



VIENNA CHAPTER

STATEMENT OF THE G-77 AND CHINA AT THE 44TH SESSION OF THE INDUSTRIAL DEVELOPMENT BOARD OF UNIDO, 22-24 NOVEMBER 2016, DELIVERED BY H.E. MR. SIMON MADJUMO MARUTA, PERMANENT REPRESENTATIVE OF NAMIBIA

Madam President, [Ambassador Maria Zeneida Angara Collinson, Permanent Representative of the Philippines]

1. On behalf of the Group of 77 and China, it is for me an honor to address the 44th session of the Industrial Development Board. I congratulate you, on your election to chair this session as well as the members of the bureau. Allow me to thank Ambassador SONG Young-wan, Permanent Representative of the Republic of Korea, and the members of the outgoing bureau for their good work achieved. I also thank the Secretariat for preparing the necessary documents for our work and for organizing briefings on various issues prior to this meeting.

Madam President,

2. On this memorable occasion, the Group congratulates UNIDO on its 50th anniversary. Over the past decades, UNIDO has done a commendable job in promoting industrial development in developing countries and economies in transition. The Group believes that UNIDO's achievements in this regard have been highly recognized by stake holders and have encouraged a large number of partners in working with the Organization.

3. Since the establishment of UNIDO fifty years ago, the Group has attached great importance to collectively working towards the pursuit of developmental goals.

4. Moreover, in May 1998 UNIDO inaugurated the G-77 Vienna Chapter and since then has provided most efficient and professional support to our Group, covering all the United Nations Vienna-based Organizations.

5. The Group takes note with appreciation of UNIDO's increasing technical services through customized programs, with the aim to assist Member States to advance economic competitiveness, to create jobs, to alleviate poverty and to create shared prosperity and safeguard the environment.

6. In this regard, the Group reaffirms its belief that industrialization is a crucial driver of development which works as a catalyst for increasing productivity and generates income, as well as provides opportunities for social inclusion, especially gender equality, empowers women and girls and creates decent employment for the youth.

7. The Group considers the Lima Declaration of 2013 to be a milestone in UNIDO's history and expressed a new vision: to promote and accelerate inclusive and sustainable industrial development (ISID). In that sense the Group commends the Director General for his untiring support of a global understanding and appreciation

of this new approach for economic growth and development.

8. The Group reaffirms that in the context of the 2030 Agenda for Sustainable Development, UNIDO plays a critical role in accelerating inclusive and sustainable industrialization for the full benefit of its Member States, through achieving targets set out in Sustainable Development Goals (SDGs) 1, 5, 7, 9 and 11. The Group remains committed to support the work of UNIDO and calls on all Member States to continue their active participation and contribution to this Organization.

9. The G-77 and China welcomes UNIDO's new approach, Programme for Country Partnership (PCP), with the aim to mobilize more financial resources bringing various development partners together to support ISID for Member States. We welcome the implementation of PCP in Ethiopia and Senegal and its launch in Peru as well as support its extension to other countries and regions. The Group requests to be informed on the progress of these projects, on a regular basis. The Group reiterates that this new approach should be complementary to the existing modalities of TC delivery.

10. The G-77 and China welcomes the contribution of UNIDO this year and actively supported the resolution for a Decade of African Industrialization 2016-2025 that was adopted by the General Assembly in July 2016. UNIDO equally took the lead role to prepare a report on the industrialization in Africa and LDCs to the G20. All these efforts are reflection on the important role of UNIDO in the field of international development cooperation.

11. The Group believes that UNIDO's activities have not only benefited its Member States, but also the Non-Members. In this regard, the Group requests the Non-Members to consider joining UNIDO and contributing to its sustainable development activities.

12. The Group requests UNIDO to fully implement its mandate through translating relevant resolutions into action and in this regard, calls upon all Member States to support UNIDO's activities in achieving sustainable development goals, in particular SDG 9, of the 2030 Agenda.

Thank you, Madam President.

Agenda Item 3: Annual Report of the Director General for 2015

Madam President,

1. The Group welcomes the Annual Report 2015 of UNIDO, which contains a list of activities, initiatives and programs that have been undertaken by the Organization last year. The Group is pleased to see that UNIDO, which celebrates 50 years of its establishment this year, received in 2015 the largest amount of funds in its recent history to implement its mandate of promoting inclusive and sustainable industrial development (ISID) of developing countries and economies in transition.

2. The Group appreciates the active role played by this Organization and its Director General, in promoting UNIDO's mandate, through participation in different activities in 2015, including, among others, a side event during the Sustainable Development

Summit on the impact of the Agenda 2030 in Africa, the Addis Ababa Conference, and the Paris Climate Conference. The active involvement of UNIDO in those events has raised the visibility of the Organization.

3. Furthermore, the Group requests that UNIDO continues to support initiatives of South-South and triangular cooperation which had proven successful in the past with regard to knowledge transfer and knowledge sharing. Nevertheless, the Group highlights that North-South Cooperation remains important and crucial for UNIDO, to promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favorable terms, including on concessional and preferential terms.

Thank you, Madame President.

