

**Statement of the Asian Group during
The 39th Session of the Industrial Development Board of UNIDO
22 – 24 June 2011,
Delivered by H.E. Ambassador Bassam SABBAGH,
Permanent Representative of the Syrian Arab Republic**

Mr. President, Ambassador CHO Hyun

Hon. Ministers,

Dr. Kende K. YUMKELLA, Director General of UNIDO,

Excellencies,

Ladies and Gentlemen,

- 1- On behalf of the Asian Group, I take great pleasure, to extend congratulations to you Mr. President and I am pleased to see you presiding over the 39th Session of the UNIDO Industrial Development Board. We are confident that under your able leadership, this session will come to a successful conclusion and the Group would like to assure you of its fullest support in your tasks ahead.

- 2- The Group would like to thank Dr. Kande K. YUMKELLA, Director General of UNIDO for this insightful opening statement. The Group appreciates his dynamic leadership and efforts in guiding this Organization. The Group also wishes to thank the Secretariat for the preparation of the documentation for this session.

- 3- The Group will be making comments on Agenda items 3, 4 and 5 in the course of discussions on these items.

Thank you.

Agenda Item 3: Annual report of the Director – General for 2010

Mr. Chairman,

- 1- The Asian Group takes note of the document IDB. 39/2 on Annual Report of UNIDO 2010 (including programme performance report) and commends the Secretariat for a new look of the Annual Report.
- 2- The Group is pleased to note that the Organization was able to maintain the positive trend in the funding for technical cooperation programmes continued in 2010, resulting in the total funds mobilized of \$183.6 million as well as the increased technical cooperation delivery with an amount of \$153.5 million. In this connection, the Group would like to express its appreciation to the support of donors and funds.
- 3- The Group welcomes the new mission statement of the Organization indicating that UNIDO is a reliable and effective partner to developing countries in their quest to achieve prosperity. The Group would like to assure the Organization of its continuous support to UNIDO in realizing the mission. Regarding the revised review mechanism for technical cooperation activities, comprising a Screening and Technical Review Committee (STC) and a Programme Approval and Monitoring Committee (AMC), the Group recognizes the efforts of the Organization in strengthening the checks and balances of the review mechanism. The Group hopes that the revised mechanism will significantly expedite the process of technical projects approval.
- 4- The Group wishes to comment briefly on the programs undertaken in the area of "Poverty reduction through productive activities" as presented in the 2010 Annual Report of UNIDO. Under this thematic area, the Group is of the view that UNIDO should continue to pay particular attention to, and to promote enduring poverty reduction through the creation of appropriate productive capacities that will enable countries to diversify their economic structures, gain in competitiveness, generate

increased levels of added value and create decent employment. In this regard, the group welcomes UNIDO's continued efforts in the development of the private sector in developing countries, especially of small and medium enterprises (SMEs). Furthermore, the group encourages UNIDO to further promote development of rural area and youth and women's entrepreneurship, as well as agro-based industries.

- 5- Under the thematic priority area of "Trade capacity-building," the Group is of the view that uncompetitive supply capacities, inadequate quality infrastructure and a lack of compliance with market requirements prevent developing countries from competing in the global marketplace. In this regard, the Group urges UNIDO to further develop programmes aimed at strengthening the capacity of industrial sectors, diversifying exports, enhancing productivity growth and building on the comparative advantages of its member countries. These programmes include upgrading and improving of competitiveness, quality, compliance with international standards and conformity infrastructure as well as the Aid for Trade programme.
- 6- The Group notes with satisfaction the Organization's achievements over the past year and that UNIDO was deemed to be the best performing implementing agency of the Montreal Protocol. The Group also notes with interest the Organization's renewable energy related activities which help improve the quality of life of the people especially those in the least developed countries, for example, an introduction of renewable energy-based mini-grids project under the energy programme in West Africa as well as solar-powered pumps in Mozambique. In this context, the Group encourages the Secretariat to develop similar projects for the benefit of the least developed countries in the Asian region.
- 7- Finally, the Group strongly believes that UNIDO has contributed its significant efforts for the industrial development in developing countries and its achievements are manifold. However, despite such the fact, its visibility seems to be limited comparing to other UN organizations.

The Group also believes that the Annual Report can be one of the powerful tools in promoting the visibility of UNIDO by publicizing its achievements. In this context, the Group is of the view that the Annual Report should contain a cogent element which indicates the economic and social impacts of UNIDO's technical projects/programmes on developing countries. The Group, thus, requests the Secretariat to add this cogent information on a statistical base in the future Annual Report.

Thank you.

Agenda Item 4 (j): Appointment of an External Auditor:

Mr. Chairman,

- 1- The Group takes note of the document PBC.27/5-IDB.39/5 and PBC.27/CRP.3. Recalling the existing practice in UNIDO of appointing the External Auditor for 3 / 4 two-year terms, and in view of the principles of continuity, equitable geographical distribution and the long term organizational interest, the Group supports the re-election of the Auditor General of Pakistan, Mr. Tanwir Ali Agha, as the External Auditor of UNIDO for the two- year term starting from 1 July 2012.
- 2- The Group believes that the Auditor General of Pakistan, Mr. Tanwir Ali Agha has ably demonstrated his commitment and expertise in performing his responsibility as External Auditor of UNIDO. The Group is confident that his re-election would be supported by the Member States and this would give the Organization the opportunity to fully benefit from his services.

Thank you.

Agenda Item 5: Programme and Budgets, 2012-2013

Mr. Chairman,

1. The Asian Group takes note of the document IDB. 39/13 and IDB. 39/13/Rev.1 on programme and budgets, 2012-2013.
2. The Group reiterates its position at the twenty-seventh session of the PBC that the Group emphasizes the need for providing to the Organization financial resources necessary to fulfill its mandate. In this connection, the Group welcomes the Secretariat's revised programme and budgets, 2012-2013 in the total net regular budget amount of 153,231,936 Euros.

Thank you.