Excellencies,
Ladies and Gentlemen,

It is my sincere pleasure to welcome you all today to this consultation on the next UNIDO medium-term programme framework, or MTPF, which will set the programmatic vision and strategic direction for the Organization over the next four years, starting in 2016.

It has been a priority for me since taking office in June 2013 to refocus UNIDO’s strategic direction against a background of emerging new development challenges. This effort, under the close and systematic guidance of Member States, has one goal in mind: to improve the impact of the services we offer to our Member States in supporting their efforts to advance towards poverty-free and sustainable societies.

Since the MTPF was first requested by the General Conference at its second session back in 1987, it has served as the main strategic planning instrument for UNIDO to formulate its programmatic response to the challenges of a rapidly changing development environment, and to monitor the contribution made by UNIDO to the achievement of global and national industrial development objectives.

As you are aware, the last MTPF was drafted more than six years ago and came into effect in 2010. It was originally supposed to be replaced in January 2014, but after a midterm review in 2011 was extended to the end of 2015. The purpose for this extension was to give both the Secretariat and the Member States an opportunity to fully assess the significant changes that are currently taking place in the global development landscape and align UNIDO’s operations and service delivery to these changes.
Excellencies,
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Let me briefly summarize the wide range of new issues that have arisen during the past few years that the new MTPF will have to address.

First amongst these is the adoption of the *Lima Declaration* by UNIDO Member States, which calls upon the Organization to enhance the support it provides to countries as they strive towards achieving inclusive and sustainable industrial development (ISID). Operationalizing this mandate, and realizing the full potential benefit of ISID for our Member States, therefore represents the ultimate priority for UNIDO in the years ahead. We will clearly have to rethink the way our Organization operates and delivers technical cooperation and related services to Member States.

The MTPF will also need to incorporate the very valuable recommendations contained in the outcome document of the Informal Working Group on UNIDO’s future, entitled “Strategic Guidance Document”. As mandated by the last General Conference, the “Strategic Guidance Document” is considered an “essential contribution for the formulation and implementation of the MTPF.” and I am fully committed to ensuring that these recommendations of the outcome document are reflected in the new MTPF.

More recently, our own Office for Independent Evaluation has conducted a comprehensive and thorough strategic evaluation of the MTPF 2010-2013, which has also generated a number of important recommendations. As a learning Organization that attaches great priority to continuous improvement based on the lessons learned from our past performance, I can assure you that the findings of this evaluation will also be given due consideration in the preparation of the new MTPF.

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In addition to responding to our own internal mandates and the guidance given by our Member States, the MTPF for 2016-2019 will also have to take into account the dramatic changes taking place in the global development context. The MTPF will come into effect at the same time as the new post-2015 development agenda, based on a new set of Sustainable Development Goals with associated targets and indicators as well as comprehensive frameworks of Means of Implementation and monitoring and reporting. It will therefore have to be fully aligned with
the goals, implementation mechanisms and accountability systems that the international community is formulating for the post-2015 development agenda.

In this connection, we are very pleased that inclusive and sustainable industrialization has been proposed as one of the three elements of SDG 9, together with infrastructure and innovation. This gives us a very good basis upon which to build our programmatic services in the coming years, and we are actively seeking to establish similarly strong foundations with regard to the means of implementation and the reporting requirements. These will all feature in the new MTPF for 2016-2019.

Against the background of the renewed mandates given to both UNIDO and the United Nations development system as a whole, the Organization will also have to ensure that its programmatic positioning takes full account of all relevant UN system-wide coherence mechanisms. The most important of these is the quadrennial comprehensive policy review of operational activities for development (QCPR), the requirements of which will be fully integrated into the MTPF 2016-2019. Other coordination mechanisms, arising from both intergovernmental and interagency processes, will also have to be given due consideration.

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Over the past year, we have already made major strides in seeking to enhance our cooperation and coordination with other important counterparts in the global development community. This is underlined by the introduction of our new innovative partnership approach to promoting inclusive and sustainable industrial development, based on our Programme for Country Partnerships. Through the adoption of this approach we are not only seeking to provide holistic development solutions through a combination of our own policy advisory, normative, technical cooperation, investment promotion and technology transfer services, but are also aiming to leverage the financial and technological resources and expertise of other potential partners to maximize development impact. This approach will remain at the core of our service provision in the coming years and will constitute a growing proportion of our activities as we seek to enhance the synergies between our own programmes and with those of our partners.

