



# United Nations Industrial Development Organization

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## Industrial Development Board

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Item 5 (a) of the provisional agenda

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

## Programme and Budget Committee

Twenty-fifth session

Vienna, 5-7 May 2009

Item 3 of the provisional agenda

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

## Interim financial performance report for the biennium 2008-2009

Submitted by the Director-General

Itemizes the utilization of financial resources during the period 1 January–31 December 2008 in accordance with Programme and Budget Committee conclusion 1987/19.

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## Report by the Director-General

The interim financial report for the year 2008 is prepared and submitted in accordance with Article X of the financial regulations. The present report is based on the programme and budgets 2008-2009, as adopted by the General Conference at its twelfth session (decision GC.12/Dec.16), consisting of gross expenditures of €159,638,038, to be financed from assessed contributions in the amount of €154,623,038 and other income of €5,015,000.

The financial implementation of the approved programme and budgets is dependent on the actual level of cash resources available during the year, including the timing of payment of assessed contributions. Actual assessed contributions received and the amounts assessed in accordance with General Conference decisions for the last four years are shown below in millions of euros.

	2008		2007		2006		2005	
	€	%	€	%	€	%	€	%
Assessed contributions receivable	77.3	100.0	75.4	100.0	75.4	100.0	71.0	100.0
Assessed contributions received	72.3	93.6	69.1	91.7	70.6	93.7	63.7	89.8
Shortfall in collections	5.0	6.4	6.3	8.3	4.8	6.3	7.3	10.2

Following the trend in the recent years, I am pleased to report that the rate of collection of assessed contributions for the year 2008 was 93.6 per cent. The accumulated outstanding assessed contribution at period end was €43.8 million, excluding an amount of €1.2 million due from former Member States, leading to a substantial decrease from the previous year amount of €48.4 million. So far 11 Member States have entered into payment plan agreements to steadily reduce their arrears totalling €13.8 million of which six have successfully completed their obligations. As a result of the above, the number of Member States without voting rights has been reduced to 36 in December 2008 from 42 in December 2005. This is the lowest number recorded in UNIDO since 1992. I would strongly encourage those Member States having difficulties in meeting their financial obligations to contact the Secretariat to enter into payment plan negotiations.

The Organization continues to show healthy financial results, as evidenced by the increase in the overall cash balance at 31 December 2008 to €330.9 million from €286.5 million at previous year end. This augurs well for the Organization's financial stability.

The regular budget expenditures during the year 2008 amounted to €67.5 million or 86.0 per cent utilization of the €78.5 million gross approved expenditure budget. Actual collection of budgeted income amounted to €0.3 million government contribution to the cost of the field office network and €1.5 million under miscellaneous income against a budgeted amount of €0.9 million and €1.6 million, respectively.

In the operational budget, reimbursement for programme support costs amounted to €0.0 million during the reporting period. Expenditures were recorded in the amount of €0.3 million, resulting in an excess of expenditure over income in the amount of

€0.3 million. Consequently, the closing balance of the special account for programme support costs, i.e. the level of the operating reserve, including savings on cancellation of prior year obligations, was €6.46 million as compared to the opening balance of €6.53 million.

Expenditures under the regular budget were lower than the cash resources available, largely due to an under-spending of staff costs both because of a higher than budgeted vacancy level that prevailed during the year and lower-than-anticipated common staff cost ratios. The Organization has operated a structured recruitment plan since June 2006. However, the financial impact is showing only gradually. Total recorded operating costs were also lower than anticipated, mostly on account of lower personnel costs in the Buildings Management Service and delayed receipt of invoices for common services operated by the United Nations Office at Vienna (UNOV).

The technical cooperation delivery continued to record another increased performance during the year 2008 with an amount of US\$123.6 million expenditure. This is the highest level since 1992 and represents an increase of US\$6.3 million, or 5.4 per cent over the previous year, 2007.

As prescribed in the Constitution, UNIDO has three policymaking organs, namely the General Conference, the Industrial Development Board and the Programme and Budget Committee. The Member States of UNIDO meet once every two years at the General Conference, the supreme policymaking organ of the Organization. The Conference determines the guiding principles and policies, approves the budget and work programme of UNIDO. As the chief administrative officer of the Organization, I have the overall responsibility and authority to direct the work of the Organization. Measures taken in some key areas of organizational management are elaborated below.

Based on a self-assessment on the adoption of results-based management (RBM) in 2007, UNIDO prepared a plan for Organization-wide implementation of RBM. Following the approval of the plan by the Executive Board, the RBM Steering Committee, composed of staff of all levels across the Organization, provided guidance and support for the execution of the plan. As a consequence, a help desk and an online RBM resource centre were set up during 2008. Also, systematic training on RBM and the Logical Framework Approach for new staff has become an integral part of the professional development programme.

Following the decision of the General Conference (GC.12/Dec.14) on the adoption of the International Public Sector Accounting Standards (IPSAS) by UNIDO effective 1 January 2010, and its approval of the IPSAS implementation budget for 2008-2009, efforts are under way to make UNIDO IPSAS-compliant by the target date. The cross-organizational working groups especially established for this purpose are engaged in a number of parallel activities towards UNIDO's transition to IPSAS. Consequential improvements to business processes and systems, having implications across the Organization, are also being addressed simultaneously, during the IPSAS implementation. Once the transition is completed, IPSAS will enable UNIDO to produce transparent, consistent and comparable financial statements from 2010. While IPSAS impacts primarily the financial reporting of the Organization, comparable budget information will also be available to facilitate the stakeholders' understanding of the changes.

At the beginning of 2008, an Organization-wide Climate Team was formed, with the task of preparing a strategy enabling UNIDO to fulfil its commitments on climate neutrality. The overall goals of the strategy were to measure the Organization's greenhouse gas emissions, reduce them where possible, and offset any remaining emissions. The strategy, which was approved by the Executive Board in March was submitted to the Committee on Common Services (CCS) of the Vienna International Centre (VIC), with the suggestion that it serve as a basis for preparation of similar strategies of other VIC-based organizations. With the support from the City of Vienna, a preliminary energy audit of the VIC by an external party took place in September. The auditor's recommendations, which included heat recovery from air handling units with heat pumps, solar heating for hot water and optimisation of heat exchange systems, have been submitted to the CCS.

Ethics and accountability are vital to UNIDO credibility as an impartial United Nations organization with the highest standards of integrity; they are yet another key dimension of the coherence of the entire United Nations system. Ethics and accountability are not optional – they are the overarching principles governing the way we act, wherever we operate. They demand that we perform our duties in a transparent and fair manner, observing the Organization's rules and regulations. In this regard, draft policies on an UNIDO code of ethics, an UNIDO framework for financial disclosure and on whistleblower protection are in an advanced stage of finalization. These directives, intended to strengthen accountability and make the Organization's operations and programmes more efficient, are based on relevant policies and practices prevailing in the United Nations system and in other international organizations.

UNIDO remains fully committed to enhancing the coherence, effectiveness and results-orientation of the United Nations system. At the system-wide inter-agency level, UNIDO has been actively involved in the work of the Chief Executives Board for Coordination (CEB) and its subsidiary committees, which have been instrumental in coordinating system-wide coherence and agreeing on specific steps towards harmonization and simplification. Through active involvement in the United Nations reform process, including the Delivering as One initiative, UNIDO has introduced important changes to the way the Organization operates.

I wish to take this opportunity to express my appreciation to Member States and to donors for their financial support, and to all UNIDO staff for their contribution to the work of the Organization.

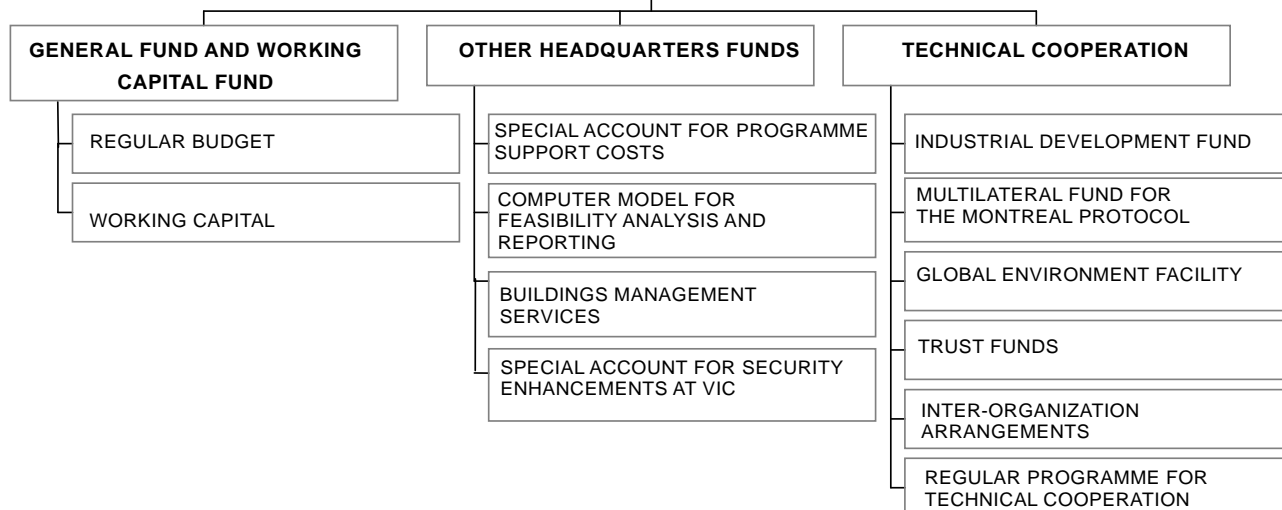
*[Signed]*  
Kandeh K. Yumkella  
Director-General

**CONSOLIDATED ACCOUNTS**

**FOR THE YEAR**

**2008**

**UNIDO ACCOUNTS**



## Introduction

1. In its conclusion 1987/19, paragraph (j), the Programme and Budget Committee requested the Director-General to submit each year to the Industrial Development Board through the Committee a clear and detailed financial performance report itemizing the utilization of financial resources.
2. The present financial report covers the period 1 January–31 December 2008 and is based on the appropriations contained in the programme and budgets 2008-2009, as adopted by the General Conference at its twelfth session (decision GC.12/Dec.16).

## **Financial statements for the 12-month period of the biennium 2008-2009 ended 31 December 2008**

### **Certification of financial statements**

#### **Director-General's responsibility**

The Director-General of the United Nations Industrial Development Organization is responsible for the preparation and integrity of the interim financial statements.

The financial statements have been prepared in accordance with the United Nations system Accounting Standards and Article X of the Financial Regulations of UNIDO and have used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and management's best estimates.

The Organization maintains systems of internal accounting controls, policies and procedures to manage risks and ensure the reliability of financial information, the safeguarding of assets and to identify possible irregularities.

The internal control systems and financial records are subject to reviews by the Office of Internal Oversight Services and the External Auditor during their respective audits and the management objectively reviews the recommendations made by them for further improving the internal control framework of the Organization.

All material transactions have been properly charged in the accounting records and are properly reflected in the appended financial statements I to IV. The statements disclose with reasonable accuracy the financial position of the Organization and of funds held in trust by it, the results of their operations and the changes in their financial position.

*[Signed]*  
Amita Misra  
Director, Financial Services Branch

*[Signed]*  
Kandeh K. Yumkella  
Director-General

Date: 19 March 2009



**Statement I**  
**STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN**  
**RESERVES AND FUND BALANCES**  
**for the year ended 31 December 2008**  
(In thousands of euros)

<i>Heading</i>	<i>General Fund and Working Capital Fund</i>		<i>Other Headquarters funds</i>		<i>Technical cooperation</i>		<i>Eliminations</i>		<i>Total 2008</i>	<i>Total 2006</i>
		<i>Note</i>		<i>Note</i>		<i>Note</i>	<i>Note 3.16</i>			
<b>INCOME</b>										
Assessed contributions	77,311.5	3.1							77,311.5	75,392.8
Supplementary assessments										
Voluntary contributions	268.4	3.2			101,211.7				101,480.1	69,521.8
<b>OTHER INCOME</b>										
Revenue-producing activities	30.1	3.3	8,873.9						8,904.0	9,712.3
Funds under inter-organizational arrangements					1,239.6				1,239.6	5,459.5
Jointly-financed activities			20,428.7				(2,904.7)		17,524.0	20,380.9
Income for services rendered			572.5				(49.5)		523.0	348.3
Interest income	1,518.1	3.4	1,120.7		1,588.8				4,227.6	4,282.2
Currency exchange adjustments	69.1	3.5	171.1	4.5	(86.7)	5.3	(28.5)		125.0	(822.9)
Miscellaneous income	669.1	3.6	37.5		(0.5)		(3.2)		702.9	376.5
<b>TOTAL INCOME</b>	<b>79,866.3</b>		<b>31,204.4</b>	<b>4.4</b>	<b>103,952.9</b>		<b>(2,985.9)</b>		<b>212,037.7</b>	<b>184,651.4</b>
<b>EXPENDITURE</b>										
Salaries and common staff costs	45,982.7		15,323.2		31,720.0		4,390.6		97,416.5	89,600.4
Operating costs and contractual services	15,441.6		14,724.7		18,656.0		(2,020.5)		46,801.8	51,748.2
Acquisitions					21,827.3		330.0		22,157.3	20,684.5
Fellowships					6,253.4		1,432.3		7,685.7	6,529.6
RPTC and SRA activities	6,100.2						(7,118.3)		(1,018.1)	1,568.7
Programme support costs			18.3		8,534.7				8,553.0	9,302.9
<b>TOTAL EXPENDITURE</b>	<b>67,524.5</b>		<b>30,066.2</b>	<b>4.4</b>	<b>86,991.4</b>		<b>(2,985.9)</b>		<b>181,596.2</b>	<b>179,434.3</b>
<b>EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>										
Prior biennium adjustments	(114.2)	3.7	(23.3)						(137.5)	(249.8)
Savings on cancellation of obligations from prior biennium	3,418.2	3.8	399.7						3,817.9	3,515.9
Provision for delays in the collection of contributions	7.0								7.0	(5,986.1)
<b>NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>	<b>15,652.8</b>		<b>1,514.6</b>	<b>4.4</b>	<b>16,961.5</b>				<b>34,128.9</b>	<b>2,497.1</b>
Transfers to reserves					146.5	5.4			146.5	3,529.7
Transfers from reserves	(995.4)	3.13							(995.4)	(1,798.9)
Transfers to donor accounts					87.9				87.9	(167.8)
Credits to Member States	(7,646.1)	3.15							(7,646.1)	(1,977.2)
Transfers to and from other funds										

<i>Heading</i>	<i>General Fund and Working Capital Fund</i>	<i>Other Headquarters funds</i>	<i>Technical cooperation</i>	<i>Eliminations</i>	<i>Total 2008</i>	<i>Total 2006</i>
	<i>Note</i>	<i>Note</i>	<i>Note</i>	<i>Note 3.16</i>		
Currency translation			751.2	5.5	751.2	(11,813.1)
Other adjustments to reserves and fund balances						
Reserves and fund balances, beginning of year	34,063.4	28,847.4	158,926.1		221,836.9	224,288.5
<b>RESERVES AND FUND BALANCES, END OF YEAR</b>	41,074.7	30,362.0	176,873.2		248,309.9	214,558.3

**Statement II**  
**STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCES**  
**as at 31 December 2008**  
(In thousands of euros)

<i>Heading</i>	<i>General Fund and Working Capital Fund</i>		<i>Other Headquarters funds</i>		<i>Technical cooperation</i>		<i>Total 2008</i>	<i>Total 2006</i>
		<i>Note</i>		<i>Note</i>		<i>Note</i>		
<b>ASSETS</b>								
Cash and term deposits	60,360.4		29,167.8		241,379.5	5.12	330,907.7	262,239.8
<b>Accounts receivable</b>								
Assessed contributions receivable from Member States	115,035.3	Sch. 1					115,035.3	118,945.7
Provision for delays in the collection of contributions	(109,969.2)	Sch. 1					(109,969.2)	(114,052.2)
Net assessed contributions receivable	5,066.1						5,066.1	4,893.5
<b>Voluntary contributions receivable</b>								
Other contributions receivable	34.3	Sch. 2			2,323.0		2,357.3	5,087.3
Interfund balances					451.4		451.4	5,970.7
Other	4,460.0	3.9	10,434.3	4.6	1,155.8	5.6	16,050.1	17,747.3
Other assets	532.7	3.10	15.3		5,336.2	5.7	5,884.2	7,240.7
<b>TOTAL ASSETS</b>	<b>70,453.5</b>		<b>39,617.4</b>		<b>250,645.9</b>		<b>360,716.8</b>	<b>303,179.3</b>
<b>LIABILITIES</b>								
Payments or contributions received in advance	5,102.8	3.11	97.1		4,537.7	5.8	9,737.6	7,895.0
Unliquidated obligations	7,747.2		6,422.6		31,374.5		45,544.3	37,365.5
Accounts payable – interfund	377.1		74.3				451.4	5,970.7
Accounts payable – other	16,151.7	3.12	2,661.4		37,860.5	5.9	56,673.6	37,389.8
<b>TOTAL LIABILITIES</b>	<b>29,378.8</b>		<b>9,255.4</b>		<b>73,772.7</b>		<b>112,406.9</b>	<b>88,621.0</b>
<b>RESERVES AND FUND BALANCES</b>								
Operating reserves			3,030.0	4.7	384.5	5.10	3,414.5	3,448.0
Other reserves	18,793.6	3.13			2,298.2	5.4	21,091.8	20,096.5
Balances relating to projects funded by donors					230,483.7		230,483.7	187,833.3
Balances on currency translation					(61,742.4)	5.5	(61,742.4)	(51,898.8)
Working capital fund	7,423.1	3.14					7,423.1	7,423.1
Surplus (deficit)	14,858.0	3.15	27,332.0		5,449.2	5.11	47,639.2	47,656.2
<b>TOTAL RESERVES AND FUND BALANCES</b>	<b>41,074.7</b>		<b>30,362.0</b>		<b>176,873.2</b>		<b>248,309.9</b>	<b>214,558.3</b>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCES</b>	<b>70,453.5</b>		<b>39,617.4</b>		<b>250,645.9</b>		<b>360,716.8</b>	<b>303,179.3</b>

**Statement III**  
**CONSOLIDATED**  
**Statement of cash flow for the year 2008 as at 31 December 2008**  
(In thousands of euros)

	<i>Total 2008</i>	<i>Total 2006</i>
<b>Cash flows from operating activities</b>		
Excess (shortfall) of income over expenditure (Statement I)	30,441.5	5,217.1
(Increase) decrease in contributions receivable	4,707.9	989.4
(Increase) decrease in voluntary contributions receivable	0.0	15,868.9
(Increase) decrease in other contributions receivable	3,562.4	(4,735.2)
(Increase) decrease other accounts receivable	1,367.0	(113.3)
(Increase) decrease other assets	(1,350.1)	585.9
Increase (decrease) in contributions or payments received in advance	3,533.2	(1,450.5)
Increase (decrease) in unliquidated obligations	(6,325.0)	(18,047.2)
Increase (decrease) in accounts payable	12,434.5	7,908.7
Less: Interest income	4,227.6	
Currency exchange adjustments	<u>125.0</u>	<u>4,352.6</u>
<b>Net cash from operating activities</b>	<b>44,018.8</b>	<b>2,764.4</b>
<b>Cash flows from investing and financing activities</b>		
Plus: Interest income	4,227.6	
Currency exchange adjustments	<u>125.0</u>	<u>4,352.6</u>
<b>Net cash from investing and financing activities</b>	<b>4,352.6</b>	<b>3,459.4</b>
<b>Cash flows from other sources</b>		
Savings on or cancellation of prior period's obligations	3,817.9	3,515.9
Transfers to (from) reserves and other adjustments	(9.8)	(10,250.1)
Credits to Member States and prior bienniums adjustments	<u>(7,783.6)</u>	<u>(2,227.0)</u>
<b>Net cash from other sources</b>	<b>(3,975.5)</b>	<b>(8,961.2)</b>
<b>Net increase (decrease) in cash</b>	<b>44,395.9</b>	<b>(2,737.4)</b>
Cash at beginning of period	<u>286,511.8</u>	<u>264,977.2</u>
<b>Cash at end of period (Statement II)</b>	<b><u>330,907.7</u></b>	<b><u>262,239.8</u></b>

