

Japan

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Statement on behalf of the Japanese delegation at the 37th Session of the Industrial Development Board meeting May 10-12, 2010

< Morning of 10 May >

Mr. President,

I would like to congratulate you Mr. President on your election as President of the 37th session of the IDB, together with the other officers of Bureau. Your commitment and able leadership are sure to make this session of the Board a great success. I would also like to thank the outgoing President together with his officers for their devotion and good work.

Overall Perception and Agenda Item 3. Annual report of the Director-General for 2009 on the activities of the Organization

On behalf of the Government of Japan, I would like to pay tribute to Dr. Yumkella for his continuous efforts in making UNIDO more focused and, under its mandate, meeting the challenges of our world today. The current global financial and economic crises affect us all and bring upon us new complex challenges. Furthermore, they have also reminded us of the fundamental importance of the manufacturing sector in achieving sustainable development, now also with an eye towards more resource-efficient and

cleaner low-carbon production patterns, which will enable us to open up new business opportunities for economic growth. It is with this in mind that Japan valued the last UNIDO General Conference in 2009, which attracted more than 800 participants, including heads of state or government and ministers, many of whom expressed their high expectations for UNIDO's role in green industries.

The Government of Japan also takes note of the progress which was made on the change management initiative after the General Conference. Japan believes that the change management initiative should be implemented under the strong leadership of the Director-General as part of a clear-cut goal and vision. Japan also considers it crucial for the UNIDO Secretariat to maintain close contact with Member States in order to take into account the valuable input and view points of Member States. For example, the creation of an effective reporting format for technical cooperation activities and the enhancement of presentation skills for project performance are of great interest to Member States and they could thus be able to provide constructive input to the UNIDO Secretariat in order to implement the change management initiative.

(Technical cooperation performance)

Mr. President,

The Government of Japan would like to commend the continually successful achievement of technical cooperation deliveries, which amounted to 139.7 million US dollars in 2009, as well as the sum available for future implementation, which amounted to 355.4 million US dollars in 2009; both the highest level ever recorded. In addition, Japan also greatly values the continued expansion of UNIDO's access to international funds, such as the Global Environment Facility, the Multilateral Fund for the Implementation of the Montreal Protocol, and the UN Trust Fund for Human Security.

However, Japan also believes that it is vital to explore additional ways of performance monitoring other than the volume of technical cooperation

funding. Japan hopes that the change management initiative will thus encompass the establishment of effective indicators and a methodology to evaluate the performance of technical cooperation activities in terms of quality.

(UNIDO-Japan cooperation)

Mr. President,

Japan welcomes the fruitful results of the annual report for 2009, which contains valuable information on activities and achievements within the three thematic priorities of UNIDO and on cross-cutting issues, as well as on resource mobilization, resource coordination and the regional dimensions of programme implementation. We note with satisfaction the successful outcome of human security and post-crisis rehabilitation activities and the positive developments thus far in the Multi-stakeholder Programme for Productive and Decent Work for Youth in the Mano River Union countries in Africa, to which Japan contributed funds toward its implementation.

In this connection and in accordance with decision IDB.1/Dec.29, which invites Member States to inform the Board of their work for the organization, I would like to briefly touch upon recent developments in UNIDO-Japan cooperation efforts.

Firstly, 3 new projects, within the framework of the UN Trust Fund for Human Security and with a contribution made by Japan, were approved for Indonesia, Armenia and Thailand in 2009. These projects target various services of UNIDO, such as agro-industry, food processing, entrepreneurship development, and renewable energy. Japan would like to make a special note that these human security projects are conducted strictly within UNIDO's mandate. To specifically address climate change in Africa, UNIDO has been programming together with UNDP in Nigeria and Kenya at a cost of 3 million US dollars, with another contribution made by Japan. In January 2010, the development and application of a new technical assistance product "One Village-Industrial Clusters" in Ethiopia and Uganda was initiated, which is

expected to be a unique combination of South-South cooperation and multi-bi cooperation, namely under a joint JICA and JETRO partnership. In March 2010, the UNIDO country program for Nigeria, which aims to improve cassava processing in Oyo State, was given the green light through the provision of a grant from the Japanese government. Also in March 2010, UNIDO and Japan jointly held a training programme which provided an opportunity for Asian states to learn about alternative technologies to HCFCs under the Montreal Protocol.

