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**UNITED NATIONS INDUSTRIAL  
DEVELOPMENT ORGANIZATION  
(UNIDO)**

**ENHANCING INDUSTRIAL OPPORTUNITIES  
TO REDUCE THE UNEMPLOYMENT RATE  
IN DJIBOUTI**

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## Basic Overview of the Issue

Djibouti, positioned at the crossroads of global trade routes, holds significant potential for industrial development. It serves as a critical transit point for goods and energy supplies, connecting Asia, Europe, and Africa. However, despite its role as a regional logistics hub, Djibouti struggles deeply with extremely high unemployment rates. Djibouti's heavy reliance on port services and few industrial opportunities leave a majority of the population unemployed. The nation faces a pressing unemployment crisis, with a significant portion of its workforce—particularly among the youth and women. Djibouti's industrialization lags due to a combination of structural, economic, and political factors: over-reliance on the service industry, dependency on port imports, inadequate infrastructure, small domestic market, lack of investment, skills gap in the workforce, high production costs... Despite these deep-rooted issues, by addressing these challenges, Djibouti can unlock its industrial potential and create a more inclusive and sustainable economic future for its people. Its strategic location, young population, and ongoing development initiatives—such as the construction of industrial parks and improvements in energy infrastructure—offer a foundation for transformative change.



*Figure 1: Djibouti International Trade Zone*

## Explanation of Important Terms

### *Unemployment*

Unemployment is the condition that happens when willing and able individuals cannot find jobs. This is the main problem we will be addressing in Djibouti which reflects a lack of alignment between available jobs and the skills of willing and able people. In particular, this affects youth and women, and addressing unemployment improves living conditions, reduces poverty, and helps stabilize the economy.



### *Industrialization*

Industrialization is simply the process of developing industries which is usually done by expanding manufacturing, production, and technological advancements. In this case, economic transformation, job creation, and technological progress could be realized through industrialization. By investing in industries like renewable energy, logistics manufacturing, and agro-processing, Djibouti can reduce its reliance on port services and unemployment rates.

### *Diversification*

Diversification essentially involves diversifying an economy or expanding it into different sectors. This process is usually needed in nations that rely on one single sector, such as port services in Djibouti's case. Diversification reduces vulnerability to external factors which enhances economic stability, durability, and resilience by creating a broad industrial base.

### *Infrastructure*

Infrastructure is the structural parts needed for an economy to function such as roads, ports, energy systems, and water supply. These are the fundamental physical and organizational facilities that help speed up everything in the process. Djibouti's limited infrastructure poses a significant barrier to industrial development, and investing in infrastructural development would support economic growth by lowering production costs.

### *Foreign Direct Investment (FDI)*

FDI is a type of investment made by businesses abroad or foreign entities, which usually involves ownership or control of production and services in the host country. Attracting FDI for Djibouti is essential for financing industrial projects, modernizing infrastructure, and introducing advanced technologies, as Djibouti cannot provide the necessary sources for economic growth.

### *Economic Diversification Index*

The Economic Diversification Index measures how diversified a country's economy is. Djibouti's low diversification index reflects its low variety of exports, industries, or activities. Especially its heavy reliance on port services, signaling the need for industrial policies that foster broader economic activity.



### *Human Capital Development*

Human capital development is the process of enhancing the skills, education, and health of a population to increase its productivity. In Djibouti, significant gaps in technical and vocational training hinder workforce readiness for industrial jobs. By investing in education aligned with industry needs, the country can build a more capable workforce, which is critical for industrial growth.

### *Import Substitution Industrialization (ISI)*

ISI is an economic strategy aimed at reducing dependency on imports (goods or services that were produced in another country) by developing local industries to produce goods domestically. In Djibouti, ISI could foster manufacturing sectors that create jobs while reducing reliance on imports.

### *Economic Enclaves*

Economic enclaves are regions or sectors within a country that are highly developed but isolated from the broader economy, often benefiting only a limited part of the population. In Djibouti, the port sector risks becoming an economic enclave if industrialization and job creation are not developed and expanded to other sectors. Addressing this requires integrating economic activities to ensure that benefits reach a larger share of the population.

### *Fiscal Incentives*

Fiscal incentives are government policies that offer financial benefits, such as tax reductions or subsidies. For Djibouti, implementing fiscal incentives will encourage investment and economic activity, which will attract both foreign and domestic investors to industrial projects. These measures can lower the costs of doing business and support the establishment of new industries, particularly in underdeveloped areas.

