UNIDO SEMINAR ON "PARTNER FOR PROSPERITY" TOKYO, 28TH AUGUST 2012

# STRATEGIC PLAN FOR SUSTAINABLE INDUSTRIAL DEVELOPMENT IN AFRICA - COOPERATION WITH THE AFRICAN UNION -



モハメド・ディオンヌ氏

MAHAMMED DIONNE CHIEF, AFRICA & LDC REGIONAL PROGRAMME UNIDOアフリカフロクデムユニット長

- I. Africa's Industrial Development: Retrospect and Prospects
- II. UNIDO's presence in the Region
- III. Overview of the UNIDO's Technical Cooperation

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## **Retrospect and Prospects**

- The heritage: a "two-sector growth model" Strategy of Arthur Lewis (1950).
- ☐ The Monrovia Strategy (1979) and the Lagos Plan of Action (1980): Self-reliance and Regional Integration.
- The Elliot Berg Report (1981) on "Accelerated Development in Sub-Saharan Africa", known as "the Washington Consensus": Liberalization and Openness.
- ☐ The United Nations Millennium Declaration and the Monterrey Consensus of the Internal Conference on Financing for Development (2002): MDGs and Poverty Reduction.
- Decade 2010: Time has come for the Structural transformation of African economies (the Strategic Plan of the African Union 2009-2012 and the AU-NEPAD African Action Plan 2010-2015)

African Union Strategic Plan 2009-2012 - page 23

AFRICAN UNION COMMISSION

STRATEGIC PLAN 2009-2012

May 19, 2009

69. "Due to low productivity and lack of competitiveness, African firms are not able to compete on the integrated world market. Thus, the Continent must meet the challenge of up-scaling its value chain and speeding up industrialization and private sector development, by diversifying production and adding value to agricultural, mineral and fisheries resources, rather than exporting these materials resources as raw Furthermore, the low standards of African products are a major challenge to the promotion of intra-African trade."



AAP 2010-2015: Sector: African Union THE AU/NEPAD AFRICAN ACTION PLAN 2010-2015: **Advancing Regional and Continental** Integration in Africa Sectors AU/NEPAD AFRICAN ACTION PLAN 2010-2015 2009 10 17

AU/NEPAD OBJECTIVES
IN TRADE, INDUSTRY,
MARKET ACCESS
& PRIVATE SECTOR
DEVELOPMENT



- Objective 1 Building productive capacity and capabilities for converting comparative advantage into industrial competitiveness.
- Objective 2 Promoting actions that facilitate export of value-added products through the conversion of commodities into products.
- Objective 3 Enhancing trade linkages and market penetration for expanding the extent of the market for products.



AAP 2010-2015: Sectors





THE AU/NEPAD AFRICAN ACTION PLAN 2010-2015:

Advancing Regional and Continental Integration in Africa

<u>Sectors</u>

AU/NEPAD AFRICAN ACTION PLAN 2010-2015

2009 10 17

AU/NEPAD OBJECTIVES
IN TRADE, INDUSTRY,
MARKET ACCESS
& PRIVATE SECTOR
DEVELOPMENT



 Objective 4 - Promoting value chains by thinking globally and acting locally for job creation and poverty reduction.

 Objective 5 - Developing small- and medium sized enterprises (SMEs) and their linkages to large-scale enterprises for seizing opportunities for industrial expansion.



AAP 2010-2015: Sectors





THE AU/NEPAD AFRICAN ACTION PLAN 2010-2015:

