

**National Statement
India
General Conference of UNIDO 14th Session, Vienna
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(Delivered by Ambassador Dinkar Khullar,
Permanent Representative of India in Vienna)**

Madam President,

At the outset, let me congratulate you on your election as the President of the 14th General Conference of UNIDO. I also take this opportunity to congratulate all other office bearers on their elections to the respective posts. I am confident that under your able leadership, this General Conference will be able to accomplish all the tasks set out before it. My delegation assures you of its fullest cooperation.

Excellencies, Distinguished Delegates,

India has been a very close and active partnership with UNIDO. In India, we have benefited from UNIDO's acclaimed cluster development methodology which is especially relevant to micro, small and medium enterprises. This methodology helps in skill development, dissemination of technology and best practices, improving energy efficiency and promoting use of renewable energy. This is an example of UNIDO's intervention which cuts across its three thematic priorities - it helps in poverty alleviation through employment generation, it develops the trade capacity of the companies in the cluster and helps in making the process greener. We have an ambitious Integrated Cluster Development Programme with UNIDO and I am sure that UNIDO will ensure that this programme is implemented at the earliest. The Country Programme of Cooperation (2008-12) signed between the Republic of India and UNIDO aiming at strengthening the competitiveness and productivity of industrial enterprises has been successful in achieving its objectives and is coming to an end in May, 2012. India wishes to have similar cooperation in the coming years.

UNIDO has implemented several projects in the sectors of environment and clean energy in India, many of which have been very successful. Its Cleaner Production Center established two decades ago has undertaken energy efficiency assessments in different sectors, imparted training to various local institutions and has now grown having established four regional centers.

Here I would like to mention that UNIDO has an International Centre for Advancement of Manufacturing Technology (ICAMT) in Bangalore, which is currently in its second phase of

functioning in diverse technology areas such as machine tools, plastic, and foundry. This center is engaged in diffusing technological knowledge and fostering innovation in industrial processes while building technology partnerships among developing countries. The Centre is also planning similar activities in Bicycle, industrial design, pump, motors, textile industries etc. ICAMT has undertaken several important international initiatives; one of them is to develop a compendium of appropriate Indian technologies and Best Practices in the Manufacturing Agro Industries and Renewable Energy sectors suitable for transfer to Least Developed Countries (LDCs) within the South-South Cooperation framework. Projects on transfer of cost effective housing technologies and technology modernization of manufacturing clusters are also on the anvil.

Similarly, the Delhi based UNIDO Centre for South-South Industrial Cooperation, the first of its kind in the world, is facilitating partnership in investment, manufacturing and trade among developing countries. The resultant benefits are likely to accrue to developing countries in general and least developed countries (LDCs) in particular in a mutually advantageous partnership framework. In its first phase from 2006-2011, the Centre has successfully executed more than seven projects worth over US \$ 1.2 million; 6 projects worth over US\$ 4.1 million are under implementation and 3 projects worth over 1.0 million are under preparation. Its projects on cane and bamboo technology have earned considerable acclaim and requests for replication. It is also promoting the use of renewable technology and efficient energy usage through its interventions.

Given our close association with UNIDO, India has put up an exhibition to show case our association with UNIDO. I am sure many of you would have had the opportunity to see this exhibition on your way in to this Conference. We are hopeful that the successes in UNIDO activities in India can be replicated in other developing countries.

Madam President,

At this time when we are facing a global economic crisis with the spectre of recession looming large, many developing countries see industrialization as an important component of the economic strategy that they would have to implement. UNIDO's core strength lies in its expertise on sustainable industrial development which is going to be critical as developing countries look towards ensuring appropriate growth strategies.

The Government of India has last month announced its first ever national manufacturing policy with the objective of enhancing the share of manufacturing in GDP from 16% to 25% within a decade and creating 100 million jobs. It also seeks to empower rural youth by imparting necessary skill sets to make them employable. Sustainable development is integral to the spirit of the policy and technological value addition in manufacturing has received special focus. The share of manufacturing in India's GDP has remained low at 15-16% since the 1980s while the share in comparable economies in Asia is much higher at 25 to 34%. Recognizing that the manufacturing sector has a multiplier effect on the creation of jobs, even in allied sectors, the government has come out with this important policy. The proposals in the policy are generally sector neutral, location neutral and technology neutral except for incentivization of green technology. As we move ahead in implementing this policy, we would be happy to learn from the best practices of others and also share our experience as we progress on this path. In this context, we see UNIDO as an important partner.

We are encouraged by the report on UNIDO's activities in the area of Agro-industry and agribusiness as detailed in the relevant report. It gives a clear picture of UNIDO's activities and specialized services in this field. The food processing sector has the potential to be an industry driver which can transform India's rural economy. India has the capacity to emerge as a leader in the world food processing industry given the diversity and quality of its produce. We would value a clearer picture of the impact of UNIDO's contributions which could be through measurable indicators such as value of technical cooperation delivery, the funding for different projects, etc. as also the role and share of UNIDO's contribution vis-à-vis its other partners in these projects. We are also encouraged by the fact that the document mentions many ideas for implementation in the near future. We would like to be kept apprised of the progress in implementing these ideas as they are of interest to my delegation. This is an area with many new possibilities and India would like to see UNIDO doing much more in this area as it has direct implications for poverty alleviation.

I am pleased to see the emphasis being placed on the issue of Knowledge management and knowledge networking. They play a key role in the achievement of our development goals. UNIDO's Programme for Change and Organizational Renewal (PCOR) aims to improve its knowledge management and networking capabilities and we hope to see early fruition of those targets. I would like to draw attention to the observation in the report on "Networks for prosperity" that successful knowledge sharing depends less on IT platforms than on interests and incentives. Thus, while UNIDO enhances its IT platforms through the PCOR, we hope to see greater emphasis

on interests and incentives on UNIDO's core mandate of sustainable industrial development, particularly its technical cooperation delivery.

Madam. President,

We, the member states of UNIDO are in the process of deliberating over the "Future of UNIDO". India wishes to underscore the importance of looking at this issue with a bottom-up approach. We are agreed upon the fact that UNIDO has established itself as a valuable partner for growth and prosperity in its mandated areas of functioning. We wish to see a more focused UNIDO – focused on niche areas where it has developed strength and expertise especially in the last decade. Its expertise needs to be further utilized in more efficient ways and that's where our focus should be, to see a more efficient UNIDO – efficient in terms of utilization of scarce resources both financial as well as human. We wish to see UNIDO established as a truly specialized agency within the UN system so that it does not have to pass through another cycle of crisis and recovery.

I thank you all for your attention.