Our efforts to increase the development impact of our services will have to be accompanied by corresponding efforts to monitor, measure and report on our achievements. For this purpose, we are in the process of developing an integrated performance monitoring and reporting system, which will enable us to collect, compile and disseminate critical data and analytical reports on global, regional and national trends in ISID on the one hand, and on our own programme and management performance on the other. This tool will ensure that we can
effectively pursue our goal of results-based management, while also meeting the reporting requirements of the new post-2015 development agenda and the SDGs. In addition, it will enable us to enhance the visibility both of our mandate and our Organization.

To facilitate this monitoring and reporting effort, we are collaborating closely with relevant colleagues in the broader UN system to develop appropriate indicators for the SDGs. The underlying statistics for some of these indicators may already exist; for others they will have to be identified and developed in the context of the “data revolution”, which is an important component of the means of implementation for the post-2015 development agenda being formalized this year.

To fulfill our reporting mandate on global, regional and national trends with regard to ISID we already have a very important tool, the Industrial Development Cooperation Report that I submit biennially to the General Assembly. The last one was issued last year, and was received by the General Assembly with appreciation recognizing UNIDO’s unique mandate to promote ISID. We have also been invited to contribute to the 2015 edition of the Global Sustainable Development Report, the prototype of which was launched in the High-Level Political Forum of ECOSOC last year. It is my intention to try to ensure that our contribution on inclusive and sustainable industrial development becomes a standard feature in all future editions of this report. In addition, I am also thinking of launching an annual “State of SDG 9” report that could be submitted to ECOSOC. These are matters on which I will consult with Member States at the appropriate time.

This broader reporting framework on global, regional and national industrialization trends will, of course, be supplemented by a clear, concise and comprehensive reporting system on our own programmatic and operational performance. We will develop an appropriate, limited, set of agglomerative indicators, which will allow an effective presentation of Organization-wide achievements. The underlying project and programme-level data will, of course, also remain available for any required reporting at these levels. In line with my commitment to full accountability and transparency, these data will be made available to Member States and other relevant stakeholders through our SAP enterprise resource planning system. This reporting system will be presented to you at the forthcoming session of the Programme and Budget Committee (27-29 May 2015).
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Let me now come to the last part of my statement – the structure and substantive content of the proposed MTPF 2016-2019. A provisional outline of the MTPF was submitted to the last session of the Industrial Development Board in document IDB.42/9 and was well received. Based on this outline, it is intended that the MTPF 2016-2019 will have two principal components, a thematic programme framework and a management framework.

The thematic programme framework provides for a complete alignment of UNIDO’s services with the Organization’s ISID mandate and the three dimensions of sustainable development which form the basis of the overarching development agenda of the United Nations system beyond 2015 – i.e. economic growth, social equity and environmental sustainability. It will accordingly be structured in three parts, each of which represent different aspects of our ISID mandate, namely:

1. Creating shared prosperity;
2. Advancing economic competitiveness; and
3. Safeguarding the environment.

Each of these parts will contain a number of individual programmes, which will be implemented in a holistic manner to achieve effective outcomes and impacts through UNIDO’s four enabling functions: technical cooperation; analytical functions and policy advisory services; normative functions and standards and compliance related activities; and convening and partnerships for knowledge transfer and knowledge networking. As I mentioned earlier, these services will increasingly be combined, both among themselves and with complementary services provided by other development partners, in our Programme for Country Partnerships, in order to scale up the developmental outcomes and impacts of our interventions.

The management framework will synthesize the recommendations and requirements of the Lima Declaration, the “Strategic Guidance Document” that emerged from the work of the informal working group on the future, including programmes and resources, of UNIDO, and system-wide UN policy documents and frameworks, including the QCPR. The objective of this management framework will be to ensure continuing increases in our efficiency, effectiveness, accountability and transparency.
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In conclusion, I would like to stress that the proposed MTPF 2016-2019 reflects my determination to ensure that UNIDO responds meaningfully to the new ambition and purpose that the Member States and the global community have set for our Organization. We simply have to become “fit for purpose” in the post-2015 era.

This new MTPF aims to mark a quantum leap in the manner in which our Organization works, breaking down long standing silos, and concentrating our resources in pursuit of the programmatic and management mandates given by you, the Member States. This new approach will enable UNIDO to focus its efforts and activities to effectively support the achievement of inclusive and sustainable industrial development at the global, regional and national levels.

_Above all, it is a road map towards truly transforming UNIDO into an effective, transparent, and trusted partner in the post-2015 era._

With this brief introduction summarizing my vision for the MTPF 2016-2019, I now give the floor to Mr. Hobohm, who will give you a more comprehensive presentation of our proposals. I look forward to an interesting and fruitful discussion after the presentation, and for your further guidance on how we can improve the proposed document that will set the operational foundations for our activities in the coming four years.

Thank you for your attention.