



UNIDO INPUTS TO THE 2023 SG REPORT IMPLEMENTATION OF THE THIRD UNITED NATIONS DECADE FOR THE ERADICATION OF POVERTY (2018-2027)

May 2024

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

A. STRUCTURAL TRANSFORMATION, PRODUCTIVE EMPLOYMENT AND DECENT WORK

One key area of focus of UNIDO has been supporting the development of agro-industrial parks and corridors. Projects implemented aim to create enabling environments for agro-processing industries, attracting investments, creating jobs, and promoting rural development. UNIDO assisted several countries with feasibility studies for <u>industrial parks</u>: in Kenya, a feasibility analysis and master plan for a core integrated agro-industrial park in Nyamira, three rural transformation centres, four aggregation centres in neighbouring districts and one fish aggregation centre; in Nigeria a pre-feasibility study in Ibigwe Field in Imo State; in Senegal, a feasibility study for an agricultural pole in the northern region.

Through its technical assistance and capacity-building programmes, UNIDO has helped small and mediumsized enterprises (SMEs) in various sectors to upgrade their production processes, improve product quality, and access new markets. <u>The TRAO initiative</u> under a UNIDO-SIDA project helped equip 166 agrifood SMEs from six Arab countries, including 34% of them women-owned, with knowledge and tools to increase their export readiness through workshops, coaching and B2B matchmaking activities.

In addition to these initiatives, UNIDO has been actively coordinating the implementation of the <u>Third</u> <u>Industrial Development Decade for Africa (IDDA III) 2016-2025</u>. As part of this effort, UNIDO has been working with African governments and regional organizations to develop and implement industrial policies and strategies, improve infrastructure and energy access, and promote investment in key sectors such as agro-processing, textiles, and pharmaceuticals.

UNIDO's interventions have contributed to increased value addition, diversification of exports, and job creation in beneficiary countries. For example, the <u>EU-EAC Market Access Upgrade Programme (MARKUP)</u> implemented by UNIDO enhanced value chain actors' capabilities to meet international market requirements, trained 1,425 farmers on good agricultural practices across nine counties, built capacities of 3,244 stakeholders on standards and food safety, and supported exporting companies with training and compliance.

UNIDO's initiatives have directly contributed to economic growth and structural transformation in developing countries by promoting industrialization, creating jobs, increasing value addition, and diversifying exports.

B. HUMAN CAPABILITY DEVELOPMENT

One key area of intervention of UNIDO has been the modernization of technical and vocational education and training (TVET) systems. Through its <u>Learning and Knowledge Development Facility (LKDF)</u>, which has been operating for ten years in 2023, UNIDO has been partnering with the private sector to promote demand-





driven skills development. The LKDF is a platform that brings together companies, training providers, and governments to design and implement skills development programmes that meet the needs of industry.

UNIDO has also been promoting entrepreneurship development through its entrepreneurship curriculum and business incubation programmes. For example, the <u>Café do Ibo Project</u> in Mozambique has increased its membership from 112 to 162, the majority being women, focusing on eco-friendly coffee production.

UNIDO's multifaceted approach to human capability development not only equips individuals with the necessary skills and knowledge but also fosters a culture of lifelong learning and innovation.

C. THE FUTURE OF FOOD AND SUSTAINABLE AGRICULTURE

UNIDO is implementing several initiatives to enhance food security through sustainable agricultural development and improved value chains. In Cambodia, the <u>CAPFish Capture</u> project has developed a Voluntary Food Safety Certification Scheme and trained laboratory personnel on ISO standards to improve the quality and safety of fishery products. Additionally, UNIDO's collaboration with the Ethiopian and Chinese Governments through the <u>Ethiopia Livestock Sector</u> development project aims to boost the competitiveness of meat value chains. By providing capacity building, technical interventions, and facilitating public-private partnerships, this project enhances food security by increasing livestock productivity, attracting investments, and stimulating meat exports.

