



**Statement of the Group of 77 and China
during the 21st session of the UNIDO General Conference,
Riyadh, Saudi Arabia, 23 - 27 November 2025,
delivered by H.E. Azzeddine Farhane,
Ambassador and Permanent Representative of Morocco**

General debate

Mr. President, H.E. Mr. Bandar bin Ibrahim Al-Khorayef, Minister of Industry and Mineral Resources of the Kingdom of Saudi Arabia.

1. At present, the global economy 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, such as conflicts, natural resource accessibility and scarcity, global debt crisis, decline in development financing and impacts of climate change. In this regard, the Group recognizes the unique role UNIDO plays in addressing these challenges within the United Nations system through the realization of inclusive and sustainable industrial development and reaffirms the importance of UNIDO's contributions towards accelerating the achievement of SDG 9, especially in developing countries.

2. 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.

3. The Group takes note of the Medium-Term Programme Framework (2026–2029), a living document subject to further consultations with Member States, and emphasizes that the strategic as well as the cross-cutting priorities shall be realized in accordance with the Constitution of UNIDO to implement its core mandate of supporting Member States' interests and priorities related to inclusive and sustainable industrial development.

4. The Group underscores the great importance it attaches to all the initiatives, activities, and programmes implemented or planned by the Organization, and emphasizes that these programmes shall aim at, among others, enhancing digitalization and innovation, increasing job opportunities, advancing economic competitiveness and market access, attaining food security, advocating fair, productive, resilient and sustainable supply chains, intensifying industrial localization, strengthening regional integration, safeguarding the environment. The Group urges UNIDO to promote industrial diversification, which is fundamental to sustain economic growth and minimize the risks of over-reliance on just few sectors, especially in the midst of global economic uncertainties.

5. The Group encourages UNIDO to strengthen and increase its work focused on expanding and adding value to agricultural production processing, including through facilitating investments to build infrastructure and improve mechanization, technology adoption and modernization,

improving access to finance, enhancing food processing technologies and value addition, strengthening agricultural value chains, and reducing post-harvest losses.

6. The Group recognizes that policies which strengthen industrial linkages to downstream sectors are essential for many Member States to increase export revenue, create high-skilled jobs, and enhance the resilience of regional and global value chains, including with regard to adding value to critical minerals. Therefore, the Group calls upon UNIDO to continue supporting the promotion and strengthening of linkages to downstream sectors.

7. The Group is convinced that the ubiquity of digital technologies and Artificial Intelligence can enable rapid transformations and accelerate progress in industrial development. Furthermore, the Group recognizes the importance of bridging the digital divide among nations and industries, ensuring that no one is left behind in the AI revolution. The Group highlights UNIDO's significant role in the further adoption of digital technologies, innovation and AI, especially by the industries in developing countries, including MSMEs and other businesses in the informal economy sector. The Group urges UNIDO to continue giving special emphasis to support developing countries in this regard, including through the Global Alliance on Artificial Intelligence for Industry and Manufacturing.

8. The Group supports UNIDO's strategy in tackling climate change and takes note of its action plan. The Group welcomes UNIDO's work to help developing countries in availing adequate, sustainable and predictable financing as well as in obtaining clean and innovative technologies, in order to enable their participation in carbon markets, to boost affordable and just transition to renewable energy, to provide a platform for investment mobilization and climate partnerships and to foster South-South, North-South and triangular cooperation for the transfer, early adoption and implementation of climate related technologies and innovations, in accordance with their national policies and priorities.

9. The Group expresses its grave concern regarding the introduction of environment and climate change-related trade-restrictive measures, including border carbon taxes mechanisms, which severely affect the smooth flow of industrial exports of developing countries. In this regard, the Group calls upon UNIDO to support developing countries in addressing such measures.

10. The Group reaffirms the benefits of integrating circular economy in national industrial policies, in accordance with national plans and priorities. The Group recognizes that circular economy offers a promising and essential approach in addressing some of the most pressing global challenges. 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.

11. 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 regard 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 gender balance and the GEEW-related results and targets.

12. 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 the Programme for Country Partnership (PCPs). The Group welcomes the PCPs as UNIDO's innovative model for accelerating inclusive and sustainable industrial development in Member States, while taking into account their industrial-related needs and priorities.

13. The Group expresses support for UNIDO's tailored regional strategies in responding to the industrial development needs of its Member States, taking into account the unique requirements and goals of each group of countries.

