



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION



UNIDO's SDG-9 Industry Tracker





UNIDO and the Agenda 2030



Inclusive and sustainable industrial development (ISID)

- UNIDO's mission is to **promote and accelerate inclusive and sustainable industrial development** in Member States.
- "Inclusive" in this context means that industrial development must include all countries and all people, and **offer equal opportunities** and an **equitable distribution of the benefits** of industrialization to all stakeholders.
- "Sustainable" addresses the need to **decouple** the prosperity generated from industrial activities from excessive natural resource use and negative environmental impacts.

Sustainable Development Goal 9 (SDG-9)

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



UNIDO's role in SDG-9 monitoring

- **UNIDO is a custodian agency of six SDG-9 industry-related indicators**
 - UNIDO is responsible for collection, compilation and dissemination of timely, internationally comparable statistics to support member states in formulation of their development plan and programmes in the context of ISID
 - **The SDG-9 Industry covers all three dimensions of sustainable development**

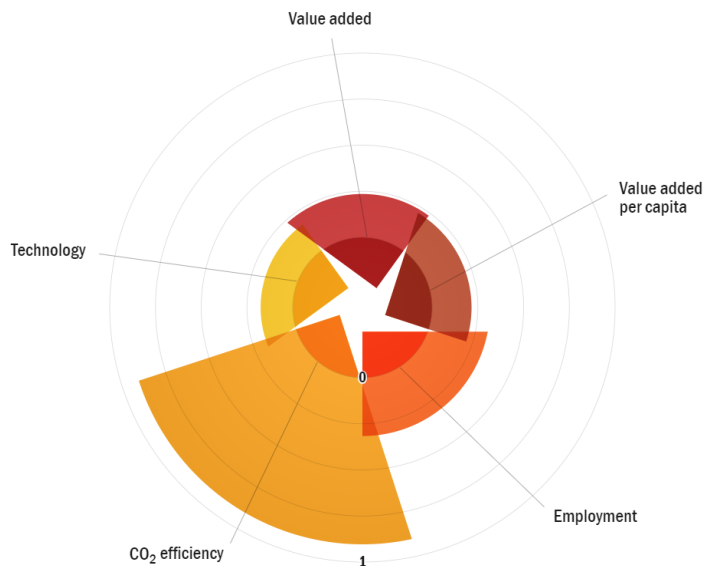
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



- **Advancing economic competitiveness**
 - 9.2.1: Manufacturing value added as a proportion of GDP and per capita
 - 9.b.1: Proportion of medium and high-tech industry value added in total value added
- **Creating shared prosperity**
 - 9.2.2: Manufacturing employment as a proportion of total employment
 - 9.3.1: Proportion of small-scale industries in total industry value added
 - 9.3.2: Proportion of small-scale industries with a loan or line of credit
- **Safeguarding the environment**
 - 9.4.2: CO₂ emissions per unit of value added



UNIDO's SDG-9 Industry Tracker I



SDG-9 Industry Index: Composite measure benchmarking countries' performance towards SDG-9 industry-related targets

- **The SDG-9 Industry Index**

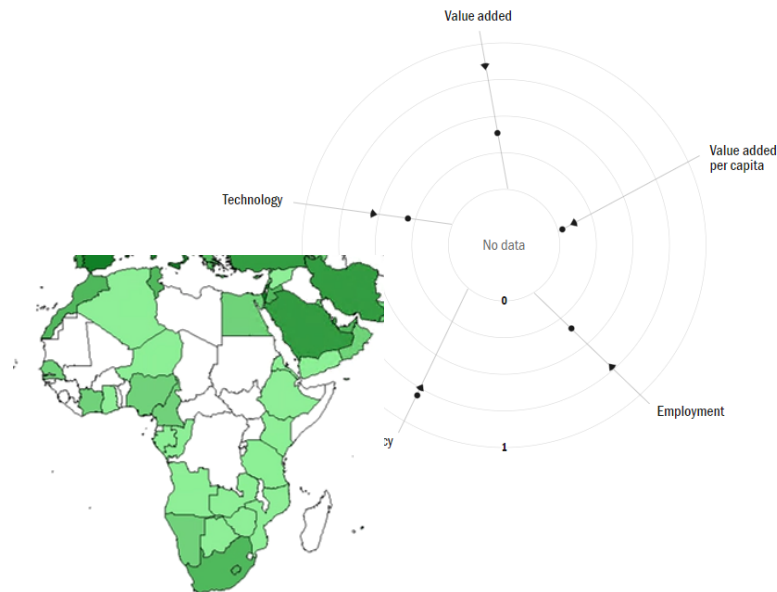
- Captures 5 industry-related indicators of Goal 9 (9.2.1, 9.2.2, 9.4.1, 9.b.1)
- Is one single measure comprising of various dimensions
- Is a great tool for increasing awareness and gaining attention of broader audience
- **Composite measures are thus better invitations to closer investigation of their components**



