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UNIDO TENTH GENERAL CONFERENCE “Development is *the* weapon to achieve peace”

The first week of December the United Nations Industrial Development Organization (UNIDO) celebrated the tenth session of its General Conference, the highest governing body of the agency of 171 Member States.

The main theme proposed by the Secretariat of UNIDO to be discussed in the meeting was the contribution of industrial development to the achievement of the Millennium Development Goals (MDGs).

Delegations from 128 Member States were accredited to the Conference. Four heads of State or Government (Uganda, Madagascar, East Timor and Tanzania), three vice-presidents (Guatemala, Panama and Sierra Leone) and more than 50 Ministers of Trade and Industry or Foreign Affairs participated in what was, by far, the largest gathering ever organized by UNIDO. It was indeed a large and unusual level of attendance for an Organization where no trade agreements, global declarations or major funds are under negotiation.

In parallel with the plenary session of the General Conference, substantive discussions were organized around the Industrial Development Forum and its seven round tables on Poverty (and the role of industrial development in achieving the MDGs), Trade (and how to make it work for the poor), Investment (with particular focus in Africa), Clean Technologies, Post-Conflict situations (the role of UNIDO) and two regional round tables on Poverty in Latin America and progress in Central and Eastern Europe. Professor Jeffrey Sachs and Mr. Rubens Ricupero were among the leading discussants in the opening session of the Forum.

The Director General of UNIDO, Mr. Carlos Magariños, stressed at the General Conference that to separate the political and security agenda of the UN from its Development Agenda is not only an old way of thinking but also very dangerous. “Development is the most effective weapon to achieve peace”; he said, pointing out that “The poorest sixth of mankind endures fourth fifths of the world’s civil wars.”

For that reason it is indispensable in his view to establish the role of UN in the development debate, today almost monopolized by the Bretton Woods institutions. The UN voice in development should go beyond complaints against the injustice of globalisation towards a constructive and proactive agenda of practical solutions to overcome the present marginalization of most developing countries. The round tables at UNIDO’s General Conference (particularly those on trade and investment) have demonstrated that is possible for UN bodies to do so on technical grounds.

This objective is so important that it deserves even a reform of the UN development architecture in Mr. Magariños’ view. He proposed that “It is probably now time to think, for example, of a developing country version of the OECD. That is, a way to articulate their own view of the development agenda and to build up the methodologies required so that these countries get a firm handle of productivity performance and become able to use it as a gauge to monitor the success of their economic reform programs and as a

compass to better steer their policies.” This can be achieved without additional resources by reorganizing the work of the Economic and Social Council of UN (ECOSOC) and developing new mechanisms of coordination for the UN development camp, similar to those utilized in other areas like the UN Aids campaign (UN Aids) A full proposal on this will be unveiled by UNIDO in the near future.

The following topics were among the most important on which consensus was reflected in resolutions of the tenth General Conference of UNIDO:

1. In the 21st century industrial development has to be considered as a means to defeat poverty rather than a goal in itself. The key concept for poor countries is to increase agriculture and industrial productivity to promote social advance. The reforms undertaken by the organization in this regard were praised and its new corporate strategy based on “productivity enhancement for social advance” endorsed.
2. The need for poor countries to increase agriculture and industrial productivity to promote social advance is particularly true for the least developed countries (LDCs). They will have to grow at a rate between 2 and 6 percent in terms of GDP per capita until 2015 to materialize the MDGs. Since growth in terms of per capita income was stagnant during the last 30 years, a significant change in policies will be necessary to achieve the required growth dynamics. Professor Sachs called for an “institutional revolution”, a “green revolution” and a “productivity revolution” in those countries, to achieve the MDGs.
3. The strong connection between Peace and Development was stressed by all interventions at the conference. It was decided that UNIDO must consolidate its program for post-conflict situations in two basic areas: rehabilitation of basic industrial facilities (food-processing plants or textiles facilities or the like) and training for former combatants; and the maintenance of an active role, whenever and wherever conditions allowed, in the reconstruction efforts of countries emerging from situations of crisis and conflict. UNIDO Member States positively considered the establishment of an Industrial Rehabilitation and Reconstruction Facility. Special mention was made of the UNIDO programme in the Palestinian territories.
4. The African Productive Capacity Initiative and the establishment of an African Productive Capacity Facility and a Trust Fund to help the implementation of the Initiative, was approved at the General Conference. The African Productive Capacity Initiative, the result of two years work, is a detailed analysis of bottlenecks and constrains that prevent African economies from actively participating in global trade and investment flows. The analysis divides the African continent in five regions (north, east, west, centre and south) and studies different productive sectors suggested by African governments and representatives of the private sector. The Initiative is meant to be UNIDO’s contribution to the New Partnership for African Development (NEPAD).
5. A resolution was also adopted requesting UNIDO to allocate resources to the planning and implementation of UNIDO programmes according to the Declaration adopted by the Thirteenth Iberoamerican Summit of the Heads of State and Government and other multilateral World Summits regarding poverty reduction and sustainable development.

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Spanish and French translations of this press release will be made available soon.