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UNIDO activities related to agribusiness, trade capacity-building and job creation

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Report by the Director General

UNIDO promotes social inclusion, economic competitiveness and environmental sustainability by providing an integrated package of services across its four complementary functions: technical cooperation; policy advice; norms and standards setting; and convening and building partnerships for knowledge transfer, networking and industrial cooperation.

The present document provides information on UNIDO's work in agribusiness development, trade capacity-building and job creation through UNIDO's four functions. It complements the information provided in both the *Annual Report of UNIDO 2017* ([IDB.46/2](#)) and the *Annual Report of UNIDO 2018* ([IDB.47/2](#)).

I. Introduction

1. Agri-business, covering all business activities from farming through processing and distribution to finally consumption is an important source of income and jobs in agriculture, manufacturing and services. The economic gains from agribusiness are transferred to other sectors through higher demand for inputs, technology, transport, communication, and quality infrastructure. The sector has great potential for growth in developing and least development countries, but it also has an impact on the change in land use, greenhouse gas emissions and climate change.

2. UNIDO recognizes the importance of reducing the agricultural and agro-industry sector's impact on the environment and is working to introduce environmentally-friendly agricultural and processing practices, including the reduction of postharvest losses and waste through technological improvements, process optimization and the utilization of by-products. This leads to increased agricultural output, while introducing a circular economy approach to achieve environmental sustainability. UNIDO recognizes the necessity to introduce a shift at the design stage and all along the value chain in order to capture value from waste and change from a linear economy of production and consumption to a circular model, where agri-business plays a key role.



3. UNIDO uses the value chain approach to leverage benefits from linking agriculture, agro-industry and other economic sectors. UNIDO programmes support product, process, functional, and value chain innovation and upgrading by building a favourable business environment for the private sector to grow, innovate, learn and compete.

4. Partnerships with international financial institutions, the private sector, academia and civil society are a strategic priority for UNIDO to accelerate and scale up its development impact. Tangible results have been achieved in enhancing local productive and trade capacities and enhancing competitiveness. UNIDO has also helped build social inclusion and the real economy, while reducing the impact of agribusiness on the environment in many countries and geographical regions.

II. Analytical, research, policy advisory services, and norms and standard-setting

5. In the context of globalized production and trade, as well as rapid technological progress, producers from developing countries need to meet internationally agreed-upon standards, such as those for labour, health, safety (phytosanitary) and environment, in order to maintain their competitiveness. Increasingly, privately agreed-upon standards and additional product and quality specifications, most often defined by lead firms in value chains, must also be met. Conforming to these standards either through mutual recognition or harmonization has become a prerequisite for participating in regional and global value chains.

6. Demand for UNIDO's services in designing quality policy, establishing quality infrastructure systems, addressing food safety issues, enhancing innovation, ensuring industrial safety and security, and fostering the economic inclusion of vulnerable populations groups is growing.

7. As a response, UNIDO has published the *Food Safety Approach* in five different languages, as well as a set of three guiding documents: *Quality Policy Guiding Principles*, *Quality Policy Technical Guide* and *Quality Policy Practical Tool*. UNIDO has further developed the *Quality Infrastructure for Trade Facilitation Toolkit (QI4TF)* for the effective implementation of the Trade Facilitation Agreement (TFA). It has also issued the publication *Mainstreaming Gender in Cluster Development*, presenting the results of technical cooperation activities in Côte d'Ivoire, India, Morocco, Peru, Tajikistan, Tanzania and Tunisia, and providing tools to project developers.

8. UNIDO created a global e-commerce index to measure the impact of e-commerce on global industrial development, as well as an online training course to catalyse e-commerce skills development. The *UNIDO Guideline on Good Governance and Professional Practices for Organizations and Personnel of the National Quality Infrastructure* seeks to support the enhancement of national quality infrastructure by removing technical barriers to trade. A joint report by UNIDO and ITC, *Status, Opportunities and Challenges of BRICS E-commerce* provides recommendations on strengthening cooperation within BRICS for the promotion of e-commerce-based trade.

9. Based on the recommendations contained in the 2015 independent thematic review of UNIDO interventions in the area of enterprise development for job creation, including for women and youth, UNIDO finalized the UNIDO Youth Strategy which was launched during a briefing to Member States on 17 July 2019.

III. Technical cooperation programmes

10. UNIDO continues to implement a range of technical cooperation programmes on agro-industries and rural development, trade capacity-building and job creation. These focus on activities such as establishing agro-industrial parks; upgrading value chains;

improving national standards and quality infrastructure and fostering business innovation through the development of small and medium-sized enterprises, clusters and entrepreneurship; promoting investment and the adoption of Industry 4.0 technologies; as well as developing entrepreneurial skills of vulnerable groups, such as youth, women, migrants and ethnic minorities.

11. UNIDO supports the establishment of four integrated agro-industrial parks as well as rural transformation centres in Ethiopia; an agro-industrial platform and centre of excellence for the processing of staple food crops in the Democratic Republic of the Congo; and three agro-poles in Senegal, to attract investment into high-value added activities and create jobs and income.

