<table>
<thead>
<tr>
<th>Project number:</th>
<th>180317</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project title:</td>
<td>Joint capacity development programme with Korea International Cooperation Agency</td>
</tr>
<tr>
<td>Relationship to integrated programme</td>
<td>N/A</td>
</tr>
</tbody>
</table>
| Thematic area code | • HC4 Cross-cutting Services  
| Starting date: | 1 September 2019 |
| Duration: | 2 years |
| Project site: | Republic of Korea |
| Government Co-ordinating agency: | n/a |
| Counterpart: | Korea International Cooperation Agency (KOICA) |
| Executing agency/ cooperating agency: | UNIDO |

**Project Inputs:**

- **Counterpart inputs:** 322,650.00 USD
- **Project support costs (13%):** 41,944.50 USD
- **Grand Total:** 364,594.50 USD

**Brief description:**

This programme includes three workshops/training courses targeting 20 policymakers each year from the Association of Southeast Asian Nations (ASEAN) Member States + India (DAC aid recipient countries only). The courses will familiarise participants with a range of issues and instruments related to inclusive and sustainable industrial development. Furthermore, participants will visit Korean companies, business associations, and similar.

The proposed programme can be seen as a direct continuation of a joint UNIDO-KOICA training course on industrial policy conducted in 2016. It will be organized in collaboration with the Investment and Technology Promotion Office in Seoul.

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**Approved:**

On behalf of KOICA

Signature: ___________  
Date: __________  
Name and title: ________________

On behalf of UNIDO

Signature: ___________  
Date: __________  
Name and title: ________________
A. CONTEXT

A1. Project Purpose
This project aims to develop the capacities of policymakers from developing countries regarding inclusive and sustainable industrial development through a series of targeted courses.

A2. Baseline Scenario
Industry is an important driver of economic transformation and growth. However, there is an increasing debate among academics, policymakers and the private sector concerning the best strategies to develop industrial plans in the context of accelerated technical progress globally.

Manufacturing industries in developing countries face greater vulnerability due to the numerous challenges, for example:

a) Gaps in governance systems of industrial development (i.e., strategies, policies, laws and regulations);
b) Gaps in industrial policy management related to knowledge and skills;
c) Lack of appropriate education/training/research institutions, or non-integration in education/training curricula of matters related to the management of industrial development processes (both policy and practical aspects);
d) Lack of industrial development advocacy networks (individual and institutional);
e) Lack of industrial data and information management (essential for, inter alia, crafting, monitoring and evaluating industrial policies);
f) Limited awareness of the dynamics of technology markets coupled with poor intermediation (resulting in limited access to technologies);
g) Underdevelopment of the capital market resulting in a limited access and higher cost of credit;
h) Limited knowledge of sustainable production principles and practices;
i) Resource-inefficient production practices.

Government institutions and enterprises in developing countries need support to access essential technologies and skills related to policies for inclusive and sustainable industrial development, with a view to increase productivity and economic growth.

Recent development experience of the Republic of Korea constitutes an example of how some of the aforementioned gaps may be addressed. By partnering with UNIDO, and in particular EPR/PRS/RPA, a programme has been designed to transfer their experience, as well as to further develop the capacity of governments in developing countries, to understand and create the conditions for economic development.

2016 Training programme
From 4-22 April 2016, twenty four public servants and industrial analysts from two dozen developing countries working in the public sector, particularly in ministries of industry, economy, trade or similar portfolios were taking part in a training course on industrial policy organized by UNIDO and KOICA.

The three-week programme, titled “Enhancing industrial policies – diagnosis, strategies and instruments for inclusive and sustainable industrial development”, supported policymakers in designing and re-formulating industrial policies for inclusive and sustainable industrial development. It built their capacities for industrial policy formulation and analysis and enabled them to acquire a
comprehensive overview of the key stages of effective industrial policy development, including industrial performance diagnosis, strategy, and policy instruments to achieve objectives and priorities.

The Programme consisted of three consecutive modules, each lasting about one week:

- Module 1: Industrial Performance Diagnosis
- Module 2: Industrial Strategy
- Module 3: Industrial Policy Instruments

The first module set the background and provided participants with some of the key concepts and tools for a comprehensive and integrated industrial performance diagnosis. After a brief introduction to the topic as a whole, participants learnt about core principles of industrial data analysis and got introduced to different tools to evaluate the current situation of their countries’ manufacturing industry. The module included sustainability and other environmental indicators, not considered in traditional industrial policy approaches.

