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Report of the Industrial Development Board on the work of its thirty-fourth session

(14-16 May 2008)

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Introduction

1. The report of the Industrial Development Board on the work of its thirty-fourth session is presented to the General Conference in accordance with Article 9.4 (c) of the Constitution. The summary records of the Board (IDB.34/SR.1-6), where the details of the proceedings are contained, form an integral part of the present report.

I. Organizational and procedural matters

2. The thirty-fourth session of the Board was held at UNIDO Headquarters, Vienna International Centre, from 14 to 16 May 2008 (6 plenary meetings – see IDB.34/SR.1-6).

Participation

3. All 53 members of the Board were represented at the session: Afghanistan, Algeria, Austria, Belgium, Bolivia, Burkina Faso, China, Colombia, Costa Rica, Côte d'Ivoire, Cuba, Czech Republic, Ecuador, Egypt, Ethiopia, France, Germany, Ghana, Greece, Guatemala, Hungary, India, Iran (Islamic Republic of), Ireland, Italy, Japan, Kenya, Libyan Arab Jamahiriya, Luxembourg, Mexico, Morocco, Nigeria, Norway, Pakistan, Paraguay, Philippines, Poland, Republic of Korea, Romania, Russian Federation, Saudi Arabia, South Africa, Spain, Sri Lanka, Sudan, Sweden, Switzerland, Syrian Arab Republic, Thailand, Tunisia, Turkey, United Kingdom of Great Britain and Northern Ireland, Uruguay.

4. The following 45 Member States of UNIDO also participated in the session: Albania, Angola, Argentina, Azerbaijan, Belarus, Belize, Brazil, Bulgaria, Cape Verde, Chile, Croatia, Cyprus, Democratic People's Republic of Korea, Dominican Republic, El Salvador, Finland, Gambia, Indonesia, Jordan, Kuwait, Lebanon, Lesotho, Lithuania, Malaysia, Malta, Mongolia, Montenegro, Namibia, Netherlands, Nicaragua, Oman, Panama, Peru, Portugal, Senegal, Serbia, Slovakia, Slovenia, the former Yugoslav Republic of Macedonia, Uganda, Ukraine, United Arab Emirates, Venezuela (Bolivarian Republic of), Yemen, Zimbabwe.

5. The Holy See participated as observer.

6. Palestine participated as observer.

7. The Sovereign Military Order of Malta participated as observer.

8. The following United Nations bodies were represented: United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations High Commissioner for Refugees (UNHCR).

9. The following United Nations specialized agencies and related organizations were represented: Food and Agriculture Organization of the United Nations (FAO), International Atomic Energy Agency (IAEA), World Trade Organization (WTO).

10. The following other intergovernmental organizations were represented: African Organization for Standardization (ARSO), European Commission,

International Centre for Genetic Engineering and Biotechnology (ICGEB), International Institute of Refrigeration (IIR), International Organization for Migration (IOM).

11. The following non-governmental organizations were represented: Association of Former United Nations Industry and Development Experts (AFIDE), Austrian Senior Experts Pool (ASEP), Global Outsourcing and Linkages (GOAL), International Congress of Industrialists and Entrepreneurs (ICIE), International Council of Women (ICW), International Federation for Information Processing (IFIP), International Organization of Employers (OIE), Soroptimist International (SI), World Association for Small and Medium Enterprises (WASME).

Opening of the session

12. The thirty-fourth session of the Board was declared open by the Acting President of the Board, Mr. L. A. Padilla Menéndez (Guatemala).

Officers of the session

13. In accordance with rule 23 of the rules of procedure, the Board elected by acclamation Mr. H. Bazoberry Otero (Bolivia) as President, Ms. K. Sinegiorgis (Ethiopia), Mr. A. Raiss Shaghghi (Islamic Republic of Iran) and Mr. G. Kemmerling (Germany) as Vice Presidents, and Ms. N. Vladulescu (Romania) as Rapporteur.

Agenda of the session

14. The Board adopted the following agenda:

1. Election of officers.
2. Adoption of the agenda.
3. Annual report of the Director-General for 2007 on the activities of the Organization.
4. Implementation of the medium-term programme framework, 2008-2011, including:
 - (a) South-South cooperation;
 - (b) Regional programme for Latin America and the Caribbean;
 - (c) UNIDO access to the Global Environment Facility.
5. United Nations system-wide coherence.
6. Financial situation of UNIDO.
7. Activities of the Evaluation Group.
8. Activities of the Joint Inspection Unit.
9. Number and duration of sessions.

