



STATEMENT OF THE G-77 AND CHINA DURING THE 37TH SESSION OF THE UNIDO INDUSTRIAL DEVELOPMENT BOARD (IDB), 10-12 MAY 2010, DELIVERED BY H.E. AMBASSADOR TAOUS FEROUKHI, PERMANENT REPRESENTATIVE OF ALGERIA

Mr. President, (H.E. Ambassador Helmuth Boeck, PR of Austria)

1. On behalf of the Group of 77 and China, I would like to congratulate you on your election as the President of the current Industrial Development Board session. The Group is confident that you will steer the Industrial Development Board (IDB) with great skills and that this session will come to a successful and fruitful conclusion.
2. I also take this opportunity to congratulate other members of the Bureau on their election and to thank your predecessor H.E. Ambassador Jerry Ugokwe. The Group would also like to thank the Secretariat for the arrangements for this session.
3. The Group would like to express its condolences to the family of the late President of the Republic of Nigeria, as well as to the Government and people of this country following the tragic passing away of H.E. Omaru Ar'dua.
4. The Group welcomes the reelection of Mr. Kandeh Yumkella as Director-General of UNIDO and wishes to express its appreciation for his continued dedication and for his efforts in making the Organization efficient and effective. The Group has listened with great interest to his stimulating opening statement.
5. The Group will be making comments on Agenda items 3, 4, 5, 6, 7, 8, 9, 10 and 12 in the course of discussions on these items. I would restrict my intervention to comment on item 3 for this opening statement.

**Agenda item 3: Annual Report 2009 on the activities of the Organization**

Mr. President,

1. The Group would like to reiterate its full support for the projects undertaken by UNIDO to promote South-South Cooperation. The Group commends technical cooperation inputs and resources emanating from the countries of the South particularly in the areas of agro industries, renewable energy and trade capacity building. In this regard, the Group appreciates UNIDO's new Traceability Center for Agro-Industrial Exports in Egypt that enhances food safety and exports on a regional level.
2. The Group would also like to express its appreciation for the efforts taken by UNIDO towards the establishment of its Investment and Technology Offices to promote investment in Africa.

3. The Group is pleased to note that the positive trend in the funding for technical cooperation continued in 2009, increasing up to \$ 183 million, 20% higher than in the previous year. The Group also recognizes the increasing diversification of these sources of funding, an indicator of growing appreciation among the donors for the cause of UNIDO's work. The Group encourages the Secretariat to sustain its efforts for funds mobilization through securing voluntary contributions and finding additional sources.

4. The Group takes note of the recommendations of the Director-General contained in the Annual Report 2009, regarding personnel policy and invites UNIDO to continue its efforts to recruit staff on a broad and equitable geographical representation, strengthening the participation of women, thus promoting the same rationalization of human resource management. In this context, the Group considers necessary to link in a more efficient programmatic and operational approach between HQ and its field offices.

5. The Group of 77 and China considers favourable that the Organization has adopted a more multidisciplinary approach and integrated character and continue its efforts to achieve growth rates of implementation, focusing on the design, implementation of quality programmes and achieving tangible results in Member States.

6. Regarding cross cutting programmes, the Group would like to draw the attention of the Director-General to "Human Security Coordination". The Group reiterates that the term "Human Security" has not been approved by the General Conference, nor by other United Nations Organs, including the UN General Assembly.

Thank you Mr. President.

#### **Agenda item 4: Cooperation with the United Nations Development Programme and UNIDO's field representation**

Mr. President,

1. The Group of 77 and China takes note of the documents IDB 37/6 entitled "Cooperation with the United Nations Development Programme and UNIDO field representation" and IDB.37/6/Add.1 entitled "UNIDO field representation".

2. The Group recognizes the commitment of UNIDO to make the field presence an integral part of its technical activities which has led to an increase in national and international technical staff capacities since the introduction of the field mobility policy in April 2006.

3. The Group believes that the performance of UNIDO field operations is a key to deliver more effective technical cooperation, and with reference to General Conference resolution GC 13/Res.7, the Group reiterates its position to encourage the Director-General to continue undertaking measures towards decentralization.

4. However, while recognizing that the empowering of the field representation through decentralization is required to maximize the results of technical cooperation, the Group urges UNIDO to keep in view the necessity of:

- i) Enhancing better mechanisms allowing an efficient follow up of projects implementation and ensuring a tight coordination among UNIDO Representative (UR) and relevant interested parties, including the diplomatic missions in Vienna.
- ii) Developing an accountability system.

Both of those matters are related to the Programme for Change and Organizational Renewal (PCOR) that is object of, among others, of item 6 of the Agenda.

5. The Group is of the view that decentralization should start by full utilization and optimization of the existing field offices before envisaging further expansion.

6. In this regard, the Group believes that UNIDO, while considering a field representation expansion, should undertake a carefully planned step-by-step approach in consultation with Member States, without affecting the resources designated to technical cooperation and after an in-depth impact analysis based on RBM principles.

Thank you Mr. President.

#### **Agenda item 5: Millennium Development Goals: UNIDO's contribution**

Mr. President,

1. The Group of 77 and China takes note of the documents IDB.37/4 entitled Millennium Development Goals: UNIDO's contributions.
2. The Group appreciates the detailed information about the work and contributions made by UNIDO in order to help Member States to achieve the Millennium Development Goals linked with industrial development, in particular Goals 1, 3, 7 and 8, and supports the Organization's initiatives on this matter.
3. The Group appreciates the information about the active role of UNIDO in the different inter-agency mechanisms as the United Nations system Chief Executives Board (CEB) Inter-Agency Cluster on Trade and Productive Capacity, the United Nations Development Group MDG Task Force, the Inter-Agency Group on MDG Indicators, and supports UNIDO contributions in order to to introduce new or reformulated Millennium Development Goals (MDG) targets, including accompanying indicators, which capture the contribution of the productive sectors, in goals 1, 3, 7, and 8, and to identify obstacles towards accelerating progress in the achievement of the targets contained in Goal 8.
4. The Group encourages the Secretariat to work closely with Member States, until the adoption of the decision on this matter at the High-level MDG Review Conference in 2010.
5. The Group agreed with the Report presented by the Secretariat and is of the view that an effective way to reduce poverty is through sustained economic growth, nevertheless the measures, mechanism and policies have to be made by a consultative process between government, private sector and civil society.