The second module focused on the role of strategy in framing effective industrial policies. Participants had to analyze various potential pathways for the development of industries as taken by different countries globally and compare them. The module displayed different industrial policy objectives and priorities that can lead countries to a more advanced stage of industrial development. The module also provided a toolbox of industrial policy methods to promote structural change, economic growth and employment, as well as approaches for the greening of industries.

In the third and final module, participants were exposed to a broad set of policy instruments to achieve the objectives and priorities set in the second module. Participants learnt about the implications of these choices as well as about experiences from developing and developed countries worldwide. In addition, this module introduced participants to the practicalities of industrial policy making.

Special attention was given to the Korean experience, its policy decisions and subsequent implementation. The programme hosted a number of guest lecturers from Korean institutions such as Dongguk University, the National Institute of Environmental Human Resources Development, the Korea Institute for Industrial Economics and Trade (KIET), the Korea Small Business Research Institute (KOSBI), Seoul National University and the Center for Green Construction Material, Ulsan.

Presentations during the course were further supported by examples from UNIDO’s industrial development projects in a number of developing countries.

During the training, participants worked on a case study assignment in which they were asked to apply the knowledge gathered. The exercise was designed to enable participants to gain a fresh look at policy-related questions, to collectively think about creative approaches to industrial policy and to learn from each other’s experiences.

Relating to their personal experience and background, participants were asked to explore all steps of the industrial policy cycle in small groups. For comparison and analytical reasons, each group had to choose a country represented within its members to work on. Other countries represented in the group served as comparison and for benchmarking.

At the end of the exercise each group presented the results of the analysis of the chosen country. Presentations included some analysis/assessment of the status quo in the country, as well as recommendations on how to improve the others aspects of the industrial policy process.
In order to add some practical insights to the programme, a number of factory visits took place. Participants were invited to the following places: Samsung Innovation Museum/Samsung Digital City, SK Energy, Hyundai Steel Mill, Incheon Free Economic Zone, KOGAS LNG Exhibition Plaza, Compact Smart City Incheon, Hyundai Heavy Industries Ulsan, Incheon Bridge and Hyundai Motor Ulsan Plan.

2019-2021 Training programme
This project aims to develop the capacities of mid-level policymakers from the Association of Southeast Asian Nations (ASEAN) Member States + India (DAC aid recipient countries only) on issues and instruments related to inclusive and sustainable industrial development, and its extension, productivity growth.

The programme will target the following DAC aid recipient countries:

- Cambodia
- Indonesia
- Lao People's Democratic Republic
- Myanmar
- Philippines
- Vietnam
- India

It targets individuals from the following institutions:

- Ministries of Industry, Trade, and similar
- Universities and think tanks
- Business associations

The programme will be promoted through UNIDO field offices, the network of alumni of past training activities conducted by the UNIDO Research & Industrial Policy Advice Division, Department of Policy Research and Statistics (EPR/PRS/RPA), as well as through KOICA’s network. Participants will be selected in a competitive manner by a committee at EPR/PRS/RPA and in close consultation and in agreement with KOICA and UNIDO ITPO Seoul.

During the first two weeks, participants will be learning about issues related to inclusive and sustainable industrial development, such as:

- Structural change and diversification
- Science, Technology and Innovation
- Evidence-based industrial policymaking
- Place-based strategies and policies
- Circular Economy
- Industry 4.0

In the third week, participants will be meeting representatives from Korean business and trade associations, companies, political bodies, think tanks, etc.

In order to work more substantially with the representatives from target countries, the programme will have three stages. In the first two sub-groups of countries will be invited and in the third they will all gather again to discuss findings and next steps.
Therefore, the following groups will be formed:

1. 2019: Indonesia, Philippines, Laos
2. 2020: Vietnam, Cambodia, Myanmar, India
3. 2021: All countries

Each year's edition of the programme will slightly differ to reflect the specific circumstances and requirements of the three country groupings.

In addition to UNIDO staff and external experts, the programme will make ample use of Korean experts and a well-established network of research institutions, think tanks, universities, etc.

The first course will be conducted from 30 September until 18 October 2019.

A3. Main Target Groups
The 21-day programme is designed to address 20 policy makers. The particular selection criteria are as follows:

- Nominated by the Government;
- Working at the Ministry of Industry, Economy, Trade or similar;
- Be a mid-level government official, civil servant or technical expert, involved in the design and implementation of his/her country's industrial policy;
- Have a sufficient proficiency in English to be able to understand the lectures and fully participate in the programme.