Advancing Regional and Continental Integration in Africa

<u>Sectors</u>

AU/NEPAD AFRICAN ACTION PLAN 2010-2015

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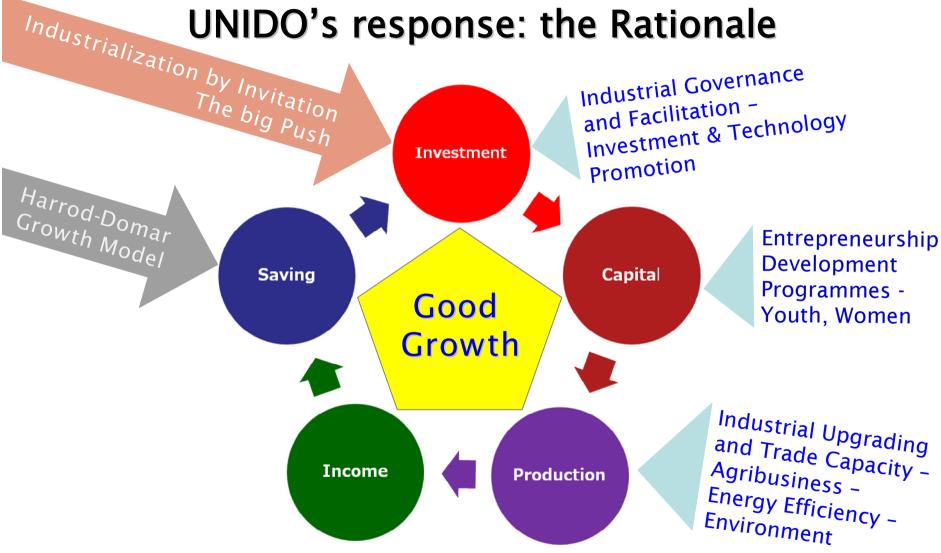
AU/NEPAD OBJECTIVES
IN TRADE, INDUSTRY,
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 Objective 6 - Promulgating standardization, accreditation, quality and metrology for effective global market integration.

- Objective 7 Fostering
   public-private partnerships (PPPs)
   for industrial development.
- Objective 8 Removing bureaucratic and administrative impediments to trade and investment.

## UNIDO's response: the Rationale



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### Basic facts: UNIDO in Africa

45 countries covered Regional offices in Ethiopia, Nigeria and South Africa. Field offices in Cameroon, Cote d'Ivoire, DR Congo, Ghana, Guinea, Kenya, Madagascar, Senegal and United Republic of Tanzania Desk offices in Burkina Faso, Eritrea, Mali, Mozambique, Rwanda, Sierra Leone, Uganda and Zimbabwe. **National Cleaner Production Centre (NCPC)** in Ethiopia, Kenya, Mauritius, Mozambique, South Africa, United Rep. of Tanzania, Uganda, Zimbabwe, Cape Verde, Rwanda and Senegal (and Morocco, Tunisia, Egypt for the Arab Regional Programme). SPX in Senegal, South Africa. Regional Energy Centers in Nigeria and Cape Verde.

## UNIDO's Strategic Intervention in Africa

- UNIDO Operational Strategy in line with the "Action Plan for the Accelerated Industrial Development of Africa (AIDA)" formulated by the African Union Commission, with UNIDO's technical assistance.
  - Institutional Support to the AU Conference of African Ministers of Industry (CAMI).
  - The AFRIPANET and the Investment Monitoring Platform.
  - The 3ADI: a joint initiative UNIDO-FAO-IFAD-AfDB initiative to enhance food security.
  - The PMPA (Pharmaceutical Manufacturing Plan for Africa)
- AIDA Implementation through Regional Initiatives with the RECs:
- The West African Quality Programme for ECOWAS member states funded by the European Union).

## UNIDO's Strategic Intervention in Africa

- AIDA Implementation through Regional Initiatives with the RECs:
- The Trade Capacity Building Project for Agro-Industry in the East African Community (EAC): a three year initiative funded by NORAD and implemented by UNIDO.
- The Mano River Union Youth Project financed by Japan.
- The UEMOA Common Industrial Policy and the UEMOA Restructuring and Upgrading of Industries Programme.
- The SADC Common Industrial Policy and the SADC Restructuring and Modernization Programme.
- The GEF-4 Strategic Programme for West Africa (18 target countries).
- The East Africa GEF-5 Energy Programme (14 countries).

Poverty Reduction through Productive Activities



Productive and Decent Work for Youth

Giving Youth a chance in the Mano River Union (MRU):

The MRU countries - Côte d'Ivoire, Guinea, Liberia, and Sierra Leone have been hampered by decades of conflicts, denying an entire generation access to education and training.

UNIDO, in cooperation with Japan and other UN funds and agencies (UNPBF, ILO, UNDP), initiated a joint youth employment programme in all four MRU countries.

The programme provides young men and women with technical skills and vocational training, facilitating access to funding for youth-led initiatives and businesses (through grants).



The East African Quality Programme

The Trade Capacity Building Project for Agro-Industry is a three year initiative funded by Norwegian Agency for Development (NORAD) and implemented by UNIDO in the East African Community (Kenya, Uganda, the United Republic of Tanzania, Burundi and Republic of Rwanda).

The main development objectives of the programme are to enhance the capacity of enterprises to produce according to international market requirements and to strengthen export-oriented support services mainly relating to conformity assessments.

