
Presented by: Director of Administration, Renato Fornocaldo
Excellencies, distinguished guests, ladies and gentlemen.

This presentation provides a synopsis of the discussion paper submitted to the round table on Post Crisis held on 2 December 2003. It follows the recommendation of resolution number 6 of the 10th session of the General Conference.

Its purpose is to seek ways to contribute to the Human Security goals through the formulation and implementation of programmes in countries emerging from crisis situations and to incorporate a human-centred perspective as an integral part of the UNIDO Post Crisis Interventions. With this perspective, I will also present our agenda for this biennium.

Natural crisis or conflicts cause social and economic dislocation. The resulting poverty and disintegration of the social fibre is in direct conflict with the Millennium Development and Human Security Goals.

The calamities originated by a crisis call for humanitarian intervention as a means to mitigate the immediate adverse impacts, ameliorate the prospects for their resolution and overcome them comprehensively in the long term. Given the obvious inability of the affected countries to undertake these measures on their own, they will require substantial support from the International Community.

UNIDO can play a substantive role in their rehabilitation and reconstruction and, at the same time, provide a concrete bridge for their longer term development.

Within this context, our intervention will be guided by the general principle of human security i.e.:
1. protecting people from pervasive threats to their lives,
2. promoting livelihoods and dignity,
3. contributing to minimum standards of living and thus increasing the human security level in countries emerging from crisis situations.

The background and details of this concept have been included in our submission to this IDB in the form of a conference room paper which was circulated yesterday also containing tables illustrating our agenda for 2004 – 2005.
In my presentation on Post Crisis at the last General Conference, we stressed that our assistance should be based on two major principles: sound diagnosis and tailor-made response.

Sound diagnosis will enable us to clearly identify the demand for industrial recovery and formulate and organize an appropriate mix of our existing services.

Tailor-made response is possible through its specialized expertise. UNIDO’s strengths for formulating and implementing interventions would be vested in the provision of hands-on knowledge, skills and information required by specific group(s) of affected populations in certain sectors and rural or urban areas. Macro-economic advisory services could also be addressed by assisting the public and private sectors.

Let me refresh your memory on the notion of the 4 pillars of our intervention.

The first one: **What to do!** Assisting rehabilitation in key industrial sectors

b) Promoting income generating activities
c) Supporting institutional capacity building
d) Preparing conditions for rehabilitation of basic infrastructure

The second one: **With whom to do it!**
In partnership with UN agencies and NGOs for operations and logistics and, above all, programme substance.

The third one: **How to do it!**
With stronger operational mechanisms for a consolidated and timely response to deliver our services.

And finally, the fourth one: **When to do it!**
We should be involved in fact finding and in carrying out a needs assessment exercise before the end of the first phase of crisis situation.
As you can see from the map, we are present in 20 countries in post crisis. In these countries our interventions range from fact finding to the implementation stage; in all cases different approaches have been adopted.

From a list of 20 countries, in 11 with earlier interventions, our services have been mainly provided within the framework of integrated programmes. The spectrum of our interventions ranged from strengthening the capacity of the government to implement policy for reconstruction to providing shelter and skill opportunities to returning refugees.
Selection criteria for Biennium 2004 - 2005

1. Short intervals from when crisis ended
2. Focused international attention
3. Possible application of more effective modalities of implementation
4. Strong prospect of mobilization of external financial support

For the biennium 2004 – 2005 UNIDO will place for the most part priority attention to post crisis activities with stand alone and thematic projects. This will be done through a selection based on the following parameters:

1. Short intervals from the moment the crisis has ended.
2. Focus of international attention through peace agreements, consolidated UN appeals, donor conferences and other global fora.
3. The possibility of application of more effective modalities of implementation adjusted to specific cases.
4. Promising prospects for mobilization of external financial support.

Within these parameters, the following countries have been selected.

In Africa: Angola, Dem. Rep. of Congo, Liberia, Sierra Leone and Sudan. For the latter, the activities started in early 2003.