**Statement IV**  
**GENERAL FUND**  
**Status of appropriations by major programme for the year 2008 as at 31 December 2008**  
(In thousands of euros)

<i>Major Programme</i>	<i>Original appropriation</i>	<i>Disbursements during 2008</i>	<i>Unliquidated obligations as at 31/12/08</i>	<i>Total expenditure</i>	<i>Balance of appropriations</i>
Policymaking Organs	2,383.2	1,822.4	29.9	1,852.3	530.9
Executive Direction and Strategic Management	6,872.3	5,739.4	580.8	6,320.2	552.1
Environment and Energy	10,955.7	8,620.3	209.9	8,830.2	2,125.5
Trade Capacity-building	8,621.9	7,296.2	348.6	7,644.8	977.1
Poverty Reduction through Productive Activities	11,814.6	9,148.5	173.7	9,322.2	2,492.4
Cross-cutting Programmes and Country-level Coherence	14,160.8	10,312.7	3,510.0	13,822.7	338.1
Support Services and General Management	13,852.7	10,324.5	1,269.8	11,594.3	2,258.4
Indirect Costs	9,859.9	7,790.4	347.4	8,137.8	1,722.1
<b>TOTAL A</b>	<b>78,521.1</b>	<b>61,054.4</b>	<b>6,470.1</b>	<b>67,524.5</b>	<b>10,996.6</b>
<b><u>Income</u></b>		<b><u>Actual Income</u></b>	<b><u>Accrued Income</u></b>	<b><u>Total Income</u></b>	<b><u>Shortfall</u></b>
Regional Programme	935.4	268.4		268.4	667.0
Miscellaneous Income					
1. Estimated in GC.12/Dec.16	1,583.6	1,548.2		1,548.2	35.4
2. Not estimated in GC.12/Dec.16		738.2		738.2	(738.2)
<b>TOTAL B</b>	<b>2,519.0</b>	<b>2,554.8</b>		<b>2,554.8</b>	<b>(35.8)</b>
<b>TOTAL A - B</b>	<b>76,002.1</b>	<b>58,499.6</b>	<b>6,470.1</b>	<b>64,969.7</b>	<b>11,032.4</b>

**Schedule 1**  
**STATUS OF ASSESSED CONTRIBUTIONS TO THE REGULAR BUDGET**  
**(in euros)**  
as at 31 December 2008

<i>Member State</i>	<i>Scale %</i>	<i>Contributions payable</i>		<i>Credits and collections in 2008</i>		<i>Contributions outstanding</i>		<i>Total outstanding</i>
		<i>Prior biennium</i>	<i>Current biennium</i>	<i>Prior biennium</i>	<i>Current biennium</i>	<i>Prior biennium</i>	<i>Current biennium</i>	
Afghanistan	0.001	17,980	773	17,980	773	-	-	-
Albania	0.008	-	6,185		353	-	5,832	5,832
Algeria	0.118	-	91,228		8,872	-	82,356	82,356
Angola	0.004	-	3,092		3,092	-	-	-
Argentina	0.452	8,660,579	349,448	6,387,854		2,272,725	349,448	2,622,173
Armenia	0.003	913,195	2,319	2,319		910,876	2,319	913,195
Austria	1.233	-	953,252		953,252	-	-	-
Azerbaijan	0.007	634,622	5,412	133,061		501,561	5,412	506,973
Bahamas	0.022	10,928	17,009	10,928	17,009	-	-	-
Bahrain	0.046	101,821	35,563	37,503		64,318	35,563	99,881
Bangladesh	0.010	-	7,731		712	-	7,019	7,019
Barbados	0.013	10,713	10,050	10,713	10,050	-	-	-
Belarus	0.028	-	21,647		21,647	-	-	-
Belgium	1.532	-	1,184,413		1,184,413	-	-	-
Belize	0.001	1,247	773	269		978	773	1,751
Benin	0.001	1,735	773	506		1,229	773	2,002
Bhutan	0.001	-	773		773	-	-	-
Bolivia (Plurinational State of)	0.008	27,268	6,185	650		26,618	6,185	32,803
Bosnia and Herzegovina	0.008	-	6,185		6,185	-	-	-
Botswana	0.019	-	14,689		14,689	-	-	-
Brazil	1.218	24,709,168	941,654	1,088,421		23,620,747	941,654	24,562,401
Bulgaria	0.028	-	21,647		21,647	-	-	-
Burkina Faso	0.003	-	2,319		2,319	-	-	-
Burundi	0.001	62,734	773	33		62,701	773	63,474
Cambodia	0.001	-	773		773	-	-	-
Cameroon	0.013	-	10,050		10,050	-	-	-
Cape Verde	0.001	99,036	773			99,036	773	99,809
Central African Republic	0.001	114,399	773			114,399	773	115,172

<i>Member State</i>	<i>Scale %</i>	<i>Contributions payable</i>		<i>Credits and collections in 2008</i>		<i>Contributions outstanding</i>		<i>Total outstanding</i>
		<i>Prior biennium</i>	<i>Current biennium</i>	<i>Prior biennium</i>	<i>Current biennium</i>	<i>Prior biennium</i>	<i>Current biennium</i>	
Chad	0.001	87,704	773			87,704	773	88,477
Chile	0.224	447,786	173,178	83,930		363,856	173,178	537,034
China	3.707	-	2,865,938		2,865,938	-	-	-
Colombia	0.146	-	112,875		112,875	-	-	-
Comoros	0.001	124,610	773			124,610	773	125,383
Congo	0.001	-	773		773	-	-	-
Costa Rica	0.044	181,618	34,017	4,013		177,605	34,017	211,622
Côte d'Ivoire	0.013	-	10,050		3,219	-	6,831	6,831
Croatia	0.069	-	53,345		53,345	-	-	-
Cuba	0.075	113,458	57,984	19,244		94,214	57,984	152,198
Cyprus	0.061	-	47,160		47,160	-	-	-
Czech Republic	0.391	-	302,289		302,289	-	-	-
Democratic People's Republic of Korea	0.010	-	7,731		2,466	-	5,265	5,265
Democratic Republic of the Congo	0.004	135,815	3,092			135,815	3,092	138,907
Denmark	1.027	-	793,990		793,990	-	-	-
Djibouti	0.001	87,704	773			87,704	773	88,477
Dominica	0.001	3,094	773	221		2,873	773	3,646
Dominican Republic	0.033	473,869	25,513			473,869	25,513	499,382
Ecuador	0.029	14,417	22,420	2,275		12,142	22,420	34,562
Egypt	0.122	-	94,320		17,031	-	77,289	77,289
El Salvador	0.028	243,048	21,647			243,048	21,647	264,695
Equatorial Guinea	0.003	4,699	2,319	767		3,932	2,319	6,251
Eritrea	0.001	-	773		356	-	417	417
Ethiopia	0.004	-	3,092		3,092	-	-	-
Fiji	0.004	8,576	3,092	7,130		1,446	3,092	4,538
Finland	0.784	-	606,123		606,123	-	-	-
France	8.758	-	6,770,943		6,770,943	-	-	-
Gabon	0.011	38,735	8,504	15,722		23,013	8,504	31,517
Gambia	0.001	77,005	773	12,527		64,478	773	65,251
Georgia	0.004	1,598,959	3,092			1,598,959	3,092	1,602,051
Germany	11.922	-	9,217,080		9,217,080	-	-	-
Ghana	0.006	4,361	4,639	4,361	4,639	-	-	-
Greece	0.828	-	640,140		640,140	-	-	-
Grenada	0.001	67,191	773	20,773		46,418	773	47,191

<i>Member State</i>	<i>Scale %</i>	<i>Contributions payable</i>		<i>Credits and collections in 2008</i>		<i>Contributions outstanding</i>		<i>Total outstanding</i>
		<i>Prior biennium</i>	<i>Current biennium</i>	<i>Prior biennium</i>	<i>Current biennium</i>	<i>Prior biennium</i>	<i>Current biennium</i>	
Guatemala	0.044	374	34,017	374	33,340	-	677	677
Guinea	0.001	-	773		773	-	-	-
Guinea-Bissau	0.001	119,709	773			119,709	773	120,482
Guyana	0.001	-	773		773	-	-	-
Haiti	0.003	-	2,319		2,319	-	-	-
Honduras	0.007	-	5,412		4,550	-	862	862
Hungary	0.339	-	262,086		262,086	-	-	-
India	0.625	200	483,197	200	483,197	-	-	-
Indonesia	0.224	-	173,178		173,178	-	-	-
Iran (Islamic Republic of)	0.250	192,649	193,279	30,651		161,998	193,279	355,277
Iraq	0.021	-	16,235		16,235	-	-	-
Ireland	0.619	-	478,559		478,559	-	-	-
Israel	0.582	-	449,954		449,954	-	-	-
Italy	7.060	-	5,458,194		5,458,194	-	-	-
Jamaica	0.014	12,902	10,824	373		12,529	10,824	23,353
Japan	22.000	-	17,008,534		17,008,534	-	-	-
Jordan	0.017	-	13,143		13,143	-	-	-
Kazakhstan	0.040	-	30,925		30,925	-	-	-
Kenya	0.014	263	10,824	263	481	-	10,343	10,343
Kuwait	0.253	174,124	195,598	174,124	195,598	-	-	-
Kyrgyzstan	0.001	378,650	773			378,650	773	379,423
Lao People's Democratic Republic	0.001	-	773		275	-	498	498
Lebanon	0.047	27,950	36,336	26,552		1,398	36,336	37,734
Lesotho	0.001	620	773	277		343	773	1,116
Liberia	0.001	90,286	773			90,286	773	91,059
Libyan Arab Jamahiriya	0.086	144,754	66,488	18,461		126,293	66,488	192,781
Lithuania	0.043	-	33,244		33,244	-	-	-
Luxembourg	0.118	-	91,228		91,228	-	-	-
Madagascar	0.003	-	2,319		2,319	-	-	-
Malawi	0.001	-	773		773	-	-	-
Malaysia	0.264	-	204,102		204,102	-	-	-
Maldives	0.001	-	773		773	-	-	-
Mali	0.001	4,270	773	507		3,763	773	4,536
Malta	0.024	-	18,555		18,555	-	-	-
Mauritania	0.001	79,708	773			79,708	773	80,481



<i>Member State</i>	<i>Scale %</i>	<i>Contributions payable</i>		<i>Credits and collections in 2008</i>		<i>Contributions outstanding</i>		<i>Total outstanding</i>
		<i>Prior biennium</i>	<i>Current biennium</i>	<i>Prior biennium</i>	<i>Current biennium</i>	<i>Prior biennium</i>	<i>Current biennium</i>	
Mauritius	0.015	-	11,597		11,597	-	-	-
Mexico	3.137	2,047,055	2,425,262			2,047,055	2,425,262	4,472,317
Monaco	0.004	-	3,092		3,092	-	-	-
Mongolia	0.001	463	773	463	773	-	-	-
Montenegro	0.001		773		773			
Morocco	0.058	-	44,841		44,841	-	-	-
Mozambique	0.001	467	773	268		199	773	972
Myanmar	0.007	21,850	5,412	502		21,348	5,412	26,760
Namibia	0.008	-	6,185		6,185	-	-	-
Nepal	0.004	16,368	3,092	400		15,968	3,092	19,060
Netherlands	2.603	-	2,012,419		2,012,419	-	-	-
New Zealand	0.356	-	275,230		275,230	-	-	-
Nicaragua	0.003	137,564	2,319			137,564	2,319	139,883
Niger	0.001	99,071	773			99,071	773	99,844
Nigeria	0.067	88,671	51,799	7,533		81,138	51,799	132,937
Norway	1.087	-	840,377		840,377	-	-	-
Oman	0.101	-	78,085		78,085	-	-	-
Pakistan	0.082	58,322	63,395	58,263		59	63,395	63,454
Panama	0.032	34,935	24,740	17,841		17,094	24,740	41,834
Papua New Guinea	0.003	22,030	2,319	310		21,720	2,319	24,039
Paraguay	0.007	24,641	5,412	24,641	5,412	-	-	-
Peru	0.108	108,867	83,496	29,755		79,112	83,496	162,608
Philippines	0.108	43,059	83,496	43,059	83,496	-	-	-
Poland	0.696	-	538,089		538,089	-	-	-
Portugal	0.732	-	565,921		565,921	-	-	-
Qatar	0.118	-	91,228		91,228	-	-	-
Republic of Korea	3.020	-	2,334,808		2,334,808	-	-	-
Republic of Moldova	0.001	789,656	773	88,521		701,135	773	701,908
Romania	0.097	-	74,992		74,992	-	-	-
Russian Federation	1.668	-	1,289,557		1,289,557	-	-	-
Rwanda	0.001	-	773		268	-	505	505
Saint Kitts and Nevis	0.001	467	773	268		199	773	972
Saint Lucia	0.001	-	773		505	-	268	268
Saint Vincent and the Grenadines	0.001	113,869	773			113,869	773	114,642
Sao Tome and Principe	0.001	124,610	773			124,610	773	125,383

<i>Member State</i>	<i>Scale %</i>	<i>Contributions payable</i>		<i>Credits and collections in 2008</i>		<i>Contributions outstanding</i>		<i>Total outstanding</i>
		<i>Prior biennium</i>	<i>Current biennium</i>	<i>Prior biennium</i>	<i>Current biennium</i>	<i>Prior biennium</i>	<i>Current biennium</i>	
Saudi Arabia	1.040	100	804,040	100	804,040	-	-	-
Senegal	0.006	4,830	4,639	664		4,166	4,639	8,805
Serbia	0.029	-	22,420		22,420	-	-	-
Seychelles	0.003	54,350	2,319	33		54,317	2,319	56,636
Sierra Leone	0.001	622	773	268		354	773	1,127
Slovakia	0.088	-	68,034		68,034	-	-	-
Slovenia	0.133	-	102,824		102,824	-	-	-
Somalia	0.001	137,577	773			137,577	773	138,350
South Africa	0.403	-	311,565		311,565	-	-	-
Spain	4.125	-	3,189,100		3,189,100	-	-	-
Sri Lanka	0.022	-	17,009		17,009	-	-	-
Sudan	0.010	20,907	7,731	20,907	7,731	-	-	-
Suriname	0.001	46,879	773	46,587		292	773	1,065
Swaziland	0.003	-	2,319		2,319	-	-	-
Sweden	1.489	-	1,151,169		1,151,169	-	-	-
Switzerland	1.690	-	1,306,565		1,306,565	-	-	-
Syrian Arab Republic	0.022	-	17,009		17,009	-	-	-
Tajikistan	0.001	147,233	773	865		146,368	773	147,141
Thailand	0.259	-	200,237		200,237	-	-	-
The former Yugoslav Rep. of Macedonia	0.007	-	5,412		5,412	-	-	-
Timor-Leste	0.001	-	773		49	-	724	724
Togo	0.001	57,959	773	806		57,153	773	57,926
Tonga	0.001	70	773	70	773	-	-	-
Trinidad and Tobago	0.038	-	29,378		29,378	-	-	-
Tunisia	0.043	7,409	33,244	7,409	32,694	-	550	550
Turkey	0.530	-	409,751		409,751	-	-	-
Turkmenistan	0.008	171,912	6,185			171,912	6,185	178,097
Uganda	0.004	-	3,092		932	-	2,160	2,160
Ukraine	0.063	2,916,057	48,706	1,020,725		1,895,332	48,706	1,944,038
United Arab Emirates	0.420	-	324,708		324,708	-	-	-
United Kingdom	9.232	-	7,137,400		7,137,400	-	-	-
United Republic of Tanzania	0.008	5,959	6,185	572		5,387	6,185	11,572
Uruguay	0.038	52,620	29,378	52,620	29,378	-	-	-
Uzbekistan	0.011	478,996	8,504	9,172		469,824	8,504	478,328

<i>Member State</i>	<i>Scale %</i>	<i>Contributions payable</i>		<i>Credits and collections in 2008</i>		<i>Contributions outstanding</i>		<i>Total outstanding</i>
		<i>Prior biennium</i>	<i>Current biennium</i>	<i>Prior biennium</i>	<i>Current biennium</i>	<i>Prior biennium</i>	<i>Current biennium</i>	
Vanuatu	0.001	81,265	773			81,265	773	82,038
Venezuela (Bolivarian Republic of)	0.278	5,802	214,926	5,802	214,926	-	-	-
Viet Nam	0.033	-	25,513		25,513	-	-	-
Yemen	0.010	6,279	7,731	6,279	7,731	-	-	-
Zambia	0.001	4,369	773	4,369	773	-	-	-
Zimbabwe	0.011	6,988	8,504	695		6,293	8,504	14,797
Subtotal:	100	48,244,681	77,311,519	9,562,749	72,338,264	38,681,932	4,973,255	43,655,187
<b>FORMER MEMBER STATES:</b>								
United States of America		69,155,281	-	82,293	-	69,072,988	-	69,072,988
Yugoslavia (former)		2,081,599	-	-	-	2,081,599	-	2,081,599
Subtotal:		71,236,880	-	82,293	-	71,154,587	-	71,154,587
<b>NEW MEMBER STATES:</b>								
Chad		9,802	-			9,802	-	9,802
Comoros		12,968	-			12,968	-	12,968
Djibouti		8,780	-			8,780	-	8,780
El Salvador		17,250	-			17,250	-	17,250
Liberia		18,613	-			18,613	-	18,613
Samoa			773				773	773
Sao Tome and Principe		12,968	-			12,968	-	12,968
Turkmenistan		52,332	-			52,332	-	52,332
Subtotal:		132,713	773			132,713	773	133,486
<b>TOTAL</b>		<b>119,614,274</b>	<b>77,312,292</b>	<b>9,645,042</b>	<b>72,338,264</b>	<b>109,969,232</b>	<b>4,974,028</b>	<b>114,943,260</b>
1986		44,138		-		44,138		44,138
1987		46,734		-		46,734		46,734
1988		72,721		-		72,721		72,721
1989		91,479		-		91,479		91,479
1990		496,067		-		496,067		496,067
1991		625,832		-		625,832		625,832
1992		727,324		2,945		724,379		724,379
1993		828,341		13,462		814,879		814,879
1994		7,505,222		185,312		7,319,910		7,319,910
1995		36,182,163		1,156,578		35,025,585		35,025,585
1996		33,290,836		77,214		33,213,622		33,213,622
1997		3,278,850		108,597		3,170,253		3,170,253
1998		3,523,598		938,742		2,584,856		2,584,856

<i>Member State</i>	<i>Scale %</i>	<i>Contributions payable</i>		<i>Credits and collections in 2008</i>		<i>Contributions outstanding</i>		<i>Total outstanding</i>
		<i>Prior biennium</i>	<i>Current biennium</i>	<i>Prior biennium</i>	<i>Current biennium</i>	<i>Prior biennium</i>	<i>Current biennium</i>	
1999		3,929,794		410,209		3,519,585		3,519,585
2000		2,799,730		1,054,980		1,744,750		1,744,750
2001		2,799,730		1,054,980		1,744,750		1,744,750
2002		3,120,982		1,066,514		2,054,468	-	2,054,468
2003		3,387,061		1,054,953		2,332,108	-	2,332,108
2004		3,588,190		1,003,729		2,584,461	-	2,584,461
2005		3,637,446		859,776		2,777,670		2,777,670
2006		3,352,847		168,532		3,184,315	-	3,184,315
2007		6,285,189		488,519		5,796,670		5,796,670
2008			77,312,292		72,338,264		4,974,028	4,974,028
<b>TOTAL</b>		<b>119,614,274</b>	<b>77,312,292</b>	<b>9,645,042</b>	<b>72,338,264</b>	<b>109,969,232</b>	<b>4,974,028</b>	<b>114,943,260</b>
Supplementary estimates for the biennium 2004-2005 for security enhancements (GC.11/Dec.15) – refer Schedule 1.1 for details.		128,913		36,860		92,053		92,053
<b>GRAND TOTAL</b>		<b>119,743,187</b>	<b>77,312,292</b>	<b>9,681,902</b>	<b>72,338,264</b>	<b>110,061,285</b>	<b>4,974,028</b>	<b>115,035,313</b>

