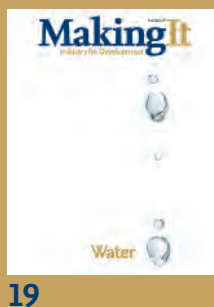
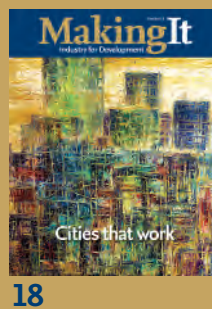


## When industry meets the city: the Belt and Road Initiative





A quarterly magazine.  
Stimulating, critical and  
constructive. A forum for  
discussion and exchange  
about the intersection of  
industry and development.



[www.makingitmagazine.net](http://www.makingitmagazine.net)

# Editorial

As UN-Habitat's Joan Clos says in his interview in this issue, "Urbanization and industrialization are two transformative processes for wealth generation."

For several centuries, industrialization has been a key driver of urban development. In turn, those cities with highly productive industrial centres have enjoyed higher increases in job growth and seen higher yearly increases in incomes.

The complementarity between urbanization and industrialization is set to take on a new dynamic with the unfolding of the Belt and Road Initiative (BRI). Launched in 2013, the BRI involves China underwriting billions of dollars of infrastructure investment in countries along the old Silk Road routes linking it with Europe and Africa.

The BRI stands to become one of the most ambitious modern-day international development projects ever conceived, and is likely to provide ample opportunities for industrial growth within the context of urban development.

How will cities along the Belt and Road forge an inclusive and sustainable urban-industrial development?

This issue of *Making It* looks at the challenges arising when industry meets the city in the era of the Belt and Road Initiative.



Editor: Charles Arthur  
editor@makingitmagazine.net  
Chair of editorial committee:

Ayumi Fujino

Design: Smith+Bell, UK –  
www.smithplusbell.com

Thanks for assistance to  
Ilia Dohel

Printed by Imprimerie  
Centrale, Luxembourg,  
on PEFC-certified paper –  
http://www.ic.lu

To view this publication  
online and to participate in  
discussions about industry for  
development, please visit  
www.makingitmagazine.net

To subscribe and receive future issues  
of *Making It*, please send an email  
with your name and address to

subscriptions@makingitmagazine.net

*Making It: Industry for Development*  
is published by the United Nations  
Industrial Development Organization  
(UNIDO), Vienna International  
Centre, P.O. Box 300, 1400 Vienna,  
Austria

Telephone: (+43-1) 26026-0,

E-mail: [unido@unido.org](mailto:unido@unido.org)

Number 24, 3rd quarter 2017

Copyright © The United Nations  
Industrial Development Organization

No part of this publication can be  
used or reproduced without prior  
permission from the editor

ISSN 2076-8508



## GLOBAL FORUM

### 6 Letters

**8 Our obsolescent economy –**  
Steven Gorelick on what is  
behind our unsustainable  
consumption and  
production patterns

**12 Business matters –** news  
and trends

## FEATURES

**14 Cities of the Silk Roads:**  
**past, present and future** Peter  
Frankopan sees the Belt and  
Road Initiative as the latest in  
a long line of similar projects  
across similar regions, and  
looks for the lessons that  
history can reveal



**17 The undeniable relationship**  
**between urbanization and**  
**industrialization –** interview  
with Joan Clos (UN-Habitat)

The designations employed and the  
presentation of the material in this magazine  
do not imply the expression of any opinion  
whatsoever on the part of the Secretariat of  
the United Nations Industrial Development  
Organization (UNIDO) concerning the legal  
status of any country, territory, city or area or  
of its authorities, or concerning the  
delimitation of its frontiers or boundaries, or  
its economic system or degree of  
development. Designations such as  
“developed”, “industrialized” and  
“developing” are intended for statistical  
convenience and do not necessarily express a  
judgment about the stage reached by a  
particular country or area in the development  
process. Mention of firm names or  
commercial products does not constitute an  
endorsement by UNIDO.

The opinions, statistical data and estimates  
contained in signed articles are the  
responsibility of the author(s), including  
those who are UNIDO members of staff, and  
should not be considered as reflecting the  
views or bearing the endorsement of UNIDO.  
This document has been produced without  
formal United Nations editing.








---

**20 China aims to build a global infrastructure network**  
Belt and Road infrastructure projects, planned and completed (March 2017)

---

#### KEYNOTE FEATURE

**22 The Belt and Road Initiative: A Platform for Sustainable Urban and Industrial Development**  
by UNIDO's Zou Ciyong

---



---

**30 An enormous potential to spur increased trade –**  
Arancha González argues that small and medium enterprises must be able to take advantage of the new trade opportunities provided by the BRI

**33 Leveraging urbanization for Africa's industrialization**  
Edlam Yemeru on how Africa's urban transition can become a motor for the continent's industrial revolution

**38 "In the last analysis, investments always follow happiness" – interview with Erion Veliaj, the Mayor of Tirana in Albania**

---

**40 Good Business – Feed the Seed** An enterprising recycling firm in Malaysia

---

#### POLICY BRIEFS

**42 Pace of progress must accelerate to achieve the Sustainable Development Goals**

**44 A human economy for women and men**

---

**46 Endpiece** Fairness and unfairness in climate negotiations – interview with IIED's Saleemul Huq





# GLOBAL FORUM

The Global Forum section of *Making It* is a space for interaction and discussion, and we welcome reactions and responses from readers about any of the issues raised in the magazine. Letters for publication in *Making It* should be marked 'For publication', and sent either by email to: [editor@makingitmagazine.net](mailto:editor@makingitmagazine.net) or by post to: The Editor, *Making It*, Room D1862, UNIDO, PO Box 300, 1400 Vienna, Austria. (Letters/emails may be edited for reasons of space).

