



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

Global food systems, local impact: the role of agribusiness and development partnerships in advancing African agriculture

PPPs: Upscaling agribusiness successes in Africa

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UNIDO partnerships

Ongoing Partnerships

- Microsoft
- Hewlett Packard
- Metro
- Chevron
- Scania
- Samsung

Multi-stakeholder partnerships

- Chemical Leasing
- 3ADI
- The Green Industry Platform

New partnerships

- AEON
- Carlsberg
- Volvo

Institutional Arrangements:

- 'Strategic Framework'
- Policy on Business Partnerships
- Business Partnership Group

<https://www.unido.org/businesspartnerships.html>

the models

Categories

- Shared technical implementation
- Business partner is mainly a donor
- UNIDO mainly has a supportive role
- Initiatives/ Approaches

	Ongoing partnerships						New partnerships					
Shared technical implementation	■		■		■	■		■	■	■		
Business partner is mainly a donor		■		■								
UNIDO mainly has a supportive role						■	■	■				
Initiatives/ Approaches												
	Microsoft	HP	Metro	Chevron	Scania	Samsung	ChL	Green Ind.	3ADI	AEON	Carlsberg	Volvo

Source: Evaluation Team, Basic Project Data Compilation.



The Accelerated Agribusiness and Agro-industries Development Initiative (3ADI)

<http://www.3adi.org>

the “three frameworks”

3ADI or the *Abuja Declaration* (March 2010) focuses on:

- agri-business value chains
- food security
- policies
- financing
- trade

It is consistent with the *Accelerated Industrial Development for Africa* (AIDA, 2008) and the *LDC Plan of Action* (December 2009) which add on:

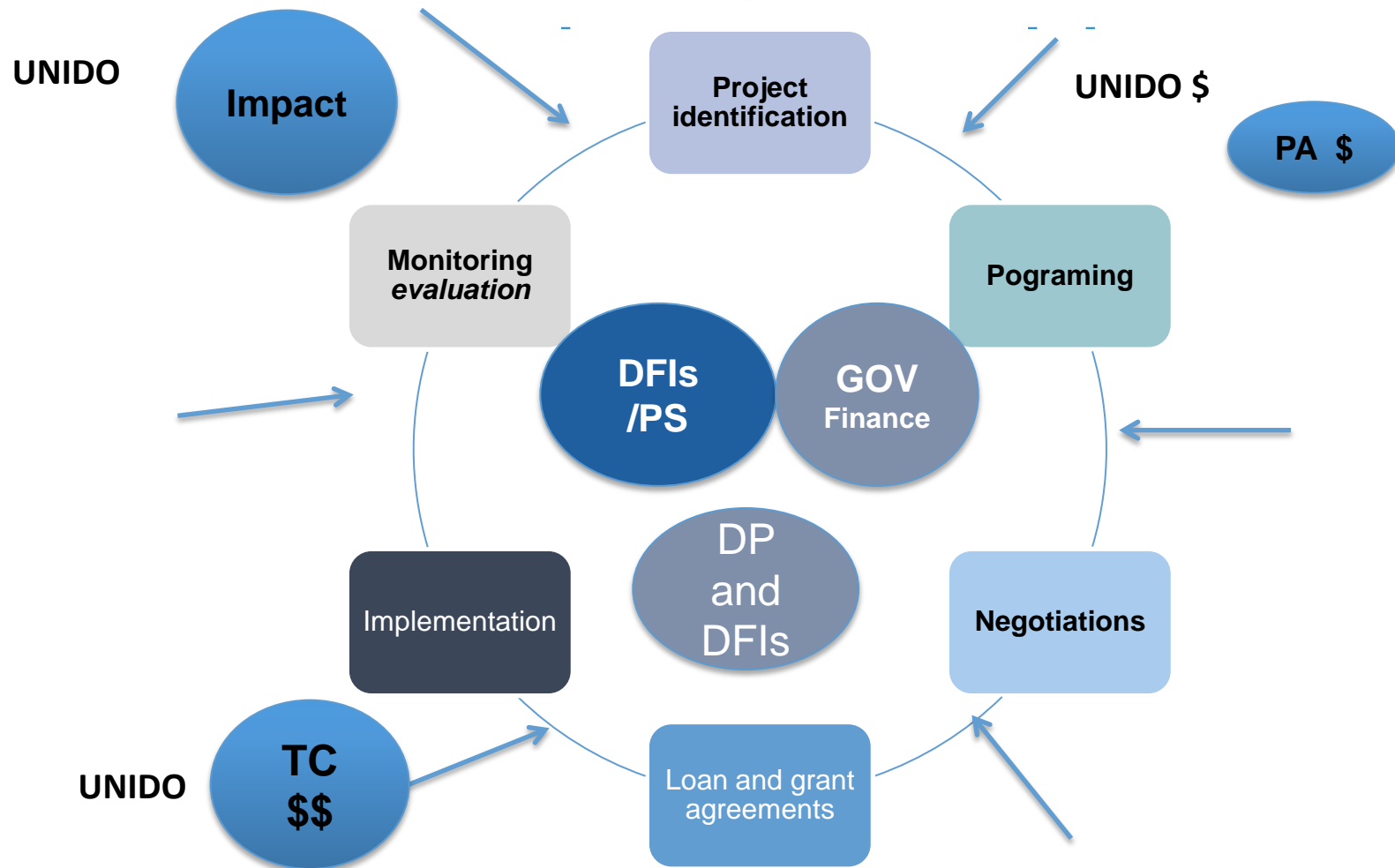
- infrastructure
- energy and environment
- innovation



the means

- leverage the current attention to agriculture for development in selected countries to accelerate the development of agribusiness and agro-industries sectors that ensure value-addition to agricultural products
- support a well coordinated effort to share knowledge and harmonize programmes in ways that capture synergies, avoid fragmented efforts, and enhance developmental impacts
- support an investment programme that will significantly increase the proportion of agricultural produce in the selected countries that is transformed into differentiated high-value products.