14. The Group supports UNIDO in expeditiously developing the implementation plan of its Operational Strategy for the Least Developed Countries 2022-2031, in close consultation with Member States, and in synergy with the UNIDO Strategy for Africa 2023-2025 as well as other relevant UNIDO strategic frameworks and policies, to foster global solidarity and international cooperation.

15. The Group welcomes the call for a Fourth Industrial Development Decade for Africa and urges development partners and donors to support UNIDO's related-activities, including building partnerships with the private and public sectors, donors, and United Nations and its specialized agencies as well as all the relevant international and African organizations to contribute towards implementation of industrial development projects in Africa.

16. The Group echoes the call of the Middle-Income Countries (MICs) for a more nuanced and multidimensional classification system moving beyond GDP, since such a holistic system of measurement would reflect a more accurate illustration of countries' development hence enabling them and the international community to take effective climate action, share technology, and provide access to finance. Against this backdrop, the Group stresses the importance of considering the significant challenges and realities of MICs on how to achieve the SDGs. Furthermore, the Group welcomes the High-Level Ministerial Conferences on MICs, held in Rabat in February 2024 and in Manila in April 2025, takes note of the Rabat Declaration and the Makati Declaration, and encourages UNIDO to support the implementation of the recommendations contained in the declarations, bearing in mind the MICs' unique challenges and that 104 UNIDO Member States are currently classified as MICs according to the World Bank.

17. The Group welcomes the 80th anniversary of the founding of the United Nations and reaffirms its commitment to the international system with the United Nations at its core, while emphasizing the importance of adhering to the principles of sovereign equality, territorial integrity and non-intervention in the domestic affairs of Member States as well as promoting a people-centered approach.

18. 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.

19. 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.

20. The Group welcomes the significant increase in resource mobilization and technical cooperation delivery in 2023 and 2024, reflecting UNIDO's increased contribution in the attainment of national industrial-related objectives, particularly in developing countries, and donors' sustained confidence in UNIDO's capacity to drive sustainable development. In this regard, the Group notes that there is an increasing cash balance for technical cooperation, which augurs well for the Organization's future implementation.

21. The Group takes note of the proposed Programme and Budget 2026-2027 and welcomes the adjustments made to the initial programme and budgets proposals, resulting in the recommendation to adopt a zero real growth budget, without sacrificing the quality of service delivered, particularly in the area of technical cooperation.

22. The Group urges UNIDO to continue enhancing the mobilization of all necessary resources to facilitate capacity building, technical assistance, transfer of technology, as well as the provision of development financing to MSMEs. In this regard, the Group encourages UNIDO to 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.

23. The Group acknowledges the efforts regarding the establishment of many new and 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.

24. The Group takes note of the Reports of the External Auditors for 2023 and 2024 as well as the internal oversight reports. The Group welcomes in this regard the acknowledgement by the Director General of the findings of the External Auditors' reports and takes note of the progress in implementing the recommendations and the management action plans since the 53rd session of the Industrial Development Board. The Group strongly urges UNIDO to strengthen its efforts to improve its rate of compliance with the recommendations of the External Auditor, to carry out all the external and internal auditors' recommendations and to continue reporting to the Member States on the matter. We look forward to continuous improvement of the Organization's operations and the sound management of its resources.

25. The Group takes note of the efforts of the Secretariat regarding the search for efficiency, savings, including full cost recovery, modernizing operations through digitalization, automation and artificial intelligence, and streamlining key processes across finance, procurement, human resources and travel management, with the aim to enhance accuracy, decrease processing times and reduce costs. The Group encourages UNIDO to continuously optimize internal and human resources management, increase transparency and accountability, improve organizational efficiency and effectiveness, rationalize the use of resources, and minimize the financial pressure on Member States.

26. The Group reiterates its long-standing request for improvements in the equitable geographical distribution of UNIDO personnel, especially at senior and management levels. The

Group further reiterates its request for an update on the impact of structural reforms within the Secretariat, including their influence on staff morale and geographic representation. The Group believes that equitable distribution is essential to reflect the diversity of Member States and foster greater inclusion. The Group requests the Director General to provide at the earliest a progress report on this matter.

27. The Group further requests the Director General to continue holding discussions with all former Member States to encourage them to rejoin the Organization.

28. In conclusion, the Group of 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 inclusive and sustainable industrial development in Member States, especially developing countries.

Thank you, Mr. President.