## LETTERS

### Necessity: the mother of invention

I really like Kamau Gachigi's idea ("Changing gears for the 4IR", *Making It* 23) for makerspaces to help Africa's innovators and amateur engineers to take on the opportunity provided by the Fourth Industrial Revolution. He is so right to say that Africa can't and shouldn't wait for technology transfer via foreign direct investment. Trickle-down industrialization is just a sub-set of the con known as trickle-down economics.

● Jackie, website comment

### Women's economic participation

"Making the economy work for women" (*Making It* 23) is correct to state that women need decent jobs with fair wages. If not, our empowerment is limited. An article by the Overseas Development Institute last year made the same point about women entering the labour market on unfavourable terms.

Getting women into the workforce is an important step but can we really talk about inclusive development if most of jobs being created



for women are in garment assembly? Typically this is a sector where young women workers are 'worked into the ground' for low pay (while having to put up with sexual harassment from supervisors).

For example, research by the confederation of Ethiopian Trade Unions (CETU) on the situation of working women for Ethiopian flower growers, textile and leather-hide processing companies indicates that women work long hours without having sufficient leave and with lower wages than men. Legal rights are not recognized in some instances. They are exposed to health hazards and often lack basic facilities like clean water.

So much for Ethiopia's "growth miracle"!

● Rosa Lee, by email

### End product

Excellent to read the boss of the illy coffee company (Andrea Illy, "Wake up and smell the coffee", *Making It* 23)

showing it's possible to source coffee responsibly and sustainably especially to feed the enormous increased demand for coffee across the world.

Also good then to see an enterprising company making use of the tonnes of waste coffee grounds produced by cafes and workplaces – a resource currently under-utilised which is costing companies to get rid of it through waste disposal.

The London-based firm Bio-bean ([www.bio-bean.com](http://www.bio-bean.com)) discovered that oil could be extracted from spent coffee and turned into biodiesel, and the leftover grounds, instead of being thrown out, could be turned into biomass pellets for use in boilers.

Some of Bio-beans' customers supply their waste coffee and then use the fuel to heat their own premises.

They can also produce briquettes and barbecue coals. You might not be able to smell

coffee as they reach cooking temperature but this example of a 'closed loop' circular economy sounds a great idea.

● Jean Tresadern, by email

### Drastic plastic

You have to be shocked by the huge damage done by plastic ("Let's get serious about plastics", *Making It* 22) with 13 million tonnes of it leaking into the world's oceans to be ingested by sea birds, fish and other organisms.

What's more, plastic production is set to double in the next 20 years and to quadruple by 2050. Fewer than half of the plastic bottles bought in 2016 were collected for recycling, with the rest ending up in landfill or burnt and only 7% of those collected were turned into new bottles. Half a trillion of plastic bottles will be sold every year by the end of this decade.

We're wreaking havoc on the environment, but we can do something about this. Most plastic bottles are for drinking water. Do we need to buy a bottle every time we need a drink that is free from the tap? Bottled water is often shipped from elsewhere and sold for up to five dollars a bottle. Cities and companies could provide water fountains so that bottles can be refilled. Subsidised, ethically-produced water containers could be made more widely available. If the drinks industry doesn't want to do it,





For further discussion of the issues raised in *Making It*, please visit the magazine website at [www.makingitmagazine.net](http://www.makingitmagazine.net) and our Twitter page, [@makingitmag](https://twitter.com/makingitmag). Readers are encouraged to surf on over to these sites to join in the online discussion and debate about industry for development.



then taxes or charges on water bottles would raise finance for governments to do so. Plastic bag use has been reduced in the UK by 80%, thanks to a 5p charge at supermarkets and large stores.

Major drinks brands that produce the greatest number of plastic bottles use just 6.6% of recycled polyethylene terephthalate (Pet) in their products. They could even be made out of 100% recycled plastic, known as as RPet, but the big companies don't want to do this because they want a shiny, clear plastic bottle.

The industry should invest in containers such as the Ooho ([www.oohowater.com](http://www.oohowater.com)). It's a fully biodegradable water-filled orb made of two layers of seaweed-based packaging. The biodegradable outside layer can be recycled, while the inside is edible and can be eaten as you drink, or discarded if you wish. The orbs are made using a culinary process that shapes and holds liquids in to spheres and are able to hold up to a litre of water. Oohowater claim they could be cheaper to produce than plastic bottles.

