

**Draft Statement**  
**41<sup>st</sup> Session of the Industrial Development Board (IDB)**  
**United Nations Industrial Development Organization (UNIDO)**

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**Mr. President,**

Let me begin by congratulating you on your election. I am fully confident that under your able leadership, our meeting and deliberations will bear fruitful results. I would also avail myself of this opportunity to congratulate the other members of the Bureau on their election. I assure you and the bureau members of my delegation's full cooperation and support. I would also like to use this opportunity to thank the Secretariat for the preparations carried out for this session of the IDB.

I would also like to thank your predecessor H.E. Ambassador Balázs CSUDAY, Permanent Representative of Hungary, for his commendable conduct of the previous IDB meeting.

Being this is the last meeting Dr. Kandeh Yumkella attends as Director-General of UNIDO, Mz delegation commends him for the overwhelming enthusiasm he shown in leading the Organization during the past 7 years. The increase in technical cooperation delivery and the strengthening of UNIDO's expertise and role in industrial development are part of his legacy. Indonesia thanks Dr. Yumkella for his work and wishes him the best for his future endeavors.

Indonesia associates itself with the statements made by the Group of 77 and China, as well as the Asian Group Task Force.

**Mr. President,**

This IDB session is crucial, as we undertake to discuss not only the programs and activities of the Organization, but also its future. The Indonesian delegation expresses its high appreciation for the preparation of the Annual Report of the Director General for 2012 and the Program and Budget Committee's Report of its 29<sup>th</sup> Session in May 2013, which provide a good basis for our deliberations and our work at this session.

The Report rightly highlights the multidimensional crises we face that need to be addressed collectively and effectively by the international community. We anticipate impact of the combined challenges of securing more sustainable financing, preserving the solidarity of membership, increasing the efficiency and transparency of the managerial processes, warranting more effective delivery of technical assistance, redefining paradigms and priorities, and last but not least, electing a new leader for the new era to come. There is indeed a huge and critical demand for quick responses to the challenges we are facing today.

**Mr. President,**

We have acknowledged some proactive approaches undertaken by UNIDO in tackling these challenges, under its three thematic priorities, namely poverty reduction through productive activities, trade capacity building and energy and environment. More importantly, we have also seen more recent but encouraging developments in various areas in the attempt to

overcome the most pressing issue of fund reduction due to the withdrawal of some member states; namely the initiative to consolidate UNIDO's bi-annual budget of 2014-15 and the planned further rationalization of its bureaucracy, all without too greatly sacrificing the services and technical cooperation (TC) rendered to its member states. These are endeavors that the Indonesian delegation hopes will enable UNIDO to design and implement more projects and programs, contributing to the global development objectives. These positive measures are imperative and should be carried on continuously.

Indonesia would also like to convey its gratitude to the States that have contributed to the regular budget of UNIDO in full and on time. For its part, Indonesia has been supportive of the UNIDO activities, has consistently paid its annual contribution to the regular budget, and will continue to do so in the future.

**Mr. President,**

My delegation also expresses its highest appreciation for the assessment and evaluation undertaken by the Informal Working Group on the Future Including Programs and Resources of UNIDO, which Indonesia hopes will serve as strategic guidance to the new leadership in bringing UNIDO to an even brighter future. We strongly believe that with these activities, UNIDO will continue to play a key role as a catalyst for sustainable development, and will be empowered in its efforts to provide important and direct contributions to addressing food and energy issues while also contributing directly to overall poverty reduction.

In this regard, Indonesia will continue to support UNIDO's initiative to complete the new Program for Change and Organizational Renewal (PCOR) in order to strengthen the Organization's strategic response capacity and quality of service to its member countries.

**Mr. President,**

Indonesia has observed that UNIDO's works and programs in the promotion of sustainable industrial development and international industrial cooperation, particularly in the developing world, have yielded real results in poverty alleviation. Indonesia itself happens to be one of the cases in point. In this respect, UNIDO's vital role in providing technical assistance to developing countries cannot be overstated. Indonesia is therefore deeply saddened by the departure of some member countries from UNIDO; and at the same time appeals to the remaining member states to strengthen the solidarity and cooperation within UNIDO. We hope that someday in the future, we will be able to invite back those friends who were compelled to leave.

Indonesia also take note of the continuous efforts by UNIDO in strengthening partnerships with relevant stakeholders, and to continuously promote South-South cooperation as a mechanism for a higher and sustainable impact of all UNIDO activities in developing countries

My delegation would also like to express its appreciation for the continued growth in UNIDO technical cooperation delivery, and we are pleased to note the significant increase in the actual volume of project services delivered in 2012 compared to the previous years. This positive trend is part of the various sources of funding received from the governments through various channels. In this connection, we would like to thank donors for continuously supporting the technical cooperation projects and programs. Moreover, we also hope that

the financial difficulties currently faced by UNIDO will not have an adverse impact on UNIDO's capacity and performance in delivering its services and TCs to members in need of them. We therefore encourage UNIDO to find new ways and innovative means to solve major challenges faced by UNIDO in providing or mobilizing the cost-sharing required by its various donors and programs.

Having said that, we believe that there is no time for complacency in our effort to improve the livelihood of the organization as a whole. In the spirit of progress, all records of imperfections, whether reported by the External Auditor or aired by fellow member countries, must be addressed and rectified comprehensively in the future.

**Mr. President,**

While expressing Indonesia's gratitude for the positive contribution that UNIDO has made to promote the advancement of the industrial sector in the developing world, Indonesia is of the view that UNIDO, and especially the incoming management team, still has some homework to do to improve UNIDO's image as an achiever and at the same time to increase its institutional appeal and relevance for all its members. To this end, one would on the one hand suggest that UNIDO enhance its outreach initiatives to bridge the gap in perception that exists between UNIDO and some of its members. On the other hand, strengthening its own capacity to deliver services, assistance and solutions to all its members through a more transparent and responsive approach to the entire scope of management is also of vital importance.

**Mr. President,**

Last but not least, allow me to take this opportunity, to join my other colleagues representing the member states, in congratulating once again Mr. Kendeh Yumkella for all his endeavors and achievements during his tenure as the Director General of UNIDO. We wish him all the success in his new assignment and responsibility. In anticipation of the upcoming election of a new Director General, we deeply hope and believe that whoever succeeds Mr. Yumkella will prove to be the best for UNIDO.

Finally, Mr. President, I would like to reiterate Indonesia's commitment to work closely with UNIDO and its member states to promote and accelerate sustainable industrial development, particularly in developing countries. Let me assure you of Indonesia's full support and constructive engagement for the duration of this session.

**Thank you.**