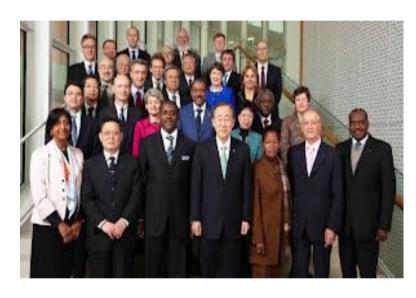
**Environment and Energy** 



Benin	Guinea Bissau
Burkina Faso	Liberia
Burundi *	Mali
Cape Verde	Mauritania
Chad *	Niger
Côte d'Ivoire	Nigeria
The Gambia	Senegal
Ghana	Sierra Leone
Guinea	Togo

GEF Grant: US\$ 45 mln Co-Funding: US\$ 100 mln

## UNIDO's involvement in the One UN Initiative



Of eight "One UN Pilot" countries, four are African

#### ☐ UNIDO is playing a leader role in :

- Cape Verde: entrepreneurship and business environment development, investment promotion, quality infrastructure development, etc.
- Mozambique: youth employment, women's empowerment, environment and climate change, etc.
- Rwanda: capacity-building, agro-industrial value chains, private sector associations and SMEs, trade and market access, rural energy development...
- United Republic of Tanzania: energy, technology for mini- and rural- grids, STI in higher education and research, etc.

## **Global Forum Activities**



- Conferences of the African Ministers of Industry (CAMI)
- LDC Ministerial Conferences
- Africa Industrialization Day
- AU-UNIDO Conference on Economic Diversification and Manufacturing in Africa (2012)
- Africa Round Table on Economic diversification strategies: a key driver in Africa's new industrial revolution (2011)
- High-level Conference on the development of agribusiness and agro-industry in Africa (2010)
- International Conference on Renewable Energy in Africa (2008). etc.



#### □ Institutions

- oTICAD (implementation of the Yokohama Action Plan issued at the TICAD IV)
- oPoverty reduction through productive activities: UNDP, FAO, IFAD, etc.
- oTrade capacity building: European Commission, WTO, UNCTAD, UNECA...
- Energy and environment: UNEP, Global Environment Facility (GEF), Multilateral Fund for the implementation of the Montreal Protocol, UN Energy.



## X

1-2. Trade, Investment and Tourism

#### 1-2-1. Promote and expand trade

Yokohama Action Plan	Proposed Measures by Japan/Implementing Partners	Implementing Partners	Potential Resources, Possible Contributions (Summary)
[3]Assist product	Development and application of a new	GoJ(MOFA)/UNIDO	GOJ(MOFA)/UNIDO: \$ 565,000 in 2009-2010
development and export	technical assistance product "One Village-		
promotion in Africa, by further	Industrial Clusters" as a vehicle for economic		
promoting One Village One	growth and poverty reduction		
Product (OVOP) initiative.			

#### 1-2-3. Assist private sector development

Yokohama Action Plan	Proposed Measures by Japan/Implementing Partners	Implementing Partners	Potential Resources, Possible Contributions (Summary)
·	Support the development of small and medium enterprises and local industries	GoJ(MOFA)/UNIDO	\$ 5 million in 2008 for enterpreneurship training

#### □ Institutions

oTICAD (implementation of the Yokohama Action Plan issued at the TICAD IV)



Ministry of Foreign Affairs of Japan 外務省



1-2. Trade, Investment and Tourism

#### □ Institutions

oTICAD (implementation of the Yokohama Action Plan issued at the TICAD IV)

#### 1-2-1. 貿易の促進・拡大

横浜行動計画	日本/実施主体により提案された支援策	実施主体	リソース及び貢献
[3]一村一品運動の更なる推進によ	● 経済成長および貧困削減の手段として、新たな技術	日本政府(外務省)/国連工業開	日本政府(外務省)/UNIDO:2009年-2010年に565,000ドル
り、アフリカにおける産品開発及び輸	支援プログラム「一村 - 産業クラスター」の開発と応用	発機関(UNIDO)	
出振興を支援する			

#### 1-2-3. 民間セクター開発支援

横浜行動計画	日本/実施主体により提案された支援策	実施主体	ソソース及び貢献
[3]中小企業及び地域産業の開発支援を拡大する	● 中小企業及び地場産業の開発を支援	<u>日本政府(外務省)/国連工業開</u> 発機関(UNIDO)	企業家研修のために2008年に500万ドルの支援を実施



