

# UNIDO INPUTS TO THE 2024 SG REPORT IMPLEMENTATION OF THE THIRD UNITED NATIONS DECADE FOR THE ERADICATION OF POVERTY (2018-2027)

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# I. PROGRESS MADE IN IMPLEMENTING THE SYSTEM-WIDE PLAN OF ACTION

#### A. STRUCTURAL TRANSFORMATION, PRODUCTIVE EMPLOYMENT AND DECENT WORK

Industrial development is central to poverty eradication, enabling economies to shift to higher-value-added sectors. With each manufacturing job generating, on average, 2.5 additional jobs in other sectors<sup>1</sup>, industrial development acts as a powerful catalyst for productive employment and economic growth.

Through industrial upgrading, micro- small and medium enterprises (MSMEs) development, and capacity building, UNIDO helps local economies build resilience and generate sustainable employment. At country level, UNIDO implements targeted initiatives to eradicate poverty by enhancing livelihoods, supporting enterprise development, and building community resilience across diverse geographies and contexts. UNIDO's work in <a href="Somalia">Somalia</a> demonstrates how integrated programming, combining policy advisory, institutional capacity-building, and enterprise support can facilitate structural transformation in fragile contexts. In Pakistan, through the <a href="Poverty Alleviation">Poverty Alleviation</a> and <a href="Inclusive Development Across Rural Sindh">Inclusive Development Across Rural Sindh</a> (PAIDAR) <a href="Poverty Pailoviation">project</a>, over 400 rural enterprises benefited from improved market linkages and infrastructure, driving inclusive rural growth. In Iraq and Ukraine, UNIDO facilitated over 1,000 income-generating activities through entrepreneurship and vocational training, supporting vulnerable populations' economic reintegration.

In Kenya, Al-enabled manufacturing demonstrated the potential of emerging technologies to generate decent jobs and enhance productivity.

UNIDO is supporting the African Union and Member States with the transition from the Third Industrial Development Decade for Africa (IDDA3), to IDDA4 aimed at advancing inclusive and sustainable industrial development across the continent to foster long-term structural transformation, driving economic diversification, job creation, and poverty reduction in the continent.

# B. HUMAN CAPABILITY DEVELOPMENT

UNIDO's flagship <u>Learning and Knowledge Development Facility</u> (LKDF) initiative focuses on strengthening human capability development by aligning technical and vocational education with the evolving needs of industry. Anchored in a strong Public-Private Partnerships approach, UNIDO supports demand-driven, gender-responsive capacity building and trainings that equip beneficiaries with market-relevant skills. In Guinea, for example, UNIDO partnered with governments and the

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<sup>&</sup>lt;sup>1</sup> UNIDO, <u>Industrial Development Report 2024</u>.



private sector to co-develop relevant, accessible, and sustainable education solutions aligned with emerging industrial investments – contributing to youth employment and skills development.

#### C. THE FUTURE OF FOOD AND SUSTAINABLE AGRICULTURE

By enhancing productive capacities in agrifood and manufacturing, UNIDO supports food security, job creation, and market access. UNIDO supports agro-industrial and agro-food parks as catalysts for structural transformation, by integrating agricultural production with industrial processing to foster value addition, attract investment, create decent jobs, alleviate poverty and promote rural development. In Ethiopia, the initiative has linked around 300,000 farmers with processing companies, strengthening market access and supply chains. UNIDO also contributed to flagship initiatives such as the Alliance for Special Agro-Industrial Processing Zones and the Common African Agro-Industrial Parks (CAAPs), helping to boost productivity, promote sustainable industrialization, and advance economic diversification.

As a founding member of the <u>Global Alliance against Hunger and Poverty</u>, launched under the Brazil G20 Presidency, UNIDO facilitates agrifood processing and income growth. In addition, the <u>2024 World Without Hunger Conference</u> launched the <u>Addis Ababa Call to Action</u> and presented a USD 540 billion investment roadmap to end hunger through value addition and agrifood processing.