In general, due to our recent involvement in these nine countries, our intervention is currently concentrating on the formulation phase.

A substantive variation has to be recorded, between Liberia, where our fact-finding mission will take place during the third quarter of this year, and Afghanistan, Angola and Sudan where the implementation stage has already started for one of the activities foreseen for these countries.

Current phase of intervention

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<th>No. of Activities</th>
<th>Fact-Finding</th>
<th>Formulation</th>
<th>Impl'n</th>
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<td>Afghanistan</td>
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<td>2</td>
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<tr>
<td>Angola</td>
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<td>DR Congo</td>
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<td>Iran (Bam)</td>
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<td>Iraq</td>
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<td>Liberia</td>
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<td>Sierra Leone</td>
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<td>Sudan</td>
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<td>Timor-Leste</td>
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As a consequence of this situation, the majority of the foreseen field activities should start as the second half of this year. Contingent factors will obviously postpone the start of these activities. Iraq is a strong example where the prevailing security situation does not allow the resumption of the UN field activities in the near future.

This slide will show the overall funding situation, with a clear distinction between the estimated financial requirements and the funding already secured or simply pledged. The overall funding requirement is almost $148 million, whereas the sum of the pledged and secured funds roughly totals to almost $16 million.

As you can see, the level of the funding requirement in Iraq considerably distorts the overall picture. Iraq is, somehow, a unique case that has attracted the widest international attention which lead both to a considerable amount of resources pledged during the Madrid donor’s conference in October last year and the establishment of a strong UN coordination structure in Jordan that has greatly facilitated the programme formulation process. This has also been possible due to an initial solid partnership built with those UN agencies involved in our programme.

This slide, showing the funding without Iraq, provides a more focused picture of the remaining 8 countries.

The overall funding requirements is almost $22 million, whereas the sum of the pledged and secured funds roughly totals more than $5.5 million.
Allow me to recap the estimation of the financial requirements and present the source of funding, both bilateral and multilateral at the level of commitment and to mention the donors who showed potential interest to finance the programmes.

Within this context of post crisis, the equally important role of the various established trust funds has to be noted.

During the discussions of the round table on post crisis, there was a solid consensus on the fact that post crisis operations cannot and must not be undertaken alone. Whatever UNIDO will do should be the result of donor community consultations and, in particular, inter-agency discussions.

All these agencies, as indicated in the slide, together with some bilateral partners, will be instrumental both by helping UNIDO in terms of logistical support and, more importantly, in terms of collaboration in substantive programming and implementation activities where partnerships will trigger multiplying positive effects.

On the “what to do” front, the above slide shows the service modules that will be supplied to these 9 countries.

Not surprisingly, you can immediately see that the UNIDO core competencies represent the “lion-share” of the services that UNIDO can provide.

Within these core competencies, private sector and agro-industries have a dominant position. Allow me to spend one minute on these two service modules.
Coordination and partnership with UN agencies involved in the rehabilitation work is the “conditio sine qua non” for generating outputs that would be more costly and of lesser impact should our Organization venture alone in this extraordinary challenging field.

We could, then, conclude that UNIDO, with its much stronger and integrated response, will surely contribute to attain the objectives of Human Security in the international agenda.

For the private sector development service module, out of the 4 services provided by the module, rural and women entrepreneurship is obviously indicated as one of the major potential contributors to a sound recovery in almost all the 9 selected countries.

For the agro-industries service module, agro machinery and food processing are obviously clearly indicated as the engine of a sustainable recovery for the majority of the 9 selected countries.

In concluding my presentation, I would like to focus on two ideas.

The demand-driven exercises carried out in these countries in post crisis situation have clearly indicated the nature of the services required for their social and economic recovery. These services stem from our core competencies.

I wish to briefly recall the Director-General’s invitation during the last General Conference and in his opening statement of this IDB to give more attention to funding our core competencies which, in our technical cooperation portfolio, barely reach 32% of the total, without speaking of the improvement of UNIDO’s support, with these core competencies, to the Millennium Development Goals.