



**Statement of Mr. LI Yong  
Director General  
United Nations Industrial Development Organization**

**at the**

**Opening of the  
43<sup>rd</sup> Session of the  
Industrial Development Board**

**23 June 2015  
Vienna, Austria**

Mr. President,

Excellencies,

Distinguished delegates,

Ladies and Gentlemen,

Let me start by expressing my sincere gratitude to the outgoing Bureau, and in particular to *His Excellency Ambassador Mr. Tebogo Joseph SEOKOLO of South Africa*, who chaired the forty-second session of the Board. Due to your commitment and leadership, the last session was conducted in a very constructive manner.

I also wish to congratulate our new President, *Ambassador Rolf Stalder, head of the Delegation of Switzerland*, as well as the new Bureau, on their election. I am confident that under your able leadership, Mr. President, we can be assured of a successful conclusion to our present session.

Mr. President,

Excellencies,

Ladies and Gentlemen,

Two years have passed since you entrusted me with leading this important Organization.

And at that time I said, *"A journey of a thousand miles begins with a single step"*.

I also said, *"No journey is long with a friend at your side"*.

Since then, we have taken many steps together on this journey.

We have created strong and lasting partnerships that are helping us to reach our milestones much faster.

And we have covered a long path towards our common goal of *inclusive and sustainable industrial development*, which has been unanimously supported by all of you.

To eradicate poverty within the next generation.

To tackle the challenges of climate change.

And to achieve inclusive and sustainable development.

From my election and the adoption of the historic Lima Declaration in 2013, we have now reached a point where our common vision of *"ISID"* has found its way into the mainstream global development policy of the United Nations - the post-2015 development agenda.

We are now on the final stretch of our collective efforts towards this new sustainable development framework that will shape the work of the United Nations and all of its partners for the decades to come.

It will take into account three landmark agreements that will hopefully be reached within the next six months in Addis Ababa, New York, and Paris. They will frame the new agenda, find collective action to address climate change, and make commitments for financing this ambitious framework.

Together, these landmark agreements will set us on a sustainable development path that will ensure growing and shared prosperity for generations to come.

And I am glad to see that the negotiating parties have recognized that we will need to achieve shifts of a transformational nature if we want to make progress in the new direction charted by the post-2015 development agenda. They have also recognized that such transformation cannot be achieved through donations or charity, but need to be deeply rooted in systemic change supported by truly global partnerships based on mutual accountabilities and responsibilities.

Excellencies,

Ladies and Gentlemen,

We know that implementing such a transformative development agenda will demand more of UNIDO, its partners, Member States, and the entire United Nations Development System.

In today's hyper-connected world, economic, environmental and social developments in one country are immediately felt across national borders and even continents. Indeed, their impacts are often amplified as they spread, with wide-ranging and systemic effects at regional or even global level.

The cross-cutting ambitions of the post-2015 agenda therefore call for integrated action. We need to move away from silo mentalities and identify how the goals and targets can be jointly achieved and have universal effects. The issue of "nexus", of interlinkages between the various development objectives set by the international community, has been fully recognized in the formulation of the post-2015 development agenda, as has the centrality of inclusive and sustainable industrialization in achieving this holistic and universal policy framework.

Our industrial solutions therefore need to be local in certain aspects and global in others, at the same time. And we must operate more quickly, more efficiently, more effectively, and in closer global partnership with all relevant stakeholders and counterparts. We must work together with governments; with other bilateral and multilateral development organizations, with national and international development finance institutions; with industries from all sectors; with academia around the world; and with civil society organizations.

Such ambitious partnerships will require visionary leadership from all sides, from Member States, the private sector and, of course, the United Nations system.

Only in this way will we achieve our objectives in a world that is more turbulent, more unpredictable, and changing more rapidly and fundamentally than ever before.

Excellencies,

Ladies and Gentlemen,

This is why I have initiated the new Programme for Country Partnerships, or PCP, to operationalize the ISID mandate that you, our Member States, have given us through the Lima Declaration. The two PCP pilot programmes launched last November in Ethiopia and Senegal are already demonstrating concretely how the various partners can combine their efforts to produce an integrated and mutually reinforcing response to the diverse development challenges, under the frameworks of nationally owned industrial policies. I see great prospects for this new approach, which UNIDO will gradually expand to other countries and regions, learning from the experiences gained in the process.