**Schedule 1.1**  
**SUPPLEMENTARY ESTIMATES FOR THE BIENNIUM**  
**2004-2005 FOR SECURITY ENHANCEMENTS**  
**(GC.11/Dec.15)**

Status as of 31 December 2008 (in euros)

<i>Scale 2004/ per cent</i>	<i>Member State</i>	<i>Contributions due</i>	<i>Amount credited</i>	<i>Amount outstanding</i>
0.00100	Afghanistan	26	26	-
0.00426	Albania	110	110	-
0.09951	Algeria	2,572	2,572	-
0.00284	Angola	73	73	-
1.37752	Argentina	35,611	35,611	-
0.00284	Armenia	73		73
1.34625	Austria	34,802	34,802	-
0.00569	Azerbaijan	147	147	-
0.01706	Bahamas	441	441	-
0.02559	Bahrain	662	662	-
0.01000	Bangladesh	259	259	-
0.01279	Barbados	331	331	-
0.02701	Belarus	698	698	-
1.60498	Belgium	41,491	41,491	-
0.00100	Belize	26	26	-
0.00284	Benin	73	73	-
0.00100	Bhutan	26	26	-
0.01137	Bolivia (Plurinational State of)	294	294	-
0.00569	Bosnia and Herzegovina	147	147	-
0.01422	Botswana	368	368	-
3.39761	Brazil	87,833		87,833
0.01848	Bulgaria	478	478	-
0.00284	Burkina Faso	73	73	-
0.00100	Burundi	26		26
0.00284	Cambodia	73	73	-
0.01279	Cameroon	331	331	-
0.00100	Cape Verde	26		26
0.00100	Central African Republic	26		26
0.00100	Chad	26		26
0.30138	Chile	7,791	7,791	-
2.17788	China	56,301	56,301	-
0.28574	Colombia	7,387	7,387	-
0.00100	Comoros	26		26
0.00100	Congo	26	26	-
0.02843	Costa Rica	735		735
0.01279	Côte d'Ivoire	331	331	-
0.05544	Croatia	1,433	1,433	-
0.04265	Cuba	1,103	1,103	-
0.05402	Cyprus	1,397	1,397	-

<i>Scale 2004/ per cent</i>	<i>Member State</i>	<i>Contributions due</i>	<i>Amount credited</i>	<i>Amount outstanding</i>
0.28858	Czech Republic	7,460	7,460	-
0.01279	Democratic People's Republic of Korea	331	331	-
0.00569	Democratic Republic of the Congo	147		147
1.06477	Denmark	27,526	27,526	-
0.00100	Djibouti	26		26
0.00100	Dominica	26		26
0.03270	Dominican Republic	845		845
0.03554	Ecuador	919	919	-
0.11515	Egypt	2,977	2,977	-
0.02559	El Salvador	662		662
0.00100	Equatorial Guinea	26	26	-
0.00100	Eritrea	26	26	-
0.00569	Ethiopia	147	147	-
0.00569	Fiji	147	147	-
0.74207	Finland	19,184	19,184	-
9.19202	France	237,628	237,628	-
0.01990	Gabon	514	514	-
0.00100	Gambia	26		26
0.00711	Georgia	184		184
13.88754	Germany	359,015	359,015	-
0.00711	Ghana	184	184	-
0.76624	Greece	19,809	19,809	-
0.00100	Grenada	26		26
0.03838	Guatemala	992	992	-
0.00426	Guinea	110	110	-
0.00100	Guinea-Bissau	26		26
0.00100	Guyana	26	26	-
0.00284	Haiti	73	73	-
0.00711	Honduras	184	184	-
0.17059	Hungary	4,410	4,410	-
0.48476	India	12,532	12,532	-
0.28432	Indonesia	7,350	7,350	-
0.38667	Iran (Islamic Republic of)	9,996	9,996	-
0.19334	Iraq	4,998	4,998	-
0.41795	Ireland	10,805	10,805	-
0.58996	Israel	15,251	15,251	-
7.20001	Italy	186,131	186,131	-
0.00569	Jamaica	147	147	-
22.00000	Japan	568,735	568,735	-
0.01137	Jordan	294	294	-
0.03980	Kazakhstan	1,029	1,029	-
0.01137	Kenya	294	294	-
0.20897	Kuwait	5,402	5,402	-
0.00100	Kyrgyzstan	26		26
0.00100	Lao People's Democratic Republic	26	26	-

<i>Scale 2004/ per cent</i>	<i>Member State</i>	<i>Contributions due</i>	<i>Amount credited</i>	<i>Amount outstanding</i>
0.01706	Lebanon	441	441	-
0.00100	Lesotho	26	26	-
0.00100	Liberia	26		26
0.09525	Libyan Arab Jamahiriya	2,462	2,462	-
0.02417	Lithuania	625	625	-
0.11373	Luxembourg	2,940	2,940	-
0.00426	Madagascar	110	110	-
0.00284	Malawi	73	73	-
0.33407	Malaysia	8,636	8,636	-
0.00100	Maldives	26	26	-
0.00284	Mali	73	73	-
0.02132	Malta	551	551	-
0.00100	Mauritania	26		26
0.01564	Mauritius	404	404	-
1.54385	Mexico	39,911	39,911	-
0.00569	Monaco	147	147	-
0.00100	Mongolia	26	26	-
0.06255	Morocco	1,617	1,617	-
0.00100	Mozambique	26	26	-
0.01000	Myanmar	259	259	-
0.00995	Namibia	257	257	-
0.00569	Nepal	147		147
2.47073	Netherlands	63,872	63,872	-
0.34260	New Zealand	8,857	8,857	-
0.00100	Nicaragua	26		26
0.00100	Niger	26		26
0.09667	Nigeria	2,499	2,499	-
0.91835	Norway	23,741	23,741	-
0.08672	Oman	2,242	2,242	-
0.08672	Pakistan	2,242	2,242	-
0.02559	Panama	662	662	-
0.00853	Papua New Guinea	221		221
0.02275	Paraguay	588	588	-
0.16775	Peru	4,337	4,337	-
0.14216	Philippines	3,675	3,675	-
0.53736	Poland	13,892	13,892	-
0.65678	Portugal	16,979	16,979	-
0.04833	Qatar	1,249	1,249	-
2.63137	Republic of Korea	68,025	68,025	-
0.00284	Republic of Moldova	73		73
0.08245	Romania	2,131	2,131	-
1.70591	Russian Federation	44,100	44,100	-
0.00100	Rwanda	26	26	-
0.00100	Saint Kitts and Nevis	26	26	-
0.00284	Saint Lucia	73	73	-

<i>Scale 2004/ per cent</i>	<i>Member State</i>	<i>Contributions due</i>	<i>Amount credited</i>	<i>Amount outstanding</i>
0.00100	Saint Vincent and the Grenadines	26		26
0.00100	Sao Tome and Principe	26		26
0.78756	Saudi Arabia	20,360	20,360	-
0.00711	Senegal	184	184	-
0.02843	Serbia	735	735	-
0.00284	Seychelles	73		73
0.00100	Sierra Leone	26	26	-
0.06113	Slovakia	1,580	1,580	-
0.11515	Slovenia	2,977	2,977	-
0.00100	Somalia	26		26
0.58001	South Africa	14,994	14,994	-
3.58064	Spain	92,565	92,565	-
0.02275	Sri Lanka	588	588	-
0.00853	Sudan	221	221	-
0.00284	Suriname	73	73	-
0.00284	Swaziland	73	73	-
1.45962	Sweden	37,734	37,734	-
1.81111	Switzerland	46,820	46,820	-
0.11373	Syrian Arab Republic	2,940	2,940	-
0.00100	Tajikistan	26		26
0.41795	Thailand	10,805	10,805	-
0.00853	The former Yugoslav Rep. of Macedonia	221	221	-
0.00100	Timor-Leste	26	26	-
0.00100	Togo	26		26
0.00100	Tonga	26	26	-
0.02275	Trinidad and Tobago	588	588	-
0.04265	Tunisia	1,103	1,103	-
0.62550	Turkey	16,170	16,170	-
0.00426	Turkmenistan	110		110
0.00711	Uganda	184	184	-
0.07534	Ukraine	1,948	1,948	-
0.28716	United Arab Emirates	7,424	7,424	-
7.86994	United Kingdom	203,450	203,450	-
0.00569	United Republic of Tanzania	147	147	-
0.11373	Uruguay	2,940	2,940	-
0.01564	Uzbekistan	404		404
0.00100	Vanuatu	26		26
0.29569	Venezuela (Bolivarian Republic of)	7,644	7,644	-
0.02275	Viet Nam	588	588	-
0.00853	Yemen	221	221	-
0.00284	Zambia	73	73	-
0.01137	Zimbabwe	294	294	-
<b>100.00000</b>	<b>TOTAL</b>	<b>2,585,160</b>	<b>2,493,107</b>	<b>92,053</b>



**Schedule 2**  
**STATUS OF ADVANCES TO THE WORKING CAPITAL FUND**  
**as at 31 December 2008**  
(in euros)

<i>Member State</i>	<i>Scale of assessment (per cent)</i>	<i>Amount of advance</i>	<i>Collections 1986-2007</i>	<i>Adjustments 2008</i>	<i>Collections 2008</i>	<i>Amount outstanding</i>
Afghanistan	0.001	74	223	(149)	-	-
Albania	0.008	594	520	74	-	-
Algeria	0.118	8,759	8,240	519	-	-
Angola	0.004	297	74	-	223	-
Argentina	0.452	33,552	103,254	(69,702)	-	-
Armenia	0.003	223	223	-	-	-
Austria	1.233	91,526	92,788	(1,262)	-	-
Azerbaijan	0.007	520	520	-	-	-
Bahamas	0.022	1,633	1,410	-	223	-
Bahrain	0.046	3,415	3,207	-	208	-
Bangladesh	0.010	742	742	-	-	-
Barbados	0.013	965	1,113	(148)	-	-
Belarus	0.028	2,078	1,930	148	-	-
Belgium	1.532	113,721	115,503	(1,782)	-	-
Belize	0.001	74	74	-	-	-
Benin	0.001	74	223	(149)	-	-
Bhutan	0.001	74	74	-	-	-
Bolivia (Plurinational State of)	0.008	594	965	(371)	-	-
Bosnia and Herzegovina	0.008	594	297	-	297	-
Botswana	0.019	1,410	1,262	-	148	-
Brazil	1.218	90,413	164,495	(74,082)	-	-
Bulgaria	0.028	2,078	1,856	-	222	-
Burkina Faso	0.003	223	223	-	-	-
Burundi	0.001	74	74	-	-	-
Cambodia	0.001	74	223	(149)	-	-
Cameroon	0.013	965	891	74	-	-
Cape Verde	0.001	74	74	-	-	-
Central African Republic	0.001	74	74	-	-	-
Chad	0.001	74	74	-	-	-
Chile	0.224	16,628	24,051	(7,423)	-	-
China	3.707	275,172	221,727	53,445	-	-
Colombia	0.146	10,838	16,776	(5,938)	-	-
Comoros	0.001	74	74	-	-	-
Congo	0.001	74	74	-	-	-
Costa Rica	0.044	3,266	3,266	-	-	-
Côte d'Ivoire	0.013	965	1,113	(148)	-	-
Croatia	0.069	5,122	4,008	-	1,114	-
Cuba	0.075	5,567	4,677	-	890	-
Cyprus	0.061	4,528	4,231	-	297	-
Czech Republic	0.391	29,024	19,745	-	9,279	-

<i>Member State</i>	<i>Scale of assessment (per cent)</i>	<i>Amount of advance</i>	<i>Collections 1986-2007</i>	<i>Adjustments 2008</i>	<i>Collections 2008</i>	<i>Amount outstanding</i>
Democratic People's Republic of Korea	0.010	742	1,113	(371)	-	-
Democratic Republic of the Congo	0.004	297	297	-	-	-
Denmark	1.027	76,235	77,571	(1,336)	-	-
Djibouti	0.001	74	74	-	-	-
Dominica	0.001	74	74	-	-	-
Dominican Republic	0.033	2,450	325	-	-	2,125
Ecuador	0.029	2,153	2,078	75	-	-
Egypt	0.122	9,056	12,990	(3,934)	-	-
El Salvador	0.028	2,078	153	-	-	1,925
Equatorial Guinea	0.003	223	223	-	-	-
Eritrea	0.001	74	74	-	-	-
Ethiopia	0.004	297	445	(148)	-	-
Fiji	0.004	297	445	(148)	-	-
Finland	0.784	58,197	57,603	-	594	-
France	8.758	650,109	651,371	(1,262)	-	-
Gabon	0.011	817	965	(148)	-	-
Gambia	0.001	74	74	-	-	-
Georgia	0.004	297	297	-	-	-
Germany	11.922	884,974	935,673	(50,699)	-	-
Ghana	0.006	445	445	-	-	-
Greece	0.828	61,463	57,232	-	4,231	-
Grenada	0.001	74	74	-	-	-
Guatemala	0.044	3,266	3,266	-	-	-
Guinea	0.001	74	297	(223)	-	-
Guinea-Bissau	0.001	74	74	-	-	-
Guyana	0.001	74	74	-	-	-
Haiti	0.003	223	297	(74)	-	-
Honduras	0.007	520	520	-	-	-
Hungary	0.339	25,164	13,584	-	11,580	-
India	0.625	46,394	45,503	-	891	-
Indonesia	0.224	16,628	15,366	-	1,262	-
Iran(Islamic Republic of)	0.250	18,558	16,925	1,633	-	-
Iraq	0.021	1,559	1,707	(148)	-	-
Ireland	0.619	45,949	37,783	-	8,166	-
Israel	0.582	43,202	50,477	(7,275)	-	-
Italy	7.060	524,066	527,704	(3,638)	-	-
Jamaica	0.014	1,039	891	148	-	-
Japan	22.000	1,633,067	1,633,067	-	-	-
Jordan	0.017	1,262	1,188	74	-	-
Kazakhstan	0.040	2,969	2,672	297	-	-
Kenya	0.014	1,039	965	74	-	-
Kuwait	0.253	18,780	17,518	1,262	-	-
Kyrgyzstan	0.001	74	74	-	-	-
Lao People's Democratic Republic	0.001	74	74	-	-	-

<i>Member State</i>	<i>Scale of assessment (per cent)</i>	<i>Amount of advance</i>	<i>Collections 1986-2007</i>	<i>Adjustments 2008</i>	<i>Collections 2008</i>	<i>Amount outstanding</i>
Lebanon	0.047	3,489	2,598	-	891	-
Lesotho	0.001	74	74	-	-	-
Liberia	0.001	74	74	-	-	-
Libyan Arab Jamahiriya	0.086	6,384	14,252	(7,868)	-	-
Lithuania	0.043	3,192	2,598	594	-	-
Luxembourg	0.118	8,759	8,314	-	445	-
Madagascar	0.003	223	297	(74)	-	-
Malawi	0.001	74	74	-	-	-
Malaysia	0.264	19,597	21,898	(2,301)	-	-
Maldives	0.001	74	74	-	-	-
Mali	0.001	74	223	(149)	-	-
Malta	0.024	1,782	1,485	-	297	-
Mauritania	0.001	74	74	-	-	-
Mauritius	0.015	1,113	1,188	(75)	-	-
Mexico	3.137	232,860	203,391	-	-	29,469
Monaco	0.004	297	297	-	-	-
Mongolia	0.001	74	74	-	-	-
Morocco	0.058	4,305	5,048	(743)	-	-
Montenegro	0.001	74	74	-	-	-
Mozambique	0.001	74	74	-	-	-
Myanmar	0.007	520	742	(222)	-	-
Namibia	0.008	594	668	(74)	-	-
Nepal	0.004	297	445	(148)	-	-
Netherlands	2.603	193,221	182,533	10,688	-	-
New Zealand	0.356	26,426	23,902	2,524	-	-
Nicaragua	0.003	223	74	-	-	149
Niger	0.001	74	74	-	-	-
Nigeria	0.067	4,973	4,528	445	-	-
Norway	1.087	80,688	73,340	7,348	-	-
Oman	0.101	7,497	7,571	(74)	-	-
Pakistan	0.082	6,087	5,938	149	-	-
Panama	0.032	2,375	2,078	-	297	-
Papua New Guinea	0.003	223	297	(74)	-	-
Paraguay	0.007	520	1,262	(742)	-	-
Peru	0.108	8,017	9,947	(1,930)	-	-
Philippines	0.108	8,017	10,244	(2,227)	-	-
Poland	0.696	51,664	49,809	-	1,855	-
Portugal	0.732	54,337	50,774	-	3,563	-
Qatar	0.118	8,759	6,903	1,856	-	-
Republic of Korea	3.020	224,176	193,965	30,211	-	-
Republic of Moldova	0.001	74	74	-	-	-
Romania	0.097	7,200	6,458	-	742	-
Russian Federation	1.668	123,816	118,843	-	4,973	-
Rwanda	0.001	74	74	-	-	-

<i>Member State</i>	<i>Scale of assessment (per cent)</i>	<i>Amount of advance</i>	<i>Collections 1986-2007</i>	<i>Adjustments 2008</i>	<i>Collections 2008</i>	<i>Amount outstanding</i>
Saint Kitts and Nevis	0.001	74	74	-	-	-
Saint Lucia	0.001	74	223	(149)	-	-
Saint Vincent and the Grenadines	0.001	74	74	-	-	-
Sao Tome and Principe	0.001	74	74	-	-	-
Saudi Arabia	1.040	77,201	77,052	-	149	-
Senegal	0.006	445	520	(75)	-	-
Serbia	0.029	2,153	2,078	75	-	-
Seychelles	0.003	223	214	9	-	-
Sierra Leone	0.001	74	74	-	-	-
Slovakia	0.088	6,532	5,493	-	1,039	-
Slovenia	0.133	9,873	8,833	-	1,040	-
Somalia	0.001	74	74	-	-	-
South Africa	0.403	29,915	31,548	(1,633)	-	-
Spain	4.125	306,200	272,203	-	33,997	-
Sri Lanka	0.022	1,633	1,856	(223)	-	-
Sudan	0.010	742	742	-	-	-
Suriname	0.001	74	74	-	-	-
Swaziland	0.003	223	223	-	-	-
Sweden	1.489	110,529	107,783	2,746	-	-
Switzerland	1.690	125,449	129,310	(3,861)	-	-
Syrian Arab Republic	0.022	1,633	4,083	(2,450)	-	-
Tajikistan	0.001	74	74	-	-	-
Thailand	0.259	19,226	22,566	(3,340)	-	-
The former Yugoslav Rep. of Macedonia	0.007	520	668	(148)	-	-
Timor-Leste	0.001	74	74	-	-	-
Togo	0.001	74	74	-	-	-
Tonga	0.001	74	74	-	-	-
Trinidad and Tobago	0.038	2,821	2,375	446	-	-
Tunisia	0.043	3,192	3,489	(297)	-	-
Turkey	0.530	39,342	40,159	(817)	-	-
Turkmenistan	0.008	594	56	-	-	538
Uganda	0.004	297	668	(371)	-	-
Ukraine	0.063	4,677	4,231	446	-	-
United Arab Emirates	0.420	31,177	25,387	5,790	-	-
United Kingdom	9.232	685,294	661,837	-	23,457	-
United Republic of Tanzania	0.008	594	668	(74)	-	-
Uruguay	0.038	2,821	5,196	(2,375)	-	-
Uzbekistan	0.011	817	1,485	(668)	-	-
Vanuatu	0.001	74	74	-	-	-
Venezuela (Bolivarian Republic of)	0.278	20,636	18,483	2,153	-	-
Viet Nam	0.033	2,450	2,301	149	-	-
Yemen	0.010	742	668	-	74	-
Zambia	0.001	74	223	(149)	-	-
Zimbabwe	0.011	817	742	75	-	-