10. Matters related to intergovernmental, non-governmental, governmental and other organizations.
11. Date and place of the thirteenth session of the General Conference.
12. Provisional agenda and date of the thirty-fifth session.
13. The global food crisis: UNIDO's response.
14. Adoption of the report.
15. The Board adopted a proposal by the President to ensure the maximum utilization of available conference-servicing resources (see annex I, decision IDB.34/Dec.1, IDB.34/SR.1, paras. 51 and 52).
16. The Board decided to set up informal in-session consultations with the aim of facilitating the drafting of decisions and entrusted Vice-President Mr. G. Kemmerling (Germany) to chair those consultations (see IDB.34/SR.2, paras. 1 and 2).

II. Annual report of the Director-General for 2007 on the activities of the Organization (item 3); Implementation of the medium-term programme framework, 2008-2011, including:

- (a) South-South cooperation;**
- (b) Regional programme for Latin America and the Caribbean;**
- (c) UNIDO access to the Global Environment Facility (item 4).**

17. The Board decided to discuss simultaneously items 3 and 4. The debate on these items is reflected in summary records IDB.34/SR.1, paras. 53 to 75, IDB.34/SR.2, paras. 3 to 57 and IDB.34/SR.3, paras. 2 to 11.

A. Annual report of the Director-General for 2007 on the activities of the Organization

18. Under item 3, the Board had before it the Annual Report of UNIDO 2007, including the programme performance report (IDB.34/2), and a note on the triennial comprehensive policy review (IDB.34/11). At the proposal of the President, the Board took note of the documentation provided (IDB.34/SR.5, paras. 7 and 8).

B. Implementation of the medium-term programme framework, 2008-2011, including:

- (a) South-South cooperation;**
- (b) Regional programme for Latin America and the Caribbean;**
- (c) UNIDO access to the Global Environment Facility (item 4).**

19. Under item 4, the Board had before it a report by the Director-General on implementation of the medium-term programme framework, 2008-2011, including South-South cooperation, regional programme for Latin America and the Caribbean and UNIDO access to the Global Environment Facility (IDB.34/6). At the proposal of the President, the Board took note of the documentation provided (IDB.34/SR.5, paras. 7 and 8).

III. The global food crisis: UNIDO's response (item 13)

20. Under item 13, the Board took note of the entry contained in the revised annotated agenda. The debate on the item is reflected in summary record IDB.34/SR.3, paras. 12 to 74. The Board considered a draft decision submitted by the President (IDB.34/L.4) and adopted decision IDB.34/Dec.6 (see annex I).

IV. Date and place of the thirteenth session of the General Conference (item 11)

21. Under item 11, the Board had before it a report by the Director-General on the date and place of the thirteenth session of the General Conference (IDB.34/9). The debate on this item is reflected in summary records IDB.34/SR.3, paras. 75 to 79 and IDB.34/SR.4, paras. 1 to 6. The Board considered a draft decision submitted by the President (IDB.34/L.5) and adopted decision IDB.34/Dec.5 (see annex I).

V. United Nations system-wide coherence (item 5)

22. Under item 5, the Board had before it a report by the Director-General on United Nations system-wide coherence (IDB.34/7). The debate on this item is reflected in summary record IDB.34/SR.4, paras. 7 to 58. The Board considered a draft decision submitted by the President (IDB.34/L.6) and adopted decision IDB.34/Dec.7 (see annex I).

VI. Financial situation of UNIDO (item 6)

23. Under item 6, the Board had before it a report by the Director-General on the financial situation of UNIDO (IDB.34/8) and a conference room paper with updated information on the financial situation of UNIDO (IDB.34/CRP.2). The debate on this item is reflected in summary record IDB.34/SR.4, paras. 59 to 70. The Board

considered a draft decision submitted by the President (IDB.34/L.2) and adopted decision IDB.34/Dec.2 (see annex I).

VII. Activities of the Evaluation Group (item 7); Activities of the Joint Inspection Unit (item 8)

24. The Board decided to discuss simultaneously items 7 and 8. The debate on these items is reflected in summary record IDB.34/SR.4, paras. 71 to 99.

A. Activities of the Evaluation Group

25. Under item 7, the Board had before it a note by the Secretariat on evaluation activities of UNIDO (IDB.34/5). The Board considered a draft decision submitted by the President (IDB.34/L.3) and adopted decision IDB.34/Dec.3 (see annex I).

B. Activities of the Joint Inspection Unit

26. Under item 8, the Board had before it a report by the Director-General on the activities of the Joint Inspection Unit (IDB.34/4). At the proposal of the President, the Board took note of the documentation provided (IDB.34/SR.5, paras. 13 and 14).

VIII. Number and duration of sessions (item 9)

27. Under item 9, the Board had before it two notes by the Secretariat on the number and duration of sessions (IDB.32/9 and IDB.33/11). The debate on this item is reflected in summary record IDB.34/SR.4, paras. 100 to 113. At the proposal of the President, the Board took note of the documentation provided (IDB.34/SR.5, paras. 15 and 16).

