



## VIENNA CHAPTER

STATEMENT OF THE G-77 AND CHINA AT THE FIFTEENTH SESSION OF THE UNIDO PROGRAMME AND BUDGET COMMITTEE (PBC), VIENNA 14-16 APRIL 1999, DELIVERED BY AMBASSADOR Y.M. TIWARI, CHAIRMAN OF THE G-77, VIENNA CHAPTER AND PERMANENT REPRESENTATIVE OF INDIA

Mr. Chairman, I have the honour and privilege to speak on behalf of the G-77 and China, and to convey our great pleasure in seeing you as the Chairman of this session. We are confident that the work of the Committee will achieve fruitful results under your able leadership. We assure you of our full cooperation. Permit me, Mr. Chairman, to extend our appreciation to the Secretariat for the able manner in which they have been discharging their responsibility, under the guidance of the Director-General, Mr. Carlos Magariños.

Mr. Chairman, As you are aware, the Office of the Vienna Chapter of the G-77 and China was established on 19th May 1998, with initial logistic support from UNIDO. At present all the Vienna-based United Nations System Organizations have agreed, in principle, to join UNIDO in sharing the running costs of our Office. We welcome this development and commend the Vienna-based UN System Organizations for their understanding. We are convinced that the G-77 Liaison Office will continue to assist in monitoring and analyzing development of the work programmes of the Vienna-based Organizations, identifying priority areas and activities of relevance to the Group. We wish to extend our appreciation to the staff of the office of the Group of 77 and China for their valuable contribution.

Mr. Chairman, As regards the "FINANCIAL SITUATION OF UNIDO", the Group is concerned by the fact that 70 Member States have lost their voting rights with arrears of about US\$ 77.4 million. We therefore call, once again, upon all the Member States to pay their arrears and their assessed contributions in full and on time. The G-77 and China wishes to similarly call upon the Director-General to continue his efforts and contacts with the Member States who are in arrears, especially the USA, in order to settle their debts.

Mr. Chairman, On the "PROGRAMME AND BUDGET FOR 2000/2001", the Group notes, with appreciation, the improved format and presentation of the documents. However, we wish to recall our observation that UNIDO's Regular Budget has been decreasing systematically over the past years. But now that UNIDO has been transformed, and assigned new tasks both in its Business Plan and its Service Modules, it essentially requires appropriate financial resources to enable it to implement these programmes. We therefore call upon all Member States to give their full cooperation and commitment in the search for financial resources to ensure that UNIDO succeeds in its endeavor to promote sustainable industrial development and the transfer of environmentally sound technologies to developing countries. The Group wishes to emphasize the need to adhere to the relevant article of the Constitution of UNIDO, relating to the principle of equitable geographical distribution in the employment procedures of UNIDO, particularly at the senior professional level. At present the distribution of professional posts is grossly

asymmetrical both within and amongst the various regions. The Group also draws attention to the urgent need for the equitable and adequate appointment and promotion of women in UNIDO, particularly at a senior level. The Group also calls upon the Secretariat to coordinate closely with the Member States in regard to the establishment of subregional offices in the context of UNIDO's field representation, based on objective criteria, and according to an agreed cost sharing ratio.

Finally, on the "INDUSTRIAL DEVELOPMENT FUND (IDF) AND OTHER VOLUNTARY CONTRIBUTIONS", the G-77 and China is concerned that the steady decline of financial resources over the years has adversely affected delivery of technical assistance programmes to developing countries. We have also observed that the Director-General has established a Special Committee in the Secretariat to formulate fund-raising strategies, as well as a monitoring mechanism to that effect. However, we feel that more needs to be done to resolve the issue especially in view of the ever increasing demand for UNIDO Services, which is now estimated to be about 30% above available resources. We therefore call upon the Member States to provide more resources at the disposal of UNIDO in order to enable it to discharge this important mandate. In conclusion, we wish to reaffirm our conviction of the role of UNIDO in its efforts to promote industrialization, which is a dynamic instrument for the acceleration of economic and social development and a key contributor to the eradication of poverty and the creation of productive employment in the developing countries.

Thank you Mr. Chairman.