(Visibility)

Mr. President,

The leadership of Dr. Yumkella and the devoted work of the UNIDO Secretariat, combined with the common efforts of Member States have significantly improved UNIDO's visibility over the last few years. This is evident in the increasing trend of fund availability for programme delivery and in the payments of arrears. Dr. Yumkella's recent appointment to the Chair of the Energy and Climate Change Advisory Group by the Secretary General of the United Nations can also be counted as evidence for this trend. Of course, further efforts are needed to enhance the visibility of UNIDO. But as we continue to do so, it is important to keep expanding activities along the lines of the three thematic priorities and relevant cross-cutting activities, while making sure that UNIDO continues to keep itself lean and its staff invigorated. This concludes my statement.

Thank you.

<Afternoon of 10 May>

Agenda Item 4. Cooperation with the United Nations Development Programme and UNIDO's field representation

Mr. President,

The Government of Japan welcomes the upscaling of field activities through the strengthening of cooperation. It was with this in mind that Japan supported the establishment of UNIDO desks in UNDP field offices, which offers a cost-effective option for increasing UNIDO field presence as well as for active participation in the UN system-wide coherence and “Delivering as One” at country level. However, a system of 360 degree evaluation is needed at some stage for all future considerations, especially in view of both budgetary implications and strategic importance.

In this connection, Japan takes note of the report IDB.37/6/Add.1, which provides a valuable opportunity for Member States to share up-to-date information on UNIDO's current field representation and expected development in the future. Japan notes with satisfaction the positive results from the establishment of UNIDO desks in some countries, including the increase of TC delivery and active participation of One UN pilot exercises. For example, the UN Trust Fund for Human Security project in Armenia was approved for UNIDO partly because of the active coordination of the UNIDO desk in Armenia. I would like to mention that UNIDO's projects financed by the UN Trust Fund for Human Security, including this project, have been implemented strictly within UNIDO's own mandate. I am also pleased to recall the importance of the ITPO network. Though not an official field structure, occasionally an ITPO office may play a UNIDO representational role when there is no UNIDO office located in country, as, for example, in the case of Japan.

Mr. President,

Japan also pays tribute to UNIDO's efforts in setting up criteria for the selection of any new field presence. However, the increase of field presence is not limited to the opening of new offices, but also the enhancement of effective presentation skills in the field and the capacity-building of already existing field staff in line with the field mobility policy, all of which are imperative. But most importantly, UNIDO's endeavor to enhance field representation in a

cost-effective manner and within existing resources should be appreciated. Japan believes that UNIDO is an organization effective and efficient enough to be able to achieve its goal via a “scrap-and-build” approach. Japan hopes that UNIDO will continue its current approach while also paying special attention to long-term financial implications in order to enhance its field presence in a sustainable and strategic manner.

Thank you.

Agenda Item 6. Financial situation of UNIDO and Agenda Item 7. Financial Regulations of UNIDO

Mr. President,

Regarding Agenda Item 6, Japan has duly noted the financial situation of UNIDO. We join with the Secretariat in urging Member States and former Member States that have not yet paid their assessed contributions to do so.

Japan believes that a clear strategy for expanding donor bases and the return of former Member States are important issues. These things are vital to UNIDO's being a truly global organization. Japan requests for the Secretariat to take this point into consideration when approaching other states.

Mr. President,

Let me turn to Agenda Item 7. Japan believes that it would foster smooth discussion in the planned informal consultation if the Secretariat could brief Member States on the history of this proposed informal open-ended working group on the Financial Regulations of UNIDO, including how it was established and operated, and what kind of achievements have been made thus far. Given the fact that the draft resolution was submitted during the last General Conference, if the reconvening of the said working group is intended to revise Financial Regulation article 4.2, it would most likely be difficult for many Member States to accept it due to this article providing, in part, an incentive for Member States to pay their assessed contribution in full

and on time. Moreover, it would be most probable that many UN agencies adhere to a similar article and thus Japan believes it would be difficult for many Member States to accept a different approach solely for UNIDO. However, Japan stands ready to continue our open-minded discussion in seeking a positive outcome to the informal consultation starting on Tuesday.

Thank you.

