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Lima Declaration and Plan of Action

Lima Declaration: Towards inclusive and sustainable industrial development

Submitted by the President of the Industrial Development Board, H.E. Mr. Antonio García Revilla (Peru)

1. As indicated in the annotated provisional agenda of the fifteenth session of the General Conference (GC.15/1/Add.1) the Government of Peru had expressed the wish that Member States may consider adopting a Lima Declaration. In his capacity as President of the Board, H.E. Mr. Antonio García Revilla (Peru) conducted informal consultations on the Lima Declaration on 26 September, 3, 10 and 21 October, 6 and 14 November 2013, the outcome of which is the annexed draft “Lima Declaration: Towards inclusive and sustainable industrial development”. The text was agreed by consensus at the informal consultations. Member States recommended that the Lima Declaration be adopted by the General Conference at its second plenary meeting on 2 December 2013. It is therefore proposed that the General Committee at its meeting on 2 December (prior to the second plenary meeting) recommends that the Lima Declaration be adopted in plenary. These procedures would allow for a solemn adoption of the Declaration in the presence of high-level participants, including the ministers representing many Member States at the fifteenth session of the Conference.

Action required of the Conference

2. The General Conference may consider adopting the “Lima Declaration: Towards inclusive and sustainable industrial development” at its second plenary meeting, as contained in the annex to the present document.

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Annex

Lima Declaration: Towards inclusive and sustainable industrial development

1. We, the Heads of State and Government, Ministers, and Representatives, gathered at the fifteenth session of the General Conference of the United Nations Industrial Development Organization (UNIDO) in Lima, Peru, recognize that poverty eradication remains the central imperative. This can only be achieved through strong, inclusive, sustainable and resilient economic and industrial growth, and the effective integration of the economic, social and environmental dimensions of sustainable development.

2. The underlying principles of the Lima Declaration on Industrial Development and Cooperation adopted in 1975¹ have stood the test of time: industrialization is a driver of development. Industry increases productivity, job creation and generates income, thereby contributing to poverty eradication and addressing other development goals, as well as providing opportunities for social inclusion, including gender equality, empowering women and girls and creating decent employment for the youth. As industry develops, it drives an increase of value addition and enhances the application of science, technology and innovation, therefore encouraging greater investment in skills and education, and thus providing the resources to meet broader, inclusive and sustainable development objectives.

3. Since 1975, economic, political, social and technological developments, along with structural changes in global trade, have revolutionized the lives and livelihoods of many. Yet serious structural challenges remain for countries at different stages of development, foremost among which is eradication of poverty. These challenges also include inequalities within and between countries, unemployment and poor access to financial resources and economic opportunities, deindustrialization, depletion of natural resources, and the intensifying threats of environmental degradation and climate change.

4. The Millennium Development Goals (MDGs) have provided a common vision and contributed to remarkable progress. Significant and substantial advances have been made in meeting several of the targets in which UNIDO has been successfully contributing. Among and within developing countries, those who have been left furthest behind require our most urgent attention and support. We recognize that the post-2015 development agenda should reinforce the international community's commitment to poverty eradication through, among others, inclusive and sustainable industrial development and underscore the central imperative of poverty eradication reaffirmed in the outcome document of the 2013 MDG special event² and in other relevant United Nations documents. We acknowledge with appreciation the processes mandated in the Rio+20 outcome document³ that are now underway. In

¹ The Lima Declaration on Industrial Development and Cooperation was adopted by the Second General Conference of UNIDO in Lima, Peru, 12-26 March 1975, at its final plenary meeting.

² Outcome document of the special event to follow up efforts made towards achieving the Millennium Development Goals (A/68/L.4*).

³ Outcome document of the United Nations Conference on Sustainable Development, entitled "The future we want", A/RES/66/288*.

this context, industrial development has gained increasing recognition as an important driver of economic growth.

5. We recall our commitment to the MDGs and we welcome the decision of the United Nations General Assembly⁴ to launch a process of intergovernmental negotiations at the beginning of its sixty-ninth session, which will lead to the adoption of the post-2015 development agenda, while we reaffirm the importance of promoting human rights, good governance, the rule of law, transparency and accountability at all levels.

6. We therefore deepen our commitment towards achieving inclusive and sustainable industrial development, and we reaffirm the unique mandate of UNIDO in supporting our countries in achieving this goal.

7. While integrating in a balanced way all three dimensions of sustainable development — economic, social and environmental — we believe that the effective measures towards inclusive and sustainable industrial development should encompass enhancing productive capacities in a way that supports the structural transformation of the economy; encourages economic growth and the creation of decent jobs; enhances productivity and development, transfer and absorption of technology on mutually agreed terms, infrastructure and technological innovation; advances trade and development, particularly in the small and medium-sized enterprise sector, micro-industries and other new forms of community-based entities; promotes the sustainable use, management and protection of natural resources and the ecosystem services they provide; and supports related research and development.

8. We welcome the outcome document of the informal working group on the future, including programmes and resources, of UNIDO, entitled “Strategic Guidance Document”.⁵

9. We stress the relevance of inclusive and sustainable industrial development as the basis for sustained economic growth, and encourage, while respecting the processes established by the United Nations General Assembly, appropriate consideration of the issue in the elaboration of the post-2015 development agenda.