12. UNIDO is supporting the governments of Pakistan to establish a leather industry park, with treatment facilities that take into account climate adaptation.

13. UNIDO has recently launched an initiative in Northern Midlands and Mountainous, Central Highlands, and the Mekong River Delta, to establish centres of excellence to strengthen agro-value chains in Viet Nam. The project intends to strengthen technical and managerial capacity of rural communities to ensure their employment and income.

14. The Organization continues to develop and manage programmes that help agro-value chain upgrading, including programmes in Colombia (coffee, cocoa and cotton); Egypt (horticulture); Lebanon (dairy and apiculture); Mongolia (dairy and meat); Mozambique (Ibo specialty coffee); and Uganda (banana).

15. Together with the Food and Agriculture Organization of the United Nations (FAO), UNIDO is implementing a project in Sudan to upgrade the sesame seed value chain. The project increases the capacity to comply with food safety and phytosanitary requirements and to implement good agricultural practices (GAP) codes, standards and regulations.

16. The Accelerator for Agriculture and Agro-industry Development and Innovation (3ADI+) was redesigned as a global development programme in partnership with FAO. In 2018, value chain analyses were conducted in three pilot countries: Bangladesh, Suriname and the United Republic of Tanzania.

17. UNIDO projects in Colombia, Côte d'Ivoire, Gambia, Morocco, Pakistan, Peru, Senegal and Uganda addressed unsustainable agricultural practices, misuse of land and water, loss of biodiversity and dependency on non-renewable energy.

18. UNIDO's flagship project to promote women's economic empowerment in the MENA region launched its second phase in collaboration with FAO and UN-Women. UNIDO also provided technical assistance to improve the livelihoods of women in rural communities, such as in Ethiopia, through moringa-based economic development, and in Mali, by capacitating women's groups with entrepreneurship skills.

19. The Organization continues to prioritize human security needs in crisis-affected regions, implementing 31 projects in 13 countries, including Côte d'Ivoire, Iraq and Liberia.

20. In South Sudan, UNIDO is supporting agro-value chain development to create employment and income opportunities for internally displaced people and host communities by providing skills and entrepreneurship training while strengthening capacities in selected quality institutions. UNIDO also developed the National Quality System of South Sudan and strengthened the national quality infrastructure by providing capacity-building services to the South Sudan National Bureau of Standards.

21. Under the West Africa Competitiveness Programme, UNIDO supports Sierra Leone's regional value chain development for cocoa, cassava and palm oil. Through the programme's Ghana component, UNIDO helps enhance the competitiveness of

product groups such as processed fruits, cassava, and cosmetics and personal-care products, with a strong regional and global potential for job creation and growth.

22. UNIDO has implemented several projects under the Aid for Trade Initiative for the Arab States (AfTIAS), at both the intra-regional and national levels. Through AfTIAS, capacities of Palestinian institutions were strengthened in the field of export performance and accreditation; Libya is now equipped with a national export strategy; a new approach for innovative industrial upgrading for Tunisian enterprises was adopted; and testing capacities in genetically modified organisms in Iraq were upgraded.

23. In Kyrgyzstan, UNIDO promoted linkages between local agro-processors and tourism value chains by modernizing and upgrading local value chains using a value chain mapping methodology. In Tanzania, UNIDO developed and strengthened linkages between horticultural producers and processors and key partners in the tourism sector, including hotels and supermarkets.

24. Fisheries is a crucial sector that promotes economic growth, food security and job creation. UNIDO supports the fisheries sector in Côte d'Ivoire, Ethiopia, the Gambia, Guinea, Mauritania, Senegal and South Sudan, and improves access to international markets through value chain development. UNIDO also mobilized funds for developing a food safety project targeting the fisheries sector in Cambodia.

25. The Global Quality and Standards Programme (GQSP) consolidates UNIDO and the Swiss State Secretariat for Economic Affairs (SECO)'s interventions in the area of quality and standards compliance into one global programme. This brings the added benefit of facilitating synergies and enhancing coherence among interventions in eight countries: Colombia, Ghana, Indonesia, Kyrgyzstan, Peru, South Africa, Ukraine and Viet Nam. In Indonesia, for example, UNIDO supports the upgrading of the seaweed, pangasius and pole and line tuna value chains to enhance their sustainability and competitiveness in local and international markets.

26. Technical cooperation projects addressing food safety were also developed and implemented in China, Kenya, Mongolia and Nigeria, as well as in 18 countries in the Arab Region.

27. UNIDO continues to promote the development of creative industries across two sub-regions in Africa, and in Asia and the Pacific, through seven projects benefiting youth and women in particular. UNIDO is also supporting sustainable skills development through 18 technical and vocational education and training projects across four sub-regions of Africa and Asia and the Pacific.