The <u>Agrifood Systems Transformation Accelerator (ASTA)</u> programme, jointly launched by FAO and UNIDO, has made promising progress in its first year by designing and implementing catalytic projects that facilitate innovative partnerships and SDG-compliant investments to transform agrifood systems in countries like Suriname, where it has brought together stakeholders from public, private and civil society sectors to create new opportunities, business models and financing mechanisms tailored to upgrading the pineapple value chain.

D. ADDRESSING CLIMATE CHANGE AND NATURAL HAZARDS

One key area of focus of UNIDO has been the promotion of <u>green hydrogen</u> as a clean energy solution for industry. UNIDO has launched a <u>Global Programme for Hydrogen in Industry</u>, which aims to support countries to develop and implement policies and projects for green hydrogen production and use.

A notable initiative under this programme is a €1.9 million cooperation agreement signed with <u>Peru in 2024</u>. This project, spanning from January 2024 to December 2028, aims to advance the development of green hydrogen projects in Peru, facilitating the country's transition towards a low-carbon industrial sector.

UNIDO has also been supporting countries to adopt clean energy solutions such as small hydropower. Through its <u>Global Network of Regional Sustainable Energy Centres (GN-SEC</u>), UNIDO has been promoting the development of renewable energy technologies and providing technical assistance to countries in Africa, Asia and the Pacific, and Latin America and the Caribbean.

In 2023, <u>UNIDO launched the Accelerate-to-Demonstrate Facility</u> on clean energy in ten African countries. The project, worth approximately €76 million, serves to accelerate pilot demonstration projects of innovative technologies in critical minerals, clean hydrogen, smart energy and industrial decarbonization.





These initiatives not only contribute to mitigating the environmental impact of industrial activities but also foster the development of new industries and job opportunities, thereby promoting sustainable economic growth in the face of climate-related challenges.

II. INTER-AGENCY AND SOUTH-SOUTH AND TRIANGULAR INDUSTRIAL COOPERATION

UNIDO continues to strengthen partnerships and collaboration through <u>South-South and Triangular</u> <u>Industrial Cooperation (SSTIC)</u> to drive sustainable industrial development globally. Key milestones include the establishment of a dedicated Office of South-South and Triangular Cooperation in 2022 and the development of <u>new SSTIC Operational Guidelines</u> and their presentation to Member States in September 2023, aligning with the UN system-wide SSTIC strategy and BAPA+40 goals.

The Organization coordinates with other UN agencies through the <u>inter-agency mechanism lead by</u> the Office for South-South Cooperation (UNOSSC), fostering triangular cooperation for shared prosperity. UNIDO leverages South-South exchanges to replicate <u>successful models and best practices</u> across developing countries.

In 2023, UNIDO contributed to 15 new UN Sustainable Development Cooperation Frameworks and actively supported UN reporting efforts through the Sustainable Development Data Portal (UN INFO), showcasing the status and progress of activities.

UNIDO further provided \$2.24 million to the new Resident Coordinator funding model and met the co-location target, with 56% of its field offices in common premises to maximize operational efficiencies.

III. GAPS, CHALLENGES AND RECOMMENDATIONS

Despite progress, significant gaps remain in the fight against poverty in developing countries. Key challenges include lack of access to basic infrastructure like energy, water and sanitation, especially in Africa and Asia, hindering industrialization and job creation. Limited finance and technology for SMEs, critical for job creation and poverty reduction, also pose barriers.

To accelerate poverty eradication, UNIDO recommends the following:

- Increase investment in basic services through public-private partnerships and innovative financing.
- Strengthen SME support through credit guarantees, innovation funds, technology transfer and enterprise linkages.
- Promote inclusive, sustainable industrialization via eco-industrial parks, clean production, social dialogue.
- Enhance multi-stakeholder partnerships and South-South cooperation.
- Invest in research, innovation and data for evidence-based policymaking.