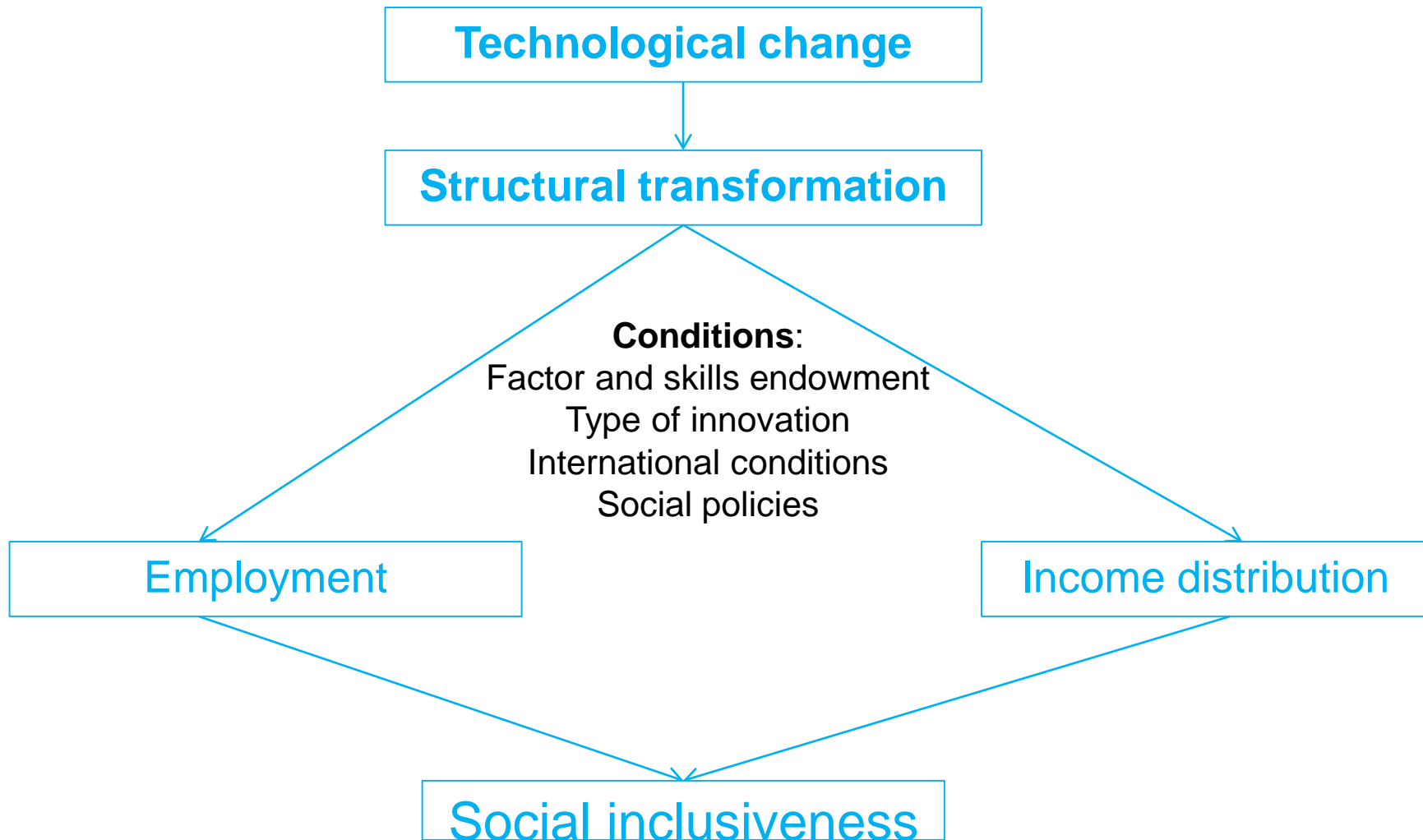
The Role of Technology and Innovation in
Inclusive and Sustainable Industrial Development



