

Japan

Permanent Mission of Japan to the International Organizations in Vienna

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Statement on behalf of the Japanese delegation at the 39th Session of the Industrial Development Board 22-24 June 2011

Please check against delivery

<22 June>

Mr. Chairman, let me begin by congratulating you on your election as the Chairman of the thirty-ninth session of the Industrial Development Board. Your commitment and able leadership are sure to make this session of the Board a great progress. I would also like to thank the outgoing Chairman together with his Bureau for their devotion and good work.

On behalf of the Government of Japan, I would also like to pay tribute to Director-General Yumkella for his continuous efforts in guiding UNIDO to meet the challenges of our world today.

Mr. Chairman,

I would like to briefly touch upon several points.

Firstly, with regard to Technical Cooperation, Japan values the growth of UNIDO's TC delivery and takes pleasure in taking part in this achievement. In this context, Japan would like to reiterate Japan's commitment expressed in 2010 to cooperate with UNIDO in various projects in Africa and Asia with a volume exceeding 10 million USD. We also pay tribute to the continued expansion of UNIDO's access to international funds, such as the Global Environment Facility and the Multilateral Fund for the Implementation of

the Montréal Protocol and the UN Trust Fund for Human Security, of which Japan is one of the donors. Needless to say, it is the case that if the volume of resources is increased, more careful attention needs to be given to the financial management and quality service. Japan requests for UNIDO to maintain the strict financial disbursement practice it has today, together with the prompt implementation of scheduled programmes in even more efficient and effective matter.

Secondly, we would like to kindly request UNIDO Secretariat to deliver more timely and substantial reports on its activities to Member States, including specific outcome or progress indicators. This is important because the mobilization of resources must coincide with a good performance record. In this view, Japan hopes that UNIDO Secretariat will establish better reporting systems to Member States, and looks forward to an improved performance by the next reporting occasion.

Mr. Chairman,

The global financial and economic crises have been continuing for years and still affect us today. Also, the withdrawal of a Member State has brought upon us more complex challenges. These are challenges that will require much effort by all to find adequate solutions.

Concerning the revised Programme and Budgets 2012-2013, Japan would like to express our appreciation to Director-General Yumukella for his efforts to reduce the budget in line with the views expressed by Member States at the last Programme and Budget Committee. While being fully aware of the importance of UNIDO's activities, Japan is in the same position as other Member States, which have expressed that the financial burden caused by the withdrawal of one Member State should not be born by remaining Member States.

Japan is now unexpectedly forced to face a severe financial situation following the March events.

Our position on the 2012-2013 budget, which was expressed at the last

Programme and Budget Committee, remains the same while we await instructions from Tokyo, which we expect to receive shortly after careful consideration of the revised budget.

Mr. Chairman,

We do very much value UNIDO's ongoing work towards improving its management under the strong leadership of Director-General.

In this context, Japan has supported the strengthening of field offices under the Field Mobility Policy and highly values UNIDO's effort towards decentralization as mentioned in paragraph 45 of IDB.39/13/Rev.1. However, according to the External Auditor's report, the decentralization to field offices seems tasks of difficulties. For example, the lack of adequate reports from the field offices as well as the limited capacity of the financial software application, are two of our main concerns. Japan hopes that this systematic weakness is improved soon and also would like to kindly suggest UNIDO to continue its efforts in seeking better ways to strengthen the capacity of the field and to realize better implementation of projects.

Japan would also like to encourage UNIDO to enforce Results-based Management. In this context, we note, with pleasure, the Director-General's commitment this morning to report on results in an improved manner. Japan recognizes UNIDO's implementation of the monitoring systems mentioned in paragraphs 48 to 50 of IDB.39/13/Rev.1 and encourages UNIDO to continue efforts to explore further means of performance monitoring and to establish effective indicators, which would increase the efficiency and effectiveness of UNIDO's activity.

Thank you.

