

Executive Summary

The renaissance of industrial policy: harnessing opportunities

We are witnessing a renewed global interest in industrial policy, spurred by structural trends such as digitalization, decarbonization and the recalibration of global production. However, this resurgence of interest in industrial policy is faced with the challenges of post-pandemic recovery, international conflict, and macroeconomic instability. As a result, the landscape of industrial development has become more intricate, presenting both opportunities and challenges for industrialization.

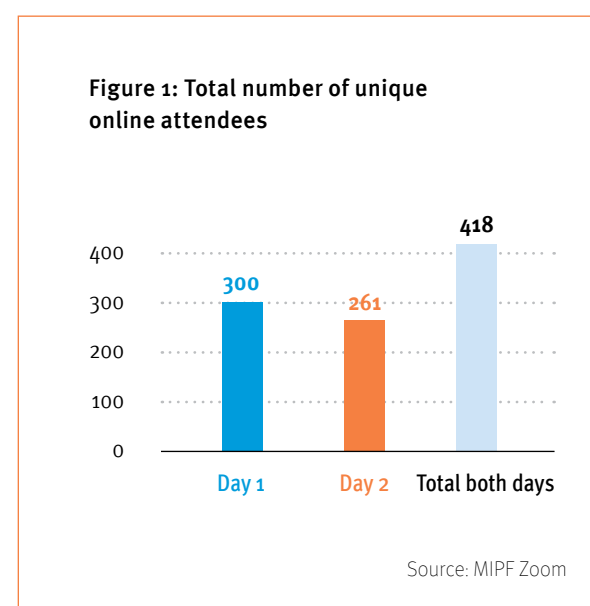
Against this backdrop, there is a call for a new generation of sustainable industrial policies which effectively reconciles national interests, the scope for regional coordination and collaboration, and international governance around industrialization with the global community's commitments to the UN 2030 Development Agenda and its Sustainable Development Goals (SDGs).

UNIDO, as the specialized agency of the United Nations with a unique mandate to promote and accelerate sustainable industrial development, has heeded this call and launched the *Multilateral Industrial Policy Forum* (MIPF). By expanding UNIDO's policy advisory services, the MIPF strengthens the Organization's brokering role, and positions it at the forefront of discussions on industrial policy.

MIPF Inaugural Edition 2023

The MIPF's inaugural edition took place from 20–21 March 2023. It convened around 500 attendees with various backgrounds from over 70 countries, representing geographical regions from around the world (Figure 1).

The Forum received strong positive feedback from Member States and participants, featured an impressive line-up of panellists, including ministers, internationally renowned scholars such as **Jeffrey Sachs** and **Mariana Mazzucato**, and industrial development practitioners and experts.



Key messages from the Forum

The Forum's first day consisted of **high-level discussions on the Future of Industrial Policy**, followed on Day 2 by exchanges on practical experiences around the implementation of concrete policy measures in different policy areas and country contexts.¹

The event's three key takeaways are:

- ▶ **Industrial policies must be purpose-oriented:** the SDGs must be actively embedded in industrial policies;
- ▶ **Large-scale transformations can only be realized through inter-governmental coordination:** countries must collaborate to achieve regional scale;
- ▶ **Greater investments are crucial:** strategies must be supported by corresponding financial resources.

Scaling up the MIPF

The primary motivation for expanding the MIPF derives from a careful analysis of the lessons gleaned from its inaugural edition. These insights will guide the scale-up phase and serve as the foundation for future editions of the MIPF. These are:

- ▶ **Facilitate greater interactivity** by adopting an in-person format that fosters direct engagement among participants;
- ▶ **Maintain the MIPF Desk** as the dedicated administrative body responsible for communication, coordination, engagement with Member States and logistical support;
- ▶ **Foster partnerships** to nurture an enabling environment to collectively advance industrial policy expertise.

Towards long-term consolidation

The MIPF is an integral component of UNIDO's efforts to enhance industrial intelligence and capacity development. As such, it plays a crucial role in facilitating voluntary exchange of best practices and knowledge on innovative approaches to industrial policy. Additionally, it provides a global platform to foster collaborative agreements on industrial development. UNIDO invites Member States and international organizations that share common strategic priorities in industrial policy to join in scaling up and consolidating the MIPF.

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¹ Recordings available in the MIPF's dedicated YouTube channel (<https://www.youtube.com/@mipfunido>).