

## UNIDO Director General's Opening Remarks

4<sup>th</sup> Green Industry Conference, "Green Industry for Sustainable Cities"  
Ulsan, Republic of Korea, 28-30 June 2016

Excellencies, Ladies and Gentlemen,

It is a great privilege for me to be here with you today at this fourth Green Industry Conference. The first Green Industry Conference was held in 2009 in Manila, Philippines, and has since become a regular global event. We hope to build on the momentum of the previous conferences and stimulate not only vibrant discussion, but also trigger global action on the promotion and upscaling of green industry.

We come together to look at how countries – in particular developing countries – can achieve equitable economic growth without harmful effects to the environment; we look at how to create booming industries and increase employment, while at the same time reducing resource use and pollution. That is the crux of green industry.

In this regard, I must acknowledge the great support of several partners in the promotion of green industry, and of this event in particular. UNIDO and the Government of the Republic of Korea have a long and productive relationship, especially through cooperation with the Ministry of Trade, Industry and Energy, and the support of the Ministry of Foreign Affairs.

We must especially offer our sincerest thanks to Ulsan Metropolitan City for hosting this event today. The city of Ulsan itself is the best example of a green industrial hub in the Republic of Korea, and has been very successful in converting existing facilities into eco-industrial parks through inter-industry waste, energy and material exchange. We look forward to learning from the experience of Ulsan in this regard and from all the other Korean supporters of this event who will speak following my remarks.

Excellencies, Ladies and Gentlemen,

The 2030 Agenda for Sustainable Development presents us with global and ambitious goals which address all three dimensions of sustainable development – economic, environmental and social. In fact, several of the Sustainable Development Goals (SDGs) mirror multilateral environmental priorities relevant to our very discussions over the next few days, notably SDG 7 on clean energy, SDG 9 on industry, infrastructure and innovation, SDG 11 on sustainable cities, and SDG 12 on sustainable consumption and production.

These goals and targets are also complemented by the Paris Agreement adopted by 195 countries at COP 21 last December. This agreement - the first ever universal, legally binding global climate deal – commits us to limiting global temperature rise to well below 2 degrees Celsius above pre-industrial levels.

As we all know, no developing country has ever made the transition to a developed country status without a concerted policy focus on industrial development. UNIDO estimates that manufacturing alone

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provides more than half a billion jobs globally per year. Thanks to the multiplier effect of industry, every job in manufacturing also creates 2.2 jobs in other sectors.

Nevertheless, industry is also one of the largest contributors to climate change and environmental degradation and therefore has a particular responsibility in ensuring the highest environmental standards and safeguards.

SDG 9 of the 2030 Agenda recognizes the relevance of inclusive and sustainable industrialization for poverty eradication and echoes UNIDO's mandate for inclusive and sustainable industrial development, or ISID.

UNIDO strongly believes that sustainability must be the foremost consideration of any industrial development process. Our mandate makes explicit reference to this aspect. We work to harness industry's full potential towards economic growth and shared prosperity, while safeguarding the environment.

In order to achieve this, we work with development partners and the private sector to upscale green industry solutions and technologies; to advise on resource efficient cleaner production techniques; to bolster energy efficiency standards; and to provide expertise on the implementation of multilateral environmental agreements.

Distinguished Guests,

As we gather here today, we know that most of the implementation of the SDGs will happen in cities. Urbanization is one of the global mega trends which will influence development in the century to come.

With this in mind, the United Nations General Assembly decided to convene a third Conference on Housing and Sustainable Urban Development – "Habitat III" – to take place in Quito, Ecuador next October. Habitat III will see representatives of governments, the private sector, academia, civil society and international organizations, among others, contribute their ideas and experiences to a framework that will guide global priorities for urban development in the 2030 era.

Since most industrial production takes place in urban or peri-urban settings, UNIDO's ISID mandate and urbanization are tightly intertwined. While industrialization in cities can breed economic growth and job creation, cities also tend to be the largest contributors to environmental degradation.