Maximizing impact





the expected results

Four critical areas of support:

- enabling policies and public goods
- value chain skills and technologies
- post-production institutions and services
- reinforced financing and risk mitigation mechanisms

... linked in value chain maps



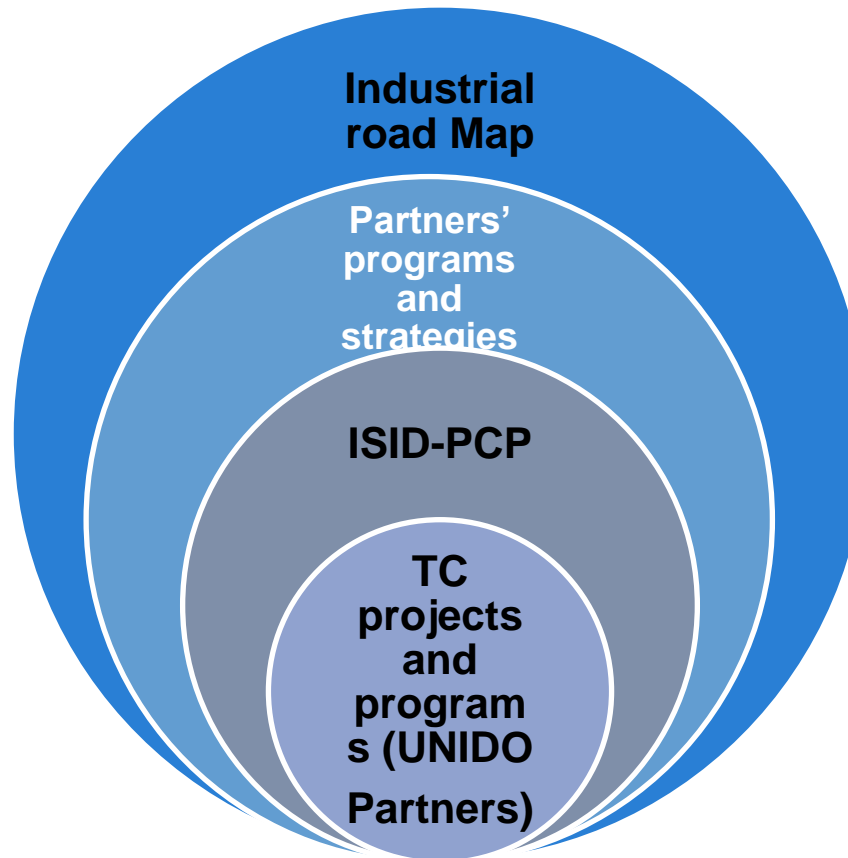


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UPSCALING

INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT

Alignment to the national Strategy



Synergies with partners

Maximizing impact through partnership

COORDINATION MECHANISM

NIDC and NTF

- Coordinates partners, private sector and Gov. institutions
- Promotes investments
- Leads fund mobilization/allocation

UNIDO

Multidisciplinary team for integrated services





Ethiopia

PROGRAMME FOR COUNTRY PARTNERSHIP



Industrial development strategy

Vision to become MIC by 2025

Prepared :

- **Industrial development strategy**
- **Road map**
- **Institutional set-up**

Established National Industrial Development Council (NIDC) for coordination.

Industry leading the transformation

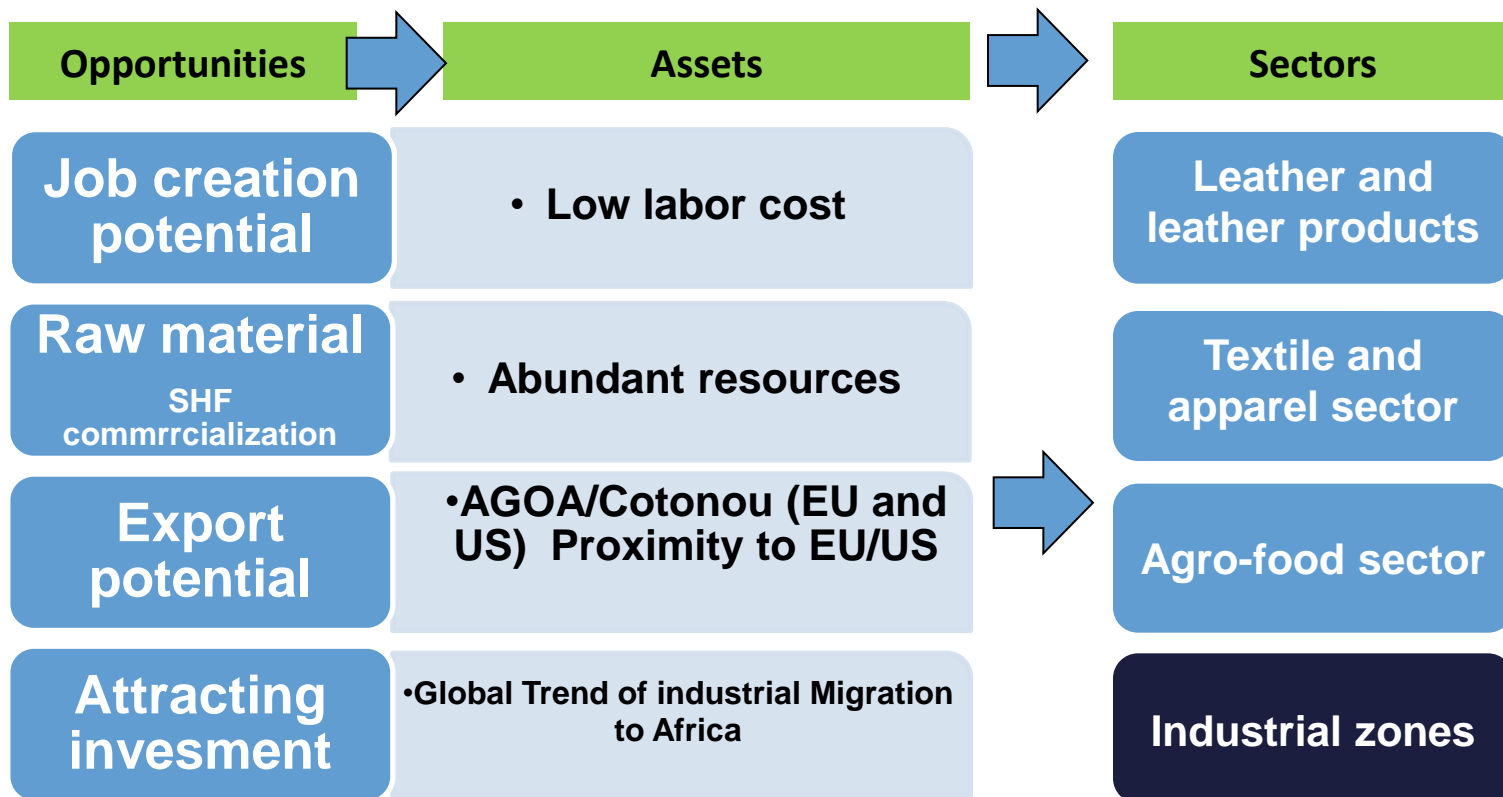
Manufacturing sector -- 4% to 18% of the GDP

