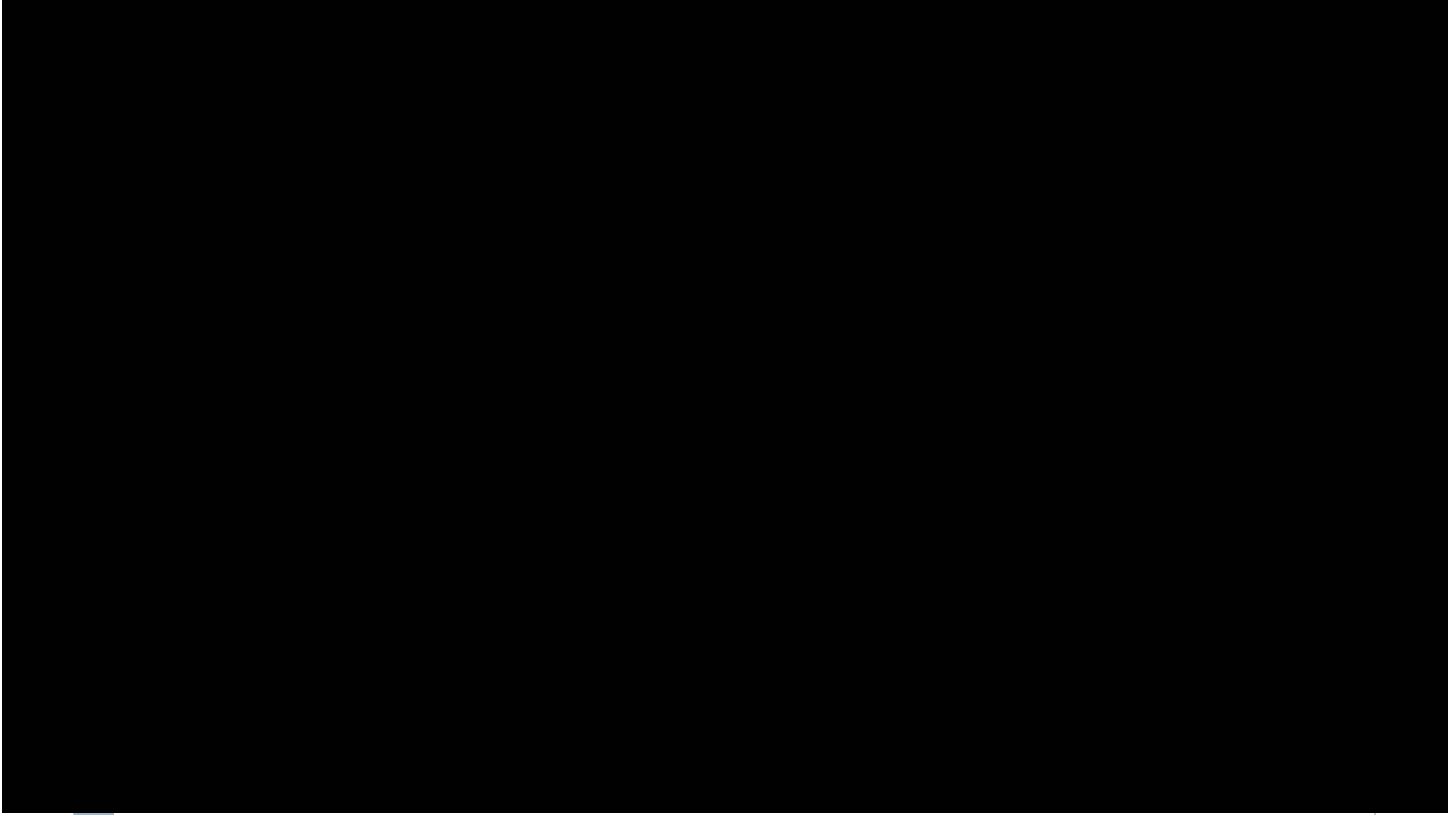




Innovation
Development &
Entrepreneurship
for All

IDEA Creating a leading private sector

IDEA is a 5-step modular programme



IDEA fulfills LDC Member States' needs

▶ **LDC Ministerial Declaration 2011**

- ▶ Signed on November 25, 2011 in Vienna

▶ **UNIDO General Conference 2011**

- ▶ “Economic Diversification Strategies: A key driver in Africa’s New Industrial Revolution”
- ▶ Endorsement of the LDC Ministerial Declaration

