2022-23 INTERNATIONAL MAYORS FORUM

Dakar, Senegal
25-28 April, 2023

https://unosd.un.org/events/2022_IMF

DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS

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Agenda of 2023 International Mayors Forum
25-28 April 2023, King Fahd Palace Hotel, Dakar, Senegal

Session 5

"SDG 9 – Resilient Infrastructure, Inclusive and Sustainable Industrialization, and Innovation"

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Cities are key for sustainability

Cities = 80 % of global GDP.

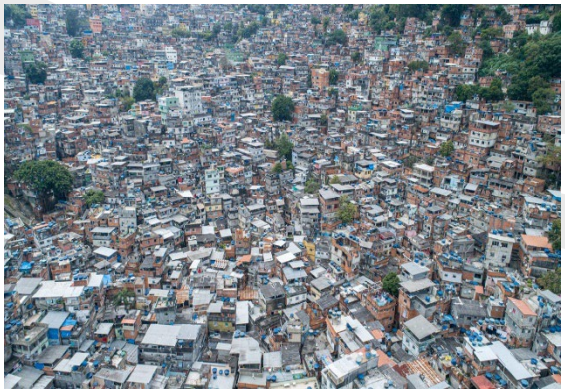
Cities = 70 % of global Greenhouse gas emissions.

Cities = 60% of the world population (2030). 1 out of 3 in cities with at least half a million inhabitants.

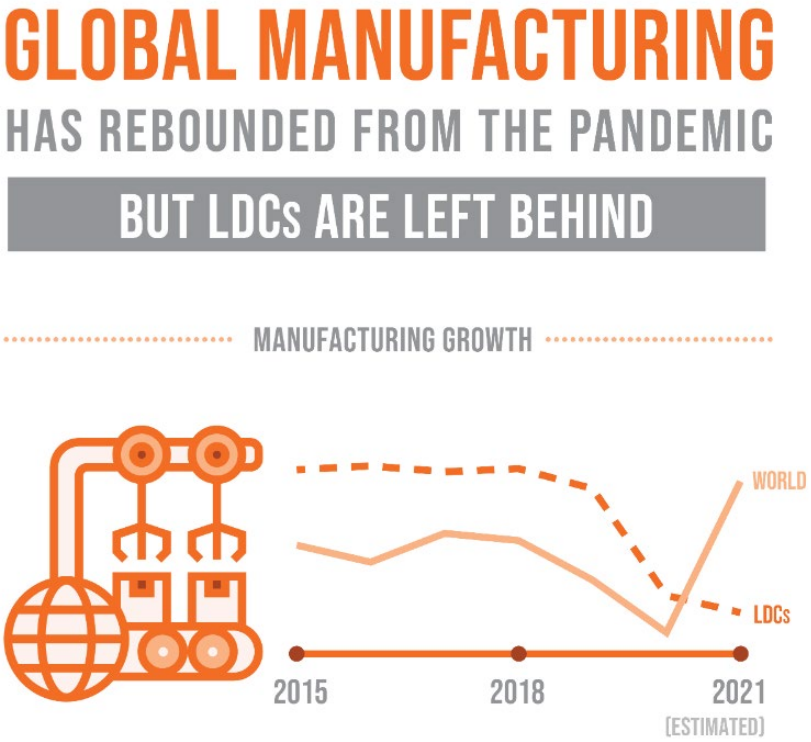
SDG 9: Infrastructure, Industrialisation & Innovation

My Focus

“Digital Transformation & Partnerships as Pathways to Achieve Inclusive and Sustained Industrialisation in the cities and urban areas” with special focus on the larger cities in the LDCs

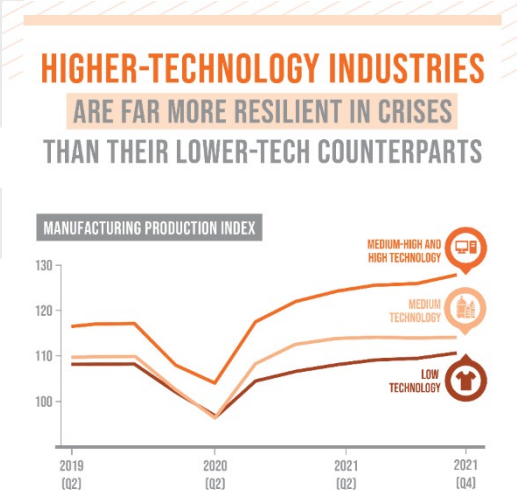


De-industrialisation?



