

**Statement by the African Group at the 13th Session of
the General Conference of UNIDO**

7-11 December 2009

**Delivered by
H.E. Kiala Gabriel,
Deputy Minister of Industry
of the Republic of Angola**

Item 7: Annual reports of the Director General on the activities of the organization for 2007 and 2008

Mr. President,

3. The African Group welcomes the Annual reports of the Director-General for 2007 and 2008, contained in documents - GC.13 IDB. 34/2 /IDB.36/2 - which covers the activities of the Organization in the promotion of sustainable industrial development.

4. The Group notes with satisfaction the continued management improvements with innovations undertaken over the past years, that ensure the introduction and implementation of structures and consequently facilitating an increase on effectiveness of business processes, transparency and accountability. It also allowed a more consistent and harmonized approach of project design, implementation modalities, as well as incorporation of monitoring, reporting and evaluation mechanisms.

5. Regarding the performance indicators contained in the reports, the Group notes with appreciation that Africa remains the focus of UNIDO's Technical cooperation, and encourages the Secretariat to continue its efforts in the three thematic priority areas, particularly, Poverty Reduction through Productive Activities.

6. The Group welcomes the maintenance of the excellent fund-raising scheme for the Technical cooperation delivery that amounted to 123.6 million USD compared to 117.3 million USD achieved the previous year. Therefore, we considered this is a clear message of confidence of all Members States in the work performed by the Director-General and his staff.

7. The Group would like to reiterate its full support for the projects undertaken by UNIDO to promote South-South cooperation and encourages more diversification on areas of action. The Group also welcomes the full commitment of the Organization to enhance the coherence, effectiveness and results-orientation on the United Nations system.

Agenda item 9: Forum on industrial development issues

8. The group takes note of the document GC.13/9 which indicates issues to be considered during the industrial development forum. The group believes that this forum which deals with Global Economic Slowdown and economic recovery will enhance UNIDO's role in addressing the challenges facing Africa, especially with the negative effects of the global crises on least developed and developing countries in Africa. The group believes that these discussions are of utmost importance, thus contributing in the global debate with the perspective of finding the appropriate solutions not only for global economic recovery but also for assuring sustainable development in Africa.

9. The group also supports the regional round tables that are planned to be held during this General conference. The African round table that will deal with sustainable bio fuels industries in Africa is a very pertinent topic to explore bio fuels potential in Africa in a sustainable and competitive way. The group believes that the high level participation in the round tables will result in fruitful discussions.

Agenda item (10): Financial situation of UNIDO and Scale of Assessments of Members States

Mr. President,

10. The African Group takes note of document GC 13/12 on the financial situation as at 30 September 2009, including the Scale of Assessments of Member States.

11. The Group welcomes the information that a total of 81 Member States, including 11 least developed countries (LDCs), have already made full payments for their assessed contributions for the year 2009, but still concerned that other Member States have yet to fulfil their obligations.

12. The Group also welcomes the progress made in the collection of assessed contributions between January and September 2009 that reached the amount of € 69.72 millions.

13. The Group is concerned that the amount of outstanding contributions remains high. Therefore the Group calls, once again, upon former Member States that have not yet paid their assessed contributions to UNIDO to fulfil their financial obligations as arrears. In this regard, the Group encourages the Secretariat to pursue its efforts to collect these payments.

Item 10 (c): Working Capital Fund

14. The Group takes note of the conclusion 2009/6 of the PBC and of the document IDB.36/4 on the working capital Fund for the biennium 2010-2011 of UNIDO.

15. The African Group encourages Member States to continue to honour their financial obligations without delay, as to keep the same amount of 7,423,030 Euros for the biennium 2010-2011.

Item 10 (d): Accounting standards

16. The African Group takes note of document GC 13/10 reflecting the progress made by Secretariat on the Implementation of the International Public Sector Accounting Standards (IPSAS) since the last session of IDB 36.

17. The Group highlights the importance of the adoption of IPSAS by UNIDO in its financial management system. The Group believes its adoption will enhance the Organization's accountability and transparency through improved financial reporting, resulting in more efficient utilization of resources and enhanced financial management.

18. The Group takes note of the development of the work of UNIDO's Task Force on IPSAS Project. In this context, the group is inline with the evaluation presented by the Task Force in February 2009 which emphasised that human resources constraints and system-related issues constitute the two main risks affecting the implementation of IPSAS in UNIDO.

19. The African Group appreciates the tasks completed on IPSAS implementation, in particular, on property, plant and equipment, financial reporting in interests in joint ventures, intangibles assets, inventories, employee benefits and harmonization of financial regulations and rules. The Group encourages the Secretariat to finalize its action plans for 2009-2010 on this process.

Item 10 (e): Financial regulation

20. The African Group takes note of conclusion 2009/7 of the PBC and the information and recommendations regarding the financial regulation of UNIDO contained in document IDB.36/11.

21. The Group takes note of the proposed draft decisions in the above-mentioned documents on interim amendments to financial regulations of UNIDO deemed necessary for the IPSAS adoption effective 1 January 2010.

Item 10 (f) Appointment of an External Auditor

22. The Group would like to reiterate its support for Mr. Tanwir Agha, Auditor General of Pakistan on his reappointment for a second mandate as External Auditor of UNIDO.

Item 11: Regional Programmes for Africa

Mr. President,

23. The Group takes note of document GC.13/5/Add.1 on the implementation of the Medium term programme framework 2008-2011.

24. The Group appreciates the range of technical cooperation under implementation in the continent within the thematic area of poverty reduction through productive activities aiming to achieving the millennium development goals.

25. The Group notes with satisfaction the various activities related to agro-processing, leather production undertaken in a number of countries in the continent which are geared towards stimulating local

production capabilities and supporting the integration of marginal rural communities into the global market economy.