<Morning of 11 May>

Agenda Item 5. Millennium Development Goals: UNIDO's contributions

Mr. President,

Japan takes note of the report IDB.37/4, which provides to Member States valuable and up-to-date information on UNIDO's current contribution to the achievement of the MDGs. It gives Member States a broad idea of how UNIDO has implemented related programmes in the past and how UNIDO would like to evolve in the future.

Japan particularly welcomes UNIDO's present 3 thematic priorities being clearly linked to the MDG's goals, namely, poverty reduction through productive activities for Goals 1 and 3, trade capacity-building for Goal 8, and environment and energy for Goal 7. However, these goals are usually interconnected; for example, improving energy access with an emphasis on renewable energy can drive local economic development, thus contributing to Goal 1 on eradicating extreme poverty and hunger, but, at the same time also to Goal 7 on ensuring environmental sustainability. In this connection, Japan considers it appropriate to advocate universal energy access and its linkage to the MDG's goals, as indicated in the report of the Secretary-General's Advisory Group on Energy and Climate Change, issued under the chairmanship of Dr. Yumkella on 28 April.

Mr. President,

Japan pays tribute to UNIDO for its strong commitment to the MDGs and for its active role in UN coordination, including the Advisory Group on Energy and Climate Change. As indicated in IDB.37/4, industrial development remains a powerful tool to advance human welfare, and Japan expects that UNIDO will be able to play a constructive role in achieving the MDGs in future.

Thank you.

<Afternoon of 11 May>

Agenda Item 8. Activities of the Evaluation Group

Mr. President,

Japan welcomes the report of the evaluation activities in document IDB.37/5, which provides a valuable insight for Member States on how effective projects have been and what kind of revisions should be made in order to maximize the quality of technical cooperation. Japan notes with satisfaction that UNIDO's "Cluster and Networking Development Initiatives" has been positively evaluated and has the potential to be utilized more widely as a general tool for small and medium business development. Japan is further pleased with the results of this evaluation since Japan funded the initiation of the "One Village-Industrial Clusters" programme in Ethiopia and Uganda, which utilizes this CND initiative in combination with the Japanese One Village One Product approach. Japan also highly valued the result of the "Skills for Peace and Income" project in Uganda, financed from the UN Trust Fund for Human Security, as it demonstrated that 90 percent of the trainees found employment or are generating income and can be expected to remain active in their profession.

Mr. President,

Japan would like to stress the fact that it is also important to pay attention to the recommendations made in order to improve the quality of technical cooperation activities. It is natural that not all targeted projects are able to receive a good score, but it is therefore all the more vital to promote the acceptance of candid recommendations and the taking of concrete action for necessary improvements. Japan looks forward to the improvement of UNIDO's technical cooperation activities, in terms of quality and result-based management based on the recommendations provided by the Evaluation group.

Thank you.

<Morning of 12 May>

Agenda item 11: Personnel Matters

Mr. President,

Japan appreciates the Secretariat's continuous efforts towards better human resource management and takes careful note of the information reported in document IDB.37/8.

Comparing this document with the reports in the past few sessions, we acknowledge UNIDO's effort to becoming more objective and analytical in reporting its staff appointments. One improvement we especially welcome is that the report shows the number of new appointments from non- and under-represented countries as well as the percentage of women in the new recruits. Japan believes the Secretariat should maintain this practice in order to raise awareness among Member States and the Secretariat itself on such matters as gender balance and Member States' representation status. We further encourage UNIDO to continue and strengthen its efforts in achieving a better-balanced staff composition in terms of geographical and gender distribution.

In this regard, we would like to briefly touch upon the issue of multilingualism and staff recruitment as we did not take the floor for agenda item 10. Japan associates itself with resolution GC.13/Res.4 in stressing the importance of respect for the equality of official UN languages. At the same time, we would like to emphasize that the measures requested by the resolution must be in conformity with the Constitution, which requires due consideration to the importance of recruiting staff on a wide and equitable basis. We understand that the recruitment process at UNIDO has been and will be administered with significant respect not only to the equality of UN official languages, but also to other important factors, such as geographical distribution, gender balance and Member States' representation.

We would like to express our continuous interest in personnel matters and look forward to being updated on a regular basis.

Thank you.