

LI Yong

Director General, United Nations Industrial Development Organization  
(UNIDO)

## A Time for Multilateralism

After three decades of global conflict, the project that arose from the 1945 San Francisco Conference struck a delicate balance between deference to national sovereignty and a recognition that increasingly complex and international issues require multilateral solutions. The resulting edifice of the United Nations system, with a number of funds, programmes, subsidiary bodies, commissions, departments, and specialized agencies, reflects the plethora of interests it is designed to serve and the near-universal demand for its services in all countries of the world. Even criticisms of the United Nations system are inextricable from a basic recognition of its essential role in the global discourse. In recent years, we have seen a rise in populism, unilateralism and protectionism, but have also witnessed how Member States engage actively and productively in addressing the toughest challenges without borders. Over recent months, the global experience with and reaction to the current COVID-19 pandemic has often called to mind the 1918 influenza pandemic. Then, as now, the strain on societies has stretched beyond the immediate health crisis. In addition to the undeniable tragedy of each individual death, the pandemic highlighted the fault lines in national infrastructures, revealed the inequalities in societies, caused further rifts in already strained international relations, and negatively impacted the global economy in the long run. But, while in 1918 the world faced the flu pandemic with a system



of global health governance in its infancy, the current multilateral system has 75 years of experience on its shoulders with which it is better placed to mount an effective global response to both the pandemic and its socio-economic consequences. The mandate of the United Nations Industrial Development Organization (UNIDO) is helping our Member States achieve inclusive and sustainable industrial development. UNIDO's work is essential to achieving the global 2030 Agenda for Sustainable Development, which aims to end all forms of poverty, fight inequality and tackle climate change. At its most basic level, it means providing hope for millions of people around the world that there is a viable future for them and their children. That hope requires jobs and incomes, economic growth and prosperity, coupled with an efficient use of resources, clean air and water that help mitigate the worst of climate change. Inclusive and sustainable industrial development done properly is the best vehicle that can provide all of these things.

### Facing the pandemic with our Member States

Facing the current COVID-19 pandemic, the work of the United Nations and of UNIDO is of distinct importance. In terms of the immediate response, UNIDO assists Member States to prepare for and contain the impact of the pandemic on their manufacturing base. This starts with the protection of companies from the economic impact of the pandemic, and protecting workers from losing their job and by ensuring that their working environment is safe. As we have witnessed in recent months, this type of preparation is necessary throughout the world, regardless of any nation's development level. These preparatory interventions benefit the productive sector as a whole, thereby protecting both national and international supply



chains. If the early months of the current pandemic have taught us anything, it is the fragility of global supply chains that are based on single sources and the impact of even the slightest delays – let alone complete collapses – within these. Moving beyond this initial stage, UNIDO helps countries respond and adapt to the impact of the pandemic. This encompasses advice on the diversification of manufacturing capacities and the deployment of projects and programmes designed to support the adaptation of productive sectors towards the production of critical goods, as well as assistance to build resilience in these. As a final step which, judging by the current advances reported by the pharmaceutical industry on the development of viable vaccines, is moving closer, UNIDO stands ready to help our Member States recover and transform. Far from envisaging a return to normal, our aim is to accompany the recovery of the manufacturing sector worldwide and guide it towards a more inclusive and resilient model of an environmentally sustainable economic recovery. Particularly at the early stages of the COVID-19 crisis, it was important to provide information on the consequences of the pandemic on the private sector and measures to mitigate the impact. As the custodian of industrial statistics and information, UNIDO published a number of analyses, launched a “COVID-19 Industrial Recovery Programme” and guidance to micro-, small- and medium-sized enterprises. Policy advice is as important as the many technical services that UNIDO provides around the globe. In Europe and Central Asia, UNIDO supports the adaptation of light industry and enhanced production capacities of personal protective equipment and medical gear, as well as improvements medical waste management. In India, UNIDO is collaborating with the Ministry of Environment, Forests and Climate Change on a multi-state project to reduce medical waste related to COVID-19, in particular



