



Preparatory Committee for the fourth International Conference on Financing for Development

Skylight Hotel, Addis Ababa, 22-26 July 2024

Statement by the United Nations Industrial Development Organization (UNIDO)

Delivered by:

Ms. Aurelia Patrizia Calabrò,
former UNIDO Representative in Ethiopia and Regional Director for East Africa

Mr./Madam Chair, Excellencies, Ladies and Gentlemen,

The United Nations Industrial Development Organization, UNIDO, welcomes the opportunity to contribute to the preparations leading up to FFD4. The importance of investments in sustainable industrialization for developing countries as a critical source for economic diversification, value addition and job creation is firmly anchored in the Addis Ababa Action Agenda¹.

The importance of the topic has been reaffirmed through the outcomes of recent Financing for Development Forums under ECOSOC, and particularly, through the negotiated outcome of the 2023 and 2024 Forums², where the crucial role of inclusive, sustainable industrial and business development, including MSMEs, as well as sustainable infrastructure and digital development, are highlighted as accelerators for economic and social development.

¹ Addis Ababa Action Agenda, paragraph 15

² “We recognize that inclusive and sustainable industrial and business development, including micro-, small and medium-sized enterprises, sustainable infrastructure development and digital development, can play a crucial role in the realization of other major development objectives in line with national needs and circumstances. We resolve to scale up public and private investments for inclusive and sustainable industrial development, while ensuring that industrial development policies and investments reduce disaster risk and enhance resilience. We reiterate the importance of international cooperation in this context. We reaffirm the importance of preserving policy space for developing countries to pursue a new generation of sustainable and inclusive industrial policies.” (2023, para 13)

As the specialized agency of the United Nations that promotes inclusive sustainable industrialization, UNIDO has long-standing experience in partnering with the private sector. We have also established structures to interact with private financial actors and in recent years, we have focused on establishing innovative financial instruments, one of which will be announced in September on the margins of the UN General Assembly. In a context where corporate tax rates have declined by over 40% in the last 40 years on a global basis, the involvement of private capital in the development landscape is unavoidable.

However, increased collaboration with private capital requires careful planning and rules-based engagement, a normative role that the UN can fulfil. Financial risks, whether geographical, or due to a small scale of investment opportunities, need to be shared and diversified by mobilizing consortia of partners and projects around key development initiatives.

While we recognize that private companies and financial institutions have the potential to create considerable development impact, we play a role in ensuring that those resources are utilized in an ethical and equitable manner, serving the best interests of our development partners.

Madam/Mr. Chair, we look forward to contributing to the shaping of the FFD4.

Thank you for your attention.