

Statement by Ambassador A.L.A. Azeez, Permanent Representative of Sri Lanka to UNIDO under Item No.8: Review of the progress of the deliberations of the informal working group, 22 November 2012

This being the first occasion my delegation takes the floor, let me extend our warm congratulations to you, Mr. President, on your election to this high office and also on guiding the deliberations of this august forum successfully for the last two days. We have confidence in your ability and wisdom in taking forward this process to fruition. We also express our gratitude to Ambassador Cho Hyun, our immediate past president and his bureau for their stewardship of a productive session last year.

In felicitating members of your bureau on their elections as well, Mr. President, I would like to acknowledge in particular the presence of Madam Ana Teresa Dengo, who, together with Mr. Alberto Groffe of Switzerland, led the consultations within the informal working group on the future of UNIDO satisfactorily. Throughout the year, they have done excellent work by helping to achieve a convergence of views over several aspects that have come up for consideration during the informal consultations. Some seemed intractable as the process of consultations began, but through persuasion and accommodation, reached the realm of consensus as the process advanced. If anything, it is a pointer to the direction that the process will likely take next year: Consensus-building on all pending issues as well as on any new matters that may arise following our deliberations today.

Mr. President,

The working group on the future of UNIDO has covered much ground throughout the year, crystallising into both thematic and practical points some of which initially appeared to be mostly abstract notions or ideas. The listing of strengths and weaknesses as well as opportunities and threats - aspects over which exists broad consensus among delegations, and the iteration of points where differences among delegations have manifested, are useful material which help to bring our immediate focus on specific issues. With understanding and flexibility among member states, my delegation is hopeful that progress will be made in narrowing those differences to our satisfaction soon.

The working group process is also useful for another reason, Mr. President. While it would no doubt contribute to shaping up the future of UNIDO in the years to come, it would also help to add value to the office of the Director General as new Director General takes over next year. That would go a long way in relieving the new Director General of an otherwise arduous task of finding niche areas for UNIDO's engagement in the future.

Having said this, Mr. President, I would like to highlight some areas which, my delegation thinks, are of relevance to the mandate of the working group, for its consideration at its next meetings:

First, in addressing the organisational matters, in light of the new situation that has arisen warranting the election of Director General in the middle of next year, it is important to emphasize the need for 'effective transition' - a process which continues to retain within the organisation for a predictable period of time, the services of its core professionals with a view to ensuring predictability and continuity to its effective functioning. It is not unlikely that a similar situation may not arise in the future as well, and providing for it as an organisational principle as part of a lesson 'learnt' today is therefore desirable.

Second, Director General Dr. Kandeh Yumkellah, whom my delegation compliments for his exemplary leadership of UNIDO for the past 7 years, had referred, in his presentation at the opening of this session, to what he calls the 'convening power' of UNIDO in creating synergy and bringing fresh perspectives within the organisation as well as between the organisation and other stake-holders. It is important that this aspect should be explored and expanded to further energise UNIDO to serve its constituency better.

Third, despite its growing international visibility, accentuated now by its useful contribution to ongoing discourses on sustainable energy in particular, the awareness among people at sub-national levels, of the organisation has yet to improve. It is advisable to identify measures to educate people at all levels about the relevance and the work of UNIDO. It is equally important to bear in mind that awareness creation is more effective especially when targeted programmes or projects are implemented.

Fourth, a major challenge faced by developing countries in building capacity

for trade is the cost of adaptation to continually evolving standards. Investment made in conforming to a particular set of standards today has the risk of becoming rather obsolete tomorrow, when standards improve raising the threshold of competition. This restricts rather than expands market access for most developing countries. Trade capacity building should therefore not only assist in continual up-gradation of standards, but include a component on facilitation of Research and Development as well.

Fifth, in the energy-environment nexus, what is found most wanting is sustainable waste management. International organisations often scramble to find niche areas to increase their competitive advantages. This has led to a practice of cherry-picking, leaving other priorities languishing in a limbo. By waste, I do not mean nuclear waste, or hazardous waste, which is regulated, by other international treaties. The reference is to industrial waste, which affects the environment and the health of people in the long term.

Sixth, while environmentally sustainable industrial modernisation requires switching from conventional energy to cleaner energy, its transition often is not viewed in its holistic perspective beyond an emphasis on adaptation technology. More needs to be done to assist smooth transition in this area in addition to assistance for adaptation, and this involves assistance for sustainability planning, maintaining of growth stability and employment security, etc. This is a vacuum that UNIDO may need to fill in, or in the least, it should be able to use its 'convening power' to bring stakeholders from other inter-governmental organisations and UN agencies along with members states, to address this issue seriously.

It is *the belief* of my delegation that these as well as several other views expressed by delegations under this Agenda item today will be considered by the working group on the future of UNIDO at its meetings in coming months, and appropriate guidelines and indicators developed for the consideration of the Board and the General Council at their next sessions.

I conclude, Mr. President, by thanking the Director General and his dedicated staff for the excellent arrangements made for this session, including secretariat support.