▶ **UNIDO’s LDC Operational Strategy**

- ▶ 3 pillars:
 - ▶ Adding value by converting commodities into products
 - ▶ Targeting the most vulnerable communities
 - ▶ Strengthening the new industrial regional complementarities

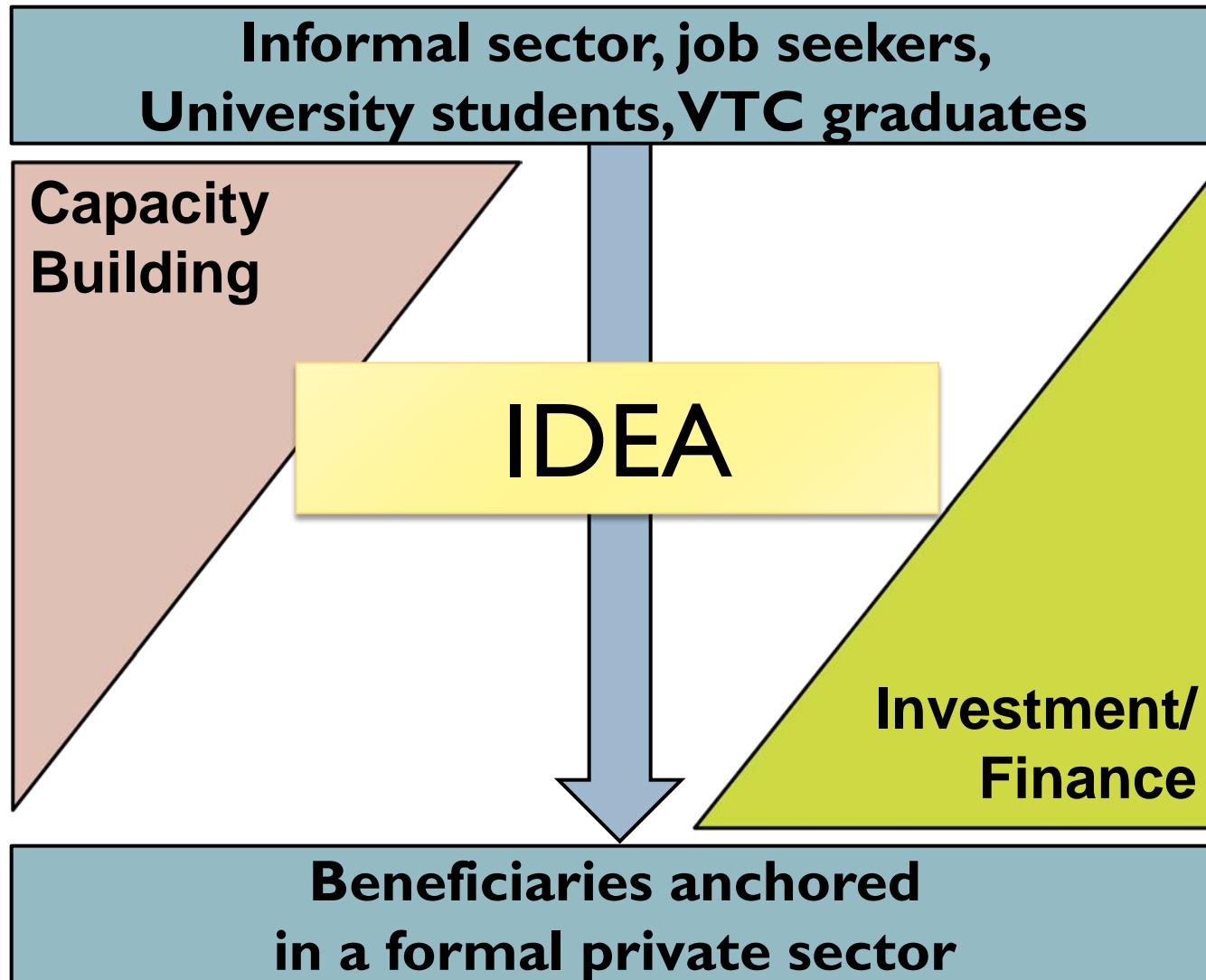
IDEA creates transformational jobs unleashing the potential of youth and the informal sector

- ▶ The private sector is the key engine of job creation;
(WB 2012: xiii)
- ▶ Micro- and small enterprises account for the bulk of employment, even in middle-income countries;
(WB 2012: 105)
- ▶ 60 to 70 per cent of African families are sustained by the informal sector directly or indirectly;
(UNECA 2010: 150)
- ▶ In much of Sub-Saharan Africa the quality of employment is a more important issue than the quantity
(ILO 2012: 79)

The informal sector has serious negative effects not only on economic performance

- ▶ It spills over to other dimensions like human security, economic and social stability;
- ▶ It detrimentally affects the State and its revenues;
- ▶ It seriously impairs the initiatives by UN agencies and other developmental partners;
- ▶ Coupled with high population growth rate, it puts strong pressure on labour markets for youth in particular in an environment in which decent work opportunities are in short supply.

