



# United Nations Industrial Development Organization

Distr.: General  
4 March 2009

Original: English

---

## Programme and Budget Committee

Twenty-fifth session

Vienna, 5-7 May 2009

Item 2 of the provisional agenda

### Adoption of the agenda

## Annotated provisional agenda

### Opening of the session

In accordance with rule 17.2 of the rules of procedure (UNIDO/4), the twenty-fifth session of the Programme and Budget Committee will be opened by the head of the delegation from Indonesia.

#### Item 1. Election of officers

In accordance with rule 17.1, each year, at the commencement of its regular session, the Committee shall elect from among the representatives of its members a Chairman and three Vice-Chairmen, and from among the delegations of its members a Rapporteur. Rule 17.3 stipulates that the offices of the Chairperson, the three Vice-Chairpersons and the Rapporteur shall be subject to equitable geographical rotation within a five-year cycle in accordance with appendix A to the rules of procedure. According to that appendix, the Chairman of the twenty-fifth session should be elected from members of the Committee from States in List D, and the three Vice-Chairmen from African States in List A, Asian States in List A and States in List C. The Rapporteur should be elected from members of the Committee from the States in List B.

#### Item 2. Adoption of the agenda

A provisional agenda for the twenty-fifth session, prepared by the Director-General in consultation with the Chairperson of the Committee in accordance with rules 8 and 9 of the rules of procedure, is submitted to the Committee for adoption in document PBC.25/1 as stipulated in rule 12.

For reasons of economy, this document has been printed in a limited number. Delegates are kindly requested to bring their copies of documents to meetings.

V.09-81240 (E)



The Committee will have before it:

- Provisional agenda (PBC.25/1)
- Annotated provisional agenda (PBC.25/1/Add.1)
- List of documents (PBC.25/CRP.1)

**Item 3. Interim report of the External Auditor, including the implementation of recommendations of the External Auditor for the biennium 2006-2007; financial performance report and programme performance report for the biennium 2008-2009**

At its twenty-sixth session, the Board requested the External Auditor to submit each year in time for the Committee session, a short interim report on the activities carried out by the External Auditor and any recommendations resulting therefrom (IDB.26/Dec.2, para. (h) (ii)). Furthermore, in decision IDB.35/Dec.2 on the report of the External Auditor for the period 2006-2007, the Board, inter alia, requested the Director-General to continue implementing the recommendations of the External Auditor and to report thereon to the Board at its thirty-sixth session. The interim report of the External Auditor will include the Director-General's observations on the implementation of the recommendations of the External Auditor.

Financial regulation 10.6 stipulates that, at the beginning of the second calendar year of each fiscal period, the Director-General shall submit to the Committee an interim financial report on significant financial developments that have affected the Organization during the first calendar year of the fiscal period concerned.

Furthermore, the Committee in its conclusion 1987/19 requested the Director-General to submit each year to the Board through the Committee, a clear and detailed financial performance report itemizing the utilization of financial resources, as well as a programme performance report describing the level of programme implementation. Subsequently, upon recommendation of the Committee and the Board, the General Conference requested the Director-General to incorporate fully in the annual reports the programme performance report for the relevant period (GC.4/Res.2). Thus, the *Annual Report of UNIDO 2008* contains the programme performance report for 2008. This information is supplemented by the financial statements, which continue to be issued as part of the interim financial performance report.

The Committee will have before it:

- Interim report of the External Auditor (PBC.25/8-IDB.36/8)
- Interim financial performance report for the biennium 2008-2009. Submitted by the Director-General (PBC.25/9-IDB.36/9)
- *Annual Report of UNIDO 2008* (including interim programme performance report for the biennium 2008-2009) (PBC.25/2-IDB.36/2)

**Item 4. Financial situation of UNIDO**

The report by the Director-General to the Board at its thirty-fifth session (IDB.35/5), amended through a note by the Secretariat (IDB.35/CRP.2), covered a

wide range of issues within the context of the financial situation. That information will be updated in a document submitted to the present session.

The Committee will thus have before it:

- Financial situation of UNIDO. Report by the Director-General (PBC.25/5-IDB.36/5)

#### **Item 5. Programme and budgets, 2010-2011**

In accordance with Articles 14.1 and 14.2 of the Constitution, the Director-General shall prepare and submit to the Board through the Committee, a draft programme of work for the following fiscal period, together with the corresponding estimates for those activities to be financed from the regular budget. The Director-General shall, at the same time, submit proposals and financial estimates for those activities to be financed from voluntary contributions to the Organization. The Committee shall consider the proposals of the Director-General and submit to the Board its recommendations on the proposed programme of work and corresponding estimates for the regular budget and the operational budget. Such recommendations of the Committee shall require a two-thirds majority of the members present and voting.

