



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

at the

**Opening of the
16th Session of the General Conference**

**30 November 2015
Vienna, Austria**

Your Excellency, President Fischer,
Distinguished Ministers,
Mr. Under-Secretary-General,
Madame President of the General Conference,
Honourable guests,
Excellencies, Ladies and Gentlemen,
Colleagues and friends,

I am very honored to welcome you to the sixteenth session of the General Conference. I am also particularly happy to welcome the accession of a new Member State, the Marshall Islands, to UNIDO.

I would also like to thank the outgoing president H. E. Mr. Carlos Carrillo Mora, Vice-Minister of Industry of Peru, and to welcome the incoming president H.E. Ms. Christine Stix-Hackl, Permanent Representative of Austria to UNIDO. Madam President, please accept my congratulations on your election.

Two years after the adoption of the Lima Declaration, we can proudly say that much has been achieved.

With the guidance we received from you, our Member States, UNIDO has been able to navigate through uncharted waters, and sail safely and with reinvigorated spirit towards new opportunities ahead.

I would therefore like to begin my statement this morning with a brief stocktake of what has been achieved since our last General Conference in Lima, , in our quest towards inclusive and sustainable industrial development, or ISID.

As you will recall, soon after Lima, I decided to operationalize ISID by establishing three specific objectives at the policy, operations and management levels.

At the policy level, I set the objective of anchoring ISID firmly in the new post-2015 development agenda being formulated by the international community.

At the operational level, my objective was to align our technical, analytical and normative operations with the Lima Declaration, towards ISID.

And at the management level, I wanted to further improve our systems, structures and processes to become *fit for purpose* in this new era of global development.

Under your guidance, we have worked hard. We have strengthened our partnerships. We have been innovative. And I am pleased that we have achieved considerable success in meeting all of these objectives, despite very limited financial resources and great uncertainties.

Take the policy objective of anchoring our mandate in the post-2015 framework.

In September this year, the General Assembly adopted the 2030 Agenda for Sustainable Development at the UN Summit on Sustainable Development. This agenda will guide all our development efforts over the next fifteen years, and we are highly satisfied with its provisions.

ISID is fully recognized in the new agenda, and is prioritized as one of the main drivers for development, finance and stability. Sustainable Development Goal 9 – SDG-9 – spells out the importance of ISID. But we can also see the significance of ISID for all the SDGs. I have provided you with a brochure highlighting this important nexus between industry and the SDGs.

On this universal basis, UNIDO will play a crucial role in supporting countries to move towards higher degrees of economic growth, social inclusiveness and environmental sustainability.

This is a powerful mandate, recognized by all UN Member States, the broader UN system, the private sector, and all stakeholders at large. *We now have the responsibility to rapidly advance ISID.*

This is why we have fine-tuned our strategic plans, sharpened our technical cooperation approaches, and strengthened our normative and policy advisory role. And we have let the world know of our commitment to contribute effectively to this new development agenda.

At the margins of the Third International Conference on Financing for Development last July, we successfully organized the third ISID Forum on fostering partnerships for financing industrial development.

The Forum attracted a high profile list of speakers and around 400 participants from over 70 countries. The speakers included the Prime Minister of Ethiopia; the Minister of Economy, Finance and Planning of Senegal; the Secretary-General of the United Nations; the President of the World Bank; the Chairperson of the African Union Commission; and the Executive Secretary of the UN Economic Commission for Africa.

The meeting recognized the importance of ISID for prosperity and poverty eradication. UNIDO was widely seen as a crucial partner in this context, and received strong political support from the international community.

At the Sustainable Development Summit in September, we co-organized a high-level event in New York on the operationalization of the 2030 Agenda for Africa's industrialization, together with the African Union Commission, the Economic Commission for Africa, and the Office of the Special Adviser on Africa.

It was attended by a large number of dignitaries, including the Presidents of Benin, Nigeria and Zambia, and the Prime Ministers of Ethiopia and Lesotho. The Secretary-General also sent a strong message of support. This meeting concluded with the signing of an important joint communiqué, which calls for the United Nations General Assembly to declare a new Decade of African Industrialization 2016-2025.

