

Statement of Mr. LI Yong Director General United Nations Industrial Development Organization

at the

Opening of the Eighteenth Session of the UNIDO General Conference

3 November 2019 Abu Dhabi, United Arab Emirates Distinguished Heads of State, Distinguished Ministers, President of the General Conference, Excellencies, Distinguished delegates, Ladies and gentlemen,

It is my great privilege and honour to welcome you to the eighteenth session of the UNIDO General Conference.

Let me express my heartfelt gratitude to the large number of Heads of State and Government, ministers and other high-level dignitaries attending the Conference. We are especially honoured by the presence of Their Excellencies, the Presidents of Madagascar and Niger, and the Deputy-Prime Minister of Vanuatu.

I am also happy to welcome the accession of two new Member States to UNIDO, namely Antigua and Barbuda and the Federated States of Micronesia.

I would like to thank the United Arab Emirates for hosting this Conference, and express my sincere appreciation for your generosity and hospitality.

Following sessions in Thailand in 1987, Cameroon in 1993, and Peru in 2013, this is the fourth time that the General Conference of UNIDO as a specialized agency is taking place away from UNIDO headquarters.

Both this session of the General Conference and also the year 2019 hold particular relevance for UNIDO.

In 2019, the international community stands at a crucial point to turn a vision into reality.

This September, Member States of the United Nations gathered at five important summits to discuss the most pressing challenges of our times.

Leaders of *all* nations have expressed their firm determination to accelerate the implementation of the 2030 Agenda for Sustainable Development. The need for urgent climate action has equally received increased attention.

This year, we experienced the hottest summer months in the Northern hemisphere. The years 2015 to 2019 were also the five hottest years ever recorded. Young people around the world are taking to the streets to remind us of the urgency of climate change.

Environmental degradation, discharge of plastic litter into the oceans, and climate change-related disasters continue at rates that may have disastrous consequences for humanity in the future.

In only two months' time, we will enter into the year 2020, leaving us only ten years to achieve the vision of the 2030 Agenda.

The progress we have made is impressive. Over the past 25 years, we have reduced the number of people living in extreme poverty by half.

However, *much* much more needs to be done.

The global economy is growing at a slow rate. Today, over 740 million women and men, including children, are still living on less than 1.25 US dollars a day. Hunger is on the rise, with 1 in 9 people undernourished. Unemployment remains a challenge. Out of those that do have a job, a staggering 2 billion people (or 61 per cent) are informally employed, often in subsistence activities.

Progress towards gender equality and the empowerment of all women and girls is slow. Inequalities in incomes and opportunities continue to increase in and between countries. International migration has become a multidimensional reality for countries of origin, transit, and destination. In addition, the potential impact of the fourth industrial revolution on the future of work has created uncertainties.

Excellencies,

In the face of all these pressing challenges, some may feel overwhelmed or demoralized. Indeed, often enough, a sense of apathy and the focus on one's own national interest were a common reaction in the past.

However, over the past years, we are witnessing a change — a change that is encouraging. The dramatic outlook into the future has given the global community a dynamic impulse.

With the 2030 Agenda, sustainable development in all three dimensions is gaining momentum. The vision of "the world we want" is giving us hope.

The challenges confronting our world require confidence and strong determination. Many of the required solutions lie in stronger cooperation — stronger cooperation between governments, and an even stronger cooperation with the private sector.

The economic dimension, with its close links to the social and environmental dimensions, is gaining attention. It is widely recognized that industrial development plays a key role in economic diversification, structural transformation, income generation and poverty eradication, and in addressing climate change and environmental degradation.

UNIDO is an active and effective contributor to the 2030 Agenda and part of the global response to these challenges. UNIDO is proud to be the central coordinator and leader of inclusive and sustainable industrial development within the United Nations system.

Within our mandate and resources, UNIDO is taking an active role in the reinvigorated United Nations development system. We hope to see increased coherence of UN activities on the ground by promoting those sustainable development goals that have received less attention in the past.

In line with the UN development system reform and the Funding Compact, I would like to take this opportunity to call upon your support to increase contributions towards UNIDO's thematic trust funds, the special accounts of the Organization, as well as well as to ensure stability of our core resources in the years to come.

Excellencies, delegates, friends,

Reflecting on the achievements of the past years, I am proud that UNIDO has been working tirelessly to improve efficiency and effectiveness of its operations, to enhance quality and quantity of our delivery, and to act as a rules-based organization with results-based orientation. We have improved transparency and our integrated results and performance framework.

As an international gender champion, I am personally committed to engaging all my staff to advance gender equality and the empowerment of women. To that effect, we will implement the Strategy for Gender Equality and the Empowerment of Women 2020-2021.

We keep the momentum for innovation going, and already see the results of our recent innovations, many of which aim to integrate and scale up.

The Programme for Country Partnership (PCP) — which we started piloting in Ethiopia and Senegal, representing a least developed country in the East and in the West of Africa, in 2014 — now covers each geographical region of the globe. The portfolio has grown to 10 countries, with each PCP at a different stage of development. I am proud of the achievements we have made so far under the strong leadership of the respective governments.

While the Chemical Leasing model pioneered by UNIDO since 2005 is a successful showcase example of a circular business model, we have placed the promotion of and smooth transition to circular economy at the heart of our programmes to increase resource productivity and economic benefit, and minimize environmental impact.

Another innovation in our energy portfolio is the Private Financing Advisory Network (PFAN) co-hosted by UNIDO and designed to accelerate private investment into clean energy. PFAN brings together the donor community, investors, clean energy developers and recipient countries. It has raised 1.5 billion US dollars for 117 projects so far, representing an annual reduction of 3.2 million metric tons of CO₂ and over 975 megawatts of clean energy capacity installed.