UNIDO (through EPR/PRS/RPA and the UNIDO Investment and Technology Promotion Office (ITPO) in Korea) will advertise the programme and collect applications, submitting the advertisement material well in advance to KOICA Headquarters before initial distribution. The programme will further be promoted by UNIDO Field Offices, UNIDO partner organizations and project partners as well as through the alumni network from previous UNIDO training programmes.

A pre-selection of participants will be compiled by RPA and then submitted at least 15 days in advance to KOICA for final confirmation.

All applicants should submit an “application” (previously agreed between UNIDO and KOICA) including a medical report. Any applicant, who does not submit the complete application, may not be eligible for the programme.

A4. Stakeholders
The project considers the following direct stakeholders: policymakers from developing countries, KOICA, ITPO Seoul, experts from the EPR/PRS/RPA and other UNIDO Staff in charge of the delivery of the lectures. By reaching out to other Korean institutions (such as KIET, KDI, KPC, or GGGI), the programme serves to broaden UNIDO's network of partner institutions in the country.

A5. Synergy
Designed and managed by EPR/PRS/RPA and with inputs from KOICA and ITPO Seoul, the project will serve as a clear example of UNIDO as one. External inputs from academia and the private sector expand the vision and the content of the agenda in order to deliver a self-contained programme.
The success of UNIDO’s capacity development activities can be noted by the increasing demand for participation in such programmes. EPR/PRS/RPA has organized numerous training courses, attracting participants from several countries and backgrounds. The programmes not only serve as a forum for participants to exchange experiences and engage in meaningful activities, but also to promote UNIDO’s goals and activities through an ever increasing network of alumni. Therefore, the reach and success of these programmes go beyond the programme delivery per se.

B. UNIDO APPROACH

B1. Rationale

The crucial role of industry is recognized by the 2030 Agenda for Sustainable Development, and particularly by Sustainable Development Goal (SDG) 9: “Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation”.

Donor and recipient countries have called upon UNIDO to significantly expand its service provision beyond existing technical cooperation activities to include a variety of upstream functions such as analytical, advisory, normative, convening and capacity building that can strengthen policy making.

The Medium-Term Programme Framework (MTPF) 2018-2021 adds to the core functions of the Organization the new strategic priority of “strengthening knowledge and institutions.” This goal shall further help achieving the underlying management objectives of integration and scale-up.

Unlike other strategic priorities the new pillar does not refer to a ‘thematic’ area of work but captures activities that are already being undertaken by the Organization, be it within other strategic priorities, in identified cross-cutting areas or through UNIDO’s analytical and statistical work. By elevating these activities to a higher priority level, the MTPF aims to increase the focus on these activities and the associated development results. It also encourages extracting and distilling technical knowledge and policy components from TC projects for shaping policy recommendations, or institutional capacity-building programmes at a larger, programmatic scale. In this sense, "strengthening knowledge and institutions” aims at achieving greater integration and scale-up.

In addition, "strengthening knowledge and institutions” also prioritizes a wide range of knowledge and institutional support activities that do not fall specifically within any of the other three strategic priorities of the MTPF, but are necessary and instrumental to the advancement of inclusive and sustainable industrial development and to respond to the Organization’s enhanced role in its new and dynamic development context.

The Research and Industrial Policy Advice Division (RPA), located in the Department of Policy Research and Statistics (EPR/PRS) responds to these priorities by performing the following tasks:

- Provide strategic advisory, capacity-building and facilitation services to Member States and regional bodies on policy identification, design, implementation and evaluation aimed at achieving inclusive and sustainable industrial development;
- Through strategic networking and the development of partnerships, link UNIDO activities with appropriate partner institutions such as universities, research centres, think-tanks, consulting companies and national development agencies with expertise in the field of sustainable industrial policy, creating an international community of practice on industrial development issues;
Through training and education, increase the knowledge and skills of Member States’ government officials, policy-makers, researchers, young professionals and other stakeholders, enabling them to engage more effectively in industrial development processes.

The proposed training courses respond to all three tasks by developing the capacities of representatives from Member States’ Government institutions on inclusive and sustainable industrial development as well as by establishing and strengthening networks with these institutions.

**B2. Comparative Advantage**

EPR/PRS/RPA has a well-recognized experience in conducting global capacity development activities on inclusive and sustainable industrial development for developing countries. UNIDO programmes use existing UNIDO expertise and best practice to fill knowledge and institutional gaps in developing countries and to cultivate a strategic approach to better manage UNIDO’s knowledge generation and dissemination processes.

