



G-77 and China statement during the UNIDO Industrial Development Board, 50th session, 21-23 November 2022, delivered by H.E. Ambassador Azzeddine Farhane, Permanent Representative of Morocco

Mr. President, [H.E. Ambassador Alejandro Solano Ortiz, Permanent Representative of Costa Rica]

1. On behalf of the Group of 77 and China, I would like to congratulate you on your election as the President of the IDB a distinguished member of our Group, as well as other members for their election to the bureau of this session. The Group is confident that you will steer the IDB with great skills for its successful and fruitful conclusion.
2. The Group would also like to thank the former President of the 49th session, H.E. Ms. Dominika Krois, Ambassador, Permanent Representative of Poland, for her leadership during the previous session, and the members of her bureau for their outstanding work in continuing to move the process forward successfully.
3. The Group has listened with great interest to the statement of the Director General Mr. Gerd Müller and, in this regard appreciates his efforts in leading this Organization during the past year and remains fully committed to the work of UNIDO.

The Group will express itself on the following agenda items 3, 4 (a), (b), (c), (d), 7, 8 (a) and (b), 12, 13 and 17.

Thank you, Mr. President.

Agenda item 3: Annual report of the Director General for 2021: (a) Managing for results: Update on the implementation of the medium-term programme framework, 2022–2025

Mr. President,

1. The Group takes note of the Annual Report of the Director General which provides an overview of UNIDO's activities, achievements, as well as improvements made and challenges faced by the Organization during the past year and which also constitutes the last report covering the medium-term program framework 2018-2021 and the Program and budgets 2020-2021. The Group wishes to provide the following remarks on the report.
2. The Group reaffirms the high importance it attaches to all initiatives, activities, and programmes implemented or planned by the Organization during the period covered in the report. We encourage the Director General and the Secretariat to continue moving forward, in consultation with Member States, to a full implementation of the Organization's mandate, thereby advancing progress of developing countries and economies in transition on the path to economic and social prosperity.
3. The Group commends the Organization for its technical assistance and capacity building programmes provided to Member States, particularly developing countries, middle income countries and Least Developed Countries. Such efforts must continue with a view to strengthen partnership, cooperation, and knowledge-sharing among Member States as well as with other stakeholders, including through South-South, North-South, and triangular cooperation. In this regard, the Group notes with appreciation that UNIDO's service delivery in terms of technical cooperation implementation in 2021 reached a figure of US\$179.4 million despite the continuous challenges caused by COVID-19.
4. The Group requests the Secretariat to build on the lessons learnt and experiences gained during the pandemic and enhances its resilience to continue these activities in the face of similar challenges in future.

5. The Group appreciates the Organization's continued contribution towards the achievement of the Sustainable Development Goals (SDGs) by participating in various activities throughout 2021, including in the High-Level Political Forum on Sustainable Development as it reviewed SDGs 1, 2, 3, 8, 10, 12, 13, 16 and 17.

6. The Group notes with satisfaction that UNIDO's portfolio of projects and programmes for future implementation amounted to 575.2 million USD in 2021, with 194.7 million USD mobilized in 2021, and that voluntary contributions for UNIDO development cooperation services have increased by 38% compared to the previous year. This stands testament to UNIDO's relevance as key player among global development organizations. Furthermore, the Group encourages UNIDO to increase the technical cooperation delivery rate continuously.

7. With regard to the Programme for Country Partnership (PCP), the Group has followed the implementation of PCPs in Cambodia, Côte d'Ivoire, Egypt, Ethiopia, Kyrgyzstan, Morocco, Peru, Rwanda, Senegal, Tanzania and Zambia, with great interest. The Group also wishes to express great importance to the successful implementation of the Country Programmes (CPs) in Member States. We look forward to the expansion and extension of PCPs and CPs, as well as the introduction of these programmes to other members of the Group, upon their request.

8. The Group of 77 and China welcomes significant progress in the implementation of the Medium-Term Programme Framework (MTPF) for 2018-2021 and the application of Integrated Results and Performance Framework (IRPF) in preparation of this report. Such improvement allows for a clearer comparison and analysis of the Organization's achievements both in quantitative and qualitative terms, and therefore should continue in future reports. In this context, the group looks forward to the organization's effective and efficient implementation of the Medium-Term Programme Framework 2022-2025 in order to provide clarifications on how the Organization advances its ISID mandate, its support to Member States, and its contribution to the SDGs.

