



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION



Industry 4.0 for Inclusive Development

Comments on Issues paper

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CSTD 2021-2022 Inter-sessional Panel





Three core topics from the discussion and recommendations:

Importance of industrialization and industrial policy

- Foster economic diversification and manufacturing competency
- Facilitate an enabling digital infrastructure
- Develop National Strategies for Industry 4.0
- Foster multi-stakeholder collaboration to create Industry 4.0 ecosystem
- Build workforce skills for Industry 4.0
- Raise awareness of the private sector
- Foster innovation in Industry 4.0 technologies
- Build international partnerships
- Promote technological up-gradation in manufacturing

Invest in government capabilities

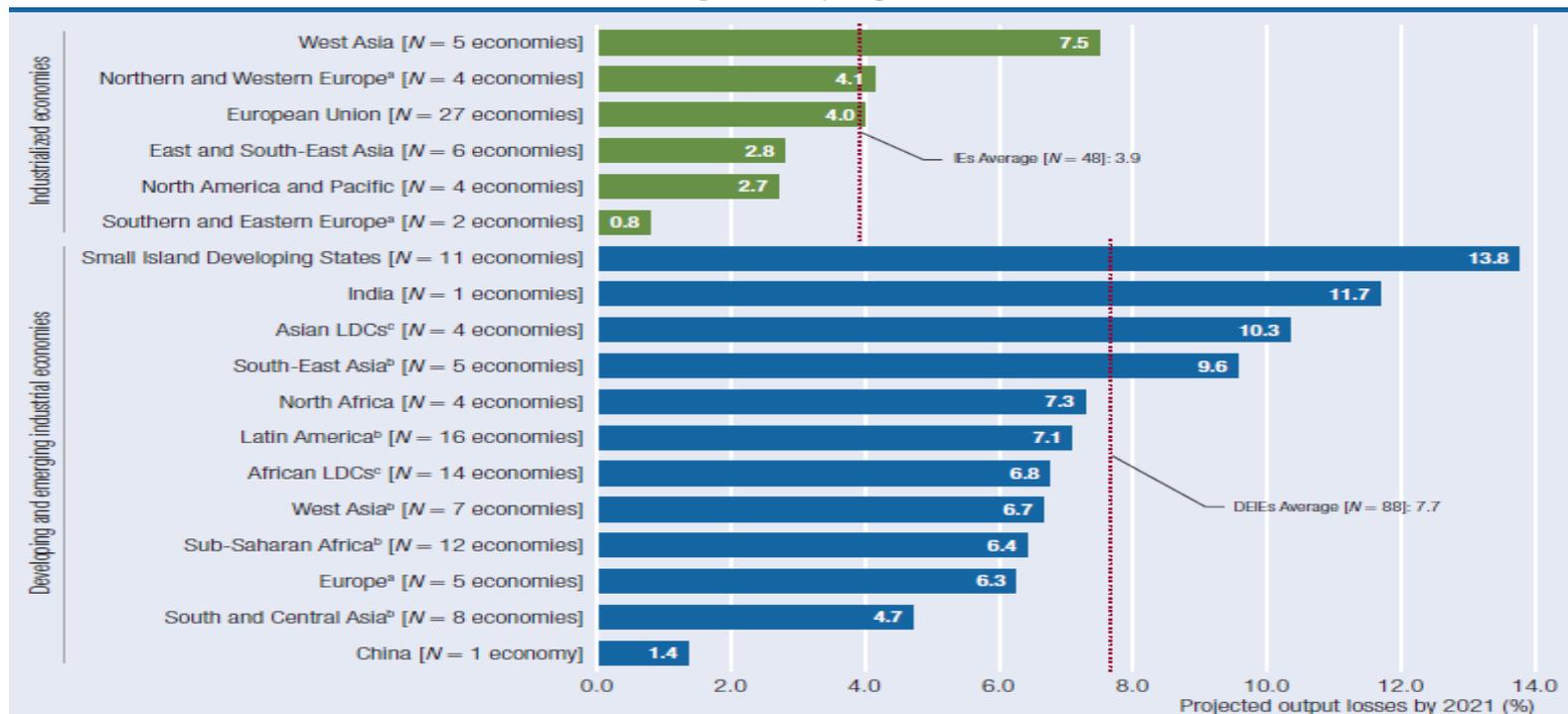
- Conduct foresight exercises
- Help design and implement national policies, strategies and programmes related to Industry 4.0