Indeed, after having hosted the first two ISID Forums in Vienna last year, which led to the development and initiation of the PCP, I have arranged for the *third ISID Forum* to be held on 14 July this year in Addis Ababa during the forthcoming conference on “Financing for Development”. The purpose of this Forum is to share the experiences of the PCP process with other countries. The Forum will be attended by leaders from all sectors, who will discuss and further elaborate the role of multi-stakeholder partnerships in promoting and financing the ambitious and crosscutting post-2015 development agenda through industrial development, technological progress, and investment by both the public and private sectors. I am very happy to confirm in this context that the Secretary-General of the United Nations has already confirmed, that the two leaders from Ethiopia and Senegal will share their experiences, and that Jeffrey Sachs will join us, along other thought leaders, including from private industry.

As one of the most important features of the Forum, I have arranged a site visit to one of the industrial parks being supported by the PCP pilot programme in Ethiopia. This will demonstrate the tangible impact that has already been achieved in the first six months or so of the programme. *Seeing is believing, as saying goes!*

You are kindly invited to attend this event. I believe the invitations have already been issued to your Permanent Missions.

Mr. President,

Ladies and Gentlemen,

As we move ahead in the coming years to implement the post-2015 development agenda, I will seek your guidance as to how we can work together systematically at global and local levels, to further advance and collectively leverage the positive impact of *inclusive and sustainable industrialization, resilient infrastructure and innovation*, as enshrined in SDG-9. I am determined to take seriously the leadership responsibilities that derive from this important new global mandate, which also reflects the mandate that you have given UNIDO in the Lima Declaration to serve as the central coordinator of international cooperation towards inclusive and sustainable industrial development in the United Nations system. We need to strengthen our *global role in monitoring and reporting on the achievement of all industry-related matters in the post-2015 agenda, in particular SDG-9*.

While our statistics are already available for most relevant targets under this goal, a more formal reporting mechanism on the worldwide progress made on ISID will need to be established. Such an important endeavour requires close partnership with all relevant actors in the UN development system and beyond, and it requires strong leadership from you, the Member States.

In this context, I would like to propose that the Bureau of the IDB, under the leadership of the IDB Chair, should act as an official intergovernmental monitoring and reporting body on SDG 9 in the future. I will consult

with you in the coming months on how we can realize such a new mechanism, and how we can jointly make UNIDO a potent leader in improving our global policy coordination and review mechanisms for all industry-related matters in the new post-2015 development agenda.

Within the UN Development System, UNIDO has already started to enhance its thematic coordination function in the context of the “*Global Sustainable Development Report*” of UN-DESA, the prototype of which was presented in a side event at the last session of the Board in November 2014. Over the last six months, UNIDO has coordinated a system-wide intellectual contribution to the 2015 edition of this important document on the subject of “*Economic growth, inclusive and sustainable industrialization, and sustainable consumption and production*”. This report will be presented and discussed next week in New York at the High-level Political Forum of ECOSOC, and I will make sure that it will be shared with you, here in Vienna, once it is officially launched in New York.

Such industry-related coordination, reporting and reviewing activities should become a systematic part of UNIDO’s contribution to the intergovernmental deliberations of ECOSOC and the General Assembly in the post-2015 era. I will work with you, the Member States, to determine how such mechanisms can be best institutionalized and effectively organized.

Excellencies,

Ladies and Gentlemen,

We have also started to inspire better coordination and partnerships in industrial development and related fields at a regional level. In this connection I am also pleased to inform you that we are making arrangements to host a special event during the forthcoming post-2015 summit in September in New York on the operationalization of the post-2015 development agenda for African industrialization. This high-level event will be organized jointly with the African Union Commission, the United Nations Economic Commission for Africa and the Office of the Special Advisor on Africa of the Secretary-General. It will aim to rally the political support and commitment of key stakeholders for the effective operationalization of the post-2015 development agenda in Africa, particularly as related to the achievement of SDG-9 and industry-related development goals on the continent.

It is my firm conviction that new and innovative partnership-based approaches are required to implement the post-2015 development agenda effectively in support of Africa’s industrialization. UNIDO’s Programme for Country Partnerships currently being piloted in Ethiopia and Senegal addresses current challenges, including the need for enhanced cooperation and coordination between all relevant stakeholders, and thus presents a valuable model for operationalizing SDG 9 in Africa, and, of course, in other countries as well.