Excellencies,

Now that I illustrated a few of our innovations, I would like to link the theme of this Conference, Industry 2030, to my statement at the outset that we stand at a turning point.

The theme of the General Conference, Industry 2030 points towards the world we want by the year 2030, with industries that are inclusive and sustainable, driving a low-carbon, climate-smart economy that provides decent jobs, inclusive growth, shared prosperity and that empowers *all* people in *all* countries.

I am confident that this UNIDO General Conference can make a contribution towards this Industry 2030, as you, our Member States, express your renewed commitment to UNIDO and our mandate of inclusive and sustainable industrial development.

With the spirit of cooperation, you strengthen the multilateral system. With the resolutions prepared for this Conference, you are giving us a clear direction. With the Abu Dhabi Declaration, you reaffirm your call for UNIDO to help address the greatest challenges of our times.

One megatrend that is receiving increased attention internationally and that we will discuss also this week is the fourth industrial revolution, also known as the new industrial revolution.

Different waves of technological progress have changed our lives and the economic status of countries in the course of history, including the invention of the steam engine, the advent of electricity and the assembly line, and the development of computers and robotic automation.

The latest and fourth wave is based on the growing convergence of different technology domains, including the frontier technologies applied in industry, such as artificial intelligence, cloud computing, the Internet of Things and Big Data, advanced robotics and additive manufacturing.

Each of the past three industrial revolutions was accompanied by anxieties but resulted in profound benefits for entire populations and generations. The fourth industrial revolution is moving at an even faster pace, also bringing about major changes that affect everyone in the world. UNIDO is doing its best to be a catalyst in this process and facilitate a smooth transition for developing countries. LDCs in particular should not be left behind, but should benefit being part of this global process. In my view, five "I"s are essential elements of this fourth industrial revolution: industry, innovation, investment, infrastructure and inclusiveness.

The 2020 Industrial Development Report, which will be launched on Tuesday, presents empirical evidence that without a minimum base of industrial capabilities, it will be difficult for those interested to catch up with the innovations of the fourth industrial revolution.

It is through inclusive and sustainable industrialization that countries can build the skills and capabilities needed to succeed in the new technological paradigm. When the right capabilities are in place, the new technologies offer a huge potential to advance economic growth and human well-being and to safeguard the environment.

Excellencies, it is my conviction that UNIDO has a responsibility to address the fourth industrial revolution in three ways:

First, UNIDO will continue to support its Member States in advancing inclusive and sustainable industrial development, so that they have a sound basis to make best use of the new technologies.

Second, UNIDO can act as a platform to facilitate exchange of knowledge, best practices and technologies between Member States, and to provide research-based policy advice in this area, with a view to enable a smooth transition and to level the playing field.

Third, UNIDO will continue applying of frontier technologies in its own technical cooperation programmes.

We will continue to innovate our technical cooperation activities based on our own experience with the Internet of Things application in geothermal power generation in Kenya, the augmented and virtual reality-based models used for vocational and industrial skills development in Ethiopia and Morocco, or the artificial intelligence and vision-based wood scanning system used in Ghana. These examples present UNIDO as a forerunner of the application of frontier technologies in development cooperation.

As our own research has shown, the fourth industrial revolution offers a variety of opportunities. UNIDO is ready to partner with you, our Member States, to work on this critical matter.

High on our agenda is the assistance to least developed countries. In this context, I welcome the outcome of the LDC Ministerial Conference yesterday.

Of particular importance is the implementation of the Third Industrial Development Decade for Africa (IDDA III), where the majority of least developed countries is located, but a youthful continent with great prospects. At the same time, we uphold our support to middle-income countries and economies in transition.

Excellencies,

Ladies and gentlemen,

In closing, I would like to thank you, our Member States, most sincerely for your trust and support. I thank the donor community and our partners around the world.

It is clear that the achievements of the past years would not have been possible without your contributions, support and guidance.

Excellencies, more than ever before, close international cooperation and multilateral solutions are required to address and solve the challenges that we face today and that we will face in the future.

We know the world we want.

We know the tasks ahead to reach this vision by 2030. To succeed, we need to embrace innovation and transformation. We need to move together. We need to leave no one behind.

What exactly does it mean to leave no one behind?

To provide an example, before I conclude, let me recall a conversation that I had with a young factory worker at an industrial park established in Ethiopia with the support of UNIDO. The young woman told me how proud she was about her newly found employment. For her and some thousands of her co-workers, our industrial park was a life-changer. Only four months before, she was dressed in ragged clothes and could barely sustain a living. Now, she has a stable income with which she can even support her parents and siblings.

There are millions of young women and men out there looking for a job like this — millions for which inclusive and sustainable industrial development can change their life. Through the PCP, UNIDO will continue to help create thousands of decent jobs.

In this regard, I had a conversation with the President of Niger yesterday, which I found particularly educational. He posed a very strategic question: the international community has two options, industry and migration, which one do we choose? Of course, industry. Without doubt. Because there is clear evidence that those countries that achieved the most progress in reducing poverty or becoming high-income economies, are those that followed the path of industrialization.

But expectations are also growing. In the world of tomorrow, providing employment may not be enough. Particularly the highly educated job-seekers will increasingly aspire for an "upgraded employment" that connects to the frontier technologies of the fourth industrial revolution.

UNIDO will make all efforts to support this transformation and to provide modern technology opportunities to the younger generation.

Industry 2030 will not be achieved if we do not act now and put our vision into action. UNIDO needs the guidance and the support of its Member States to act forcefully and make Industry 2030 a reality.

This General Conference is a milestone and also a starting point to join in the global call for action, entering the final decade towards Industry 2030, and to achieve the 2030 Agenda for Sustainable Development.

Thank you.