- **Upgrading**
- **Enterprise cultivation 65,000 SMEs**
- **Industrial Zones development**

Create 780,000 Jobs

Partnership Country Programme

Based on the opportunities and endowments - three sub-sectors (and IZs as tool) identified.



Partnership (example of the IAIP development)

4 parks

- Geographical clustering of industries
- Market access for 2 million SHF
- I (hybrid seeds and fertilizer by PS)
- One stop service
- Shared services (packaging, cold and dry storage, training centers, research banks , logistics etc..)



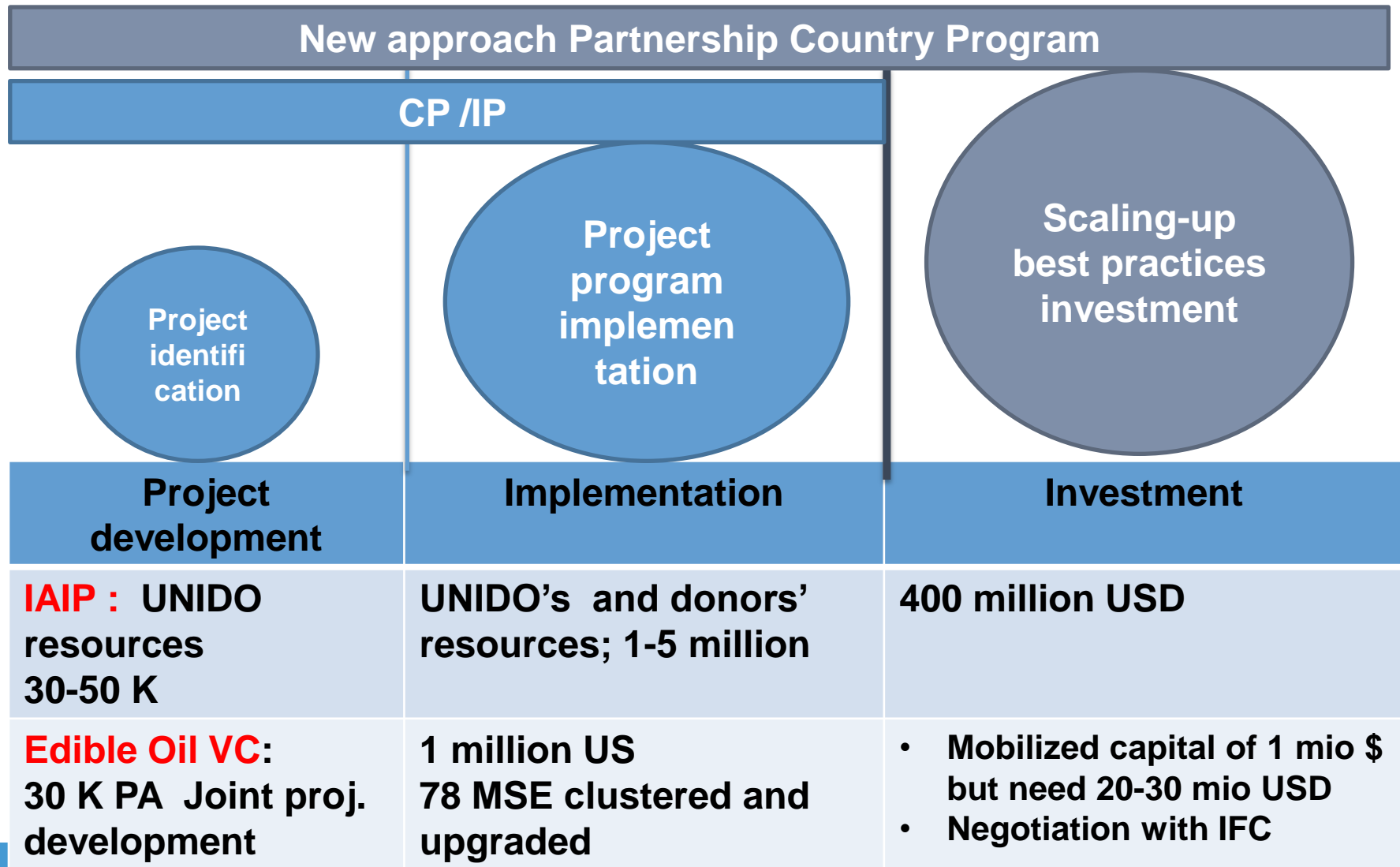
Key Partners





Partner	Interventions
UNIDO; FAO, UNDP, ATA	Feasibility study, business plan
Federal and regional governments	Land , offsite infrastructure
IFC	Finance for the private sector (TBD)
WB	Loan to the government infrastructure and capacity building (TBD)
AfDB	Off-site infrastructure (TBD)
Private sector	Anchor investors/leasing shells

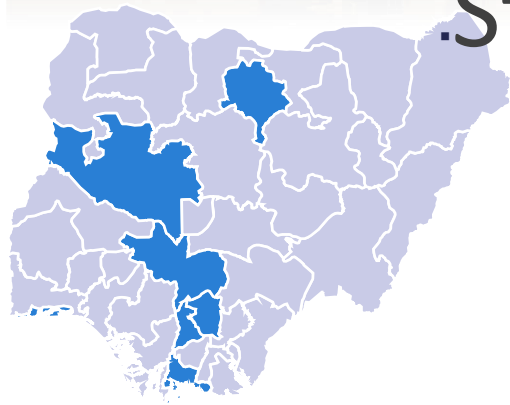
Maximizing impact through partnership - New PCP approach



