

# THE COOPERATION BETWEEN UNIDO AND THE EUROPEAN UNION

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A partnership for inclusive growth  
and sustainable development



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION



Over the years, UNIDO and the European Union have developed a strategic partnership on inclusive growth and sustainable development.

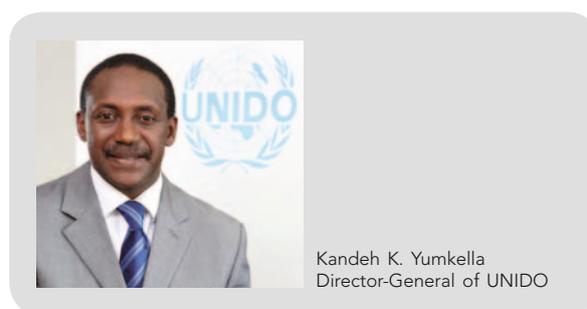
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The EU and UNIDO work closely to accelerate industrial development in the developing world focusing on trade capacity-building, including establishing industrial norms and standards for competitiveness and consumer protection, as well as on modernizing the private sector for jobs and wealth creation in poor countries. We, in UNIDO, hope to expand this collaboration into other areas, including sustainable production and consumption, energy efficiency and promoting renewable energy for productive use.

Between 2001 and 2011, the EU approved more than € 100 million for UNIDO technical cooperation programmes, covering more than 70 developing countries and countries in transition with particular attention given to Africa, the Caribbean and the Pacific.

In recent years, UNIDO and the EU have jointly developed successful models and experiences in close partnership with Regional Economic Communities (RECs) and their member countries. The positive results achieved by an EU-funded regional programme to strengthen the export competitiveness of the eight West African Economic and Monetary Union (UEMOA) countries led to a successor programme in support of all 15 countries in the Economic Community of West African States (ECOWAS) and Mauritania, once again funded by the EU.

In 2006, UNIDO opened an office in Brussels, and has helped strengthen ties with the different EU bodies.



The office maintains close contact with the European Commission and the European Parliament, and throughout 2011 it continued to expand its cooperation with the EU and to play an increasing role in development policy, in close consultation with the European institutions.

This publication offers a snapshot of the achievements of the UNIDO-EU partnership over the past years and a preview of the plans ahead. I am confident our partnership will move forward in a positive spirit and with the necessary ambition to help developing countries promote socially inclusive, competitive and green industrial development, sustainable energy for all, private sector investments, and contribute to climate change mitigation.

Kandeh K. Yumkella  
UNIDO Director-General

## Africa is the continent of the future.

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Nevertheless, alleviating poverty remains a serious challenge. Growth alone is not sufficient to drive broad-based inclusive development. For growth to result in sustained poverty reduction, greater attention must be paid to the quality of growth, its sustainability and spread. A country's openness to trade and investment, the existence of market institutions, measures to combat corruption, the quality of regulation and of the policymaking processes, its industrial policy and its competition and state aid rules are key factors.

I have great admiration for the support UNIDO has been providing to African countries. As this publication shows, the UNIDO-EU partnerships during the last decade have been successful in making progress in numerous areas towards the goal of accelerating sustainable industrial development in Africa.

We must step up our joint efforts especially in encouraging investment growth, strengthening our partnership to help local industry, in particular small business, and help the younger generation to acquire the skills to enter labour markets. We must expand our cooperation in other areas of inclusive growth and sustainable development, such as socially-inclusive, competitive and green industrial development, energy matters, private sector investment and potential collaboration on climate change mitigation. "New wealth" from natural resources, such as raw materials, must be intelligently used to promote sustainable industrial development in Africa, diversification of economic sectors—including traditional ones such as



Antonio Tajani  
Vice-President of the  
European Commission  
European Commissioner for  
Industry and Entrepreneurship

the agro-business—and increased trade in value-added goods. Our cooperation needs to focus on high-impact activities that can attract investments.

I trust that our closer cooperation with UNIDO will allow us to succeed in these challenges and I call on all our development partners, governments, international organizations and the private sector to join together in realizing our vision of Africa's accelerating economic transformation. Let us not forget, Africa needs Europe and Europe needs Africa.

Antonio Tajani  
Vice-President of the European Commission  
European Commissioner for Industry  
and Entrepreneurship

The international development landscape has undergone significant changes in recent years, creating both new challenges and new opportunities.

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UNIDO and the EU have responded to those challenges by devising ways and means to support developing countries in embarking on a path of inclusive and sustainable growth as a springboard for poverty reduction.

Growth and job creation—themselves key targets of the Europe 2020 Strategy—are essential in any country’s development strategy, they should also become central to the EU’s support to developing countries. The European Union is ready to step up its engagement with governments and institutions to help them address their countries’ specific competitiveness gaps.

Over the years UNIDO has proven itself a reliable and effective partner, acting as a catalyst in transforming developing countries’ economies by reinforcing productive capacities and fostering investments that add value to local production, stimulate economic diversification and strengthen local competitiveness. At the same time the social and environmental dimensions of such actions are not forgotten.

As this publication shows, joint UNIDO-EU activities at country and regional level have succeeded in establishing standards and norms, building up investments, creating training centres and jobs, improving the competitiveness of local enterprises, and assessing and mitigating industrial pollution.



Andris Piebalgs  
European Commissioner for  
Development

While our cooperation initially focused in the main on “Aid for Trade”, new areas of collaboration are gaining momentum. We are looking at ways of working with UNIDO in these areas, which include energy and climate change, rural agro-processing and food security.

In the spirit of our renewed EU development policy, I am looking forward to closer cooperation with UNIDO that makes a real difference to people on the ground.

Andris Piebalgs  
European Commissioner for Development

Looking back in time, the cooperation agreement signed by the EU and UNIDO in 1993 was the beginning of a “beautiful friendship”.

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There is no doubt that UNIDO is and will remain one of the most important EU partners in the field of industrial development cooperation. Under the leadership of Dr. Kandeh K. Yumkella, UNIDO has become an important, reliable and effective partner in the implementation of development assistance. UNIDO’s efforts to promote industrial development cooperation through trade capacity-building and improved access to sustainable energy sources is an important factor in deepening the integration of developing countries into the world economy.

Poland appreciates many years of fruitful cooperation with UNIDO. During our membership in this Organization, we have come a long and difficult way—starting as a beneficiary of development aid, we became an emerging donor. Today, while exercising for the first time the function of the rotating Presidency of the EU Council, Poland has not forgotten how much UNIDO has to offer to developing countries or countries in the process of transition. Therefore, during our Presidency, we have undertaken steps in order to further deepen the cooperation between the EU and UNIDO.

Hitherto experiences described in this report show that the EU and UNIDO are able to cooperate effectively in various fields. In our opinion, specific potential for collaboration exists particularly in the fields of energy, environment and climate change, which are today one of the most pressing global challenges—affecting both



Marcin Korolec  
Undersecretary of State,  
Ministry of Economy of the  
Republic of Poland

developing and developed countries. We also see the possibility for synergies between the EU Eastern Partnership Initiative and the projects implemented by UNIDO in Eastern Europe and South Caucasus. The practice also proves that UNIDO is an effective platform for dialogue between the EU Member States and communities of developing countries. These are just a few examples where cooperation with UNIDO brings significant added value for the EU. I assure you that Poland—both as an EU Member State and the current Presidency—supports all efforts aimed at the full use of UNIDO’s potential.

Marcin Korolec  
Undersecretary of State  
Ministry of Economy of the Republic of Poland

# The cooperation between UNIDO and the European Union

A partnership for inclusive growth and sustainable development

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UNIDO Headquarters in Vienna

# A partnership for inclusive growth and sustainable development

Based on a Relationship Agreement of 1993, the partnership with UNIDO is one of the first that the European Commission has established with a United Nations organization.

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This agreement clearly indicates the areas in which the two organizations wish to develop their cooperation: industrial studies, technical assistance, promotion and financing of industrial investments, industrial training and technology, industrial cooperation between developing countries and sector activities within UNIDO's mandate. It was complemented 10 years later by the Financial and Administrative Framework Agreement (FAFA) between the United Nations and the European Commission, to which UNIDO adhered in 2003. This agreement has facilitated the contractual modalities for implementation of projects by UNIDO in partner countries or Regional Economic Communities.

While these two frameworks constituted a solid basis for cooperation, other elements have contributed to the further development of the partnership: the growing convergence of respective strategic orientations and the increasing interest in UNIDO's mandate and expertise.

## The convergence of strategic orientations

In December 2005, the European Union (EU) and UNIDO adopted respective political frameworks with similar objectives. The "EU Consensus on Development" provided a common development framework for the EU, including the European Commission and the then 25 EU Member States. The European Commission agreed to concentrate its activities on the following areas:

- Trade and regional integration
- Environment and sustainable management of natural resources
- Water and energy

- Rural development
- Social integration and employment

Africa was mentioned as a geographical priority.