9. Finally, the Group reaffirms its strong position concerning the need to enhance the equitable geographical distribution in all positions of the Secretariat, including at senior levels and requests the Director General to brief Member States on the reform of the Secretariat structure and its impact on the financial situation and the work of the Organization.

10. With these remarks, the Group takes note of the Annual Report for 2021, as submitted in document IDB.50/2-PBC.38/2.

Thank you, Mr. President.

Agenda item 4: Report of the Programme and Budget Committee

1. The Group of 77 and China conveys its appreciation to H.E. Mr. Alessandro Cortese of Italy in his capacity as Chair of the 38th session of the Programme and Budget Committee for this Report of the PBC.

2. The Group wishes to recall the points it had raised at the 38th session of the PBC, and reiterates the following:

(a) On the Report of the External Auditor for 2021

1. Bearing in mind the points it raised on this Agenda Item at the 38th session of the PBC, the Group of 77 and China strongly urges UNIDO to work on addressing the findings of the External Auditor for 2021, regardless of the level of importance and priority assigned to them in the report, as well as to work on closing the remaining unresolved, partially resolved, and still-open findings of the previous and prior audit years, as the Group considers all of these recommendations to be particularly pertinent to ensure that the Organization will function as efficiently and effectively as possible.

(b) On the Financial situation of UNIDO, including unutilized balances of appropriations

Mr. President,

1. The Group continues to encourage Member States for the timely payment of their assessed contributions in full, to explore ways for current and former Member States to settle their outstanding assessed contributions, and for the Director General to sustain efforts towards the improvement of the financial situation of UNIDO in order to maintain a healthy and stable financial outlook for the Organization in view of the challenges ahead.

Thank you, Mr. President.

(c) On the Report by the informal working group on Programme and Budget Committee-related issues (IWG)

Mr. President,

1. The Group of 77 and China appreciates the work undertaken by the Informal Working Group on Programme and Budget Committee (IWG) and is particularly thankful to the co-Chairs from Poland and India for their dedication and leadership.

2. The Group believes that the IWG is a valuable platform for both Secretariat and Member States to deliberate and explore possible recommendations on important issues, including the programme and budgets of UNIDO. The Group also believes that the IWG's mandate has the potential to be expanded further to include discussions on emergent issues within the overall mandate and objectives of UNIDO.

3. The Group welcomes the discussion held in the IWG meetings in 2022 especially on the topics of budgetary flexibility, After Service Health Insurance (ASHI), and Independent Oversight Mechanisms among others. The discussion in the IWG meetings has enhanced understanding of these issues for the Member States.

4. The Group is hopeful that the IWG's deliberations will be held more regularly in the coming months and topics like gender equity and personnel matters; efficiency and effectiveness of the programme and budgets implementation, the financial situation of UNIDO etc. will be deliberated by the IWG. The Group also encourages all Member States to actively participate in the discussions on these matters in IWG.

Thank you, Mr. President.

(d) On the mobilization of financial resources

Mr. President,

1. The Group maintains the view that a sufficient, assured and predictable funding is vital for UNIDO to effectively deliver its core mandate and activities, and encourages the donor community to continue their contributions to UNIDO's programmable funds, including dedicated trust funds and special purpose funding at the country, regional or global level. The Group also encourages the Director General to continue searching for diverse and innovative funding resources, as well as to work on initiatives aimed at the efficient use of available resources.

2. In this regard, the Group encourages Member States and other funding partners to increase their voluntary contributions to UNIDO, including for the Partnership Trust Fund as well as the Special Account of Voluntary Contributions for Core Activities (SAVCCA) and the Major Capital Investment Fund (MCIF).

3. The Group strongly recommends UNIDO to specifically identify and facilitate the access to funds available from bilateral funding partners, multi-donor trust funds, climate

finances funds, private development cooperation, as well as other development finance institutions.

Thank you, Mr. President.