The Committee will have before it:

- Programme and budgets, 2010-2011. Proposals of the Director-General (PBC.25/7-IDB.36/7)
- Unutilized balances of appropriations. Note by the Director-General (PBC.25/12-IDB.36/12)

#### **Item 6. Scale of assessments for apportionment of the regular budget expenses for the biennium 2010-2011**

The General Conference at its thirteenth session will need to establish a scale of assessments for the years 2010 and 2011. In accordance with Article 10.4 (b) of the Constitution, the Committee shall prepare the draft scale of assessments for regular budget expenditures, for submission to the Board. Article 15.2 of the Constitution stipulates that the scale of assessments shall be based to the extent possible on the scale most recently employed by the United Nations. The Committee will be provided with the latest information concerning the United Nations scale of assessments applicable for the years 2010 and 2011 and any adjustments that might be required for UNIDO.

The Committee will thus have before it:

- Scale of assessments for the fiscal period 2010-2011. Note by the Secretariat (PBC.25/3-IDB.36/3)

#### **Item 7. Working Capital Fund for the biennium 2010-2011**

In accordance with financial regulation 5.4 paragraph (a), the Committee should recommend to the Board the amount and purposes of the Working Capital Fund for the biennium 2010-2011. At its twelfth session, the General Conference decided (GC.12/Dec.13) that the level of the Working Capital Fund should remain at €7,423,030 and that the authorized purposes of the Fund for the biennium 2008-

2009 should remain the same as for the biennium 2006-2007, i.e. as stipulated in decision GC.2/Dec.27, paragraph (b).

The Committee will thus have before it:

- Working Capital Fund for the biennium 2010-2011. Proposals by the Director-General (PBC.25/4-IDB.36/4)

#### **Item 8. Accounting standards**

At its twelfth session, the General Conference decided that UNIDO adopt the International Public Sector Accounting Standards (IPSAS), effective 1 January 2010, as part of the United Nations system-wide adoption of those Standards (GC.12/Dec.14).

In accordance with a related decision (IDB.33/Dec.5), the Board at its thirty-third session, requested that the policymaking organs be kept informed of developments relevant to UNIDO with respect to IPSAS.

The Committee will thus have before it:

- International Public Sector Accounting Standards. Progress report by the Secretariat (PBC.25/6-IDB.36/6)

#### **Item 9. Financial regulations**

As indicated in document IDB.33/5-PBC.23/5, (paragraph 8), changes to the financial regulations of UNIDO, arising as a consequence of the adoption of IPSAS, will be presented through the Programme and Budget Committee and the Industrial Development Board for approval by the General Conference in 2009.

The Committee will thus have before it:

- Financial regulations of UNIDO. Note by the Secretariat (PBC.25/11-IDB.36/11)

#### **Item 10. Mobilization of financial resources**

The *Annual Report of UNIDO 2008* provides information on the mobilization of financial resources during that year.

The Committee will have before it:

- Information on the mobilization of financial resources, contained in the *Annual Report of UNIDO 2008* (PBC.25/2-IDB.36/2, chapter 1B)
- Projects approved under the Industrial Development Fund, trust funds and other voluntary contributions in 2008 (PBC.25/CRP.2)

#### **Item 11. Appointment of an External Auditor**

In accordance with financial regulation 11.1, an External Auditor, who shall be Auditor-General (or an officer exercising an equivalent function) of a Member State, shall be appointed in the manner and for the period decided by the General Conference. The Conference, by decision GC.12/Dec.15, decided to appoint the Auditor-General of Pakistan as the External Auditor of UNIDO for a period of two years, from 1 July 2008 to 30 June 2010.

---

In decision GC.6/Dec.18, the Conference requested the Director-General to invite proposals from Member States for the appointment of an External Auditor and to submit such proposals to the Committee for consideration. A report will be issued to the Committee concerning proposals received.

The Committee will have before it:

- Candidates for the appointment of an External Auditor. Report by the Director-General (PBC.25/10-IDB.36/10)

**Item 12. Date of the twenty-sixth session**

The following dates have been reserved for the policymaking organs of UNIDO in 2009 and 2010:

23-26 June 2009	Industrial Development Board, thirty-sixth session
7-11 December 2009	General Conference, thirteenth session
10-14 May 2010 (tentative)	Industrial Development Board, thirty-seventh session
6-10 September 2010 (tentative)	Programme and Budget Committee, twenty-sixth session
22-26 November 2010 (tentative)	Industrial Development Board, thirty-eighth session

**Item 13. Adoption of the report**

---