### *Export Processing Zones (EPZs)*

EPZs are designated areas where businesses operate with reduced regulations and tax benefits, establishing EPZs in Djibouti would boost exports and industrial activity. These zones will attract investment in manufacturing and processing industries,



leveraging its strategic location for exports. Ultimately, this would stimulate industrial growth and create significant employment opportunities.

## Detailed Background of the Issue

The economic structure of Djibouti has been shaped by its location at the crossroads of major maritime trade routes. This geographic advantage allows Djibouti to make itself a key logistics and trade hub, particularly for Ethiopia, which is landlocked and serves as a gateway between Asia, Africa, and the Middle East. Despite this advantage, the singular focus on port services has left the country's economy with widespread unemployment and underdeveloped industrial sectors. Addressing these challenges requires broad research of the area's historical context and opportunities for future growth.

Djibouti's history under French colonial rule laid the foundation for the modern-day state. Evidently, its colonial history also entrenched dependency on external trade. During the colonial period, Djibouti did not have any self-sustaining economic policies. Instead, it was used as a strategic outpost for French interests in the Horn of Africa. Even though there were infrastructure projects like the Addis Ababa-Djibouti Railway, they were designed to facilitate the export of resources from other countries, in this case Ethiopia, rather than to develop local industries. Manufacturing and agriculture were lagging while the focus on trade established a pattern of economic reliance on transit. In 1977, Djibouti gained independence and inherited an incredibly dependent economy on port services. Obviously, this sector generated significant revenue but it failed to create job opportunities and diversify the economic base. Successive governments tried to prioritize expanding port infrastructure but this narrow focus limited the development of other sectors, which left a significant part of the population excluded from economic gains.

Industrialization remains elusive due to a combination of challenges. The arid climate and lack of arable land have made any agricultural development nearly impossible, and the significant absence of natural resources has limited any opportunities for heavy industry. The reliance on imported fossil fuels, and as a result, high energy costs, have set back local manufacturing and deterred potential investors. With a population of just over one million, Djibouti's small domestic market poses a significant challenge and local demand is insufficient to sustain any large-scale industrial ventures. This problem is caused by



governance bureaucratic inefficiencies, and the lack of targeted policies to support development. The government has sought to attract foreign direct investment through initiatives like the Djibouti International Free Trade Zone but unfortunately, these efforts have yet to make a significant impact on Djibouti's economy due to high production costs and inadequate infrastructure.

In 2018, Djibouti launched the Djibouti International Free Trade Zone with significant support from Chinese investments as part of the Belt and Road Initiative. Spanning 4,800 hectares, this project was designed to host a range of industries to diversify the economy. The Djibouti International Free Trade Zone (DIFTZ) offers tax incentives and streamlined regulatory processes in order to attract more foreign investment with the potential to create over 200,000 jobs. Unfortunately, the DIFTZ has faced some challenges including high energy costs, a lack of skilled workers, concerns about debt sustainability, and the dominance of Chinese companies. These have raised questions about the broader economic benefits for Djibouti. This zone still represents a step in the right direction toward diversification but also draws attention to the complexities of industrial growth in a country with limited resources.

Unemployment is one of the greatest challenges that Djibouti still faces, tied to structural economic weaknesses. Although the logistics sector is highly profitable, it employs a relatively small and specialized workforce, leaving large segments of the population without access to stable employment. In particular, youth unemployment poses a significant challenge as the education system also struggles to equip students with the necessary skills for the labor market. Vocational training programs are underfunded and poorly aligned with the needs of emerging industries, creating a mismatch that further worsens unemployment. This issue becomes even more complicated by rapid urbanization as rural populations migrate to Djibouti City in search of better opportunities. The urban labor market becomes increasingly saturated, intensifying competition and deepening socioeconomic disparities.



*Figure 2: Women working in industrial production*

Other countries have faced and overcome similar challenges, offering valuable



lessons for Djibouti. For example, Singapore transformed itself from a trade-dependent economy to a diversified industrial hub by investing heavily in education, infrastructure, and technology.

Rwanda's emphasis on decentralizing economic activity and fostering rural development provides another model for reducing regional inequalities and creating more inclusive growth. These examples underscore the importance of long-term planning, human capital development, and targeted policies in achieving sustainable industrialization.

