UNIDO *methodologies, tools* and *networks* for partnership promotion

UNIDO- Key Facts

- UN Specialized Agency since 1986
- Lead role within UN system on industrial development
- Constitutional mandate to promote sustainable industrial development in developing countries and countries in transition
- Focus on technical cooperation: policy advice, institutional capacity-building and business development services

UNIDO- Key Figures

- Staff on board (non-project) : 650
  (2006)
- Budget (regular+operational) : € 174 million
  (2006-07)
- Technical cooperation delivery : $ 227 million
  (2006-2007 est.)
- Project expert appointments : 2,850
  (per year, about half from developing countries)

UNIDO exchange

Long-term Goal	To contribute to the achievement of the Millennium Development Goals (MDGs), in particular to **poverty eradication through sustainable industrial development**.		
Thematic Priorities	***Poverty reduction through productive activities***	***Trade capacity-building***	***Energy and environment***
Programme Components	Industrial Policy, Business Environment and Institutional Support	Enterprise Upgrading for Trade Enhancement	Renewable Energy
	Rural and Women's Entrepreneurship Development	Competitiveness Analysis and Trade-related Policies	Climate Change and Industrial Energy Efficiency
	SME Cluster Development	Innovation Systems, Technology Management and Foresight	Cleaner and Sustainable Production
	Agro-processing and Value Chain Development	Modernization of Export-oriented Agro-industries	Water Management
	Rural Energy for Productive Use	SME Export Consortia	Montreal Protocol
	Sustainable Production in Poor Communities	Corporate Social Responsibility for Market Integration	Stockholm Convention
	Technology Diffusion	Standards, Metrology, Testing and Conformity	
	Promotion of Domestic Investment, FDI and Alliances		

UNIDO seeks to foster **business and knowledge partnerships** by promoting an **integrated value chain** that combines:

investment and technology promotion **methodologies**

e-appraisal and feasibility tools

e-networking and partnerships

UNIDO Methodologies (1/2):

Guidelines for Project Evaluation:

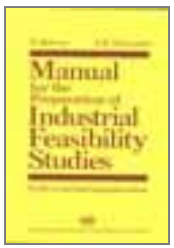
- need for project evaluation and government objectives
- detailed discussion of the shadow prices
- meaning/significance of national parameters, social rates of discounting, social values of investment, shadow prices of unskilled labour and foreign exchange, role of national planning in project formulation and evaluation

Manual for the Evaluation of Industrial Projects:

- operational step-by-step methodology for industrial project evaluation

UNIDO Methodologies (2/2):

Guide to Practical Project Appraisal - Social Benefit-Cost Analysis in Developing Countries:
- important aspects of project appraisal, e.g. economic and social benefit-cost analysis of investment projects



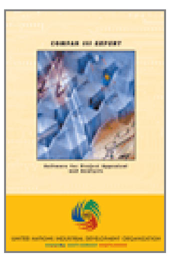
Manual for the Preparation of Industrial Feasibility Studies:
- pre-investment studies and investment project cycle
- feasibility study (market research, raw materials, engineering and technology, organization and overhead costs, human resources, implementation planning, financial analysis and investment appraisal)
- fully compatible with the third generation of UNIDO's Computer Model for Feasibility Analysis and Reporting, **COMFAR**

UNIDO tools:

COMFAR III Expert:

computer software to simulate the **short-** and **long-term** financial and economic situation of investment projects, it permits the analysis of:

- industrial/non-industrial projects
- new investments/rehabilitations
- expansions/joint ventures
- privatization projects
- CDM/JI (Kyoto Protocol) module



Example: **C**ompany **P**roject **P**rofile (CPP)

UNIDO software devised to facilitate the formulation of standardized investment projects in preparation of their screening and subsequent promotion.

UNIDO e-platform // UNIDO Exchange:

UNIDO operates its global **UNIDO Exchange** platform to promote and concretize networking opportunities for its partner institutions/affiliates:

Marketplace:
investment/cooperation opportunities, technology offers, offers/requests for products and services from all UNIDO ITPOs and their partners

Knowledge sharing:
specialized knowledge on selected sectors and UNIDO areas of expertise

Support services:
implementation of tailor-made services in support of information dissemination and networking requirements of UNIDO client countries

www.unido.org/exchange

UNIDO networks (1/4):

the “**last partnership mile**” is being undertaken by UNIDO’s networks; they bring together its public/private partners and their associates

19 Investment and Technology Promotion Offices/Units:
they are one-stop shops for investment promotion and technology transfer:
- dissemination of investment information
- identification and promotion of investment opportunities
- provision of training in promotional techniques
- matching project sponsors with potential foreign investors

ITPOs/IPUs link with the business community and development agencies in the host countries as well as with companies interested in industrial partnerships in developing and transition economies

UNIDO networks (2/4):

10 International Technology Centres:

UNIDO is the only UN agency to establish and operate ITCs to promote:
- international collaboration
- transfer/diffuse technological knowledge
- build up technology partnerships

Each Centre has a network of government institutions, industrial associations, R&D institutes, universities, professional societies...

ex.: **solar energy**/Australia, **materials assessment**/Brazil, **manufacturing technology**/India, **hydropower**/India, **high technology**/Italy, **biotechnology**/Russia, etc.