10. We welcome in this regard UNIDO’s active engagement in the ongoing process of elaboration of the post-2015 development agenda in accordance with the outcome document of the 2013 MDG special event.

11. We recognize the diversity of ways towards sustainable development and in this regard recall that each country has the primary responsibility for its own development and the right to determine its own development paths and appropriate strategies.

12. We task UNIDO, when requested, to assist Member States towards achieving enhanced levels of inclusive and sustainable industrial development, with the aim of, inter alia, expanding and diversifying manufacturing value added, enhancing domestic entrepreneurial and technological capabilities for sustainable development

⁴ A/68/L.4*, para. 20.

⁵ Document IDB.41/24.

and competitiveness, improving in equality and access to decent jobs in industry, and reducing the environmental impact, based on the Rio Principles.⁶

13. We call upon UNIDO to enhance its support for the efforts of countries towards achieving inclusive and sustainable industrial development. We further request the Director General to report regularly to the General Conference on UNIDO's assistance to Member States towards achieving enhanced levels of inclusive and sustainable industrial development and on its developmental impact.

14. We believe that the Organization has a particular role as the central coordinator of international cooperation towards inclusive and sustainable industrial development in the United Nations system and should continue to include industry-related services so that the Organization may fully support in all steps of the value chain. This entails strengthening all of its functions in the fields of technical cooperation, action-oriented research and policy advisory services, standards and compliance, and its convening role. In this sense, the core activities and technical cooperation to be implemented by UNIDO in this context can be expressed in terms of building and qualitatively improving industrial capacities.

15. In the spirit of cooperation, strengthening existing and forging new partnerships and networks at global, regional and subregional levels and the full involvement of all relevant stakeholders towards achieving inclusive and sustainable industrial development are fundamental for overcoming the prevailing development challenges and achieving prosperity. These partnerships should include, inter alia, governments, international organizations, representatives of the public and private sectors, financial institutions, academia and civil society. With North-South cooperation remaining the core of global development partnership, these partnerships should also encompass fulfilment of MDG commitments. Other forms of cooperation such as South-South, triangular and multilateral cooperation, as well as other platforms, also play an essential role in this objective.

16. International cooperation for industrial development remains a key means for achieving the benefits of industrial development. The Lima Declaration adopted in 1975 paved the way for a structured global system of consultations between and among industries and nations. We believe that now is the time to strengthen international cooperation for industrial development, which should be based on foreign direct investment, transfer of knowledge and technology, appropriate financial mechanisms, and new partnerships built on a broad multi-stakeholder basis, and on mutually agreed terms.

17. We reaffirm our commitment to UNIDO as an Organization with a unique mandate to promote, dynamize and accelerate industrial development, within the United Nations system, to provide services for the benefit of its Member States and the global community through cooperation on global, regional and national, as well as on sectoral levels; and recognize the critical contribution it makes to industrial development.

18. We believe that the approaches adopted by the Organization must be periodically reviewed to ensure that it remains aligned with agreed United Nations system-wide frameworks and responds effectively to emerging new developmental

⁶ Rio Declaration on Environment and Development, A/CONF.151/26 (Vol. I).

challenges. To this end, the Organization needs more robust and results-oriented monitoring and evaluation mechanisms, and improved reporting formats that better suit the requirements of Member States.

19. We are convinced that technical cooperation is a primary operative function of UNIDO, and we further recognize that other, equally relevant, complementary functions, such as the convening and partnerships role, normative functions and standard related activities as well as policy advice (understood as assistance to the Member States in the implementation of norms and standards) should be enhanced and implemented through projects and programmes. UNIDO's convening power should serve better the implementation of technical cooperation activities. We call upon UNIDO to enhance its results-based approach, with improved transparency and visible value for money.

20. In this line, we welcome that the Organization interacts with relevant international organizations and financial institutions, with a view to putting forward the objectives of UNIDO in the multilateral negotiations and activities taking place in those organizations.

21. In order to address current challenges faced by its Member States, UNIDO should serve as a global facilitator of knowledge and advice on policies and strategies towards achieving inclusive and sustainable industrial development; and should focus on the three thematic priorities in which it has comparative advantage and expertise: productive capacity-building, trade capacity-building, and sustainable production and industrial resource efficiency.

22. The Organization should strive to provide the full range of its development services according to the differentiated needs of Member States, in support of their national industrial priorities and strategies and the need for appropriate responses. Given their unique development challenges and needs, special attention should continue to be given to the least developed countries. Due consideration should also continue to be given to countries with different stages of development, including, inter alia, middle-income countries and countries with economies in transition.

23. We recognize that the Organization has a special role in ensuring progress towards the achievement of the objective on inclusive and sustainable industrial development. The Organization should therefore promote dialogue and multi-stakeholder partnerships in order to monitor and foster progress towards the achievement of inclusive and sustainable industrial development.

24. We call upon all the Member States to ensure adequate funding for UNIDO, inter alia, through full and timely payment of assessed contributions to the regular budget and through voluntary contributions for technical cooperation and support services in each of its thematic priorities with cross-cutting issues, in order to meet the full level of the Organization's core and operational activities, taking into consideration the demands of Member States.

*[Adopted at the fifteenth session
of the General Conference
of the United Nations Industrial Development Organization,
Lima, Peru, 2 December 2013]*