Agenda Item 7: Third Industrial Development Decade for Africa (IDDA III)

Mr. President,

1. The Group of 77 and China takes note of the report on the Third Industrial Development Decade for Africa (IDDA III) and would like to assure the Director General and the Secretariat of our support for their efforts to make progress in the implementation of this important Decade. The Group believes that, in light of the current encouraging conditions in the world, to recover from the COVID-19 crisis and return to normal life, UNIDO should focus at the next stage on the developing plans and programs aiming at assisting the affected and developing countries from the effects of this pandemic by adapting the strategies and interventions related to the policy adopted to respond to the crisis. Thus, will enable Member States, including developing countries, to implement necessary measures of immunity and prevent the collapse of their economies.
2. The Group appreciates efforts made by UNIDO, as the central coordinator of international industrial cooperation, in its dedication to Africa in the path of inclusive and sustainable industrial development. The Group stresses that it is time to move the agenda of the Third Decade of Industrial Development for Africa, firmly forward in order to promote inclusive and sustainable industrial development in Africa. This was achieved through the involvement of public and private sectors, financial development institutions, the United Nations system as well as bilateral, and multilateral institutions in raising the level of African industrialization.
3. The Group welcomes the extraordinary African Union Summit on Industrialization and Economic Diversification in Africa, which will be held in Niamey, Niger on 25 November 2022 on the theme “Industrializing Africa: Renewing Commitments for Inclusive and Sustainable Industrialization and Economic Diversification” which aims to shed light on Africa’s determination and renewed commitment to industrialization as one of the strategic levers to enhance economic growth and progress of the continent, as reflected in the African Union Agenda 2063 and United Nations Agenda 2030. We hope that this summit will contribute to unleashing the potential of the continent by integrating key social and economic links and strengthening regional cooperation.
4. Furthermore, the Group believes that in parallel to those efforts, it is necessary to continue working on expanding the Programme for Country Partnership (PCP) and Country Programmes (CP) in Africa, as well as developing African National Strategies for the implementation of the African Continental Free Trade Area (AfCFTA), which will allow more opportunities to achieve a broader range of inclusive and sustainable industrial development, enhance intra-African trade, deepen regional integration, and promote structural transformation and inclusive growth.
5. The Group takes note of the update on the recruitment process of the IDDAIII Secretariat, which is instrumental in the implementation of the joint road map. We urge the Secretariat to finalize the recruitment process and further encourage Member States to provide financial support of project funded staff and secondment of experts in order to ensure the full operationalization of the IDDAIII Secretariat.
6. The Group also encourages UNIDO to continue to cooperate with Member States, strategic development partners, United Nations agencies, and other intergovernmental agencies, as well as development financing institutions to support the implementation of the objectives of the Third Decade of International Development. Creating synergies between UNIDO and the

African Union would help to build technical capacity and policy knowledge for the development and implementation of regional and continental industrial initiatives.

7. To conclude Mr. President, the Group of 77 and China is confident that the Director General and the Secretariat will contribute to advancing the Third Industrial Development Decade for Africa (IDDA III) to broader horizons and will gain the African continent further progress and growth.

Thank you, Mr. President.

Agenda item 8: Climate neutral industry and circular economy: (a) UNIDO activities related to circular economy

Mr. President,

1. The Group reaffirms the high importance of the potential benefits for countries to transform their economies to promote sustainable consumption and production patterns, by engaging with partners to integrate circular economy and Industry 4.0 for more sustainable industrial activity and manufacturing systems, according to national plans and priorities.

2. The Group recognizes that a circular economy offers a promising and essential approach towards some of the most pressing global challenges and can accelerate the achievement of the 2030 Agenda on Sustainable Development and many of the Sustainable Development Goals, including Goal 5, while advancing the implementation of the Paris Agreement.

3. The Group notes with satisfaction the efforts made by Member States to initiate or adopt policies, regulatory and legal frameworks incorporating elements of a circular economy, including national, subnational and regional strategies, roadmaps and actions plans on circular economy, as well as resource efficiency, product, chemical and waste management targets, laws and regulations.

4. The Group expresses its appreciation for the conduction of a first round of global consultations on Circular Economy from 10-12 May 2021 and for the previous regional preparatory meetings that took place from 13-20 November 2020.

5. The Group appreciates the efforts made by UNIDO, on organizing during September 2022, the regional preparatory meetings for the Member States, and requests the Director General to organize the Global consultations on circular economy in 2023 for experts from Member States and other relevant stake holders, with a view to facilitating exchanges on best practices, emerging innovations and the promotion and adoption of circular economy principles and practices by industries of Member States.

6. The Group is hopeful that the outcome of the global consultations will aim towards attaining an action plan, which will advance the work of UNIDO and its Member States on circular economy, thereby promoting inclusive and sustainable industrial development.

