



**G-77 and China Statement during the 41st session
of the Programme and Budget of UNIDO,
13 – 15 May 2025,
delivered by H.E. Mr. Maurice Makoloo,
Ambassador, Permanent Representative of Kenya**

Agenda item 3: Annual Report of the Director General for 2024

1. On behalf of the Group of 77 and China, I congratulate you, Mr. Jorge Luis Hidalgo, Alternate Permanent Representative of Mexico, on your election as Chair of the Programme and Budget Committee (PBC) of UNIDO, at its 41st session. I also congratulate the other Members of the Bureau on their election.
2. The Group is confident that under your able leadership, this session will lead to fruitful discussions, constructive engagement and productive outcomes that will strengthen the role of UNIDO with the aim of advancing our shared objectives for promoting inclusive and sustainable industrial development.
3. The Group would like to commend His Excellency Ambassador Ferenc Dancs, Permanent Representative of Hungary, and members of his Bureau for the sterling work they carried out during the 40th session of the PBC.
4. The Group takes note of the introductory remarks by Director General Gerd Müller on the activities and achievements of UNIDO as well as his vision, commitments, and efforts for improving the governance of the Organization. We encourage UNIDO to continue working towards full implementation of the Organization's mandate, to further assist developing countries and economies in transition to continue on the path towards economic and social prosperity through industrialization.
5. Regarding the UNIDO Annual Report for 2024, the Group takes note of document PBC.41/2, which presents advancements in fostering inclusive and sustainable industrial development amid global challenges.
6. The Group underscores the great importance it attaches to all the initiatives, activities, and programmes implemented or planned by the Organization during the period covered in the report, as they aim at promoting sustainable industrialization, increasing job opportunities, advancing economic competitiveness and market access, attaining food security, advocating fair and sustainable regional and global supply chains, strengthening regional integration, safeguarding the environment and mitigating climate change-related trade-restrictive measures, including border carbon taxes.
7. In this regard, the Group notes with appreciation UNIDO's efforts in the fields of industrial policy advisory and quality standards services, supporting agro-industrial parks, strengthening SMEs and startups, promoting circular economy, driving clean energy access and climate action and enhancing digitalization and innovation.
8. The Group also takes note of the Global Alliance on Artificial Intelligence for Industry and Manufacturing and recognizes the importance of bridging the digital divide between nations and industries, ensuring that no one is left behind in the AI revolution.
9. The Group acknowledges that funds mobilized by UNIDO in 2024 for technical cooperation reached a total of \$663.6 million and that the technical cooperation delivery

increased by 29 per cent compared to 2023, reflecting donors' sustained confidence in UNIDO's capacity to drive sustainable development.

10. The Group encourages UNIDO to strengthen existing and develop new Programme for Country Partnerships (PCPs) with a view to implementing more projects, for example, on agri-food industry, food security, industrial upgrading and adding value to products with high export potential. The Group urges UNIDO to remain resolute in developing concrete and result-oriented partnerships with funding partners and recipient countries to effectively implement national programmes, Country Programmes (CPs) and PCPs.
11. The Group acknowledges the efforts regarding the establishment of 34 new or updated partnerships with the private sector, facilitating collaboration, availing knowledge-sharing, transfer of technology and resource mobilization for impactful projects and underscores the significance of public-private cooperation in advancing sustainable development goals. We also encourage UNIDO to continue strengthening partnerships, cooperation, knowledge-sharing and transfer of technology through North-South, South-South, and triangular cooperation.
12. The Group also reaffirms the importance of guaranteeing predictable, sufficient, and varied funding to support the organization's long-term financial sustainability. We encourage UNIDO to continue exploring innovative and diversified funding sources. In this regard, the Group takes note of the launch of the Transformation Pathways Fund and IFETAA programme, requests further information on the impact, implementation and progress of these initiatives, while stressing the need to expand the scope of beneficiaries.
13. The Group underscores trade and investment restrictive measures that undermine global trade order and global supply chain, diminish the benefits of trade, and weaken competitiveness hamper the efforts of Member States to diversify and modernize their industrial sectors and negatively affect multilateral cooperation.
14. The Group remains strongly convinced that upholding multilateralism, including supporting an effective United Nations development system and avoiding the promulgation and imposition of any unilateral coercive measures and protectionist actions on developing countries not in accordance with international law and the Charter of the United Nations, is essential to improve solidarity and international cooperation framework, safeguard the legitimate interests of all Member States, and reinforce capabilities to attain the Sustainable Development Goals.
15. The Group reiterates its long-standing request for improvements in the equitable geographical distribution of UNIDO personnel, especially at senior and management levels. We again request an update on the impact of structural reforms within the Secretariat, including their influence on staff morale and geographic representation. We believe that equitable distribution is essential to reflect the diversity of Member States and foster greater inclusion.
16. The Group welcomes the ongoing collaboration between the Kingdom of Saudi Arabia and UNIDO regarding the preparations of the twenty-first session on the General Conference to be held in Riyadh from 23 till 27 November 2025.

Thank you, Chair.