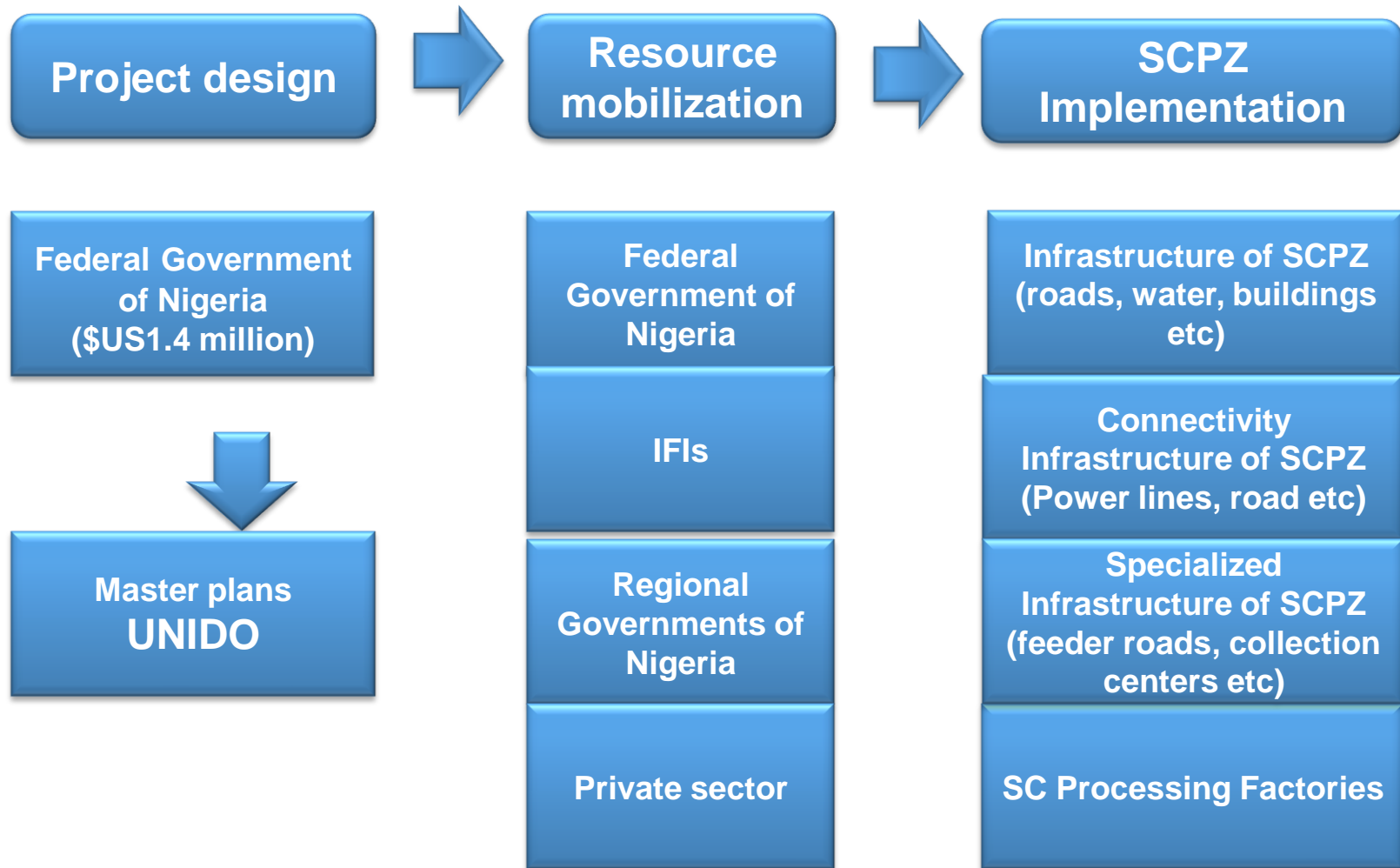


Staple Crop Processing Zones

Nigeria



The establishment of Staple Crop Processing Zones in Nigeria





Progress

Where we are going

Operations

- Operations and maintenance
- Performance monitoring and control
- Data collection and analysis

Commissioning and Start up

- Testing and sampling
- Start up
- Staff Training programmes
- Organizational Development
- Operation and maintenance plans

Procurement & Construction

- Authorities
- Pre-qualifications
- Design specifications
- Requests for bidding
- Bidding Evaluations
- Contract Award
- Contract management
- Project management & Supervision
- Quantity surveying

Design

- Site Planning
- Energy Balance
- Water Balance
- Utility connections
- Design and Engineering
- Licenses
- Project management
- Financial, Organizational and Legal support
- Cost Benefit Analysis

Planning

- Project Definition
- Conceptual design
- Feasibility studies
- Institutional framework
- Relationship with local authorities
- Environmental Impact Assessment
- Investment Plan
- Resource Planning
- Planning, Operation and maintenance
- Functional Program/implementation plan
- Procurement planning

Demand Analysis

Market Analysis

Environment

Infrastructure

Policy Regulations

Institutional Aspects

Socio economic aspects

The SCPZ
Policy

The SCPZ
Bill



**The Key
Investors
in the SCPZ
& ABIR**

1

Site/Estate/Infrastructure Investors

2

Industrialist/Agro Processors

3

Farmer Coops/Companies

4

Service Providers

5

Government (Federal, State, LG)

6

Development Partners

Partner Support



US\$100m SCPZ Support Project (for SCPZ institutions and infrastructure) at the Project Preparation stage