The programme will thus take advantage of UNIDO’s long-standing practical experience in advising on policies for inclusive and sustainable industrial development in developing countries. It will also include lecturers from the Organization’s network of partner institutions in Korea as well as internationally. Furthermore, UNIDO provides direct access to target audiences in developing countries through its regional and country offices as well as through contacts established by PTC project personnel.

EPR/PRS/RPA has been chosen as the partner because of its well-recognized skills and experience in conducting global training activities. It has organized numerous training courses on evidence-based industrial policymaking, hosting world-leading experts in manufacturing and industrial policy management, including representatives from academia, the private and public sectors, as well as from UNIDO and its partner institutions.

In addition, EPR/PRS/RPA programmes use existing UNIDO expertise and best practice to fill knowledge and institutional gaps in developing countries and to cultivate a strategic approach to better manage UNIDO’s knowledge generation and dissemination processes.

**B3. Inception Phase**

Not applicable.

**B4. Sustainability Strategy**

The project enables UNIDO to develop strategic alliances with key Member States (Republic of Korea, recipient countries) and aims at institutionalizing the programme to make it available to a wider audience.

The project is further intended to strengthen the working relationship between UNIDO and KOICA. By proving once again that cooperation in the field of capacity development is successful it shall help in establishing a brand of UNIDO-KOICA training events that could eventually being taken to other regions and include additional partners/donors.
B5. Gender Mainstreaming Strategy

Inclusive and sustainable industrial development must take into account existing imbalances of women and men in the manufacturing sector, as well as consider their different needs and priorities. In addition to reducing imbalances, inclusive and sustainable industrial development can also promote women’s empowerment by, for example, decreasing time and labour burden; increasing profitability of activities that normally engage women and facilitating women’s access to new technologies.

Making policymakers aware of the impact that different policy interventions have on both men and women, can assure a gender responsive design and implementation of industrial policies that will affect a large number of people.

Therefore, faculty will be asked to look specifically at the gender dimension in their interventions. The programme will also look at the topic of gender mainstreaming in industrial policy and practice by, for example, using gender indicators in sessions on evidence based industrial policymaking or by examining how a gender dimension can be taken into account when designing policies.

The EPR/PRS/RPA capacity development team has a strong commitment to maintaining gender balance in its selection of participants for all programmes. Target set is at least 40% (ideally 50%). The project is aiming for gender neutrality among the group of selected participants. In order to minimize gender biases in the professional programme and encourage more women to apply, advertisement materials will indicate that qualified women are especially encouraged to participate. Additionally, all Staff Members working in the implementation of the project are requested to complete the UN Women Gender training.

In regard to the evaluations phase, the project has a gender-indicator in its outputs to examine the number of applications received and selected participants from each sex, according to specific geographic regions. This will allow the collection of sex-disaggregated data for monitoring the results of the project and take corrective actions if needed for future similar programmes.

B6. Environmental and Social Assessment

An integrated approach to society’s most urgent challenges must address all three dimensions of sustainable development – economic, social and environmental. At UNIDO’s 15th General Conference in Lima, Peru, in December 2013, the organization’s 172 member states unanimously adopted the Lima Declaration, giving UNIDO a mandate to promote inclusive and sustainable industrial development as the principal means of realizing their industrial development policy objectives.

The UNIDO Lima Declaration states that effective measures towards inclusive and sustainable industrial development should encompass enhancing productive capacities in a way that "promotes the sustainable use, management and protection of natural resources and the ecosystem services they provide; and supports related research and development."

Therefore, the programme will include at least one dedicated session on circular economy and UNIDO’s contribution to it. In addition, lectures on evidence-based industrial policymaking will include a number of environmental and social indicators.
### C. THE PROJECT

#### C1. Project Logical Framework

<table>
<thead>
<tr>
<th>Results</th>
<th>Indicators</th>
<th>Means of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objective</strong></td>
<td>Improved industrial policies for inclusive and sustainable industrial development</td>
<td>• Policy documents reflecting contents of the course</td>
<td>• Tracer survey</td>
</tr>
<tr>
<td><strong>Outcomes</strong></td>
<td>Trainees use acquired skills and methodologies in their daily operations</td>
<td>• % of participants using methods and skills in their daily operations</td>
<td>• Tracer survey</td>
</tr>
<tr>
<td><strong>Outputs</strong></td>
<td>Participants awareness and ability to apply a wide range of policy challenges and related solutions in support of inclusive and sustainable industrial development are enhanced</td>
<td>• # of individuals passing the course with increased awareness and ability</td>
<td>• Final case study presentations given by participants</td>
</tr>
<tr>
<td><strong>Activities</strong></td>
<td>Three training courses on policy making for inclusive and sustainable industrial development for policymakers from developing countries</td>
<td>• # of training courses conducted</td>
<td>• # of participants</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• % of female participants</td>
<td></td>
</tr>
</tbody>
</table>
**C2. Risks and Mitigation measures**

There are few foreseeable risks. Assuming close collaboration and coordination with all the stakeholders involved and taking into account previous experiences of organizing professional programmes, the development and delivery of the training has a minimum risk of organizational mistakes/failures/delays.