Distinguished delegates,

With the adoption of the 2030 Agenda, ISID became more relevant than ever.

We must now work to scale up our efforts to support our Member States as they strive towards the achievement of this objective.

But this cannot be done by the Secretariat alone – despite the hard work of all UNIDO staff under increasingly challenging circumstances. It will also require your leadership.

The same strong leadership that led to the Lima Declaration and ISID.

The same strong leadership that led to the full recognition of UNIDO's mandate in the new overarching development framework of the global community – the 2030 Agenda for Sustainable Development.

This same leadership will be required for the implementation, follow-up and review of the new Agenda.

As reported in document GC.16/7, the follow-up and review architecture of the 2030 Agenda foresees various levels of reporting to the High Level Political Forum, including global thematic reviews. Further guidance on this issue will shortly be provided by an important report of the Secretary General in January next year.

Just two weeks ago, I participated in three inter-agency meetings at the Principals' level in New York: the fall meeting of the UN Chief Executives Board, a retreat of the UN Development Group, and a meeting of the Executive Committee on Economic and Social Affairs.

In fact, the meeting of the Executive Committee was chaired by the Under-Secretary-General for Economic and Social Affairs, Mr. Wu Hongbo, whose presence in the audience I have the honour to acknowledge today.

Thank you, Mr. Under-Secretary-General, for taking part in our General Conference.

The objective of all these meetings was to discuss ways in which the UN can support the ambitious processes for implementation, follow-up and review of the 2030 Agenda at the national, regional and global levels. We also considered how to fully exploit the comparative advantage of the UN system as a whole – and of each of its agencies.

Since then, I am convinced that UNIDO is well positioned, as the reference organization for inclusive and sustainable industrialization, to take a leading role in promoting the implementation, and supporting the follow up and review mechanism, for the achievement of SDG-9 and other industry-related Goals and targets.

And for this I call upon you – the Member States – to consider the creation of a working group to define the terms of reference for a review mechanism that will allow UNIDO to play its intended role in the global architecture.

I will work closely with you and with other international organizations and stakeholders, to determine how we can contribute most effectively to these intergovernmental processes.

Excellencies,

Ladies and gentlemen,

Let me now come to the second, operational objective I had set for our Organization: That of aligning all our services to ISID – and now to the 2030 Agenda – and of meeting the diversified needs of our Member States.

Many decisive steps have been taken to achieve this objective, and as we take a snapshot of what we have accomplished so far, we can be proud of our achievements.

We have fully updated UNIDO's strategy to deliver on the SDGs, in particular SDG-9. We have designed a strategic framework for the next four years – the *medium-term programme framework, MTPF, 2016-2019* – which is already in full alignment with the 2030 Agenda, and provides the strategic framework for all our programmes.

Our thematic priorities rightly reflect the three dimensions of sustainable development – economic, social and environmental. This framework fully prepares us to deliver on a universal, comprehensive, holistic and interrelated set of SDGs through inclusive and sustainable industrial development.

Operationally, UNIDO is continuing to increase the impact of its activities. We have also made further progress on following an integrated and holistic approach to our service delivery, for example by mainstreaming even stricter criteria for gender equality, social inclusiveness and environmental sustainability in all our programmes.

Document GC.16/7 reports the main elements of the considerable progress we made in our operations. In this connection I would like to inform you that the volume of our technical cooperation implementation exceeded USD 170 million in 2014, and is expected to record a similar magnitude in 2015.

Let me highlight two priority areas in our technical cooperation activities in this context: partnership and impact.

With regard to partnership, UNIDO has expanded its efforts to engage as many relevant partners as possible in its technical cooperation programmes. Such partnerships need to be relevant to context-specific national priorities, and also to be adequately supported by a variety of financing models and industrial policies. To achieve this, we reached out and established close ties with various prestigious institutions from the public sector, finance, civil society, academia, and especially the private sector.

