

Input to the High-Level Political Forum in 2022

Building back better from the coronavirus disease (COVID-19) while advancing the full implementation of the 2030 Agenda for Sustainable Development

1. Introduction

1.1 The input¹ considers the integrated, indivisible and interlinked nature of the Sustainable Development Goals (SDGs) and focuses on the SDGs under review in the HLPF 2022 – quality education (SDG 4), gender equality (SDG 5), life below water (SDG 14), life on land (SDG 15), and partnerships (SDG 17) – from a perspective of inclusive and sustainable industrial development (SDG 9) in line with the mandate of UNIDO and against the background of the COVID-19 pandemic.

2. Progress, experiences, lessons learned, challenges and impacts of the COVID-19 pandemic on the implementation of SDGs 4, 5, 14, 15 and 17

2.1 The COVID-19 pandemic further exacerbated long-standing inequalities in access to education due to school closures and the lack of infrastructure for access and quality remote learning, resulting in learning losses, dropouts, child labour² (SDG 4), and reduced job opportunities, disproportionately affecting vulnerable groups, in particular women and girls. This is reflected also by the larger elasticity of employment with respect to changes in monthly sales for women when compared to that of men. The gender gap in elasticity is larger in vulnerable industries and for temporary workers, where all workers are already more at risk of losing their jobs. This stresses the urgent need to decrease gender segregation and discrimination in manufacturing to lower women's vulnerability to employment losses during crises³ (SDG 5).

2.2 The world experienced greater digital transformation during the COVID-19 crisis than ever before, which will have a long-lasting effect revolutionizing the education systems and the world of work in many areas (SDG 4). Information and communication technologies allowed government, businesses and education institutions to sustain their operations during lockdowns. Continued efforts to promote digitalization are playing a key role in quality education, including vocational training. While internet offered new learning and skill development opportunities, it also exposed a critical digital gap, especially in developing countries and among populations living in poverty.

2.3 The severity of the COVID-19 pandemic and its socioeconomic consequences underscores the importance of both international cooperation and the effective multilateralism needed for a joint response to global challenges (SDG 17). The crisis is a strong reminder of the need for shared responsibility, global governance and solidarity. (paragraph 21, IDB.49/8).

2.4 Inclusive and sustainable industrial development (ISID) will remain a key priority for the socioeconomic response to, and economic recovery from, the pandemic as well as for

¹ This input is prepared in accordance with the IDB decision (IDB.44/Dec.9), in consultation with Member States and agreed by the Enlarged Bureau on 17 February 2022.

² The World Bank, UNESCO and UNICEF (2021). The State of the Global Education Crisis: A Path to Recovery.

³ Industrial Development Report 2022. The future of industrialization in a post-pandemic world.



progress towards the 2030 Agenda on Sustainable Development. Through its mandate of ISID, UNIDO will continue contributing to the creation of decent jobs, incomes and opportunities, strengthening of the private sector, including small- and medium-sized enterprises (SMEs), enhancing productivity and trade, spurring green and digital innovation, reducing industry-related emissions, mitigating degradation of ecosystems, improving waste management systems, eliminating irresponsible ways of resource extraction and thereby building a more inclusive, sustainable and resilient future. (paragraph 22, IDB.49/8).

2.5 The global consultations on circular economy convened by UNIDO in 2021, which aimed to enhance multilateral cooperation and concerted action to reduce environmental degradation, boost resilience and increase competitiveness, thereby advancing the achievement of various SDGs, promoting inclusive and sustainable industrial development, and facilitating the green post-pandemic recovery, could be seen as one of the tools possible for further application and development.

3. Assessment of the situation regarding the principle of “leaving no one behind” against the background of the COVID-19 pandemic and for the implementation of the 2030 Agenda

3.1 For SMEs, making up the majority of industries in many developing countries severely hit by the pandemic, especially in least developed countries, the danger of severe liquidity shortages is very eminent. Thus, this type of companies should be particularly supported as a driver of the economic recovery.

3.2 To achieve sustainable development in the aftermath of the pandemic, “a global economy that works for all”⁴ paves the way for a resilient recovery. All initiatives aimed at supporting social groups, companies and individuals who are in a disadvantageous situation in dealing with the effects of a pandemic, especially in least developed countries, are worth considering and selecting for the appropriate application.

3.3 Socially inclusive industrial policies should not only aim at creating jobs but also increasing the participation of informal workers, youth and especially women in the manufacturing sector. The post-COVID-19 scenario offers strategic opportunities to advance industrial development that is both gender-inclusive and sustainable by bringing a gender-sensitive perspective to the employment challenges of increasing technological intensity and automation in industry; increasing women’s access to industrial sector work, particularly in the context of targeted growth of “green jobs”; and identifying social infrastructure and investments in the care economy as part of industrial policy.⁵

3.4 Existing international partnerships (SDG 17), including bilateral cooperation, proved to be crucial in times of crises, wherein assistance became easier and more accessible in terms of technology, availability of vaccines, technical advice, and financial aid. Multilateral platforms were able to become a neutral ground for sharing good practices, lessons learned and foresight that guided various countries and organizations to respond to, and recover from, the adverse impacts of the pandemic. Participating countries and

⁴ Our Common Agenda – Report of the Secretary-General. 2021

⁵ Industrial Development Report 2022. The future of industrialization in a post-pandemic world.



organizations were able to amplify their voices through interventions, statements, and presentations.

