



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION

**Statement of Mr. Gerd Müller  
Director General**

**at the opening of the  
The fiftieth session of the  
Industrial Development Board  
Vienna, 21–23 November 2022**

Excellencies,

Distinguished Delegates,

- I am very happy to welcome you all here.
- I do not want to start my speech today by describing the major disasters and crises of this year.
- No, let's start with good news:
- There are now 8 billion people living on the planet.
- Last week, this eight billionth baby was born - probably in Asia, or Africa.
- Every day humanity grows by 220,000 people.
- And once a year the world population increases by 80 million.
- That is the size of Germany or Thailand.
- These are huge developments with huge challenges for the future.
- My question is: What will the world look like in 2050?
- First: we will have a global population of ten Billion.
- Second: Africa's population will double.
- Third: Climate Change will continue with all its consequences.
- Fourth: the demand for food will rise by 50%.
- Fifth: energy demand will rise by 70%.
- Sixth: Resources all over the world will become scarce, especially water.
- Seventh: Digital technology will change our life.
- This is our answer to all of that:
- We need concrete and practical solutions.
- We need the implementation of the Paris Agreement and the SDG Agenda.
- SDG 9 Sustainable Industrialization becomes more and more important.
- Currently, the world is facing global crises: climate change, war, hunger and energy crisis.

- And the poorest are hit the hardest.
- UNIDO is the voice of the poorest in the international community.
- We fight for a stronger commitment, for a greater solidarity of the rich and the industrialized countries and massive investments to achieve the SDG goals.
- A world without hunger is possible.
- At the G20 Summit in Indonesia, I called for the global community to deliver on the 0.7% promise made decades ago.
- And at the COP27 in Sharm-El Sheik, as Director General of UNIDO, I supported the establishment of a fund for loss and damage in countries hit hard by climate change.
- On the positive side, we now know how to work to solve the key issues.
- We have the knowledge, the technologies and the money in this world.
- UNIDO has a lot of technical expertise and we are a key player in addressing these global challenges.
- First: protecting the global climate.
- Second: feeding a growing population and ending hunger and poverty.
- Third: creating jobs for hundreds of millions of people, especially the young who need a prospect for the future.
- Fourth: the need to invest in sustainable energy, green industrialization and infrastructure.

Ladies and Gentlemen,

- All over the world, and also here at UNIDO – a lot has happened in the past eleven months since my election as Director General.
- At my election I told you very clearly: business as usual is not an option for me.
- We need a new spirit and a new approach.

- When UN Secretary General Guterres was here in Vienna in May, he asked all the heads of agencies: are you leading a modern organization or still stuck in outdated structures?
- My reply was: we will make UNIDO fit for the future.
- I have implemented a reorganization to modernize UNIDO to become more effective and provide the services better that you, our Member States, are asking for.
- We are decreasing operating costs.
- We are developing new partnerships. With new departments devoted to more engagement with the private sector and financial institutions.
- We are flattening hierarchies and preparing the ground for more career opportunities for young talents.
- In the new structure, Managing Directors are newly and strongly empowered.
- I am naming three MDs as my deputies, with the additional functional title of Deputies to the Director General:
  - First, Mr. Zou, managing the Directorate of Technical Cooperation and Sustainable Industrial Development
  - Mr. Yasunaga, managing the Directorate of Corporate Services and Operations
  - and Ms. Haidara, managing the Directorate of Global Partnerships and External Relations.
- We sharpen the Organization's programmatic focus around the new challenges we all face:
  - Food security and agrotech-business
  - Access to sustainable energy, green industrialization and green hydrogen
  - Sustainable supply chains, standards and skills, vocational training

- Support for digitalization and establishment of an innovation lab.

Excellencies,

- Our shared global challenges and the current financial situation is also a decisive reason for this reform.
- Our current budget was approved with zero real growth.
- We had planned on an inflation rate of only one percent.
- But the reality is more than ten percent inflation.
- We have a huge increase in costs, for example, on energy and through increased wages.
- So we need compensation for these cost increases while the budget remained static.
- I am very grateful that voluntary contributions from some member states and funding partners have significantly increased this year.
- For example, Germany has agreed to increase its financial contributions to UNIDO by roughly thirty five percent.
- I am grateful for this and I hope other partners and donors will follow that example.
- This would be an encouraging sign of confidence and trust in UNIDO's reorganization and our services.
- Even more importantly: we need larger core contributions and especially non-earmarked voluntary funding.
- We need to strengthen UNIDO's capacities at headquarters and in the field to properly absorb our growing portfolio.
- In the Organization we have cut costs and overheads, for example by reducing travel expenses. With the current situation this has been absolutely necessary.

