

**Statement of Mr. Areg Hovhannisian, Deputy Permanent
Representative of the Republic of Armenia to UNIDO at the 16th
Session of UNIDO General Conference**

30 November-4 December 2015, Vienna

Honorable Mr. President, Honorable Director General Li Yong,

Distinguished colleagues,

From the outset I would like to congratulate you Mr. President and other Members of the Bureau on your election and extend our delegation's full support for the fulfillment of your important duties.

First of all on behalf of the Government of the Republic of Armenia I would like to extend our gratitude to UNIDO Secretariat and personally Director-General Li Yong for continuously supporting Armenia's efforts in implementing of its ambitious industrial policy and reaching established targets.

Our growth agenda is shaped around two major policy components: sustained improvement of the general business environment and building up national assets to nurture growth drivers and structural transformation across the economy and fostering economic activities in areas where endowments and competitive forces offer competitive advantages.

The core of Armenia's long-term growth agenda is balanced development through removal of major constraints to growth. The following three critical areas are identified by the industrial policy:

Firstly, **developing innovative capacity and new drivers for growth**: the transformation to a knowledge-based economy requires an established ecosystem of innovation. In knowledge-intensive sectors it could contribute to creation of higher-value-added activities. Innovations can also scale up higher productivity of local businesses and a new generation of emerging innovative enterprises. A local system of innovations should be based on close collaboration between the private sector, universities, research institutes, and other hubs of innovation and requires access to capital, knowledge and networks.

Secondly, **attraction of foreign investments:** it is universally recognized as critical to raising productivity and effective channel for rapid expansion of the production potential. In the current phase of Armenia's development and export capacity build-up, foreign investments are viewed as an important source of financial resources, new technologies, management experience, and access to fast-growing international markets.

Thirdly, **establishing techno-parks and industrial parks:** they are important for a well-connected innovation ecosystem, which is a component of Armenia's long-term vision of becoming a knowledge economy. Well-performing techno-parks and industrial parks accelerate this path and contribute to higher-value production. Capacity expansion in the innovation area helps to raise productivity and the growth of innovative economic agents.

In addition, deployment of energy efficiency technologies in manufacturing enterprises will increase their productivity, competitiveness and profitability, enhancing their ability to survive and grow, thus contributing to the development of national economy. Improvements in the economic performance of the manufacturing sector and boosting of demand for and supply of industrial energy efficiency services, will lead to significant new businesses and employment opportunities.

I am pleased to note that main priority areas of our national industrial policy are fully in line with the Sustainable Development Goal No.9 which calls to "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation".

In this regards I should like to note continuously growing total volume of UNIDO projects in Armenia and hope that this quantitative growth will be transformed into tangible results in terms of economic growth, employment and environmental sustainability.

It is in this context that we fully support UNIDO's initiatives, especially a concept of inclusive and sustainable industrial development (ISID) in line with the Lima Declaration. In order to enable UNIDO to fully implement all programs specified in the Medium-Term Framework, 2016-2019 we consider it at the utmost importance not only to preserve existing capacities of the Organization, but also to expand them. This will position UNIDO as a key player in implementing the post-2015 international development agenda and to enable the Organization to implement programs specified in the Medium-Term Framework, 2016-2019

which are expected to be incorporated into the post-2015 development agenda towards achieving SDGs.

As the country, recipient of UNIDO technical assistance Republic of Armenia expects that more resources could be made available for UNIDO technical assistance leading to increased volume and further improved quality of UNIDO projects in our country.

We expect that technical cooperation activities will result in increased investment and technology flows which, as I already underlined, are critical for industrial development. That is why we are waiting until a new Program for Country Partnerships (PCP) will be expanded to incorporate more countries. Taking this opportunity I would like to reiterate our request to consider the Republic of Armenia as a candidate for launching the PCP in the nearest future.

We do hope that through this innovative program UNIDO will support efforts of the Government to exploit, to the maximum extent possible, synergies among a wide range of development actors, including multilateral and bilateral organizations, the United Nations family, international finance institutions, the private sector and civil society organizations thereby advancing ISID at the national level to achieve desired combined impact of international assistance.

Therefore, increased attention should be paid to continuous monitoring and evaluation of technical cooperation projects in order to swiftly react to any deviation from the planned interventions. In this connection we highly support and welcome the introduction of a newly developed integrated results and performance framework (IRPF) described in detail in the Medium-Term Programme Framework 2016-2019.

Before concluding I would like also to emphasize significance of UNIDO projects in the field of safeguarding environment and clean production. In particular, projects funded by the Global Environment Facility (GEF) supported the National Implementation Plan (NIP) for the Stockholm Convention. This document has identified large amount of stocks of persistent organic pollutants (POPs) and pesticides. The Government ranked the management and elimination of these stocks as a top priority. UNIDO projects in this field resulted in strengthening the institutions, regulations and enforcement and enhanced the capacities for

the sound management of POPs. We are confident that on-going and subsequent project will lead to complete elimination of POPs.

The 16th UNIDO General Conference takes place at the time when the entire international development agenda is being reformulated in line with SDGs. The main expected outcome of this Conference is to draw up a road map towards truly transforming UNIDO into an effective, transparent, and trusted partner in the post-2015 era.

Thank you Mr. President