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Iraq's Private Sector to get Boost from UNIDO

VIENNA, 18 February (UN Information Service) – Encouraging investment in Iraq, developing small and medium businesses and creating new jobs are the aims of a new project funded by Italy that will be implemented by the United Nations Industrial Development Organization (UNIDO).

An agreement on financing the two-year 2 million euros project was signed today in Vienna by UNIDO Director-General, Kandeh K. Yumkella, and the Permanent Representative of Italy to the United Nations Organizations in Vienna, Ambassador Gianni Ghisi.

"This is already the third project UNIDO will implement in Iraq with support from the Italian Government," said Director-General Yumkella. "The Iraqi private sector is mainly composed of small and medium enterprises which in the past did not benefit from foreign or local investment due to political and economic instability in the country. By reviving the private sector we will help generate employment."

UNIDO's "Investment Promotion for Iraq" project will focus on increasing the competitiveness of existing small and medium enterprises in the Governorate of Erbil, Baghdad and Thi Qar by integrating the traditional UNIDO approaches in local and foreign investment promotion with the use of an innovative e-learning platform.

The project will complement and reinforce an existing enterprise development project for Iraq which has helped train more than 300 entrepreneurs and supported some 160 small and medium enterprise projects in the country. It will also increase the competitiveness of local institutions, build the capacity in investment promotion tools and methodologies, and support industrial small and medium businesses that are looking for potential foreign partnerships.

Yumkella said that the project will provide business services, training, and counselling, including for women to help them access markets, information, and technology. "This will promote women's economic rights and independence," he said.

UNIDO will also show Iraqi manufacturing firms environment friendly technology, and assist them in acquiring such technology. Cleaner production processes will enhance production efficiency and reduce effluents of hazardous and toxic chemicals, and help promote continued reuse and recycling of raw materials.

"Italy has consistently contributed to the Iraqi effort to reconstruct, privatize and diversify the economy. We did this bilaterally and with other multilateral partners. However, our partnership with UNIDO deserves a special place. We consider the action taken to support the Iraqi small and medium enterprise sector and the capacity building of the Iraqi institutions one of our best success stories," said Ambassador Ghisi.

A representative of the Iraqi Permanent Mission, who attended the signing in Vienna, added that his Government highly appreciated the efforts of the Italian Government to help rebuild Iraq. He thanked UNIDO and its entire staff for helping reconstruct the infrastructure of Iraq, and expressed hope that the international community would continue supporting his country.

Since 2007, the UNIDO-Iraq Country Programme has supported economic reforms in the country. UNIDO has also recently launched a new project in partnership with an Italian University to enhance the capacities of Iraqi institutions in providing enterprise development services with the use of information and communication technology.

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