Agenda Item 4: Report of the Programme and Budget Committee

Madam President,

1. The Group of 77 and China takes note of document IDB.44/8 containing the report of the thirty-second session of the Programme and Budget Committee.

2. The Group appreciates that, in accordance with Conclusion 2016/2 of the PBC, the Director General has submitted the draft terms of reference of an Audit Advisory Committee that will represent the link between management, Member States, and Internal and External Audit. The Group remains committed to cooperating for the establishment of the Committee by the IDB.

3. The Group takes note of document IDB.44/4-PBC.32/4 on the Financial Situation of UNIDO and notes that the collection rate of the 2016 assessed contributions as of November 2016 was 67.3 per cent, an increase from the 2015 and 2014 rates of 66.4 and 62.3 per cent, respectively. The compliance of the financial obligations by Member States is a concrete and definitive manifestation of support for the work being conducted by the Organization.

4. At the same time, the Group remains greatly concerned by the outstanding assessed contributions amounted to €148.8 million, including arrears of €69.1 million by the United States of America, and €2.1 million by the former Yugoslavia. The Group appeals to the former members of UNIDO with outstanding contributions to make payments on their arrears, including advances to the Working Capital Fund, in order to allow the Organization to carry out its mandate and support the industrial development efforts of Member States.

5. Regarding the operationalization of the field policy action plan, the Group requests the Director General to ensure a smooth implementation of such action plan in close consultation with all Member States, particularly those that are affected directly, ensuring that field offices effectively support the delivery of technical cooperation programmes.

6. The Group emphasizes that the implementation of this field network restructuring plan should be monitored and evaluated to see if it has been responsive to the needs of Member States.

7. The Group takes note of document IDB.44/11 containing the Report of the Director General on the general risk management strategy. The Group supports the Mitigation efforts made to avoid the risk of withdrawal of Member States, including initiatives to (a) enhance dialogue between the Secretariat and Member States, (b) maximize the developmental impact of UNIDO operations through an optimized partnership approach, and (c) strengthen the perceived relevance of the Organization in the intergovernmental and policy discussions on development cooperation.

Thank you, Madam President.

Agenda Item 5. UNIDO and the 2030 Agenda for Sustainable Development, including the implementation of the Lima Declaration

Madam President,

1. The Group takes note of the document IDB.44/12, containing the report by the Director General on “UNIDO and the 2030 Agenda for Sustainable Development, including the implementation of the Lima Declaration and document IDB.44/CRP.3.
2. The G-77 and China supports the alignment of UNIDO's medium-term programme framework (MTPF) 2016-2019 to the SDGs, from the conceptual level to a programmatic one. In particular, the Group is pleased to see that the three dimensions of sustainable development were molded into the three thematic priorities that constitute the foundation for the design and management of UNIDO's operations: (a) creating shared prosperity, (b) advancing economic competitiveness, and (c) safeguarding the environment.

Thank you, Madam President.

Agenda Item 7: UNIDO field policy and network

Madam President,

1. The Group of 77 and China takes note of document IDB.44/7-PBC.32/7 on the operationalization of the field policy action plan. The Group commends the Director General's efforts for maintaining UNIDO's presence in 47 countries and keeping all its staff members, albeit the financial constraints facing the Organization.
2. The Group considers that any adjustment to the UNIDO Field Policy Network should be applied in a way that does not affect the ongoing implementation of technical cooperation activities. The Group expects that the process will be implemented in a phased approach and encourages the Director General to continue consulting bilaterally with Member States affected by this reform to ensure a smooth transition and minimize the disruption of activities. The progress and modifications taking place in this process are expected to be monitored by and reported to all Member States to ensure that the goals will be achieved.
3. The Group requests the Director General to periodically evaluate, at practically feasible intervals, the field policy and network restructuring to assess the impact on UNIDO's technical assistance.

Thank you, Madam President.

Closing Statement delivered on 24 November 2016 by H.E. Ambassador Simon Madjumo Maruta, Permanent Representative of Namibia

Madam President, [Ambassador Maria Zeneida Angara Collinson, Permanent Representative of the Philippines]

1. At the closure of this 44th session of the Industrial Development Board, it is an honor for me to speak on behalf of the Group of 77 and China.
2. The Group commends UNIDO for its untiring efforts over the past 5 decades, in which people and countries from all regions have greatly benefited in reaching development. In this sense, UNIDO has successfully promoted sustainable industrial development and innovation, as well as mainstreamed environmentally sound technology into national productive systems of Member States through disseminating knowledge and providing advice on industrial policies and strategies.
3. The Group supports UNIDO in the promotion of Inclusive and Sustainable Industrial Development (ISID) – and looks forward to its continuation through the Programme for Country Partnership launched in 2015 - as a key driver for the full and effective implementation of the 2030 Agenda for Sustainable Development, and in particular SDG9 and its interlinkages with many other development goals.
4. The Group remains fully committed with this Organization in reaching its mandate and encourages Member States to continue their support to UNIDO and invites non-Member States to join UNIDO as a means to support the realization of the 2030 Agenda.
5. The Group of 77 and China looks forward to a strengthened and vital Organization in the coming decades.

Thank you Madam President.