UNIDO's SDG-9 Industry Tracker II

SDG-9 Industry Index: Composite measure benchmarking countries' performance towards SDG-9 industry-related targets

- **Data for all 5 indicators are needed to construct the index**
- **Data coverage**
 - 128 economies over 2000-2017
 - In Africa, 24/54 countries are covered
 - Only 8 African LDCs have sufficient data





UNIDO's SDG-9 Industry Tracker III

SDG Targets

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**

Indicators

9.2.1 Manufacturing value added (share in GDP, per capita)


9.2.2 Manufacturing employment, in percent to total employment

Progress and Outlook:

Tracking country progress towards achieving SDG-9 targets by 2030

Progress: How much progress has been made since 2000?

- Based on existing data from 2000 until now
 - Evaluate country progress with respect to the SDG region
 - LDCs: double their share as indicated in 9.2 target

 **Negative**
 **Insignificant**
 **Fair**
 **Substantial**

Outlook: How likely will the targets be achieved by 2030?

- Forecasting country data series until 2030

 **Reverse trend**
 **Accelerate progress**
 **On track**

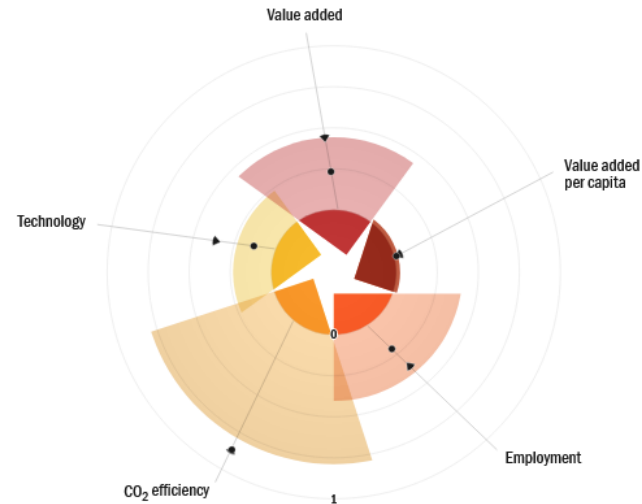


Case study: Egypt

- Egypt is ranked 71st of 128 countries in the **SDG-9 Industry Index**.
- In all dimensions except for CO₂ efficiency, the country outperforms the African average.
- However, in two dimensions (Value added per capita and Technology), the data shows only moderate success.

SDG-9 Industry Index

↓ 71st



▼ Morocco
● Africa

Show all countries



Case study: Egypt

- Since the year 2000, the country has only moderately increased its manufacturing value added per capita.
- This falls short of the strong growth other countries in the group of Emerging Industrial Economies have exhibited over the same time horizon.

① Value added per capita ↓ 81st

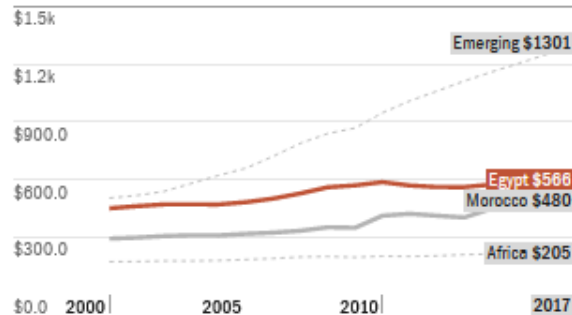
Progress

Insignificant

Outlook

Accelerate progress

Manufacturing value added per capita (constant 2015 USD)



