



Permanent Mission of the Federative Republic of Brazil

*Item 3: Annual Report of the Director General for 2022*

[Check against delivery]

Mr. Chairperson,

Brazil congratulates you for your election as Chairperson of the 51st session of the Board. Please, rest assured of my delegation's full support for a successful outcome of this meeting. I also take this opportunity to acknowledge the work done by the Director General to reach an agreement on the Programme and Budget for 2024/2025 and to express appreciation to H.E. Alejandro Solano Ortiz, Ambassador and Permanent Representative of Costa Rica, for presiding over the 50th session of the IDB.

Brazil commends UNIDO – as the specialized agency of the United Nations that assists countries in economic and industrial development – for the integrated treatment of industrialization and inclusive development and the interrelated issues in the areas of innovation, technology, investment and sustainability. The outcome of this session can make an important contribution towards inclusive benefits from sustainable economic transformation and growth, focusing on the countries and people most in need, to support innovation, public health systems, vocational training, women's empowerment and social protection, *inter alia*.

Developing countries are home to 85% of the world's population, who dream of a better, freer life with greater opportunity. Entrenched economic woes like low growth, stubborn poverty, stagnant wages and intractable unemployment rates cut off millions from work and any real prospects of progress for themselves and their families. Yet, we know that for most of the emerging world, growth rates will not reach half of the 7% rate any time soon, which is the minimum required to double the *per capita* income in a generation and thus make a meaningful dent in poverty and social exclusion.

Therefore, as we recommit ourselves to uphold a well-functioning, rule-based and universal multilateral system, we hope that UNIDO will strengthen efforts to put the dynamic forces of

information, technology, innovation, creativity and diversity at the service of fair and equitable industrial development for all. Adequate financing and technology will be critical to help developing countries address the more complex international landscape, including the disruption of the global supply chains, which for decades have enabled global corporations to gain a competitive edge, by selecting the most cost-effective solution for each stage of the production process; as well as the consequent move from a transnational business landscape towards an increasingly complicated web of independent processes and regulations in different jurisdictions.

On that regard, last May, President Lula and Vice-President Alckmin presented a national plan to leverage Brazil's reindustrialization. The Brazilian leadership highlighted that the country must pursue a 'neo-industrialization', through initiative, planning and management. The 'neo-industrialization' process can level the international playing field, contribute to reduce greenhouse-gas emissions, and support sectoral approaches that are more manageable and judicious, based on areas in which Brazil has know-how and capacity to be competitive.

At the same time, the programme presents a potential option for engaging the private sector, through the National Council for Industrial Development (CNDI), in issues relating to taxation, intellectual property rights, adequate provision for emissions reductions and corresponding financial flows. Other factors such as reducing the dependence on imported fertilizers, improving the quality of life of the workforce and facilitating access to technologies are also regarded as determinants of Brazil's industrial plans. With the 'neo-industrialization' process, Brazil is sending a powerful and credible message that government and business alike will take action on industry technology in combination with the climate agenda more generally, to ensure that sectoral approaches are embedded in an equitable and effective policy framework.

Thank you.