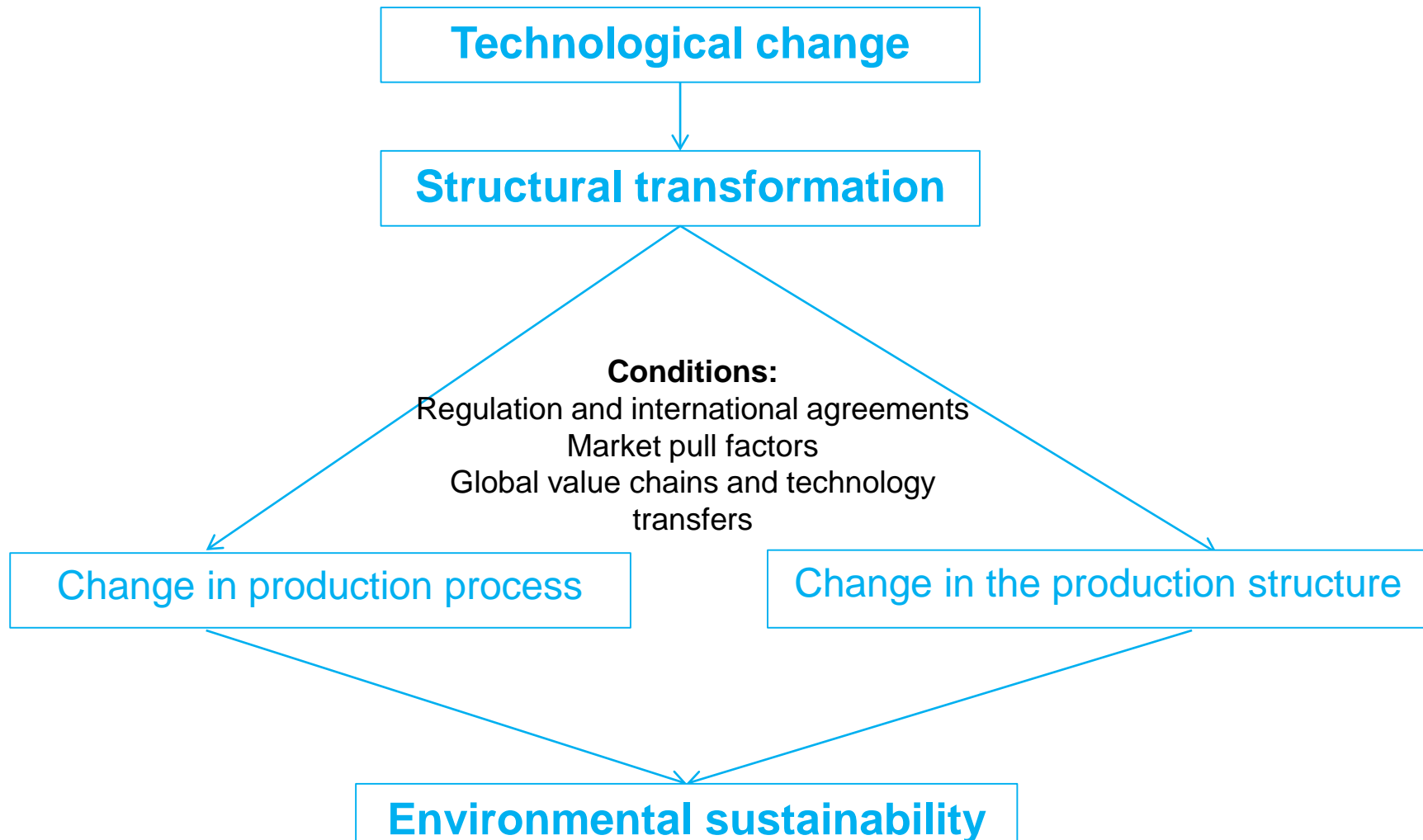
IDR conceptual framework for technology and innovation boosting sustained growth