4. Actions and policy recommendations in areas requiring urgent attention in relation to the implementation of the SDGs under review

- 4.1 *Strengthening sustainable value chains, including local and regional dimensions thereof, and quality infrastructure for inclusive and sustainable industrialization while enhancing preparedness for future crises.* The implementation of the sustainable practices, including among the others circular economy practices coupled with the use of renewable energy, is essential to promote low-carbon development, protect the environment, safeguard public health and reduce inequalities.
- 4.2 *Ensuring access to finance, knowledge, technology, information and education* especially in rural areas and vulnerable communities for industry and SMEs to accelerate the implementation of good practices in resource management, while leveraging new learning modalities and job opportunities. Promoting equitable access to information and communication technologies is necessary to generalize the digital transformation observed during the COVID-19 crisis in order to close the existing digital divide and inequality.
- 4.3 *Mainstreaming gender-responsive approaches, job creation and economic diversification, to advance gender equality in industries.* Support to women entrepreneurs and SMEs as drivers of value-creation generates employment and income for millions of households and vulnerable communities. SMEs and start-ups can be catalysts of new technologies and business model innovations as well as pioneers of sustainable practices, which are indispensable for a resilient and green recovery.

5. Policy recommendations, commitments, and cooperation measures for promoting a sustainable, resilient, and inclusive recovery from the pandemic while advancing the full implementation of the 2030 Agenda

- 5.1 *Moving forward to a sustainable and green economy.* Among other initiatives, a circular economy is seen as a promising and significant approach to some of the most pressing global challenges, which can accelerate the achievement of the 2030 Agenda while advancing the implementation of the Paris Agreement.⁶
- 5.2. *Revisiting and adjusting industrial policies.* The socioeconomic impact of the pandemic has been very different across regions and countries, reflecting deep underlying differences in their resilience against extreme events. As countries prepare for the future, it is important to understand which policies aimed at manufacturing are effective. This goal requires analysis of the types of responses given during the early and middle phases of the pandemic, and of the structural characteristics shaping these responses. (IDR 2022, page 1).
- 5.3 *Placing greening of industry at the core of post-COVID-19 recovery programmes.* This can be achieved by adopting sustainability standards for the production of industrial goods, the introduction of low-carbon technologies and by implementing, more broadly,

⁶ Sustainable Development Report 2021. The Decade of Action for the Sustainable Development Goals.



policies to stimulate the demand for low-carbon technologies and “green skills”⁷, supported by the strengthened international financial assistance for those in special needs.

- 5.4 *Shaping the workforce for the future of manufacturing.* Digital and soft skills, and the upskilling of the workforce for the future of manufacturing need to be boosted, particularly in developing countries, and should include technical and vocational training, open-source learning platforms, factory labs and enhanced remote learning options. Promoting green jobs in industry and SMEs is necessary to increase the economic and social aspects and to minimize environmental impacts from industry. This should be done by *encouraging constructive cooperation with the private sector*, including multinational corporations and technology giants, to mitigate and overcome the ramifications of the corona virus spread.
- 5.5 *Stimulating dialogue and global digital cooperation among multistakeholders* to enable changes in social behavior, facilitating adoption of sustainable consumption and production patterns, increasing consumer awareness and bridging the gap between policy development and policy implementation.
- 5.6. *Coordinating actions of the international community.* Intensified international industrial policy coordination should help boost a fast and sustainable recovery that leaves no one behind. This requires improving access to finance and technology, enhancing governance mechanisms to secure uninterrupted flows of essential goods and a more even distribution of the cost of disruptions in global value chains, and establishing selective policies and performance criteria to encourage innovation and create complementarities. Improved international frameworks for transboundary disaster risk management and placing environmental sustainability at the forefront of recovery efforts will also be essential.

6. Key messages for inclusion into the Ministerial Declaration of the 2022 HLPF

- 6.1 The Decade of Action and Our Common Agenda call for action and connectivity on all levels, globally, locally and societally, to trigger the required transformations. The pandemic has shown the critical importance of connectivity, which has become even more relevant in the recovery period. Support must be focused on the most fragile members of the international community, including least developed countries, small island developing States and the most vulnerable population groups around the world, while attention should also be given to middle-income countries. The improvement of the conceptualization and implementation as well as the increase of effective partnerships, cooperation and development finance should be fiercely advocated to regain the progress made before the pandemic towards the achievement of the 2030 Agenda.
- 6.2 The post-pandemic recovery should highlight building-up of inclusive and sustainable industrial potential and economies with sound efficient resources management, including the possibility of using, as appropriate, different circular economy approaches that are more resilient to future pandemics, climate change impacts and other global challenges, whilst creating jobs at all skill levels, based on the development, dissemination and diffusion as well as transfer of environmentally sound technologies, including

⁷ Industrial Development Report 2022. The future of industrialization in a post-pandemic world.



decarbonizing technologies, to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed⁸.

- 6.3 The economic stimulus packages should be designed to enable people-centered green investments, to promote economic revitalization and quality education, to create new skilled jobs and quality infrastructure, in line with ISID principles and taking into account the pivotal role of women and youth as agents of change.
- 6.4 Policy frameworks should be enhanced towards ISID to bend the global GHG emissions curve, to increase industry's resilience to adverse climate change impacts, to halt biodiversity loss caused *inter alia* by unsustainable consumption and production patterns and ensure the social and economic inclusion for all.
- 6.5 Education, science, technology and innovation policies should contribute to fostering post-pandemic recovery in the medium to long term by enabling poverty alleviation, prosperity, economic diversification and repositioning of global value chains through approaches that promote renewable energy and the efficiency of resource use and maximize the added value of materials.

⁸ Addis Ababa Action Agenda, 2015.