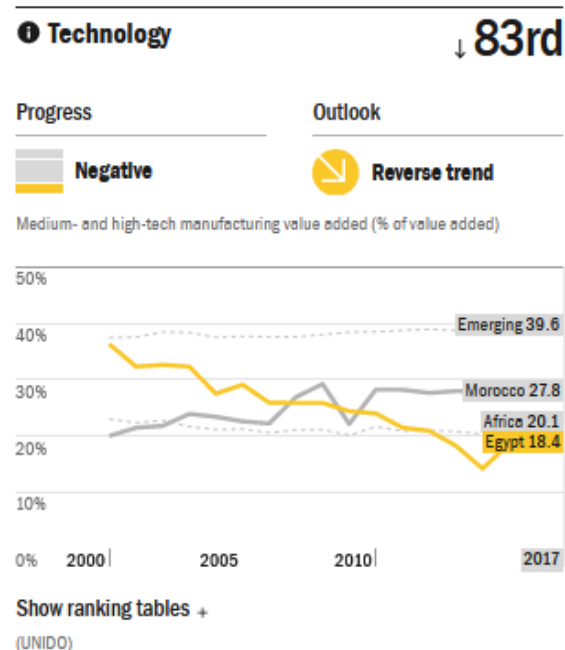
Show ranking tables +

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Case study: Egypt

- Egypt's share of medium- and high-tech (MHT) industries its manufacturing value added has declined since 2000 to 18.4 per cent.
- This is significantly lower than in other Emerging Industrial Economies, but also lower than the African average.





Case study: Egypt

- The analysis performed in the SDG-9 Industry Tracker can be further complemented by other parts of the IAP Data Explorer
- Looking at Egypt's manufacturing exports, we see that medium-and high-tech industries (marked with H) are less relevant than in the comparator Malaysia.

Industry share of total manufactured exports (%)

Egypt	Share % ▼	Change	Malaysia	Share % ▼	Change
1 ↑ (H) Chemicals	23.3	+14.7	1 = (H) Telecommunications	31.9	-3.5
2 ↑ (M) Basic metals	16.8	+2.1	2 ↑ (H) Chemicals	11.0	+5.1
3 ↑ (L) Food & beverages	10.1	+4.0	3 ↑ (M) Fuels	8.3	+6.0
4 ↓ (M) Fuels	9.2	-12.0	4 ↓ (L) Food & beverages	8.0	-3.1
5 ↓ (L) Textiles	8.9	-16.9	5 ↑ (H) Machinery & appliances	7.1	+3.0
Show all +			Show all +		
		2018			2018

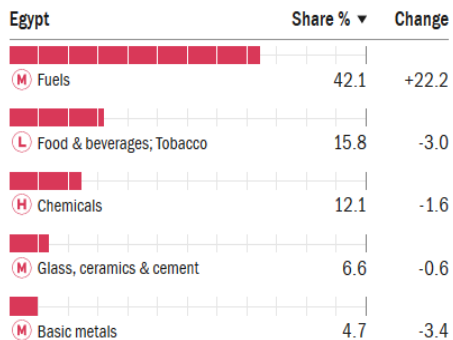


Case study: Egypt

- Comparing the structure of value added in Egypt's manufacturing sector to other EIEs, we find also find that MHT industries are less prominent.

Industry share of total manufacturing (%)

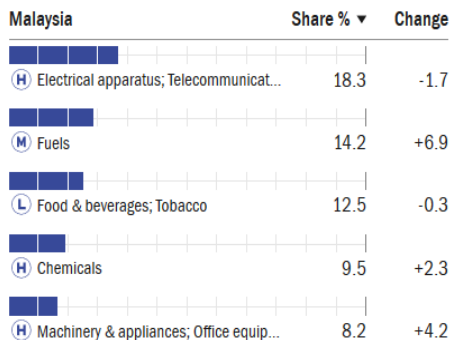
Value added | Employment | Gross output



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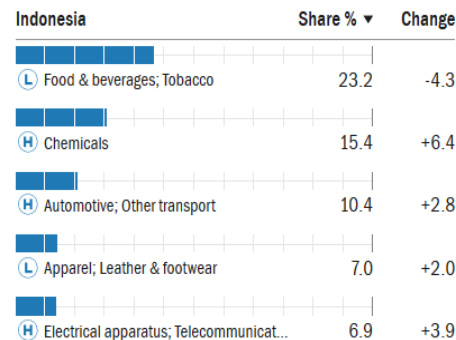
2018

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2018



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2017



Case study: Egypt

- The SDG-9 Industry Tracker was able to identify an important trend in Egypt's manufacturing sector: a decreasing share of value added generated in MHT industries.
- The role of medium- and high-tech industries was further substantiated with other parts of the IAP Data Explorer, which allowed to explore the structure of Egypt's manufacturing production and exports.
- Indeed, Egypt is currently investing heavily in technological upgrading as part of its Industry and Trade Development Strategy and is supported by UNIDO through the Programme for Country Partnership (PCP)