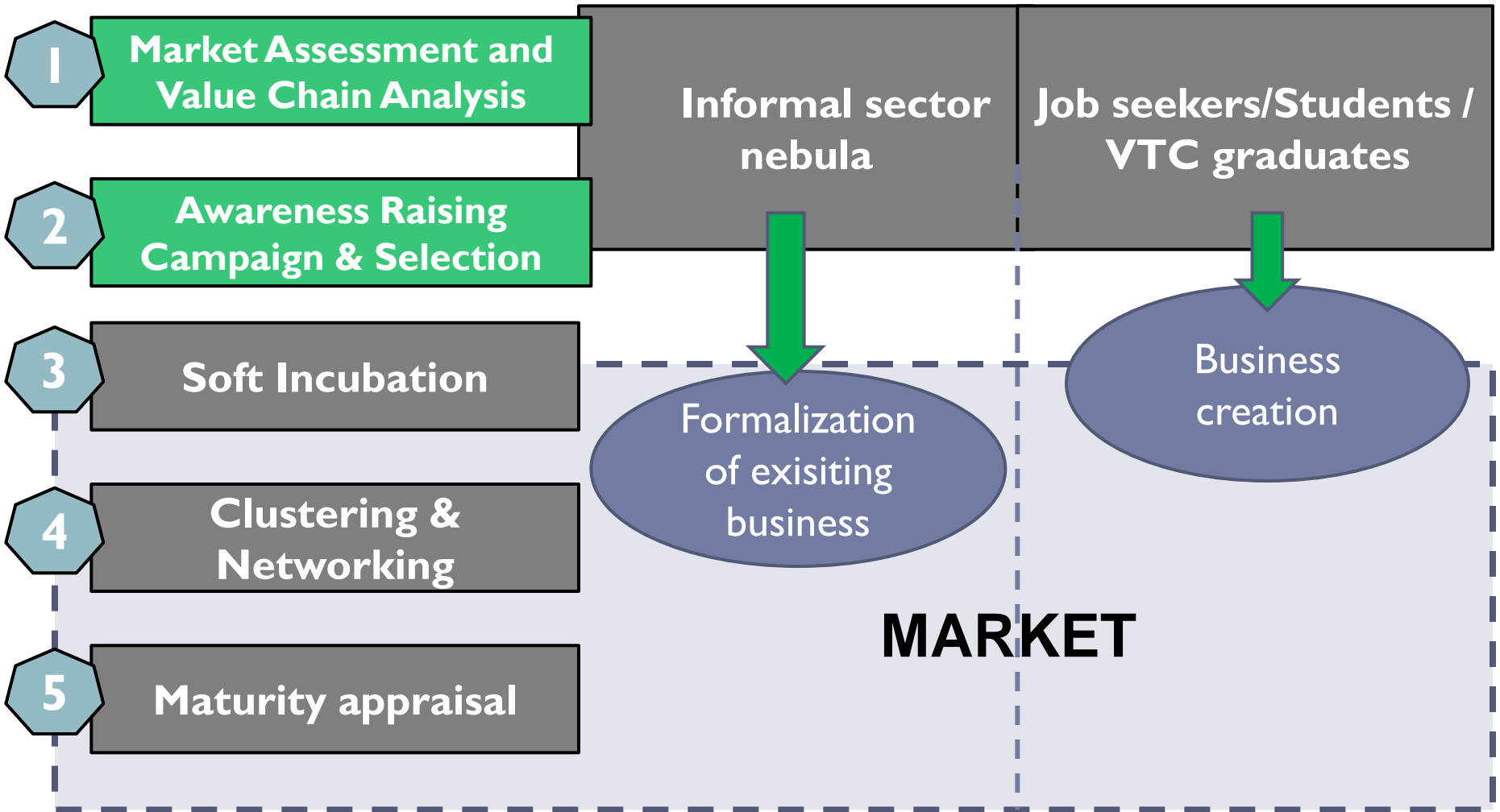
IDEA creates a leading private sector

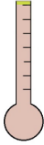


IDEA modular steps have clear outcomes

<u>Step</u>	<u>Description</u>	<u>Outcomes</u>
1	Market Assessment and Value Chain Analysis	High growth potential segments selected in targeted value chains
2	Awareness Raising Campaign & Selection	Gender sensitive selection of beneficiaries
3	Soft Incubation	Formalization, Business creation & technical/managerial upgrading
4	Clustering & Networking	Clusters and networks established & linked to targeted value chains
5	Maturity appraisal	Maturity assessment completed Additional UNIDO assistance made available if needed

