



**Statement of the Group of 77 and China  
during the 20<sup>th</sup> Session of the UNIDO General Conference,  
27 November – 1 December 2023,  
delivered by H.E. Mr. Aftab A. Khokher,  
Ambassador and Permanent Representative of Pakistan**

[Mme. President, H.E. Ambassador Debora Lepre, Permanent Representative of Italy.]

1. On behalf of the Group of 77 and China, I congratulate you on your election as the President of the 20th Session of the General Conference of UNIDO. I also congratulate all the other members of the bureau on their election. The Group is confident of a successful outcome of this session under your able guidance and leadership and would like to assure you of its full support.

2. The Group takes this opportunity to thank the outgoing President of the 19th Session of the General Conference, H.E. Ambassador Mohamed Mezghani, former Permanent Representative of Tunisia, and members of his bureau for their outstanding work during the previous session.

3. The Group also wishes to thank the Director General for his opening remarks and to convey its appreciation to the Secretariat for its hard work in organizing this General Conference.

4. At present, global economic recovery continues to encounter more difficulties and the achievement of the goals of the 2030 Agenda for Sustainable Development is faced with multiple, increasing and interlinked challenges around the world. In this regard, the Group recognizes the unique role UNIDO plays in facilitating inclusive and sustainable industrial development within the United Nations system and reaffirms the importance of UNIDO's contributions towards accelerating the achievement of SDG 9 especially within developing countries.

5. The Group requests UNIDO to continue its activities in this regard through innovative and transformative policies that build resilient infrastructure, facilitate job creation, reduce poverty, stimulate economic growth, promote digitization and create decent jobs in developing countries, especially for women, youth and other persons in vulnerable situations in accordance with national policies and regulations.

6. The Group urges UNIDO to continue enhancing cooperation and mobilizing all necessary resources to facilitate capacity building, technical assistance, transfer of technology and the provision of financial resources that would contribute and complement national efforts of the developing countries towards industrialization and to better enable them to take advantage of new and emerging technologies. In this regard, the Group encourages UNIDO to mobilize resources and explore all possible avenues particularly in the context of South-South cooperation by facilitating access to and making good use of financial support for global development.

7. The Group has followed, with keen interest, the continued implementation of Programme for Country Partnerships (PCPs) and Country Programmes (CPs) and acknowledges the relevance of

utilizing these programmes to further enhancing inclusive and sustainable industrial development [ISID] in developing countries. The Group urges UNIDO to continue expanding both PCPs and CPs to other members of the Group, upon their request.

8. The Group supports the Director General's organizational reforms and calls on UNIDO to continuously optimize internal and human resources management, further enhance accountability and transparency, ensuring the Organization functions as efficiently and effectively as possible, working towards full implementation of the Organization's mandate.

9. The Group expresses serious concern with the implementation of the principle of equitable geographical representation and low level of representation of professional staff from developing countries in UNIDO particularly at the senior management level. The Group calls upon the Director General to address this concern and requests the Secretariat to report to the 52<sup>nd</sup> session of the Industrial Development Board on the implementation of this principle, the achievements made so far and the proposals to improve the current representation of Member States in UNIDO.

10. The Group takes note of the programme and budgets proposals for the biennium 2024-2025, in line with the principles of results-based budgeting. The Group expresses its appreciation for the amendments made to the initial programme and budgets proposals to consider the circumstances of Member States while maintaining the quality of services provided, especially in the field of technical cooperation.

11. The Group takes note of the 17 percent increase in the implementation of technical projects in 2022, and welcomes the commitment of the Director General to increase the technical cooperation to up to 25 percent for the biennium 2024 – 2025. In this regard, the Group calls upon UNIDO to strengthen its technical cooperation regarding promoting industrial parks, developing industrial policies, developing MSMEs and reduction of unemployment, promoting industrial decarbonization, green hydrogen and other renewable sources of energy circular economy, digitalization and innovation. The Group further requests UNIDO to enhance relations with key development partners to foster innovation through the provision of technology transfer, capacity building and technical cooperation to complement domestic industrial priorities together with sustainable financing.