UNIDO networks (3/4):

31 National Cleaner Production Centres:

Together with UNEP, UNIDO provides assistance to 31 NCPCs to:

- build national CP capacities
- foster industry/government dialogue
- enhance investments for transfer development of environmentally sound technologies

Through the NCPC programme, UNIDO **bridges the gap between competitive industrial production and environmental concerns** to replace costly end-of-pipe pollution control systems with a strategy that reduces and avoids pollution/waste throughout the entire production cycle, from efficient use of raw materials, energy and water to the final product

UNIDO networks (4/4):

57 Subcontracting and partnership exchanges:

SPXs bring together enquiries for and offers of subcontracting work and outsourcing and provide:

- technical information
- promotion/matching of capacities, processes and production or industrial service specialities

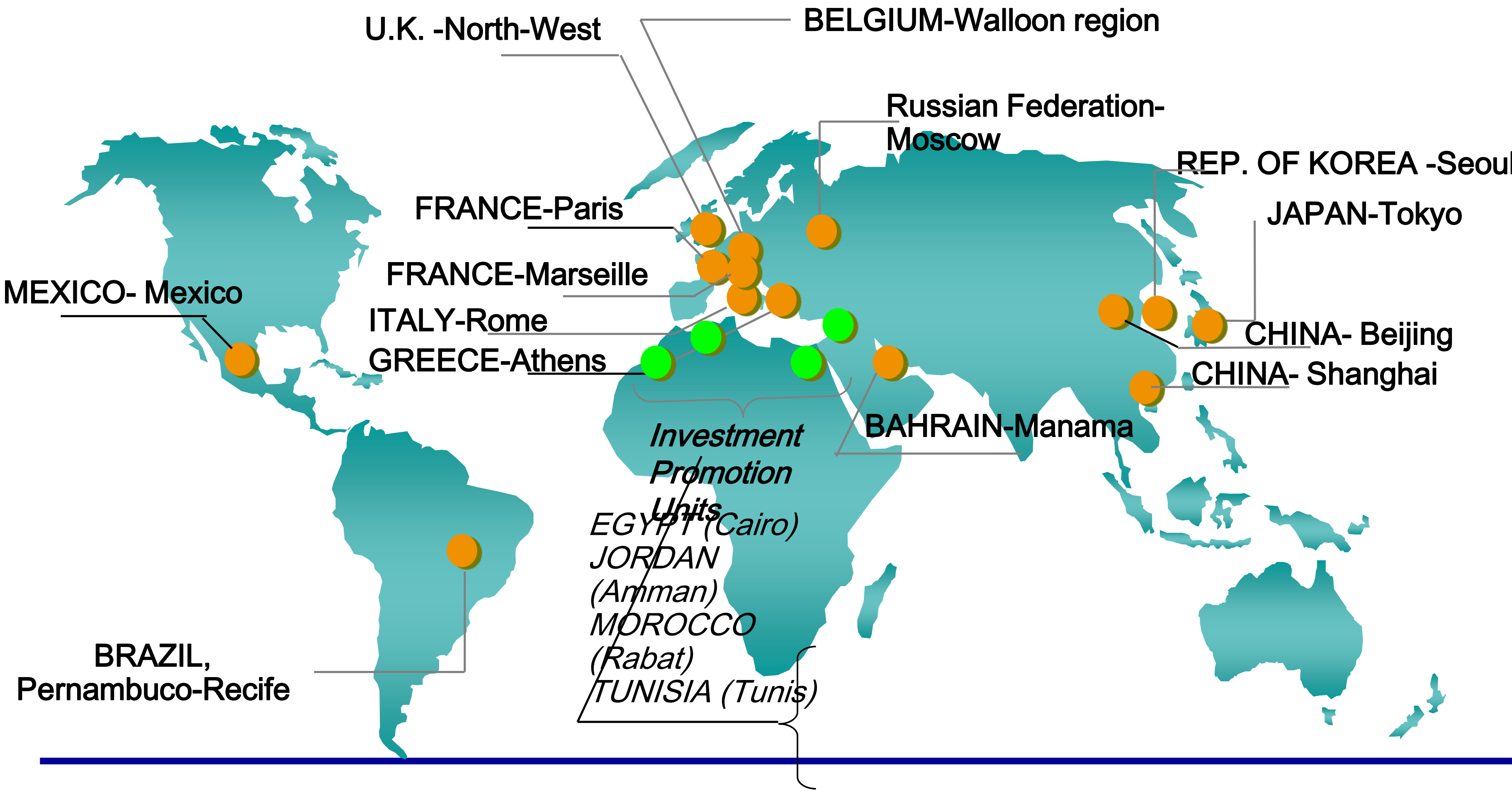
The UNIDO Supply Chain Development Programme (SCDP) assists developing countries to connect to the global subcontracting and supply chain networks by **increasing the productivity through linkages with national and international production systems and global value chains** for global partnerships and integration of developing countries

ITPOs: Mission & Mandate

- UNIDO network of ITPOs brings industrial investment and latest technology to those countries in need of a promotional helping hand

- It opens up new opportunities for investors and technology suppliers to link up with potential partners in developing countries and countries with economies in transition

ITPOs: worldwide Network



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Track-Record 2005

• Total number of investment and technology projects promoted annually	➡ 2,134
• Average value of projects promoted	➡ less than US$ 1 mln
• Total number of projects realized	➡ 161
• Total investment value generated	➡ US$ 422.8 mln
• Total number of new jobs created in developing countries	➡ 8,149
• Total number of country presentations	➡ 221

Services

Information Fast Lane

- Legal and economic conditions
- Opportunities for industrial cooperation
- Investment financing

Partnership Promotion

- Establishing/maintaining contact with host country companies
- Advisory services at each stage of investment cycle
- Targeted investment/technology promotion

Services

Business Negotiations

- One-to-one meetings
- Tours of project sponsors
- Tours of potential investors
- Country presentation tours

Delegates Programme

- On the job training in investment promotion techniques
- Promotion of a portfolio of screened investment/technology projects
- Business negotiations
- Follow-up as a contact point

Enterprise Development Programme

Business development services and establishment of business incubators & technology park

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Linkage with financial institutions, credit facilities

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Counseling & technology sourcing
market access
partnership promotion

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Capacity building services/training