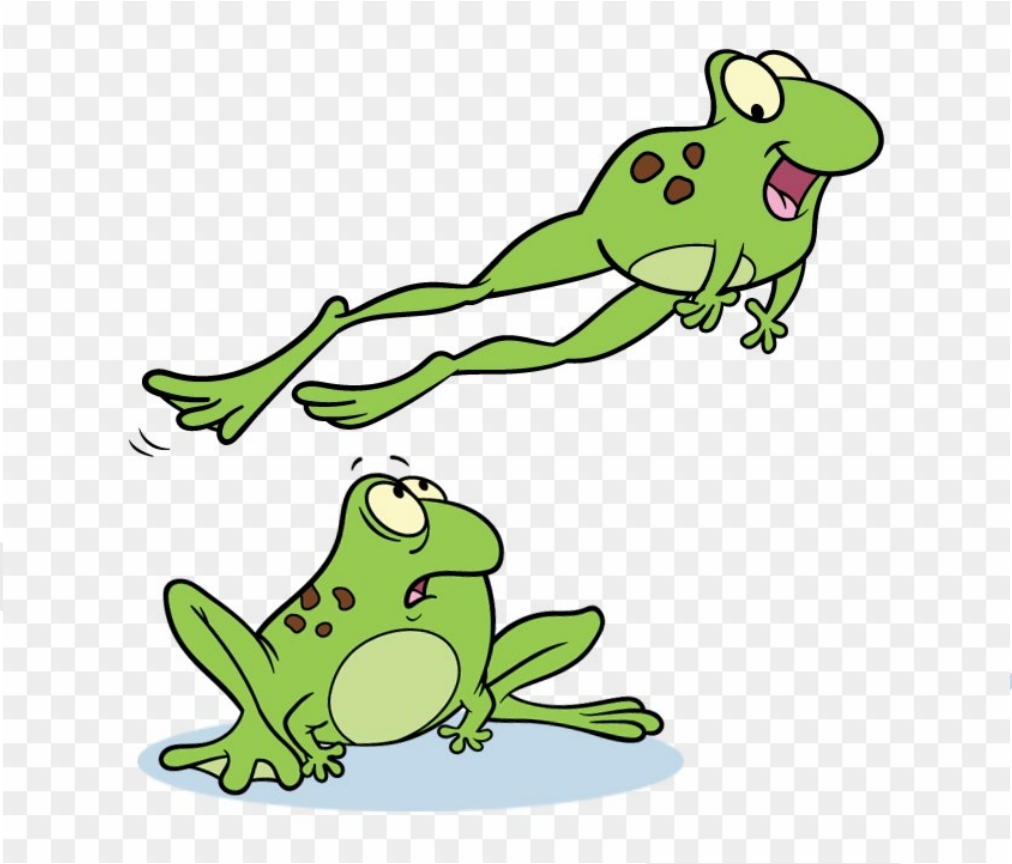
(Source: The SDR 2022, https://sdgs.un.org/goals/goal9)

SDG 9 Needs to be Prioritised for Urban Development



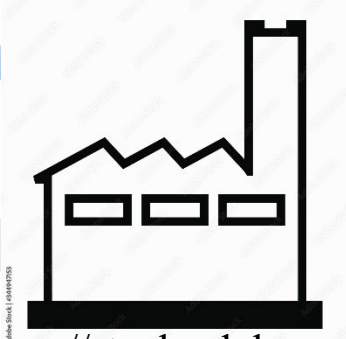
THE SUSTAINABLE DEVELOPMENT GOALS REPORT 2022: UNSTATS.UN.ORG/SDGS/REPORT/2022/

Both quantity and quality



Strengthening of Productive Capacities in the Developing Cities: An Imperative

- What are productive capacities?
  - Productive resources (including human and talents)
  - Entrepreneurial capabilities
  - Production linkages (supply and value chains)
- Different stages of capacities & economy
  - Factor driven
  - Efficiency driven
  - Innovation driven