Djibouti has actively sought to leverage international partnerships to overcome its structural barriers. China has been a supporting partner, funding critical infrastructure projects such as the Addis Ababa-Djibouti Railway and the Doraleh Multipurpose Port. These initiatives aim to enhance Djibouti's logistics hub position while laying the groundwork for industrial growth. International organizations, including the World Bank and the African Development Bank, have supported efforts to improve energy access and promote economic diversification. For instance, the Lake Assal geothermal project seeks to provide affordable and sustainable energy, a crucial factor for reducing production costs and attracting industrial investors.

Economic enclaves, where wealth and opportunities are concentrated in specific sectors or areas, are persistent challenges in Djibouti's development. This especially applies to the port sector, which employs only a small fraction of the population. This concentration of resources exacerbates regional disparities, social inequalities, and creates tensions between urban and rural communities. In order to address these disparities, we need policies that promote inclusive economic growth. Decentralizing industrial development and investing in underdeveloped regions could help reduce inequalities and create jobs in areas currently marginalized.

Despite everything listed above, Djibouti's strategic location and evolving policy environment present significant opportunities for transformation. Export-oriented industries such as agro-processing, textiles, and renewable energy manufacturing could leverage the country's access to global trade routes while creating jobs for both skilled and unskilled workers. In order to unlock this potential, Djibouti must focus on human capital development, expanding technical and vocational education programs to align with market demands, reducing energy costs through investments in renewable energy projects, streamlining



regulations to improve governance, and strengthening trade ties with neighboring countries to expand market access. To unlock this potential, Djibouti must focus on human capital development, expanding technical and vocational education programs to align with market demands, reducing energy costs through investments in renewable energy projects, streamlining regulations to improve governance, and strengthening trade ties with neighboring countries to expand market access.

## Major Parties Involved

### *China*

China is one of the most influential players in Djibouti's industrial and economic development, primarily through its Belt and Road Initiative (BRI). The Chinese government and state-owned enterprises have heavily invested in critical infrastructure, including the Djibouti International Free Trade Zone (DIFTZ), the Ethiopia-Djibouti Railway, and multiple port facilities. These projects aim to integrate Djibouti into global trade networks while simultaneously benefiting China's geopolitical and economic interests in the Horn of Africa. The DIFTZ, in particular, is envisioned as a cornerstone of Djibouti's industrial ambitions, offering tax incentives and logistical support to attract manufacturing and trade activities. However, the reliance on Chinese loans and contractors has sparked concerns about a growing debt trap, with Djibouti's external debt to China accounting for a significant proportion of its GDP. Moreover, the dominance of Chinese firms in key sectors raises questions about the local workforce's inclusion and the long-term sustainability of these investments for Djibouti's economy.

### *Ethiopia*

Ethiopia, Djibouti's largest trading partner and its primary user of port services plays a vital role in Djibouti's economic stability. With no direct access to the sea, Ethiopia depends on Djibouti for 90% of its trade, particularly exports and imports of vital goods like fuel and machinery. This relationship has deepened economic ties between the two nations, leading to joint infrastructure projects such as the Ethiopia-Djibouti Railway. Ethiopia's large and growing population creates significant demand for Djibouti's logistical and industrial services, directly linking its economic health to Djibouti's development. However, this dependency also





poses risks; any economic downturn or political instability in Ethiopia could ripple into Djibouti, disrupting its industrialization plans. Collaborative efforts between the two nations, such as coordinated trade policies and shared industrial zones, remain crucial for mutual prosperity.

### *World Bank*

The World Bank has been a long standing partner in Djibouti's development, offering financial support and technical expertise aimed at addressing structural challenges. The organization's projects often focus on improving infrastructure, enhancing access to renewable energy, and reducing unemployment through workforce development. One of its flagship initiatives is the Lake Assal geothermal energy project, which seeks to reduce the country's reliance on expensive imported fossil fuels. By lowering energy costs, the project aims to make industrial ventures more competitive. Additionally, the World Bank supports education and vocational training programs to bridge the skills gap in Djibouti's labor market. Its policy advice often emphasizes the need for fiscal discipline and governance reforms to ensure that industrial growth benefits the broader population and does not exacerbate existing inequalities.

### *African Development Bank (AfDB)*

The AfDB plays a critical role in financing infrastructure projects that are vital for Djibouti's industrialization. Its investments are focused on regional integration, including road networks and trade corridors, which facilitate the movement of goods and services. The AfDB also funds energy projects to address one of Djibouti's biggest industrial bottlenecks—high energy costs. Through initiatives such as the Sustainable Energy Fund for Africa (SEFA), the AfDB aims to promote renewable energy solutions that can lower production costs and attract foreign direct investment (FDI). Furthermore, the bank's emphasis on inclusive growth seeks to ensure that industrialization benefits marginalized groups, particularly women and youth, by creating equitable job opportunities across sectors.