The thematic priorities of UNIDO's strategic long-term vision (10 to 15 years) approved in December 2005, while aggregated differently, included EU priorities and supported similar objectives:

- Poverty reduction through productive activities (Inclusive Industry): developing productive activities at the bottom of the pyramid, including in rural areas through agro-processing, clusters and value chains.
- Trade capacity-building (Competitive Industry): supporting the competitiveness of the local private sector through their increased compliance to standards and norms (TBT/SPS) and industrial upgrading.
- Energy and environment (Green Industry): greening existing industries through efficient and sustainable production and promoting energy efficiency and renewable energy in local industry.

## An agenda for change

The new EU communication on "Increasing the impact of EU Development Policy: An agenda for change" launched in October 2011, creates an excellent basis for further developing the partnership between UNIDO and the EU. While focusing EU development assistance on human rights, democracy and other key elements of good governance as well as inclusive and sustainable growth for human development, it recognizes the role of the private sector in development and the need for industrial policies that also include food security and energy.

The successful combination of building competitive local private sectors while deepening regional integration, which has been a central piece and an original component of the UNIDO-EU partnership, can now be further developed.

#### A framework for African industrialization

At the 3rd Africa-EU Summit in Tripoli in November 2010, African and European Heads of States and Government adopted their second Joint Africa-EU Strategy Action Plan (JAES) 2011-2013, which recognizes UNIDO as a major partner for its implementation. The thematic partnership on Regional Integration and Trade particularly endorsed the African Union's "Strategy for the Accelerated Industrial Development of Africa" (AIDA) as an overall objective, as well as the "Africa Agribusiness and Agro-Industry Initiative (3ADI)". These strategic documents have been prepared by UNIDO at the request of the Conference of African Ministers of Industry (CAMI) in 2008. The AIDA and the 3ADI now constitute common frameworks for a promising partnership between Africa, the EU and UNIDO. The cooperation can also be developed in other thematic partnerships, particularly energy and climate change.

#### Growing interest in UNIDO's mandate and technical expertise

Although based since 1993 on a strategic framework, UNIDO's cooperation with the EU has not been developed at headquarters level but in the field, essentially through specific requests by countries or Regional Economic Communities. Since 2006, this approach has led to the progressive development of a substantial portfolio of projects and programmes worth \$100 million covering more than 70 countries through country, regional or global interventions. This UNIDO-EU cooperation, based on support to developing countries and countries in transition, provides an evidence-based body of knowledge that is valuable for future substantial investments in productive sectors. In order to achieve higher impact of future interventions, a more systematic approach to joint programming and a regular policy dialogue will need to be further developed.

## UNIDO—a reliable and effective partner

The European Commission works with international organizations on the condition that they apply standards which offer guarantees equivalent to internationally accepted standards in their accounting, audit, internal control and procurement procedures (four pillars). In 2008, UNIDO fully complied with these requirements on the occasion of a “four pillar” assessment conducted by the European Commission. UNIDO also adhered to the Financial and Administrative Framework Agreement (FAFA) between the European Commission and the United Nations in 2003. Since then, UNIDO’s performance has been assessed several times by the European Commission (EuropeAid) and the European Court of Auditors. Evaluation reports of these institutions acknowledge UNIDO’s expertise and the fact that the Organization is perceived as a strong and effective partner.

*“The main strengths of UNIDO are its recognised international authority in the fields of standards and quality control; its track record of a productive relationship with the national authorities as well as with other donors, and its ability to deliver quality services.”*

Source: *Independent Assessment of United Nations Organisations in Selected Countries: The Case of Bangladesh*, Letter of Contract N°2008/171204—Final Report—October 2009

A report released in May 2011 by the European Court of Auditors (ECA) highlighted the performance of UNIDO for the implementation of a large scale programme (€11 million) for “Enhancing the capacity of Khartoum State in the delivery of vocational training services, Sudan”:

*“It is likely that the main results will be sustained, in particular due to the strong ownership by the beneficiary.”*

*“Four training centres are operational since September 2010 and the strong commitment of the beneficiary prevails.”*

Source: Report May 2011 (*The Efficiency and Effectiveness of EU Contributions Channelled through United Nations Organisations in Conflict-Affected Countries*—Special Report No 3 2011—(pursuant to Article 287(4), second subparagraph, TFEU

The United Nations Industrial Development Organization (UNIDO) has received high appreciation for its work from Norway, one of its largest donors, specifically for activities in one of the Organization’s three thematic priorities—trade capacity-building.

*“UNIDO appears to be delivering good value for money in the field of standards and quality, an area where the Organization has a unique competence internationally, which also Norway has played a key role to develop,”*

says a report released by the Norwegian Agency for Development Cooperation (Norad).

Source: *The Norad report, “Norway’s Trade Related Assistance through Multilateral Organizations: A Synthesis Study Report 8/2011—Study”*

## A fruitful cooperation for development

The EU-UNIDO partnership is based on common values and convergent objectives.

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Its opening in 2006 has supported the strengthening of the relationship with EU institutions, particularly the European Commission, the European Parliament, the Council of the EU and the European Investment Bank. The dialogue with these institutions focuses on policies related to industry for development, including inclusive and green growth and investment in developing countries and countries in transition. In order to nurture the partnership, the office has multiplied the organization of technical and high-level visits to the EU as well as events associated with the EU on the occasion of the launching of UNIDO reports and for specific official celebrations such as Africa Industrialization Day, bringing the Brussels diplomatic community together.

UNIDO's presence in Brussels also facilitates regular dialogue with other partners represented there, such as the African, Caribbean and Pacific Group of States (ACP) Secretariat, representatives of UNIDO Member States, and the private sector.

### European Commission

Directorate-General Development and Cooperation—EuropeAid (DG DevCo)

*Boosting inclusive growth for wealth creation*

UNIDO and DG DevCo agreed to enhance their cooperation in areas where UNIDO's mandate and expertise can add value, such as: Energy and climate change, agriculture and food security, regional integration and trade, policy coherence for development; and Aid-for-Trade.

Directorate-General for Enterprise and Industry (DG ENTR)

*The centrality of industry for development*

DG ENTR and UNIDO are natural partners. Recent consultations led to an agreement on strengthening international industrial cooperation with a primary focus on Africa.

Directorate-General Climate Action (DG CLIMA)

*Decarbonizing industrial activities*

For both DG CLIMA and UNIDO the decarbonization of industrial activities and the structural transformation of industry are a priority. A large part of UNIDO's project portfolio lies in the area of energy and environment.

Directorate-General for the Environment (DG ENV)

*Resource efficiency and cleaner production*

UNIDO's regular discussions with DG ENV tackle issues related to sustainable consumption and production, as well as resource efficiency and cleaner production in industry. UNIDO's Green Industry initiative is very much in line with EU's 2020 flagship initiative "A resource-efficient Europe" and the objective of a transition to a resource-efficient and low-carbon economy.

Directorate-General for Health and Consumers (DG SANCO)

*Food safety for consumer protection*

The cooperation with DG SANCO, which was sealed by an exchange of letters, is essential to improve food safety systems in developing countries both to secure their exports to the EU and to protect local consumers.

## Main EU counterparts



Kandeh K. Yumkella, UNIDO Director-General, meets Connie Hedegaard, Commissioner for Climate Action, in Brussels in March 2011.



Kandeh K. Yumkella, UNIDO Director-General, meets Antonio Tajani, Vice-President of the European Commission and Commissioner for Industry and Entrepreneurship, in Brussels in March 2011.



Kandeh K. Yumkella, UNIDO Director-General, meets Andris Piebalgs, European Commissioner for Development, in Brussels in March 2011.

Data from EU Rapid Alert System for Feed and Food (RASFF) is utilized for UNIDO Trade Standard Compliance Report that help design targeted technical assistance in developing countries.

#### Directorate-General for Trade (DG TRADE)

##### *Integration into the global economy*

By supporting international trade, UNIDO and DG TRADE have both concentrated their priorities on the progressive integration of developing economies into the world market. Consultations with DG TRADE focus on partner countries' compliance with international and European standards as well as on the need to support the development of quality infrastructure related to metrology, standards, testing and accreditation in developing countries.

#### Directorate-General for Research and Innovation (DG RTD)

##### *Innovating for competitiveness*

The cooperation between UNIDO and DG RTD has developed over several research projects related to environmental management and food safety. More activities are currently being developed in the area of hydrogen energy. UNIDO's expertise in connecting research and innovation to industry has recently been recognized through the invitation to act as an external advisor in PACE-Net, the Pacific Europe Network for Science and Technology.

#### Directorate General for Agriculture and Rural Development (DG AGRI)

##### *Agro-industries for food security*

Although with a different geographical scope, DG AGRI and UNIDO are sharing similar goals: food security, agri-business development, agriculture as a competitive sector (trading high-value products) in the international market, while ensuring a satisfactory income to farmers, and creating new jobs in the food manufacturing sector. Climate change and water scarcity, particularly in rural areas, are new challenges to be jointly addressed.

#### Directorate-General for Energy (DG ENER)

##### *Sustainable energy for all*

Consultations between UNIDO and DG ENER took place particularly about the EU Energy Agenda for Africa. Jointly, solutions to common challenges in the field of energy shall be found. The United Nations

global campaign on Sustainable Energy for All, launched by Secretary-General Ban Ki-moon and co-chaired by the UNIDO Director-General, will provide opportunities for enhanced cooperation.