#### D. REDUCING INEQUALITIES

UNIDO contributes to the implementation of the <u>Global Digital Compact (GDC)</u> in its capacity as Vice-Chair of the Working Group on Digital Technologies – co-leading the work on access to the digital economy, together with UNCTAD. Through this role, UNIDO helps bridge the digital divides by promoting inclusive access to digital tools and technologies, thereby contributing to reduced inequalities and the advancement of poverty eradication. UNIDO also fosters industrial knowledge sharing to advance digital transformation and inclusiveness through its flagship initiatives such as <u>UNIDO's Solutions Platform</u>, <u>Global Alliance on Al for Industry and Manufacturing</u> (AIM Global), and <u>Alliance for Industry 4.0 and Smart Manufacturing in Africa</u> (AISMA).

# E. ADDRESSING CLIMATE CHANGE AND NATURAL HAZARDS

By fostering low-carbon industrial transformation, UNIDO contributes not only to climate goals but also to poverty alleviation by promoting sustainable jobs, enhancing industrial competitiveness, and enabling inclusive economic growth in developing economies. To this end, in 2024, UNIDO launched the <u>Global Matchmaking Platform</u> to connect country-specific decarbonization needs with global expertise, addressing the challenge of decarbonizing heavy-emitting industries such as steel, cement, and chemicals, in line with the Paris Agreement. UNIDO's <u>Global Programme for Hydrogen in Industry</u> and the <u>Industrial Deep Decarbonization Initiative</u> continued to advance the sustainable development agenda by promoting low-carbon industrialization.

UNIDO further integrated climate action and green economy principles into its industrial development strategies to build resilience and sustainable livelihoods. Recognizing the link between energy access and poverty reduction, <u>UNIDO launched a €9 million EU-supported project in Nigeria</u>



promoting small hydropower and circular economy solutions to expand energy access, boost productivity, and create jobs for poverty reduction. As part of broader circular economy initiatives aimed, UNIDO implemented the project "Women's Participation and Leadership in E-Waste Management Reduce Pollution", demonstrating how empowering women in informal e-waste systems not only reduced environmental contamination and improved public health, but also strengthened local economic development by increasing women's earning opportunities and advancing poverty eradication through inclusive green job creation.

Another key initiative for UNIDO has been the launch of the <u>Global Alliance for Responsible and Green Minerals</u>. The Alliance supports the implementation of the Secretary-General's Panel on Critical Energy Transition Minerals, embedding environmental, social, and governance standards into mineral supply chains while promoting local value addition, notably in the artisanal and small-scale mining sector – thereby contributing to poverty eradication by supporting decent work and sustainable livelihoods in vulnerable communities that depend on mining for income.

#### II. PARTNERSHIPS

UNIDO advanced <u>South-South and Triangular Industrial Cooperation (SSTIC)</u> as a key modality for promoting inclusive industrial development and poverty reduction. In 2024, approximately 150 technical cooperation projects integrated SSTIC mechanisms to deliver concrete outcomes in skills development, enterprise growth, and technology transfer. Capacity-building tools, including a <u>new SSTIC e-learning course</u> and the <u>Collaborative Industrialization toolkit</u>, along with a series of <u>impact stories</u>, further supported knowledge sharing and replication of effective poverty reduction strategies.

# III. GAPS, CHALLENGES AND RECOMMENDATIONS

Despite progress, systemic inequalities and limited access to finance and technology remain major obstacles.

To accelerate progress in the implementation of the Third United Nations Decade for the Eradication of Poverty, UNIDO proposes the following targeted actions:

- Promote modern industrial policies, aligned with the SDGs and anchored in institutional capacity-building, enabling governments to drive structural transformation for economic diversification.
- Catalyze investments in inclusive and sustainable industrialization by strengthening publicprivate partnerships to close the SDGs financing gap.
- Expand MSMEs access to finance, including scaling up the use of online digital mechanisms.
- Strengthen synergies across the UN system advance sustainable industrial solutions, through innovation, digitalization and technology transfer.