

WTO Committee on Trade and Development (CTD)

52nd session on Aid for Trade, 11 June 2021

UNIDO statement,

delivered by Mr. Frank Van Rompaey,

UNIDO Representative in Geneva

Thank you Chair.

I would like to briefly update the committee on UNIDO's Aid for-Trade-related activities - notably those related to mobilizing resources for building supply-side capacity. In doing so, I would like to highlight progress in implementing UNIDO's innovative model for accelerating inclusive and sustainable industrial development in Member States- a model called the Programme for Country Partnerships, or PCP.

To recall, the PCP rest on a multi-stakeholder partnership led by the host government. The model is based on engagement with different donors, development partners, DFIs and IFIs as well as the private sector, with the intent to bring these together to leverage and co-ordinate funding and technical resources to achieve Inclusive and Sustainable Industrial Development. The programmes take into account trends towards increasing digitalization in manufacturing as well as the circular economy.

We currently have PCPs in Cambodia, Egypt, Ethiopia, Ivory Coast, Kenya Kyrgyzstan, Morocco, Peru, Rwanda, Senegal and Zambia- thus covering each geographical region of the globe. While the various programmes are at different stages of implementation, I would here like to briefly update the Committee on the latest developments pertaining to the PCPs in Ethiopia, Egypt, and Kenya.

In Ethiopia, where the PCP approach was first piloted, the programme has mobilized a total financial volume of USD 1.32 bn. Most of these resources were mobilized for four Integrated Agro-Industrial Parks.

UNIDO has provided technical assistance in the design and planning, and supported investment promotion and funds mobilization for the development of the IAIPs. Since the beginning of 2021, three of the four planned IAIPs have been inaugurated, in the presence of the Prime Minister of Ethiopia, and with the participation of the Executive Director of UNECA, and country representatives of the AfDB and the World Bank. The IAIP initiative is expected to help drive the structural transformation of the economy and support the country in reaching its Vision 2025 goal of becoming a light manufacturing hub in Africa.

In Egypt, the PCP document was signed in April by UNIDO DG LI Yong and Prime Minister Madbouly.

With a duration of 5 years and a total foreseen budget of EUR 172 million, the PCP Egypt will focus on industrial policy and governance, investment promotion, green industry, among others.

To date, eight technical cooperation projects with a total budget of EUR 23 million are being implemented in the framework of the PCP Egypt supporting green MSMEs, eco-industrial parks, resource efficiency and circular economy, renewable energy, agro-industrial value chains, skills development, among others.

In Kenya, the government has led the development of the PCP document, which is expected to be signed soon by H.E. President Uhuru Kenyatta and DG LI Yong. The government recognizes the importance of multi-stakeholder partnerships for the successful implementation of the PCP. Supported by UNIDO, the Kenyan government proactively engages with the development partners, private sector, International Finance Institutions (IFIs) and the UN system to support the self- starter PCP.

Funding discussions are ongoing with the European Union and the SDG Partnerships Platform. The SDG Partnership Platform is a multi-stakeholder platform, established in September 2017 at the UNGA to accelerate SDG impacts by catalyzing partnerships, financing, investments and innovations.

Going forward, UNIDO will gradually expand the PCP to additional countries and will continue working with partners to achieve an inclusive and sustainable future for all. Only by working together, through partnerships can we attain the SDGs.

Finally, a few words on the 2021 Aid for Trade Stocktaking event. We congratulate the WTO with its success. We were pleased to have co-organized two sessions.

The first session “Mobilizing Resources to Build Resilient Local Pharmaceutical Manufacturing Industries in Developing Countries - Challenges and Opportunities”, co-organized with the Permanent Mission of Zambia, generated a rich discussion on the critical issue of strengthening local production of essential medicines and vaccines in Africa, with all panellists agreeing that supporting the development of this sector in Africa needs to be a priority.

The second session on “Implementing the AfCFTA: the Need for Deepening Private Sector Engagement and Commitment”, jointly organized with the African Development Bank and the International Trade Centre, in turn, focused on ways of getting the private sector more involved in policy dialogues on trade, investment and infrastructure, and highlighted the need for greater partnerships to attract investment in local promising industries.

UNIDO looks forward to further contributing to the implementation of the Aid for Trade Initiative.

This concludes my update, Chair.

Thank you for your attention.