12. The Group encourages all Member States to pay their assessed contributions in full and on time in order to maintain a healthy and stable financial outlook for the Organization. Predictable, sufficient, and assured funding remains vital for UNIDO to effectively deliver its core mandate of promoting inclusive and sustainable industrial development in Member States, particularly developing countries. In this regard, the Group also recognizes difficulties some Member States experience for reasons beyond their control in paying their full contributions on time. The Group further requests the Director General to continue holding discussions with all former Member States to encourage them to rejoin the Organization.

13. The Group also encourages UNIDO to consider different project support costs between Member States and non-Member States and further urges UNIDO to undertake necessary measures to attain full cost recovery, taking into account the budgetary situation of the Organization, to strengthen UNIDO's financial situation.

14. The Group recognizes the crucial role that UNIDO field offices play in the effective delivery of the Organization's mandate of inclusive and sustainable industrial development (ISID), including technical cooperation and capacity-building, to Member States, especially developing countries, and in this regard, requests the Secretariat to maintain constant coordination with Member States to keep the latter updated on the progress of this reform initiative.

15. The Group takes note of the Report of the Director General on the Reform of the UNIDO Field Network, which is aimed at making the field offices more relevant and accessible to Member States, and welcomes the regional briefings conducted by the Secretariat in August of this year, which provided an opportunity for Member States to familiarize themselves with and contribute to this important undertaking. In this regard, the Group calls upon the Director General to adequately equip field offices with necessary human and material resources, to ensure that the restructured UNIDO Field Network will continue to respond to the needs of Member States, upon their request and as appropriate.

16. Digital technologies and the Artificial Intelligence are becoming ubiquitous and can enable rapid transformations and accelerate progress in achievement of SDGs. The Group welcomes organization of the regional workshops on digital transformation by UNIDO. The Group is also appreciative of organization of the Development Dialogue on the United Nations Secretary-General's Global Digital Compact in cooperation with the Office of the Secretary General's Envoy on Technology in January this year. The discussions held in various Development Dialogues have underscored the importance of digitalization for the productive transformation of economies, as well as the emerging opportunities and challenges. The Group has taken note of the draft Operational Strategy for Digital Transformation presented in the CRP. The Group believes that UNIDO has a significant role to play in further adoption of digital technologies, innovation and AI, especially by the industries in the developing countries including MSMEs and other business units in the informal economy sector. The Group has taken note of Director General's report on the UNIDO activities in these areas. The Group urges UNIDO to give special emphasis and adopt innovative approaches for capacity building, upskilling and training programmes in the developing countries.

17. We recognize that digital and green transition represents two major trends in global economic and social transformation and important drivers of economic growth, with their coordinated development contributing to the economic, social and environmental dimensions of sustainable development. We support the efforts of UNIDO to help businesses including MSMEs in Member States to actively participate in the digital and smart upgrading of traditional industry, and play an important role in policy advice and training and the transfer of technologies to help foster a favorable environment and empower persons in vulnerable situations.

18. The Group welcomes the endorsement of UNIDO's strategy in response to climate change during the 51st session of the Industrial Development Board and requests the Director General to continue working with Member States in developing the action plan of this strategy at the earliest. The Group supports that the strategy and its action plan shall be guided by the low-greenhouse gas emission and climate-resilient development principle, and enhance the efficiency, effectiveness and coordination of UNIDO's activities in support of Member States climate priorities related to the Inclusive and Sustainable Industrial Development.

19. The Group supports the strategy's aims of enhancing UNIDO's role in arranging an adequate, sustainable 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, early adoption and implementation of climate related technologies and innovations, according to their national policies and priorities.

20. The Group would like to seize this opportunity to stress the importance of the Loss and Damage Fund established during COP27, held in Sharm El-Sheikh, Egypt, in November 2022 and emphasizes the importance of finalizing the funding arrangements ahead of COP28, to be held in the United Arab Emirates. In this regard, the Group calls for the Fund's early capitalization and operationalization.