With regard to our expanding ties with academia, it is a particularly great honour for me that the Nobel-Prize winning and highly respected economist, Professor Joseph Stiglitz, has agreed to join us and deliver the keynote speech for this General Conference.

Thank you very much indeed, Professor Stiglitz.

With its financial, technological and innovative capacities, the private sector represents a particularly important potential contributor to the achievement of inclusive and sustainable industrial development, and this is why I am placing great emphasis on engaging with private firms and industry associations as we move ahead with our work.

At the same time, we are also seeking to enhance the impact of our services. The new generation of UNIDO technical cooperation programmes aims to effectively trigger an industrialization process with tangible results and, ultimately, a larger developmental impact. We intend to further intensify our efforts in this direction, and to considerably scale up the impact of our activities by enhancing our normative and policy advisory services and creating more effective linkages and synergies between these services and our technical cooperation programmes.

The Programme for Country Partnership – or PCP – which was initiated on a pilot basis in Ethiopia and Senegal in November 2014, is a unique and highly recognized initiative to exemplify this quest for partnership-based, innovative, and high-impact solutions to accelerate the implementation of ISID. Indeed, it has been seen within the United Nations system as an outstanding example of how such a partnership-based model of development cooperation may be deployed for the broader implementation of the 2030 Agenda.

The premise of this new partnership approach is that UNIDO needs to progressively become a coordinator, broker, and policy advisor on industry-related matters for all our partners – governments, the private sector, international organizations, and development financial institutions. Only through these partnerships will we have a truly catalytic effect and enhanced impact on the industrial development of our Member States.

And the success of the pilot phase of the PCPs confirms that UNIDO has embarked in the right direction. After a year of implementation, significant results have already been achieved. These will be presented to you in the fourth ISID Forum, which will be held within the framework of the General Conference.

The integration of country ownership, industrial policy alignment, and a results-driven partnership approach is proving a successful strategy to attract the investments needed to realize ISID.

Based on this, we have now decided to expand the programme to a third country: *Peru*. This experience will demonstrate for the first time the PCP approach in a middle-income country, with a per-capita income of around USD 7,000, and we hope for many followers once we can show first results.

In this connection, I welcome the high demand for our PCP services from many countries.

However, in the current inception phase of this new methodology, we need to prioritize and select a limited number of pilot countries. We need to test, experiment and learn about the best practices and policies before we can initiate a broader rollout, and I will explore the best options to move forward with other PCP pilots in the times ahead. Over the longer term, I foresee that the innovative new PCP approach will become the basis of all our country programmes.

It is clear that much has been achieved but our work has only started.

We must further fine-tune our services; provide even better products, better services, and more innovation; and we must make sure that ISID becomes a reality in our countries.

Distinguished delegates,

Let me turn to my third objective of further improving our systems and management processes.

Document GC.16/6 provides you with a proposed field policy action plan. In October, I gave a short briefing to the Chairs of the Regional Groups regarding this plan.

A broad set of criteria will guide the selection of future field locations. The plan considers the existing field capacities, streamlines resources, and ensures a continued strong country presence.

Recognizing the universality of the new 2030 Agenda, UNIDO will increasingly seek to embed the SDGs, and especially Goal 9, into programmes developed at the regional, sub-regional and national levels. This will require an effective field network.

A strong field network is also required for our continued engagement in the *Delivering-as-One* initiative, by ensuring the participation of UNIDO representatives in UN country teams and regional mechanisms.

I therefore assure you that I consider the field network as essential for our effectiveness in our interaction with governments, local partners and stakeholders. This interaction is an indispensable requirement for continuing a smooth implementation of our technical cooperation activities, and for effectively positioning UNIDO at the country and regional levels.

The field policy action plan will be implemented in a phased manner, in full consultation with respective Member States, to ensure a gradual transition and a balanced regional approach.