<table>
<thead>
<tr>
<th>Risk Factor</th>
<th>Mitigation Measures</th>
</tr>
</thead>
</table>
| 1. Responses to the call for nominations are lower than expected | • Involvement of UNIDO Field Offices  
• Close cooperation with UNIDO partners  
• Allocation of financial resources for promotional activities |
| 2. Availability of high level speakers/panellists for the target dates of delivering course | • Use of the UNIDO capacity development team’s network to better select speakers  
• Availability of UNIDO Staff Members will be consulted in due time |

**C3. Institutional Arrangements and Coordination Mechanism**

The project will be implemented by the capacity development team at the Research and Policy Advice Division (EPR/PRS/RPA) in close cooperation with ITPO Seoul. ITPO will provide advice on local logistics and help in regard facilitating communications with Korean partner institutions.

The detailed programme schedule, comprising date, time, programme description and lecturers (name, educational background and working experience), will be submitted to KOICA Headquarters at least one month before the beginning of the training.

**D. INPUTS**

**D1. Counterpart Inputs (KOICA)**

a) Provide funds as outlined in the budget;
b) In addition: provision of accommodation and catering at the International Cooperation Center (ICC) in Gyeonggi-do.

**D2. UNIDO Inputs**

a) Overall organization and delivery of the programme;
b) Design and development of the content;
c) Promotional materials including flyers, invitation letters, banners, certificates, and other programme materials, etc.;
d) Advertisement of the event (through mailing lists, website, targeted emails, UNIDO Field Offices, etc.);
e) Online registration of applicants and organization of the selection process;
f) Air tickets for participants and UNIDO speakers;
g) Transportation, accommodation and catering during the excursion part of the course.
h) Managing participants’ safety during the program period
E. BUDGET

The project will require the following funds as provided by KOICA:

<table>
<thead>
<tr>
<th>BL</th>
<th>Description</th>
<th>Year 1 (USD)</th>
<th>Year 2 (USD)</th>
<th>Year 3 (USD)</th>
<th>Total (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>International experts*</td>
<td>18,000</td>
<td>18,000</td>
<td>12,600</td>
<td>48,600</td>
</tr>
<tr>
<td>15</td>
<td>Project Travel**</td>
<td>18,000</td>
<td>18,000</td>
<td>12,600</td>
<td>48,600</td>
</tr>
<tr>
<td>16</td>
<td>Staff travel***</td>
<td>14,000</td>
<td>14,000</td>
<td>9,800</td>
<td>37,800</td>
</tr>
<tr>
<td>17</td>
<td>National experts &amp; admin staff****</td>
<td>7,500</td>
<td>7,500</td>
<td>5,250</td>
<td>20,250</td>
</tr>
<tr>
<td>30</td>
<td>In-service training, conferences, workshops*****</td>
<td>60,000</td>
<td>60,000</td>
<td>42,000</td>
<td>162,000</td>
</tr>
<tr>
<td>51</td>
<td>Miscellaneous</td>
<td>2,000</td>
<td>2,000</td>
<td>1,400</td>
<td>5,400</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>119,500</td>
<td>119,500</td>
<td>83,650</td>
<td>322,650</td>
</tr>
<tr>
<td></td>
<td>Programme Support Cost (13%)</td>
<td>15,535</td>
<td>15,535</td>
<td>10,874.50</td>
<td>41,944.50</td>
</tr>
<tr>
<td></td>
<td>GRAND TOTAL</td>
<td>135,035¹</td>
<td>135,035</td>
<td>94,524.50</td>
<td>364,594.50</td>
</tr>
</tbody>
</table>

* This includes: fee of 2-3 international experts per course to deliver lectures and 1 training expert to moderate the course and conduct exercises;
** This includes: travel of 2-3 international experts per course to deliver lectures and 1 training expert to moderate the course and conduct exercises;
*** This includes: travel of 4 UNIDO Staff Members to deliver lectures;
**** This includes: 1 administrative staff locally recruited in South Korea;
***** This includes: travel, insurance and lump sum allowance for 20 participants per course; factory visits and excursions in Korea; fees for Korean experts delivering lectures.

