

**13th UNIDO General Conference
Vienna, 7 to 11 December 2009**

**Statement of the Head of the German Delegation
Ambassador Rüdiger Lüdeking**

9 December 2009

Thank you, Mr President,

The German Delegation associates itself with the statement by the State Secretary Alterä from Sweden on behalf of the European Union. I would like to highlight a few points which are of importance to my country.

First of all, I wish to congratulate Director General Kandeh Yumkella on his re-election. As we know election processes can be difficult and painful. This one was easy, as the Director General's bid was uncontested. This testifies to the respect and standing that Mr. Yumkella has acquired. Director General Yumkella is a very talented communicator. He has succeeded to turn UNIDO again into a dynamic and increasingly efficient international organisation. And within UNIDO he has reinforced a sense of purpose. We wish DG Yumkella good luck for his second term and we are very confident that with his good sense of judgement he will further strengthen UNIDO and enhance the service that this organization provides. And I would also like to assure him of my country's full support.

With high personal effort DG Yumkella has worked for UNIDO's modernization. This has been recognised by the international community entrusting UNIDO with substantially more financial means for projects. This is – no doubt - a major achievement.

But raising more money is only half of the story. It is essential that the projects implemented or initiated by UNIDO are effective and and bring about sustainable results. Evaluation is a key word in this context. It may be easier to report only success stories or to avoid an evaluation at all. The price of such a behaviour has to be borne by all of us in the form of unlearnt lessons and of mistakes which are being perpetuated. We appreciate that DG Yumkella has chosen another way and has taken care to strengthen the evaluation procedures within UNIDO showing a vivid interest in a meaningful, unbiased and substantial assessment of the organization's work. We welcome this transparency and we encourage UNIDO to continue on this path. In this regard I would like to encourage UNIDO to intensify its efforts to evaluate activities surrounding the so called "global forum function". The General Conference has received a helpful report by the Secretariat containing an impressive list of major conferences organized or co-organized by UNIDO. I would welcome if UNIDO could supplement its report in GC.13/13 by information about regular budget appropriations used for the listed events.

We welcome that UNIDO has recently undertaken special efforts in the area of energy and environment and we encourage UNIDO to continue to develop its activities in this area. It is a coincidence, but it should be taken as a reminder of the urgency of this topic that the World Climate Summit in Copenhagen meets in parallel with this General Conference. Development and sustainability have to go hand in hand in order to tackle the huge global challenges ahead. UNIDO has its role to play by demonstrating that practical solutions for environmental problems can be applied in the industrial sectors of developing countries. We are convinced that a sustainable and resource efficient way of industrial production is a prerequisite of sustainable economic success.

I would also like to avail myself of this opportunity to congratulate UNIDO on its distinction of being named once again as best implementing agency by the Montreal Protocol organisation.

UNIDO does important work in the field of trade capacity building. The current financial crisis would only be exacerbated and deepen if governments succumbed to the short sighted illusion that protectionism offers a way out of this difficult situation. Division of labour in the international field has to be maintained as an important source of wealth. It therefore remains of utmost importance to foster local industry capacities in developing countries and to better integrate them in international trade by providing assistance in capacity building.

Close cooperation with private enterprises from north and south is one way to ensure that technical cooperation projects are relevant. UNIDO and private business by joining forces can make a difference in promoting economic and social development. We welcome that UNIDO takes concrete steps to develop such cooperation projects. We welcome that today DG Yumkella and the CEO of the METRO Group, Eckhard Cordes, have signed a joint declaration agreeing on a joint cooperation in order to build capacity of suppliers in developing countries along supply chains and upgrade them in terms of quality, safety and compliance with market requirements. This is a very practical approach to fight hunger and poverty in the developing world. It is a very practical approach to increase the access of suppliers in developing countries to world markets. The cooperation agreement is not only something which has just been devised. It is already under way. A first project in Egypt has started; others are planned. We

are optimistic that this cooperation will thrive in the future and deliver tangible results.

We appreciate UNIDO's constructive engagement in promoting system wide coherence. We are confident that the United Nations' development work will profit largely from implementing practical measures to ensure a coordinated approach within the UN system. In this context we have also taken note of the recommendations of the "joint terminal evaluations" on the question of UNIDO desks. We are interested in thoroughly thinking through with interested Member States how UNIDO's representation in the field can best be organized. For this purpose we like to suggest that the UNIDO Secretariat prepares a concept which then should be discussed at the next session of the IDB.

We congratulate UNIDO on the progress made in implementing IPSAS. We registered with satisfaction that this was made possible by the dedicated work of the UNIDO Secretariat using the existing IT infrastructure for the administration of finances.

We agree, however, with the assessment by the Director General, reinforced by Deloitte's feasibility study that a change management project is overdue in order to modernize UNIDO which to us seems to be in the interest of all its members. We continue to be ready to work for a consensus. We understand all too well that the financial crisis puts special constraints to Member States' budgets. But we hope that it will be possible to appropriately finance future oriented investments – such as the change management project - that will pay off by increasing UNIDO's efficiency, by generating future budget savings or by enabling UNIDO to increase its output.

Thank you, Mr President.