- However, we cannot invest the savings in those priorities that are especially needed for the Organization.
- For example digitalization and strengthening our field structure.
- Instead, those savings are converted into un-utilized balances.
- So my request is this: I appeal to you again for greater budget flexibility.
- With a flexibility of at least 20% as a starting point, our cost efficiencies can be translated into a more effective and stronger Organization.
- This is absolutely necessary for UNIDO to carry out our work more effectively and at scale.

Excellencies,

- I just came back from the COP27 in Sharm el-Sheikh
- As we see, the results are not what we hoped for.
- I pressed the points on “Loss and Damages“
- The G20 states emit eighty percent of worldwide CO2 emissions.
- They have a huge responsibility for the dramatic consequences of climate change in the developing countries of the world!
- What we need here is a new approach to channelling investments where they are most needed.
- This is also a new priority for UNIDO.
- We must engage more on issues like climate adaptation and compensation, on decarbonization, green hydrogen development, on circular economy, and resilience.
- We want to expand our successful partnerships with multilateral funds such as the Global Environment Facility (GEF) and the Green Climate Fund.
- Indeed, I spoke with private partners in the sector.
- I just signed an Agreement with South Africa’s CAMCO to facilitate investments in SME adaptation.

- This project will make UNIDO's accreditation with Green Climate Fund effective and we will increase our cooperation.
- We also launched the Global Renewable Hydrogen Forum at the COP 27 together with the government of Egypt and Belgium.
- UNIDO will play a major role in its implementation.
- Because it must be our common goal to make sure that developing countries and emerging economies have access to the potential of green hydrogen.
- We need to create trade corridors and fair value chains between emerging markets and industrialized countries for green hydrogen.

Distinguished delegates,

- I have already been engaging with the European Union.
- I am very grateful for strong support from the African Union, the World Bank and the Asian Development Bank.
- Moreover, we are co-organizing the Africa Industrialization and Economic Diversification Summit in Niamey later this week.
- In 2023, we will be sure to put our Latin American member states, the G77 and middle income countries more strongly into our focus.
- Our goal is to put industrialization in Latin America, Asia and the African continent on top of the political agenda.
- Our support for the implementation of the African Continental Free Trade Area Agreement is critical.

Distinguished Delegates,

- My task is to go and see what is going on around the world. What you and your peoples need.
- In the coming year, we will be reforming our field structure and I sincerely hope we will have the means to do this – this critical work.
- I thank our fantastic field teams for their work. I appreciate them and the equally valuable work of our ITPOs.

- I have had the chance to see some of our projects and teams around the world.
- For example, in Manila in the Philippines, a treatment-, storage- and disposal facility for electronic waste.
- Or in Bali, where an impressive company benefits from one of our land- and forest rehabilitation programmes. It uses bamboo to create sustainable construction materials.
- In Ethiopia, we have already helped to green leather production, and are now building up the leather value chain locally, for more prosperity.
- There I also saw the impressive work we are doing on industrial and agro-parks in cooperation with the government.
- I am pleasantly surprised by the results Ethiopia has seen.
- In the last five years Ethiopia has doubled the per hectare harvest of wheat, and as of this year it is not only wheat self-sufficient, but also an exporter.
- This example shows how cooperation brings opportunity, and such successes are equally possible in Latin America and Asia.

Ladies and Gentlemen,

- We see the potential power of determined multilateral cooperation in results like the 1989 Montreal Protocol which has so effectively addressed the ozone hole problem.
- We have already the technologies we need to fight climate change and its effects.
- “Progress by Innovation“ is UNIDO’s motto.
- The international community KNOWS what to do, but we need to set our priorities right.
- |It is an absolute scandal that the ten richest people on earth have as much wealth as another four billion – the poorest of the poor.
- We don’t need to be travelling to Mars.



- All that money should be going to investment in food security, in ending poverty and hunger, in fighting climate change impacts in the poorest countries of the world.
- Never before has solidarity and cooperation been more important.
- Never before has UNIDO's work been more important!
- Together we have set many things in motion in 2022, and we are on the right path.
- I thank all of the Member States for your support and the great collaboration.
- And I especially thank you, our Ambassadors – for your attentive, discerning and important advice and counsel.

Ladies and Gentlemen,

- Last week a baby was born marking eight billion humans alive on the planet.
- Even so, a world without hunger IS possible!
- In the coming years there are indeed great challenges ahead.
- We can and will make a strong contribution to solving them!
- A great role model for all of us was and is Nelson Mandela, and in closing I quote him:
- “What counts in life is not the mere fact that we have lived. It is what difference we have made to the lives of others that will determine the significance of the life we lead.”
- That is our inspiration, and our mission.

Thank you so much

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