



European Union

Statement on the occasion of the UNIDO Industrial Development Board, 40th session, 20-22 November 2012

Agenda item 3: Annual Report of the Director-General for 2011

Thank you, Mr. Chairman,

1. I have the honour to speak on behalf of the European Union and its Member States. ~~The~~ The Acceding Country Croatia*, the Candidate Countries the former Yugoslav Republic of Macedonia*, Montenegro* and Serbia*¹, the Countries of the Stabilization and Association Process and potential candidate countries Albania and Bosnia and Herzegovina ~~members~~ ^{countries} of the European Economic Area, as well as Ukraine, the Republic of Moldova, Armenia and Georgia align themselves with this statement.
2. We would like to congratulate you, Mister Chairman and the other members of the Bureau, on your election and would like to wish all Member States successful deliberations.
3. We wish to express our appreciation of Director General Mr. Kandeh Yumkella and UNIDO staff's active role in the improvement of the overall performance of the Organization.
4. We addressed this agenda item extensively at the last PBC session. Therefore let me now mention only some aspects of UNIDO's work, which make UNIDO so much relevant for the inclusive and sustainable development, namely: its contribution to poverty reduction, promotion and implementation of sustainable consumption and production patterns, climate change mitigation and the advancement of the Millennium Development Goals. We welcome UNIDO's contributions to wealth creation in a range of SMEs sector, support to agribusiness and rural development as well as engagement in the programmes for youth employment and empowerment of women.
5. We value the implementation of MDG 7 on ensuring environmental sustainability, which is steadily done through promotion of renewable energy sources, resource efficiency and support to energy efficient and low-carbon technologies and production

¹ *Croatia, the Former Yugoslav Republic of Macedonia, Montenegro and Serbia continue to be part of the Stabilisation and Association Process.

methods as well as the implementation of the MDG 8 on the development of a Global Partnership for Development through enhancement of the participation of partner countries and enterprises in global trade, fostering of value-addition (value chains) and diversification of production as well as capacity-building and policy advice to meet technical and business requirements and quality standards.

6. We notice the added value of the policy advice supplied by UNIDO which contributes to nationally validated sustainable industrial strategies and we encourage UNIDO to continue this activity.
7. On overall situation of UNIDO: We would like to reiterate our commitment to UNIDO's activities and our interest in the continued dialogue with the Organization. We highly value exchange of information between the Secretariat and Member States and would like to thank the Secretariat for the organization of a series of briefings, which were extremely informative and useful for the work of the Informal Working Group on the future of UNIDO. Bearing in mind current staffing situation the Member States of the EU would like to ask the Secretariat to organize a briefing on human resources in a timely manner, so that we can prepare for the succession planning. We thank the Secretariat for the documentation prepared for the session and would like to stress the importance of its timely release in all six UN languages.
8. We acknowledge the commitment of the Organization in global forum activities. However, considering the shortage of resources faced by the Organization, we would like to stress that the funds required for such activities should not have a negative impact on technical assistance delivered by UNIDO. Implementation of technical assistance activities should be a top priority of the Organization. Global forum activities should respond to the demands and development needs of all partner countries of UNIDO and be instrumental to the implementation of technical assistance activities.
9. We believe that the current financial situation of the organization remains stable. We welcome the significant increase of the level of TC activities. We strongly encourage efforts of the Secretariat to continue to collect outstanding arrears owed by former MS to the Organisation. Bearing in mind the upcoming negotiations of UNIDO budget, we declare our readiness to engage in the deliberations aiming at implementation of necessary adjustments towards its reduced resource base.
10. We congratulate UNIDO for the rapid increase in the volume of extra-budgetary funds mobilized in 2011. We take note of the increase of funding from sources such as GEF and Montreal Protocol. We believe that it is not only the strength of the expertise and visibility in the three thematic priorities but also the renewed interest of many Member State in the productive sector which made it happened. We hope that UNIDO will be able to build upon the momentum and increase interest expected to be generated with regard to environment and energy priority theme by the Rio+20 Conference and SE4All. We take note of the requirements of some donors, both, Member States and the European Union, as well as GEF for co-funding of projects critical for the response to requests for assistance as well as for the preparatory phase of projects and programmes. We hope that these requirements will be complemented by the continued interest of Member States and other donors to provide sufficient resources to the organization without negative consequences for the implementation of the projects and programmes. We are concerned that funding from the Delivering as One initiative and MDG Achievement Fund is anticipated to decrease. We encourage UNIDO to differentiate its sources of funding, and in particular to design a strategic approach to access funding from different Trust Funds and to develop its cooperation with the private sector under Business Partnerships. We note with satisfaction that in the