IDR conceptual framework for technology and innovation boosting inclusiveness



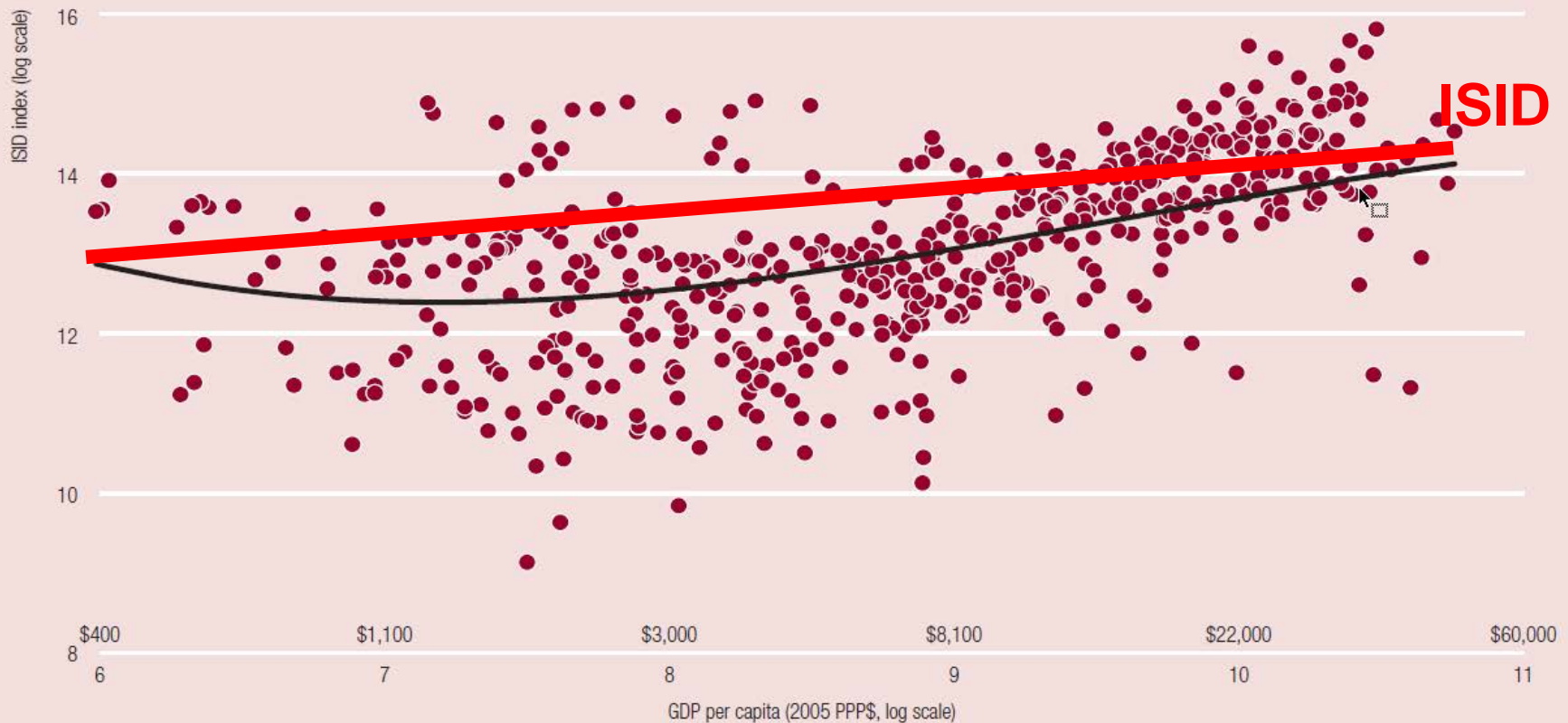
IDR conceptual framework for technology and innovation boosting environmental sustainability



