

13th Session of UNIDO General Conference

STATEMENT OF THE ITALIAN DELEGATION

Head of the Delegation of Italy, Amb. Gianni Ghisi

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Mr Chairperson,

at the outset, let me join previous speakers in congratulating you, and the other Members of the Bureau, on your election. Under your skilful guidance, I am sure that this Conference will reach fruitful results. Be sure of my full cooperation, also as Vice Chair, and of the full support of the Italian Delegation.

I also warmly congratulate Dr. Kandeh Yumkella on his second term appointment, wishing him the best success.

The Italian views have been expressed by the Swedish Head of Delegation, speaking on behalf of the European Union. I wish however to make some additional comments from a national perspective.

Mr. Chairman,

At the end of 2008, with voluntary contributions to UNIDO's Technical Co-operation Programme amounting to 17,5 million dollars, Italy resulted nr 1 in the ^{bilateral} donors list. By this, the Italian Government confirmed its confidence in the Organization as a privileged partner for poverty eradication through sustainable industrial development. The Italian engagement with UNIDO would appear even stronger if we consider the approximate figure of 24 million dollars earmarked for UNIDO's implementation within UN international trust funds (such as IRFFI for Iraq), during the last five years. At the end of 2009, the figures could be lower, because of the financial crisis, but this will not mean in any way that our support is diminishing.

Mr Chairperson,

Italy highly values the activities of UNIDO in the fields of **agro-processing and agri-business**. We consider them a tool for development, and at the same time a contribution to the medium and long term solution to the alleviation of the World Food Crisis. While acknowledging the Organization's joint efforts with other key International Institutions to develop a comprehensive approach in the fight for Food Security and Poverty Alleviation, the Italian Government would like to encourage UNIDO to further strengthen its cooperation with FAO and IFAD, also by establishing a liaison Office in Rome.

As a success story in our partnership with UNIDO in this sector, allow me to mention the upgrading of agro-industry in Iraq, as an important component of the "Enterprise Development and Investment Promotion" programme. We believe that this programme is a model for UNIDO post-crisis industrial rehabilitation, that could be replicated and expanded in other countries and regions.

Mr. Chairman,

as to the **trade capacity building**, Italy would like to encourage UNIDO to work to expand the capacity of Developing Countries to achieve international market standards, through technology transfer and investment promotion. We believe that, in promoting North-South and South-South cooperation, UNIDO should set at the top of its priorities the real benefit of the Recipient Countries, in terms of comparative advantages. In this connection, it is worth mentioning the successful programme "Cluster and Network development", funded by Italy. As the recent evaluation report pointed out, in most cases the export of the Italian models of SMEs development, clusters, and export consortia has effectively been

beneficial to Partner Countries (India, Morocco, Peru and Viet Nam) contributing to local development and to link up with international markets. Italy expects therefore that UNIDO, with the support of old and new donors, will follow up on the recommendations of the evaluation report by finding synergies also with existing initiatives, such as the Global Forum activities.

The dissemination of good practices is indeed, Mr Chairperson, one of the best mean to enhance the effectiveness of Technical Assistance. Allow me therefore to draw your attention to the good results and potentialities of “ETRACE” a programme on “Traceability of Agro-industrial products for the European market”. The initial project started under the “Italian-Egyptian Debt for Development Swap” and brought to the Cairo Conference on “Best Practices” at the end of 2008 and, subsequently, to the establishment of an “Excellence Centre for Traceability and Agribusiness Trade Development” hosted by Egypt, and supported financially by Italy, for exchange of good practices in a South-South approach. Italy welcomes the fact that the Host Country (Egypt) and an increasing number of Countries (so far Spain, Switzerland and the Netherlands), but especially the private sector are using the ETRACE platform to implement new initiatives. ETRACE is providing South-South assistance to several other countries (So far, Algeria, China, Ghana, Jordan, Lebanon, Moldova, Morocco, Tanzania, and Tunisia).

Mr Chairman,

Coming now to the third pillar of UNIDO, **energy and environment**, let me start by stating that Italy strongly support the effective partnership UNIDO has established with GEF. As a concrete sign, we decided to co-finance GEF approved projects in several countries: Egypt, Thailand, Philippines, Indonesia, Viet Nam, Pakistan, Cape Verde and The Gambia. Italy would like to see more donors to join,

since we believe that the quality of projects is very high and that there are lot of potentialities still to be developed.

As Director General Yumkella often states, Energy Access is critical if we want to move from Poverty Alleviation to Poverty Eradication. Therefore, UNIDO programs for renewable energies and energy efficiency are essential in the effort to achieve the Millennium Development Goals. The Italian G8 Presidency devoted a particular attention to Energy Poverty in Africa, and the L'Aquila G8 Summit set up a working group for investment promotion in the field of energy, in order to improve the Access to Energy and to foster the use of renewable and more sustainable sources of energy, especially in the poorest Countries.

Italy appreciates UNIDO activities in promoting the use of all international Conventions on sustainable development, exploiting increasing funding opportunities available for the global fight to climate change, in particular the Carbon Market Mechanism. We are convinced that the Agency can play an even more effective role in supporting Countries in the formulation of projects with lower "climate change" impact.

We encourage UNIDO to maximise the use of the Cleaner Production Centres, also by fostering the deployment of technologies for sustainable bio-energy and by enhancing widespread frameworks for cooperative action to help shift from traditional to modern bio-energy.

Many International Agencies, inside and outside the UN System, are involved in Energy-Environment-Development matters. Hence the need for an effective coordination. The Italian Government fully supports the Director General's effort – also as Chairman of "UN Energy" - to find synergies with other UN Agencies, conducive to Joint Working Programmes and Collaboration

Agreements. In this context, we underscore the importance of working together with the IEA (International Energy Agency), the IPEEC (International Partnership for Energy Efficiency Cooperation) and FAO and IFAD.

Italy is considering the possibility to provide financial support to the coordinating mechanisms (UN-Energy and the Energy Advisory Board to the UNSG) headed by the Director General of UNIDO.

Technology Transfer and Research and Development should have a more relevant profile in most of UNIDO activities, but particularly in energy and environment. In this regard, let me mention the “International Centre for Science and Technology” of Trieste (ICS) entirely funded by Italy, which is conducting research and capacity building activities for the benefit of Developing Countries in renewable energies (particularly geothermic energy and new generations of bio-fuels).

Mr Chairman,

Allow me finally to mention the Italian contribution to the ITPO network, by supporting training for Developing Countries private sector and by promoting business matching and partnerships between companies coming from Partner Countries and Italian SMEs and Groups. The Italian Government would like UNIDO to involve in a more systematic way the Office of Investment Promotion in the frame of UNIDO Technical Assistance. In this perspective, we believe that the fast finalisation of UNIDO Strategy for the ITPO Network is needed in order to better address the Offices activities in the framework of UNIDO TC Programs.

To conclude, as the facts and figures I just mentioned clearly demonstrate, Italy considers UNIDO as a very relevant partner for its Development cooperation and, while encouraging the Director General to pursue his efforts towards a more efficient Organisation, we are strongly engaged in all the three pillars of the

UNIDO mandate (poverty reduction through productive activities, trade capacity building and energy and environment).

Thank you, Mr. Chairperson.