programming thrust for the biennium 2012-2013 priority will continue to be given to the Least Developed Countries (LDCs) and Africa. This is in line with the "Agenda for Change", the main EU document on development cooperation. Focus on more advanced economies in the areas of environment and energy, as well as on TCB is also positively acknowledged and should be continued.

Thank you, Mr. Chairman.



European Union

Statement on the occasion of the UNIDO Industrial Development Board, 40th session, 20-22 November 2012

Agenda item 5: Activities of the Evaluation Group

Thank you, Mr. Chairman,

1. I have the honour to speak on behalf of the European Union and its Member States. [The Accessing Country Croatia*, the Candidate Countries the former Yugoslav Republic of Macedonia*, Montenegro* and Serbia*¹, the Countries of the Stabilization and Association Process and potential candidate countries Albania and Bosnia and Herzegovina, members of the European Economic Area, as well as Ukraine, the Republic of Moldova, Armenia and Georgia align themselves with this statement.]
✓ the EFTA country NORWY
2. The EU and its Member States highly appreciate the work of the Evaluation Group which contributes to a better accountability, learning and organizational change and renewal. We take note of the findings contained in the doc. IDB 40/13. We welcome the ongoing reform process to strengthen the field presence of UNIDO. In this context we would like to encourage recipient countries and UNIDO to take lead in accessing funds available at the country level, as many Member States as well as the European Commission adopted decentralized pattern of technical cooperation. We encourage UNIDO to work on additional inter-branch cooperation, when potential synergies between projects could be found and developed. We welcome the work of UNIDO to put in place a holistic results-based planning, monitoring and reporting in order to capture programme-level results and aggregate performance. We urge UNIDO to implement recommendations and to take advantage of the lessons learned.

Thank you, Mr. Chairman.

¹ *Croatia, the Former Yugoslav Republic of Macedonia, Montenegro and Serbia continue to be part of the Stabilisation and Association Process.



European Union

Statement on the occasion of the UNIDO Industrial Development Board, 40th session, 20-22 November 2012

Agenda item 7: UNIDO activities in environment and energy

Thank you, Mr. Chairman,

1. I have the honour to speak on behalf of the European Union and its Member States. [The Acceding Country Croatia*, the Candidate Countries the former Yugoslav Republic of Macedonia*, Montenegro* and Serbia*¹, the Countries of the Stabilization and Association Process and potential candidate countries Albania and Bosnia and Herzegovina, members of the European Economic Area, as well as Ukraine, the Republic of Moldova, Armenia and Georgia align themselves with this statement.] *the EFTA country NORWAY*
2. The European Union welcomes the Organization's activities in the area of energy and environment to further cleaner and sustainable industrial development, such as the promotion of resource and energy efficiency in productive activities, the assistance to developing countries in the fields of renewable energy for productive use, energy policy and carbon emissions reduction.
3. We value UNIDO's engagement in the process of RIO+20, and in particular in the establishment of the UN SG Initiative on SE4All. We hope that UNIDO, with its expertise, in particular in the field of energy efficiency, will be able to participate in the implementation of the Initiative and we encourage UNIDO to take appropriate action to be prepared once the Initiative becomes operational.
4. We encourage UNIDO to keep promoting green industry in the post-Rio+20 and the post-2015 negotiation process, particularly with a view to supporting the formulation of Sustainable Development Goals relating to resource efficiency and energy access.
5. We encourage UNIDO to finalize the strategic document in the field of renewable energy, specifying i. a. the envisaged cooperation with SE4All Initiative.