Strengthen international collaboration:

- Collect and share success stories
- Exchange of knowledge and experiences
- Promote infrastructure development
- Pilot programmes
- Scale-up capacity building activities
- Network
- Knowledge and technology transfer / Technological upgrading
- Create joint programmes
- Increase investment in STEM education
- Ethical frameworks and guidelines

The importance of Industrialization: the missing dimension of resilience

Estimated output loss by región, 2021

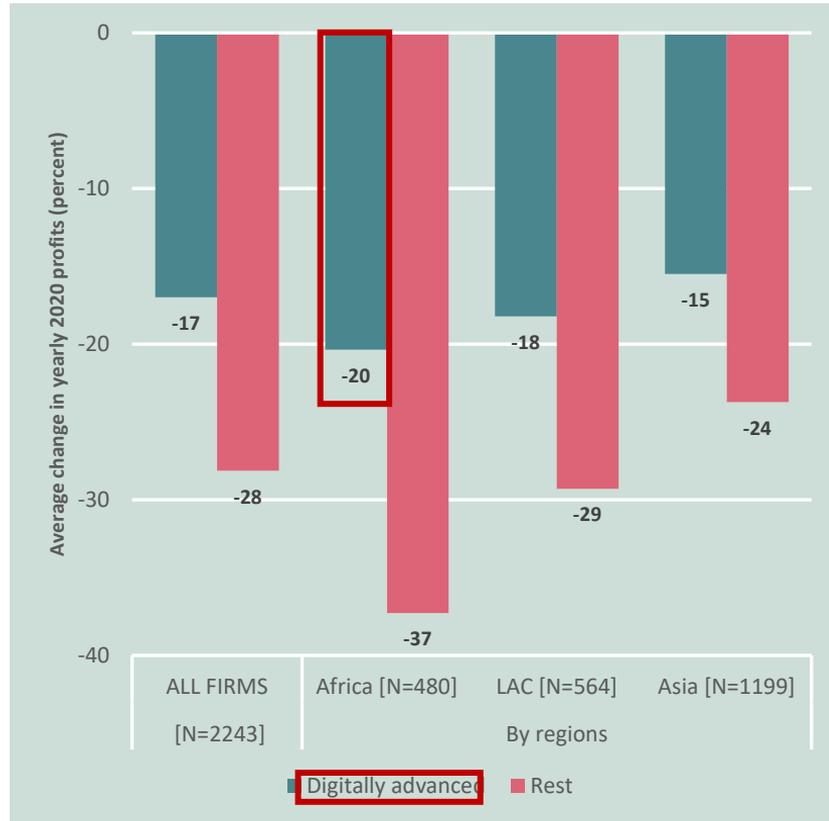


Source: UNIDO elaboration based on IMF World Economic Outlook (October 2019 and October 2021 editions).

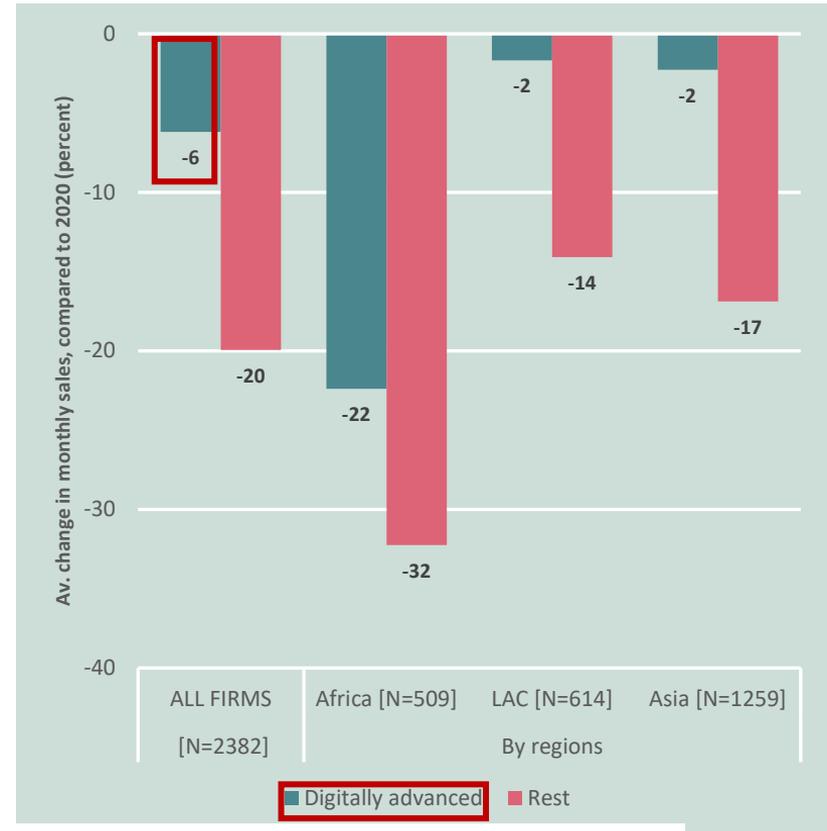
Note: a. Excluding EU; b. Excluding LDCs and SIDS; c. Excluding SIDS. The figure shows simple averages. *Projected output loss by 2021* is defined as the difference between the pre-pandemic projection of the level of GDP (October 2019) and the latest available projection (October 2021) and presented as a share of the pre-pandemic projection. Economy groups are based on Annex C of the full report. DEIEs = developing and emerging industrial economies; EU= European Union; GDP = gross domestic product; IEs = industrialized economies; LDCs = least developed countries; SIDS = Small Island Developing State.

