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**Statement by Mr. Amitabh Kant, Secretary, DIPP, Government of India  
43<sup>rd</sup> Session of Industrial Development Board (IDB) of UNIDO  
June 23-25, 2015**

Thank you Mr. President,

India joins other delegations in felicitating you on your Presidentship of this session of the Industrial Development Board. I am sure, you will guide our deliberations to a purposeful conclusion. I also thank the Director General for his introductory statement.

Mr. President,

India's key challenge is to rapidly grow at high rates to create jobs for a young population. Under the dynamic leadership of Prime Minister Modi, it has launched an ambitious programme of "Make in India" with Zero Effect, Zero Defect. This programme will drive and provide impetus to India's growth & progress. It will focus on innovation, design & research & development for industrialization. We work forward to collaborating with UNIDO to successfully implement unique projects at the grass root level.

India is a founding member of UNIDO and has remained a major partner of the organisation. The India-UNIDO collaboration has involved UNIDO projects in India, as well as a partnership in other developing countries under the theme of South-South Cooperation. Besides our assessed annual contribution of

approximately Euro 0.7 million currently, we have been contributing US \$ 1.2 million annually towards the corpus of the Industrial Development Fund [IDF].

In recent months, India and UNIDO have worked together to streamline the institutional arrangements for project execution in India and South-South Cooperation activities in other developing countries. In order to minimise the rising establishment and administrative costs, and to address deficiencies in programme delivery the field nucleus of India-UNIDO cooperation has been consolidated into an India Centre for Inclusive and Sustainable Industrial Development, or IC-ISID. We are looking forward to resulting time and cost gains in project delivery.

We reiterate that the Department of Industrial Policy and Promotion and the Indian Embassy in Vienna should be kept fully briefed on all projects being implemented by the UNIDO Regional Office in India. To facilitate a stronger Indian ownership of project implementation, monitoring, and support, we have requested UNIDO to devise appropriate reporting formats to depict quarterly financial & Physical progress of projects, preferably online. We have the leather, cement, paper and pulp, tyre and rubber, light electrical industries, consumer goods, consumer durables, light machine tools, light industrial machinery, light engineering industries as primary areas for UNIDO's projects in India.

I should like to move now to India's perspective on UNIDO's global role. We have some thoughts on the services delivery and financial modalities, as well as organisational changes, best suited to optimising UNIDO's contributions to the sustainable development agenda in the post 2015 era.

First, India underlines its strong support for UNIDO's central role in the multilateral system in advancing inclusive and sustainable industrial development worldwide, especially in developing countries. With its developmental experience, and associated professional expertise, UNIDO is best positioned to play a leading role in this regard. UNIDO's discharge of this responsibility in a complex development environment would require flexibility in the design and implementation of projects under ISID. National development priorities, the availability of natural resources, and other relevant factors in the concerned Member States need to be fully integrated into UNIDO's country plans. ISID is an enabling development framework, not a straitjacket.

Secondly, India notes with appreciation the launching of the innovative country partnership model in the pilot countries of Ethiopia and Senegal. The PCP model's approach of integrating the resources of a variety of development partners in a country-specific ISID framework, holds much promise. Meanwhile, as the PCP remains a work in progress, it is critical that the tried and tested arrangements for delivery of UNIDO services remain sufficiently resourced, both managerially and financially.

Thirdly, the proposals mooted by the Director General for restructuring of UNIDO's field representation, call for close consultation with the Member States concerned so that considerations of economy – inescapable in the financial environment facing UNIDO – do not impact adversely upon the delivery of services, or on UNIDO's role as an exemplar of good governance and international best practice in development cooperation. India looks forward to engaging in this dialogue, in the run up to the General Conference later this year.

Lastly, Mr. President, I cannot but take notice of the elephant in the room. India notes with concern the withdrawal of several Member States from the organisation. This presents many challenges for UNIDO, most immediately a resource gap in its assessed contributions, which remain the organisation's life blood, despite the increase in other resources. I have no doubt that working together we will overcome the difficulties. A reinvigorated sense of ownership, and strengthening the Member States-driven character of the organisation are necessary for this purpose. I am sure the Member States and UNIDO Secretariat are fully up to this challenge.

I thank you, Mr. President