

UNIDO 2021 Input into the Report of the Secretary-General on Implementation of the Third United Nations Decade for the Eradication of Poverty (2018-2027)

The United Nations Industrial Development Organization (UNIDO) mandate is to promote inclusive and sustainable industrial development (ISID). ISID pursues the effective integration of the economic, social and environmental dimensions of sustainable development and therefore directly contributes to the achievement of all Sustainable Development Goals (SDGs) and the 2030 Agenda principle that "no one will be left behind". SDG 9 on industry, innovation and infrastructure reiterates the relevance of ISID, the Lima Declaration¹, the Abu Dhabi Declaration² and UNIDO's mandate.

UNIDO interventions through the following contribute towards realizing the objectives of the Third United Nations Decade for the Eradication of Poverty (2018-2027).

1) UNIDO Programmes for Country Partnership (PCPs) and Country Programmes (CPs)

The United Nations Industrial Development Organization (UNIDO) supports countries in advancing inclusive and sustainable industrial development and scaling-up impact towards the Sustainable Development Goals (SDGs) through its programmatic approach, namely the Programmes for Country Partnership (PCP) and country programmes. In 2020, 11 countries throughout the world were either implementing or programming Programmes for Country Partnership in addition to around 40 country programmes to foster economic growth and employment. Both programmatic approaches have played a pivotal role in countries' national response and recovery plans, and the UN's collective socio-economic responses to the COVID-19 pandemic.

2) The Third Industrial Development Decade for Africa 2016-2025 (IDDA III)

UNIDO's support to African countries through the implementation of the Third Industrial Development Decade for Africa (IDDA III) for the period 2016–2025 continued in 2020. The Organization notably led the finalization of the Joint IDDA III Roadmap, launched the comprehensive overview of Africa-centered ISID projects and programmes of all international organizations and donors. UNIDO also contributed to the preparation of the Africa Union Summit on Africa Industrialization and Economic Diversification scheduled to take place in November 2021 in addition to having organized the 2020 edition of the Africa Industrialization Day and pursued the Implementation of the IDDA III Championship initiative.

 $^{^{1}}$ Resolution of the General Conference, 15th Session in Lima, Peru in 2013, GC.15/Res.1

² https://www.unido.org/sites/default/files/files/2019-11/UNIDO_Abu_Dhabi_Declaration_1.pdf



3) Supporting structural transformation, productive employment and decent work

UNIDO has worked with artisanal and small-scale miners in several countries formalizing employment; promoting access to more responsible and efficient technologies; creating safer and healthier working conditions; improving access to financial services and to international markets and removing barriers for women. Artisanal and small-scale mining is mainly concentrated in rural and remote areas in developing countries and economies in transition. Increased access to resources, markets, services and skills for miners is essential for rural development and poverty eradication.

planetGOLD, a multi-stakeholder partnership that includes UNDP, UNEP, UNIDO, Governments and the private sector is working together to build a responsible, cleaner and safer artisanal and small-scale gold mining sector in 9 countries and to create a community that disseminates good practice on responsible natural resources management.

4) Contributing to the evidence-base to support poverty reduction through industrial policy research

Among the five pillars of the UN's socio-economic recovery framework, UNIDO's research has particular relevance for "How can strategies to support sectors and enterprises most impacted by the COVID-19 pandemic better prepare for future shocks?". This priority emphasizes the importance of the research that provides support strategies to the sector and enterprises most impacted by the COVID-19. In this area, UNIDO contributed to the generation of contextualized evidence on the impacts of COVID-19 on manufacturing activities in developing countries.

- a) Rapid response through the design and rolling-out of firm-based and policy-related surveys to capture specific channels of transmission from the sanitary emergency to manufacturing dynamics. Implementation of the survey mobilized local research capacities in coordination with UNIDO Representative offices. At the same time, the use of a consistent methodology for survey design allowed for the data to be comparable across different countries. The surveys assessed the different impacts of the pandemic across industries and among firms and workers of different characteristics, such as firm size, foreign/domestic orientation, gender and government policies. We have tracked the impacts over time and published six issues of the COVID-19 bulletins. Based on our research, we advocated necessary polices for inclusive and sustainable industrial recoveries and contributed to UN Rapid Socio-Economic Impact Assessments of COVID-19. We will continue to monitor the impacts of COVID-19 on especially vulnerable enterprises and groups of workers through our follow-up surveys and provide policy recommendations.
- b) UNIDO continued its support to developing countries to conduct evidence-based policymaking for trade integration by enhancing the features and data tools of its Industrial Analytics Platform (IAP). In 2020, the IAP played a vital role in UNIDO's first response to the COVID-19 crisis by providing timely and relevant analysis of, among other topics, the global trade's early disruptions in the first half of the year.

c) In a study by UNIDO⁶, sustainable industrialization and the development of a sizeable and productive manufacturing sector is associated with countries' progress in achieving their SDGs. There are direct links between industrial development and prosperity for people and the planet, and with the SDGs, including poverty reduction (SDG 1), hunger (SDG 2), health and well-being (SDG 3), employment and economic growth (SDG 8), reduced inequality (SDG 10), affordable and clean energy (SDG 7), responsible consumption and production (SDG 12), climate action (SDG 13), peace, justice and strong institutions (SDG 16) and partnerships (SDG 17) (see Figure 1 below).

SDG 9 --- > SDG 1 Socio-economic Higher wages paid in manufacturing jobs and new (formal) employment opportunities supports the eradication of extreme poverty **Poverty** SDG 9 --- SDG 3 (SDG 1) Improvements in human health and well-being were made possible by technological progress, e.g., new Health & vaccinations and drugs well-being (SDG 3) Quality **Economic** Industrialization SDG 9 --- > SDG 4 education growth (SDG 8) (SDG 9) Higher demand for skills (SDG 4) in industry improves the quantity and quality Decent work of education (SDG 8) SDG 9 --- > SDG 10 Industrialization fosters SDG 9 --- > SDG 8 labour movement and Higher rates of formal Reduced supports the employment improve working building of a middle inequality conditions of employees (SDG 10) class **Environmental** SDG 9 --- > SDG 6 Clean water Better infrastructure and (sewage, plumbing etc.) sanitation is not only directly related (SDG 6) to improved living conditions, but also facilitates the manufacturing process. Affordable and clean energy (SDG 7) SDG 9 --- > SDG 7 & SDG 4 Economies of scale and new production technologies Responsible increase input efficiency. consumption and production (SDG 12) SDG 9 --- > SDG 13 Manufacturing expansion affects emissions Climate action (SDG 13) Direct effects of industrialization No support from the data Strong support from the data Some support from the data Indirect effects via economic growth

Figure 1: Industrialization, economic growth and poverty

Source: United Nations Industrial Development Organization, 2020. Industrialization as the driver of sustained prosperity, Vienna