Support for SCPZ infrastructure through a re-organization of the WB CADP

Support for SCPZ related agricultural productions through the Fadama Project



Support for SCPZ infrastructure through approved US\$152m Facility

Pledged Budget Support Facility for SCPZ

SCPZ Project/ Transaction Support



Department for International Development



SCPZ Project Development Support through GEMS



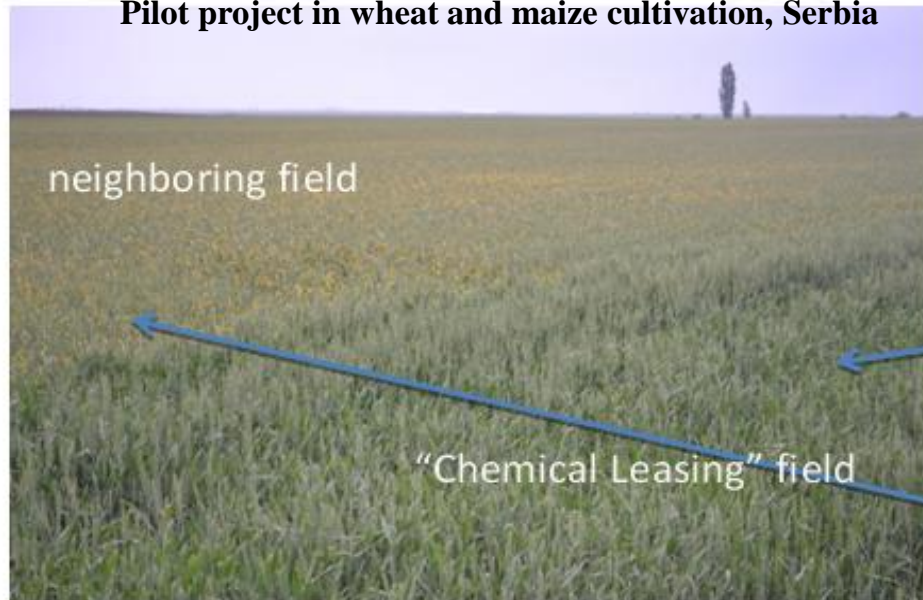
Pledged SCPZ related agricultural production support



SCPZ Project Development support

New Initiative: “Chemical Leasing goes Agro”

Pilot project in wheat and maize cultivation, Serbia



Benefits of the ChL field:

- ✓ 45% less consumption of nitrogen fertilizer
- ✓ 2% increase in yield
- ✓ No leaf rust (optimized usage of agrochemicals)



The Global Chemical Leasing (ChL) Programme is UNIDO's response to the unsustainable management of chemicals

→ It represents an integrated preventive environmental strategy & win-win situation for industry and environment

ChL, is a service-oriented business model that shifts the focus from selling chemicals to selling the functions performed by a chemical.

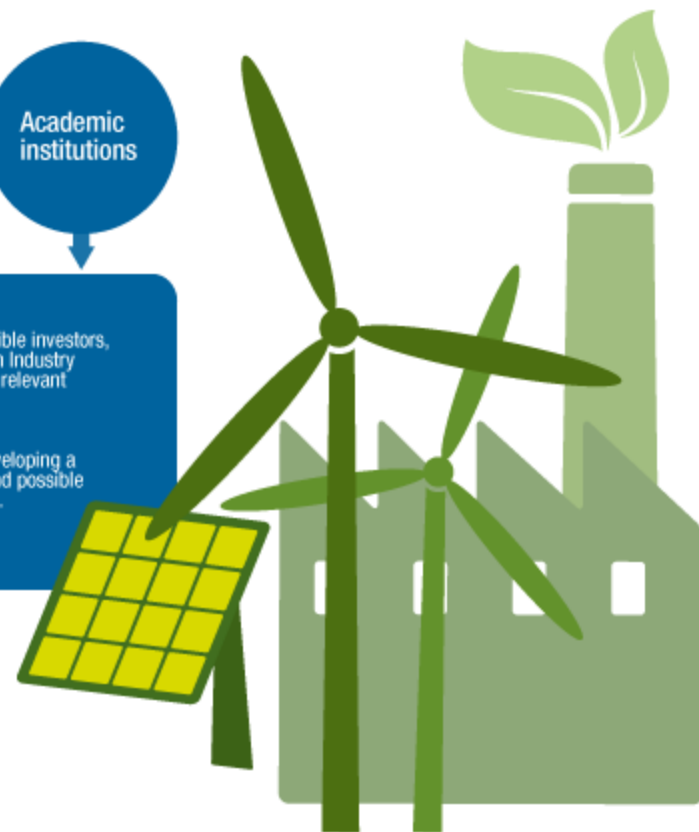
Chemical Leasing is in line with the UNIDO ISID approach

*The public-private partnership
for modern sustainable growth*

GREEN INDUSTRY PLATFORM

A global, high-level, multi-stakeholder initiative to pursue concrete and measurable actions to:

- Improve resource efficiency
- Strengthen waste management
- Reduce and eliminate toxic materials
- Use energy efficiency and renewable energy
- Adopt a lifetime approach to product manufacturing
- Make finance available for green industry
- Promote technology transfer and share best practices
- Support research and innovation
- Encourage green industries, enterprise development and job creation
- Set green industry targets







THANK YOU!

MAIN TARGETS OF PROGRAMME FOR COUNTRY PARTNERSHIP

Sector	Targets	Interventions	Indicative budget possible partners
Leather and leather products sector	<ul style="list-style-type: none"> - Export US\$132 million - US\$1.4 billion - jobs 150,000 	<ul style="list-style-type: none"> - Improve livestock value chain - Technical assistance for entrepreneurial and management skills, production diversification - MLC (IZ) and clustering of MSEs 	US\$1.4 billion (Italian Cooperation, WB, IFC, AfDB, USAID)
Textile and apparel sector	<ul style="list-style-type: none"> - cotton production from 210,000 to 1.8 million tonnes - Yield e from 1.7 to 2.8 t/ha - 260,000 new jobs by 2020 - Export US\$2.7 billion 	<ul style="list-style-type: none"> - Improve cotton value chain - Increase productivity and production of ginning factories and establish new facilities - Support TIDI 	US\$2.3 billion (WB, AFDB, IFC, ATA, UNDP, UNIDO) other DPs
Agro-food sector	<ul style="list-style-type: none"> - Establishment of 4 IAIPs - Establishment of 90 large companies - Export US\$1.7 billion - 160,000 new jobs by 2020 	<ul style="list-style-type: none"> - Establish four integrated agro-industry parks and 50 rural transformation centers - Upgrade selected value chains (coffee, fruit and vegetables, livestock, fisheries) around IAIPs - Promote investment in four IAIPs, 	US\$2.5 billion (Italian Cooperation, FAO, UNIDO, AfDB, IFC, WB) other DPS
Industrial zones and investment promotion	<ul style="list-style-type: none"> - Establishment of 4 Izs - 534 factories in Izs - 175, 000 new jobs 	<ul style="list-style-type: none"> - New IZs established - Two existing IZs expanded - Management of the IZs established - One-stop services provided at IZs 	US\$1.5 billion (WB, IFC for private sector finance; AfDB for off-site infrastructure) Other DPS