¹ *Croatia, the Former Yugoslav Republic of Macedonia, Montenegro and Serbia continue to be part of the Stabilisation and Association Process.

6. We welcome UNIDO's commitment to activities promoting sustainable patterns of production and consumption throughout the global manufacturing process. We also note that the Green Industry agenda is an integral part of a Green Economy, whereby green growth can be achieved and green jobs created. In this context, we support the Green Industry Platform launched at Rio+20 summit earlier this year. We believe that this global high-level multi-stakeholder partnership will act as a forum for mobilizing and mainstreaming action on Green Industry around the world. In this context, we thank UNIDO's Secretariat for organisation of the side event on GIP on the occasion of this session of the IDB.
7. The EU and its Member States also appreciate UNIDO's commitment to further develop its Resource Efficient and Cleaner Production program, expand its water management projects and strengthen assistance to developing and transition economy countries to prepare their national implementation plans under the framework of Stockholm convention. We would like to take this opportunity to congratulate UNIDO on being rated, for the 11th time in a row, the top implementing agency of the Multilateral Fund for the Implementation of the Montreal Protocol.
8. Recognizing the effort carried out by UNIDO in mobilizing the network of its South-South and International Technology Centres, we would ask the Secretariat to continue promoting a stronger involvement of those Centres in the implementation of technical cooperation activities in the field of energy and environment.
9. Current environmental challenges and resource use pose problems for long term economic growth. In this context, we support UNIDO's efforts aiming to help developing countries to secure resource-efficient and low-emission growth. We encourage UNIDO to further develop its actions and projects targeted at promoting economic growth while 1) reducing pollution emissions and inefficient use of resources, 2) maintaining biodiversity and 3) raising awareness undertaken within the framework of Green Industry Initiative. The EU commends UNIDO's Resource Efficient and Cleaner Production (RECP) programme and the recently restructured global RECP network.
10. The Member States of the EU appreciate the capacity of the Organization to raise Global Environment Facility (GEF) funds and the required co-funding. We would like to be more regularly updated on the status of implementation of the GEF co-funded projects as well as on the other projects financed by the Trust Fund on Renewable Energy, including their effectiveness and impact.
11. We would like to thank UNIDO for the progress in areas related to development of the new international standard on energy management systems, ISO 50001. We believe that the Organization can provide a particular support to developing countries for designing sound policies and a special help to private companies in those countries in order to facilitate the update of their productive capacity adapting in a timely manner to the demand of the international market.
12. We welcome the activities initiated by the International Centre for Hydrogen Energy Technologies (ICHET).
13. In conclusion, I would like to draw your attention to the fact that the EU has tabled a decision on UNIDO activities on environment and energy and we would warmly welcome the overall support of UNIDO Member States.

Thank you, Mr. Chairman.



European Union

Statement on the occasion of the UNIDO Industrial Development Board, 40th session, 20-22 November 2012

Agenda item 8: Review of the progress of the deliberations of the informal working group

Thank you, Mr. Chairman,

1. I have the honour to speak on behalf of the European Union and its Member States. [The Acceding Country Croatia*, the Candidate Countries the former Yugoslav Republic of Macedonia*, Montenegro* and Serbia*¹, the Countries of the Stabilization and Association Process and potential candidate countries Albania and Bosnia and Herzegovina, members of the European Economic Area, as well as Ukraine, the Republic of Moldova, Armenia and Georgia align themselves with this statement.]
2. We appreciate the Co-Chairs' commitment and active participation of the MS and Regional Groups in the Informal Working Group on the future, including programmes and resources of UNIDO.
3. EU support will feature governance issues prominently in our partnerships and this should be an important element of the future of UNIDO. EU support will be determined on the basis of a number of factors including capacity, performance, and potential impact. Our support will remain based on fundamental EU principles such as respect for human rights, democracy and the rule of law. The EU and its MS promote a results-based approach, including through the use of strengthened results-based frameworks and capacities to monitor and evaluate results. We believe this provides a basis for improving mutual accountability and transparency. We hope that the outcomes of the WG will take our approach into consideration.
4. The impact of the global financial and economic crisis will have to result in the adjustment of UNIDO's activities. We hope to give UNIDO, through the deliberations of the Working Group, some guidelines to follow.
5. We recognize the uniqueness and relevance of UNIDO's clear mandate in sustainable industrial development, particularly in view of the key role, that industry plays for

¹ *Croatia, the Former Yugoslav Republic of Macedonia, Montenegro and Serbia continue to be part of the Stabilisation and Association Process.

development. The WG should aim at the elaboration of recommendations which make UNIDO's work more efficient.

