2nd UNIDO Forum on Partnerships to scale up investment for inclusive and sustainable industrial development

Statement by the FAO Director-General

José Graziano da Silva

Vienna, Austria, 4 November 2014
Your Excellency Hailemariam Desalegn, Prime Minister of Ethiopia,

Your Excellency Mahammed Dionne, Prime Minister of Senegal,

Mr. Ban Ki-moon, Secretary-General of the United Nations,

Mr. LI Yong, Director General of the United Nations Industrial Development Organization (UNIDO),

Mr. Neven Mimica, Commissioner for International Cooperation and Development of the European Commission,

Ms. Fatima Acyl, Commissioner for Trade and Industry of the African Union Commission,

Mr. Erik Solheim, chair of the OECD-Development Assistance Committee,
Mr. Petko Draganov, Deputy Secretary-General of the United Nations Conference on Trade and Development (UNCTAD),

Mr. Alhaji Muhamad Mumuni, Secretary-General of the African, Caribbean, and Pacific Group of States (ACP).

Government officials,

Distinguished delegates,

Representatives of civil society, the private sector and non-state actors,

UN colleagues,

Ladies and gentlemen,
1. Let me begin by congratulating UNIDO on its efforts to mainstream industrialization in the international sustainable development agenda.

2. We echo UNIDO’s conviction that industrialization is an important avenue that governments should pursue in order to foster long-term poverty and hunger reduction.

3. And we look forward to strengthening our collaboration on agricultural processing.

4. In two weeks time FAO and the World Health Organization are convening in Rome the Second International Conference on Nutrition.

5. This ministerial meeting will look at how food systems, including food processing, can help ensure healthy, diverse and balanced diets to address the multiple challenges of
malnutrition, including hunger, micronutrient deficiencies, obesity, and diet-related non-communicable diseases.

6. Industrial development does not and should not come at the expense of agricultural development. They complement each other.

7. Agriculture can be a motor for local development. But we need to build and strengthen its links with other sectors of the economy to ensure sustained economic development.

8. We can do this by developing agribusiness and adding value to the food chain. This a way to increase the income of farmers.

9. But value has another non-monetary and important dimension in food systems: it means more nutritious and healthy foods, produced sustainably.
10. I would also like to add that robust industries are important to spur economic development and contribute to food security. However, the history of economic development shows us that industrialization is very complex.

11. There is no standard formula to create strong, sustainable and inclusive industrialized economies.

12. In this way, FAO and UNIDO have similar roles insofar as they assist developing countries in finding and implementing their own way forward, learning from and adapting successful experiences as appropriate.

13. Many countries have successfully industrialized by starting with commodity processing. Through learning by doing from others, they have made rapid progress.

14. And by producing for domestic and subregional markets, they can achieve economies of scale and become more
export competitive. Food processing is an excellent basis for such progress.

15. Experiences in Asia and other emerging economies show that one key ingredient to success has been close collaboration among various stakeholders guided by strong national leadership.

16. Partnerships are becoming increasingly important because Official Development Assistance or alone is proving insufficient to accelerate the transformation that many low-income countries aspire to.

17. Our challenge is to think of ways to use investment as a catalyst for change and for further private and public investments.

18. This is especially important for small and medium scale enterprises and farmers.
19. In this respect, FAO is honoured by the opportunity to share our experiences in building effective partnerships for agribusiness development.

20. We work with a wide range of partnerships to implement our technical cooperation projects, for example to promote financial inclusion among poor farmers in Ethiopia, Kenya and Tanzania.

21. Similarly, food processing and packaging companies are important partners in our efforts to reduce food loss and waste that affects over one-third of total production, a partnership that also involves the United Nations Environmental Program and other in the UN system.

22. Multi-stakeholder engagement is also crucial in the global policy debate.
23. Open and constructive dialogue between governments and non-state actors was a key element in the FAO supported processes that culminated with the endorsement by the Committee on World Food Security of the Voluntary Guidelines on Responsible Governance of Tenure and of Principles for Responsible Agricultural Investments.

Ladies and gentlemen,

24. FAO and UNIDO have been involved in longstanding collaboration. UNIDO continues to be one of our most important partners in the context of food security and industrial development.

25. Supporting agro-based industries is one area of common interest and cooperation between our organizations.
26. We are now working on a new agreement to better align our joint efforts to the strategic objectives of each organization.

27. In FAO’s case, we have five strategic objectives that have sharpened the focus of our work. They are:

a. Ensure food security;

b. Promote sustainable agricultural development;

c. Reduce rural poverty;

d. Enable more inclusive and efficient markets; and,

e. Build resilience.

28. We are also committed to making FAO-UNIDO cooperation even more concrete and effective at the country level.

29. We have a good history to build on.
30. One of our joint initiatives is the Accelerated Agribusiness and Agro-industries Development Initiative (3-A-D-I) for Africa.

31. This effort also involves the African Union Commission and its New Partnership for Africa’s Development (NEPAD), the African Development Bank, and the United Nations Economic Commission for Africa.

32. The 3-A-D-I has become an important platform to expand investments so that they cover agribusiness and agro-industrial development as well as on-farm improvements.

33. We are working to develop highly productive and sustainable food chains in which agriculture not only produces the commodities but also processes and adds value to them, keeping a bigger share of the income generated.
34. Africa has a huge potential to explore, and together, we are trying to make this happen.

35. This is just one example of how FAO and UNIDO are partnering to unlock the potential that exists in Africa and around the world.

36. I am confident that working together is the way forward.

37. Thank you very much for your attention.