7. The Group appreciates the co-organization at the 27th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 27) in Sharm El-Sheikh, Egypt on 9 November 2022 of the side event “Accelerating the global circular economy agenda to tackle climate change and foster economic transformation”, by UNIDO and the United Nations Institute for Training and Research, during which the concept of circular economy was raised.

Thank you, Mr. President.

Agenda item 8 (b): UNIDO strategy in response to climate change

Mr. President,

1. The Group of 77 and China takes note of the Director General's report on UNIDO's strategy in response to climate change, and expresses appreciation for the effort exerted by the Secretariat in drafting the strategy, in line with the General Conference resolution GC.19/Res.2.
2. The Group supports that the strategy shall be guided by the low-greenhouse gas emission and climate-resilient development principle, and enhances the efficiency, effectiveness and coordination of UNIDO's activities in the support of Member States climate priorities related to Inclusive and Sustainable Industrial Development (ISID).

Mr. President,

3. The Group highlights the importance of supporting the needs and priorities of developing countries in line with their right to development and reiterates that the transfer of climate related clean and innovative technologies from the developed to the developing countries is indispensable for Inclusive and Sustainable Industrial Development (ISID) and achievement of Sustainable Development Goals (SDGs) and the commitments of the Climate Change Action Plan.
4. The Group recognizes that international cooperation plays a central role in developing national solutions that contributes to stabilization of the global climate system and encourages UNIDO to facilitate the establishment of global and regional alliances and partnerships to accelerate collective climate action, and expand markets for green industrial products.
5. Therefore, the Group believes that the strategy shall aim at enhancing UNIDO's role in arranging an adequate and predictable financing and transfer of clean and innovative technologies to the developing countries, providing a platform for investment mobilization and climate partnerships and fostering South-South, North-South and triangular cooperation to enable the transfer of climate related technologies and innovations that expedite the attainment of Inclusive and Sustainable Industrial Development (ISID) in the developing countries.

Mr. President,

6. The Group stresses the importance that the strategy and its action plan, without prejudice to the other UNIDO's core activities, shall:
 - Enhance the existing portfolio of projects and programmes of UNIDO on the productive and sustainable management of resources;
 - Strengthen activities in support of deploying sustainable technologies for electricity generation, primarily in agro industries;
 - Reinforce efforts made by UNIDO's clean energy programmes, including the Global Network of Regional Sustainable Energy Centers Programme and the Global Cleantech Innovation Programme;
 - Maximize synergies with other priority areas of UNIDO, such as energy, agribusiness development and food security, circular economy and biodiversity;
 - Boost the use of renewable energies, including green hydrogen, to achieve significant emissions reductions;
 - Foster partnerships, cooperation and coordination with various stakeholders, including the Global Environmental Facility (GEF) and the Green Climate Fund (GCF);
 - Increase the number of Investment and Technology Promotion Offices (ITPO) in the developing countries and expand their services for promotion of investment and transfer of technology.

Mr. President,

7. The Group appreciates UNIDO's role in fostering global understanding and raising awareness of the role of industry as a solution provider in achieving the goals of the United

Nations Framework Convention on Climate Change (UNFCCC) and Paris Agreement as well as promoting the nexus between climate action and Inclusive and Sustainable Industrial Development (ISID).

8. The Group underscores the importance of climate justice and equitable distribution of resources to mitigate the effects of climate change and to ensure representation, inclusion, and protection of the rights of those most vulnerable to the effects of climate change. Developing countries have been disproportionately affected by climate change. Therefore, to alleviate the adverse effects and to enable such countries to face climate induced calamity, the available resources may be equitably distributed.

9. In this regard, the Group commends the Director General and his team for the efficient and effective engagement of UNIDO in preparation to COP 27, held in Sharm El-Sheikh, Egypt from 6 to 18 November 2022, and acknowledges the successful participation of UNIDO during the Implementation Summit as well as the relevant Thematic Days of the conference, especially Decarbonisation Day and Energy Day.

10. The Group welcomes the announcement of the new Global Renewable Hydrogen Forum on 8th November 2022 during COP-27 and acknowledges UNIDO's designation as partner for the implementation of the Forum, in line with UNIDO's Global Programme for Green Hydrogen in Industry and UNIDO's vision for a Just transition. It is of prime significance that UNIDO continues its efforts to provide access to state of art technology to developing countries and make this Energy Transition a reality for all.