Thank you Mr. President.

## **Agenda item 6: Financial situation of UNIDO**

Mr. President,

1. The Group of 77 and China welcomes the repayments made by Member States to fully or partially meet their financial obligations. The Group appeals to former and Member States that have not already done so, to consider prompt payment of their arrears. The Group also requests the Director-General to continue his efforts towards this end.
2. On the subject of "Unencumbered balances of appropriations and interest income in excess of budgetary estimates", the Group takes note of the result of the implementation of decision GC.13/Dec.15 (h) and thanks all the countries that have contributed to such outcome.
3. The Group of 77 and China welcomes the Programme for Change and Organizational Renewal (PCOR). In this regard, the Group would like to be briefed on regular basis on the status of the procurement and implementation of this programme, including the eventual establishment of tenders for the purchase of the enterprise resource planning system (ERP).
4. The Group would also welcome regular briefings on the plan of the use of the resources allocated for technical cooperation.

Thank you Mr. President.

## **Agenda item 7: Financial Regulations of UNIDO**

Mr. President,

1. The Group of 77 and China is of the view that in light of the complexity and importance of the issue at hand, the matter should be kept open for further discussions.

Thank you Mr. President.

## **Agenda item 8: Activities of the Evaluation Group**

Mr. President,

1. The G-77 and China welcomes the report on the activities of the Evaluation Group for the period 2008/2009. Of special note are the observations mentioned in the paragraphs 9 and 10 of the Document IDB.37/5 about the meta-evaluation and thematic evaluation.
2. The Group would like to suggest that, whenever appropriate and feasible, the assessment of regional or sub-regional impact of the evaluated projects be included in the Evaluation Group report.

Thank you Mr. President.

## **Agenda item 9: Activities of the Joint Inspection Unit**

Mr. President,

1. The Group 77 and China takes note of document IDB37/3 presented by the Secretariat on the Activities of the Joint Inspection Unit.
2. Regarding the note of the Joint Inspection Unit (JIU) on corporate sponsoring in the United Nations System( JIU/NOTE/2009/1), the Group concurs with views of the JIU that the United Nations System, given its core universal values and high visibility in the worldwide media, is a privileged partner for private sector firms and also such partnerships can help to strengthen the work of the United Nations. The Group also agrees with the comments of the JIU that there are risks associated with the possibility of a loss of autonomy and independence of United Nations system organizations and the risk to their reputation or image associated with the selection of non-appropriate partners and/or activities. Therefore, the Group encourages UNIDO to pay due attention to both benefits and potential risks-related to partnerships with the private sectors.
3. The Group notes that 251 interns participated in the internship programmes of UNIDO for the period 2006-2008. The Group recommends that UNIDO continues the implementation of such programmes, with due consideration to equitable geographical distribution.
4. Having compared the status of the implementation of JIU recommendations at UNIDO for the period 2006-2008 with the previous period reviewed by the JIU, the Group notes that the number of accepted recommendations remained stable, while the number of those rejected was reduced. On the other hand, the Group is concerned that the number of recommendations in progress or already implemented declined slightly, whereas the number of recommendations not started increased.
5. The Group 77 and China is pleased to note that UNIDO remained one of the "best practice" organizations mentioned by the JIU with regard to the status of consideration of reports by its governing bodies.

Thank you, Mr. President.

#### **Agenda item 10: Multilingualism**

Mr. President,

1. The Group takes note of document IDB37/9, and refers to the General Conference resolution GC.13/L.2/Res.4 on multilingualism. The Group welcomes the efforts made by the organization in the implementation of the mentioned resolution. In this regard, the Group calls upon the organization to continue to promote linguistic diversity in the work of UNIDO and to respect the equality of official languages of the UN in the work of the Organization.
2. The Group believes that for enhancing the role of the Organization in promoting industrial development, it is important to ensure that Member States enjoy the greatest possible access to the Organization's information and documentation.
3. The Group thus requests the Director-General to take all necessary measures to

translate internal documents into the six UN official languages, as well as to establish UNIDO's websites in the other official languages of the UN.

Thank you, Mr. President.

**Agenda item 12: Matters related to intergovernmental, non-governmental, governmental and other organizations**

Mr. President,

1. The Group of 77 and China takes note of document IDB 37/11 and IDB 37/12 on matters relating to intergovernmental, non-governmental, governmental and other organizations."
2. The Group is concerned about the continuing low levels of response from these organizations pertaining to their cooperation with UNIDO and urges these organizations to fulfill this obligation. The Group hopes that the outcome of the second review of the status of cooperation conducted in April 2010 with international non-governmental organizations will generate a higher response level to ensure a more conclusive review.
3. The Group takes note of the application for observer status by the International Conference on the Great Lakes Region (ICGLR). In this regard, the Group would like to support the conclusion of an appropriate relationship agreement with ICGLR by UNIDO in accordance with the General Conference decision GC.1/Dec. 41.
4. The Group of 77 and China requests the Secretariat to provide a factual report on the cooperation with the above mentioned organizations and to postpone the decision regarding this agenda item to the next IDB.

Thank you Mr. President.