Digitalization: a key factor of resilience

Expected change in profits 2020 by level of digitalization across firms and regions

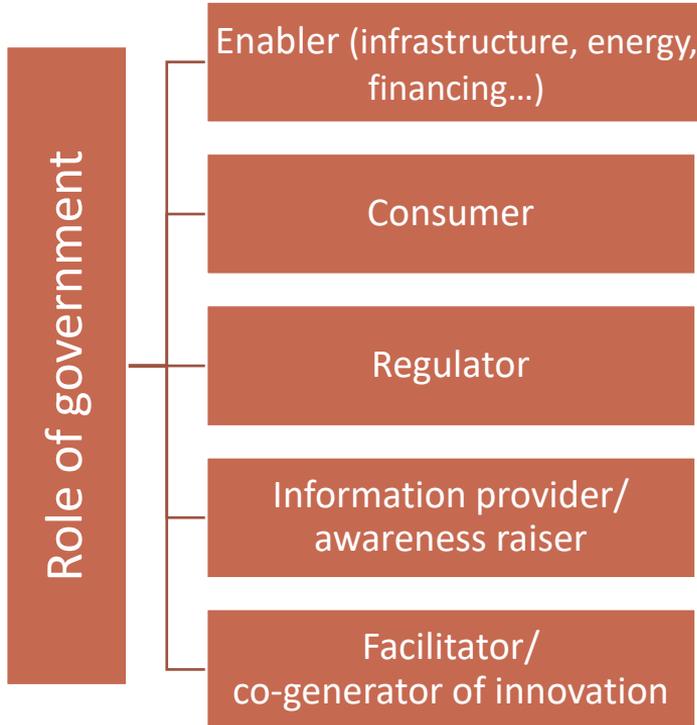


Expected change in monthly sales relative to same month in 2020, by level of digitalization across firms and regions



Investing in government capabilities

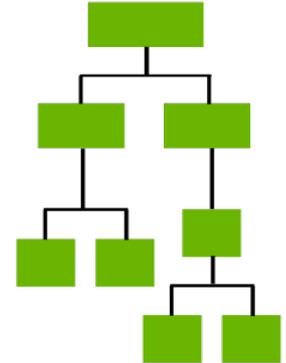
- Decide on roles and responsibilities:



- Different levels of government capabilities: what is needed?



Individual



Organizational



Systemic

A call to strengthen international collaboration

UNIDO convenes experts to consider manufacturing responses to COVID-19 and lessons to be learnt



Common challenges, require agreed and coordinated solutions:

- Knowledge sharing
- Peer-learning
- Improving global coordination
- Enabling global institutional environment



International Labour Organization

▶ **Global call to action**
for a human-centred recovery from the COVID-19 crisis that is inclusive, sustainable and resilient

Rebirth of Industrial Policy and an Agenda for the Twenty-First Century

[Karl Aiginger](#) & [Dani Rodrik](#)

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Thank you