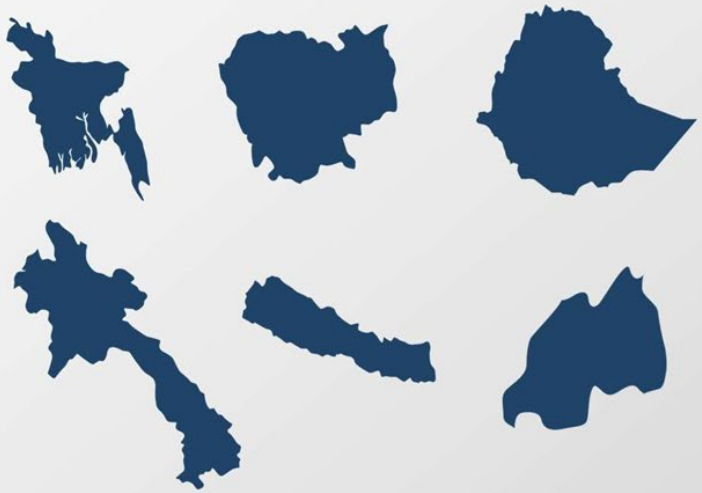


https://stock.adobe.com/

Success Story

- Since 2000 a few LDC countries have managed their economic transformation successfully.

e.g. Bangladesh, Cambodia, Ethiopia, Myanmar, Lao PDR, Nepal, Rwanda

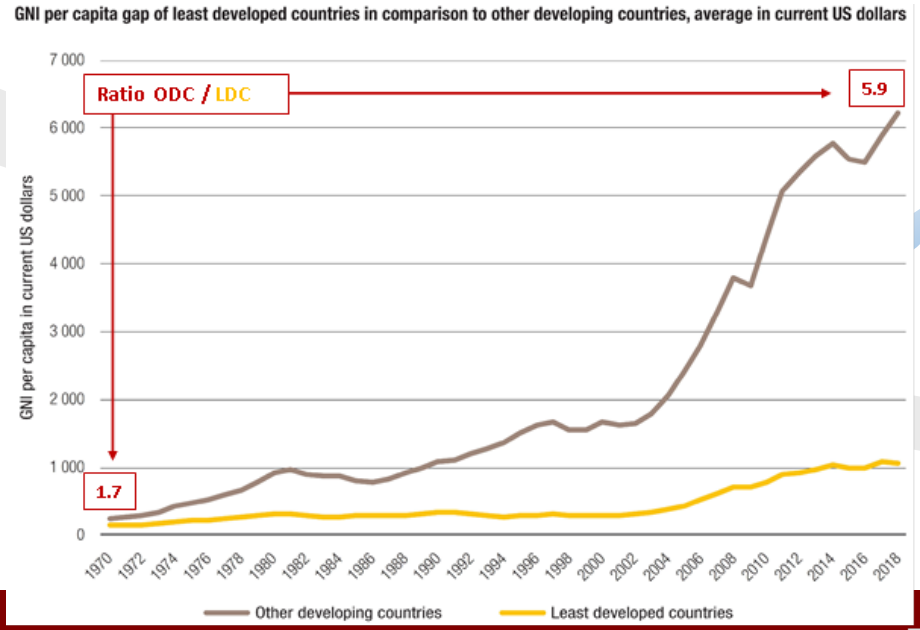


- ↗ industry
- ↗ modern service sectors
- ↗ ↗ labour productivity

(Source: UNCTAD LDCR 2020)

Most of LDCs..

- Low productivity sectors predominate, such as traditional agriculture and traditional services. In turn, they
  - hold down the standard of living (UNCTAD, 2020 LDCR)
  - Constrain the country's financial capacity to engage in the SDG transition



(Source: UNCTAD LDCR 2020)

4IR contributes to Target 9.2 &

- **Target 9.2**, Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national (local) circumstances, and double its share in least developed countries

4IR and ADP

- Fourth Industrial Revolution (4IR) = digital transformation of the value creation processes of agricultural production, manufacturing and services at different levels.
- ADP technologies are at the core of smart factories and new production ecosystems that combine hardware (3D printing, robotics, drone), software (AI, ML, data analytics) and connectivity (IOT, cloud computing) in addition to energy generation and storage.