PROGRAMME FOR COUNTRY PARTNERSHIP

	Agro-Food	Leather and leather products	Textile and apparel
Sector specific interventions  Functional interventions 	<ul style="list-style-type: none"> • Integrated Agro-industrial park • Agro-food value chains • Input (SHF linkages) 	<ul style="list-style-type: none"> • Leather City in the town of Modjo • Footwear clusters • Fashion studio • LIDI capacity Bldg 	<ul style="list-style-type: none"> • Improving raw material and product supply chains • TIDI to centre of Excellence • Fashion studio
Capacity building	<ul style="list-style-type: none"> • Strengthening analytical capacity of MoI in the generation of policy • Establishment of an industrial observatory and M&E system • Improve coordination of South-South and Triangular Industrial Cooperation 		
Environment and Energy	<ul style="list-style-type: none"> • Environmentally sound management and by-products utilization • Greening of Value Chains: Leather and Textile • Promotion of RE and energy efficiency 		
Investment promotion and IZs	<ul style="list-style-type: none"> • Technical Assistance Program for investment promotion and IZ • Establishing linkages between resident LM industries to the SMEs • Identification and promotion of investment projects • Strengthen coordination and M&E mechanism (tools, methodology) • Governance of IZs 		
Trade Facilitation	<ul style="list-style-type: none"> • Strengthen the institutional capacity to improve Quality along Value Chains. • Trade logistics • Market Access through the expansion of the Quality Assurance systems 		

Integrated services; partnership a case of the livestock value chain in IAIP In the rift-valley region