### *International Monetary Fund (IMF)*

The IMF has a pivotal advisory role in Djibouti's economic planning, especially concerning its growing external debt. The organization closely monitors Djibouti's fiscal policies and provides technical assistance to maintain macroeconomic stability. Given the heavy borrowing associated with industrial infrastructure projects, the IMF's guidance is



crucial in preventing debt distress. It also promotes structural reforms to improve governance, reduce bureaucratic inefficiencies, and create a more conducive environment for industrial investment. The IMF often emphasizes the importance of balancing industrial growth with social welfare policies to ensure sustainable development.

### *United Nations Development Programme (UNDP)*

The UNDP contributes to Djibouti's industrialization by addressing human capital challenges and fostering inclusive economic growth. Its initiatives focus on vocational training, entrepreneurship, and women's empowerment, aiming to equip the local workforce with skills relevant to emerging industries. The UNDP also provides technical assistance to integrate the Sustainable Development Goals (SDGs) into Djibouti's industrial policies, ensuring that growth aligns with environmental sustainability and social equity. Programs targeting youth unemployment, a significant challenge in Djibouti, are particularly critical, as they aim to reduce the economic exclusion of the country's younger population.

### *United States of America*

The United States engages with Djibouti primarily through security-related investments and development assistance programs. As Djibouti hosts a major U.S. military base, Camp Lemonnier, the U.S. has strategic interests in ensuring the country's stability. USAID initiatives complement this by focusing on economic diversification, governance reforms, and human capital development. U.S. involvement is often characterized by an emphasis on transparency and accountability, promoting policies that combat corruption and improve the business environment for industrial investments. While its financial footprint is smaller than China's, the U.S. offers an alternative approach to development that prioritizes long-term sustainability.

### *France*

France maintains a historical and economic presence in Djibouti, rooted in its colonial ties. French assistance often focuses on areas such as education, infrastructure, and energy, aiming to strengthen Djibouti's capacity for industrial growth. French companies, particularly in sectors like telecommunications and energy, contribute to the country's development by introducing advanced technologies and expertise. France also supports governance and institutional reforms, emphasizing the importance of transparency and effective public administration as foundations for sustainable industrialization.



## International Labour Organization (ILO)

The ILO is a key actor in addressing labor market challenges in Djibouti. Its programs aim to improve workforce skills, promote decent working conditions, and enhance labor rights, particularly in emerging industrial sectors. By collaborating with the government and private sector, the ILO helps align vocational training with the demands of industrial employers. It also advocates for policies that ensure fair wages and safe working environments, essential components of sustainable industrial growth.

## Chronology of Important Events

Date	Description of Event
1977	Djibouti gained independence from France, establishing itself as a strategic location for trade and military operations due to its proximity to the Bab-el-Mandeb Strait. The country inherits limited infrastructure and an economy heavily reliant on port services and foreign aid.
1981	The government forms the Djibouti Ports Authority to oversee the management and development of its port infrastructure, marking the beginning of efforts to position Djibouti as a regional trade hub.
1999	Djibouti and Ethiopia signed an agreement formalizing Ethiopia's reliance on Djibouti's port infrastructure for its international trade, strengthening economic ties between the two nations.
2006	The Doraleh Container Terminal, a joint venture with DP World, opens as a major expansion of Djibouti's port facilities. This project boosts Djibouti's logistics capacity but also sparks debates about the role of foreign companies in managing national assets.
2009	The Djiboutian government unveils Vision 2035, a long-term development plan aimed at transforming Djibouti into a diversified economy and industrial hub. Key pillars include infrastructure development, energy security, and human capital enhancement.