#### Directorate-General for Enlargement (DG ELARG)

##### *Supporting Mediterranean SMEs and youth*

UNIDO has developed an important presence and programme portfolio in South Mediterranean Countries, mainly with funding from EU Member States and with the support of the European Commission. To support the Union for the Mediterranean (UfM), UNIDO has assessed the situation of industries at country and regional level in the Mediterranean and prepared technical assistance country or regional programmes for entrepreneurship and youth employment in productive sectors.

#### European External Action Service (EEAS)

UNIDO is partnering with the EEAS and the worldwide network of EU Delegations. With the EEAS, further consultations should enhance institutional cooperation between UNIDO and the EU through regular policy dialogue and review meetings taking into account the actual environment and the new strategic priorities of both partners.

#### European Parliament

UNIDO closely follows sessions of the European Parliament's Committees on issues related to its mandate, mainly of the Committee on Development. Further participation in the dialogue on EU development policies include presentations and proposals to parliamentarians on various issues such as industrial development and governance, food security, poverty reduction, and green industry in the context of climate change.

#### European Council

The Working Group of the European Council on Commodities invited UNIDO to speak on the topic of "Managing commodity value chains for socio-economic progress in Least Developed Countries" in 2010. UNIDO is in permanent exchange with the Permanent Representations of EU countries in Brussels.

## Other development partners



METRO Group CEO, Eckard Cordes (right), and UNIDO Director-General, Kande K. Yumkella (left), shake hands in the presence of Hans-Jürgen Beerfeltz, the German State Secretary of the BMZ (middle) after signing an agreement in Düsseldorf in September 2011.



UNIDO Director-General, Kande K. Yumkella and Secretary-General of the African Caribbean Pacific (ACP) States, Mohamed Ibn Chambas, signing a Relationship Agreement in Vienna in December 2011.

## European Investment Bank (EIB)

A dialogue with the European Investment Bank has been established through various meetings at which joint activities were discussed. The 2010 Africa-EU Summit in Tripoli has created the ground for initiating practical cooperation in Africa in the area of energy, investment and private sector development.

## Other development partners

### Delivering as one UN in Brussels

#### *Reinforcing United Nations-EU partnership*

UNIDO is closely working with the other 26 United Nations agencies, funds and programmes represented in Brussels. On a policy level, these organizations collaborate on common issues such as climate change or humanitarian affairs, as well as on more specific issues such as the green economy and industry (e.g. with UNEP, ILO). The United Nations family actively provides EU counterparts with expert knowledge, and provides their viewpoints through public consultations and reports. On a programmatic level, the collaboration with the EU focuses on the implementation of the Financial and Administrative Framework Agreement (FAFA) which has greatly contributed to developing this cooperation and now reaches almost €1 billion per year.

### ACP Secretariat

#### *Strengthening ACP inclusive and green growth*

Founded at a similar time, UNIDO and the Africa Caribbean and the Pacific Group of States (79 Member States) have a long standing relationship. It recently cumulated in the signing of a Memorandum of Understanding, in preparation for a full Relationship Agreement, which expresses their objective to work together and reinforce ACP capacities to build up a strong private industrial sector that is competitive, creates local jobs, and takes care of the environment.

## Centre for the Development of Enterprise

#### *Boosting industrial SMEs in ACP countries*

The cooperation between UNIDO and the Centre for the Development of Enterprise (CDE) is of benefit to their common Member States from ACP. Their joint report on “Competitiveness and Innovation in the Caribbean” has served as a basis for the approval in 2010 of a regional €28 million programme for private sector development that includes a component on Competitiveness and Innovation.

## Private sector

#### *The role of the private sector in development*

Due to the rising importance of the EU market and the presence of EU institutions, Brussels is becoming one of the major centres in the world for private sector representation. UNIDO’s close cooperation with the private sector has contributed to the preparations of the fourth EU-Africa Business Forum (EABF) which approved a declaration that was then presented to the Africa-EU Heads of State and Government.

## Civil Society

#### *Reinforcing links with NGOs*

Finally, UNIDO is working closely with civil society and NGOs. For example, UNIDO works with the international NGO Blacksmith Institute to identify and remedy global industrial polluted sites with the financial support of the EU, and with several NGOs from the Global Clean Cook Stove Alliance to provide clean energy access to developing countries.

## Facts and figures

From 2006 to 2010, the assessed contributions of European Union Member States to UNIDO (i.e. all 27 European Union members except Estonia and Latvia) amounted to € 195,375,841 (as of 1 May 2011).

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During the same period, voluntary contributions<sup>1</sup> from EU institutions, essentially the European Commission, and European Union Member States to UNIDO's Programme of Technical Cooperation amounted to respectively US\$ 64,485,099 and US\$ 125,888,641, totalling US\$ 190,373,740.

### Considerable increase in cooperation with the European Commission

Between 2006 and 2010, the total of voluntary contributions from the EU Institutions under signed agreements with UNIDO amounted to almost US \$100 million, which represents a considerable increase in the cooperation. Related disbursements were distributed over several

years of project implementation as reflected in the table overleaf on voluntary contributions.

European Union institutions, mainly the European Commission, have become UNIDO's largest provider of voluntary contributions from governmental sources in 2009 and 2010, with net approvals amounting to US\$ 12.6 million and US\$ 20.1 million, for the two years.

As the chart overleaf illustrates, the EU-UNIDO cooperation has over the last five years mainly focused on two of the Organization's thematic priorities: trade capacity-building activities (or "Aid-for-Trade") and poverty reduction through productive activities.

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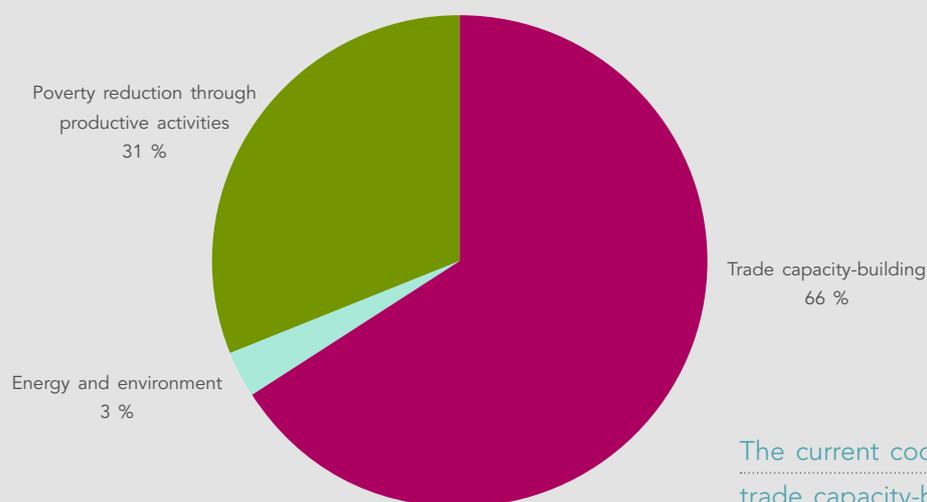
<sup>1</sup> Value of net project approvals. The thematic and geographic distribution of EU institutions' voluntary contributions to UNIDO's Technical Cooperation Programme are also based on net project approvals in the period 2006-2010.

## Voluntary net contributions to UNIDO's Technical Cooperation Programme



Between 2006 and 2010, the total voluntary contributions from the EU Institutions under signed agreements with UNIDO amounted to almost US\$ 100 million.

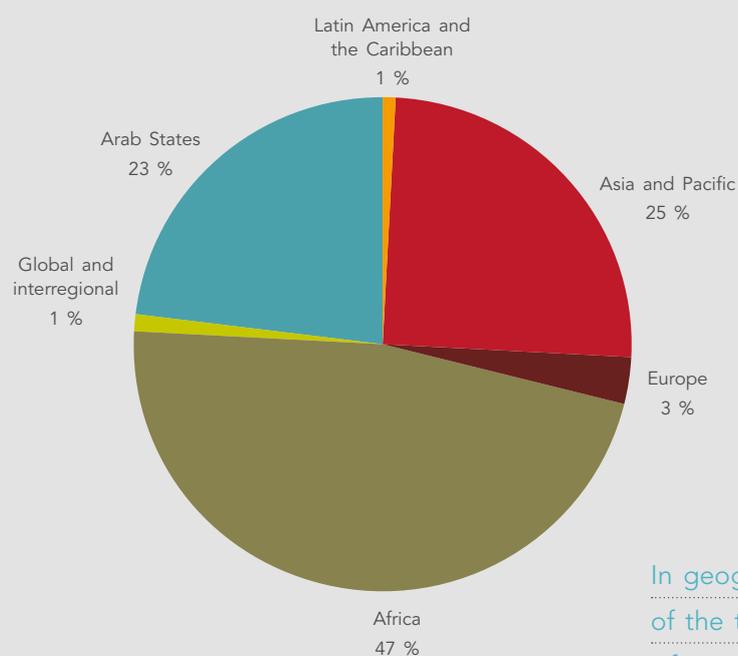
## Thematic focus of the cooperation between the EU Institutions and UNIDO (2006-2010)<sup>a</sup>



The current cooperation focuses on trade capacity-building, including establishing industrial norms and standards for competitiveness and consumer protection, as well as on modernizing the private sector for jobs and wealth creation.