Value chain integration

Feed lots

Abattoirs

Tanneries/ CETP

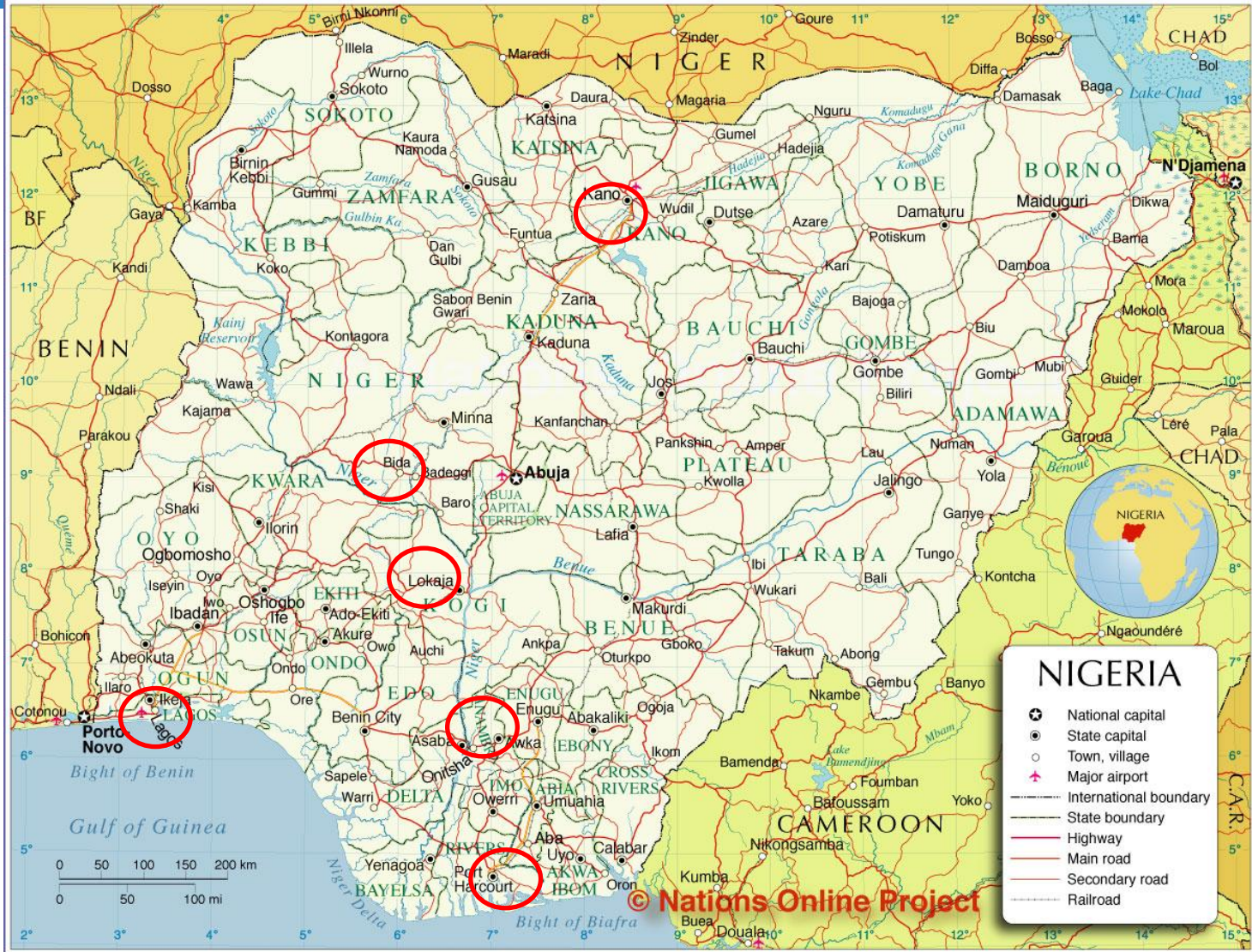
By-product use

Leather city



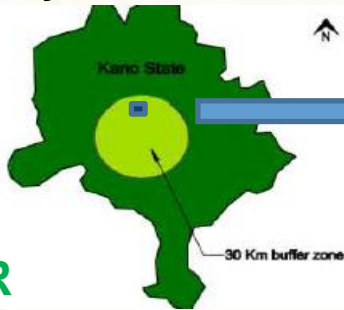
Key Partners





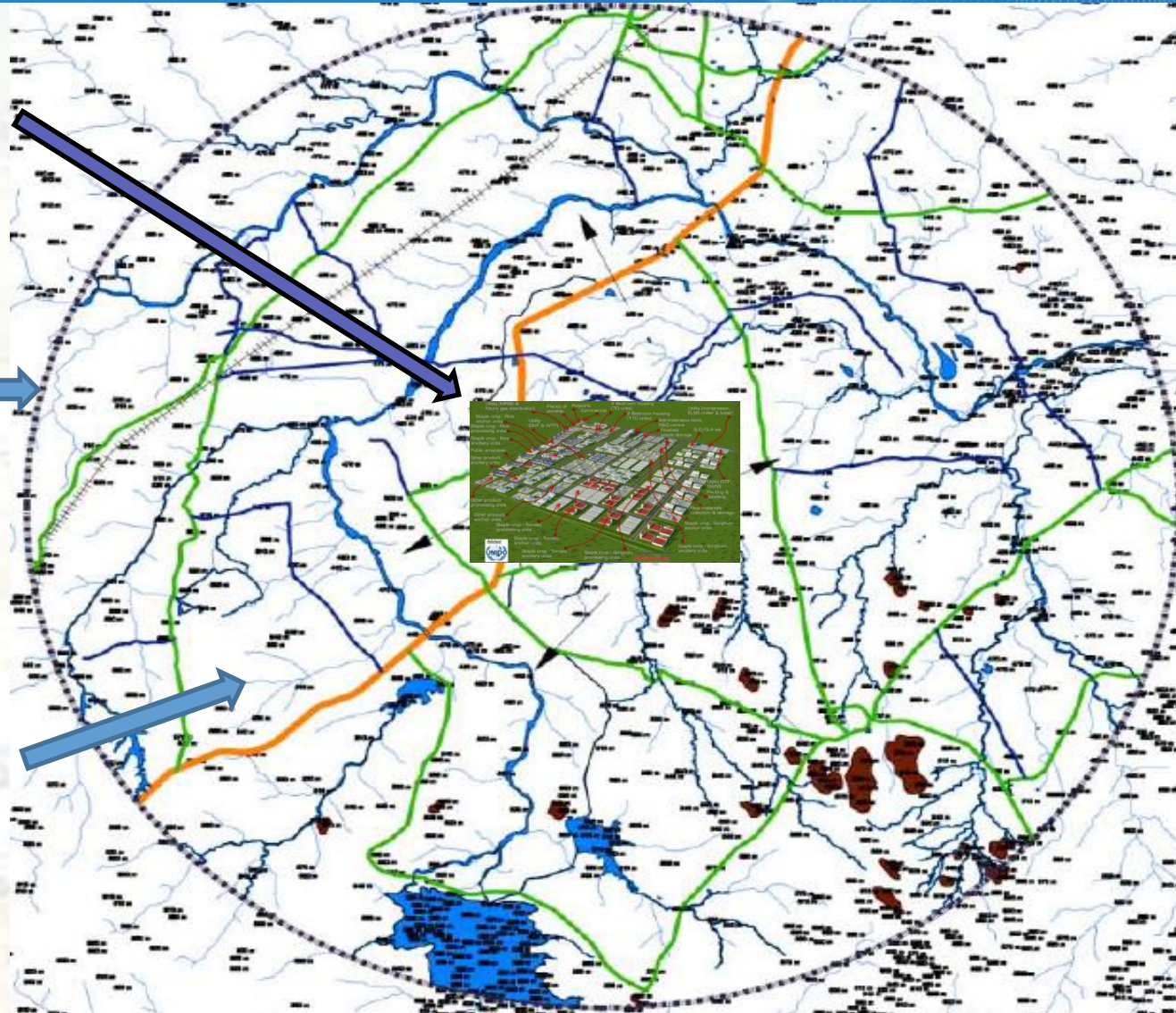
SCPZ

Delineated area, typically 250 ha., dedicated to driving the facilitation of modern processing capacity



ABIR

The immediate SCPZ production neighborhood, typically 30-50 km radius, constitutes the host communities critical to ensuring adequate feedstock supplies





SCPZ Internal Infrastructure Details	
Length of road	13.03km
Total average water demand	5,586 cum/day
Wastewater generation	3,981.29 cum/day
MSW generation	55.27TPD
Power demand	54.30MVA

Description	Location – Niger
Focus crop	Rice
Additional crops	Maize, yam, cassava, groundnut, cowpea
Raw materials required for the SCPZ	605,514MTPA
Growing area required	124,608 hectares
Total area of SCPZ	256.82 hectares

Combined SCPZ Development Investment Opportunity¹

- Investment Opportunities**
- **Site Management:** Utilities, roads, specialized agri infrastructure including R&D and collection centers
 - **Power:** Bioenergy generation and power distribution
 - **Water:** Supply, pumping, treatment, distribution; storage

Initial Investment \$23.45 million

Investment Over Four Years \$51.56 million

- Profit After Tax**
- Year 1: \$13.46 million
 - Year 2: \$9.06 million
 - Year 3: \$5.43 million

IRR 21.73%

Payback Period 3 years + 3.91 months for phase I investments



SCPZ Internal Infrastructure Details	
Length of road	15.14km
Total average water demand	20,622 cum/day
Wastewater generation	13,355.01 cum/day
MSW generation	57.26TPD
Power demand	59.43MVA

Description	Location – Alape
Focus crop	Cassava
Additional crops	Maize, Cowpea, Sorghum, Rice
SCPZ location	Agbadu – Alape cluster
Raw materials required for the SCPZ	1,748,666 MTPA
Growing area required	412,127 hectares
Total area	257.91 hectares

Combined SCPZ Development Investment Opportunity¹

Investment Opportunities	
	<ul style="list-style-type: none"> • Site Management: Utilities, roads, specialized agri infrastructure • Power: Generation from bioenergy and coal and power distribution • Water: Supply, treatment, distribution; storage

Initial Investment	\$30.41 million
Investment Over Four Years	\$52.29 million
Profit After Tax	<ul style="list-style-type: none"> • Year 1: \$10.74 million • Year 2: \$6.44 million • Year 3: \$4.90 million
IRR	17.13%
Payback Period	4 years + 5.4 months for phase I investments



