

Statement of Brazil on the occasion of the 40th Industrial Development Board of UNIDO — 20/22 November 2012 — delivered by H.E. Ambassador Evandro de Sampaio Didonet, Permanent Representative of Brazil to UNIDO

Agenda Item 3 – Report of the Director-General

Mr. President, (H.E. Ambassador Balázs Csuday, Permanent Representative of Hungary)

My delegation would like to congratulate you on your election as Chairman of the 40th Session of the Industrial Development Board, as well as the other members of the bureau for their respective elections. We are confident that, under your leadership, we will certainly reach positive results in this meeting. You may count with our full support and collaboration.

I also want to express the appreciation of my delegation for the work of your predecessor, Ambassador Cho Hyun, from the Republic of Korea, for his guidance during the previous session of the Board.

At this point, my delegation wishes to express a very special acknowledgement for Director-General Kandeh Yumkella, for his dynamic, productive and results-oriented management of UNIDO. We wish you, Excellency all the best in your next challenges. DG Yumkella deserves our highest trust and consideration.

Mr. President, distinguished delegates,

My delegation fully supports the statements of the distinguished representatives of El Salvador, on behalf of the GRULAC, and Peru, on behalf of the Group of 77 and China. I would just like to add some comments from a national perspective.

The opening of this session of the Board is of particular significance for my country. At the XIV General-Conference, Brazil was appointed by GRULAC to once again occupy a seat at the Board. Since the establishment of the IDB we had served at the Board for more than forty years, until 2007. We are honored to be back at this forum. We see our presence here is a message that reaffirms Brazil's historical commitment to the Organization.

Mr. President,

In 2011, President Dilma Rousseff launched the "Greater Brazil Program" ["Brasil Maior"], which sets guidelines for national policies on industrial development, manufacturing, technology and foreign trade. Its focus is the promotion of innovation and competitiveness.

The Government of Brazil believes that industrial development must be at the core of national development policies. We will not achieve objectives such as

poverty eradication or sustainable development, among others, without a strong industrial basis.

As a matter of fact, industrial development was one of the first aspects of global development to be addressed by the United Nations system, in the early 1950's. Those discussions eventually led to the establishment of UNIDO in 1966 as an autonomous organization within the United Nations, and in 1985 as a specialized agency.

Unfortunately, however, in the course of the past decades industrial development seems to have lost relevance in the documents and deliberations of the General Assembly and ECOSOC, as well as in other international fora. Here and there, references to concepts such as "productive capacity" or "decent employment" can be found - however, we miss a direct, strong commitment to the need of active policies and initiatives to promote industrial development.

The loss of prestige and political relevance of UNIDO itself is one of the consequences of this unfortunate evolution. Time is long overdue to reverse these trends.

The international community should fully recognize the importance of industrial development for national development. And we must recognize that UNIDO has an essential, indispensable contribution to make whenever we discuss industrial development.

Mr. President, distinguished delegates,

The present global challenges - the international economic crisis, sustainable development, eradication of poverty and so on - reinforce the relevance of strengthening UNIDO and benefiting from its expertise in the field of industrial development.

Brazil believes that UNIDO must play an active and crucial role in the implementation of the political commitments emerging from the Rio+20 Conference, which we were honored to host. The Organization is technically and thematically capacitated to decisively contribute to the implementation of the 10 Year Framework of Programs on Sustainable Consumption and Production and the Technology Facilitation Mechanism. Similarly, UNIDO is in a position to offer invaluable inputs to the Post-2015 Development Agenda and to the Sustainable Development Goals process. It is up to us, Member-States, to provide UNIDO with the means to fulfill its mandates.

At this point, my delegation would like to praise DG Yumkella for UNIDO's active role in the preparatory stages of the Conference and for its successful participation in numerous side events - like, for instance, the exhibition organized with the Government of Japan on Environmentally Friendly Technologies.

The goal of poverty eradication is another global challenge in which UNIDO's role cannot be overestimated. Twelve years ago, in the Millennium General Assembly, we agreed on the Millennium Development Goals. Unfortunately, along the way we have not duly emphasized the very basic notion that industrial development is a prerequisite to achieve these goals.

We should keep in mind that a role for UNIDO is necessary in the context of the Second United Nations Decade for the Eradication of Poverty (2008-2017). The theme of the Decade - "Full Employment and Decent Work for All" - can only be accomplished if we address the challenge of industrial development.

On another topic, the United Nations are already taking the first steps in the preparation for the next major conference on development to take place after Rio+20 — the United Nations Conference on Housing and Sustainable Urban Development. The link between Habitat III and the mandate of UNIDO could not be more clear. Therefore, it is the view of my delegation that UNIDO should take part in the preparatory process.

In sum: there is no lack of examples for the need of UNIDO's participation in the discussion of major global challenges. Industrial development is a horizontal issue that overlaps with virtually all major topics in our international agenda.

Mr. President, distinguished delegates,

Let me conclude this statement with two final messages to this distinguished Board.

1) We are of the view that we must restore UNIDO's historical and influential political role in international development debates. The Organization should have once more a prominent role in the deliberations of the General Assembly and the ECOSOC. This goal requires a deepening of our commitment to UNIDO. We believe that this is an issue that should be addressed in a new political declaration on the occasion of the XV General Conference, at the end of 2013.

2) The serious imbalances that affect this Organization need to be corrected. The continued reliance on voluntary contributions, in particular, is a matter of serious concern for my delegation. Hopefully, the ongoing work of the Informal Working Group on the Future of UNIDO will enable us to make progress in this field. Strengthening UNIDO is part of the response to the present global challenges.

Thank you Mr. President.