Another important initiative is the organization-wide *Transparency Initiative* that we launched at the last session of the PBC in May. It will significantly increase the transparency of our technical cooperation activities and support services.

As part of this initiative, we have developed a dedicated *Open Data Platform*, which is now accessible for all stakeholders. This platform includes not only financial data, but also a variety of programme-related information, presented by country. This is complemented by associated documents, reports, and key information on donors.

During this Conference, the Platform is presented in two exhibition areas, which you are cordially invited to visit.

In the future, this platform will also be the interface for a new results monitoring system, fully aligned with the results framework presented in the medium-term programme framework (MTPF).

As a final point on management issues, I would like to inform you that the Vienna-based Organizations, or VBOs, have recently reached an agreement with the Federal Republic of Austria whereby Austria will contribute to the funding of an educational institution providing schooling places for children of officials of the VBOs, and of the diplomatic and consular corps. This educational amount will be allocated to the Vienna International School (VIS) under the terms of a Memorandum of Understanding also recently concluded between the VBOs. The agreement will be submitted to the IDB in 2016 and the Conference in 2017, to bring it into force for UNIDO.

Distinguished delegates,

Having provided you with an overview of the outcomes of the three major policy, operational and management objectives I had set for the Organization following the adoption of the Lima Declaration two years ago, I would now like to turn to some of the specific items on the agenda of this General Conference.

Indeed, during this Conference you have a challenging list of items before you. One of them is particularly close to my heart: *Gender equality and the empowerment of women*.

Our gender policy rightly recognizes the significant positive impact of gender equality on inclusive and sustainable industrial development, poverty reduction, social integration and environmental sustainability.

At this General Conference, we are presenting a new strategy to you that will help us implement our gender policy over the period of the MTPF.

This strategy is based on a multi-track approach:

First, we will make gender an integral dimension of all UNIDO programmes, policies and practices.

Second, we will engage in more gender-specific interventions – including women’s economic empowerment programmes – with the objective of allowing for equal participation and benefit from our development efforts.

Third, we will build a strong partnership with UN Women and other relevant organizations in the UN system and beyond to promote gender equality and women’s empowerment in UNIDO’s country programmes and convening activities.

In this connection, I am also very pleased to announce the appointment of Ms. Janne Vangen Solheim, Chief Executive Officer of the Norwegian garment manufacturing company Janusfabrikken AS, as UNIDO’s Goodwill Ambassador for Manufacturing. In this capacity, and based on her extensive and successful experience as an entrepreneur in the manufacturing sector, Ms. Solheim will champion UNIDO’s mandate of inclusive and sustainable industrial development, and in particular will support our work to promote women’s entrepreneurship.

Twenty years after the World Conference on Women in Beijing, we cannot wait any longer. I am determined for UNIDO to make a strong contribution to the goal of achieving gender equality and to empowering all women and girls by 2030.

I count on you – the Member States – to support me in this important endeavour.

Excellencies,

Ladies and gentlemen,

An important feature of this session of this General Conference is our second donor meeting, which will be held tomorrow morning. After the high level of interest generated by UNIDO’s first-ever meeting of this kind last year, I decided to integrate this year’s second meeting into the agenda of our Conference.

This meeting is intended to serve two purposes. The first is to highlight the effectiveness of UNIDO’s technical assistance interventions and the additional value that donors receive for the resources they invest in our projects through UNIDO’s expertise and services. This will be demonstrated through a representative selection of six projects covering all thematic areas of our work and all regions of the world.

The second purpose is to show our appreciation to our donors. The interest of the donor community in UNIDO’s services has increased steadily over the past decades. Voluntary contributions received from our

donors reached their second-highest levels ever in 2014, when they were 110 per cent higher than in the year 2000, and the full-year figure for 2015 is expected to be close to that for 2014.

No less than 60 donor countries provide us with funding for the delivery of our services in technical cooperation, research or global forum activities. This strong support from not only existing traditional donors but also emerging new donors strengthens me in my belief that UNIDO is on the right track, and I would like to express my sincere gratitude to our donors for their continuing, and indeed growing, support.