<b>2011</b>	Start of the Djibouti International Free Trade Zone (DIFTZ) Development: Djibouti begins developing the DIFTZ to attract foreign direct investment (FDI) and establish itself as a manufacturing and logistics hub. The zone offers tax incentives and modern facilities to entice investors.
<b>2015</b>	The Ethiopia-Djibouti Railway, funded and constructed by Chinese firms, begins operations. This electrified railway significantly reduces transit times for goods between Ethiopia and Djibouti's ports, enhancing trade efficiency.
<b>2017</b>	Djibouti Joins China's Belt and Road Initiative (BRI): Djibouti formally aligns with China's BRI, solidifying its position as a critical node in China's global trade strategy. This alignment accelerates infrastructure investments, including energy projects and industrial zones.
<b>2018</b>	Djibouti's government terminates DP World's contract for managing the Doraleh Container Terminal, citing national sovereignty concerns. The move sparks international arbitration and raises questions about Djibouti's investment climate.
<b>2019</b>	The first phase of the DIFTZ is completed, covering 240 hectares. The zone became Africa's largest free trade area, aimed at boosting industrialization and creating job opportunities.
<b>2021</b>	Launch of the Lake Assal Geothermal Energy Project: Supported by the World Bank and African Development Bank, Djibouti initiates the Lake Assal geothermal energy project. This renewable energy initiative aims to reduce energy costs for industrial operations and attract investors.
<b>2022</b>	Establishment of New Export Processing Zones (EPZs): Djibouti expands its EPZ framework to include additional incentives for foreign and domestic investors. The new zones target industries such as textiles, pharmaceuticals, and food processing.
<b>2023</b>	Collaboration with the African Continental Free Trade Area (AfCFTA): Djibouti strengthens its engagement with the AfCFTA, aiming to leverage its strategic location and free trade zones to facilitate intra-African trade and industrial growth.



## Relevant International Documents

- 2030 Agenda for Sustainable Development, 25 September 2015 (A/RES/70/1)

Adopted by the United Nations General Assembly, this agenda outlines the Sustainable Development Goals (SDGs), including Goal 8 (Decent Work and Economic Growth) and Goal 9 (Industry, Innovation, and Infrastructure), both of which are critical to Djibouti's efforts to reduce unemployment through industrialization.

[https://www.un.org/en/development/desa/population/migration/generalassembly/docs/globalcompact/A\\_RES\\_70\\_1\\_E.pdf](https://www.un.org/en/development/desa/population/migration/generalassembly/docs/globalcompact/A_RES_70_1_E.pdf)

- Paris Agreement, 12 December 2015

A global accord under the UN Framework Convention on Climate Change (UNFCCC), emphasizing sustainable energy and economic growth. Djibouti's industrial ambitions align with its commitments to renewable energy and reduced carbon emissions.

[https://treaties.un.org/doc/Treaties/2016/02/20160215%2006-03%20PM/Ch\\_XXVII-7-d.pdf](https://treaties.un.org/doc/Treaties/2016/02/20160215%2006-03%20PM/Ch_XXVII-7-d.pdf)

- The Addis Ababa Action Agenda, 27 July 2015 (A/RES/69/313)

This document focuses on financing for development, including mechanisms to mobilize resources for infrastructure and industrial projects in developing nations like Djibouti.

[https://www.un.org/en/development/desa/population/migration/generalassembly/docs/globalcompact/A\\_RES\\_69\\_313.pdf](https://www.un.org/en/development/desa/population/migration/generalassembly/docs/globalcompact/A_RES_69_313.pdf)

- The United Nations New Urban Agenda, 20 October 2016

Adopted at the UN Conference on Housing and Sustainable Urban Development (Habitat III), this agenda promotes urban industrial zones and inclusive economic growth, both relevant to Djibouti's industrialization efforts.

<https://habitat3.org/wp-content/uploads/NUA-English-With-Index-1.pdf>

- African Union Agenda 2063, 26 May 2013

A strategic framework for Africa's socio-economic transformation, with specific goals for industrialization, infrastructure, and intra-African trade, directly supporting Djibouti's development aspirations.

[https://au.int/sites/default/files/documents/33126-doc-framework\\_document\\_book.pdf](https://au.int/sites/default/files/documents/33126-doc-framework_document_book.pdf)



## Past Attempts to Resolve the Issue

Efforts to tackle Djibouti's industrial and employment challenges have met with varying outcomes over the years. Diverse undertakings led by global organizations, regional powers, and local governments have aimed at alleviating these issues, yet enduring structural barriers have repeatedly impeded significant progress.

The UN Development Programme (UNDP) has stood as a major player in advancing Djibouti's developmental agenda. Programs targeted at equipping the youth and women with entrepreneurial skills and vocational training have achieved a level of localized success. However, these initiatives frequently struggled to make a broader impact, constrained by insufficient funding and weak alignment with national developmental goals.

The UN Industrial Development Organization (UNIDO) has similarly endeavored to strengthen Djibouti's industrial framework. Through its technical guidance, enterprises in agro-processing and textiles sectors were encouraged. However inadequate infrastructure and persistently high energy costs have curbed the scale at which these efforts could contribute to the economy.