<sup>a</sup>Based on the value of net project approvals.

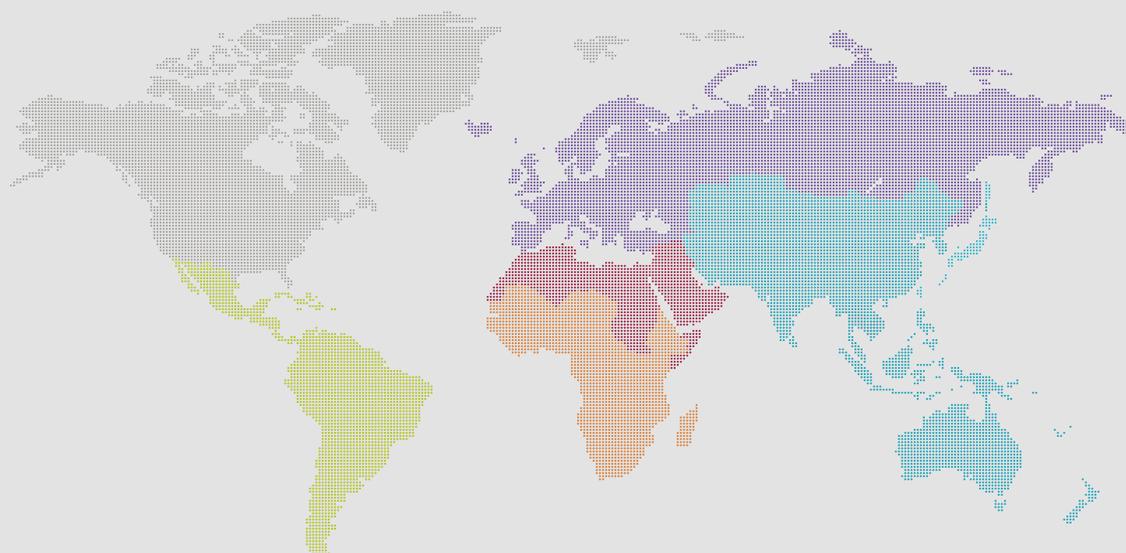
## Geographical focus of the cooperation between the EU Institutions and UNIDO (2006-2010)



In geographic terms, almost half of the total targeted sub-Saharan Africa and almost one quarter each went to the Arab States and the Pacific.

Note: The region Arab States includes the sub-Saharan African country Sudan.

## Countries benefiting from UNIDO Technical Cooperation Programmes with funding from the European Commission (2006-2011)



### AFRICA

Benin  
Burkina Faso  
Burundi  
Cameroon  
Cape Verde  
Côte d'Ivoire  
Ethiopia  
Gabon  
Gambia  
Ghana  
Guinea  
Guinea Bissau  
Kenya  
Lesotho  
Liberia  
Madagascar  
Malawi  
Mali  
Mozambique  
Niger  
Nigeria  
Rwanda  
Sierra Leone  
Senegal  
Togo  
Uganda  
United Republic of Tanzania  
Zambia  
Zimbabwe

**TOTAL: 29**

### EUROPE & CIS

Bosnia and Herzegovina  
Bulgaria\*  
Croatia  
Czech Republic\*  
Cyprus\*  
Georgia  
Hungary\*  
Kazakhstan  
Montenegro  
Romania\*  
Russian Federation  
Serbia  
Slovakia\*  
Slovenia\*  
Turkey  
Ukraine  
Uzbekistan

**TOTAL: 17**

### LATIN AMERICA & CARIBBEAN

Argentina  
Bolivia (Plurinational State of)  
Brazil  
Chile  
Colombia  
Costa Rica  
Ecuador  
Haiti  
Honduras  
Paraguay  
Peru  
Uruguay  
Venezuela (Bolivarian Republic of)

**TOTAL: 12**

### ASIA & PACIFIC

Bangladesh  
Cambodia  
China  
India  
Indonesia  
Nepal  
Pakistan  
Philippines  
Thailand  
Viet Nam

**TOTAL: 10**

### ARAB STATES

Algeria  
Egypt  
Lebanon  
Sudan

**TOTAL: 4**

**Grand total: 72 countries**

**Project volume: more than €100 million**

## A partnership for inclusive growth

Developing productive activities for poverty reduction

As the primary driver of economic growth and employment creation, the private sector has an essential role in poverty reduction.

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Private sector-led industrial development makes a significant contribution to bringing about the much needed structural changes that can set the economies of poor countries on a path of sustained economic growth. UNIDO provides a comprehensive range of services focused on encouraging the creation of employment and income to overcome poverty. These services are customized for developing countries and range from industrial policy advice to entrepreneurship and SME development, and from investment and technology promotion to the provision of rural energy for productive uses.

The eradication of poverty in a sustainable way is also the overarching objective of the EU development policy. The Millennium Development Goals (MDGs) are key to the policy. The EU has asked national authorities to set financial targets for development funding so as to demonstrate their commitment to the MDGs. UNIDO has successfully carried out a series of EU-financed projects that aim at overcoming poverty through productive activities.

## CASE STUDY: Sudan

### Learning to contribute to wealth creation

PROJECT: Enhancing capacity of Khartoum State in the delivery of pro-poor vocational training services

DURATION: 2007-2010

BUDGET EU INSTITUTIONS: € 10,999,904

#### BACKGROUND

Since the Comprehensive Peace Agreement was signed in 2005, Khartoum State has witnessed a boost in investment and job opportunities. However, the State has experienced a growing number of internally displaced persons (IDPs) due to civil war, desertification and drought. Sudan's economy also needs high-quality market-oriented skills training for entrepreneurs. Within this context, growing unemployment and poverty is still rampant in the country.

#### OBJECTIVES

The project aimed to improve the livelihood of the urban poor (unemployed youth and IDPs) in Khartoum State by:

- Providing market-oriented skills and entrepreneurship competencies and skills training to poor urban youth;
- Upgrading the skills of existing micro- and small-enterprises for greater productivity and competitiveness; and,
- Upgrading the technical skills of those in the labour market for greater employability and possibilities of self-employment.

The project sought to lay the foundation for an innovative long-term solution to urban poverty and unemployment in Khartoum State by establishing a solid and complementary link between entrepreneurship and vocational training in combating urban poverty.

#### ACTIONS

In a first phase, UNIDO organized, in cooperation with the Sudanese Chamber of Industries, group discussions to inform the private sector of the project. The project then established or restored Vocational Training Centres (VTCs) and specialized training for

educators, managers and administrative personnel took place. Here, UNIDO installed modern equipment and adopted training approaches such as competency based training to ensure high-quality knowledge transfer. Training courses are now offered in professions such as construction, autotronics and automotive engineering and language skills.

#### ACHIEVEMENTS AND RESULTS

Four fully equipped and operational VTCs provide (semi) urban poor with access to technical and entrepreneurial training, in line with market demands and a gender mainstreaming approach. Key to the project reaching a wider audience, partnerships with the public and private sectors were established and have shown a high level of sustainability due to the strong ownership of local VTC teams, counterparts and beneficiaries. This ownership was confirmed by the European Court of Auditors.



Young Sudanese in one of four Vocational Training Centres in Khartoum

## CASE STUDY: African, Caribbean and Pacific States

### Quality investment and informed investment decision-making

PROJECT: [Survey of enterprises in selected African, Caribbean and the Pacific countries](#)

DURATION: 2008-2011

BUDGET EU INSTITUTIONS: € 2,769,908

COMPLEMENTARY PROJECT: [Capacity-building of investment promotion agencies \(IPAs\) in sub-Saharan Africa, 2011](#)

BUDGET EU INSTITUTIONS: €1,600,000

Countries covered: Burkina Faso, Burundi, Cameroon, Cape Verde, Ethiopia, Ghana, Kenya, Lesotho, Madagascar, Malawi, Mali, Mozambique, Niger, Nigeria, Rwanda, Senegal, United Republic of Tanzania, Uganda, Zambia

#### BACKGROUND

Private-sector investment is the driver of enhanced productivity, development and wealth creation. In comparison to other regions of the world, foreign and domestic investment in Africa and the African, Caribbean and the Pacific (ACP) countries has been very limited over the past decades. In this context, UNIDO supported the launch of the Africa Investment Promotion Agency Network (AfrIPANet) in response to the challenges facing African investment promotion agencies (IPAs) in 2001. These agencies have been established over the last several years to serve as the primary national institutions charged with promoting and facilitating investments, especially foreign direct investment (FDI).

#### OBJECTIVES

The project sets out to support African countries to maximize the impact of foreign and domestic investment on sustainable and inclusive growth and poverty reduction, as well as to enhance competitiveness in the manufacturing and service sectors. More specifically, the project develops new strategies suitable for the limited resource base of African IPAs and improves their effectiveness in mobilizing domestic and foreign investments. Another objective is to provide guidance and empower IPAs in designing activities and improving their effectiveness in influencing policy decisions. The unique information sourced through the project enables private players, both investors and potential partners, to make better decisions.