SCPZ Internal Infrastructure Details	
Length of road	7.38km
Total average water demand	5,743 cum/day
Wastewater generation	4,030.61 cum/day
MSW generation	60.42TPD
Power demand	55.53MVA

Description	
Focus crop	Rice, tomato, sorghum
Additional crops	Beans, Cassava, Cocoyam, Maize, Cotton, Rice, Groundnut, Guinea corn, Millet, Soya beans
Raw materials required for the SCPZ	575,320 MTPA
Growing area required	148,465 hectares
Total area	257.24 hectares

Combined SCPZ Development Investment Opportunity¹

- Investment Opportunities**
- **Site Management:** Utilities, roads, and agro-specific infrastructure
 - **Power:** Bioenergy and distribution
 - **Water:** Well and pump house, pumping and treatment, and distribution

Initial Combined Investment	\$27.71 million
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Combined Investment Over Four Years	\$48.81 million
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Profit After Tax	<ul style="list-style-type: none"> ● Year 1: \$11.8 million ● Year 2: \$7.9 million ● Year 3: \$6.1 million
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IRR	20.97%
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Payback	4 years
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SCPZ Internal Infrastructure Details	
Length of road	13.72km
Total average water demand	5,626 cum/day
Wastewater generation	3,957.92 cum/day
MSW generation	56.91TPD
Power demand	56.66MVA

Location: Omor town , Ayamelum LGA, Anambra State

Description	
Focus crop	Rice
Additional crops	Beans, Cassava, Cocoyam, Maize, Melon, Groundnut and Yam
Raw materials required for the SCPZ	638,424 MTPA
Growing area required	137,745 hectares
Total area of SCPZ	256.01 hectares

Combined SCPZ Development Investment Opportunity¹

Investment Opportunities	<ul style="list-style-type: none"> • Site Management: Utilities, roads, and agro-specific infrastructure • Power: Bioenergy and distribution • Water: Well and pump house, pumping and treatment, and distribution
Initial Combined Investment	\$27.71 million
Combined Investment Over Four Years	\$48.81 million
Profit After Tax	<ul style="list-style-type: none"> • Year 1: \$11.8 million • Year 2: \$7.9 million • Year 3: \$6.1 million
IRR	20.97%
Payback Period	4 years

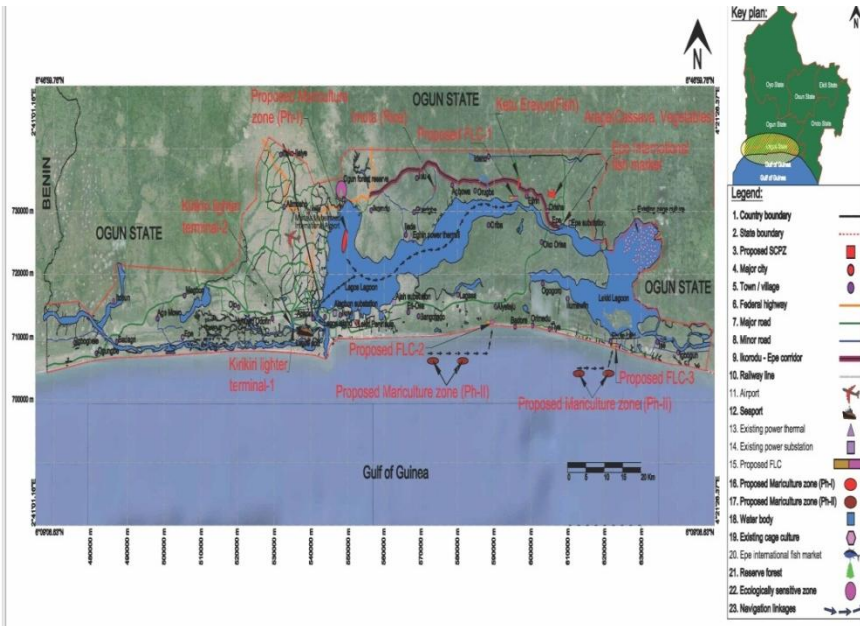


SCPZ internal infrastructure details	
Length of road	17.35 km
Total average water demand	4,825 cum/day
Wastewater generation	3,456.83 cum/day
MSW generation	46.23 TPD
Power demand	52.03 MVA

Description	Location – Adani, Enugu State
Focus crop	Rice
Additional crops	Beans, Cassava, Maize, Melon, Groundnut, Yam, Cocoyam
Raw materials required for the SCPZ	479,213 MTPA
Growing area required	92,944 hectares
Total area	244.35 hectares

Combined SCPZ Development Investment Opportunity¹

Investment Opportunities	<ul style="list-style-type: none"> • Site Management: Utilities, roads, specialized agri-infrastructure • Power: Bioenergy generation and power distribution • Water: Supply, treatment, distribution, storage
Initial Investment	\$31.54 million
Investment Over Four Years	\$53.89 million
Profit After Tax	<ul style="list-style-type: none"> • Year 1: \$11.76 million • Year 2: \$6.78 million • Year 3: \$5.01 million
IRR	16.83%
Payback Period	4 years + 5.4 months for initial investment



Description

Focus crop	Fisheries, rice, cassava and vegetable
Raw materials required for the SCPZ	575,320 MTPA
Growing area required	148,465 hectares

Combined SCPZ Development Investment Opportunity¹

Investment Opportunities

- **Site Management:** Utilities, roads, municipal solid waste
- **Power:** Bioenergy generation and power distribution
- **Water:** Supply, treatment, distribution; storage; rainwater harvesting
- **Agri-Specific:** Terminal upgrades, cold chain, aggregation / storage

Initial Combined Investment

\$35.57 million

Combined Investment Over Four Years

- Total: \$48.15
- Imota: \$3.93 million
 - Ketu Ereyun: \$10.74 million
 - Araga: \$33.48 million

Profit After Tax

- Year 1: \$6.85 million
- Year 2: \$5.66 million
- Year 3: \$4.36 million

IRR

17.81%

Payback Period

5 years + 11.12 months

SCPZ Internal Infrastructure Details	Araga	Ketu-Ereyun	Imota
Length of road (km)	9.57	5.98	3.75
Total average water demand (cum/day)	11,348	1,390	419
Power demand (MVA)	16.27	3.93	3.95