● **Teri Dyson, website comment**

## Competition questions

Not sure what evidence the academics Wim Naudé and Paula Nagler quoted (in

*Making It 21*) when they said 'there has never been a worse time to be competing with machines, but there has never been a better time to be a talented entrepreneur.'

Those of us in the information technology industry find it's not per se machines that are the difficulty – it's the corporate 'machines'. There's a highly concentrated monopoly of multinational companies dominating our industry through processes of exclusivity and buying-up of smaller competitors which squeezes out the small guys like us.

Software updates, for example, are increasingly designed deliberately to keep the consumer compulsorily dissatisfied, without choice as to whether or not the older versions should be discarded.

'Technological innovation' means that so-called 'talented entrepreneurs' have created: the largest taxi company which neither owns nor

drives taxis (clue: it begins with a 'U'); a holiday accommodation agency which owns no holiday accommodation (clue: ends in bnb); and a travel agency that arranges no holidays (guess...).

● **Nick Claesen, website comment**

## Liquid asset

Enjoyed your issue on "Water" (*Making It 19*) which a colleague passed onto me. As you say in the editorial, "for industrialization to be sustainable, it must be a process that reduces water use and improves the quality of wastewater."

Water forms an important part of a development in Stockholm that readers may well have heard of. Hammarby Sjöstad, which is due to be completed in 2018, is a really good example of sustainable urban development. The neighbourhood itself is situated on the old industrial

and harbour area near the Lumafabrik – a former brownfield site.

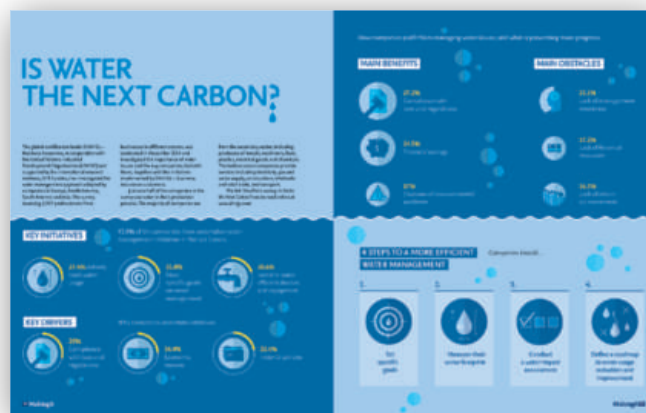
One of the primary goals of the development (including 11,000 apartments, based around a lake) is to reduce the water consumption of its residents from Stockholm's average of 200 litres a day per person to just 100 litres.

The water that will be used will be maximized to its full potential. For example, wastewater from Hammarby Sjöstad will be treated in two major wastewater treatment plants. One of these plants, the Sjöstadverket, uses biological, physical, and chemical processes to collect and treat wastewater from residents. The heat from the wastewater is used to create heating, and the chilled water can also be used for cooling.

The share of renewable energy is also intended to be considerably higher than the Swedish average – using bioenergy and incineration of local waste to produce both locally generated heat and co-generated electricity. The stormwater devices should have a high aesthetical quality, which is an important factor in the liveability of the neighbourhood and it should provide plenty of green space and easy walking between transport connections.

It's a scheme that has much to teach us about industrial development generally.

● **Joan Sombre, by email**



# Our obsolescent economy

**STEVEN GORELICK on what is behind our unsustainable consumption and production patterns**

A friend of mine from India tells a story about driving an old Volkswagen beetle from California to Virginia during his first year in the United States. In a freak ice storm in Texas he skidded off the road, leaving his car with a cracked windshield and badly dented doors and fenders. When he reached Virginia he took the car to a body shop for a repair estimate. The proprietor took one look at it and said, "It's totalled," meaning beyond repair. My Indian friend was bewildered, "How can it be totalled? I just drove it from Texas!"

My friend's confusion was understandable. While "totalled" sounds like a mechanical term, it's actually an economic one: if the cost of repairs is more than the car will be worth afterwards, the only economically 'rational' choice is to drive it to the junkyard and buy another one.

In the 'throwaway societies' of the industrialized world, this is an increasingly common scenario: the cost

Photo: www.flickr.com / Sascha Pohflepp



million cell phones – containing US\$60 million worth of precious metals and a host of toxic materials – are dumped in US landfills annually.

Along with these environmental costs, there are also economic impacts. Not so long ago, most US towns had shoe repair businesses, jewellers who fixed watches and clocks, tailors who mended and altered clothes, and 'fixit' businesses that refurbished toasters, TVs, radios and dozens of other household appliances. Today, most of these businesses are gone. "It's a dying trade," said the owner of a New Hampshire appliance repair shop. "Lower-end appliances which you can buy for US\$200 to US\$300 are basically throwaway appliances." The story is similar for other repair trades: in the 1940s, for example, the US was home to about 60,000 shoe repair businesses, a number that has dwindled to less than one-tenth as many today.

One reason for this trend is globalization. Corporations have

预览已结束，完整报告链接和二维码如下：

[https://www.yunbaogao.cn/report/index/report?reportId=5\\_23186](https://www.yunbaogao.cn/report/index/report?reportId=5_23186)