personal protective equipment and non-reusable masks. This helps increase the safe collection and disposal of increasingly large amounts of dangerous materials. Training activities help protect waste workers who otherwise would have been exposed to harm, as well as broaden the waste disposal options nationally. In light of the current lockdown measures around the globe, UNIDO is also supporting its Member States embrace working from home by adapting projects to have a stronger focus on training and education. In Morocco, UNIDO is working on two projects to upgrade technical and vocational training. The first is a specialized truck and bus training program, while the second focusses on water and wastewater management training. Similarly, UNIDO is currently supporting Community Tablet, a solar-powered tablet company, in providing COVID-19 risks and precautions education to rural communities in Sub-Saharan Africa. The tablets also provide other opportunities for education, including financial education, HIV awareness, civic education and the like. This public-private partnership is helping to boost and disseminate critical information in areas otherwise lacking information and has, in the past five years, helped educate and inform over one million Mozambicans. Using it to disseminate information on COVID-19 was an efficient and effective way of rapidly ensuring medical and hygienic safety in rural communities. The combination of these types of immediate and long-term interventions can have a transformative outcome on several levels. The preparation and containment stage mitigates the more extreme and immediate impact of the pandemic. It also lessens its impact of possible future waves and can be of benefit for other unforeseen crisis situations in the future. Supporting countries' response and adaptation to the pandemic, lessens the socio-economic impact and provides support to the industrial sector and global



value chains that were under stress during the initial period of this pandemic. By securing jobs and incomes in communities around the world, these measures address some of the major consequences that the current crisis has so dramatically highlighted.

### Staying on track to curb industrial emissions

The ongoing pandemic has, naturally, come to dominate our news and, to a large degree, the daily focus of the work of the United Nations family and the international community. This does not mean that the other challenges facing humanity have been resolved. Chief among these, both in terms of requiring urgent and concerted action, and in terms of potential impact on our globe and our way of life, is climate change. The experience with the recent containment measures have offered a glimpse of a world in which the stress on the environment are reduced. Amidst the devastation of COVID-19, its effect on air pollution and greenhouse gas emissions was positively noted. However, even the week-long sharp reductions in surface and air transport, in power generation and industrial production were not sufficient to bring greenhouse gas emissions to the level that would limit global temperature increases in this century. Not only that a sustained decline in emissions is not guaranteed, it also showed that much more needs to be done. The crisis is a strong wake-up call and offers the unique chance to build back greener and better. We need to ensure that progress made on climate change is not rolled back and that the international commitments made are kept to. In this arena UNIDO has an important part to play. While industry contributes nearly thirty per cent of global GDP, we cannot ignore that, at the same time, it is also responsible for a large share of global greenhouse gas emissions. There are two categories of emissions



related to industrial production: direct emissions produced at an industrial facility, and indirect emissions that occur off-site but which are associated with the industrial use of energy. Most direct emissions come from the burning of fossil fuel for power or heat. Indirect emissions are produced by burning fossil fuel at a power plant to make electricity, which is then used by an industrial facility to power buildings and machinery. According to the United Nations Intergovernmental Panel on Climate Change (IPCC), direct emissions from industry constitute roughly 20 per cent of the global total of greenhouse gas emissions and indirect emissions from industry some 10 per cent, giving a total share of approximately one third of greenhouse gas emissions. Clearly industry is a key sector where action must be taken to combat the causes of global warming and climate change. UNIDO works with governments and with industry to help developing countries to move as quickly as possible to a low-carbon and climate friendly mode of industrial production. In terms of direct emissions, UNIDO supports the uptake of resource-efficient production technologies and promotes the increased use of renewable energy in industrial production. In developing countries across the world, UNIDO implements projects that reduce carbon emissions from industrial production. UNIDO also assists in the development of policies and regulatory frameworks and fosters the dissemination of technology and know-how. The promotion of private sector investment and entrepreneurship are also key to such interventions. Industrial applications of renewable energy, such as fuel switching in heating and cooling applications, using locally available renewable energy resources including waste, are equally central to UNIDO's path to limit industrial CO<sub>2</sub> emissions into the atmosphere. In this context, technology transfer and capacity building are helping developing countries to limit