28. The UNIDO youth programme is being implemented in countries such as Armenia, Ethiopia, Iran (Islamic Republic of), Iraq, Madagascar, Mali, Myanmar, Namibia, Nigeria, Senegal, Sri Lanka, Tunisia, Turkey and Zambia, as well as across the MENA region, reaching over 10,000 beneficiaries to date.

29. Under the Entrepreneurship Curriculum Programme, UNIDO introduced entrepreneurship learning in secondary schools in Afghanistan, Egypt, Iraq and Nigeria.

30. In the Central African Republic, Chad, the Democratic Republic of the Congo, and Sao Tome and Principe, UNIDO improved the business environment and strengthened national institutions working on enterprise modernization. Twenty-three enterprises from these four countries were directly supported to strengthen their competitiveness, and 56 young entrepreneurs were trained to start up a business.

31. A UNIDO project in Morocco created 10,000 jobs through the investment of the Yazaki Corporation of Japan in three automotive plants in Morocco. The project enabled a strengthening of the industrial supply chain, skills development, export expansion and wealth creation.

32. The ITPO Nigeria collaborated with ECOWAS on the establishment of a Nigeria-Benin Agro Processing Zone along their common border. The ITPO Italy assisted representatives of three institutions and 15 companies from Mozambique by organizing over 150 business-to-business meetings between Mozambican delegates and Italian exhibitors, with the aim to promote technological transfer as well as identify potential commercial partners. ITPO Italy also supported the organization of a roundtable on investment opportunities in Côte d'Ivoire, Guinea, Mauritania and Senegal in the fishery and cold chain agro-industry sectors.

33. In Colombia, UNIDO helped micro, small and medium-sized enterprises in the agro-industrial and cosmetics sectors in the Valle del Cauca region to form and operate export consortiums. It also enhanced their product quality to comply with export requirements.

34. In Malawi, the recently concluded UNIDO project on standardization, quality assurance, accreditation and metrology designed the National Quality Policy and National Quality Strategy, as well as the Strategic Plan for 2017–2022 of the Malawi Bureau of Standards.

IV. Convening and partnerships

35. UNIDO global forum events have convening, advocacy and normative functions and are conducive to knowledge management. These events contribute to the elaboration of new norms and standards, research, technical cooperation and policy advice. By convening countries in a multilateral context, UNIDO provides important learning opportunities for the exchange of knowledge and best practices and to leverage the power of multi-stakeholder partnerships across the international system, academia and business.

36. Between 2016 and 2018, UNIDO organized several workshops and forums to bring together e-commerce stakeholders across BRICS countries to share their experiences, establish new partnerships and find innovative solutions to development challenges. A UNIDO-FAO joint programme supported by the Government of Japan aimed at accelerating youth employment and entrepreneurship development in agriculture and agribusiness has kick-started in Africa.

37. In the context of establishing Industry 4.0 knowledge-sharing platforms, several events have been organized to better understand opportunities and threats associated with frontier technologies driving the new industrial revolution and their impact on economic sectors and ISID. These events include the Global Forum on Nature-based and Convergent Technologies in Sochi (2018); the Belarus conference From Lean Management to Industry 4.0 (2018); the first Regional Conference on Industrial Development held in Bali on the theme of “Unlocking the Potential of Industry 4.0 for Developing Countries”, with a focus on the Asia-Pacific region (2018); the seminar on Industry 4.0 and Creative Economy: Promoting Inclusive Ecosystem in the Digital Era organized in Vienna (2019); and, the international conference on Ensuring Industrial Safety: the role of governments, regulations, standards and new technologies, that also took place in Vienna (2018) and in the context of which a memorandum of understanding was signed with Rostechndzor to cooperate on the regulation of industrial safety.

38. In 2019, UNIDO and UNDP signed a memorandum of understanding for the Start-Up Fund for Safe, Orderly and Regular Migration, created in 2018 by the United Nations Network on Migration.

39. UNIDO and the World Packaging Organization concluded a memorandum of understanding to provide tailored packaging solutions to upgrade agro-value chains and support agro-food industries in complying with international standards, accessing markets and creating sustainable production models.

40. The [International Quality Infrastructure Forum](#) organized by UNIDO in cooperation with the African Union Commission (AUC) in 2019 focused on the

contribution of quality infrastructure to the achievement of the SDGs and to the implementation of the African Continental Free Trade Agreement (AfCFTA).

41. UNIDO is engaged with the African Development Bank in the establishment of agro-processing parks in Ethiopia, Senegal, Uganda, the United Republic of Tanzania, and Zambia.

42. Under a new partnership agreement between the World Bank and UNIDO in the agribusiness sector, UNIDO provided technical assistance, including on fisheries, livestock and dairy in Bangladesh, and on food safety in Afghanistan and India. Recently the partnership expanded to Egypt and Viet Nam to cover food safety and private sector development.

V. Outlook

43. UNIDO will engage in the realization of an integrated programmatic approach designed to scale up the development impact of its work.

VI. Action required of the Conference

44. The Conference may wish to take note of the information contained in the present document.
