

Statement by Ambassador J.Enkhsaikhan of Mongolia  
in the general debate of 14<sup>th</sup> Session of the General Conference of UNIDO

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May I begin by joining others in congratulating you Madam Minister for your election as the President of the 14<sup>th</sup> session of the UNIDO General Conference and express my firm belief that under your able guidance this session will be fruitful and successful. Furthermore, I would like to thank H.E. Mr. Ali Asghar Soltanieh, Ambassador of Iran, for his outstanding stewardship of the previous General Conference.

Mongolia aligns itself with the statements of the Group of 77 and China, as well as that of the Asian Group and shares the views and stances expressed therein.

My delegation is pleased with the strong performance of the organization in mobilizing new resources and the steadily increasing technical cooperation delivery in the past two years. The Director General's report on energy and environment is a very informative and rich document. It not only describes what is being done to promote energy efficiency in production activities, to assist the developing countries in introducing renewable energy, promote carbon emission reductions, but also what can and needs to be done to promote the basic energy and environmental goals. Hence I would like to commend the Director-General for his endeavors and commitment to making UNIDO more effective, efficient and dynamic and for his tireless pursuit of sustainable and green development. In this connection my delegation would like to welcome the establishment of the informal working group on the future of the Organization. My country supports the work of the working group that can make it more effective based on its rich experience and comparative advantage.

The theme of this session, "The New Industrial Revolution: Making it sustainable", is, indeed, timely in addressing the inevitable challenges that we are facing: economic crisis, energy security or social issues. The agenda of the Green industry, which the UNIDO is actively pursuing, is one of the important pillars of sustainable development. Since the world is becoming ever more interdependent, it is imperative to tackle the challenges in a more inclusive manner, taking into account all the aspects, be it economic, energy or environmental. As it has already been rightly pointed out, sustainable development facilitated by green industry and green energy is at the heart of our aim to attain not only the MDGs but also build a better future in general.

My delegation would like to take this opportunity to thank the Director General for organizing a very informative, critical yet forward looking forum entitled "The new industrial revolution: making it sustainable". The ideas shared by Mr. Jeremy Rifkin of the Foundation on Economic Trends, especially regarding the third industrial revolution through confluence of

new communications technologies and new energy systems, and to be based on five pillars, is indeed inspiring that challenges human mind, intellect and creativity at the dawn of this XXI century.

The energizing and challenging ideas of a possible third industrial revolution, the high level meetings held last summer in Vienna on energy as well as on energy and green industry, the Secretary-General's initiative on Sustainable Energy for All can be seen as building blocks for a successful 2012 Rio + 20 conference. The resolve by the European Union, the largest single donor of ODA, to reach the aim of providing collectively 0.7 percent for ODA by 2015 is also encouraging and a welcome development.

Sustainable development and 'greener', if not actually green economy obviously need the restructuring of the XX century model of economy based on the extensive use of oil and other fossil fuel energies that will eventually be depleted and is contributing to the global warming. This reality is being realized both by governments and businesses around the world. However, its realization is not enough. Only decisive, even if painful, action to address the problems both individually and collectively can bring tangible results.

Mongolia's economy is based mainly on agriculture and mining. Development of coal, copper, gold and other natural resources is underway. The mining sector today accounts for 30 percent of the GDP and 80 percent of total exports. It is inevitable that we will maintain this natural resource-based economic development for some time. At the same time, we are working to ensure that mining makes the least possible negative impact on the environment and nature. The real challenge for my country today is how to move from a resource-extensive economy to a resource-efficient one, and gradually to a greener one. Hence Mongolia is trying to turn to innovations, less pollutant technologies and best practices. The Government of Mongolia is seriously considering various options to move from a "brown economy" to a "green" one through green investment and environmentally sound technologies for development of mining, building and some other sectors. However, moving from coal and oil as primary sources of energy will take years, if not decades.

Mongolia's sustainable development goal in its essence is to promote the well-being of the people with its active participation. Therefore the Government's policy can be defined as combination of *development for the people* and *people for the development*.

Impact of the climate change, which is not of our making, is significant on sustainable development, especially for the agricultural development. Two years ago Mongolia lost almost 10 million heads of livestock, or about 20 percent of its entire livestock population due to extreme cold winter known as *dzud*. Prolonged drought throughout the country, especially in the Gobi desert over the past few years is also causing water shortages in many places, forcing nomads and their livestock to migrate to other areas where the concentration of livestock

burdens further the pastureland and its capacity to regenerate naturally. Almost 90 per cent of the territory has become vulnerable to desertification and land degradation. This is one of the primary challenges to our green development.

UNIDO's three decades of experience of policy analysis aimed at formulating, implementing and monitoring pragmatic industrial policies are an invaluable wealth that needs to be fully appreciated and tapped into. Mongolia is well aware of the challenges of sustainable development mentioned above and is making every effort to address them and to diversify its manufacturing sectors. To attain these goals and tackle the challenges, it turned to UNIDO for advice and assistance. As a result, experts of UNIDO, together with their Mongolian colleagues, have done an extensive analysis of the state of the country's manufacturing sectors, identified the inherent challenges and opportunities, and formulated practical recommendations on how best to develop a competitive, sustainable and diversified industry. These recommendations are important and useful in pursuing our developmental goals. Our experience of working with UNIDO vividly demonstrates that policy advice and expertise on industrial policy and economic diversification should become one of the important aspects of the organization's services. Hence my delegation support's highly this aspect of UNIDO's activities, as underlined in the draft resolution proposed by G77 and China entitled "Activities in the field of industrial policy with a view to promoting social inclusion".