



STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY DR. JIKO F. LUVENI, MINISTER FOR SOCIAL WELFARE, WOMEN AND POVERTY ALLEVIATION, AT THE FIFTEEN SESSION OF THE GENERAL CONFERENCE OF THE UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANISATION (UNIDO) (Lima, Peru, 2 December 2013)

Mr President,
The Director-General,
Excellencies,
Distinguished Delegates,
Ladies and Gentlemen,

1. I have the honour to deliver this statement on behalf of the Group of 77 and China. Allow me to firstly express my sincere appreciation to the organisers for inviting me to participate in the Opening segment of the Fifteen Session of the General Conference of the United Nations Industrial Development Organisation. I would also like to thank the government of Peru and the people of Lima for the warm hospitality and friendship extended to my delegation since our arrival to your beautiful city.

2. This year's General Conference is taking place under the overarching theme "UNIDO : Towards Partnerships for a New Industrial Revolution for Inclusive and Sustainable Growth ". We look forward to the outcomes of the eight forum events, which are planned for the next three days. We especially look forward to the solemn adoption of the Lima Declaration : Towards Inclusive and Sustainable Industrial Development, an important intergovernmentally negotiated document that was agreed by consensus at the informal consultations under the able leadership of the President of the Industrial Development Board, H.E. Mr. Antonio Garcia Revilla.

Mr. President,

3. The Group of 77 endorses the underlying principles of the Lima Declaration. We recognise that poverty eradication remains the greatest global challenge today and an indispensable requirement of sustainable development. Our Heads of State and Government have reaffirmed the central imperative of poverty eradication in the post-2015 development agenda at the Special Event on the Millennium Development Goals, held in New York on 25 September this year. As we accelerate our efforts toward achieving the MDGs by 2015, the post-2015 development agenda should reinforce the international community's commitment to poverty eradication through, among others, inclusive and sustainable industrial development. In this regard, we reaffirm the unique mandate of UNIDO and its role as the key driver in supporting Member Countries' in achieving this goal of inclusive and sustainable industrial development.

4. Ever since the industrial revolution, manufacturing has been the 'engine of growth' in terms of output and employment. Industry today accounts for around 31 per cent of global Gross Domestic Product. Historical evidence has shown that no country has become prosperous, in terms of GDP per capita, without significant advances in industrialisation and productivity. The other two key interrelated fundamentals for a steady pace of economic growth are investment (both foreign direct investment and local investment) and technology. The development trajectory of industrialised and developing countries alike, depends on the dynamic influence of finance, investment and trade, and innovation.

Mr. President,

5. For many developing countries, particularly low-income countries, the achievement of socioeconomic progress depends largely on human capital and commodities. We note with appreciation the services provided by UNIDO in agribusiness, trade and job creation which contribute to the reduction of poverty through the creation and promotion of employment and associated incomes in productive activities.

6. We underscore that women, particularly entrepreneurs, play a crucial role in attaining poverty eradication, economic growth and sustainable development. Presently, fewer people remain in poverty and overall wellbeing has grown with increased incomes for women who tend to spend more resources and time on family welfare and children. In this regard, we encourage UNIDO to continue using a variety of tools and mechanisms to support women's economic participation and empowerment. This can be done through addressing gender issues in sectors with a high potential for wealth creation, food security or export promotion.

7. Similarly, we encourage UNIDO to step-up its projects for productive work for youths in developing countries. With a growing youth population in many parts of the developing world, it is imperative that UNIDO programmes, in collaboration with national governments, and supported by the international community, help to create full employment and decent work for all, particularly for youth, through productive activities.

8. We welcome the initiatives by UNIDO to create better linkages among value-chain actors and promoting investment in the agribusiness sector. A value-chain approach enhances the levels of inclusive and sustainable industrial development through expanding and diversifying manufacturing value-added, resulting in job creation, as well as improved domestic entrepreneurial and technological capabilities for sustainable development.

Mr. President,

9. As a key contributor in this growth, which must be decoupled from increased raw material use and negative environmental impacts, industry must play its part by becoming significantly cleaner and vastly more efficient. We acknowledge the important work of UNIDO in promoting green industry and sustainable development by scaling-up and mainstreaming proven methods and practices for reducing pollution and resource consumption in all sectors.

10. Sustainable industrialisation could be promoted through efficient energy and productive use for industrial application. To help developing countries overcome certain obstacles to accessing sustainable energy so as to achieve specific development goals, it is imperative that we bridge the technological divide so as to promote sustainable energy generation and consumption across the developing world.

11. The Group calls on UNIDO to continue its role as a catalyst in increasing industrial energy efficiency and promoting renewable energy for industrial application and uses. One of the major energy-related challenges is environmental concerns. Energy use, particularly cheap energy like coal, contributes significantly to air pollution and other forms of environmental degradation in many developing countries. Since a number of renewable energy technologies have improved to the extent where they can now be provided at lower cost than other supply options, wherever grid extension is prohibitively expensive or uneconomical, then it makes good sense for governments and business entities to invest in renewable energy applications such as biomass, wind, solar, hydro, geo-thermal and marine resources.

12. The role of technology is particularly important for developing countries to embark on a new industrial revolution for inclusive and sustainable growth. According to a recent study, technology-dependent growth accounts for 80 per cent of the income divergence between the rich and poor countries since 1820. Given the critical importance of technology in promoting inclusive and sustainable industrialisation, developing countries require increased access to technology transfer on favourable terms, including through concessionary and preferential terms, in order to shift to a more sustainable development path. It is imperative that the international community take urgent actions to bridge the technological divide so as to promote industrialisation and inclusive growth across the developing world. These actions include reforming the international Intellectual Property regime with a view to facilitating technological catch-up for developing countries, as well as concerted efforts to establishing the technology transfer mechanism, including the creation of a Technology Bank for the LDCs.

Mr. President,

13. The Group of 77 stresses that each country has the primary responsibility for its own development and the right to determine its own development paths and appropriate strategies. However, for developing countries to achieve inclusive sustained economic growth, they need to have adequate policy space in the course of their industrialisation and development efforts. In the spirit of genuine international cooperation, we appeal to our industrialised partners not to kick away the ladder upon which they climbed to their current level of industrialisation. We are convinced that developing countries need an enabling global environment to complement their national efforts in achieving inclusive and sustainable industrial development. In this regard, macroeconomic policies, including those related to international trade, finance and debt management, are critical to support an enabling environment for growth and sustainable development. These macroeconomic policies should be supported by financial stability with broader structural policies.

14. As we look forward to a post-2015 development agenda, it is time that we seize the opportunity to launch a new industrial revolution based on the principle of 'inclusive and sustainable industrial development'. With UNIDO as an Organisation committed to promote, dynamise and accelerate industrial development within the United Nations system, the Group of 77 and China believes that this noble objective is within our reach.

I thank you, Mr. President.