IX. Matters related to intergovernmental, non-governmental, governmental and other organizations (item 10)

28. Under item 10, the Board had before it a note by the Director-General on applications from non-governmental organizations for consultative status (IDB.34/10). The debate on this item is reflected in summary record IDB.34/SR.4, paras. 114 to 117. The Board considered a draft decision submitted by the President (IDB.34/L.8) and adopted decision IDB.34/Dec.4 (see annex I).

X. Provisional agenda and date of the thirty-fifth session (item 12)

29. Under item 12, the Board had before it a note by the Director-General on the provisional agenda and date of the thirty-fifth session (IDB.34/CRP.3). The Board considered a draft decision submitted by the President (IDB.34/L.7) and adopted

decision IDB.34/Dec.8 (see annex I). For a statement made in connection with the adoption of the decision, see summary record IDB.34/SR.6, para. 5.

XI. Adoption of the report (item 14)

30. Under item 14, the Board considered the draft report (IDB.34/L.1) and adopted it as a whole with the understanding that the Rapporteur would be entrusted with the task of finalizing the report (see summary record IDB.34/SR.6, paras. 6 to 8).

XII. Closure of the session

31. On 16 May 2008, at 5.25 p.m., the Board adjourned its thirty-fourth session (see IDB.34/SR.6, para. 11) and decided to resume its thirty-fourth session on 2 September 2008, for the sole purpose of considering the date and place of the thirteenth session of the General Conference, as reflected in decision IDB.34/Dec.5, para. f (ii) (see annex I).

Annex I**Decisions adopted by the Board at its thirty-fourth session**

Decision No.	Title	Page
IDB.34/Dec.1	Utilization of available conference-servicing resources	10
IDB.34/Dec.2	Financial situation of UNIDO	10
IDB.34/Dec.3	Activities of the Evaluation Group	10
IDB.34/Dec.4	Application from non-governmental organization for consultative status	10
IDB.34/Dec.5	Date and place of the thirteenth session of the General Conference	11
IDB.34/Dec.6	The global food crisis: UNIDO's response	11
IDB.34/Dec.7	United Nations system-wide coherence	11
IDB.34/Dec.8	Provisional agenda and date of the thirty-fifth session	12

IDB.34/Dec.1 Utilization of available conference-servicing resources

The Industrial Development Board, with the aim of utilizing the available conference-servicing resources to the maximum extent possible, decided to suspend with immediate effect rule 32 of its rules of procedure relating to the quorum, for the meetings of its thirty-fourth session only, provided no substantive decisions were taken at those meetings.

*1st plenary meeting
14 May 2008*

IDB.34/Dec.2 Financial situation of UNIDO

The Industrial Development Board:

- (a) Took note of the information provided in document IDB.34/8;
- (b) Urged those Member States and former Member States that had not yet paid their assessed contributions, including advances to the Working Capital Fund and prior years' arrears, to do so without delay;
- (c) Requested the Director-General to pursue his efforts and contacts with Member States and former Member States to effect the collection of arrears.

*5th plenary meeting
16 May 2008*

IDB.34/Dec.3 Activities of the Evaluation Group

The Industrial Development Board:

- (a) Recalled its decisions IDB.29/Dec.7 and IDB.31/Dec.7;
- (b) Reiterated its support to the evaluation function for accountability, organizational learning and contribution to results-based management;
- (c) Encouraged the initiation of broader, results-based programme evaluations and the incorporation of feedback on lessons learned into management and strategic planning processes.

*5th plenary meeting
16 May 2008*

IDB.34/Dec.4 Application from non-governmental organization for consultative status

The Industrial Development Board:

- (a) Took note of the information contained in document IDB.34/10;
- (b) Decided, in accordance with Article 19.1 (b) of the Constitution and the guidelines for the relationship of UNIDO with intergovernmental, governmental, non-governmental and other organizations (General Conference GC.1/Dec.41, annex, para. 17), to grant consultative status with UNIDO to the following non-governmental organization:

Forum Francophone des Affaires (FFA).

*5th plenary meeting
16 May 2008*

IDB.34/Dec.5 Date and place of the thirteenth session of the General Conference

The Industrial Development Board:

(a) Recalled rule 4 and rule 8 of the rules of procedure of the General Conference relating to the venue of regular sessions of the Conference;

(b) Also recalled Article 8 (2) (b) and Article 8 (4) of the Constitution of UNIDO;

(c) Recognized that the primary objective of UNIDO is to contribute to industrialization of developing countries;

(d) Took note of the report by the Director-General on the date and place of the thirteenth session of the General Conference as contained in document IDB.34/9;

(e) Took note with appreciation of the kind offer of the Federal Republic of Nigeria to host the thirteenth session of the General Conference of UNIDO in Abuja, from 7 to 11 December 2009;

(f) Requested the Director-General:

(i) To undertake the necessary consultations with the Federal Government of Nigeria with particular regard to the financial implications deriving from holding the thirteenth session of the General Conference in Abuja;

(ii) To submit a report on the result of his consultations in this regard to a resumed thirty-fourth session of the Industrial Development Board on 2 September 2008 for decision.