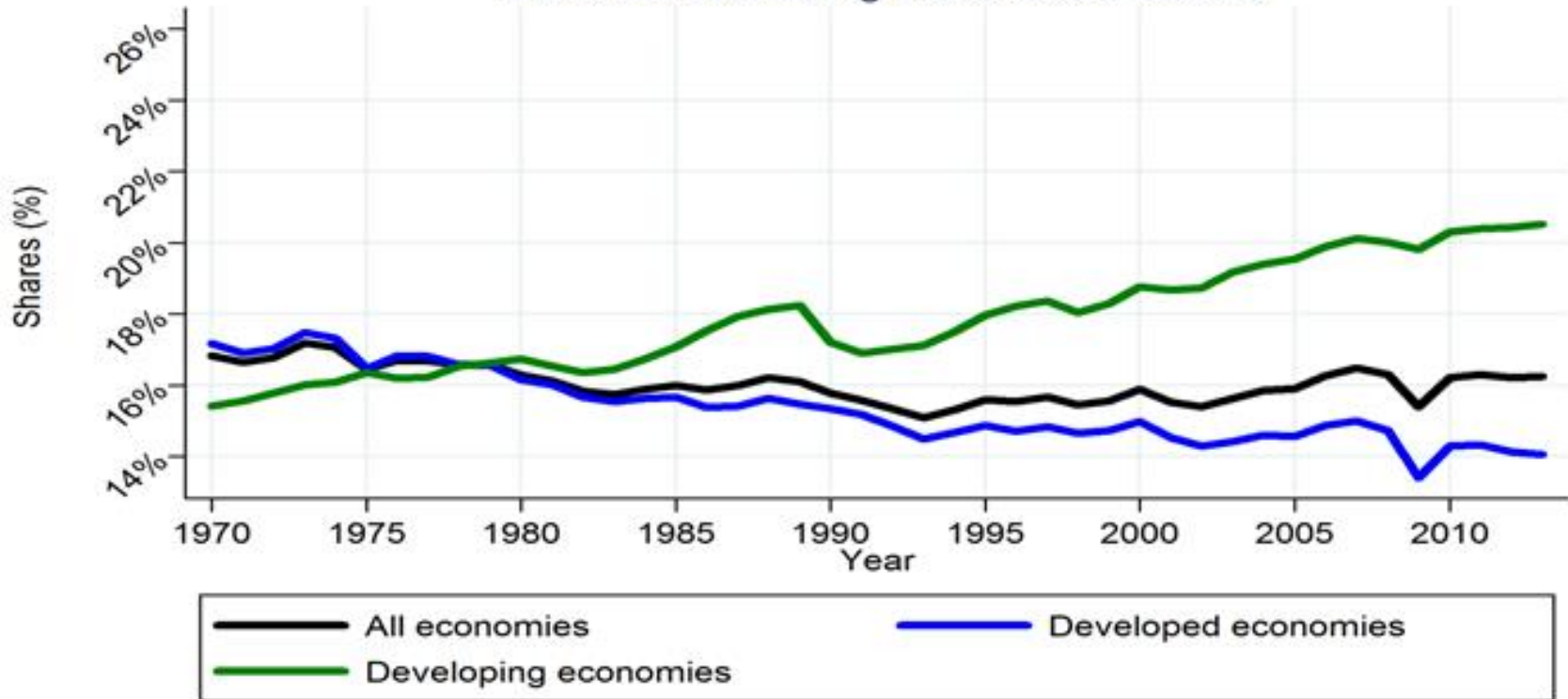
Charting ISID

Figure 1.23

ISID index and GDP per capita—a shallow U shape



World manufacturing value added shares



Source: UN Statistics Division, n=185 (1970 - 1990); n=204 (1991); n=205 (1992-1993); n=206 (1994-2010); n=207 (2011-2013)
 Shares Calculation: World manufacturing value added US(\$)
 2005 constant / World Gross Domestic Product US(\$)
 2005 constant

Manufacturing still matters. In contrast with the dominant point of view in the academic and policy debate the IDR 2016 finds that the share of manufacturing value added is increasing in developing countries.

Technological change happens especially in the manufacturing sector

| | Agriculture | Manufacturing | Mining, construction and utilities | Agriculture |
|-----------|-------------|---------------|------------------------------------|-------------|
| China | 0.04 | 3.78 | 0.64 | 0.21 |
| Poland | 0.06 | 0.70 | 0.05 | 0.19 |
| Turkey | 0.01 | 1.23 | 0.05 | 0.30 |
| Australia | 0.56 | 4.29 | 1.85 | 0.86 |
| France | 0.44 | 6.82 | 0.44 | 0.94 |
| Germany | 0.65 | 7.93 | 0.15 | 0.42 |
| Korea, of | 0.12 | 8.81 | 1.58 | 0.47 |
| USA | - | 10.5 | 0.3 | 0.7 |

| | Agriculture | | Manufacturing | | Mining, Const. & Utilities | | Services | | Total | |
|-------|-------------|------|---------------|-------|----------------------------|-------|----------|-------|---------|------|
| EIEs | 10043 | 0.4% | 1377101 | 49.0% | 642676 | 22.9% | 779709 | 27.8% | 2809528 | 100% |
| IEs | 1941 | 0.1% | 1127394 | 41.0% | 736507 | 26.8% | 882501 | 32.1% | 2748342 | 100% |
| LDCs | 1050 | 0.6% | 52569 | 28.2% | 97987 | 52.5% | 35116 | 18.8% | 186722 | 100% |
| ODEs | 5050 | 0.4% | 362066 | 30.4% | 535884 | 45.1% | 286395 | 24.1% | 1189395 | 100% |
| Total | 18084 | 0.3% | 2919130 | 42.1% | 2013054 | 29.0% | 1983720 | 28.6% | 6933988 | 100% |

R&D intensity expenditures (expenditures for research and development value added ratio) are concentrated especially in the manufacturing sector if compared to other competing sectors

Foreign direct investments are concentrated especially in the manufacturing sector if compared to other competing sectors

IDR chapters

- **Chapter 1**. Moving towards inclusive and sustainable industrial development
- **Chapter 2**. Wanted: technology and innovation as drivers of growth
- **Chapter 3** Enhancing conditions and technological capabilities for sustaining growth
- **Chapter 4** Promoting social inclusiveness via technology
- **Chapter 5** Using technology to move to greener industrial development.
- **Chapter 6** Policy implications
- **Chapter 7** Trends in manufacturing value added and manufactured exports
- **Chapter 8** The competitive industrial performance index

Introducing the next presentations

- Prof. Bart Verspagen will introduce the empirical/analytical findings of the IDR concerning: 1) the impact of technological change on structural change and on the economic, social and environmental components of ISID contained in Chapters 1 – 5.
- Dr Ludovico Alcorta will explain the conditions under which technological change can promote inclusive and sustainable industrial development and will discuss the policies needed to boost technology for ISID contained in Chapters 3 – 6.
- Dr Nicola Cantore will briefly describe recent trends at global level in terms of manufacturing value added, exports, energy and resource intensity and the industrial competitiveness on the basis of the rich UNIDO datasets (Chapters 7 – 8)



MANY THANKS