

Please Check Against Delivery

**37TH SESSION OF THE INDUSTRIAL DEVELOPMENT
BOARD OF UNIDO
[May 10-12, 2010]**

INDIA: STATEMENT BY AMBASSADOR DINKAR KHULLAR

**Mr. President (H.E. Helmut Boeck, Permanent Representative
of Austria),**

Let me take this opportunity to congratulate you on taking up the responsibility of Presidency of the 37th Session of Industrial Development Board of UNIDO, building on the hard work carried out last year in your capacity as the Vice President of the previous session of the Board. We have full confidence that, under your leadership, this Session of the IDB will reach a successful conclusion. I assure you of fullest cooperation of my delegation in this endeavour.

India, as part of the Asian Group and of the Group of 77 and China, associates itself fully with the statements delivered by the respective Chairpersons of these Groups.

Mr. President, we have witnessed a turnaround at UNIDO in the course of the last decade. This has largely been due to our separate and collective efforts. However, we would like to extend a special word of appreciation to the DG, Dr. Kandeh Yumkella, for his very proactive role at the helm of UNIDO. India urges him to continue to strengthen the Organisation, diversify commitments for enhanced funding and, above all, work with determination to improve the delivery capacity of the system. I wish him all the best in the change Management exercise, which should yield tangible dividends in the form of measurable improvement in efficiency and enhancement in technological cooperation delivery capacity.

Mr. President, following the decision of the last General Conference, India had renounced its share of Unutilized Balances to be deployed in appropriate proportions for both the Change Management Initiative and Technical Cooperation projects in the sectors of agro

industries and renewable energy for productive use. We, along with Member States, shall engage with the Secretariat on the nature of activities to be undertaken with a view to constructively ensure change management in the Organisation. Today, however, I would like to highlight the importance of evolution of an appropriate plan for utilization of the resources designated for the special account for TC projects in the two areas mentioned above. There is need for innovative thinking in this regard. The amount available under this account for Trust Funds comes to only about Euros 1.5 million. During the debate last year, my delegation learnt that UNIDO faces a fund scarcity situation even for preparation of project documents for this purpose. It is also evident that it may not be possible to formulate and implement a sizeable number of projects within the resource constraints. My delegation is of the view that a share of these funds could be fruitfully utilised as seed money for the Secretariat to prepare modal projects in the areas of agro industry and renewable energy for productive activities. These project proposals, of course, based on their quality, would attract funding from the prospective donors for implementation in developing countries.

Mr. President, I would now like to turn to the Agenda Item 3 of the Annual Report of UNIDO for 2009. Let me put my appreciation on record for preparation of a very comprehensive report containing relevant data as well as details of noteworthy tasks undertaken by the Organisation last year. We have studied with interest the thematic content of several projects mentioned and believe that there is scope for replication in other parts of the developing world.

Allow me, Mr. President, to refer to some aspects of selected such projects. In the area of "poverty reduction through productive activities", the project on agro value chain promotion and rural technology centres has the capacity to render decentralised employment and localised value addition in countries having significant sections of population residing in rural areas whose livelihoods are based primarily on agriculture. In the Second thematic priority area of trade capacity building, UNIDO's projects in the area of technology foresight have great potential in creating capacities in the developing countries so that they can own the process of their development. The development of a Global Knowledge Management System for private sector development, as mentioned in the report, can also go a long way in this

regard. UNIDO has done several successful projects in the recent past in the area of energy and environment. We are of the view that, in this important area, projects relating to Transfer of Environmentally Sustainable Technologies should form the major component of UNIDO's activities. Its continued implementation of Montreal Protocol and Global Environment Facility funded projects concerning the multilateral environmental agreements will, no doubt, continue. We feel that it is imperative that there is clear demarcation of responsibilities and focal areas amongst the multiplicity of agencies dealing with this sector. We note that the DG, in his introductory remarks, has delineated a specific role for UNIDO in this sphere.

Mr. President, we would urge renewed endeavours in cross cutting activities of interest to the developing world. As time passes and new challenges appear, UNIDO should have the flexibility and skills to address new cross cutting issues that may, in the past, have appeared to have less relevance to the Organisation. After all, industrial development is the prime agenda and basic pillar for its activities.

Mr. President, my delegation is gratified to note UNIDO's contribution to the UN system in general by its participation in various mechanisms, especially in coordinating, coherence and knowledge sharing. Before I end, Mr. President, I would like stress a point of importance for us. While we appreciate and give due recognition to UNIDO's advocacy, advisory and global forum roles in improving the visibility of the organization, it is the quality and the success of UNIDO's technical cooperation projects which would create demand for its services from recipients, interest for funding from the donor community, and ultimately serve its fundamental aims.

On that note, I would like to conclude my intervention, Mr. President.

Thank You.