#### ACTIONS

The regional programme for investment promotion in Africa, which is supported by the EU through the present projects as well as by South Africa, Italy, Austria, Finland and Turkey, consists of four components:

- An investor survey providing aggregated statistics for investors drawn from representative samples of different economic sectors and with surveys of some

100 questions assessing all different kinds of quantitative and qualitative data which goes far beyond standard surveys (component financed by the EU). A complementary investment was approved by the EU in 2011 to improve the capacity of IPAs.

- An Africa Investment Monitoring Platform facilitating research of survey statistics and creating linkages between enterprises, investors and other involved parties;
- UNIDO capacity-building efforts to ensure IPAs are supported through research, policy advocacy, strategy inputs and aftercare services;
- A Subcontracting and Partnership Exchange Programme (SPX) brings foreign investors and public procurement to selected African countries, and helps develop local SMEs through profitable business/investment opportunities.

#### ACHIEVEMENTS AND RESULTS

The project created a business directory for the 20 African pilot countries covered, which represents a unique database, that did not exist before. More than 7,000 enterprises in the 20 African countries have been surveyed in depth, providing a unique source of information for domestic and foreign investors, for the establishment of government policies in support of the private sector and for development partners looking for reliable information on which to base their interventions. The project has received positive attention both from the European Union and from ACP countries. It was one of the projects that featured in the 2010 EU-Africa Business Forum (EABF), at which participants recommended the project be expanded to all African countries in terms of the survey, platform and institutional capacity-building. The data now available is the unique in-depth source of information at the private sector level in Africa.

## CASE STUDY: Senegal

Creating opportunities for the urban poor

PROJECT: Support for urban micro economic activities

DURATION: 2006-2007

BUDGET EU INSTITUTIONS: € 1,219,512

As part of an overall strategy against poverty in urban areas, Senegal, the EU and UNIDO initiated a broad programme in 10 municipalities for structuring local entrepreneurs through clusters that empowered them for various aspects of their businesses: negotiations with their providers, development of trainings, improved access to finance through mutual guarantee schemes and other common services.

## CASE STUDY: Viet Nam

Corporate social responsibility (CSR) through the triple bottom line (TBL) approach

PROJECT: Helping Vietnamese SMEs adapt and adopt CSR for improved linkages with global supply chains in sustainable production

DURATION: 2009-2011

BUDGET EU INSTITUTIONS: € 1,611,467

The objective of this project is to help SMEs integrate the global supply chains through the compliance to CSR standards that are increasingly a precondition for establishing international subcontracting relationships. The project will extend the awareness of the TBL-CSR approach among Vietnamese SMEs, consumers and other relevant stakeholders. Policy and regulatory recommendations will promote sustainable production practices that Vietnamese SMEs will integrate in their businesses.

# A partnership for competitive industries

Building the trade and productive capacity of developing countries

The technical ability of developing countries to produce competitive exportable products that comply with international standards is crucial to their successful participation in international trade.

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UNIDO is one of the largest providers of trade-related development services. It offers expert advice and integrated technical cooperation in the areas of competitiveness, industrial modernization and upgrading, compliance with international trade standards, testing methods and metrology.

UNIDO has a recognized expertise in support of regional integration and industrial governance that has helped to design quality interventions financed by the EU. Since 2001, UNIDO and the EU have partnered in support of regional integration, particularly to strengthen the capacity of Regional Economic Communities (RECs) in terms of industrial governance mainly in the area of standard and norms—e.g. on technical barriers to trade (TBT) and sanitary and phytosanitary measures (SPS). This cooperation, leading to the establishment of quality infrastructure for 16 countries of West Africa, is essential to assist small and

medium enterprises' compliance with international norms and standards. This large scale intervention at the level of a region now constitutes a model that can be replicated to other regions.

At the request of several RECs (ECOWAS, CEMAC/ECCAS, SADC, COMESA, SIECA, CARICOM), UNIDO has invested its own resources to support the development of large scale interventions for industrial development and governance. For each region, regional industrial quality and upgrading programmes were elaborated in close consultation with the RECs and the European Commission with the objective to reinforce the competitiveness of the local private sector and deepen regional integration through harmonization of norms and standards (TBT/SPS) in the context of Economic Partnership Agreements or Association Agreements.

## CASE STUDY: West Africa

### Competitiveness for ECOWAS/UEMOA through upgrading and quality infrastructure

PROJECT: Support for competitiveness and harmonization of TBT and SPS

DURATION: 2007-2012

BUDGET EU INSTITUTIONS: Phase I (UEMOA, 2001-2005): € 12,001,425

Phase II (UEMOA-ECOWAS, 2007-2012): €16,500,000

Countries covered: Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, Togo

#### BACKGROUND: GLOBALIZATION AND COMPETITIVENESS

Building strong competitiveness and increasing quality of products and services, including protecting the environment and the consumer, is a mainstay in this continued West Africa Regional Programme. The first phase of the project concentrated on setting up accreditation, standardization and quality structures and services in the eight countries of the West African Economic and Monetary Union (UEMOA). The second phase extended quality infrastructure development to all members of the Economic Community of West African States (ECOWAS) and Mauritania, also focusing the technical assistance on enhancing the competitiveness of West African enterprises.

#### OBJECTIVES: INTEGRATION OF THE REGION IN THE GLOBAL ECONOMY

The project aims at strengthening regional economic integration and trade in West Africa by enhancing competitiveness of enterprises and ensuring compliance with international trade rules and technical regulations. National and regional infrastructure for quality, standardization, conformity assessment and accreditation in accordance with international good practice are to be developed and harmonized.

#### ACTIONS

The Programme supports 16 countries and the two regional economic commissions, ECOWAS and UEMOA in the institutional development of standards bureaus, product testing laboratories for micro-biological, chemical, pesticides residues testing, metrology or calibration laboratories, inspection services, and regional accreditation services. It also strengthens regional technical centers for enterprise advice on technology and quality matters. To this end, UNIDO is working closely with technical partners, such as the International Organization for Standardization (ISO) or the International Laboratory Accreditation Cooperation (ILAC). The project is governed by national steering committees, including representatives from beneficiary

institutions, and a regional steering committee, including private and public sector representatives for each country, the ECOWAS and UEMOA Commissions, the EU and UNIDO. Dissemination of knowledge is handled through research activities, training of local experts and beneficiaries, reference documents for economic actors and policymakers, and a regional database on quality infrastructures and services.

#### ACHIEVEMENTS AND RESULTS

- National quality policies have been supported in Burkina-Faso, Cape Verde, Côte d'Ivoire, Gambia, Ghana, Sierra Leone, Togo and process for Regional Quality Policy initiated.
- Food Safety related legal and regulatory frameworks have been established and existing legislation reviewed in several countries;
- A UEMOA regional certification scheme has been established;
- A general UEMOA mark of compliance management rules is underway;
- Harmonization of 36 national standards has been achieved in UEMOA countries, and 30 projects of standards are being finalized prior to adoption;
- 71 product testing and metrology/calibration laboratories in all 16 countries have been accompanied for the quality (ISO 17025) approach and many laboratories provided with testing equipment; testing methods have been harmonized within the region;
- Inspection services have been trained and inspection procedures harmonized;
- Metrology equipment has been provided to all 16 national calibration laboratories or structures;
- Three technical regional centres for meat, milk and dairy products have received assistance and a pilot unit for cheese production has been installed in the regional centre in Burkina Faso;
- 100+ enterprises in all 16 countries have been supported for ISO 9001 and ISO 22000 certification and for the development of their hygiene and quality management (HACCP).

## CASE STUDY: Bangladesh

Poverty reduction through the growth and diversification of exports

PROJECT: Bangladesh Quality Support Programme (BQSP) and  
Better Work and Standards Programme (BEST)

DURATION: Phase I 2006-2010 (BQSP) Phase II: 2010-2014 (BEST)

BUDGET EU INSTITUTIONS: Phase I: €7,756,790 Phase II: €12,285,000

### BACKGROUND

The textile sector accounts for around 80 per cent of total exports and employs more than 4 million people, mostly women. A major constraint is the comparatively low productivity and a lack of product development and active marketing. The shrimp sector is the second most important export sector and employs large numbers of people and small farmers in rural areas. A major concern is to keep up with more stringent food safety standards in major markets to avoid the export bans of the past.

### OBJECTIVES

To reap the benefits of globalization and trade, Bangladesh needs to conform to importing countries' technical and safety standards and to provide the necessary infrastructure for dissemination of standards. The project therefore aims to address existing constraints and accelerate economic growth and poverty reduction by supporting the country to take advantage of global market opportunities.

### ACTIONS

During the first phase, UNIDO undertook the implementation of three components of BQSP: strengthening the country's national quality management system; improving the quality and productivity of the textile sector; and consolidating the fisheries inspection capacity. The second phase contains three components: better quality infrastructure (BQI), better fisheries quality (BFQ) and better work in textiles and garments (BWTG).

### RESULTS

Important results were an improved national quality management thanks to the development of new standards (140 Codex adopted as national standard), a strengthened legal framework and a more effective national product conformity mark scheme. Also a Bangladesh Accreditation Board was established. Simultaneously, seminars took place and raised the private sector's awareness on this topic. In the area of textiles, a consultancy unit was established to promote modernization and agreements were made between the National Institute of Textile Training Research and Design, the Institute of Fashion and Technology and leading international universities. Concerning fisheries, two new testing laboratories were established to control shrimp and seafood exports and private sector laboratory personnel were trained. Also waste treatment, recycling and environmental practices were improved.



