

## UNIDO

### **Update on UNIDO Participation in the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States**

UNIDO has been traditionally involved in technical assistance activities aiming specifically at LDC and Small Island Developing States (SIDS). **In November 2004 the total volume of the officially approved (completed and ongoing) projects for Island Developing States reached US\$ 44,512,2855.** Functionally, the main areas of UNIDO assistance have been concentrated in the field of small-scale industry development, employment and income generation, capacity building, export promotion, marine resources based industries, ecologically sustainable industrial growth, policy development, information networking, etc.

In that context, UNIDO's participation in the implementation of the Programme of Action for the Sustainable Development of Small Island Developing States proved to be a viable contribution to the achievement of its overall goals. At present it is concentrated in the following main clusters of activities:

#### **1. Cluster, tackling issues of SOUND ENVIRONMENT**

This set of UNIDO activities is of a particular relevance to the implementation of the basic components of the Programme. Within the framework of this cluster UNIDO provides its clients with a broad scope of services and technical assistance. In particular it renders policy formulation support involving preparation of environmental policies, standard-setting, regulation development support, development of environmental monitoring systems. UNIDO's focus is also on the control and avoidance of greenhouse gas emissions in the developing countries and this aspect of the climate change is an important issue for SIDS as a result of their vulnerability to sea level rise.

In the field of energy efficiency, rural energy development and cleaner production UNIDO services aim at achieving sustainable and efficient use of energy through the assessment and the analysis of the existing situation, introduction of new technologies, enhancement of energy-efficient measures, conducting energy audits in manufacturing plants. It assists in introduction and expanded use of renewable energy sources, increased energy efficiency in rural areas, identification and formulation of fundable rural energy development projects. Cleaner production services mainly concentrate their efforts on awareness raising (seminars, conferences, workshops, demonstration projects) ; on the provision of information services, training, transfer of the environmentally sound technologies on the establishment of national cleaner production centres.

#### **2. Cluster addressing the issues of PRODUCTIVE EMPLOYMENT**

This cluster is mainly focused on technical assistance in the field of SME policy and entrepreneurship development as well as upgrading agro-industries and related technical skills.

UNIDO has accumulated vast experience in provision of different services aimed at strengthening SME's component of the economies of developing countries. UNIDO assists in designing the effective process of SME policy formulation and improvement of institutional arrangements for governance of SME. UNIDO is being also engaged in developing networks of demand- driven institutions and support services to improve SME access to resources and markets, assisting in strengthening national capabilities to collect and analyse SME-related information for policy and programme formulation. In the context of its activities in the field of entrepreneurship development, UNIDO has provided various types of supports services the main objectives of which are to increase the number of entrepreneurs in developing countries, to improve their skills and knowledge, to increase their access to such critical inputs as finance and physical infrastructure, to establish and strengthen business centres, business incubators as a special form of business support service.

In its attempts to assist SIDS to upgrade their agro-industries UNIDO has provided technical and economic support to link industry with agriculture through processing technologies. Different components of these services tackle the issues of technology improvement, quality of products, health and environmental regulations and special attention is paid to the sustainable development of food-processing industries and agriculture, provision of advice on problem identification, development of national capacities for research and technology development.

### **3. UNIDO assistance to SIDS in the field of COMPETITIVE ECONOMY**

In this area UNIDO has been trying to render its services in industrial policy formulation and implementation; statistics and information data bases networking; metrology, standardisation, certification and accreditation; continuous improvement, quality management and investment and technology promotion. In case of SIDS, UNIDO has focused its efforts on the provision of a comprehensive industrial policy support, assistance in formulation of policies aimed at improving the industrial competitiveness in export and domestic markets, facilitation of performance improvement and investments, formulating new approaches to attract foreign investments and technologies.

Trade liberalisation and exposure to the global market have been major factors which actively pursued SIDS to raise the level of products quality and to conform to a growing number of international standards including health and environment. In that context a package of metrology, standardisation, certification and accreditation services supports developing countries in their adaptation to the new global trade and market environment, make their economies less vulnerable to the impact of negative international economic trends.

In case of investment promotion UNIDO concentrated its efforts on producing in SIDS an enabling environment for attracting investment and technologies, strengthening required institutional infrastructure, improving access to information on markets and capabilities of developing countries to attract and negotiate investment inflows and technology transfer. For that purpose selected UNIDO projects provided assistance in the establishment of and upgrading of investment promotion agencies; supported in setting up technology centres, establishment and operation of subcontracting partnership exchanges (SPXs).