



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION

Progress by innovation



## UNIDO REGIONAL APPROACH FOR EUROPE AND CENTRAL ASIA

Green growth for progress and prosperity of  
future generations

### VISION AND STRATEGIC APPROACH

UNIDO envisions the region with stable and human-centred green growth based on strengthened industrial capacities, clean energy, innovation and technology for progress and the prosperity of future generations.

Capitalizing on the regional opportunities, UNIDO seeks to create high-quality jobs in industry and generate income opportunities for the region's populations, support industrial upgrading and value addition to help firms produce products with high export potential, enhance quality infrastructure development and conformity to international standards, foster transition to renewable energy and energy efficiency, mainstream resource-efficient and cleaner production, as well as develop innovation ecosystems, supporting the retention of the skilled workforce.

Although all countries in the region are MICs, they vary in their industrial backgrounds and challenges. On average, the industrial sector accounts for over 30 percent of GDP with differences across sub-regions (on average, below 25 percent in the Western Balkans and above 25 percent in South Caucasus and Central Asia). The private sector is dominated by MSMEs, which constitute above 98 percent of all businesses. Despite the regional economic slowdown as a result of the COVID-19 pandemic, armed conflicts and natural disasters in the region, national economies have been implementing adaptive measures to build back better and strengthen their resilience to future crises.

### UNIDO'S OFFER

**Supporting the development of human capital with a focus on vulnerable groups, including women, youth, displaced persons and people with disabilities.** While promoting a human-centred approach to industrial development, UNIDO creates job opportunities for rural communities, women and youth and other vulnerable groups to empower their industrial workforce with skills that match industry's evolving demands, including green and digital competencies. With growing migration flows and displacement in the region, UNIDO helps people reintegrate into the labour market and engage in income-generating activities. In countries affected by armed conflicts and natural disasters, UNIDO creates manufacturing-related work opportunities, including by delivering tailored technical and vocational education and training.

**Strengthening the export capacities and competitiveness of MSMEs and linking them to supply chains.** UNIDO supports the development of exports by capacitating enterprises (e.g. through technology transfer, digitalization, clustering, branding), promoting compliance with standards and strengthening industrial competitiveness and trade performance of specific industries, value chains and MSMEs (e.g. automotive, textile, pharmaceuticals, chemicals, ICT). This creates new supply and partnership opportunities, tapping into investment and getting access to high-quality industrial inputs for greater value addition. The development of quality infrastructure is a precondition to expanding market access and facilitating investment. This can foster integration with regional and global supply chains. UNIDO offers larger-scale sub-regional projects in these areas.

**Fostering modern, green and digital economies based on the principles of circularity.** UNIDO offers its expertise to help countries advance industrial development based on unique methodologies. The Organization serves as a platform for knowledge exchange, leveraging international partnerships and funding. Capitalizing on cooperation with new EU members and their experience in meeting the EU accession criteria, UNIDO can support countries on their European integration path. To accelerate the transition from fossil fuels, UNIDO fosters the application of renewable energy and green hydrogen. To decouple growth from emissions, UNIDO helps industrial sectors and MSMEs address environmental risks and increase competitiveness through the introduction of the principles of circularity, improved productive use of resources, conserving resources, minimizing industry's impact on the environment and providing green jobs.