*5th plenary meeting
16 May 2008*

IDB.34/Dec.6 The global food crisis: UNIDO's response

The Industrial Development Board:

(a) Considered that the current global food crisis is a serious and complex challenge which particularly affects the world's poor;

(b) Requested the Director-General:

(i) To prepare a report by mid-September 2008 on how UNIDO can best contribute to a system-wide solution of the global food crisis and present it at an informal meeting of Member States;

(ii) To include in the provisional agenda of the next Board session in early December 2008 an item for further discussion of this important issue.

*5th plenary meeting
16 May 2008*

IDB.34/Dec.7 United Nations system-wide coherence

The Industrial Development Board:

- (a) Took note of the information provided in document IDB.34/7;
- (b) Appreciated the initiative taken by UNIDO in hosting the March 2008 event on “United Nations system-wide coherence: the next steps” as a positive contribution to the ongoing discussions on United Nations system-wide coherence;
- (c) Underlined the importance of UNIDO’s continued active participation in the “Delivering as One” initiative in the pilot countries in line with United Nations General Assembly resolution 62/208 on the triennial comprehensive policy review of operational activities for development of the United Nations system;
- (d) Encouraged the Director-General to continue to participate actively in the ongoing discussions on United Nations system-wide coherence in line with resolution GC.12/Res.6 and to keep Member States informed thereof.

*6th plenary meeting
16 May 2008*

IDB.34/Dec.8 Provisional agenda and date of the thirty-fifth session

The Industrial Development Board:

- (a) Took note of the information contained in document IDB.34/CRP.3;
- (b) Decided to approve the following provisional agenda for its thirty-fifth session;
 - 1. Adoption of the agenda.
 - 2. Report of the Programme and Budget Committee:
 - (a) Report of the External Auditor, financial performance report and programme performance report for the biennium 2006-2007;
 - (b) Financial situation of UNIDO;
 - (c) Accounting standards;
 - (d) Mobilization of financial resources;
 - (e) Medium-term programme framework, 2010-2013.
 - 3. Implementation of the medium-term programme framework, 2008-2011.
 - 4. Cooperation Agreement with the United Nations Development Programme.
 - 5. Global food crisis: UNIDO’s response.
 - 6. United Nations system-wide coherence.
 - 7. Personnel matters.
 - 8. Number and duration of sessions.
 - 9. Provisional agenda and date of the thirty-sixth session.
 - 10. Adoption of the report.
- (c) Decided to hold its thirty-fifth session from 2 to 4 December 2008.

*6th plenary meeting
16 May 2008*

Annex II

Documents submitted to the Board at its thirty-fourth session

<i>Symbol</i>	<i>Agenda item</i>	<i>Title</i>
IDB.34/1/Rev.1	2	Provisional agenda. Revision
IDB.34/1/Add.1/Rev.1	2	Annotated provisional agenda. Revision
IDB.34/2	3	<i>Annual Report of UNIDO 2007</i>
IDB.34/3	-	Lists of States included in Annex I to the Constitution of UNIDO. Note by the Secretariat
IDB.34/4	8	Activities of the Joint Inspection Unit. Report by the Director-General
IDB.34/5	7	Activities of the Evaluation Group. Note by the Secretariat
IDB.34/6	4	Implementation of the medium-term programme framework, 2008-2011, including South-South cooperation, regional programme for Latin America and the Caribbean and UNIDO access to the Global Environment Facility. Report by the Director-General
IDB.34/7	5	United Nations system-wide coherence. Report by the Director-General
IDB.34/8	6	Financial situation of UNIDO. Report by the Director-General
IDB.34/9	11	Date and place of the thirteenth session of the General Conference. Report by the Director-General
IDB.34/10	10	Applications from non-governmental organizations for consultative status. Note by the Director-General
IDB.34/11	3	The triennial comprehensive policy review. Report by the Director-General
IDB.33/11	9	Number and duration of sessions. Note by the Secretariat
IDB.32/9	9	Number and duration of sessions. Note by the Secretariat
Conference room papers		
IDB.34/CRP.1	2	List of documents
IDB.34/CRP.2	6	Status of assessed contributions. Note by the Secretariat
IDB.34/CRP.3	12	Provisional agenda and date of the thirty-fifth session. Note by the Director-General
IDB.34/CRP.4	-	List of staff of the UNIDO Secretariat. Submitted by the Secretariat
IDB.34/CRP.5	-	List of participants