<i>Member State</i>	<i>Scale of assessment (per cent)</i>	<i>Amount of advance</i>	<i>Collections 1986-2007</i>	<i>Adjustments 2008</i>	<i>Collections 2008</i>	<i>Amount outstanding</i>
<b>Subtotal</b>	100.000	7,423,030	7,416,891	(140,511)	112,444	34,206
<i>New Member State</i>						
Samoa	0.001	74			-	74
<b>TOTAL</b>	<b>100.001</b>	<b>7,423,104</b>	<b>7,416,891</b>	<b>(140,511)</b>	<b>112,444</b>	<b>34,280</b>

**Schedule 3**  
**GENERAL FUND**  
**Status of appropriations by major object of expenditure for the year 2008**  
(In thousands of euros)

<i>Major object of expenditure</i>	<i>Original appropriation</i>	<i>Disbursements during 2008</i>	<i>Unliquidated obligations as at 31/12/08</i>	<i>Total expenditure</i>	<i>Balance of appropriations</i>
Salaries and common staff costs	53,324.2	43,272.4	1,191.5	44,463.9	8,860.3
Official travel	1,771.0	1,243.7	275.1	1,518.8	252.2
Operating costs	13,578.0	9,546.0	3,661.5	13,207.5	370.5
Information and communication technology	2,826.0	892.1	1,342.0	2,234.1	591.9
RPTC and SRA Activities	7,022.0	6,100.2	0.0	6,100.2	921.8
<b>TOTAL A</b>	<b>78,521.1</b>	<b>61,054.4</b>	<b>6,470.1</b>	<b>67,524.5</b>	<b>10,996.6</b>
<b><u>Income</u></b>		<b><u>Actual Income</u></b>	<b><u>Accrued Income</u></b>	<b><u>Total Income</u></b>	<b><u>Shortfall</u></b>
Regional programme	935.4	268.4		268.4	667.0
Miscellaneous Income					
1. Estimated in GC.12/Dec.16	1,583.6	1,548.2		1,548.2	35.4
2. Not estimated in GC.12/Dec.16		738.2		738.2	(738.2)
<b>TOTAL B</b>	<b>2,519.0</b>	<b>2,554.8</b>		<b>2,554.8</b>	<b>(35.8)</b>
<b>TOTAL A - B</b>	<b>76,002.1</b>	<b>58,499.6</b>	<b>6,470.1</b>	<b>64,969.7</b>	<b>11,032.4</b>

**Schedule 4**  
**OTHER HEADQUARTERS FUNDS**  
**BUILDINGS MANAGEMENT SERVICES**  
**Status of appropriations by major object of expenditure for the year 2008**  
(in thousands of euros)

<i>Major object of expenditure</i>	<i>Original appropriation</i>	<i>Transfers</i>	<i>Revised appropriation</i>	<i>Disbursements during 2008</i>	<i>Unliquidated obligations as at 31/12/08</i>	<i>Total expenditure</i>	<i>Balance of appropriations</i>
Staff costs	8,470.3	0.0	8,470.3	6,271.3	35.0	6,306.3	2,164.0
Official travel	7.8	0.0	7.8	0.0	0.0	0.0	7.8
Operating costs	19,770.7	0.0	19,770.7	8,149.2	5,794.0	13,943.2	5,827.5
Information and communication technology	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RPTC and SRA activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL A</b>	<b>28,248.8</b>	<b>0.0</b>	<b>28,248.8</b>	<b>14,420.5</b>	<b>5,829.0</b>	<b>20,249.5</b>	<b>7,999.3</b>
<b><u>Income</u></b>							
			<b><u>Estimated Income</u></b>	<b><u>Actual Income</u></b>	<b><u>Accrued Income</u></b>	<b><u>Total Income</u></b>	<b><u>Shortfall/(Excess)</u></b>
Common Buildings Management	27,228.7	0.0	27,228.7	19,892.8	535.9	20,428.7	6,800.0
Joint Buildings Management	1,020.1	0.0	1,020.1	353.2	219.3	572.5	447.6
<b>TOTAL B</b>	<b>28,248.8</b>	<b>0.0</b>	<b>28,248.8</b>	<b>20,246.0</b>	<b>755.2</b>	<b>21,001.2</b>	<b>7,247.6</b>
<b><u>Miscellaneous Income</u></b>							
Not estimated in GC.12/Dec.16	0.0	0.0	0.0	888.1	3.0	891.1	-891.1
<b>TOTAL C</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>888.1</b>	<b>3.0</b>	<b>891.1</b>	<b>-891.1</b>
<b>TOTAL A - B - C</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-6,713.6</b>	<b>5,070.8</b>	<b>-1,642.8</b>	<b>1,642.8</b>
<b><u>Cumulative fund balance – Special Account for BMS</u></b>							
Excess of income over expenditure for 2008 (as above)							1,642.80
Savings on cancellation of obligations							91.60
Fund balance as at 1 January 2008							19,979.80
Cumulative fund balance as at 31 December 2008							<b>21,714.20</b>

## II. Notes to the financial statements

### Note 1: Objectives and activities of UNIDO

1.1 The United Nations Industrial Development Organization (UNIDO) is a specialized United Nations agency dedicated to improving the living conditions of people and promoting global prosperity by offering tailor-made solutions for the sustainable industrial development in developing countries and countries with economies in transition.

1.2 UNIDO channels its technical cooperation activities into three thematic priority areas – poverty reduction through productive activities, trade capacity-building and environment and energy. In addition, it engages in a number of cross-cutting activities, especially in promoting South-South cooperation for industrial development, partnerships with international financial institutions and the private sector, special programmes for the least developed countries and strategic industrial research and statistical services.

1.3 The key comparative advantage of UNIDO lies in its unique ability to provide comprehensive and integrated packages of services, combining its operational activities with its analytical, normative and convening roles. Those services include: industrial strategy and business environment; investment and technology promotion; small and medium enterprise (SME) cluster and agro-value chain development; rural, women and youth entrepreneurship development; human security and post-crisis rehabilitation; industrial capacities for trade competitiveness; quality and compliance infrastructure; corporate social responsibility for market integration; resource efficient and low-carbon industrial production; renewable energy for productive use and capacity-building for the implementation of multilateral environmental agreements. UNIDO is committed to maintaining excellent standards in the implementation of these programmes.

### Note 2: Summary of significant accounting policies

#### Basis of presentation

2.1 UNIDO's accounts are maintained in accordance with Article X of the Financial Regulations of UNIDO, as adopted by the General Conference, the financial rules formulated thereunder, administrative instructions and in conformity with generally accepted accounting principles. UNIDO follows the United Nations system accounting standards as approved by the High-level Committee on Management (HLCM) on behalf of the United Nations Chief Executives Board for Coordination (CEB) at its seventh session and requested by General Assembly resolution 48/216, and the financial statements, of which these notes form an integral part, are presented in accordance with those standards.

2.2 The UNIDO financial statements are prepared on the historical cost basis of accounting and have not been adjusted to reflect the effects of changing prices for goods and services.

2.3 In accordance with Financial Regulation 10.5, the financial statements of UNIDO are presented in euros. Accounts and accounting records may, however, be kept in such currency or currencies, as the Director-General may deem necessary.



Accordingly, accounts of technical cooperation activities are maintained in euros and United States dollars, depending on the currency in which the funding from the donor was received or in certain cases, according to the currency of project implementation.

2.4 UNIDO's accounts are maintained on a "fund accounting" basis. Separate funds for general or special purposes may be established by the General Conference or the Director-General. Each fund is maintained as a distinct financial and accounting entity, with a separate self-balancing double-entry group of accounts.

2.5 The fiscal period of the Organization is a biennium and consists of two consecutive calendar years.

2.6 Income, expenditure, assets and liabilities are recognized on the accrual basis of accounting, except in instances specifically mentioned below.

#### **Translation and conversion of currencies**

2.7 Transactions in other currencies are recorded in euros for all funds and in United States dollars for dollar-based extrabudgetary technical cooperation activities at the applicable United Nations operational rate of exchange at the deemed date of the transaction. Assets, liabilities, reserves and fund balances held in other currencies are translated at the applicable United Nations operational rate of exchange at the date of the statement.

2.8 Exchange rate gains and losses arising from transactions and the revaluation of assets and liabilities are accounted as other income in Statement I subject to 2.9 (iii) below.

2.9 In preparing the Organization's consolidated financial statements, the accounts of technical cooperation activities maintained in United States dollars are translated to euros using generally accepted accounting practices. Namely,

- (i) Non-euro income, expenditure and changes in reserves and fund balances are stated at the equivalent amount of euros applicable as at the deemed date of the transaction applying the United Nations operational rate of exchange as at that date;
- (ii) Non-euro assets, liabilities, reserves and fund balances as at 31 December 2008 are converted to a euro equivalent using the United Nations operational rate of exchange as at 31 December 2008;
- (iii) All resulting exchange differences are classified as a component of reserves and fund balances in Statements I and II in a separate account – "currency translations".

#### **Income recognition**

2.10 Contributions to the regular budget are recognized as income on the basis of assessments approved by the General Conference to Member States for the fiscal period.

2.11 Voluntary contributions towards regular budget and technical cooperation activities from Governments or other donors are recognized as income upon receipt of cash or cash equivalents.

2.12 Contributions in kind received are not accounted for, but the value is disclosed in the notes to the financial statements. Where necessary, amounts are estimated locally based on a fair commercial value in an arms length transaction and amounts in foreign currencies are translated using an annual average United Nations operational rate of exchange.

2.13 Funds under inter-organizational arrangements representing income from UNDP and UNDP trust funds are the same as reported for total expenditure in line with UNDP procedures, which require that allocations be adjusted to equal actual expenditure.

2.14 Income from revenue producing activities, consisting of sales of publications and Computer Model for Feasibility Analysis and Reporting (COMFAR), is recognized on a cash basis. In addition, for COMFAR, income is recognized on confirmation of receipt of funds at a field location (such as for UNDP country offices).

2.15 Income from the operation of common services under Buildings Management Services is recognized on issuance of invoices to the Vienna International Centre (VIC)-based organizations. At year-end, income is accrued for staff costs in BMS, pending the issuance of invoices.

2.16 For the regular budget, refunds of expenditure charged to previous fiscal periods, proceeds from the sale of surplus property, commissions from travel agents, CTBTO support costs and other sundry credits are treated as miscellaneous income.

#### **Interest income**

2.17 Interest income, including accrued interest on bank deposits for regular and operational budget, special account for Buildings Management, general-purpose segment of the Industrial Development Fund and Multilateral Fund for the Montreal Protocol is recognized as income in the respective accounts and funds. Interest income arising from UNDP activities is credited to the operating fund account maintained with that organization. Pursuant to General Conference decision GC.8/Dec.10, interest income under the regular budget is limited to the budgetary estimates contained in the programme and budgets for the fiscal period, including interest earned on working capital funds.

2.18 Total interest income, including accrued interest on bank deposits for the special-purpose Industrial Development Fund, direct funding under Global Environment Facility, trust funds and Global Environment Facility funds through UNEP (UNEP/GEF) relating to the technical cooperation activities is credited to accounts payable until instructions regarding its utilization are received from the donor.

#### **Expenditure**

2.19 Expenditure reported in the financial statements includes disbursements and unliquidated obligations.

2.20 Expenditure on acquisition of furniture, equipment, other non-expendables and leasehold improvements is charged to expenditure in the year of purchase and is not included in the assets of the Organization. The inventory of such non-expendable

property is maintained on historical cost basis and the value is disclosed in the notes to the financial statements.

2.21 Disbursements made in the current fiscal period, for future fiscal periods are not charged to the expenditure in the current fiscal period but are recorded as deferred charges, as referred to in Note 2.25 below.

2.22 Ex gratia payments made in accordance with financial rule 109.3.1 are reported in the notes to the financial statements of the respective fund pursuant to financial regulation 9.3.

#### **Assets**

2.23 Assessed contributions receivable represent legal obligations due from Member States. Details of the receivables are provided in a schedule to the financial statements. A full provision for outstanding assessed contributions for regular budget for the previous fiscal periods is made at the end of the current fiscal period.

2.24 Funds on deposit in interest-bearing bank accounts, certificates of deposit, time deposits and call accounts are shown as cash and term deposits.

2.25 Expenditure items that are not properly chargeable in the current fiscal period and that will be charged as expenditure in a subsequent fiscal period are shown under other assets as deferred charges. For balance sheet statement purposes only, that portion of the education grant advance, which is assumed to pertain to the scholastic year completed as at the date of the financial statement is also shown under deferred charges.

#### **Liabilities and reserves**

2.26 In accordance with financial regulation 5.2 (d) unencumbered balance of appropriations adjusted against future assessments as requested by certain Member States and contributions received in advance for 2008 and beyond, are held as a liability until applied against assessments for future fiscal periods.

2.27 For the regular budget, obligations made and outstanding against the current fiscal period are shown as unliquidated obligations. According to financial regulation 4.2 (b) these obligations remain valid for twelve months following the end of the fiscal period to which they relate. At the end of the twelve months the remaining unliquidated obligations are terminated.

2.28 For all technical cooperation activities, unliquidated obligations meeting the established criteria remain valid for twelve months after the end of each calendar year. However, in accordance with established policy, these obligations may be retained beyond twelve months, when a firm liability to pay still exists and/or until the completion of activities under relevant projects.

2.29 No provision is made in the General Fund for end-of-service entitlements, after-service health insurance or meeting potential liabilities under appendix D to the Staff Rules of UNIDO, as funds are provided for in the budget appropriations to meet the obligations on a pay-as-you-go basis. However, provision is made to meet repatriation grant entitlements and potential liabilities for compensation payments under appendix D to the Staff Rules for personnel financed by technical cooperation resources other than inter-organization arrangements and certain trust funds and are

calculated on the basis of eight per cent and one per cent of net base pay, respectively (Note 2.35 refers).

### **Financial instruments**

2.30 UNIDO uses only non-derivative financial instruments as part of its normal operations. These financial instruments consist mainly of bank accounts, certificates of deposits, accounts receivable and accounts payable.

2.31 All financial instruments are recognized in the statement of assets, liabilities reserves and fund balances at their fair values.

### **Financial risks**

2.32 UNIDO has instituted prudent risk management policies and procedures in accordance with its Financial Regulations and Rules. In the normal course of business, UNIDO is exposed to a variety of financial risks, such as market risk (foreign currency exchange and interest rate), and counterparty risks. UNIDO does not use any hedging instruments to hedge risk exposures.

- **Currency risk:** UNIDO receives contributions from member countries and donors in currencies other than the euro and is therefore exposed to foreign currency exchange risk arising from fluctuations of currency exchange rates.
- **Interest rate risk:** UNIDO deposits its funds only in short-term fixed interest accounts, and therefore has no significant interest rate risk exposure.
- **Credit risk:** UNIDO has no significant exposure to credit risk because the contributing member countries and donors are generally of high credit standing.
- **Counterparty risk:** UNIDO has its cash deposited with various banks and is therefore exposed to the risk that a bank defaults in its obligation towards the Organization.

### **Savings on or cancellation of prior period obligations**

2.33 Savings on or cancellation of obligations relating to regular budget's unliquidated obligations for the prior fiscal period are credited to Member States in the current fiscal period in accordance with financial regulation 4.2 (c). Savings on or the cancellation of prior year obligations in respect of all technical cooperation activities are credited to individual projects as a reduction of current year expenditure or as miscellaneous income for completed projects. For BMS special account, the savings on or the cancellation of obligations for the prior period is credited to the special account in the current period.

### **Commitments and contingent liabilities**

2.34 Commitments approved for future fiscal periods that are necessary in the interest of UNIDO, in accordance with financial rule 109.2.2, are disclosed in the notes to the financial statements of the respective fund. Such commitments are normally restricted to administrative requirements of a continuing nature and to other contracts or legal obligations where long lead times are required for delivery.

2.35 Contingent liabilities for end-of-service entitlements, after-service health insurance and for any pending litigations are disclosed in the notes to the financial statements (refer Note 2.29).

#### **Special account for RPTC**

2.36 The appropriations for the regular programme of technical cooperation (RPTC) are administered in accordance with the Financial Regulations of UNIDO, and in accordance with the General Conference decision GC.9/Dec.14.

2.37 Miscellaneous income from refunds for completed projects and exchange differences relating to the RPTC are credited to the special account.

2.38 The criteria for recording and reporting unliquidated obligations against the current year for the RPTC are the same as those for technical cooperation activities. Savings on or cancellation of obligations are credited to the relevant projects under RPTC and retained in the special account for carrying out RPTC activities.

#### **Special account for programme support costs**

2.39 Income from programme support costs, charged in respect of programme expenditure under extrabudgetary technical cooperation activities, is recognized on the earlier of the establishment of obligations or on disbursements and is credited to the special account for financing the operational budget.

2.40 In the financial statements of the Organization, the special account for programme support costs is shown separately from the inter-organizational funds, from which its income derives.

2.41 Unliquidated obligations in respect of the special account for programme support costs are accounted for on the same basis as for the regular budget. Savings on or cancellation of obligations is credited to the special account for programme support costs.

### **Note 3: General Fund and Working Capital Fund**

#### **3.1 Assessed contributions**

The General Conference approved that an amount of €154,623,038 for the regular budget for the biennium 2008-2009 (decision GC.12/Dec.16) be financed from assessed contributions by Member States. Accordingly, €7,311,519 representing one-half of the amount was assessed in 2008. In accordance with financial regulation 5.5 (c), payments made by a Member State are credited first to the Working Capital Fund and then to the contributions due, in the order in which the Member State was assessed. Full provision of €109,969,232 is made for assessed contributions outstanding for prior bienniums as of 31 December 2008.

#### **3.2 Voluntary contributions**

This represents host-Government contributions towards the operational costs of UNIDO field offices.

### 3.3 Revenue-producing activities

Gross revenue from the sale of UNIDO publications was €60,112, one-half of which (€30,056) is reported under revenue producing activities and the other half is transferred to the sales publications revolving fund (Note 3.13 (i) refers).

### 3.4 Interest income

Interest income of €1,518,150 represents one-half of the budgetary estimate contained in the programme and budgets for the biennium 2008-2009. According to decision GC.8/Dec.10, the excess interest over the budgetary estimate is set aside pending distribution to eligible Member States in accordance with the "S" curve formula, as an incentive for prompt payment of assessed contributions.

	€000's	
	2008	2006
Opening balance	2,760.2	345.3
Less: Credited to Member States	345.3	-
Excess interest for the period	1,281.5	743.7
<b>Closing balance</b>	<b>3,696.4</b>	<b>1,089.0</b>

### 3.5 Currency exchange adjustments

The amount of €225,642 reflected in the currency exchange adjustment represents the net exchange gain from regular budget activities for the year.

### 3.6 Miscellaneous income

	€000's	
	2008	2006
Refund of prior periods expenditure	120.0	32.5
Commissions from travel agent	122.9	44.9
Support costs <sup>(a)</sup>	160.5	186.6
Sale of surplus property	8.9	7.6
Other miscellaneous	256.8	60.8
<b>Total</b>	<b>669.1</b>	<b>332.4</b>

<sup>(a)</sup> This relates to CTBTO support costs charged on BMS activities.

### 3.7 Prior year adjustments

The prior year adjustments comprise:

	€
(a) A charge for the biennium 2002-2003 in respect of a payment made to a UNIDO staff member as a result of an appeal case;	8,000

(b) Additional charge for the biennium 2004-2005 in respect of a payment made to a former staff member as ruled by the International Labour Organization Administrative Tribunal (ILOAT);	23,311
(c) A charge for the biennium 2006-2007 in respect of a payment made to a UNIDO staff member as ruled by the ILOAT;	30,000
(d) Various late charges from field offices for the biennium 2006-2007;	86,217
(e) Late charges and recoveries for the biennium 2006-2007 on SRA activities.	(33,329)
<b>Total</b>	<b>114,199</b>

### 3.8 Savings on or cancellation of obligations from the prior year

In accordance with financial regulation 4.2 (c), the savings on or cancellation of obligations relating to the regular budget unliquidated obligations for the biennium 2006-2007 credited to Member States in the current year amounted to €3,418,248.

