

# THE PROGRAMME FOR COUNTRY PARTNERSHIP: MOBILIZING PARTNERS AND RESOURCES FOR LARGER DEVELOPMENT IMPACT

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## **What is the Programme for Country Partnership (PCP)?**

The PCP is UNIDO's innovative model for accelerating inclusive and sustainable industrial development in Member States. Aligned with the national development agenda and focused on sectors with high growth potential, the programme supports a country in achieving its industrial development goals.

The PCP rests on a multi-stakeholder partnership led by the host government. It builds synergies with ongoing government and partner interventions relevant to industrial development. The PCP is also designed to leverage additional investment in selected priority sectors. As such, it is a model that mobilizes partners and resources to achieve larger development impact.

For UNIDO, the PCP serves to operationalize the Organization's mandate and SDG 9. At the same time, it is a model that can be used to implement the broader SDGs.

## **UNIDO's role**

UNIDO takes a leading role during the entire PCP cycle: from initiation and preliminary assessments, to consultations with different stakeholders and programme development, and throughout implementation. The Organization provides guidance and drives PCP interventions jointly with the government, who maintains ultimate ownership of the programme to ensure sustainability. At the same time, UNIDO facilitates overall PCP coordination and provides an advisory function to the government on all industry related issues.

UNIDO supports the government in developing a strategy for prioritizing and ultimately accelerating industrialization through the PCP. This includes identifying priority industrial sectors, namely those with a strong potential for job creation, increasing exports and attracting foreign direct investment. UNIDO conducts value chain assessments within these sectors and advises on which interventions are required to advance inclusive and sustainable industrial development. During these processes, UNIDO identifies and reaches out to essential partners, with a focus on leveraging large-scale public and private investment.

Additionally, a multidisciplinary UNIDO team provides technical assistance for the execution of the programme in line with the three pillars of ISID: promoting shared prosperity, advancing economic competitiveness and safeguarding the environment. This includes, among other interventions, skills training programmes, industrial energy efficiency projects, and conducting feasibility studies for the establishment of major industrial projects, such as industrial zones.

## **Key features**

The PCP is not a static template, but a custom-built partnership formula with each beneficiary country maintaining ownership of the entire process. The PCP builds on UNIDO's traditional technical assistance provision, but adds new features that make it especially relevant for current development challenges and achieving ISID.

The main new features of the PCP include: coordination under the leadership of the host government; selected priority sectors or areas; a multi-stakeholder partnership; and the mobilization of large-scale public and private finance.

### **1. Coordination under the leadership of the host government**

The PCP is characterized by strong government ownership at the highest political level. This entails guidance and leadership of the programme, alignment with national industrial development goals, and a leading role in resource mobilization.

A national coordination mechanism is set up under the leadership of the government in order to effectively manage the partnership. It brings together all relevant ministries, including the Ministry of Finance, and development partners. It is responsible for overall PCP coordination, prioritizes projects and programmes, ensures synergies between funding and investment from different partners, and monitors progress.

### **2. Selected priority sectors or areas**

The PCP focuses on selected number of priority sectors or areas essential to the government's industrial development agenda. Priority sectors are typically selected based on job creation potential, availability of raw materials, export potential and ability to attract investment. A prioritized area can be of a cross-cutting nature, such as the development of sustainable industrial zones. A focused approach enables UNIDO to concentrate its diverse, in-house expertise, and maximize impact in areas key to the country's industrial development.

### **3. Multi-stakeholder partnership**

The PCP is a multi-stakeholder partnership from programme design to implementation. It links the industrial development efforts of the respective national government, United Nations agencies, development partners, financial institutions, the private sector, academia and civil society.

Each of these different actors has its own set of priorities, limitations and advantages that need to be utilized in a coherent manner to avoid duplication of activities, to capitalize on the strengths of each,

and to result in overall greater impact. Once partners are united under the umbrella of the PCP, there is greater synergy and ease in leveraging larger investments for ISID.

#### **4. Mobilization of large-scale public and private investment**

The PCP facilitates the mobilization and coordination of three streams of resources: public investment, private sector investment, and technical assistance. The host government plays a lead role in the mobilization of resources for the implementation of the PCP. This is done in part through the direct allocation of its own resources and in part through loans, for example for industrial infrastructure development. Such public investment under the PCP helps to mobilize additional private finance.

The PCP supports the government in improving the overall business environment and in promoting specific investment opportunities to attract domestic as well as foreign direct investment. At the same time, UNIDO provides technical assistance designed specifically to unlock large-scale funding from development partners, such as development finance institutions and bilateral donors. Such support includes, among others, conducting feasibility studies to facilitate partners' investments.