In this connection, I would like to address a particularly warm word of thanks to our host country, Austria, for its strong commitment to our Organization, which has shown itself in Austria's strong support – as one of UNIDO's largest donors – for a wide range of UNIDO activities. These have included the establishment of regional renewable energy centres around the globe, such as the Caribbean Centre for Renewable Energy and Energy Efficiency in Barbados, and the hosting of the biennial Vienna Energy Forum, which has now emerged as one of the most important fora of its kind in the world. This commitment is most vividly underlined by the presence of His Excellency, President Heinz Fischer, among us today.

Excellency, I thank you very much for Austria's unflinching support and for your having taken your precious time to join us this morning. It is great honour indeed.

Excellencies,

Ladies and gentlemen,

Another important issue that I would like to briefly touch upon is the 21st Conference of the Parties of the UN Framework Convention on Climate Change, or COP 21. This conference, which is also beginning today in Paris, is the third major international conference to be held this year, and will complete the deliberations for the 2030 Agenda.

UNIDO will lead several events at this conference, many of which will be undertaken on behalf of the whole UN system. We will show UNIDO's solutions regarding *climate-resilient industrialization*. And we will discuss the need to leverage private investment to transform our industrial technologies towards more resilient and sustainable patterns.

We sincerely hope that COP 21 will reach a binding agreement to curb global greenhouse gas emissions and stabilize the global temperature rise at the end of the century below 2 degrees Celsius, or possibly even 1.5 degrees Celsius. We will continue, and strengthen, our technical cooperation services in the fields of renewable energy, energy efficiency and cleaner production, and our convening function through the Green Industry Platform the Global Manufacturing Industry Summit initiative that we have launched with the strong support of the United Arab Emirates.

Distinguished delegates,

It is said that climate change would create millions of climate refugees. However, we are already amidst one of the most significant migration emergencies for decades.

With the world facing the largest crisis of forced displacement since the Second World War, I join the UN Secretary-General in calling upon you – the Member States of UNIDO – to meet this immense challenge without lessening your commitment to vitally needed official development assistance.

To mitigate this crisis, economic and social stabilization need to be advanced quickly and energetically. A holistic approach to development must be adopted to prevent further humanitarian disasters and tragedies.

While humanitarian support is required to alleviate the immediate human suffering, a long-term solution can only lie in the implementation of sustained and integrated development efforts, along the lines given in the 2030 Agenda.

UNIDO has been engaged for many years to help overcome the systemic root causes of migration through effective measures to create employment and income opportunities. These measures have included our various programmes to support entrepreneurs, agro-industries, SMEs, and industry-related institutions – to mention just a few.

We have also given particular emphasis to support the creation of decent jobs for youth – to give them a perspective for the future.

A perspective for a life in dignity.

In all countries: Least developed countries – middle-income countries – and even high-income countries.

Advancing peaceful and stable societies requires opportunities and prosperity for all.

ISID is therefore a major contributor for stability, prosperity and peace.

This is why I plead to you – our Member States – to increase your investment in our important work towards ISID.

Excellencies,

Ladies and Gentlemen,

Next year will mark the 50th anniversary of UNIDO, and our mandate is more essential than ever.

Over the years, we have connected markets through global value chains, and we have created successful initiatives and platforms to advance sustainability and inclusiveness in industries worldwide.

We have created opportunities for millions – to improve their lives and livelihoods.

And UNIDO has always stood for an inclusive and sustainable pattern of globalization.

After 50 years, we stand again at a critical juncture – with a clear mandate and direct responsibility for the achievement of the 2030 Agenda for Sustainable Development.

As our journey progresses, we will continue to cruise at full steam ahead, with a clear direction, efficient implementation, strong partnerships and continuous innovation.

More than ever, I will rely on your leadership, guidance and support as we continue to sail into these uncharted and challenging seas.

Together with you – our Member States – we will achieve the important global goals ahead of us.

Thank you for your continued support.
