



VIENNA CHAPTER

STATEMENT OF THE G-77 AND CHINA DURING THE 39TH SESSION OF THE UNIDO INDUSTRIAL DEVELOPMENT BOARD (IDB), 22-24 JUNE 2011, DELIVERED BY H.E. AMBASSADOR ALI ASHGAR SOLTANIEH, PERMANENT REPRESENTATIVE OF ISLAMIC REPUBLIC OF IRAN

Mr. President, (H.E. Mr. CHO Hyun, PR of Republic of Korea)

1. On behalf of the Group of 77 and China, it gives me great pleasure to see you presiding over this meeting. The Group is confident that your experience and diplomatic skills will lead to a successful and fruitful conclusion of this session. The Group would also like to express its appreciation for the timely provision of the necessary documentation by the Secretariat.
2. The Group has listened with great interest to the stimulating opening statement of the Director-General and wishes to express its appreciation for his continued dedication and efforts in making the Organization efficient and effective.
3. The Group of 77 and China extends its sympathy to the people and Government of Japan for the tragedy that has occurred in the recent past.
4. The Group will be making comments on Agenda items 3, 4 (a), (e), (f), (j), 5, 7, 9 and 10 during the course of the discussions on these items.

Agenda Item 3: Annual report of the Director-General for 2010

1. The Group of 77 and China takes note of the document IDB. 39/2 on Annual Report of UNIDO 2010 (including programme performance report) and commends the Secretariat for a new look of the Annual Report.
2. The Group is pleased to note that the positive trend in the funding for technical cooperation continued in 2010, increasing over \$ 182 million, almost 15% higher than in the previous year, the highest in the UNIDO'S history. These successful numbers reflect a continuous improvement made by UNIDO, with the support of Member States, governmental donors and United Nations multi-donor fund, in making a real difference on the challenges faced by the Organization. In this connection, the Group would like to express its appreciation to the support of donors and funds.
3. The Group welcomes the new mission statement of the Organization indicating that UNIDO is a reliable and effective partner to developing countries in their quest to achieve prosperity. In this context, the Group assures the Organization of its continuous support in realizing the mission. Regarding the revised review mechanism for technical cooperation activities, comprising a Screening and Technical Review Committee (STC) and a Programme Approval and Monitoring Committee (AMC), the Group recognizes the efforts of the Organization in strengthening the checks and balances of the review mechanism. The Group also hopes that the revised mechanism will significantly expedite the process of technical projects approval.

4. The Group notes with satisfaction of the Organization's achievements over the past year and that UNIDO was deemed to be the best performing implementing agency of the Montreal Protocol. The Group also notes with interest the Organization's renewable energy related activities which help improve the quality of life of the people especially those in the least developed countries. An example of this is the introduction of renewable energy-based mini-grids project under the energy programme in West Africa as well as solar-powered pumps in Mozambique. In this context, the Group encourages the Secretariat to disseminate these models of activities to the least developed countries in other regions.

5. Finally, the Group of 77 and China strongly believes that UNIDO has contributed its significant efforts for the industrial development in developing countries and its achievements are manifold. The Group also believes that the Annual Report can play an important role in promoting the visibility of the Organization by highlighting its achievements in particular, the economic and social impacts on the developing countries resulting from technical cooperation services provided. Therefore, the Group encourages the Secretariat to add this cogent information, on a statistical base, in the future Annual Report.

Thank you, Mr. President.

Item 4(a): Report of the External Auditor, including the Implementation of the Recommendations of the External Auditor for the Biennium 2008-2009: Financial Performance Report and Programme Performance Report for the Biennium 2010-2011

Mr. President,

The Group takes note of document IDB. 39/22 on the Report of the External Auditor, including the implementation of the recommendations of the External Auditor for the biennium 2008-2009: financial performance report and programme performance report for the biennium 2010-2011.

Thank you, Mr. President.

Item 4(e): Programme for Change and Organizational Renewal

Mr. President,

The Group takes note of the document IDB.39/9-PBC.27/9 on PCOR and the information made available on the development of PCOR on UNIDO's website. While noting with satisfaction the progress achieved in the implementation of PCOR, the Group hopes to see its expected result in terms of improved technical cooperation delivery capacity of the Organization at an early date along the process of implementation. Furthermore, taking into consideration the one time investment amounted to €13 million on the IT system of the Organization, the Group strongly recommends that staff members on all levels of UNIDO be well trained to operate on the newly installed software to the fullest capacity. In this context, the Group urges the Secretariat to keep Member States informed of the progress made.

Thank you, Mr. President.

Item 4(f): Trust Funds on food security and renewable energy

Mr. President,

1. The Group takes note of the document IDB.39/10-PBC.27/10. With regard to the activities and ongoing efforts conducted by the Organization through the Trust Fund on Food Security, targeting agribusiness and agro-industry development, the Group takes note of the progress made on the program conducted on 12 Least Developed Countries (LDCs), and requests UNIDO to continue directing efforts to develop these programs that contribute to reduction of poverty and enhancing food security in different regions.