Through IDEA, the market is accessible at an early stage





I The market assessment identifies the value chain segments of intervention

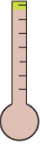
Take a snapshot of the country's economic activities and its priorities

Identify (2-3) specific value chain segments bottlenecked by informality

Evaluate links to potential markets with high growth potential and establish partnerships with leading enterprises

2

The awareness raising campaign informs beneficiaries about the project to select & assess their capabilities and skills



Informal Sector
Job seekers
Students
VTC graduates

A

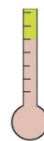
Awareness raising campaigns & activities

B

Gender sensitive selection

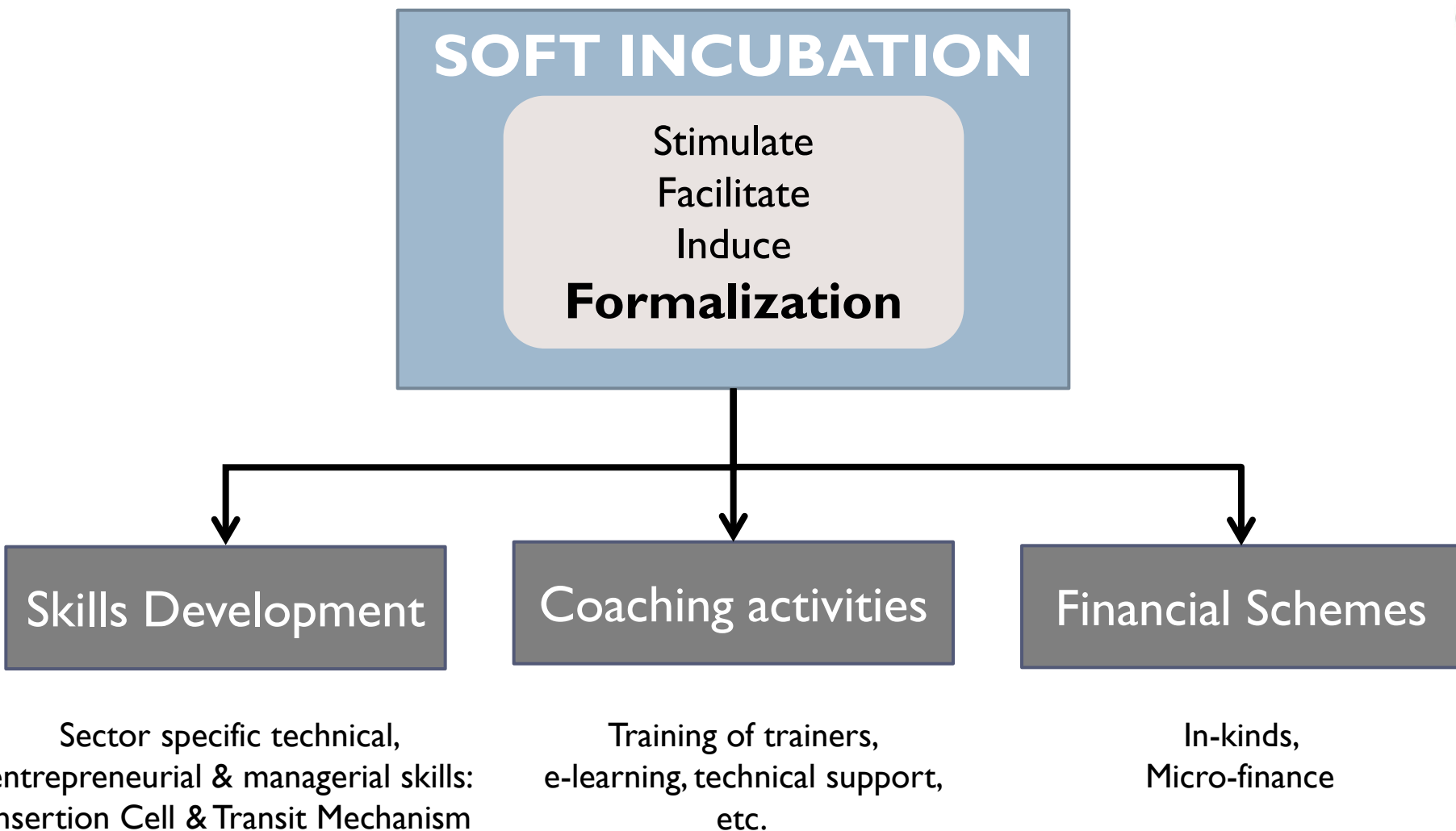
C

Capacity assessment to frame the modules of the capacity building activities

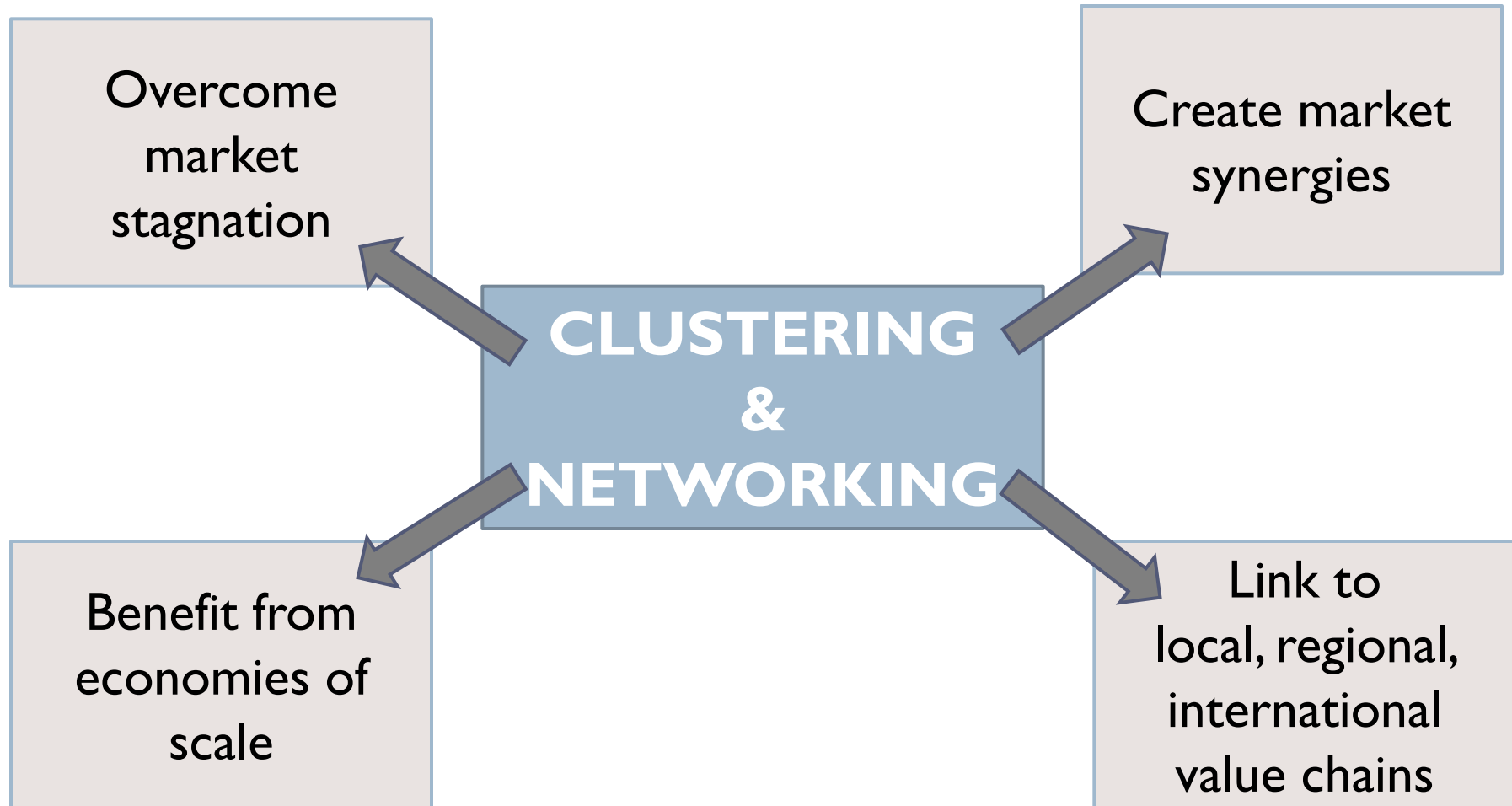


3

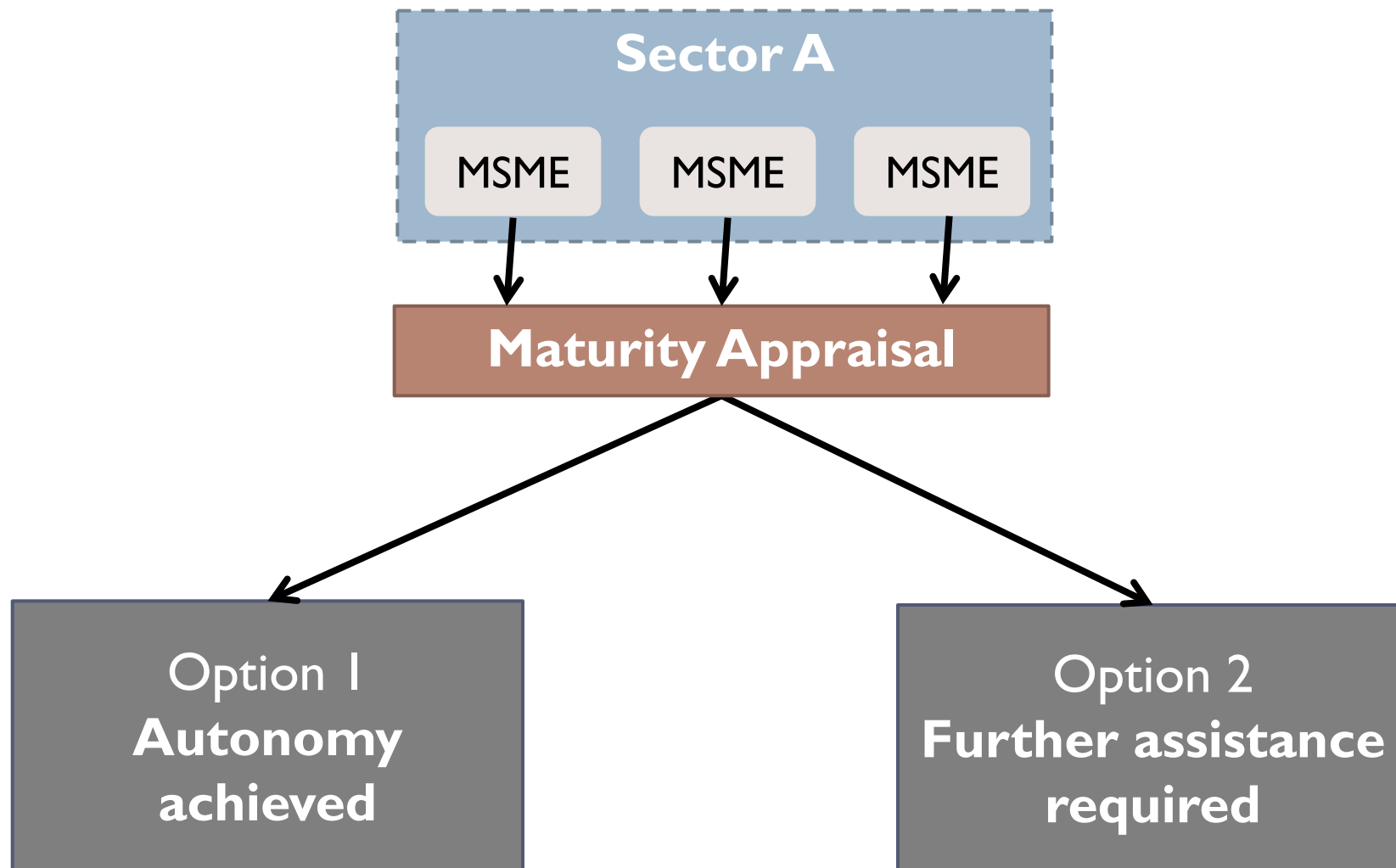
Selected beneficiaries profit from a tailor-made soft incubation process



Beneficiaries grow faster via clustering and networking



Maturity assessment and the way forward



Further assistance can be provided if needed



SPX: Subcontracting Partnership Exchange

▶ To be piloted in LDCs

UNIDO and IDEA

To Our development partners

– This is the right moment to strenghten our work together

To Donors

– This is the right time for a greater contribution towards
inclusive growth and development

To Member States

– This is the future



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