industrial emissions. The other major step to achieve the required reduction in industrial emissions is energy efficiency. The good news is that the adoption of energy efficiency measures could reduce industrial energy use by over 25 per cent. One of the main barriers to energy efficiency in the industrial sector has been that industrial companies focus on driving production, and most are not aware of the multiple benefits of implementing resource efficiency activities or of the array of available technologies. In terms of reducing emissions of specific industrial sectors, UNIDO has a special focus on the refrigeration sector, which includes fridges, freezers, cold storage and air-conditioners. The reason for this focus is that not only is the refrigeration sector currently responsible for around 17 per cent of global electricity consumption, but it also has a direct impact on global warming as a result of refrigerant leakage. The most commonly used refrigerants, hydrochlorofluorocarbons (HCFCs) and the non-ozone depleting alternative, hydrofluorocarbons (HFCs), both have global warming potential in the range of 1,000 to 4,000 times more powerful than carbon dioxide. This means that the more the Earth warms, the more people need refrigeration and air-conditioning, while the more refrigeration and air-conditioning is used, the warmer the world will become. UNIDO is battling to stop this tragic cycle by introducing ways to make refrigeration and air-conditioning more energy efficient. It is also implementing HCFC phase-out management plans in 68 countries. One of these countries is the Russian Federation, where UNIDO has helped the largest manufacturers of polyurethane foam and refrigeration equipment to install new technologies and adopt new processes, with a resultant direct phase-out of 600 tonnes of HCFCs. UNIDO is furthermore preparing 31 countries for ratification of the Kigali Amendment reducing the use of HFCs, and is building related



institutional capacity in 14 countries. We have also developed several project proposals in the refrigeration manufacturing sector by offering HFC-free, long-term sustainable solutions. UNIDO promotes the use of natural refrigerants, like hydrocarbons, CO<sub>2</sub>, and ammonia, which are both ozone and climate-friendly. All the above activities are part of a global effort to tackle the climate threat to our world. This effort includes supporting countries as they work towards achieving the 2030 Agenda for Sustainable Development, as well as the Paris Agreement on climate change and the Kigali Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer.

### A hopeful prospect

While it may seem counterintuitive to embrace a positive outlook in the midst of a pandemic, human history has shown us that humanity has the potential to evolve out of adversity. Through the pandemic and its impact on economies and societies, a popular consensus seems to be growing in favour of multilateralism and international collaboration. In the face of a virus that knows no borders, the COVID-19 crisis reemphasized the need for international cooperation. While globalization has helped lift millions out of poverty, and while the interconnectedness of national economies is a source of resilience, the crisis showed some gaps and vulnerabilities, once travel bans, closed borders and other restrictions are put in place. It clearly showed that not less, but more international coordination and cooperation is necessary. Sharing of information, knowledge and best practices, joint measures, policy coherence and a multilateral response are essential to address global crises. Uncoordinated and inward-looking decisions and individual calls for the nationalization of supply chains will reduce



opportunities for developing and emerging economies to access international markets, technologies, innovation and knowledge. It will also expose countries to additional risks and frictions and exacerbate existing uncertainties. Now is the time to harness the growing support for the multilateral system and engage ever more vigorously in strengthening the United Nations edifice. The pandemic continues to challenge us at every step and it has certainly not upended the political landscape in which we live. However, I see reason for great confidence that the visionary project begun in 1945 will continue to flourish. As the world emerges from crisis, it will be critical to be prepared before the next one strikes. Strong international cooperation is a choice, and it is one that more and more leaders around the world are thankfully making.