Agenda Item 8 — Informal Working Group on the Future of UNIDO

Mr. President,

Brazil takes note with satisfaction of documents IDB.40/10 and IDB.40/17, containing the summary prepared by co-chairs of the deliberations of the Informal working group on the future, including programmes and resources of UNIDO, to the present moment.

My delegation reiterates its full support to the two co-chairs of the Group, the Permanent Representative of Costa Rica, Ana Teresa Dengo Benavides and Mr. Alberto Groff from the Permanent Mission of Switzerland. It also expresses satisfaction with the progress on the works and exercises carried out by both co-chairs. Their able leadership is highly appreciated.

Since the beginning Brazil has been deeply engaged in the Informal Working Group. In this regard, we would like to refer to the submission of Brazil to the Informal Working Group, contained in conference room paper IDB.40/CRP.10. We trust this document contains ideas and elements that may contribute to the success of the IWG.

We would like to thank the Director-General and make special reference to his report prepared for the 67th Period of Sessions of the General Assembly on agenda item 24”b”, “Industrial Development Cooperation” (A/67/223). The report identifies realities that could imply major changes on how the international community will proceed with its efforts oriented to poverty eradication, affecting the dynamics of official development assistance (ODA) as a whole, and in this sense, should not be ignored by the Informal Working Group:

It is particularly striking the conclusion of the report in the sense that most of the ODA oriented to industrial development activities originates from South-South cooperation activities — in a stark contrast with traditional development partners, which continue to direct the bulk of their ODA to governmental, humanitarian and social areas.

The report also delivers a fundamental message in the sense that the extent we can achieve in terms of equitable and sustainable development will depend on how well we can reintegrate industrial development back to the mainstream of development multilateral cooperation.

Thank you, Mr. President.

Agenda Item 12 – Industrial innovation and productive capacity

Mr. President,

First of all, I would to thank the Board for accepting the request of my delegation to include this item “Industrial innovation and productive capacity” in the agenda of its 40th period of sessions.

The deliberations of the Board on this agenda item could not be timelier. As we know, in 2013, ECOSOC will organize its work for the Annual Ministerial Review around the theme, “Science, technology and innovation, and the potential of culture, for promoting sustainable development and achieving the Millennium Development Goals”. It goes without saying that science; technology and innovation are at the substantive core of the conclusions of Rio+20, as they were in Agenda 21 and in the Johannesburg Plan of Implementation.

I avail this opportunity to praise the historical groundbreaking role of UNIDO in the area of science, technology and innovation. This Organization played a pivotal role in the negotiations that culminated at the United Nations Conference on Science and Technology for Development, in 1979, launching the so called “Vienna Process”, which came to shape the multilateral framework for STI as we know today. In the same line, some of the revolutionary proposals presented at the Third General Conference of UNIDO in 1980 would somehow come to fruition thirty years later with the establishment of the Cancun Technology Mechanism, under the framework of UNFCCC, at the 16th Conference of the Parties.

Mr. President,

Innovation is not an abstract concept, neither is something exclusively related to the subjective talents and skills of individuals. It is rather a habit which can be acquired and learned by societies; an attitude in formulating and implementing policies, diligently built, studied and assessed.

Mr. President,

As well stated by the UN Secretary-General on his report A/67/348, we have before us an urgent endeavour of reducing the amount of resources consumed and pollution produced, while enabling today’s poor to attain decent level standards. This endeavour imposes on us a moral and political imperative — to continuously pursue technological innovation. Countries can only succeed in its efforts of mitigation and adaptation to climate change if they are able to incorporate innovative techniques and approaches across the sectors of industry — understood as not solely restricted to manufacture — but also encompassing energy, mining and construction. The transition to a new economy founded on sustainable features requires bold national policies capable of fostering long-term systematic innovation. Initiatives aimed at optimal use of materials and energy

and sustainable consumption and production patterns imply the adoption of innovative schemes as well.

In this sense, Brazil believes UNIDO has a key role to play in terms of promotion of innovation and encourages the Organization to take the lead in the implementation of the 10-year framework of programmes on sustainable consumption and production patterns (A/CONF.216/5) and of the technology transfer facilitation mechanism, as agreed by Member-States in Rio+20.

Mr. President,

Societies undertake massive efforts towards industrial development for reasons that go beyond the quest for national power and pride. They do so in order to empower their citizens with the fundamental human rights they are entitled to.

It can be argued that permanent industrial innovation, providing constant elevation of productivity levels is one of the main factors to determine the capacity of a society to offer public services and to grant basic rights to its citizens, as it advances on its development process. Hence, there can be no realization of such rights — an inseparable feature of the modern state founded on democracy and social welfare — without corresponding industrial development driven by constant search of technical innovation. Ultimately, industrial development is not a choice, but a constitutional obligation of all national governments before the peoples of the world.

Mr. President,

My delegation has the conviction that the mandate of UNIDO does not overlaps on the mandates of other United Nations bodies regarding innovation, but rather complements it. We do believe UNIDO has an important mission in assisting Member-States to develop their innovative capabilities in practice. It is, so to say, the “locus” in the UN System for the “applied” or “practical” aspect of innovation.

Furthermore, innovation can be instrumental in achieving the Millennium Development Goals and particularly useful to enhance the role of small and medium enterprises (SMEs) in the national development process. Since SMEs are, collectively, the key drivers of growth and poverty eradication, fostering their development, including their innovative capabilities, is therefore a key policy issue.

We hope this agenda item may stand for future sessions of the board and help the Organization reestablish its former political stature and prominence in the debates of the General Assembly and the ECOSOC, enabling UNIDO to offer substantive conceptual contributions to the wider United Nations agenda.

Thank you, Mr. President.