International Consensus for Rapid Adoption

- 2019 **Abu Dhabi Declaration** adopted at the 18th General Conference of UNIDO
- "New technologies associated with 4IR, with both transformative and disruptive potential, offer great opportunities **to advance inclusive economic growth, reduce inequality and contribute to Sustainable Development**, resilience and human well-being, to address climate change and safeguard the environment in the framework of a circular economy as one of the means to achieve sustainable development" (Clause 11).

Digital Technologies as Potential Accelerators?

- Digital technologies could make it possible for LDCs to leapfrog development stages by shortening the learning curve. Some examples in Tanzania (drones and medicine), Tanzania (ICT for drug store inventory management)
- Policy challenge:
  Prioritising SDG 9 that will increase production capacities and productivity gains while support social and environmental objectives

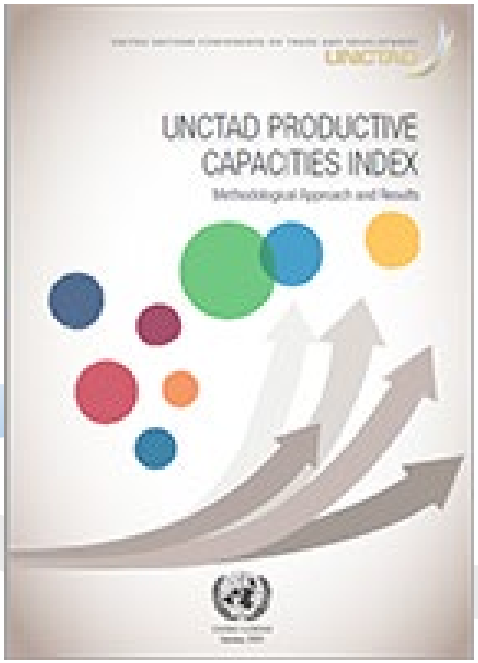
Digital Technologies as Potential Accelerators? -2

By an large, LDC's hopes to leapfrog did not happen – mobile use increased, but producers' (firms and farms) adoption of ADTs "insipient"