### 3.9 Accounts receivable – other

	€000's	
	2008	2006
Salary advances	311.9	46.9
Education grant advances	799.1	877.7
Travel advances	543.3	195.2
Receivables from VIC-based organizations	823.4	68.8
US income tax recoverable <sup>(a)</sup>	955.8	955.8
Value added tax (VAT)	106.1	195.0
Accrued interest	240.6	218.9
Other miscellaneous <sup>(b)</sup>	1,403.5	1,309.9
<b>Subtotal</b>	<b>5,183.7</b>	<b>3,868.2</b>
Less: Provision for doubtful receivables	(723.7)	(723.7)
<b>Total</b>	<b>4,460.0</b>	<b>3,144.5</b>

<sup>(a)</sup> Organization's claim submitted to the Government of the United States of America in respect of United States income tax reimbursed to UNIDO staff members during the period 1994 to 1996 under the Tax Reimbursement Agreement. The Government of the United States of America had communicated to the Organization that it acknowledges this debt, however, no payment was received during the year.

<sup>(b)</sup> Includes the Organization's claim to the International Atomic Energy Agency under the cost-sharing agreement for termination indemnity costs for Buildings Management staff separated during the 1995 staff reduction exercise not resolved. The amount claimed is \$644,453 (€723,720 at the United Nations operational rate of exchange approved by the ninth session of the General Conference (GC.9/Dec.15)). A provision has been made for a possible write-off of this receivable.

### 3.10 Other assets

Other assets include the deferred expenditure shown below.

	€000's	
	2008	2006
Advances against future years obligations	-	3.6
Deferred education grant advances	532.7	585.1
Other miscellaneous	-	1.6
<b>Total</b>	<b>532.7</b>	<b>590.3</b>

### 3.11 Payments or contributions received in advance

This amount includes, assessed contributions of €2,670,218 received from Member States to be applied against the 2009 assessment and advances of €2,432,593 received from VIC-based organizations for special work programmes carried out by BMS at the VIC.

### 3.12 Accounts payable – other

	€000's	
	2008	2006
Unencumbered balances due to Member States	9,685.3	3,321.8
Incentive scheme interest due to Member States	3,696.4	1,089.0
Accruals for maternity leave replacements	148.8	168.9
Due to United Nations	144.0	156.6
Prior years' obligations	417.0	500.5
Miscellaneous payables	1,477.1	384.6
Other clearing accounts	583.1	142.2
<b>Total</b>	<b>16,151.7</b>	<b>5,763.6</b>

### 3.13 Other reserves

Total other reserves of €18,793,588 comprise the following:

#### (i) Sales publication revolving fund

The sales publication revolving fund was established in the year 1998-1999 as contained in document GC.7/21 and decision GC.7/Dec.16 to support longer range planning of publication activities, including promotion, marketing and reprinting of publications. The fund is credited with one-half of the income generated from sale of publications and charged with the full costs related to promotions, marketing and publication activities as shown below.



	€000's	
	2008	2006
Sales	60.1	99.5
Less: Transfer to revenue producing activities	30.0	49.8
Less: Promotional and other costs	7.9	3.9
Surplus/(deficit) for the period	22.2	45.8
Currency exchange adjustment	1.2	-
Opening balance	203.7	130.1
<b>Closing balance</b>	<b>227.1</b>	<b>175.9</b>

**(ii) Separation indemnity reserves**

Pursuant to decision GC.6/Dec.15, paragraph (e), the amount of \$9,546,732 representing the balance of appropriations for the year 1992-1993, which was actually received by the Organization, was transferred to a separation indemnity reserve in 1995. Pursuant to General Conference decision GC.7/Dec.17, the amount of \$13,900,000 million was transferred from the unencumbered balance of appropriations for the year 1994-1995 for the funding of the separation indemnity reserve to meet the cost of staff separations resulting from the 1998-1999 programme and budgets. Unlike the previous allocation from the year 1992-1993, the allocation from the year 1994-1995 was not supported by actual cash, as large arrears for this year exist. The cumulative payments made during the period 1995 to 2001 from both reserves amounts to \$18,546,191. The remaining balance of \$4,900,541 was converted to euros on 1 January 2002 using the exchange rate approved by the General Conference (decision GC.9/Dec.15).

	€000's	
	2008	2006
Opening balance	5,499.3	5,499.3
Less: Payments made during the period	-	-
<b>Closing balance</b>	<b>5,499.3</b>	<b>5,499.3</b>

**(iii) Reserve for exchange rate fluctuations**

The General Conference in decision GC.8/Dec.16 authorized the Director-General to establish a reserve, not subject to the provisions of the financial regulations 4.2 (b) and 4.2 (c). Consequently, the reserve was established in the biennium 2002-2003 in order to protect the Organization from exchange rate fluctuations resulting from the introduction of the euro as a single currency for the preparation of the programme and budgets, appropriation and assessment, collection of contributions and advances, and currency of accounts. The balance of €8,971,140 as at 31 December 2008 represents the accumulated amount set aside in the previous bienniums.

	€000's	
	2008	2006
Opening balance	8,971.1	7,748.6
Transfers during the period	-	-
<b>Closing balance</b>	<b>8,971.1</b>	<b>7,748.6</b>

**(iv) Special account for RPTC**

In accordance with General Conference decision GC.9/Dec.14, a special account was established for fully programmable appropriations under the RPTC, not subject to financial regulations 4.2 (b) and 4.2 (c). Funds from cancellation of obligations, if any, would be retained in the special account for carrying out RPTC activities (Notes 2.33 to 2.35 refer).

	€000's	
	2008	2006
Appropriations from regular budget	4,560.2	4,411.8
Currency exchange adjustment/Misc. income	(31.7)	64.4
Total income	4,528.5	4,476.2
Expenditure	(5,546.6)	(2,907.6)
Deficit for the period	(1,018.1)	1,568.6
Opening balance	5,114.1	2,897.4
<b>Closing balance</b>	<b>4,096.0</b>	<b>4,466.0</b>

**3.14 Working Capital Fund**

The General Conference decision GC.2/Dec.27 established the Working Capital Fund at \$9 million for the purpose of financing budgetary appropriations pending the receipt of contributions and unforeseen and extraordinary expenditure. At subsequent General Conference sessions, the level of the Fund was progressively reduced to \$6,610,000. With the introduction of euro assessment effective 1 January 2002, the amount was converted to euros in accordance with decision GC.9/Dec.15, resulting in a Working Capital Fund of €7,423,030. The General Conference (GC.11/Dec.14) decided to maintain the Fund at the same level for the biennium 2008-2009. The Fund is financed through assessments to Member States based on the scale of assessments approved by the General Conference.

	€000's	
	2008	2006
Opening balance	7,423.1	7,423.0
Adjustments during the period	-	0.1
<b>Closing balance</b>	<b>7,423.1</b>	<b>7,423.1</b>

As of 31 December 2008 an amount of €34,280 was outstanding.

### 3.15 Credits/surpluses due to Member States

Surpluses due to Member States are funds available for credit to Member States arising from unencumbered balances of the appropriations and contributions from new Member States. In accordance with financial regulation 4.2 (b), the unencumbered balance of the appropriations at the end of a fiscal period shall be surrendered to the Members at the end of the first calendar year following the fiscal period after deducting therefrom any contributions from Members relating to that fiscal period which remain unpaid, and shall be credited to the Members in proportion to their assessed contributions in accordance with the provisions of the financial regulations 4.2 (c) and 5.2 (d). Financial regulation 4.2 (c) requires that, before the respective share of the balance is surrendered to any Member that has outstanding regular budget obligations to the Organization, those obligations shall first be brought to account.

As at the balance sheet date, the surpluses due for distribution – representing assessed contributions received for prior years together with receipts from new Member States are set-aside in “accounts payable – other” (see Note 3.12), pending receipt of Member States’ instructions.

	€000's	
	2008	2006
Unencumbered balance brought forward	8,891.0	4,419.7
Contributions received during the period	7,646.1	1,977.2
Applied to assessments, retained for technical cooperation activities or refunded to Member States	(6,851.8)	(3,075.1)
<b>Unencumbered balance carried forward</b>	<b>9,685.3</b>	<b>3,321.8</b>

The following is a cumulative analysis of the surpluses due to Member States, expressed in millions of euros.

	<i>Surplus</i>	<i>Surpluses disposed and applied to assessments</i>	<i>Prior year adjustments</i>	<i>Surpluses due for distribution</i>	<i>Provisions for delays in the collection of contributions</i>	<i>Surpluses due to Member States</i>	<i>Remarks</i>
2008	12.3					12.3	Provisional
2006-2007	16.1		(0.1)		9.0	7.0	
2004-2005	13.8	4.1		2.5	5.4	1.8	
2002-2003	10.2	2.7		2.4	4.4	0.7	
2000-2001	10.3	4.4		2.3	3.5	0.1	
1998-1999	14.3	6.3		1.6	6.1	0.1	
1996-1997 (GC.8/Res.4)	46.9	10.1		0.9	36.4	(0.5)	
1994-1995 (GC.7/Dec.17)	35.3	15.6			42.3	(22.6)	

	<i>Surplus</i>	<i>Surpluses disposed and applied to assessments</i>	<i>Prior year adjustments</i>	<i>Surpluses due for distribution</i>	<i>Provisions for delays in the collection of contributions</i>	<i>Surpluses due to Member States</i>	<i>Remarks</i>
1992-1993 (GC.6/Dec.15) (GC.8/Dec.10) (GC.8/Res.4)	16.5	15.0			1.5	0.0	
1990-1991	9.8				1.1	8.7	Retained – GC.5/Dec.14
1988-1989	7.3				0.1	7.2	Retained – GC.4/Dec.15
1986-1987 (GC.4/Dec.15)	4.8	4.8				0.0	
<b>Total</b>	<b>197.6</b>	<b>63.0</b>	<b>(0.1)</b>	<b>9.7</b>	<b>109.8</b>	<b>14.8</b>	
Contributions from new Member States	1.9	1.7			0.1	0.1	
<b>Total</b>	<b>199.5</b>	<b>64.7</b>	<b>(0.1)</b>	<b>9.7</b>	<b>109.9</b>	<b>14.9</b>	

### 3.16 Eliminations

Eliminations comprise two elements as shown below:

(a) Buildings Management Services costs charged to UNIDO. An amount of €2,954,166 is eliminated from both operating costs and contractual services and income to avoid double counting of UNIDO's contribution to buildings management costs;

(b) Expenditure of €7,118,248 on RPTC and SRA activities is re-analysed into its component parts.

### 3.17 Contributions in kind

Contributions in kind estimated at €23,429 were received from Member States in support of UNIDO field offices during the year.

### 3.18 Ex gratia payments

No ex gratia payments were made during the year.

### 3.19 Non-expendable equipment

The following table shows the non-expendable equipment in Headquarters and field offices, at cost, expressed in millions of euros, according to the cumulative inventory records of UNIDO as at 31 December 2008. The minimum value for recognition of non-expendable property is €1,700 per item.

	2008			2006		
	HQ	Field	Total	HQ	Field	Total
Opening balance	8.3	1.9	10.2	8.6	1.7	10.3
Add: additions during period	0.9	0.4	1.3	0.2	0.2	0.4
Deduct: disposals during period	(1.0)	(0.3)	(1.3)	(0.2)	(0.1)	(0.3)
<b>Closing balance</b>	<b>8.2</b>	<b>2.0</b>	<b>10.2</b>	<b>8.6</b>	<b>1.8</b>	<b>10.4</b>

In addition, special items with a unit value of at least €600 are maintained in inventory records for Headquarters and field offices and amounted to €2.6 million and €0.5 million respectively as at 31 December 2008.

### 3.20 Contingent liabilities

#### (i) End-of-service payment to staff

In line with United Nations accounting standards, liabilities for end-of-service payments comprise end-of-service allowance, repatriation grant and compensation for accrued annual leave. To provide a more realistic estimate, the amount required for the removal of household goods has also been included. The valuation as at 31 December 2008 is based on the United Nations salary scale and the entitlements defined in the staff regulations and rules, as well as taking into account the average of actual costs of removal expenses of staff separating during the year 2008. The amounts are estimated to be:

Regular budget                      €2.2 million

Operational budget                €5.7 million

Post-retirement benefits are excluded.

No provision is made for this liability, except that in the case of the operational budget, as reflected in Statement II and Note 4.7 (operating reserve).

#### (ii) The United Nations Joint Staff Pension Fund

UNIDO is a member organization participating in the United Nations Joint Staff Pension Fund (UNJSPF), which was established by the United Nations General Assembly to provide retirement, death, disability and related benefits. The Pension Fund is a funded defined benefit plan. The financial obligation of the Organization to the United Nations Joint Staff Pension Fund consists of its mandated contribution at the rate established by the United Nations General Assembly, together with any share of any actuarial deficiency payments under Article 26 of the Regulations of the Fund. Such deficiency payments are only payable if and when the United Nations General Assembly has invoked the provision of Article 26, following determination that there is a requirement for deficiency payments based on an assessment of the actuarial sufficiency of the Fund as of the valuation date. At the time of this report, the United Nations General Assembly has not invoked this provision.

**(iii) After-service health insurance**

Staff members (their spouses, dependent children or survivors) retiring from service under the Pension Fund regulations at age 55 or later are eligible for after-service health insurance (ASHI) coverage after having been a participant in a contributory health insurance scheme of the common system for at least ten years. The same applies to staff members receiving compensation for disability under Appendix D to the staff rules. Costs of participation in this scheme are borne on the basis of joint contributions by UNIDO and the participants concerned.

During the year, the Organization's contribution to the scheme amounted to €2,043,657. The contributions against the Buildings Management Services amounted to €69,944, which was cost-shared with other VIC-based organizations. An actuarial valuation was conducted using the same demographic assumptions as used by the UNJSPF to determine the accrued liabilities under ASHI as at 31 December 2007. According to the valuation, the level of unfunded liabilities as at December 2007 amounted to €71.9 million (\$104.9 million based on the period end exchange rate). A United Nations system-wide solution is being sought to address the issue of unfunded liabilities.

**(iv) Appeal cases**

The contingent liabilities on pending staff related appeals as at 31 December 2008, amounts to €2,887,211.

**(v) Major repairs and replacements at the Vienna International Centre**

Under a new agreement reached between the VIC-based organizations and the Republic of Austria in 2002, costs related to unexpected major repairs and replacements, which are not included in the agreed investment plan, will have to be shared equally between the Austrian Government and the VIC-based organizations. In the past, such costs were fully absorbed by the Austrian Government. No provisions have been made for such unforeseen expenditure in the financial statements.

**Note 4: Other Headquarters funds**

**4.1 Funds reported under this heading comprise:**

- (i) Special Account for Programme Support Costs;
- (ii) Computer Model for Feasibility Analysis and Reporting (COMFAR);
- (iii) Buildings Management Services (BMS);
- (iv) Special Account for Security Enhancements at the VIC.

**4.2 Buildings Management Services**

With effect from 1 January 2002, the General Conference approved BMS as a separate, self-balancing major programme in the programme and budgets of UNIDO (decision GC.9/Dec.17). All BMS expenditures are offset by income, i.e. contributions received from other VIC-based organizations and from UNIDO. Consequently, under the UNIDO General Fund, only UNIDO's share of the BMS

costs are included (reference IDB.24/3-PBC.17/3). In view of the above, the BMS is reported under other Headquarters funds beginning with the year 2002-2003. The BMS operations are further split into two components:

- (i) Staff costs: This continues to be subject to the provisions of financial regulations 4.2 (b) and 4.2 (c);
- (ii) Special account for Buildings Management Services (for other than staff costs): The ninth session of the General Conference (decision GC.9/Dec.14), established with effect from January 2002, a special account for BMS (for other than staff costs), which is not subject to financial regulations 4.2 (b) and 4.2 (c). Thus the budgetary surplus, if any, will not require distribution to Member States. Each VIC-based organization (UNOV, UNIDO, IAEA and CTBTO) is required to pay its share into this account.

Additional analysis of BMS operations is provided in schedule 4 and the analysis on the special account is provided in Annex III. The surplus of €21,714,190 on the special account for BMS costs does not form part of the unencumbered balances of the appropriations due to Member States at the end of the year and is used for planned activities having multi-year implementation schedules. This amount includes €7,491,396 due from the International Atomic Energy Agency.

### 4.3 Special account for security enhancements at the VIC

The General Conference at its eleventh session established a special account with effect from the year 2006, for the purpose of financing UNIDO's share of the security enhancements at the VIC (decision GC.11/Dec.15). The special account is not subject to financial regulations 4.2 (b) and 4.2 (c). Due to the specific purpose and duration of the special account, it is classified under other Headquarters funds in the financial statements.

### 4.4 Income and expenditure and changes in fund balances

The following is an analysis of income and expenditure during the year for the funds reported under this heading:

	<i>Special account for programme support costs<sup>(a)</sup></i>	<i>Computer Model for Feasibility Analysis and Reporting</i>	<i>Buildings Management Services</i>	<i>Special account for security enhancements</i>	<i>Total</i>
	€000's				
Income	8,973.3	338.8	21,892.3		31,204.4
Expenditure	9,356.2	158.7	20,249.5	325.1	30,089.5
Excess (shortfall) of income over expenditure	(382.9)	180.1	1,642.8	(325.1)	1,114.9
Savings on cancellation of prior year obligations	308.1		91.6		399.7
Net excess (shortfall) of income over expenditure	(74.8)	180.1	1,734.4	(325.1)	1,514.6
Opening balance	6,531.0	906.1	19,979.8	1,430.5	28,847.4
Closing balance	6,456.2	1,086.2	21,714.2*	1,105.4	30,362.0

\* Relates to the special account (see annex III).

<sup>(a)</sup> Reimbursement for programme support costs is calculated as a percentage of programme resources expended. The Multilateral Fund for the Montreal Protocol, increased its annual lump sum payment to US\$ 1.7 million effective January 2006, as support cost for the implementation of its programme/projects; this amount is recorded as current year income. The Fund also pays a reduced support cost in respect of each of its projects, which, similar to most other technical cooperation activities, is calculated as a percentage of programme resources expended.

#### 4.5 Currency adjustment

The €71,073 exchange difference results primarily from the revaluation of the United States dollar, cash and term deposits, held by the special account for programme support costs.

#### 4.6 Accounts receivable – other

Accounts receivable – other is represented by:

	€000's	
	2008	2006
Accrued interest	76.6	164.4
Receivable from VIC-based organizations to BMS	7,713.0	10,505.2
Accounts receivable	585.5	330.6
VAT Austria	763.9	669.0
Austrian energy tax and ELWOG <sup>(a)</sup>	1,058.9	798.6
Accrued income	533.0	678.7
Other	595.8	383.3
Subtotal	11,326.7	13,529.8
Less: Provision for doubtful receivables	(892.4)	(662.7)
<b>Total</b>	<b>10,434.3</b>	<b>12,867.1</b>

<sup>(a)</sup> In the special account for Buildings Management Services, accounts receivable includes an amount representing a claim for reimbursement from the Austrian authorities for stranded costs, Renewable Energy Surcharge and KWK-Zuschlag. A full provision has been made for the outstanding amount.

#### 4.7 Operating reserve

An operating reserve, established in respect of the special account for programme support costs in accordance with PBC conclusion 1989/4 at \$5,504,190 was reduced to \$4,300,000 (€4,828,900) in accordance with Board decision IDB.14/Dec.12. By decision IDB.30/Dec.2, the Board reduced the level of the operating reserve for the year 2008 to €3,030,000. The purpose of the reserve is primarily to protect against unforeseen shortfalls in delivery and support cost income, for inflation and currency adjustments and to liquidate legal obligations in the case of abrupt termination of operation budget activities.

	€000's	
	2008	2006
Opening balance	6,531.0	5,160.4
Surplus/(deficit) for the period	(74.8)	1,701.5
<b>Closing balance</b>	<b>6,456.2</b>	<b>6,861.9</b>



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**Note 5: Technical cooperation****5.1 Technical cooperation activities**

Technical cooperation activities reported under this heading comprise activities executed by UNIDO with funds provided through the Industrial Development Fund, trust funds, Multilateral Fund for the Montreal Protocol, Global Environment Facility and inter-organizational arrangements with UNDP and UNEP. These activities are governed by various bilateral and multilateral agreements signed between the donor(s) and UNIDO.