F. MONITORING, REPORTING AND EVALUATION

F1. Monitoring and Reporting

UNIDO will provide KOICA Headquarters with the following documents during and after the implementation of the Project:

a) Program advertisement for collecting applications will be submitted to the KOICA Headquarters at least 1 week in advance of the initial distribution.
b) Pre-selection list of participants will be submitted to the KOICA Headquarters at least 2 weeks in advance of the final confirmation.

¹ The amount in USD is based on an annual amount agreed with KRW with the exchange rate as of 22 May 2019.
c) Detailed program schedule, comprising date, time, program description, and lecturer (name, educational background and working experience) will be submitted to the KOICA Headquarters by the due date below.

d) Applications with medical report of final participants will be submitted to the KOICA Headquarters by the due date below.

e) Final report including a summary of outputs and activities undertaken, achievements compared to the goals and objectives, provisional financial reports (if any), analysis of participants’ satisfaction and evaluation of the Project to be submitted to the KOICA Headquarters by the due date below.

f) Financial statement certified by an authorized official from UNIDO Programme Support and General Management Division, Financial Services Branch to be submitted no later than 6 months after the project is operationally completed.

<table>
<thead>
<tr>
<th>Type</th>
<th>Due date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Programme advertisement</td>
<td>1 week in advance of the distribution</td>
</tr>
<tr>
<td>2 Pre-selection list of participants</td>
<td>2 weeks in advance of the final confirmation</td>
</tr>
<tr>
<td>3 Applications (incl. medical report)</td>
<td>2 months before the delivery of each training</td>
</tr>
<tr>
<td>4 Detailed programme schedule</td>
<td>1 month before the delivery of each training</td>
</tr>
<tr>
<td>5 Annual project report</td>
<td>Within 1 month from the end of the Project in year 1 and 2</td>
</tr>
<tr>
<td>6 Final project report</td>
<td>Within 1 month from the end of the Project in year 1, 2, and 3</td>
</tr>
<tr>
<td>7 Interim financial statement</td>
<td>Within 1 month from the end of the Project in year 1, 2, and 3</td>
</tr>
<tr>
<td>8 Annual financial statement for year 1 and 2</td>
<td>Within January of 2020 and 2021</td>
</tr>
<tr>
<td>9 Final financial statement and reimbursement of remaining balance</td>
<td>Within March 2022</td>
</tr>
</tbody>
</table>

Furthermore, UNIDO will promote and publish the events on its official website and various social media channels. These include:

- Website
- Facebook
- Twitter
- YouTube
- Flickr
- LinkedIn
- Instagram

The programme will be also promoted by UNIDO ITPO Seoul which will also try to raise it with Korean news agencies.

Linking it with UNIDO’s presence at the ASEAN Summit might provide an additional venue for promoting the programme.
At the end of the course, participants will receive official joint UNIDO-KOICA course certificates in a public ceremony involving at least one high-level UNIDO representative.

**F2. Evaluation**
UNIDO and KOICA are jointly responsible for the evaluation of the Project as follows:

a) UNIDO will be responsible for initiating, organizing and following up project evaluations in accordance with UNIDO’s practice, evaluation policy and guidelines;

b) UNIDO may consult KOICA on the terms of reference for the evaluation and invite KOICA to participate in the evaluation;

c) KOICA may conduct its own mid-term and/or end-of-project and/or ex-post evaluation in consultation and cooperation with UNIDO.

In order to assess the impact of the training courses, surveys will be conducted both at the end of each course as well as 6 months later. They will be run through a dedicated website and participants will be personally encouraged to fill them.

A final report will be prepared at the end of the project, which could be used as a source for a later assessment. It will include a summary of outputs and activities undertaken, achievements compared to the goals and objectives, provisional financial reports (if any), analysis of participants' satisfaction and evaluation of the Project. The report will be submitted to the KOICA Headquarters within 6 months from the end of the project.

A self-evaluation of the project will be undertaken after the submission of the final report on the basis of the indicators included in the Logical Framework. It should be also submitted to the KOICA Headquarters, together with the final report.

All evaluation efforts will be conducted by the training expert.