Today, urban areas account for only 2 per cent of the world's landmass but they also house half of the world's population and generate at least 70 per cent of global gross domestic product (GDP). They are also responsible for 70 per cent of global greenhouse gas (GHG) emissions, waste and energy use respectively.

These are striking numbers. There is clearly an urgent need for environmentally sustainable modes of production and a more efficient use of resources in and around cities – that is green industry.

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This is especially true for the developing world, in which the majority of future population growth and industrial production will take place. Developing countries have an opportunity to avoid the environmental pitfalls of the developed world and make use of past experience to build a green industrial infrastructure from the very onset.

At the same time, industrialized countries can capitalize on this opportunity and transfer best available technologies to developing countries, preventing them from getting “locked-in” to technologies and practices that do not support climate resilience and environmental protection within industrial development.

Esteemed Members of the Audience,

We need to learn from smart, sustainable and resource efficient cities. We must also be less wasteful and more efficient in our use of man-made and natural resources, if we are to achieve a circular economy in which industrial systems regenerate themselves by design. Resource efficiency – encompassing cleaner production, greater use of renewable energies, smart city planning, information and communication technologies, and infrastructure improvements – is vital to this objective.

By cleaning up industrial zones in urban and sub-urban areas, cities can become significantly greener. A prime example of this can be found right here, in Ulsan, where thanks to the transformation of existing industrial zones into eco-industrial parks, the release of GHG emissions, persistent organic pollutants and land-based water pollution has considerably declined.

Green industry is an integral part of UNIDO’s ISID mandate. We provide policy advice and technical assistance relating to industrial energy efficiency, renewable energy, green supply chains, energy management systems, low-emission technologies and transport, smart waste and grids, new energy vehicles and clean fuels.

We are currently implementing projects under the Global Environment Facility Sustainable Cities Integrated Approach Pilot Programme to help cities - in countries such as Senegal, Malaysia, Cote d’Ivoire and India - address environmental degradation caused by rapid urbanization and population growth. Through these projects, UNIDO supports the development of a national urban policy frameworks to improve planning and management, and build partnerships for a sustainable city.

UNIDO also supports the development of eco-industrial parks. Such spatial configurations allow us to fulfill the potential of agglomeration economies in an environmentally sustainable manner, through the pooling of resources, expertise and knowledge from a wide variety of actors, including the business community, local government, academia and research institutes. Such parks can foster mutual learning, peer-to-peer networking and knowledge sharing. They can also serve as hubs for resource efficiency, green industry and eco-innovation.

The promotion of renewable energy and energy efficiency technologies are also integral to our flagship Programmes for Country Partnership, or PCPs, in particular in our newest pilot country - Peru - where

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the programme puts particular focus on the development of sustainable industrial parks and the adaptation of existing ones.

Distinguished Guests,

Before I conclude, let me briefly look to the future. Developments in the field of industrialization are moving fast; so quickly, indeed, that many are already announcing a “New Industrial Revolution”.

Breakthroughs such as cyber-physical systems, the Internet of Things and Services, as well as cloud computing are increasing the digitization of production. Progress in innovations such as big data, virtual augmented reality, additive manufacturing, robotics, sensor technology and real time data have an incredible potential to contribute to the green, resource-efficient and sustainable development of cities, especially in developing and emerging countries.

UNIDO stands ready to harness its expertise, resources and network to proliferate green industry strategies and technologies in cities across the globe. However, we cannot be successful acting alone. The scale of the challenge confronting us necessitates effective urban planning and institutional structures, tight policy and legal frameworks, sustainable economic growth, appropriate funding streams, robust collaboration mechanisms and cutting-edge knowledge and data.

We thus look forward to engaging with the many representatives of governments and municipal authorities, the private sector, academia and civil society at this Conference, on how we can build such partnerships. With your help, “The City of Tomorrow”- sustainable, inclusive and prosperous with a thriving and modern industry - can become a reality.

Thank you.