11. To this end, the Group requests the Secretariat to report to the Member States on the expected role of UNIDO in implementing the relevant outcomes and initiatives announced during COP27, and its reflection on the action plan of the strategy, aiming at the attainment of Inclusive and Sustainable Industrial Development (ISID) in the developing countries.

12. With these remarks, the Group requests the Secretariat to continue consultations with Member States on UNIDO's strategy in response to Climate Change, as well as its action plan before the next session of the IDB.

Thank you, Mr. President.

Agenda item 12: Inclusive and sustainable development in middle-income countries

Mr President,

1. The Group recognizes that Middle-Income Countries (MICs) consist of a wide range of diverse countries, which have made a contribution to international economic stability, while still facing specific challenges and needs in the context of sustainable development, respectively, in the economic, social and environmental areas.

2. The Group underscores that a robust, green and digital industrial transformation of economies of MICs contributes to sustainable development and is necessary for achieving internationally-agreed development goals, particularly poverty eradication. In that context, the Group requests UNIDO to increase its efforts in supporting middle-income countries in adopting sustainable industrial development policies and practices, in order to mitigate the environmental impact and promote a quantitative leap with regard to the value added to products and companies.

3. The Group acknowledges the work carried out so far by UNIDO in support of MICs and requests the Director General to explore further initiatives towards strengthening its engagement with MICs to support their economic growth and competitiveness. UNIDO is further encouraged to assist stake holders in understanding and assessing the financial needs of MICs and help the latter comprehend how these financial resources can be mobilized, improving their integration into global economy.

Thank you Mr. President.

Agenda item 13: UNIDO's operational strategy and implementation plan for LDCs 2022–2031

Mr. President,

1. The Group of 77 and China welcomes with appreciation UNIDO's continued efforts in advancing LDCs within the context of Inclusive and Sustainable Industrial Development, particularly through engaging in various global and regional fora to mobilize technical assistance and financial resources for its projects targeting the LDCs. We reiterate the critical need for realizing expeditiously the renewed and strengthened global partnership for LDCs in order to overcome their structural challenges, eradicate poverty and achieve the agenda for sustainable development.
2. In this regard, the Group takes note of the update on the preparation process of UNIDO's operational strategy for the LDCs 2022–2033 and we further look forward to the endorsement of the operational strategy at the next UNIDO General Conference.
3. The Group equally looks forward to the upcoming Fifth United Nations Conference on the LDCs scheduled to take place in Doha, Qatar from 5 to 9 March 2023 which will build on the deliberations and outcomes of the ninth Ministerial Conference of the LDCs and the Doha Programme of Action 2022-2031 to mainstream its six priority areas in UNIDO's future work through the promotion of resource mobilization and cooperation strategies between donor countries and LDCs.
4. In conclusion, the Group urges the international community to continue supporting UNIDO projects aimed at achieving the targets for the LDCs as well as contribute towards the comprehensive and timely implementation of the operational strategy subsequent to its adoption.

Thank you, Mr. President.

Agenda item 17: Personnel matters

Mr. President,

1. The Group of 77 and China commends UNIDO for its continued efforts to improve personnel-related issues in UNIDO and encourages it to uphold the United Nations principles. In this regard, the Group reaffirms its strong position concerning the need to enhance the equitable geographical distribution in all positions of the Secretariat, including at senior levels.
2. The Group requests the Director General to brief Member States on the reform of the Secretariat structure and its impact on the financial situation and the work of the Organization, taking stock of the initial assessment of the Independent Oversight Advisory Committee (OAC) on the effect of these reforms on staff morale.
3. The Group takes note of the conclusion of the disciplinary process in respect of a confirmed allegation on sexual harassment and supports the full implementation of UNIDO's Gender Parity Action Plan (2018-2023), addressing sexual harassment and protection against sexual exploitation and abuse within the Organization. The Group welcomes Director General's zero-tolerance policy in this regard.
4. The Group welcomes the 2020 UNIDO Merit Awards exercise based on the achievements and contributions of UNIDO personnel to its mandate as well as its strategic and management objectives and priorities, in particular those who actively engaged in the Organization's response to the COVID-19 pandemic.

5. The Group requests the Director General to continue proactively addressing UNIDO staff welfare, including conditions of service applicable to the professionals and after-service health insurance (ASHI) issues.

Thank you, Mr. President.