21. The Group reaffirms the high importance of the benefits for countries to integrate circular economy in their industrial policies, according to national plans and priorities. The Group recognizes that a circular economy offers a promising and essential approach towards some of the most pressing global challenges. The Group notes with satisfaction the efforts made by Member States to initiate or adopt policies, regulatory and legal frameworks and action plans to incorporate circular economy principles and practices while implementing their Industrial development strategies.

22. The Group welcomes the activities undertaken by UNIDO to promote circular economy and to assist Member States, upon their request, in developing and implementing their strategies in this regard and requests UNIDO to increase these activities. In addition, the Group calls upon UNIDO to continue facilitating exchanges of circular economy best practices and further enhance resource mobilization efforts to support developing countries in integrating circular economy in their industrial development strategies.

23. The Group highlights the role of inclusive and sustainable industrial development to overcome poverty and advance from extractive economies to knowledge-intensive, more productive, and sustainable economies. This vision of industrial development includes the closing of technological gaps, the promotion of effective and efficient supply chains for regional and global integration, and the strengthening of capacity building and sustainable jobs.

24. The Group recalls that structural transformation is a central process in economic development. Without an enhancement of the productive capacity and a shift of resources to higher productivity sectors, developing countries will not be able to achieve the goals of the 2030 Agenda for Sustainable Development. Furthermore, developing countries underscore their urgent need to receive adequate, sustainable and predictable support to build up their digital sectors, in order to diminish the technological gap, and hence reducing inequality between countries.

25. The Group emphasizes the importance of gender balance and gender equality and the empowerment of women (GEEW) in line with national laws and within the context of ISID, and in this regards welcomes UNIDO's programmes and activities undertaken in the developing countries. The Group encourages the Director General to allocate sufficient resources to ensure the achievement of the GEEW-related results and targets.

26. The Group calls upon the DG to continue working on the draft “UNIDO operational strategy for gender equality and the empowerment of women 2024-2027” and requests full consultations taking into account the views of Member States and to submit the draft strategy for the consideration of the Industrial Development Board at its 52<sup>nd</sup> session.

27. The Group supports UNIDO in developing the implementation plan in consultation with Member States, to expedite the execution of the operation strategy for the Least Developed Countries Strategy 2022-2031 in synergy with the UNIDO Strategy for Africa 2023-2025 and other relevant UNIDO strategic frameworks and policies to foster global solidarity and international cooperation

28. The Group expresses its appreciation for the completion of the updated UNIDO workplan for partnering with middle-income countries (MIC) taking into account the inputs received from Member States and requests the Director General to ensure its effective and efficient operationalization, in such a way as to accelerate an Inclusive and Sustainable Industrial Development (ISID) for the MIC, as well as the attainment of SDG 9 on industry, innovation and infrastructure.

29. The Group echoes the call of the MICs for a more nuanced and multidimensional classification system moving beyond GDP; such holistic system of measurement, would enable them to take effective climate action, share technology and provide access to finance. In this regard, the Group stresses the importance of considering the significant challenges and realities of MICs on how to achieve the SDGs, as mentioned in the specific meeting on “Overcoming middle-income countries challenges in advancing the 2030 Agenda”, organized during the High-level Political Forum on Sustainable Development (HLPF), held from 10 to 19 July 2023.

30. The Group welcomes the Kingdom of Saudi Arabia’s offer to host the 21<sup>st</sup> Session of the UNIDO General Conference in Riyadh in November 2025. The Group is confident that the Kingdom has the expertise, skills set, resources and infrastructure to host such a conference. We therefore, extend our support to Saudi Arabia’s bid and call upon all Member States of UNIDO to accept the same with consensus.

31. In conclusion, the G-77 and China is confident that this Conference will provide us with opportunity for constructive discussions that address the main challenges the Organization faces in fostering ISID in Member States specially developing countries.