However, any meaningful progress in this field will require commitments for predictable, flexible, and adequate funding for ISID partnership programmes over the years to come.

I therefore hope to inspire leaders and partners alike to consider developing and institutionalizing a concrete mechanism for spurring ISID and achieving early results in the post-2015 era.

Excellencies,

Ladies and Gentlemen,

Last week's successful fourth edition of the Vienna Energy Forum highlighted the important nexus between the SDGs, sustainable energy, ISID, and climate change. This is why we are now preparing for our thematic contribution to the climate change conference later this year in Paris.

I will provide you with more information on this special event after the summer recess, but I can already tell you that we will have important contributions to make, both to this conference and to the broader objectives of mitigating and adapting to climate change. SDG-9 already includes a target calling for a retrofitting of industries to meet the climate goal. This clearly demonstrates the universality of ISID, and the important need for all countries, developing and developed alike, to progress on an inclusive and sustainable industrialization trajectory, in line with the Lima Declaration.

In this context, our expertise and services in the field of global technology transfer and knowledge networking are of particular importance, and I am convinced that we will be able to present concrete industrial solutions to this important issue. I believe that UNIDO's coordination efforts in the *climate technology network* and similar global initiatives will further strengthen the Organization's leadership in this field, as a champion in the provision of industrial technology solutions to mitigate climate change.

Excellencies,

Ladies and Gentlemen,

Let me briefly turn to some governance issues that you will be discussing this week.

Last month, the Programme and Budget Committee recommended the adoption of a budget for the next biennium, 2016-2017, and took note of the establishment of the Special Account of Voluntary Contributions for Core Activities (SAVCCA) and the Major Capital Investment Fund (MCIF), as well as it gave guidance with regard to the operationalization of these special accounts. I will approach Member States towards the end of the year soliciting their decision to voluntarily renounce their share of the unutilized balances of appropriations that will become available for distribution, in favour of the two new special accounts.

The Committee also took note of the proposed *Medium-term Programme Framework*, including a new *Integrated Results and Performance Framework*.

I would like to take this opportunity to reiterate my sincere gratitude to the Members of the Committee for their spirit of consensus and support to UNIDO in this respect.

It will now be up to your decision, at this session of the Industrial Development Board, to convey these proposals to the General Conference. We have prepared several additional documents that may facilitate this decision-making process. This was based on intensive consultations, in particular on the Special Resources for Africa. And I thank all of you for your considerate and constructive efforts in finding the most suitable solutions in this important matter.

Prior to the General Conference, I also plan to brief you in more detail about the mechanisms that will be established for ensuring a smooth operationalization of the new results framework. We will also issue related

prototype reports that will certainly help to further increase the appreciation and understanding of the MTPF and the results framework by all stakeholders of UNIDO.

During the fourth quarter of 2015, I will also further brief you on the plans and strategies regarding the adjustments to the UNIDO field network. Following your guidance given at the PBC and at this session of the Board, I will report to you on this issue at the General Conference.

I would also like to take this opportunity to mention some new developments regarding our organization-wide “*Transparency Initiative*”, which was launched at the last session of the Programme and Budget Committee. This Initiative aims to significantly increase the transparency of UNIDO’s programmes and projects in order to facilitate monitoring and reporting.

As part of this Transparency Initiative, we have developed an Open Data Platform, which shows details of all ongoing programmes and projects. The Platform will be made available to Member States and external stakeholders towards the end of this year. To obtain early feedback from you on this Platform, we are holding interactive side workshops and demonstration sessions during all three days of this IDB, to which you are all cordially invited.

Mr. President,

Excellencies,

Ladies and Gentlemen,

On this *journey of a thousand miles* that we embarked on together some two years ago, we have already successfully reached, and passed, some major milestones.

But many miles still lie ahead. And we need you – the Member States – as partners at our side as we continue on this challenging journey.

This session of the Board comes at a time of major change in the global development architecture.

At a time, when industrial development has clearly been recognized as a driver of development.

It is a time for even more ambition for UNIDO, not for less.

It is a time for UNIDO to assume an even stronger position in the global development architecture.

Achieving *inclusive and sustainable industrial development* is our shared responsibility in the post-2015 era.

We must take this responsibility seriously. We owe it to present and future generations.

Thank you for your continued trust and partnership.

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