The shrimp sector is Bangladesh's second most important export sector.

## CÔTE D'IVOIRE

### *Securing access to EU market through safe coffee and cocoa*

PROJECT: Support for the national prevention against ochratoxin A (OTA) in coffee and cocoa

DURATION: 2006-2010

BUDGET EU INSTITUTIONS: € 1,920,857

Through this project, Côte d'Ivoire developed its own capacity to manage OTA and, particularly its methods of identification. The country benefited from a testing laboratory to control the rates of OTA contamination in coffee and cocoa. The quality of production of Ivorian coffee and cocoa has improved considerably, benefiting Côte d'Ivoire in its technical and commercial relations with the EU.

### *Effective economic diversification through export clusters*

PROJECT: Improvement of the competitiveness of Ivorian enterprises in non-traditional export sectors

DURATION: 2010-2013

BUDGET EU INSTITUTIONS: € 3,874,000

This project will help create quality support structures to improve national competitiveness, in particular the competitiveness of SMEs and cooperatives. The norms of export markets will be integrated into national norms for the concerned products and local laboratories will be accredited. An important component will be the validation of a national programme for industrial restructuring and upgrading by national authorities.

## MOZAMBIQUE

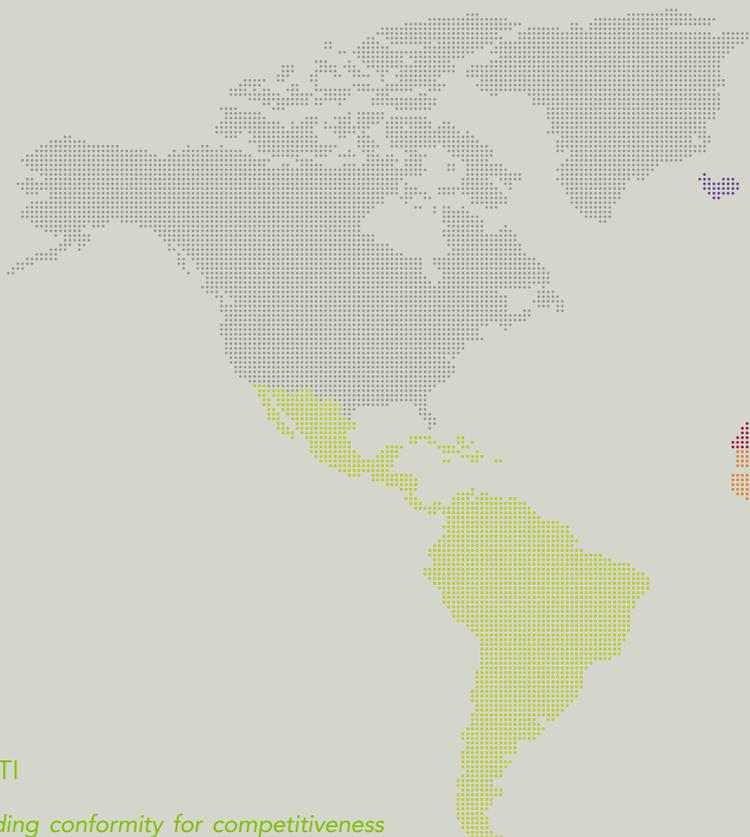
### *Removing business constraints to boost growth*

PROJECT: Business environment support and trade facilitation (BESTF)

DURATION: 2008-2011

BUDGET EU INSTITUTIONS: € 5,494,376

Through trainings, the Mozambican National Institute of Standardization and Quality (INNOQ) was enabled to provide services in temperature, mass, and volume and length calibrations, and 43 municipalities are now able to perform metrological verifications on balances and pumps throughout the country. This will attract outward-looking investment, especially in labour-intensive and related production.



## HAITI

### *Building conformity for competitiveness*

PROJECT: Competitiveness and strengthening of export capacities for regional integration

DURATION: 2008-2009

BUDGET EU INSTITUTIONS: € 400,000

Through technical assistance, the foundations of a quality infrastructure needed to promote exports were established. Moreover, a better understanding by the Haitian players of the issues and implications of global trade rules was reached. This programme helped to strengthen the competitiveness of the Haitian economy in regional and international markets and to enable the diversification of its exports.

## CAMEROON

### *Raising high industrial technology capacity*

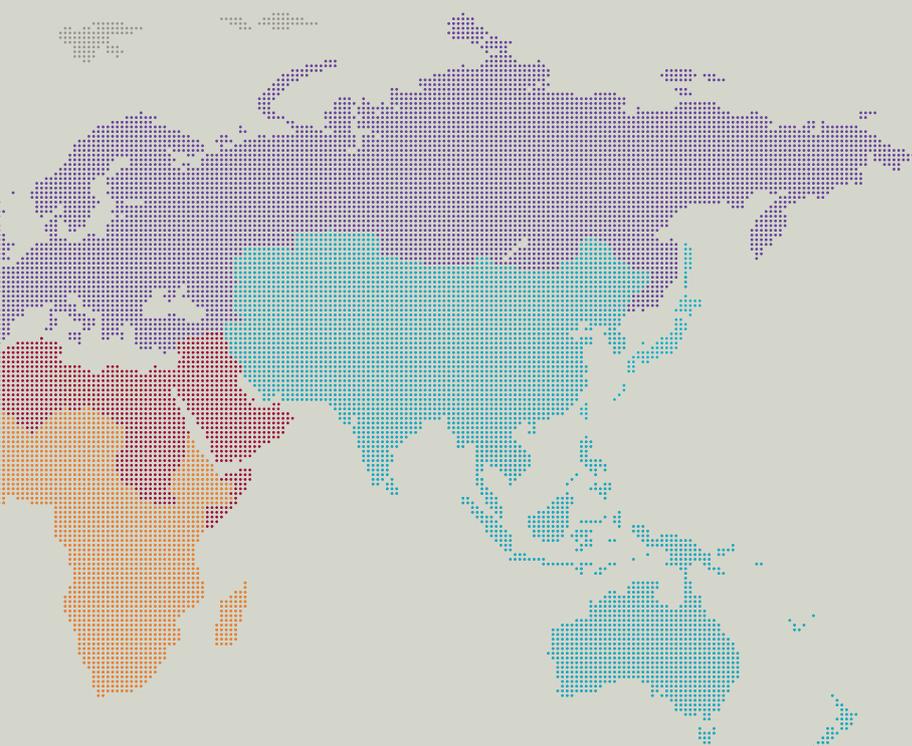
PROJECT: Pilot programme to support industrial upgrading, standardization and quality in Cameroon

DURATION: 2008-2012

BUDGET EU INSTITUTIONS: € 3,538,000

The project aims to reinforce the quality system of Cameroon through the establishment of norms and standards and laboratories as well as modernizing local enterprises to enhance their competitiveness in domestic and international markets.

# PROMOTING QUALITY PRODUCTION



## CENTRAL AND EASTERN EUROPE

### *Healthy and safe food for the future*

PROJECT: **FUTUREFOOD: Health and safe food for the future—a technology foresight project**

DURATION: **2007-2009**

BUDGET EU INSTITUTIONS: **€ 724,929**

Through this project, the whole food chain in the region reached international quality and safety standards for enhanced competitiveness. Food quality and safety were improved.

## RUSSIAN FEDERATION

### *Industrial development through modern ICT*

PROJECT: **Development of methodologies of ICT statistics for the Russian Federation**

DURATION: **2006-2007**

BUDGET EU INSTITUTIONS: **€ 400,000**

The project introduced compliance and comparability with international concepts, definitions and methodologies, and modern techniques and tools for the collection of ICT statistics. International ICT statistics standards were adapted in the Russian Federation, methodologies for ICT statistical surveys were developed, a methodology for statistical evaluation of trainings for ICT professionals in the Russian Federation was elaborated.

## THAILAND

### *Enhancing the competitiveness of Thai food and agricultural exports*

PROJECT: **Trade capacity-building in Thailand through strengthening the capacities of testing laboratories for food and agricultural products**

DURATION: **2008-2010**

BUDGET EU INSTITUTIONS: **€ 150,455**

Thailand is the seventh leading agricultural products exporter in the world and the agriculture and fishery sectors together employ almost half of the labour force in the country.

The competitiveness of Thai food and agricultural exports on the international and especially the European market could be enhanced. The National Food Institute (NFI) obtained two upgraded laboratory accreditations and seven new items were added to their proficiency testing service improving food safety in Thailand.

## NEPAL

### *Integration into the world economy through capacity-building*

PROJECT: **WTO Assistance Plan**

DURATION: **2007-2011**

BUDGET EU INSTITUTIONS: **€ 1,615,000**

The objective of this programme was to support the compliance of Nepal to WTO requirements to facilitate the integration of its enterprises into the world economy. Envisaged results: improved awareness and substantive knowledge on WTO issues among Nepalese officials, the business sector, academia and civil society organizations, and a strengthened capacity of the WTO Reference Center and WTO Division of Ministry of Commerce and Supplies in information dissemination and WTO notification procedures, etc.