Regionally, the African Development Bank (AfDB) has invested heavily in trade-centric projects such as the Ethiopia-Djibouti Railway and Doraleh Container Terminal. These ventures bolstered the country's integration into regional trade networks and created jobs during their construction phases. Nevertheless, their lasting effect on the overall unemployment rate has been modest, as job creation has largely remained sector-specific.

China's substantial investment, primarily under the Belt and Road Initiative (BRI), has significantly influenced Djibouti's industrial ambitions. The establishment of the Djibouti International Free Trade Zone (DIFTZ) and other projects have positioned the country as a key trade hub. However, concerns about rising external debt and dependence on foreign actors continue to overshadow these advances.

Domestically, the Djiboutian government has sought to address these challenges through Vision 2035—a strategic roadmap aimed at fostering economic diversification and industrialization. This ambitious plan outlines priorities such as renewable energy, human capital, and infrastructure. Progress on these fronts, however, remains slow, as the plan grapples with administrative inefficiencies, funding gaps, and execution delays.

Efforts by global institutions have also focused on improving governance and the



regulatory framework in Djibouti, to foster transparency and attract investment. While some strides have been made, systemic corruption and institutional limitations persist, hindering meaningful industrial transformation.

Taken as a whole, the various attempts to address Djibouti's challenges have yielded limited but noteworthy results. To overcome these longstanding barriers, future efforts must adopt a holistic approach, addressing skill development, inclusivity, and sustainable industrial practices to ensure long-term economic growth and employment creation.

## **Solution Alternatives**

Addressing Djibouti's intertwined challenges of unemployment and underdeveloped industrialization requires a multifaceted approach, blending practical policies with innovative solutions. To foster meaningful discussion and enable delegates to draft impactful resolutions, the following strategies should be considered as potential pathways to progress.

First, prioritizing human capital development is essential. Djibouti's workforce lacks the skills necessary for many industries to thrive, so investing in technical and vocational education tailored to local economic needs is a logical starting point. Collaboration with international organizations like UNDP or UNIDO can ensure that these programs are both well-designed and effectively implemented. For example, launching apprenticeship initiatives in sectors such as logistics, manufacturing, and renewable energy would equip workers with relevant expertise while strengthening ties between education and industry.

Second, bolstering infrastructure must take center stage. Djibouti's high energy costs and limited transportation networks are ongoing obstacles to industrial growth. A feasible solution is for the government to partner with international development banks, such as the African Development Bank, to scale up renewable energy projects and enhance regional connectivity. Renewable energy initiatives, in particular, could reduce costs for businesses while positioning Djibouti as a leader in sustainable industrialization.

Another promising avenue is expanding Export Processing Zones (EPZs) while addressing their shortcomings. These zones can drive industrialization and create jobs if designed strategically. To ensure success, EPZs must prioritize attracting diverse industries, provide incentives like tax breaks, and develop worker training programs to align local skill sets with industry needs. Collaboration with international investors and development



agencies would amplify the impact of these zones.

Another innovative approach is adopting import substitution industrialization (ISI) policies on a smaller scale. By identifying key goods currently imported and supporting local businesses to produce them domestically, Djibouti could reduce its reliance on foreign products while generating employment. This strategy, however, requires significant government support, including grants, infrastructure development, and market protection policies.

Finally, regional partnerships can act as a catalyst for progress. Djibouti occupies a strategic location within East Africa, and strengthening economic ties with neighbors like Ethiopia and Somalia would expand trade opportunities and foster industrial synergies. Regional agreements on resource-sharing or joint ventures in industrial projects could further enhance this cooperation.

In summary, tackling Djibouti's challenges demands an approach that combines traditional development strategies with creative, forward-looking policies. By addressing foundational issues like education and infrastructure while exploring innovative economic models, Djibouti can unlock its industrial potential and create a brighter future for its workforce. These solutions are not just blueprints but starting points for actionable, impactful resolutions that delegates can adapt and expand during the conference.

## Useful Links

- [Djibouti Overview: Development news, research, data | World Bank](#)
- [Djibouti Economic Outlook | African Development Bank Group](#)
- [For Djibouti, Infrastructure Investment Paves Way to Regional Hub](#)
- [Djibouti's Economy Shows Strong Growth in 2023 Despite Fiscal Challenges](#)
- [Djibouti: An Emerging East African Trading Hub | HKTDC Research](#)
- [Djibouti to unleash the economic potential of Africa](#)

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