2. The Group observes that as stated in the 26th session of the Programme and Budget Committee (PBC), the Africa's Agribusiness and Agro-Industry Development Initiative (3ADI) programme has yield a return of 20 times in relation to funds mobilized, and that UNIDO has "secured or identified" over 5 million euros in additional voluntary contributions to this fund. In this regard, the Group wishes to express its appreciation to the Government of Finland for its contribution to this fund, and invites other donors to participate through voluntary contributions.

3. The Group takes note of the document IDB.39/11-PBC.27/11, especially the expectation expressed in Para 9 that "The activities under the trust fund are expected to result in the finalization of over 10 concrete projects leveraging more than \$25 million in funding from GEF, the European Union and other multi and bilateral partners, and strategic methodologies and tools for promoting private sector involvement in renewable energy projects". The Group requests the Secretariat to inform about the expected timeline of materialization of this scenario.

4. Finally, the Group of 77 and China would ask the Secretariat to arrange regular briefings on further progress regarding this initiative.

Thank you, Mr. President.

Item 4(j): Appointment of External Auditor

Mr. President,

1. The Group takes note of the documents IDB.39/5/Add.2.

2. Recalling the existing practice in UNIDO of appointing the External Auditor for 3 to 4 two-year terms, and in view of the principles of continuity, equity, equitable geographical distribution and the long-term Organizational interest, the Group supports the re-election of the current incumbent External Auditor, Mr. Tanwir Ali Agha, as the External Auditor of UNIDO for the two-year term starting from 1 July 2012.

3. The Group believes that the Auditor General of Pakistan, Mr. Tanwir Ali Agha has ably demonstrated his commitment and expertise in performing his responsibility as External Auditor of UNIDO. The Group is confident that his re-election as the External Auditor would give the Organization an opportunity to fully benefit from his services. The Group is confident that the Member States will support the re-election

of Mr. Tanwir Ali Agha.

Thank you, Mr. President.

Agenda Item 5: Programme and budgets, 2012-2013

Mr. President,

1. The Group of 77 and China takes note of the document IDB.39/13/Rev.1 on programme and budgets, 2012-2013.
2. The Group welcomes the Secretariat's revised programme and budgets, 2012-2013 in the total net regular budget amount of € 153,231,936. The Group would like to stress the need for provision of sufficient financial resources to the Organization to enable it fulfill its mandate fully and effectively.

Thank you, Mr. President.

Agenda Item 7: UNIDO activities and events related to energy and environment

Mr. President,

1. The Group of 77 and China takes note of the document IDB.39/20 on UNIDO activities and events related to energy and environment.
2. The Group notes with appreciation UNIDO's efforts in cooperation with relevant partners in hosting three high-level meetings in June 2011 in Vienna, namely, Vienna Energy Forum 2011, Ministerial Meeting on Energy and Green Industry, and Meeting of the Circulo de Montevideo. The Group looks forward to the work of UNIDO resulting from the deliberations of these three events.

Thank you, Mr. President.

Item 9: Personnel Matters

Mr. President,

1. The Group of 77 and China thanks the Director-General for the presentation of the document IDB.39/17 on Personnel Matters.
2. The Group takes note of the information contained in the report on new developments since the presentation of the last report on this agenda item.
3. The Group wishes to highlight the work of the Secretariat in the implementation of the mandate of the Organization and in this regard considers the staff its most valuable asset.
4. The Group would like to stress that appointments to be made by the Director-General, including in the professional and higher categories, must ensure the highest standard of efficiency, competence and integrity with due regard to the principle of equitable geographical distribution, in accordance with Article 11 of the Constitution of the UNIDO. The Group also attaches great importance to the consideration of

gender balance in the recruitment process.

5. In this regard the Group would like to request the inclusion of detailed information related to geographical distribution and gender balance, and measures taken by the Secretariat to maintain an adequate balance in the next reports related to personnel matters.

Thank you, Mr. President.

Agenda Item 10: Matters related to intergovernmental, non-governmental, governmental and other organisations

Mr. President,

1. The Group of 77 and China thanks the Secretariat for preparing the document IDB.39/21 entitled "Review of status of cooperation with non-governmental organisations".
2. The Group notes with regrets that, to date, 79 of 144 NGOs in consultative status with UNIDO have no interaction with the Organisation in the last four years, could no longer be traced or did not respond to the reviews by the Secretariat, at the request of the UNIDO Member States.
3. Therefore, the Group of 77 and China urges the Board to decide discontinuing the consultative status of the NGOs listed in Annex I of the document IDB.39/21.
4. Without prejudice to the above, the Group encourage UNIDO to consolidate interaction with NGOs listed in the Annex II of the above mentioned document and promote the engagement of new NGOs, especially those coming from developing countries, in conformity with the spirit, purposes and principles of the Constitution of UNIDO.

Thank you, Mr. President.