## CASE STUDY: Pakistan

### Poverty alleviation through trade

PROJECT: Trade-Related Technical Assistance

DURATION: 2004-2007 (Phase I) and 2010-2014 (Phase II)

BUDGET EU INSTITUTIONS: Phase I: € 2,104,630 Phase II: € 8,895,000

#### BACKGROUND

Although Pakistan's products are currently exported, the country still faces many constraints in terms of development of its supply capacity and compliance infrastructure to conform to international standards. This project is set up with three components and is at present implemented with EU funding by UNIDO in cooperation with the International Trade Centre (ITC), the World Intellectual Property Organization (WIPO).

#### OBJECTIVES

The project's main objectives are threefold:

- To raise awareness on the multi-lateral trading system and related WTO Agreements, and to strengthen capacity for trade policy development, supported by ITC;
- To improve quality, standards, metrology and accreditation systems and to develop selected supply sectors such as fisheries, horticulture and industrial goods, supported by UNIDO;
- To strengthen the Intellectual Property Rights system, supported by WIPO.

#### ACTIONS

UNIDO supports the development of quality infrastructure, such as a Standards Body, Accreditation Council, and Competent Authority for fisheries exports. In particular, the project develops conformity assessment services of 49 product testing and metrology/calibration laboratories through the provision of technical expertise, training and equipment and support towards accreditation. At the same time, UNIDO supports Pakistan in the development of a modern food safety framework and a risk based SPS management system. Productivity gains and value addition are supported

in sectors such as fisheries, mangoes, kinnow, and industrial products like fans, cutlery, and surgical equipment. Forty-five pilot enterprises are accompanied to certification for hygiene, food safety and quality management or in traceability.

#### ACHIEVEMENTS AND RESULTS

A first group of 19 product testing laboratories have been internationally accredited to ISO 17025 standards for export-oriented testing services, ready to ensure confidence in the safety and quality of goods exported from Pakistan. The National Physical and Standards Laboratory has been prepared for the provision of internationally traceable calibration services and for calibration parameters such as weight, length, volume or temperature. Exporters have been trained on the application of the European Conformity (CE) Mark. Compliance with EU requirements has been upgraded in the fisheries sector which is now ready to resume exports to the EU.



Shrimp destined for export being sorted at a processing plant in Karachi

# A partnership for green industry and energy

Fighting climate change and environment degradation at industry level

Fundamental changes in the way societies produce and consume are indispensable for achieving global sustainable development.

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UNIDO promotes sustainable patterns of industrial consumption and production. As a leading provider of services for improved industrial energy efficiency and sustainability, UNIDO assists developing countries and transition economies in implementing multilateral environmental agreements and in simultaneously reaching their economic and environmental goals.

UNIDO's activities in the field of environment and energy are very much in line with the EU's call for enhanced economic activities and the reduction of

poverty through reliable, sustainable, and renewable sources of energy. The EU Development Policy calls for accessible sources of energy at the local level, and the need for clean technologies, emission reduction, know-how exchanges in the sphere of energy efficiency, and the sustainable use of water and soil. UNIDO and the EU are jointly working to tackle these important issues.

## UNIDO's Green Industry initiative

In the last few years, in keeping with its mandate, UNIDO coined the concept of Green Industry to place sustainable industrial development in the context of new global sustainable development challenges.

Green Industry means economies striving for a more sustainable pathway of growth, by undertaking green public investments and implementing public policy initiatives that encourage environmentally responsible private investments.

The greening of industry is a method to attain sustainable economic growth and promote sustainable economies. It includes policymaking, improved industrial production processes and resource-efficient productivity.

The Green Industry initiative creates awareness, knowledge and capacities. UNIDO works with governments to support industrial institutions that in turn provide assistance to enterprises and entrepreneurs in all aspects relating to the greening of industry.

## GLOBAL PROJECT:

### Combating the effects of industrial pollution worldwide

PROJECT: Global identification and evaluation of polluted sites

DURATION: Phase I 2009-2010 and Phase II (2012-2014)

BUDGET EU INSTITUTIONS: PHASE I: € 580,000 AND PHASE II € 5,000,000

Regions covered: Latin America, Eastern Europe, South and East Asia (Phase I) and expansion to Africa and Caribbean (Phase II)

#### BACKGROUND

Toxic pollution in developing countries continues to be a major risk to human health, with the most adverse impacts of toxic pollution being particularly severe to children. Most industrializing countries now have regulatory and institutional systems in place and are slowly improving the environmental situations, though despite efforts to control industrial pollution, many neglected "legacy" or "orphan" sites must still be dealt with.

#### OBJECTIVES

The ultimate objective of this project is to support communities heavily impacted by legacy of toxic pollution to improve their health by taking locally led action on environmental management. This happens by providing both immediate interventions and support for the emergence of local institutional structures to sustain efforts to resolve the broader problems. Local stakeholders that are responsible for the sites are to follow up with these actions.

#### ACTIONS

Together with the Blacksmith Institute, polluted sites were identified and prioritized through studies and screenings. Experts then performed site visits and prepared Initial Site Assessments (ISA). Afterwards sites were centrally reviewed and categorized, followed by approval. Discussions with interested governments and potential donors on priority intervention needs took place. Finally, the ISA, with a list of potential site interventions, were completed and uploaded to a global database.

#### ACHIEVEMENTS AND RESULTS

A global database has been completed in 46 countries, including 1,050 sites that have been visited and assessed. So far, 763 sites have been approved for the project. The database is used for ranking polluted sites by their effect on human health (the number of people affected, the severity of the contaminant, and the type of pathway). Several follow-up remediation projects have already been developed to address the most serious issue uncovered so far. Due to its success, the project has moved into a second phase (signed end of 2011) under which the geographical coverage of sites identified and proposals for remediation will be further expanded. This phase aims to achieve more awareness and tangible progress towards establishing an international response to toxic pollution.



Industrially polluted site in Nairobi identified for remediation to avoid serious health risks.

## CASE STUDY: [Western Balkans](#)

### [Regional sustainable water management](#)

PROJECT: [Sava River Basin: Sustainable use, management and protection of resources](#)

DURATION: [2004-2007](#)

BUDGET EU INSTITUTIONS: [€ 107,000\\*](#)

Local authorities, federal governments, SMEs, industries and site owners were provided with an integrated decision support tool for the sustainable management of the river basin resources.

\* UNIDO was a partner in a consortium.

## CASE STUDY: [Bangladesh](#)

### [Greener environment for leather industry](#)

PROJECT: [Reduction of environmental threats and increase of exportability of Bangladeshi leather products](#)

DURATION: [2009-2012](#)

BUDGET EU INSTITUTIONS: [€ 897,935](#)

A more efficient use of natural resources and energy as well as significantly reduced environmental pollution and waste could be reached in the Bangladeshi leather sector.

## CASE STUDY: [Thailand](#)

### [More trade through compliance with REACH](#)

PROJECT: [Upgrading the technical and personnel capacity of the target Thai chemical-testing laboratories](#)

DURATION: [2008-2010](#)

BUDGET EU INSTITUTIONS: [€ 198,560](#)

To comply with newly established REACH regime and thereby ensure continuous Thai exports to the EU, the physical and personnel capacities of the targeted laboratories on chemical testing were upgraded.

## Recent joint activities

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### Brussels launch of the UNIDO-UNCTAD Economic Development of Africa Report 2011 (Brussels, 14 July 2011)

Major partners of Africa and UNIDO participated in the high-level panel that discussed the report: ACP Secretary General, Presidency of the Conference of African Ministries of Industry (Algeria), European Commission, as well as the African diplomatic community and the press.

### UNIDO at EU Green Week (Brussels, 24-27 May 2011)

UNIDO participated in the 2011 edition of the European Commission's Green Week, the biggest annual conference on European environment policy, entitled "Resource Efficiency—Using less, living better". UNIDO presented its Green Industry initiative at high-level sessions with major EU decision-makers, including the EU Commissioner for Environment.

### EU at the 19th Conference of African Ministries of Industry (Algiers, 30 March 2011)

At the invitation of UNIDO, the Vice-President of the European Commission, Antonio Tajani, Commissioner for Industry and Entrepreneurship, participated in the 19th Conference of African Ministries of Industry (CAMI). In his address to the 43 countries represented, he proposed to enhance the Africa-EU industrial cooperation and particularly to organize a high-level conference on Industrial Cooperation in partnership with the African Union and UNIDO to take place in 2012.

### Third Africa-EU Summit (Tripoli, 29-30 November 2010)

UNIDO was invited to participate in the Heads of State and Government Summit on "Investment, Economic Growth and Job Creation" in Tripoli. One of the main achievements of the Summit was the adoption of the 2nd Plan of Action 2011-2013 which recognized UNIDO as a major partner for Regional Integration and Trade, particularly for implementing the AU Strategy for the Accelerated Industrial Development of Africa (AIDA).

### Fourth EU-Africa Business Forum, (Tripoli, 26-28 November 2010)

UNIDO participated as a partner in the organization of the EU-Africa Business Forum (EABF) which was an official side event of the Africa-EU Heads of States Summit. The EABF adopted a declaration recommending action from African and EU leaders to create the conditions for growth and employment on the continent, including through strengthened cooperation with the private sector and UNIDO.