**5.2 Presentation of technical cooperation activities**

A majority of voluntary contributions are received in United States dollars for projects programmable almost exclusively in that currency. From the biennium 2004-2005, euro-based management of technical cooperation programmes enabled projects to be programmed in euros. Consequently, segregated accounting and reporting for US dollar-based and euro-based technical cooperation projects was introduced. Accordingly, financial statements in Annex I, Tables 1 and 2 are provided in both US dollars and euros for dollar-based projects and in euro only for euro-based projects. Therefore, from the biennium 2004-2005, financial statements for euro-based projects are no longer included in the US dollar tables.

However, in order to present consolidated financial statements (Statements I and II) of UNIDO for the fiscal period ending 31 December 2008, all technical cooperation activities require translation to euros. The combined statements, Tables 1 and 2 presented in euros in Annex I are prepared on the basis described in Note 2.9.

**5.3 Currency exchange adjustment**

(a) In Annex I, Table 1-US dollar statements represent project funds where contributions are received and programmed almost exclusively in US dollars. All exchange gains or losses arising from transactions and revaluation of non-US dollar assets and liabilities are recorded as currency exchange adjustment under other income.

(b) In Annex I, Table 1-euro statements represent the euro-based projects for which funds are received and programmed almost exclusively in euros. All exchange gains or losses arising from transactions and revaluation of non-euro assets and liabilities are recorded as currency exchange adjustment under other income.

(c) Where applicable, the resulting exchange gains or losses are transferred to the respective donor accounts.

**5.4 Transfers to reserves**

This represents the charge to projects in respect of the provision for compensation payments under Appendix D to the staff rules. The period end reserve comprises of the following:

	€ 000's				Total	
	Industrial Development Fund (IDF)	Montreal Protocol (MP)	Global Environment Facility (GEF)	Trust funds (TF)	2008	2006
	Opening balance	1,093.3	21.2	22.8	977.2	2,114.5
Transfers during the period	52.1	5.5	4.0	84.9	146.5	115.5
Revaluation adjustment	19.1	0.6	0.5	17.0	37.2	(226.0)
<b>Closing balance</b>	<b>1,164.5</b>	<b>27.3</b>	<b>27.3</b>	<b>1,079.1</b>	<b>2,298.2</b>	<b>2,206.7</b>

### 5.5 Currency translation

Currency translations represent exchange differences from the conversion of assets and liabilities of US dollar-based technical cooperation projects to euro at the closing rate for consolidation purposes only (Note 2.9 refers). The cumulative balance of currency translation as at 31 December 2008 is represented by:

	€ 000's					Total	
	IDF	MP	GEF	TF	IOA*	2008	2006
	Opening balance	(21,739.0)	(18,140.5)	(3,313.6)	(19,004.3)	(252.0)	(62,449.4)
Adjustments during the period	518.1	(582.2)	350.9	539.6	(119.4)	707.0 <sup>(a)</sup>	(11,540.3)
<b>Closing balance</b>	<b>(21,220.9)</b>	<b>(18,722.7)</b>	<b>(2,962.7)</b>	<b>(18,464.7)</b>	<b>(371.4)</b>	<b>(61,742.4)</b>	<b>(51,898.8)</b>

\* Inter-organizational arrangements

<sup>(a)</sup> In addition, revaluation adjustments of €37,125 in Note 5.4 and €7,150 on operating reserve disclosed in Note 5.12 represent the total currency translation reported in Statement I.

### 5.6 Accounts receivable – other

Other accounts receivable comprise of:

	€ 000's					Total	
	IDF	MP	GEF	TF	IOA	2008	2006
	Travel advances	100.3	32.9	26.0	178.0	6.7	343.9
Accrued interest	136.8	102.4	8.7	258.7	17.6	524.2	1,261.5
VAT	3.0			2.0		5.0	24.9
Other	165.6			92.9	24.2	282.7	309.5
<b>Total</b>	<b>405.7</b>	<b>135.3</b>	<b>34.7</b>	<b>531.6</b>	<b>48.5</b>	<b>1,155.8</b>	<b>1,735.7</b>

## 5.7 Other assets

Other assets include:

	€ 000's						Total	
	IDF	MP	GEF	TF	IOA	2008		2006
						2008	2006	
Advances against future years' obligations	2.5	6.5		36.6		45.6	30.6	
Deferred expenditure		10.6		3,442.5 <sup>(a)</sup>	101.9	3,555.0	1,176.0	
Other		2.4		3.6	1,729.6 <sup>(b)</sup>	1,735.6	5,443.8	
<b>Total</b>	<b>2.5</b>	<b>19.5</b>		<b>3,482.7</b>	<b>1,831.5</b>	<b>5,336.2</b>	<b>6,650.4</b>	

<sup>(a)</sup> The balance includes amounts advanced to other United Nations agencies under Inter-Agency Agreements for project implementation.

<sup>(b)</sup> Includes the unprocessed field inter-office vouchers (IOVs) as of 31 December 2008 amounting to \$2,375,714 (€1,660,624). The unprocessed IOV balance at year-end comprises an amount of \$218,060 (€152,424) rejected due to insufficient information and \$696,554 (€486,891) held in suspense. With the exception of an immaterial amount of straight expenditures, related to service charges, communications costs and terminated obligations, all disbursements made by UNDP on behalf of UNIDO are covered by obligations.

## 5.8 Payments or contributions received in advance

The amount of \$6,491,716 (€4,537,709) reflects the funds held in clearing accounts for UNDP activities as illustrated in Annex II.

## 5.9 Accounts payable – other

As at 31 December 2008, the amounts represented in accounts payable – other, were as follows:

	€ 000's						Total	
	IDF	MP	GEF	TF	IOA	2008		2006
						2008	2006	
Interest on donor funds <sup>(a)</sup>	6,287.1		269.5	10,863.8	474.3	17,894.7	12,564.1	
Exchange gains <sup>(b)</sup>				2,233.0		2,233.0	2,427.9	
Accruals for end-of-service payments	262.0	0.6		943.9	18.6	1,225.1	1,164.2	
Prior years' obligations <sup>(c)</sup>	1,058.6	5,642.2	731.9	2,252.2	4,263.6	13,948.5	10,604.7	
Other	96.3	1,513.1	6.6	457.4	485.8	2,559.2	1,085.0	
<b>Total</b>	<b>7,704.0</b>	<b>7,155.9</b>	<b>1,008.0</b>	<b>16,750.3</b>	<b>5,242.3</b>	<b>37,860.5</b>	<b>27,845.9</b>	

<sup>(a)</sup> The treatment of the interest income earned from the investment of funds, net of bank charges, exchange gains and losses is governed by agreements with donors. This may include the return of such funds to donors, or their transfer to other projects, in which case they will be shown as voluntary contributions.

- (b) The amount of €2,233,062 (\$3,194,653) as at 31 December 2008 represents the remaining balance of realized gains arising from the revaluation of euro denominated cash and term deposits held by trust funds, prior to the introduction of euro management of technical cooperation projects in the year 2006. The balance remains undistributed pending a decision on its utilization.
- (c) Prior years' obligations represent unliquidated obligations from periods prior to 2008 as these obligations may be retained beyond twelve months, when a firm liability to pay still exists and/or until the completion of activities under relevant projects (refer to Note 2.28).

### 5.10 Operating reserves

The Industrial Development Board, in decision IDB.2/Dec.7, authorized the freezing of the operational reserve of the Industrial Development Fund at \$550,000 (€384,450 at the United Nations rate of exchange as at 31 December 2008). The purpose of the reserve is to ensure the financial liquidity of the Fund and to compensate for uneven cash flows.

### 5.11 Surplus

The amount of €5,449,206 represents the accumulated surplus under the general-purpose segment of the Industrial Development Fund. This comprises of, \$2,635,454 (€3,515,142) on US dollar contributions and €1,934,064 on euro contributions to the Fund.

### 5.12 Cash and term deposits

The equivalent of \$612,077 (€427,842) is held in currencies classified as non-convertible, as follows:

	<u>US\$000's</u>	<u>€000's</u>
Industrial Development Fund	463.1	323.7
Trust funds	149.0	104.2
	<u>612.1</u>	<u>427.9</u>

### 5.13 Commitments

Commitments, representing legal obligations for which disbursements will be made in future years, were entered into prior to 31 December 2008, as listed below:

	<u>US\$000's</u>	<u>€000's</u>
Industrial Development Fund	2,505.4	1,828.5
Montreal Protocol	4,558.7	3,188.9
Global Environment Facility	10,720.6	7,385.8
Trust funds	7,873.9	5,753.4
Regular Programme of Technical Cooperation	462.2	338.0
Inter-organizational arrangements	46.4	33.3
	<u>26,167.2</u>	<u>18,527.9</u>

#### **5.14 Contributions in kind**

Contributions in kind estimated at \$141,091 (€6,522) were received from Member States in support of UNIDO projects.

#### **5.15 Ex gratia payments**

No ex gratia payments were made during the year.

#### **5.16 Non-expendable equipment**

UNIDO maintains inventory records of property related to technical cooperation activities until its transfer to the project counterpart at the completion of the project. According to the cumulative inventory records, the historical value of such non-expendable property totalled €33.9 million as at 31 December 2008. The minimum value for recognition of non-expendable property is €1,700 per item. In addition, a separate inventory is maintained for special items with a unit value of €600 or more and amounted to €2.6 million at 31 December 2008.

During the year, non-expendable equipment to the value of €8,973 was reported as stolen and written off in the inventory records.

## Notes to the financial statements – Annex I

## TECHNICAL COOPERATION ACTIVITIES EXECUTED BY UNIDO

Table 1. Combined statement of income and expenditure and changes in reserves and fund balances for the year ended 31 December 2008

(In thousands of euros)

	<i>Regular Programme</i>	<i>Industrial Development Fund</i>	<i>Montreal Protocol</i>	<i>GEF</i>	<i>Trust Fund</i>	<i>Inter- organization arrangements</i>	<i>Subtotal Extrabudgetary Funds</i>	<i>Total</i>
<b>INCOME</b>								
Voluntary contributions		14,964.5	25,827.4	5,570.8	53,157.0	1,692.0	101,211.7	101,211.7
<u>Other income</u>								
- Funds received under inter- organization arrangements						1,239.6	1,239.6	1,239.6
- Allocations from other funds	5,578.3							5,578.3
- Interest income		176.4	1,412.4				1,588.8	1,588.8
- Currency exchange adjustments	(28.5)	(37.2)			(49.5)		(86.7)	(115.2)
- Miscellaneous	(3.2)	(0.5)					(0.5)	(3.7)
<b>TOTAL INCOME</b>	<b>5,546.6</b>	<b>15,103.2</b>	<b>27,239.8</b>	<b>5,570.8</b>	<b>53,107.5</b>	<b>2,931.6</b>	<b>103,952.9</b>	<b>109,499.5</b>
<b>EXPENDITURE</b>								
Salaries and common staff costs	3,293.9	9,126.7	1,904.4	970.1	18,858.8	860.0	31,720.0	35,013.9
Contractual services	404.2	1,093.0	7,622.3	967.8	5,916.7	113.9	15,713.7	16,117.9
Operational expenses	291.6	665.1	321.1	50.8	1,797.9	107.4	2,942.3	3,233.9
Acquisitions	330.0	1,434.3	6,629.7	1,955.1	11,551.0	257.2	21,827.3	22,157.3
Fellowships	1,226.9	1,285.7	419.8	120.3	4,395.5	32.1	6,253.4	7,480.3
Programme support costs		1,622.2	2,584.0	384.8	3,877.1	66.6	8,534.7	8,534.7
<b>TOTAL EXPENDITURE</b>	<b>5,546.6</b>	<b>15,227.0</b>	<b>19,481.3</b>	<b>4,448.9</b>	<b>46,397.0</b>	<b>1,437.2</b>	<b>86,991.4</b>	<b>92,538.0</b>
<b>EXCESS/(SHORTFALL) OF INCOME OVER EXPENDITURE</b>		(123.8)	7,758.5	1,121.9	6,710.5	1,494.4	16,961.5	16,961.5
<b>NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>		(123.8)	7,758.5	1,121.9	6,710.5	1,494.4	16,961.5	16,961.5
Transfers to reserves		52.1	5.5	4.0	84.9		146.5	146.5
Transfers from reserves								

	<i>Regular Programme</i>	<i>Industrial Development Fund</i>	<i>Montreal Protocol</i>	<i>GEF</i>	<i>Trust Fund</i>	<i>Inter- organization arrangements</i>	<i>Subtotal Extrabudgetary Funds</i>	<i>Total</i>
Transfers to donor accounts		38.4			49.5		87.9	87.9
Transfers to/from other funds								
Currency translation		544.4	(581.7)	351.4	556.5	(119.4)	751.2	751.2
Other adjustments to reserves and fund balances								
Reserves and fund balances, beginning of year		47,389.7	31,439.0	2,666.8	75,811.7	1,618.9	158,926.1	158,926.1
<b>RESERVES AND FUND BALANCES, END OF YEAR</b>		47,900.8	38,621.3	4,144.1	83,213.1	2,993.9	176,873.2	176,873.2

**TECHNICAL COOPERATION ACTIVITIES EXECUTED BY UNIDO**

**Table 1. Statement of income and expenditure and changes in reserves and fund balances  
for the year ended 31 December 2008**  
(In thousands of United States dollars)

	<i>Industrial Development Fund</i>	<i>Montreal Protocol</i>	<i>GEF</i>	<i>Trust Fund</i>	<i>Inter- organization arrangements</i>	<i>Total</i>
<b>INCOME</b>						
Voluntary contributions	9,474.2	35,454.8	8,663.8	38,398.8	2,215.0	94,206.6
<u>Other income</u>						
- Funds received under inter- organization arrangements					1,847.0	1,847.0
- Allocations from other funds						
- Interest income	122.1	2,069.9				2,192.0
- Currency exchange adjustments	710.3	(28.0)	(12.2)	(111.6)	12.1	570.6
- Miscellaneous						
<b>TOTAL INCOME</b>	<b>10,306.6</b>	<b>37,496.7</b>	<b>8,651.6</b>	<b>38,287.2</b>	<b>4,074.1</b>	<b>98,816.2</b>
<b>EXPENDITURE</b>						
Salaries and common staff costs	5,701.6	2,780.4	1,412.5	12,471.9	1,264.6	23,631.0
Contractual services	330.9	10,676.3	1,413.9	6,443.9	169.2	19,034.2
Operational expenses	409.4	473.6	73.8	1,614.5	159.0	2,730.3
Acquisitions	796.0	9,796.9	2,966.0	8,931.1	376.1	22,866.1
Fellowships	759.4	611.1	177.4	2,919.2	69.0	4,536.1
Programme support costs	960.9	3,743.7	572.7	3,318.2	100.8	8,696.3
<b>TOTAL EXPENDITURE</b>	<b>8,958.2</b>	<b>28,082.0</b>	<b>6,616.3</b>	<b>35,698.8</b>	<b>2,138.7</b>	<b>81,494.0</b>
<b>EXCESS/(SHORTFALL) OF INCOME OVER EXPENDITURE</b>	<b>1,348.4</b>	<b>9,414.7</b>	<b>2,035.3</b>	<b>2,588.4</b>	<b>1,935.4</b>	<b>17,322.2</b>
<b>NET EXCESS/(SHORTFALL) OF INCOME OVER EXPENDITURE</b>	<b>1,348.4</b>	<b>9,414.7</b>	<b>2,035.3</b>	<b>2,588.4</b>	<b>1,935.4</b>	<b>17,322.2</b>
Transfers to reserves	32.8	8.1	5.9	38.1		84.9
Transfers from reserves						
Transfers to donor accounts	(710.3)			111.6	(12.1)	(610.8)



	<i>Industrial Development Fund</i>	<i>Montreal Protocol</i>	<i>GEF</i>	<i>Trust Fund</i>	<i>Inter- organization arrangements</i>	<i>Total</i>
Transfers to/from other funds						
Other adjustments to reserves and fund balances						
Reserves and fund balances, beginning of year	35,723.8	45,829.4	3,887.4	64,361.5	2,359.8	152,161.9
<b>RESERVES AND FUND BALANCES,END OF YEAR</b>	36,394.7	55,252.2	5,928.6	67,099.6	4,283.1	168,958.2

**TECHNICAL COOPERATION ACTIVITIES EXECUTED BY UNIDO**

**Table 1. Statement of income and expenditure and changes in reserves  
and fund balances for the year ended 31 December 2008**  
(In thousands of euros)

	<i>Regular Programme</i>	<i>Industrial Development Fund</i>	<i>Trust Fund</i>	<i>Subtotal Extrabudgetary Funds</i>	<i>Total</i>
<b>INCOME</b>					
Voluntary contributions		8,572.0	26,619.8	35,191.8	35,191.8
<u>Other income</u>					
- Allocations from other funds	5,578.3				5,578.3
- Interest income		91.0		91.0	91.0
- Currency exchange adjustments	(28.5)	(37.2)	(49.5)	(86.7)	(115.2)
- Miscellaneous	(3.2)	(0.5)		(0.5)	(3.7)
<b>TOTAL INCOME</b>	<b>5,546.6</b>	<b>8,625.3</b>	<b>26,570.3</b>	<b>35,195.6</b>	<b>40,742.2</b>
<b>EXPENDITURE</b>					
Salaries and common staff costs	3,293.9	5,233.8	10,271.0	15,504.8	18,798.7
Contractual services	404.2	868.4	1,578.6	2,447.0	2,851.2
Operational expenses	291.6	389.3	700.7	1,090.0	1,381.6
Acquisitions	330.0	903.9	5,464.2	6,368.1	6,698.1
Fellowships	1,226.9	754.2	2,397.7	3,151.9	4,378.8
Programme support costs		966.1	1,615.6	2,581.7	2,581.7
<b>TOTAL EXPENDITURE</b>	<b>5,546.6</b>	<b>9,115.7</b>	<b>22,027.8</b>	<b>31,143.5</b>	<b>36,690.1</b>
<b>EXCESS/(SHORTFALL) OF INCOME OVER EXPENDITURE</b>					
		(490.4)	4,542.5	4,052.1	4,052.1
<b>NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>					
		(490.4)	4,542.5	4,052.1	4,052.1
Transfers to reserves		29.7	58.8	88.5	88.5
Transfers to donor accounts		38.4	49.5	87.9	87.9
Other adjustments to reserves and fund balances					
Reserves and fund balances, beginning of year		22,883.2	31,659.7	54,542.9	54,542.9
<b>RESERVES AND FUND BALANCES, END OF YEAR</b>		<b>22,460.9</b>	<b>36,310.5</b>	<b>58,771.4</b>	<b>58,771.4</b>

## TECHNICAL COOPERATION ACTIVITIES EXECUTED BY UNIDO

**Table 2. Combined statement of assets, liabilities, and reserves and fund balances  
as at 31 December 2008**  
(In thousands of euros)

	<i>Industrial Development Fund</i>	<i>Montreal Protocol</i>	<i>GEF</i>	<i>Trust Fund</i>	<i>Inter- organization arrangements</i>	<i>Total</i>
<b>ASSETS</b>						
Cash and term deposits	56,382.7	56,645.6	6,460.2	111,850.3	10,040.7	241,379.5
Accounts receivable						
Voluntary contributions receivable						
Other contributions receivable					2,323.0	2,323.0
Interfund balances	1,048.8	528.3	940.4			2,517.5
Other	405.7	135.3	34.7	531.6	48.5	1,155.8
Other assets	2.5	19.5		3,482.7	1,831.5	5,336.2
<b>TOTAL ASSETS</b>	<b>57,839.7</b>	<b>57,328.7</b>	<b>7,435.3</b>	<b>115,864.6</b>	<b>14,243.7</b>	<b>252,712.0</b>
<b>LIABILITIES</b>						
Payments or contributions received in advance					4,537.7	4,537.7
Unliquidated obligations	2,234.9	11,551.5	2,283.2	15,061.6	243.3	31,374.5
Accounts payable						
Interfund balances				839.6	1,226.5	2,066.1
Other	7,704.0	7,155.9	1,008.0	16,750.3	5,242.3	37,860.5
<b>TOTAL LIABILITIES</b>	<b>9,938.9</b>	<b>18,707.4</b>	<b>3,291.2</b>	<b>32,651.5</b>	<b>11,249.8</b>	<b>75,838.8</b>
<b>RESERVES AND FUND BALANCES</b>						
Operating reserves	384.5					384.5
Other reserves	1,164.5	27.3	27.3	1,079.1		2,298.2
Balances relating to projects funded by donors	62,123.5	57,316.7	7,079.5	100,598.7	3,365.3	230,483.7
Balance on currency translation	(21,220.9)	(18,722.7)	(2,962.7)	(18,464.7)	(371.4)	(61,742.4)
Surplus (deficit)	5,449.2					5,449.2
<b>TOTAL RESERVES AND FUND BALANCES</b>	<b>47,900.8</b>	<b>38,621.3</b>	<b>4,144.1</b>	<b>83,213.1</b>	<b>2,993.9</b>	<b>176,873.2</b>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCES</b>	<b>57,839.7</b>	<b>57,328.7</b>	<b>7,435.3</b>	<b>115,864.6</b>	<b>14,243.7</b>	<b>252,712.0</b>