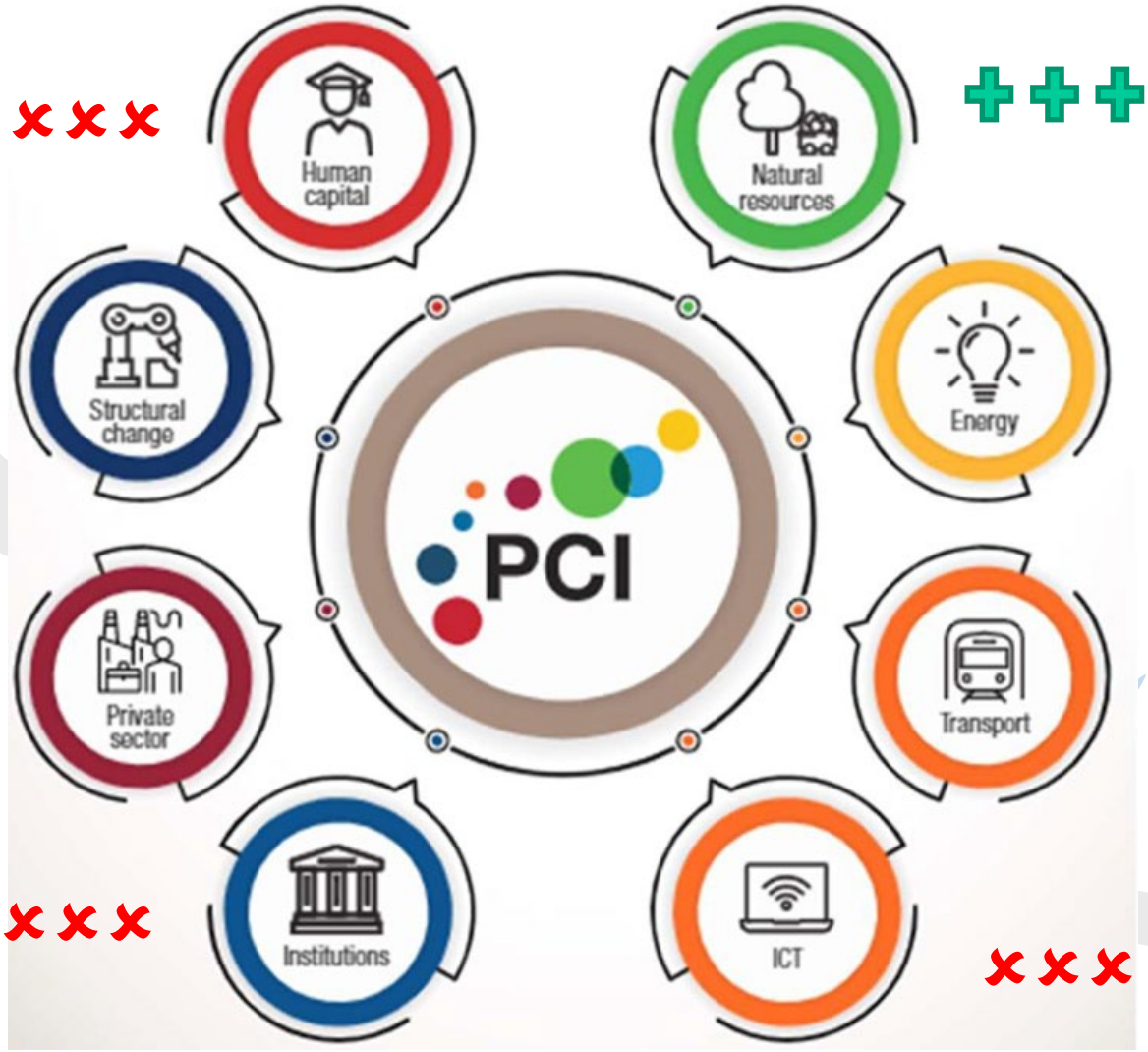
(Source: Rolf Traeger, 2021, Launching of LDCR)

PCI

- UNCTAD has developed a Productive Capacity Index (PCI, https://unctad.org/topic/least-developed-countries/productive-capacities-index) - first comprehensive attempt to measure productive capacities **in all economies** and construct a multidimensional index that can provide country-specific insights and diagnostics of productive capacity development.



Weaknesses of PC in LDCs
(UNCTAD, 2020 LDCR, based on PCI)