### Africa Industrialization Day (International Day, 20 November)

In 1989, the United Nations General Assembly declared 20 November as "Africa Industrialization Day" (AID). UNIDO commemorates this day every year with its partners. In 2010, the AID in Brussels was for the first time organized jointly with the ACP Secretariat, the African Union, the private sector and the European Commission.

## The way forward

After several years of growing cooperation to support inclusive, competitive and green industries, the time has come to upgrade the UNIDO-EU partnership.

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The new EU development policy, “An agenda for change”, provides a promising framework and a solid basis for supporting inclusive growth and sustainable industrial development. An additional dimension of future cooperation will be the role of the private sector and the constitution of public-private partnerships aiming at attracting local and foreign investment for development objectives.

To deliver more impact in support of their common objectives, UNIDO and the EU should aim at strengthening their policy dialogue and develop joint programming more systematically at country, regional and global levels in the various areas of UNIDO expertise:

- Poverty reduction through productive activities (inclusive industries)
- Trade capacity-building (competitive industries)
- Environment and energy (green industries)

The cooperation should also explore new areas such as sustainable energy in line with the three objectives of the United Nations Secretary General High-Level Group on Sustainable Energy for All, co-chaired by Kandeh K. Yumkella, UNIDO Director-General and with the membership of Andris Piebalgs, EU Commissioner for Development:

- Universal access to modern energy by 2030;
- A 40 per cent decrease in energy intensity by 2030;
- 30 per cent of energy from renewables by 2030.

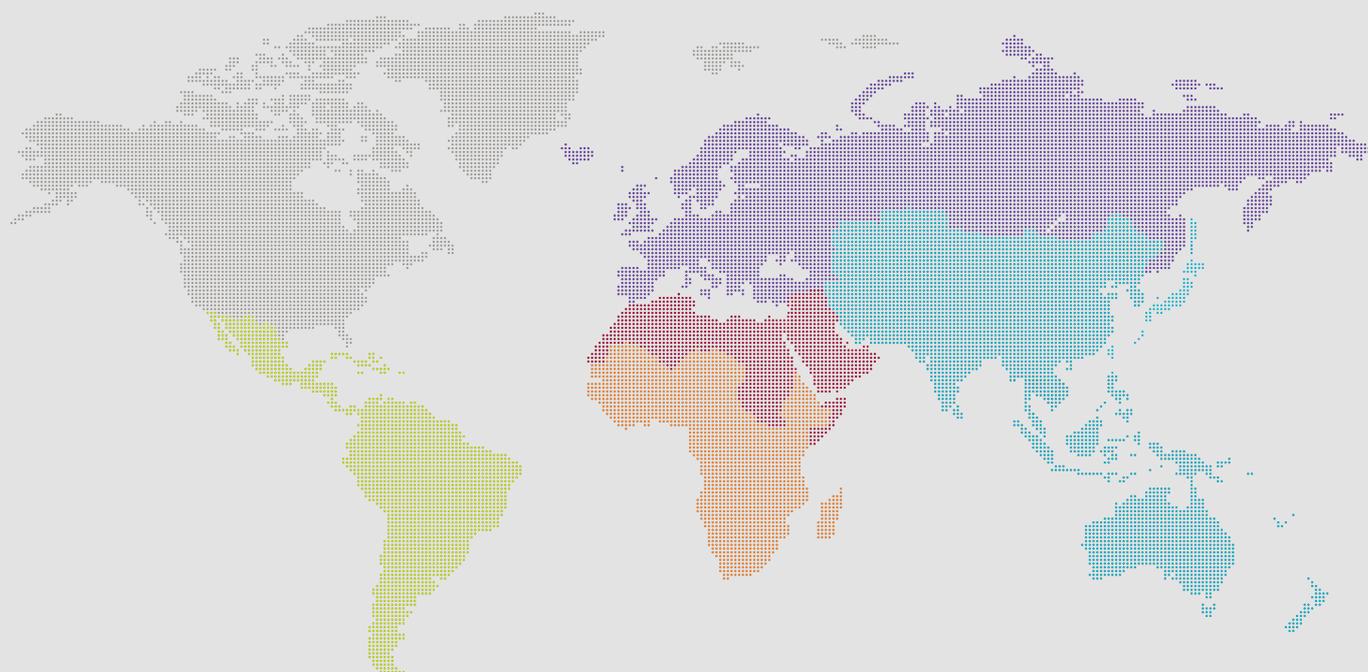
These objectives, complementary to the EU Energy and Climate Change Package and the 2020 Strategy, can be jointly supported by UNIDO and the EU through targeted assistance to build the capacity of Regional Economic Communities and developing countries.

While reinforcing their partnership on a larger scale and in more geographical areas, UNIDO and the EU can achieve higher impact of their support to developing countries.



UNIDO and the EU will continue in their joint efforts to tackle the challenges of globalization and poverty alleviation.

## UNIDO activities around the world



54 UNIDO regional offices, country offices, UNIDO desks

50+ Resource Efficient and Cleaner Production (RECP) programmes, with UNEP

30 Subcontracting and Partnership Exchanges (SPXs)

12 Investment and Technology Promotion Offices (ITPOs)

International Technology Centres (ITCs)

African Investment Promotion Agencies Network (AfriPANet)

## Abbreviations

3ADI	African Agribusiness and Agro-industries Development Initiative	EU	European Union
ACP	African, Caribbean and Pacific	FAFA	Financial and Administrative Framework Agreement
AEEP	Africa-EU Energy Partnership	FAO	Food and Agriculture Organization of the United Nations
AfriPANet	Africa Investment Promotion Agency Network	FVO	Food and Veterinary Office
AGECC	Advisory Group on Energy and Climate Change	GEF	Global Environment Facility
AID	Africa Industrialization Day	ILO	International Labour Organization
AIDA	Action Plan for the Accelerated Industrial Development of Africa	INNOQ	National Institute of Standardization and Quality
AU	African Union	ISA	initial site assessment
CAMI	Conference of African Ministers of Industry	ISO	International Organization for Standardization
CAP	Common Agricultural Policy	ITC	International Trade Centre
CARICOM	Caribbean Community and Common Market	JAES	Joint Africa-EU Strategy Action Plan
CDE	Centre for the Development of Enterprise	MDG	Millennium Development Goal
CEMAC	Economic and Monetary Community of Central Africa	NCPC	National Cleaner Production Centre
CFC	Common Fund for Commodities	OTA	Ochratoxin A
COMESA	Common Market for Eastern and Southern Africa	PACE-Net	Pacific Europe Network for Science and Technology
CSD	Commission on Sustainable Development	POPs	persistent organic pollutants
DG CLIMA	Directorate-General Climate Action	RASFF	Alert System for Food and Feed
DG DEVCO	Directorate-General Development and Cooperation-EuropeAid	RECP	resource efficient and cleaner production
DG ELARG	Directorate-General for Enlargement	RECs	Regional Economic Communities
DG ENER	Directorate-General for Energy	SADC	Southern African Development Community
DG ENTR	Directorate-General for Enterprise and Industry	SIECA	Secretariat for Central American Economic Integration
DG ENV	Directorate-General for the Environment	SME	small and medium enterprise
DG RTD	Directorate-General for Research and Innovation	SPS	sanitary and phyto-sanitary
DG SANCO	Directorate-General for Health and Consumers	TBL	triple bottom line
DG TRADE	Directorate-General for Trade	TBT	technical barriers to trade
EABF	EU-Africa Business Forum	TNC	transnational corporation
ECA	European Court of Auditors	UEMOA	West African Economic and Monetary Union
ECCAS	Economic Community of Central African States	UfM	Union for the Mediterranean
ECOWAS	Economic Community of West African States	UNEP	United Nations Environment Programme
EEAS	European External Action Service	UNIDO	United Nations Industrial Development Organization
EIB	European Investment Bank	WIPO	World Intellectual Property Organization
		WSSD	World Summit on Sustainable Development
		WTO	World Trade Organization



UNIDO Brussels Office

For further information, please contact:

UNIDO Office  
UN House  
14, rue Montoyer  
B-1000 Brussels  
Belgium

Telephone: (+32-2) 511 16 90  
Fax: (+32-2) 511 75 88  
E-mail: [office.brussels@unido.org](mailto:office.brussels@unido.org)

For further information on voluntary contributions  
to UNIDO, please contact:

Office of the Director  
Donor Relations and Quality Assurance Branch  
United Nations Industrial Development Organization  
Vienna International Centre  
P.O. Box 300  
1400 Vienna  
Austria

Telephone: (+43-1) 26026 3748  
Fax: (+43-1) 26026 6813  
E-mail: [A.deGroot@unido.org](mailto:A.deGroot@unido.org)

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**UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION**  
Vienna International Centre, P.O. Box 300, 1400 Vienna, Austria  
Telephone: (+43-1) 26026-0, Fax: (+43-1) 26926-69  
E-mail: [unido@unido.org](mailto:unido@unido.org), Internet: [www.unido.org](http://www.unido.org)