**TECHNICAL COOPERATION ACTIVITIES EXECUTED BY UNIDO – in United States dollars**

**Table 2. Statement of assets, liabilities, and reserves and fund balances  
as at 31 December 2008**

(In thousands of United States dollars)

	<i>Industrial Development Fund</i>	<i>Montreal Protocol</i>	<i>GEF</i>	<i>Trust Fund</i>	<i>Inter- organization arrangements</i>	<i>Total</i>
<b>ASSETS</b>						
Cash and term deposits	43,469.6	81,038.0	9,242.1	91,329.9	14,364.3	239,443.9
Accounts receivable						
Other contributions receivable					3,323.3	3,323.3
Interfund balances	1,732.5	755.8	1,345.4		1,262.8	5,096.5
Other	344.9	193.6	49.6	346.1	69.5	1,003.7
Other assets	3.5	27.8		4,790.1	2,620.2	7,441.6
<b>TOTAL ASSETS</b>	<b>45,550.5</b>	<b>82,015.2</b>	<b>10,637.1</b>	<b>96,466.1</b>	<b>21,640.1</b>	<b>256,309.0</b>
<b>LIABILITIES</b>						
Payments or contributions received in advance					6,491.7	6,491.7
Unliquidated obligations	1,342.0	16,525.6	3,266.5	11,829.9	348.1	33,312.1
Accounts payable						
Interfund balances				638.8	3,017.5	3,656.3
Other	7,813.8	10,237.4	1,442.0	16,897.8	7,499.7	43,890.7
<b>TOTAL LIABILITIES</b>	<b>9,155.8</b>	<b>26,763.0</b>	<b>4,708.5</b>	<b>29,366.5</b>	<b>17,357.0</b>	<b>87,350.8</b>
<b>RESERVES AND FUND BALANCES</b>						
Operating reserves	550.0					550.0
Other reserves	1,463.6	39.0	39.1	1,304.2		2,845.9
Balances relating to projects funded by donors	31,745.7	55,213.2	5,889.5	65,795.4	4,283.1	162,926.9
Surplus (deficit)	2,635.4					2,635.4
<b>TOTAL RESERVES AND FUND BALANCES</b>	<b>36,394.7</b>	<b>55,252.2</b>	<b>5,928.6</b>	<b>67,099.6</b>	<b>4,283.1</b>	<b>168,958.2</b>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCES</b>	<b>45,550.5</b>	<b>82,015.2</b>	<b>10,637.1</b>	<b>96,466.1</b>	<b>21,640.1</b>	<b>256,309.0</b>

**TECHNICAL COOPERATION ACTIVITIES EXECUTED BY UNIDO – in euros****Table 2. Statement of assets, liabilities, and reserves and fund balances  
as at 31 December 2008  
(In thousands of euros)**

	<i>Industrial Development Fund</i>	<i>Trust Fund</i>	<i>Total</i>
<b>ASSETS</b>			
Cash and term deposits	25,997.4	48,010.7	74,008.1
Accounts receivable			
Interfund balances			
Other	164.6	289.7	454.3
Other assets		134.4	134.4
<b>TOTAL ASSETS</b>	<b>26,162.0</b>	<b>48,434.8</b>	<b>74,596.8</b>
<b>LIABILITIES</b>			
Unliquidated obligations	1,296.8	6,792.5	8,089.3
Accounts payable			
Interfund balances	162.2	393.1	555.3
Other	2,242.1	4,938.7	7,180.8
<b>TOTAL LIABILITIES</b>	<b>3,701.1</b>	<b>12,124.3</b>	<b>15,825.4</b>
<b>RESERVES AND FUND BALANCES</b>			
Other reserves	141.5	167.4	308.9
Balances relating to projects funded by donors	20,385.3	36,143.1	56,528.4
Surplus (deficit)	1,934.1		1,934.1
<b>TOTAL RESERVES AND FUND BALANCES</b>	<b>22,460.9</b>	<b>36,310.5</b>	<b>58,771.4</b>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCES</b>	<b>26,162.0</b>	<b>48,434.8</b>	<b>74,596.8</b>

**Table 3. Summary of transactions on sub-accounts of the Industrial Development Fund for the year 2008 as at 31 December 2006 – euro-based**  
(In euros)

	<i>Fund Balance at 01/01/2008</i>	<i>Cash Received in 2008</i>	<i>Expenditures 2008</i>	<i>Misc. income incl. General Pool interest</i>	<i>Fund Balance as at 31/12/2008</i>
<b>General-purpose convertible</b>	1,963,872	91,848	121,657	0	<b>1,934,064</b>
Agence Wallonne à l'Exportation	195,909	0	27,752	0	<b>168,157</b>
Austria Cleaner Production	2,662,009	-96	576,948	0	<b>2,084,965</b>
Austria	1,641,635	1,633,644	429,390	-4,417	<b>2,841,472</b>
Austrian Development Agency	820,838	0	541,351	0	<b>279,487</b>
Austrian Ministry of Agriculture, Forestry, Environment and Water Management	125,658	49,999	54,287	-5	<b>121,365</b>
Czech Republic	0	35,000	0	0	<b>35,000</b>
Denmark	0	269,084	269,084	0	<b>0</b>
Finland	0	69,916	69,916	0	<b>-0</b>
France	168,841	1,274,269	644,480	0	<b>798,630</b>
France, Ministry of Agriculture	263,245	0	33,218	0	<b>230,028</b>
Greece	232,399	524,845	508,035	0	<b>249,208</b>
Hungary	19,893	51,334	48,993	0	<b>22,235</b>
Italy	10,799,986	369,764	3,955,065	1,004	<b>7,215,689</b>
Luxembourg	12,082	701,921	278,781	0	<b>435,221</b>
Namibia	348	0	0	0	<b>348</b>
Poland	100,000	100,000	102,995	0	<b>97,005</b>
Portugal	45,022	41,527	0	0	<b>86,549</b>
Slovenia	1,367,143	323,067	505,608	0	<b>1,184,603</b>
Spain	119,213	2,955,194	95,292	0	<b>2,979,115</b>
Switzerland	1,828,611	129,097	807,709	0	<b>1,149,999</b>
Unencumbered balances – Integrated programmes and country service framework activities	229,371	10,995	42,848	-83	<b>197,435</b>
Unencumbered balances – Millennium Development Goals	24,444	28,971	3,946	0	<b>49,468</b>
Unencumbered balances – Post-crisis situation	150,909	6,748	-1,694	0	<b>159,351</b>
<b>Total special-purpose convertible</b>	<b>20,807,559</b>	<b>8,575,278</b>	<b>8,994,006</b>	<b>-3,502</b>	<b>20,385,329</b>
<b>GRAND TOTAL</b>	<b>22,771,431</b>	<b>8,667,126</b>	<b>9,115,663</b>	<b>-3,502</b>	<b>22,319,393</b>

**Table 3. Summary of transactions on sub-accounts of the Industrial Development Fund**  
**for the year 2008 as at 31 December 2008 – dollar-based**  
(In United States dollars)

	<i>Fund Balance at 01/01/2008</i>	<i>Cash Received in 2008</i>	<i>Expenditures 2008</i>	<i>Misc. income incl. General Pool interest</i>	<i>Fund Balance as at 31/12/2008</i>
<b>General-purpose convertible</b>	2,399,655	111,002	-2,642	122,155	<b>2,635,454</b>
Argentina	22,285	0	22,103	0	<b>182</b>
Australia	28,321	2,650	366	0	<b>30,605</b>
Austria	562,767	-238,573	-18,253	-3,103	<b>339,344</b>
Austria – Integrated Programme	162,636	-42,897	-1,660	0	<b>121,399</b>
Austria Cleaner Production	217	137	-27	0	<b>381</b>
Bahrain	520,874	319,935	639,523	0	<b>201,286</b>
Belgium	107,629	6,167	0	0	<b>113,796</b>
Brazil	29,696	0	0	0	<b>29,696</b>
Brazil – Pernambuco State Government	28,937	0	0	0	<b>28,937</b>
China	3,526,341	888,132	428,766	-220	<b>3,985,487</b>
Côte d'Ivoire	-108,618	0	0	0	<b>-108,618</b>
Czech Republic	337,837	153,459	79,880	0	<b>411,416</b>
Denmark	1,750,478	-306,090	321,802	0	<b>1,122,586</b>
Democratic People's Republic of Korea	0	1,351	0	0	<b>1,351</b>
Dutch Embassy in China	-1,585	1,585	0	0	<b>0</b>
Egypt	-101,718	0	0	0	<b>-101,718</b>
Finland	103,510	-102,339	-143	0	<b>1,314</b>
France	24,554	1,336	0	0	<b>25,890</b>
Germany	220,541	0	0	0	<b>220,541</b>
Greece	197	-197	0	0	<b>0</b>
Guatemala	177,485	11,229	-5,276	0	<b>193,990</b>
Hungary	275,275	-63,998	59,427	0	<b>151,850</b>
India	7,082,151	1,499,533	669,509	0	<b>7,912,175</b>
Indonesia	10,613	0	-4,074	0	<b>14,687</b>
Ireland	37,369	2,033	0	0	<b>39,402</b>
Italy	335,728	73,508	32,604	433	<b>377,065</b>
Japan	332,977	1,603,774	1,671,567	0	<b>265,184</b>
Japan Overseas Development Corporation, Bangkok	424	0	0	0	<b>424</b>
Kuwait	97,284	2,256	0	0	<b>99,540</b>
Luxembourg	33,132	1,802	0	16	<b>34,950</b>
Mexico	1,004,166	0	289,571	0	<b>714,595</b>
Myanmar	577	0	0	0	<b>577</b>
Netherlands	828,524	0	0	0	<b>828,524</b>
New Zealand	38,130	2,074	0	0	<b>40,204</b>
Nigeria	0	199,959	28,762	0	<b>171,197</b>
Norway	156,049	0	0	0	<b>156,049</b>
Norway – Integrated Programme	73,574	4,002	0	0	<b>77,576</b>

	<i>Fund Balance at 01/01/2008</i>	<i>Cash Received in 2008</i>	<i>Expenditures 2008</i>	<i>Misc. income incl. General Pool interest</i>	<i>Fund Balance as at 31/12/2008</i>
Poland	40,028	150,916	-41,633	0	<b>232,577</b>
Portugal	1,519,451	86,420	39,187	0	<b>1,566,684</b>
Republic of Korea	1,382,591	946,012	691,743	0	<b>1,636,860</b>
Romania	13,434	0	0	0	<b>13,434</b>
Russian Federation	9,686	0	0	0	<b>9,686</b>
Saudi Arabia	1,271,685	-25,083	0	0	<b>1,246,602</b>
Saudi Arabian General Investment Authority	306,489	0	0	0	<b>306,489</b>
Slovakia	237,756	0	100,348	0	<b>137,408</b>
Slovenia	-11	11	0	0	<b>0</b>
Spain	4,705	-492	0	0	<b>4,213</b>
Sweden	4,453	0	-223	0	<b>4,676</b>
Switzerland	7,244,902	4,072,771	3,610,753	-3,686	<b>7,703,234</b>
Thailand	15,710	39,025	0	0	<b>54,735</b>
Turkey	725,721	-81,047	196,547	0	<b>448,127</b>
United Kingdom – Integrated Programme	402,551	29,723	152,466	-16	<b>279,792</b>
Undefined	2,037	-341	0	0	<b>1,696</b>
<b>Total special-purpose convertible</b>	<b>30,879,545</b>	<b>9,238,743</b>	<b>8,963,635</b>	<b>-6,576</b>	<b>31,148,077</b>
Bulgaria	28	0	0	0	<b>28</b>
China	43,956	131,004	-2,751	0	<b>177,711</b>
Cuba	433,148	0	0	0	<b>433,148</b>
Egypt	-45,546	0	0	0	<b>-45,546</b>
Egypt Iron and Steel Co.	31,942	0	0	0	<b>31,942</b>
India	0	0	0	0	<b>0</b>
Undefined	293	0	0	0	<b>293</b>
<b>Total special-purpose non-convertible</b>	<b>463,821</b>	<b>131,004</b>	<b>-2,751</b>	<b>0</b>	<b>597,576</b>
<b>GRAND TOTAL</b>	<b>33,743,021</b>	<b>9,480,749</b>	<b>8,958,242</b>	<b>115,579</b>	<b>34,381,107</b>



**Table 4. Summary of technical cooperation activities financed by trust funds  
for 2008 as at 31 December 2008 – euro-based  
(In euros)**

<i>Description</i>	<i>Fund Balance at 01/01/2008</i>	<i>Contributions received, interest &amp; miscellaneous income 2008</i>	<i>Expenditures 2008</i>	<i>Fund Balance as at 12/31/2008</i>
<b><u>Projects financed by recipient Governments</u></b>				
Cameroon	65,983	0	0	<b>65,983</b>
Croatia	0	170,000	16,408	<b>153,592</b>
Iran, Islamic Republic of	0	14,295	12,524	<b>1,771</b>
Kenya	63,902	0	43,586	<b>20,316</b>
Democratic Republic of the Congo	0	533,543	72,050	<b>461,493</b>
South Africa	0	842,840	465,934	<b>376,906</b>
Sudan	76,366	134,447	52,049	<b>158,764</b>
Subtotal	206,251	1,695,125	662,551	<b>1,238,825</b>
<b><u>Associate Experts &amp; JPOs</u></b>				
Austria	0	84,878	50,328	<b>34,550</b>
Democratic People's Republic of Korea	39,159	92,800	87,892	<b>44,067</b>
Germany	0	122,455	50,366	<b>72,089</b>
Subtotal	39,159	300,133	188,586	<b>150,706</b>
<b><u>JPOs Travel</u></b>				
Subtotal	0	0	0	<b>0</b>
<b><u>Projects financed by donor Governments</u></b>				
Australia	0	79,100	0	<b>79,100</b>
European Union	12,450,437	8,742,272	9,437,261	<b>11,755,448</b>
European Union Commission	398,349	37,180	323,118	<b>112,411</b>
Finland	142,824	40,000	127,578	<b>55,246</b>
France	3,421,172	619,475	2,097,773	<b>1,942,874</b>
Germany	605,616	380,000	159,782	<b>825,834</b>
Trust Fund Trade	531,493	394,523	264,822	<b>661,194</b>
Italy	11,084,737	9,042,758	6,144,567	<b>13,982,928</b>
Netherlands	84,256	0	68,092	<b>16,164</b>
Norway	1,072,454	1,555,773	473,380	<b>2,154,847</b>
Africa Region Productive Capacity Facility	52,712	2,245	0	<b>54,957</b>
Sweden	6,230	0	6,102	<b>128</b>
United Kingdom	0	869,042	32,195	<b>836,847</b>
Subtotal	29,850,280	21,762,368	19,134,670	<b>32,477,978</b>
<b><u>Other Trust Funds</u></b>				
Undefined	0	17,848	17,848	<b>0</b>
Subtotal	0	17,848	17,848	<b>0</b>
Austria	44,891	33,751	68,549	<b>10,093</b>

<i>Description</i>	<i>Fund Balance at 01/01/2008</i>	<i>Contributions received, interest &amp; miscellaneous income 2008</i>	<i>Expenditures 2008</i>	<i>Fund Balance as at 12/31/2008</i>
Hilfswerk, Austria	11,354	0	9,409	<b>1,945</b>
Euro-based Industrial Modernization Centre, Egypt	20,395	0	0	<b>20,395</b>
City of Marseille, France	96,708	80,000	99,148	<b>77,560</b>
Deutsche Gesellschaft fuer Technische Zusammenarbeit, Germany	0	160,000	128,361	<b>31,639</b>
Iran (Islamic Republic of)	434	0	0	<b>434</b>
Central European Initiative (CEI), Italy	29,000	20,000	47,744	<b>1,256</b>
Region of Tuscany, Italy	0	100,000	73,576	<b>26,424</b>
Microsoft Corporation	0	115,540	37,072	<b>78,468</b>
Norwegian Agency for Development Cooperation (NORAD), Norway	1,128,205	2,197,524	1,493,055	<b>1,832,674</b>
Renewable Energy Efficiency Partnership	122	50,000	38,657	<b>11,465</b>
ComMark Trust, South Africa	0	70,000	0	<b>70,000</b>
Spain	106,000	0	0	<b>106,000</b>
Food and Agriculture Organization of the United Nations (FAO)	0	17,470	16,227	<b>1,243</b>
United Nations Environment Programme (UNEP)	18,275	0	12,344	<b>5,931</b>
Subtotal	1,455,384	2,844,285	2,024,142	<b>2,275,527</b>
<b>GRAND TOTAL</b>	<b>31,551,074</b>	<b>26,619,759</b>	<b>22,027,797</b>	<b>36,143,036</b>

**Table 4. Summary of technical cooperation activities financed by trust funds  
for 2008 as at 31 December 2008 – dollar-based**  
(In United States dollars)

<i>Description</i>	<i>Fund Balance at 01/01/2008</i>	<i>Contributions received, interest &amp; miscellaneous income 2008</i>	<i>Expenditures 2008</i>	<i>Fund Balance as at 12/31/2008</i>
<b><u>Projects financed by recipient Governments</u></b>				
Algeria	26,029	0	0	<b>26,029</b>
Argentina	361,894	0	0	<b>361,894</b>
Burundi	0	199,920	0	<b>199,920</b>
Bolivia (Plurinational State of)	12,460	0	0	<b>12,460</b>
Brazil	135,022	0	9,940	<b>125,082</b>
Bulgaria	7,104	0	0	<b>7,104</b>
Belarus	26,204	0	0	<b>26,204</b>
Belize	0	49,975	0	<b>49,975</b>
Chad	45,719	0	32,062	<b>13,657</b>
Chile	6,824	0	0	<b>6,824</b>
Colombia	99,112	196,492	8,484	<b>287,120</b>
China	1,087,474	284,053	433,750	<b>937,777</b>
Ecuador	17,942	0	4,715	<b>13,227</b>
Egypt	61,243	989,378	970,800	<b>79,821</b>
Social Fund for Development, Egypt	80,098	0	68,080	<b>12,018</b>
Ethiopia	95,677	1,205	97,189	<b>-307</b>
Gabon	3,604	0	0	<b>3,604</b>
Honduras	2,958	0	0	<b>2,958</b>
India	1,427,320	250,139	408,778	<b>1,268,681</b>
Indonesia	90,544	97,855	140,810	<b>47,589</b>
Iran (Islamic Republic of)	153,426	234,942	158,639	<b>229,729</b>
Iran-Organization for Investment, Economic and Technical Assistance of Iran	52,112	0	0	<b>52,112</b>
Iraq	19,557	0	-74	<b>19,631</b>
Côte d'Ivoire	9,358	0	0	<b>9,358</b>
Kenya	7,994	0	0	<b>7,994</b>
Lebanon	144,133	0	26,037	<b>118,096</b>
Libyan Arab Jamahiriya – Benghazi Development Centre	8,093	0	0	<b>8,093</b>
Libyan Arab Jamahiriya – General Pipe Company Benghazi	2,700	0	0	<b>2,700</b>
Libyan Arab Jamahiriya – Industrial Research Centre of Libya	10,049	0	0	<b>10,049</b>
Libyan Arab Jamahiriya – Secretariat of Strategic Industry	53,081	0	0	<b>53,081</b>
Lithuania	3,928	0	0	<b>3,928</b>
Madagascar	95,672	0	0	<b>95,672</b>
Mexico	486,060	709,486	63,772	<b>1,131,774</b>
Nigeria	1,478,993	2,365,335	1,053,497	<b>2,790,831</b>
Oman	11,311	0	0	<b>11,311</b>