26. The Group appreciates the initiative undertaken by UNIDO to establish an e-learning platform on traceability, as well as the studies conducted on the topic “Africa and the Global Industrial Economy: Strategies for Prosperity” which were a follow up of the international conference on sharing innovative agri-business solutions which took place in Cairo in November 2008.

27. The Group also encourages UNIDO’s activities in trade-capacity building in particular the programmes to promote industrial upgrading and modernization developed in conjunction with Regional Economic Communities (RECs) in Africa within the framework of their Economic Partnership Agreements (EPAs) with the European Union.

28. The Group commends UNIDO for organizing Environmental and Energy International Conference with the African Union the Government of Senegal and German Ministry of Economic Cooperation, Dakar, Senegal April 2008. The Group would also like to commend the organization for initiating energy-related projects focusing on environmental and renewable energy programmes in encouraging the use of cleaner production practices to reduce waste stimulate efficiency gains and enhance quality improvements through the network of National Cleaner Production Centres (NCPCs) operated by UNIDO in collaboration with UNEP.

29. The African Group also encourages UNIDO to support the implementation of the Action Plan for Accelerated Industrial Development in Africa as proposed by the Summit of the African Union held in Addis Ababa in January 2008. The Group believes that the Conference of African Ministers of Industry (CAMI) is an important organ of the AU which is tasked with the industrialization of the continent. The Group appreciates UNIDO's continued support of CAMI and highlights the proposals arising from the 18th session of the Conference of African Ministers of Industry (CAMI) held in Durban, in October 2008, which reaffirmed the need to reinforce the industrialization process in the continent.

30. The Group also notes with satisfaction the joint declaration signed in August 2009 between UNIDO and the Egyptian government as well as South Africa as chair of the 18th session of CAMI for the purpose of creating industrial initiatives that lead to the realization of MDGs and promoting South-South cooperation.

Agenda Item N°12: Medium-Term Programme Framework, 2010-2013

Mr. President,

31. The African Group takes note of documents IDB.35/8 and IDB.35/8/Add.1 on proposals of the Director General for the medium-

term programme framework 2010-2013 and welcomes the response which focuses on the developing countries' needs regarding the MDG's challenges.

32. The Group supports the ongoing transition of UNIDO's programmatic services and administrative processes towards a result-based approach. It also supports the enhanced innovative features of the MTPF 2010-2013, notably the explicit link between industrial development and the three thematic priorities: "Industrial development for poverty reduction, inclusive globalization and environmental sustainability".

33. The Group welcomes the topics incorporated in UNIDO's programmatic agenda especially those related to the promotion of South-South cooperation in industrial development, youth employment, women empowerment, post war management, and renewable energy as well as energy access for poor.

34. The Group encourages UNIDO to promote private sector development, especially in industry which is the engine for economic growth and as it is a leading factor for achieving poverty reduction through productive activities. Regarding this matter, the Group encourages the organization to strengthen UNIDO's Regional Programme for Investment in Africa.

35. The Group encourages UNIDO to enhance the efficiency of the technical cooperation delivery.

Agenda item 14: Programs and budget

36. The African Group takes note of document GC.13/8 and Add.1, as well as document **IDB.36/12** and Add.1 related to the proposal of the Director General of UNIDO on the unutilized balances of appropriations and, would like to express the Group's full support to his proposal.

37. The Group appreciates the long term vision reflected in the Director General's proposal that enhances the effectiveness of the Organization and highlights the importance of a comprehensive change management approach that enables the organization to increase the delivery of its technical cooperation to developing countries. Furthermore, the Group supports the establishment of two dedicated Trust Funds, one for agro- industry promotion, and the other one for renewable energy.

38. In this regard the Group believes that it is not appropriate to intervene in the micro-management and the prerogatives of the Secretariat as contained in the Charter and procedure Rules of policymaking Organs of UNIDO

Agenda item 15: Cooperation agreement with UNDP

39. The African Group takes note of the information contained in document GC.13.6 and GC.13/7 regarding the joint terminal evaluation of the cooperation agreement between UNDP and UNIDO. The group also takes note of the three overarching findings highlighted by the joint evaluation team.

40. The Group encourages UNIDO to continue to expand its field representation within its resources as recommended by the evaluation team and to establish a review mechanism for its desks to add value to its programmes at country level.

41. The Group supports the formulation of a memorandum of understanding between UNDP and UNIDO that defines operational and administrative arrangements at the country level and is looking forward to be updated on the outcome

Agenda item 16: UNIDO activities in agro related industries and agri- business

42. The African Group takes note of the information contained in document GC.13/14 as well as the report of the President of the 36th session of the IDB on its decision 36/dec.16

43. The African Group appreciates the role UNIDO is playing in collaboration with FAO in addressing issues related to global food crisis. It also notes the opportunities available to the organization in Agro-Industries which can address the long term structural issues needed to enhance food security in the most affected countries and regions.

44. The Group in this regard would like to encourage UNIDO to enhance its collaboration with FAO with a view to stepping up technical cooperation in agro-related industries and agro-business ventures within the Member States.

17. UNIDO activities in the field of Energy and environment

Mr. President,

45. The African Group welcomes the inclusion of this agenda item for the current session of the General Conference. The Group's believes that South-South cooperation in the field of environmental management and renewable energy should be encouraged and supported by UNIDO, which spares no effort to develop a model of industrial development that is economically, environmentally and socially sustainable.

46. The African Group is concerned about energy poverty amongst developing countries and believes that improving access to energy is an important means of reducing poverty, creating productive activities that are sources of employment and income and it must be tackled by global action. Renewable energies are essential and should be part of the sustainable future of the planet and lasting industrial development.

Thank you