**M&E plan and budget**

<table>
<thead>
<tr>
<th>Type of M&amp;E activity</th>
<th>Responsible Parties</th>
<th>Budget EUR</th>
<th>Time frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular monitoring and analysis of performance</td>
<td>UNIDO Project Manager (PM) and Training Expert</td>
<td>0*</td>
<td>Regularly to feed into project management and Annual Project Review</td>
</tr>
<tr>
<td>Annual Project Review to assess project progress and performance</td>
<td>PM UNIDO HQ and Training Expert to review the project performance and make corrective decision</td>
<td>0*</td>
<td>Annually prior to the finalization of APR and to the definition of annual work plans</td>
</tr>
<tr>
<td>Terminal Project Evaluation</td>
<td>Self-evaluation through PM, UNIDO HQ, and Training Expert</td>
<td>0*</td>
<td>Evaluation at least one month before the end of the project; report at the end of project implementation</td>
</tr>
</tbody>
</table>

**TOTAL indicative cost** 0*

* The costs are covered under Project Management Costs
G. PRIOR OBLIGATIONS AND PREREQUISITES

No relevant prior obligations or prerequisites are identified as trained staff, facilities and best practices are available.

H. LEGAL CONTEXT

The present programme will be governed by the provisions of the Agreement between the Government of the Republic of Korea and UNIDO signed on 15 April 1987.

ANNEXES

Annex I: Preliminary programme content
Annex II: Programme reporting
ANNEX I: PRELIMINARY PROGRAMME CONTENT

The programme “Enhancing Industrial Policies: Diagnosis, Strategies and Instruments for Inclusive and Sustainable Industrial Development” is designed for mid-level policy makers, government officials, civil servants and technical experts involved in the design and implementation of their countries’ industrial policies and who try to position their manufacturing sector as a leverage for inclusive and sustainable economic growth.

The 21-day long professional programme will offer a dynamic mix of lecture-based and active learning sessions and include several field trips to research institutions and manufacturing facilities in Korea. The Programme will consist of three consecutive modules, each lasting one week:

  Module 1: Industrial Performance Diagnosis and Strategy
  Module 2: Industrial Policy Instruments
  Module 3: Excursion & company visits

The first module will help in setting the background and provide participants with some of the key concepts and tools for a comprehensive and integrated industrial performance diagnosis. Participants will learn about core principles of industrial data analysis and get introduced to different tools to evaluate the current situation of their countries’ manufacturing industry. The module will include sustainability and other environmental indicators, not considered in traditional industrial policy approaches. Presentations will be supported by examples coming from UNIDO experts involved in industrial performance diagnosis worldwide.

Furthermore, this module will focus on the role of strategy in framing effective industrial policies. Participants will look at various potential pathways for the development of their industries as taken by different countries globally and compare them. The module will display different industrial policy objectives and priorities that can lead countries to a more advanced stage of industrial development. The module will further provide a toolbox of industrial policy methods to promote structural change, economic growth and employment, as well as approaches for the greening of industries. Special attention will be given to the Korean experience, its policy decisions and subsequent implementation. Presentations will be supported by knowledge products developed by UNIDO.

In the second module, participants will be exposed to a broad set of policy instruments to achieve the objectives and priorities set in the second module. Participants will also learn about the implications of these choices as well as about experiences from developing and developed countries worldwide. In addition, this module will introduce participants to the practicalities of industrial policy making. Policy instruments to achieve green growth and energy sustainability will be addressed in this module. Presentations will be supported by examples coming from UNIDO industrial development projects implemented in developing countries.

Throughout the training part of the course, participants will work on a case study assignment where they will be asked to apply the knowledge gathered.

In the last module, participants will be meeting with Korean business associations, and visit leading Korean research institutions, factories and companies.
## Programme Modules