Policy Dilemmas

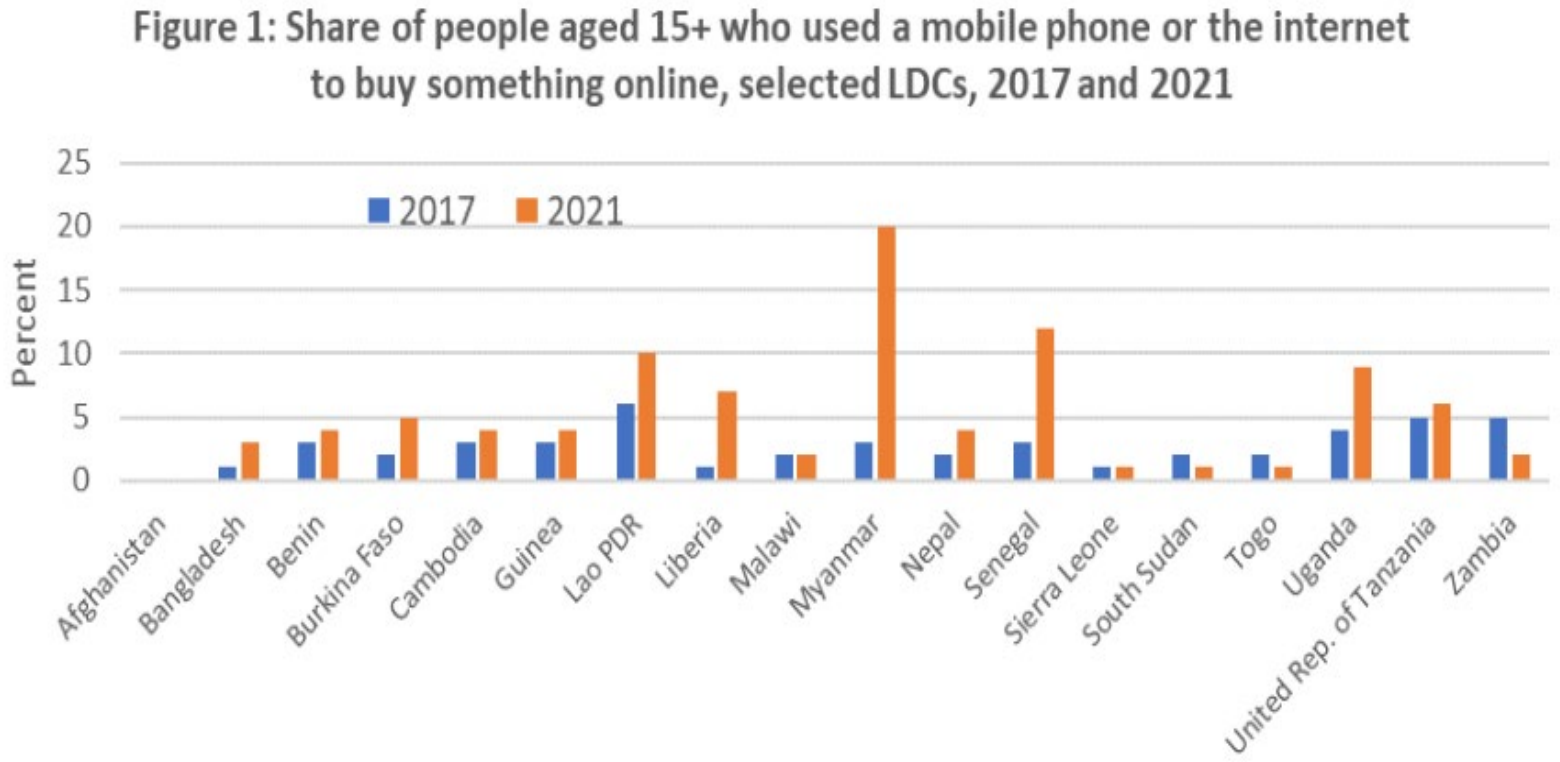
- Digital divide and equitable access?
- General low level literacy and numeric skills?
- Incremental transformation vs Discontinuous transformation?
- Push for digitalisation – winners and losers?
- Youth engagement and participation – STEM + Entrepreunerial capacities versus older workforce
- S&T poverty (availability, access, human capital, demands) vs other societal needs
- Financial resources and win-win partnerships

(adopted from Forbes
Sep 19, 2013, 11:07am EDT)

Good Practices

- Cape Verde – youth skill development coupled with mentoring and business incubation in digital economy
- Business facilitation – M-PESA, non bank banking service in Africa
- Innovative business models (SSEOs) & cooperative platforms
- Targeting women and girls

E-commerce and Supply Side of Trade



https://www.un.org/technologybank/news/ldc-insight-4-strengthening-digital-capacities-least-developed-countries-even-more-urgent-post

Partnerships for Technology Transfer

- **Target 17.6,** Enhance North-South, South-South and triangular regional and international cooperation on and **access to science, technology and innovation and enhance knowledge sharing** on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through a **global technology facilitation mechanism**
- **Target 17.8,** Fully operationalize the technology bank and science, technology and innovation capacity-building mechanism for **least developed countries by 2017** and enhance the use of enabling technology, in particular **information and communications technology**

Partnerships for Technology Transfer

- **Target 17.16,** Enhance the **Global Partnership** for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries

- The elephant in the room is "IPRs" and the role of World Intellectual Property Organisation (WIPO)

4IR contributes to Target 9.2

- **Target 9.2**, Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries

The Enabling Conditions for Launching 4IR

1. Digital skill development through quality education & TVET (SDG 4)
2. Equitable access to economic opportunities, e.g., business license, export permit and decent work/wage (SDG 8)
3. Supporting SME development through designated authority, especially for the ones engaged in production of transforming raw materials into products
4. Equitable access to ICT infrastructure

(Source: Saner-Yiu, 2021, UNIDO Working document on Fourth Industrial Revolution Strategic Framework)