6. The outcome of the informal WG should be a strategy, i. e. a revised Business Plan, and recommendations, i. e. a document implementing the key objectives of this revised Business Plan.
7. We are prepared to engage in a dialogue on the key concept issues. Once the consensus is reached, we shall proceed with the formulation of recommendations. The process shall be advanced in such a way that should allow the candidates for the post of DG to address the necessary changes in the organization.

Thank you, Mr. Chairman.



European Union

Statement on the occasion of the UNIDO Industrial Development Board, 40th session, 20-22 November 2012

Agenda item 11: Selection process for the post of Director-General: Introduction of a candidates' forum

Thank you, Mr. Chairman,

1. I have the honour to speak on behalf of the European Union and its Member States. [The Acceding Country Croatia*, the Candidate Countries the former Yugoslav Republic of Macedonia*, Montenegro* and Serbia*¹, the Countries of the Stabilization and Association Process and potential candidate countries Albania and Bosnia and Herzegovina, members of the European Economic Area, as well as Ukraine, the Republic of Moldova, Armenia and Georgia align themselves with this statement.]
2. We wish to congratulate Dr. Yumkella on his appointment by UN Secretary General as his Special Representative and Chief Executive Officer for the "Sustainable Energy for All" Initiative.
3. We are aware that the appointment of Mr. Yumkella as Special Representative for SE4All with responsibility for planning and implementation of the initiative will require from him more attention to be paid to his new task. We thank him for having provided advance information about his early departure from the post of the DG of UNIDO in July 2013.
4. Bearing in mind the staffing situation and the retirement of many UNIDO officials at senior management posts, a smooth transition at the post of the Director General is of utmost importance to the EU. Therefore, we welcome the issuance of document IDB.40/26 informing us about the legislative procedures to be followed for the appointment of a new Director General. The EU favours Scenario A of this document which requires to have a special session of the General Conference following the

¹ *Croatia, the Former Yugoslav Republic of Macedonia, Montenegro and Serbia continue to be part of the Stabilisation and Association Process.

*the
EFTA country
NORWAY*

forty-first regular session of the Board, which is to appoint the new Director General. In its call to nominate candidates, UNIDO should stress that the Director General Elect will be available already in July 2013.

5. On procedure, we welcome the proposal contained in document IDB.40/21/Add. 1 to organize a candidates' forum on 21 May 2013, where candidates can present themselves, their programs and priorities and answer questions. Such a procedure will enhance transparency of the process.

Thank you, Mr. Chairman.



European Union

**Statement on the occasion of the
UNIDO Industrial Development Board, 40th session,
20-22 November 2012**

Agenda item 13: Date and place of the fifteenth session of the General Conference

Thank you, Mr. Chairman,

1. I have the honour to speak on behalf of the European Union. [The Acceding Country Croatia*, the Candidate Countries the former Yugoslav Republic of Macedonia*, Montenegro* and Serbia*¹, the Countries of the Stabilization and Association Process and potential candidate countries Albania and Bosnia and Herzegovina, members of the European Economic Area, as well as Ukraine, the Republic of Moldova, Armenia and Georgia align themselves with this statement.]
2. We would like to thank H. E. Ms. Gladys Triveño Minister of Production of Peru for the invitation to host the next, XV session of UNIDO General Conference in Lima, and welcome the generous offer of the Government of Peru to bear all additional costs. We are ready to take action on this issue.
3. We are looking forward to a meeting in this very beautiful place.

Thank you, Mr. Chairman.

¹ *Croatia, the Former Yugoslav Republic of Macedonia, Montenegro and Serbia continue to be part of the Stabilisation and Association Process.