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<Afternoon of 22 June>

Agenda item 4. Report of the Programme and Budget Committee

Mr. Chairman,

Regarding Agenda item 4, Japan would like to especially touch upon the Report of the External Auditor.

Firstly, Japan welcomes the Report due to the fact that it has been made on the basis of detailed observations on the topics, and not only treats the most recent main topics such as IPSAS implementation, Programme for Change and Organizational Renewal but also topics which reflect the interests of Member States.

The Report identifies a number of issues that need to be addressed by the Secretariat. For example, the weakness of projects monitoring (PCOR), lack of formal training for filing annual Financial Disclosure and Declaration of Interests (Ethics and Accountability), un-utilizing the procurement planning system for TC projects which was available on the UNIDO Intranet (Procurement) among others.

Japan would like to encourage UNIDO's endeavor to improve the issues

pointed out with the formulation of plans which have been duly considered and are carefully monitored by Member States, especially those plans that are in need of financial resources. Regarding the improvements which can be achieved by making the best use of existing facilities, Japan would like to urge UNIDO to carry these out positively and promptly.

Thank you.

<Morning of 23 June>

Agenda item 7. UNIDO activities and events related to energy and environment

Mr. Chairman,

Japan highly values UNIDO's continued efforts related to energy and environment until today.

In this regard, we would like to briefly touch upon an event to be hosted by Japan. The event in question is the "International Conference on Green Industry Development 2011" and will be held in Tokyo from 16 to 18 November of this year. It will be organized by UNIDO, the Ministry of Economy, Trade and Industry of Japan, UNEP, UNDP etc, and aims to assist developing countries and emerging economies in their sustainable development through transfer of environmental and energy related technologies owned by industries in Japan and in other developed countries, etc. Participants from abroad are invited, and attendance is expected from high level members of public and private sectors of 20 countries from the Asian, African, Middle Eastern and Latin American regions.

As energy and environment are issues that have a large world-wide impact, Japan welcomes the initiative taken by UNIDO in this field.

Thank you.

<Afternoon of 23 June>

Agenda item 8. Activities of the Joint Inspection Unit

Mr. Chairman,

Japan welcomes the report of the Joint Inspection Unit, and encourages UNIDO to consider appropriate responses promptly. Japan would like to request more information about the state of implementation of the recommendations in the next report. It is because that they are necessity to examine what kind of guidance, which they mentioned in paragraph 55 of IDB.39/15, should be provided. In this context, Japan requests clarification of the following 4 matters.

Firstly, paragraph 5 and 16 of the report state that UNIDO is compliant with, or implements seven of the nine recommendations. Japan would be interested in hearing what the remaining two recommendations are.

Secondly, paragraph 12 of the report states that quote “UNIDO concurs with the report and supports the recommendations made, where applicable to the Organization” unquote. As the applicable ranges are not clear, Japan would like to be informed concretely as to which recommendations are being implemented.

Thirdly, with regards to paragraph 14, Japan would appreciate detailed information about the steps taken to rationalize travel costs.

Lastly, in addition to these requests, Japan would also like to know why none of the responses by UNIDO to recommendations are mentioned in the Annex.

Japan reiterates that we strongly look forward to the improved performance by the next reporting occasion.

Thank you.

Agenda item 9. Personnel matters

Mr. Chairman,

Japan appreciates the Secretariat's continuous efforts towards better human resource management and takes careful note of the information reported in document IDB.39/17.

However, with regards to the nationalities of appointed staff, Japan regrets that the report shows only the number of appointments from list A countries. This figure is not sufficient to distinguish whether the efforts made have contributed to dissolve the non- or under-represented status of some nations.

About the growing number of staff members in the field, Japan believes that strengthening the field is critical for UNIDO in order to deliver high-quality technical cooperation. Therefore, Japan generally supports the policy of decentralization. We would however, like to point out that creating an appropriate system and posting human resources which are qualified to operate field offices efficiently and effectively are necessary steps to realize true decentralization. In this view, Japan kindly urges UNIDO to also consider these recommended steps.

Thank you.