### ■ Business Partnerships

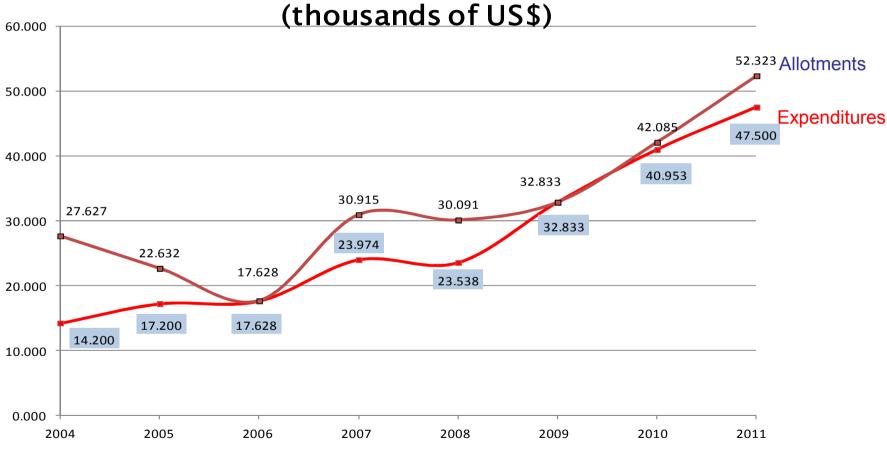
- oMicrosoft: helping small businesses to use ICT tools and meet local needs (Establishment of a Microsoft Innovation Center built in 2011 in Kampala, Uganda).
- oHP Life: equipping African young professionals and entrepreneurs with IT skills. (Kenya, Nigeria and South Africa since 2008).
- Chevron: Entrepreneurship curriculum in 40 secondary schools in 9 provinces of Angola.
- o**Metro**, **∕EON**: Sustainable Supplier Development programme (SSDP).

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# Overview of the UNIDO's Technical Cooperation: Trends in the Region

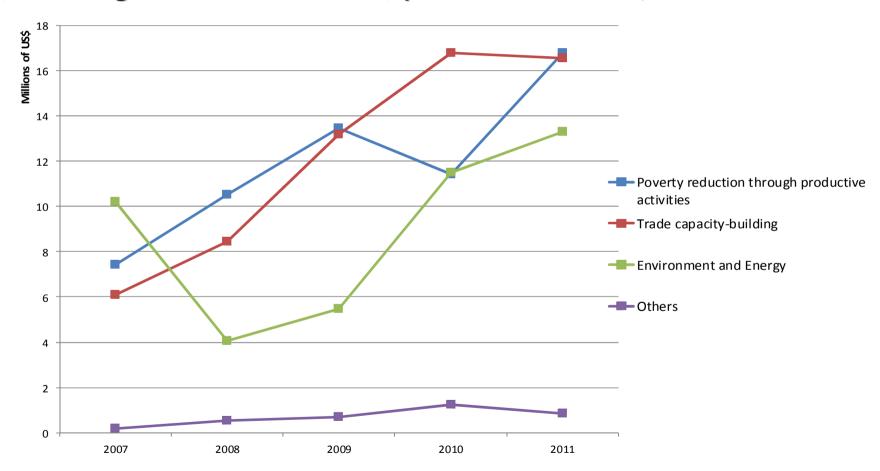


## Allotments and expenditures 2004–2011

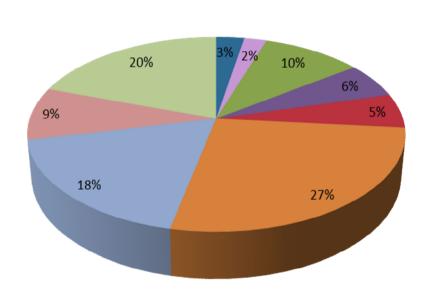


☐ Pipeline : US\$ 361,926,944

## UNIDO Expenditures on technical activities for Africa (excluding African Arab States) per thematic area, 2007-2011



### Allotments by source of Funds, 2004-2011



- European Union (EU)
- Other trust funds
- Global Environment Facility (GEF)
- Third party-financed trust funds
- Self-financed trust funds
- Industrial Development Fund (IDF)
- **■** UNDP Funds
- UNIDO Regular budget

## Focusing on the most fragile States in Africa