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<tr>
<th>Topic</th>
<th>Main Lectures &amp; Discussions</th>
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<tr>
<td><strong>Introduction</strong></td>
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| **Inclusive and Sustainable Industrial Development** | - Introduction to the concept of inclusive and sustainable industrial development (ISID)  
- Integrating inclusiveness and sustainability into industrial development strategies  
- Indicators and goals for sustainable industrial development ('green' indicators) |
| **Module 1: Industrial Performance Diagnosis** | |
| **Evidence based policymaking** | - Rationale, approach and role in evidence-based industrial policy processes  
- Key concepts and tools for a comprehensive and integrated industrial diagnosis  
- Databases to extract data and indicators for measuring and monitoring inclusive and sustainable industrial development |
| **EQuIP - Toolbox for enhancing the quality of industrial policies** | - Theoretical foundations of the EQuIP toolbox: The various dimensions of inclusive and sustainable industrial development  
- Core principles of industrial data analysis: Importance of benchmarking and choosing comparator countries, different level of analysis, time frame of empirical analysis  
- Understanding of industrial data and indicators |
| **Tools for Green Industry/energy efficiency, global value chains and industrial policy** | - Importance of energy efficiency for the greening industry agenda, strategic questions and indicators used  
- Understanding the position of a sector in global value chains and strategic implications for industrial policy  
- Assessment of a country's industrial capability development and accumulation trajectory |
| **Industrial policy objectives and policy process** | - Overview of industrial development objectives:  
- Objectives to foster structural change;  
- Emphasis on promoting sectoral efficiency and productivity;  
- Strengthening of existing comparative advantage  
- Industrial policy stages and typology of industrial policies  
- Industrial policy processes: Common failures and general recommendations |
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<th><strong>The importance of industrial policy operators</strong></th>
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**Approaches to industrial policy priority setting**
- Structural Change Industrial Diagnosis approach (SCIDA)
- Sectoral patterns of development in manufacturing
- Product space, capabilities and pattern of specialization
- Competitive Industrial Performance (CIP) Index

**Promoting structural change, boosting economic growth and manufacturing employment**
- Structural change and employment generation within manufacturing and in manufacturing-related services
- Employment absorption of most vulnerable groups: women and youth
- Manufacturing employment in a resource-constrained world

**Strategies for the greening of industries/Green Industry**
- Global resource efficiency trends: Challenges for green industry
- Industrial environmental accounting
- National strategies and frameworks to promote the greening of industries
# Module 2: Industrial Policy Instruments

| Policy instruments to support economic growth and employment generation in manufacturing | • Macroeconomic and sector specific instruments, fiscal and trade instruments and investment promotion measures  
• Labour market regulations and incentives, education, capacities, vocational education and skills  
• Promoting small and medium enterprises  
• Financing mechanisms to promote industrialization |
|---|---|
| Policy Instruments to support the greening of industries/Green Industry | • Regulatory and control mechanism, environmental taxes, industry protection and support  
• Eco Industrial parks and cluster management  
• Innovative instruments for achieving a resource efficient global economy  
• Green technology and eco-technology transfers |
| Implications of different policy choices: Experiences from developed and developing countries | • Industrial policies and industrial development: A global overview  
• Lessons from industrial policy making from developed and developing countries |
| The practicalities of industrial policymaking | • Linking objectives with policy instruments  
• Industrial policymaking: experience from various countries (comparative review)  
• Implementing industrial policy: challenges and best practices from all around the world with a particular focus on the Republic of Korea |

### Module 3: Excursion and company visits

- Bilateral meetings, seminars, country presentations and factory visits.

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A detailed outline of the programme including agenda and name of speakers will be finalized and shared with KOICA three months before the beginning of the training.
ANNEX II: PROGRAMME REPORTING

UNIDO will provide KOICA Headquarters with the following documents during and after the implementation of the Project:

a) Program advertisement for collecting applications will be submitted to the KOICA Headquarters at least 5 days in advance of the initial distribution.

b) Pre-selection list of participants will be submitted to the KOICA Headquarters at least 15 days in advance of the final confirmation.

c) Detailed program schedule, comprising date, time, program description, and lecturer (name, educational background and working experience) will be submitted to the KOICA Headquarters by the due date below.

d) Final list of participants with medical reports will be submitted to KOICA Headquarters by the due date below.

e) Final report including a summary of outputs and activities undertaken, achievements compared to the goals and objectives, provisional financial reports (if any), analysis of participants' satisfaction and evaluation of the Project to be submitted to the KOICA Headquarters by the due date below.

f) Financial statement certified by an authorized official from UNIDO Programme Support and General Management Division, Financial Services Branch to be submitted no later than 6 months after the project is operationally completed.

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<tr>
<th>Type</th>
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<tr>
<td>1</td>
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<td>2</td>
<td>Pre-selection list of participants</td>
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<td>3</td>
<td>Applications (incl. medical report)</td>
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<td>4</td>
<td>Detailed programme schedule</td>
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<td>5</td>
<td>Annual project report</td>
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<td>6</td>
<td>Final project report</td>
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<td>7</td>
<td>Interim financial statement</td>
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<td>8</td>
<td>Annual financial statement for year 1 and 2</td>
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<tr>
<td>9</td>
<td>Final financial statement and reimbursement of remaining balance</td>
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