<i>Description</i>	<i>Fund Balance at 01/01/2008</i>	<i>Contributions received, interest &amp; miscellaneous income 2008</i>	<i>Expenditures 2008</i>	<i>Fund Balance as at 12/31/2008</i>
Pakistan	77,721	0	51,580	<b>26,141</b>
Panama	10,057	0	0	<b>10,057</b>
Paraguay	17,780	0	0	<b>17,780</b>
Russian Federation	220,012	1,189,630	638,872	<b>770,770</b>
Russian Federation – The Foundation NEM and CPCOGI	1,786	0	0	<b>1,786</b>
Rwanda	85,422	0	22,941	<b>62,481</b>
Saudi Arabia	32,870	0	0	<b>32,870</b>
Saudi Arabian General Investment Authority	52,179	0	0	<b>52,179</b>
Saudi German Hospitals Group	59,246	0	0	<b>59,246</b>
Sudan	329	0	0	<b>329</b>
Thailand	16,173	0	0	<b>16,173</b>
Turkey	17,151,036	0	3,884,021	<b>13,267,015</b>
United Republic of Tanzania	0	0	0	<b>0</b>
Yemen	30,954	0	7,214	<b>23,740</b>
<b>Subtotal</b>	<b>23,879,260</b>	<b>6,568,410</b>	<b>8,081,107</b>	<b>22,366,563</b>
<b><u>Associate Experts &amp; JPOs</u></b>				
Austria	4,201	0	0	<b>4,201</b>
Belgium	38,736	0	0	<b>38,736</b>
Democratic People’s Republic of Korea	3,832	0	0	<b>3,832</b>
Denmark	239,766	-130,900	0	<b>108,866</b>
France	23,456	0	0	<b>23,456</b>
Germany	234,225	107,255	201,691	<b>139,789</b>
Italy	274,689	386,935	189,578	<b>472,046</b>
Japan	320,557	622,016	338,632	<b>603,941</b>
Netherlands	21,213	-57,051	-35,838	<b>0</b>
Norway	260,778	255,213	173,854	<b>342,137</b>
Russian Federation	235	0	0	<b>235</b>
Saudi Arabia	58,821	96,446	103,168	<b>52,099</b>
Spain	25,026	0	0	<b>25,026</b>
Sweden	139,734	120,969	118,915	<b>141,788</b>
Switzerland	92,826	-92,826	0	<b>0</b>
<b>Subtotal</b>	<b>1,738,095</b>	<b>1,308,057</b>	<b>1,090,000</b>	<b>1,956,152</b>
<b><u>JPOs Travel</u></b>				
Austria	85,763	-48,285	26,632	<b>10,846</b>
Denmark	32,193	0	0	<b>32,193</b>
Italy	14,005	165,027	159,438	<b>19,594</b>
Netherlands	2,506	-2,506	0	<b>0</b>
Russian Federation	52,035	110,172	105,176	<b>57,031</b>
<b>Subtotal</b>	<b>186,502</b>	<b>224,408</b>	<b>291,246</b>	<b>119,664</b>

<i>Description</i>	<i>Fund Balance at 01/01/2008</i>	<i>Contributions received, interest &amp; miscellaneous income 2008</i>	<i>Expenditures 2008</i>	<i>Fund Balance as at 12/31/2008</i>
<b><u>Projects financed by donor Governments</u></b>				
Australia	23,274	-23,274	0	<b>0</b>
Austria	41,449	0	0	<b>41,449</b>
Belgium	25,048	0	636	<b>24,412</b>
Canada	-816	816	0	<b>0</b>
Czech Republic	-12	12	0	<b>0</b>
Denmark	4,215	-4,215	0	<b>0</b>
Finland	60,245	0	-5,581	<b>65,826</b>
France	61,841	0	10,519	<b>51,322</b>
Trust Fund Trade	40,968	6,884	-5,723	<b>53,575</b>
Greece	23,524	0	0	<b>23,524</b>
Ireland	1,480	-1,420	59	<b>1</b>
Italy	1,689,143	4,057,226	3,392,512	<b>2,353,857</b>
Japan	2,428,758	5,115,551	1,130,830	<b>6,413,479</b>
Norway	2,496,845	640,688	1,564,705	<b>1,572,828</b>
Africa Region Productive Capacity Facility	270,967	14,863	0	<b>285,830</b>
Republic of Korea	25,460	0	-647	<b>26,107</b>
Republic of Korea – Korean Research Institute of Standards and Science	133,002	0	0	<b>133,002</b>
Spain	260,845	166,562	274,922	<b>152,485</b>
Sweden	2,326	0	-3,579	<b>5,905</b>
United Kingdom	1,054,321	999,808	1,057,519	<b>996,610</b>
United States of America	373,232	0	0	<b>373,232</b>
Subtotal	<b>9,016,115</b>	<b>10,973,501</b>	<b>7,416,172</b>	<b>12,573,444</b>
<b><u>Other Trust Funds</u></b>				
Centro de Investigaciones Textiles, Argentina	16,318	0	14,947	<b>1,371</b>
Austria Rural Energy, Austria	625,605	94,735	66,240	<b>654,100</b>
Premag HandelsGesMBH, Austria	2,595	0	0	<b>2,595</b>
Kuwait Finance House in Bahrain, Bahrain	22,040	0	-3,424	<b>25,464</b>
Institute for Scientific and Technological Development (IDCT), Brazil	4,075	0	0	<b>4,075</b>
Servicio Nacional de Aprendizagem Industry, Brazil	38,327	0	0	<b>38,327</b>
SMC/Pontifical Catholic University of Minas Gerais, Brazil	7,533	0	7,561	<b>-28</b>
Jiangsu Baixue Electric Appliances Co., China	407	-407	0	<b>0</b>
Instituto de Investigación de Recursos Biológicos, Colombia	-18	18	20	<b>-20</b>
Beni-Suef Cement Company, Egypt	33,822	0	0	<b>33,822</b>
Engineering for the Petroleum and Process Industry (ENPPI), Egypt	8,179	0	0	<b>8,179</b>
INFOCON Gesellschaft für Wirtschaftsinformation und Beratung mbH, Germany	198,415	0	113,807	<b>84,608</b>
Oil and Natural Gas Corporation Ltd, India	30,028	0	0	<b>30,028</b>

<i>Description</i>	<i>Fund Balance at 01/01/2008</i>	<i>Contributions received, interest &amp; miscellaneous income 2008</i>	<i>Expenditures 2008</i>	<i>Fund Balance as at 12/31/2008</i>
Glucosan Factories, Iran (Islamic Republic of)	-172	0	0	<b>-172</b>
Iranian Fuel Conservation Organization (IFCO), Iran (Islamic Republic of)	35,456	0	16,216	<b>19,240</b>
Shahid Modarres Industrial Pharmaceutical Complex, Iran (Islamic Republic of)	53,878	0	0	<b>53,878</b>
Sezione Speciale per L'assicurazione del Credito, Italy	36,448	0	0	<b>36,448</b>
New Energy and Industrial Technology Development Organization, Japan	1,404	0	0	<b>1,404</b>
Procter and Gamble Far East Inc., Japan	475	0	0	<b>475</b>
Petroliam Nasional Berhad (Petronas), Malaysia	28,179	0	0	<b>28,179</b>
Comité, Técnico Empresarial (CTE), Mexico	17,507	0	0	<b>17,507</b>
Agence de l'Oriental, Morocco	0	135,350	11,588	<b>123,762</b>
New Nigeria Development Company, Nigeria	28,325	0	0	<b>28,325</b>
Nigerian Nat.Petroleum Corporation, Nigeria	502,649	-502,649	0	<b>0</b>
Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), Nigeria	0	164,316	20,673	<b>143,643</b>
Standards Organization of Nigeria (SON), Nigeria	5,867	0	0	<b>5,867</b>
Norwegian Agency for Development Cooperation (NORAD), Norway	579,195	2,407,760	1,846,518	<b>1,140,437</b>
Federal Chemical and Ceramics Corporation, Pakistan	-1,677	0	0	<b>-1,677</b>
Inversiones Cofide S.A., Peru	15,405	0	0	<b>15,405</b>
Gulf Organization for Industrial Consulting, Qatar	21,725	0	11,992	<b>9,733</b>
Gulf Cooperation Council, Saudi Arabia	11,676	0	0	<b>11,676</b>
Islamic Development Bank, Saudi Arabia	110,632	140,000	111,841	<b>138,791</b>
Nadsme – Slovak Republic	8,181	0	0	<b>8,181</b>
Ceylon Steel Corporation, Sri Lanka	5,284	0	0	<b>5,284</b>
Swedish International Enterprise Development Corporation (Swedcorp), Sweden	18,381	0	0	<b>18,381</b>
Staudhammer Finanz AG, Switzerland	3,357	0	0	<b>3,357</b>
Turkish Electronic Industry Association (TESIDE), Turkey	1,781	0	0	<b>1,781</b>
Unilever Research, United Kingdom	2,497	0	0	<b>2,497</b>
Epstein Engineering Export Ltd, USA	807	0	0	<b>807</b>
The Ford Foundation, USA	12,982	0	0	<b>12,982</b>
US Agency for International Development, USA	-399	0	0	<b>-399</b>
Zonta International Foundation, Chicago, USA	54,055	0	22,575	<b>31,480</b>
Yemen Corporation for Cement Industry and Marketing, Yemen	15,708	0	0	<b>15,708</b>
African Development Bank	106,259	0	98,493	<b>7,766</b>
Arab Gulf Programme for United Nations Development Organizations	112,538	0	52,972	<b>59,566</b>
Badea: Arab Bank for Economic Development in Africa	2,450	-2,450	0	<b>0</b>
Common Fund for Commodities	-626,052	388,734	725,033	<b>-962,351</b>
Economic Cooperation Organization	10,390	0	10,434	<b>-44</b>

<i>Description</i>	<i>Fund Balance at 01/01/2008</i>	<i>Contributions received, interest &amp; miscellaneous income 2008</i>	<i>Expenditures 2008</i>	<i>Fund Balance as at 12/31/2008</i>
Food and Agriculture Organization of the United Nations (FAO)	275	0	0	<b>275</b>
Hewlett-Packard Company	0	76,275	76,029	<b>246</b>
International Development Association	144,643	0	0	<b>144,643</b>
International Fund for Agricultural Development (IFAD)	59,860	0	0	<b>59,860</b>
International Labour Organization (ILO)	14,892	0	9,875	<b>5,017</b>
Multi-donor Trust Fund	0	1,733,402	341,286	<b>1,392,116</b>
Multi-donor Trust Fund for Northern Sudan	703,746	407,197	886,696	<b>224,247</b>
Multi-donor Trust Fund for Southern Sudan	0	690,430	257,890	<b>432,540</b>
ONE UN FUND	0	3,975,381	1,520,263	<b>2,455,118</b>
Organization of Petroleum Exporting Countries, (OPEC)	29,908	24,621	52,744	<b>1,785</b>
RENPAF Member Countries	80,683	111,013	48,380	<b>143,316</b>
Undefined	355,863	219,402	218,384	<b>356,881</b>
UNDP Slovakia, Coca-Cola Water Partnership	8,023	-8,023	0	<b>0</b>
UNDP/United Nations Agreement for Tanzania	43,889	0	38,625	<b>5,264</b>
Millennium Development Goals Achievement Fund financed by Spain through UNDP (MDG-F)	0	2,225,660	322,114	<b>1,903,546</b>
UNIDO Regional Cleaner Production Programme for Latin America and the Caribbean (RCPP-LAC)	30,174	11,898	0	<b>42,072</b>
United Nations Development Group Iraq Trust Fund	18,299,910	5,791,785	8,092,230	<b>15,999,465</b>
United Nations Development Programme (UNDP)	0	140,200	115,770	<b>24,430</b>
United Nations Economic and Social Commission for Western Asia	5,113	0	0	<b>5,113</b>
United Nations Fund for International Partnerships	89,003	266,529	20,067	<b>335,465</b>
United Nations High Commissioner for Refugees	18,744	0	-17,679	<b>36,423</b>
United Nations Joint Trust Fund for Sudan	-409	0	-3,493	<b>3,084</b>
United Nations Lebanon Recovery Fund	2,896,948	0	1,746,785	<b>1,150,163</b>
United Nations Office for Coordination of Humanitarian Affairs (UNOCHA)	25,414	0	-1	<b>25,415</b>
United Nations Office for Project Services (UNOPS)	2,392	416,897	298,467	<b>120,822</b>
United Nations Trust Fund for Human Security	3,303,791	416,405	1,668,389	<b>2,051,807</b>
Subtotal	<b>28,275,379</b>	<b>19,324,479</b>	<b>18,820,307</b>	<b>28,779,551</b>
<b>GRAND TOTAL</b>	<b>63,095,351</b>	<b>38,398,855</b>	<b>35,698,832</b>	<b>65,795,374</b>

**Table 5. Summary of technical cooperation activities for 2008 financed  
under inter-organizational agreements**  
(in United States dollars)

	<i>Project Expenditure</i>	<i>Programme Support</i>	<i>Total Expenditure</i>
<b>UNDP</b>			
UNDP main programme	92,021	9,105	101,126
Project for which UNIDO is the associated agency	40,608	4,909	45,517
Government-executed projects for which UNIDO is the implementing agency	143,099	13,438	156,537
UNDP Trust Funds	1,478,314	65,556	1,543,870
	<b>1,754,042</b>	<b>93,008</b>	<b>1,847,050</b>
<b>UNEP</b>			
UNEP/GEF	283,824	7,797	291,621
	<b>283,824</b>	<b>7,797</b>	<b>291,621</b>
<b>Total</b>	<b>2,037,866</b>	<b>100,805</b>	<b>2,138,671</b>



**Annex II**  
**Operating funds – UNDP and UNDP trust funds**  
**UNITED NATIONS DEVELOPMENT PROGRAMME**  
**(UNIDO)**

**Status of Funds as at 31 December 2008**

(Expressed in United States dollars)

**Operating Funds**

Operating Fund (Pre-2004)

Reconciliation difference – UNDP/UNIDO -784,466

Service Clearing Account

Opening balance at 1 January 2008		-2,674,934	
Cash drawings from UNDP	-25,500,000		
IOV's 2008	25,258,873	-241,127	
Closing balance as at 31 December 2008			-2,916,061

Project Clearing Account

Opening balance at 1 January 2008		8,609,088	
Miscellaneous income and exchange adjustments (Report No. 8)	-75,789		
Miscellaneous items refunded to UNDP (Report No. 8)	10,556		
Reclassified as UNDP Trust Funds	-2,092,524		
Pre-2004 adjustments through PCA	316,939		
Funds received direct from other agencies	-45,518		
Expenditure and support costs for lines implemented for self-executed projects (executing PDR's)	101,126		
Expenditure and support costs for lines implemented for projects executed by other agencies and Governments (implementing PDR's)	202,054	-1,583,156	
Closing balance as at 31 December 2008			10,192,244

**Balance as at 31 December 2008**

**6,491,717**

**Represented by:**

Cash at banks, on hand and in transit	7,866,578	
Accounts receivable (Report No. 9)	2,527,819	10,394,397
Less: Accounts payable (Report No. 10)	3,837,613	
2008 unliquidated obligations	65,067	3,902,680

**Balance as at 31 December 2008**

**6,491,717**

**STATEMENT I**  
**GLOBAL ENVIRONMENT FACILITY**  
**(UNDP-Administered Trust Fund)**  
**(UNIDO)**

**Status of Funds at 31 December 2008**  
(Expressed in United States dollars)

<u>Operating Fund</u>	\$	\$
Balance at 1 January 2008		-8,318,878
Add: Cash drawings from UNDP	8,318,878	
IOVs		
Other charges/credits (net)		
Miscellaneous income and exchange adjustments (net) (Report No. 19)	3,260	
Miscellaneous items charged to trust fund (net) (Report No. 19)		8,322,138
		<u>3,260</u>
Less: Expenditure during 2008		
For projects		
Disbursements (Report No. 16)	823,410	
Unliquidated obligations (Report No. 16)	137,650	
For AOS (Report No. 15A)	<u>51,231</u>	<u>1,012,291</u>
		-1,009,031
Add/subtract:		
Adjustments to prior years (Report No. 15B):		
Expenditure		
Support costs		
AOS		
Balance at 31 December 2008		<u>-1,009,031</u>
<b><u>Represented by:</u></b>		
Cash at banks, on hand and in transit		
Accounts receivable (Report No. 20)	<u>3,045,171</u>	<u>3,045,171</u>
Less: Accounts payable (Report No. 21)	3,916,552	
Unliquidated obligations (Report No. 16)	<u>137,650</u>	<u>4,054,202</u>
		<u>-1,009,031</u>

**STATEMENT I**  
**REPUBLIC OF KOREA FUND FOR THE TUMEN REGION**  
**(UNIDO)**

**Status of Funds at 31 December 2008**  
(Expressed in United States dollars)

**Operating Fund**

Balance at 1 January 2008		19,708	
Add:	Cash drawings from UNDP		
	IOV's		
	Other charges/credits (net)		
	Miscellaneous income and		
	exchange adjustments (net) (Report No. 19)		
	Miscellaneous items refunded to		
	trust fund (net) (Report No. 19)		
		19,708	
Less:	Expenditure during 2008		
	For projects		
	Disbursements (Report No. 15A)		
	Unliquidated obligations (Report No. 16)		
	For AOS (Report No. 15A)	0	
		19,708	
Add/subtract:			
	Adjustments to prior years (Report No. 15B):	0	
	Expenditure	0	
	Support costs	0	
	AOS	0	0
Balance at 31 December 2008		19,708	

**Represented by:**

	Cash at banks, on hand and in transit	0	
	Accounts receivable (Report No. 20)	19,708	19,708
Less:	Accounts payable (Report No. 21)	0	
	Unliquidated obligations (Report No. 16)	0	0
		19,708	19,708

**Annex III**

**SPECIAL ACCOUNT FOR BUILDINGS MANAGEMENT SERVICES**

**Statement of income and expenditure for the year ended 31 December 2008**

(In euros)

<u>Income</u>	<i>Euro</i>	<i>Euro</i>
Contributions invoiced		
IAEA	6,947,441	
UNIDO	2,034,908	
UNOV	2,883,714	
CTBTO	<u>1,086,881</u>	
		12,952,944
Reimbursement for ad hoc projects		1,358,951
Interest income		853,622
Miscellaneous income		37,523
<b>Total income</b>		<b><u>15,203,040</u></b>
 <u>Expenditure</u>		
Rental and maintenance of premises		6,523,202
Utilities		6,871,462
Supplies and materials		39,230
Capital goods		19,518
Bank charges		2,332
Other general operating expenses		12,974
<b>Total expenditure</b>		<b><u>13,468,718</u></b>
<b>NET SURPLUS FOR THE YEAR</b>		<b><u>1,734,322</u></b>

**Statement of assets, liabilities, reserves and fund balances as at 31 December 2008**

<u>Assets</u>		
Cash		20,439,097
Accounts receivable		
Taxation		930,461
Vienna-based Organizations		7,491,396
Other		<u>1,235,150</u>
<b>Total assets</b>		<b><u>30,096,104</u></b>
 <u>Liabilities</u>		
Unliquidated obligations		5,647,346
Payments in advance		97,148
Accounts payable		<u>2,637,420</u>
<b>Total liabilities</b>		<b><u>8,381,914</u></b>
 <u>Fund Balance</u>		
Balance available 1 January 2008		19,979,868
Add: Net surplus for 2008		<u>1,734,322</u>
Balance available 31 December 2008		<b><u>21,714,190</u></b>
<b>TOTAL RESERVES AND FUND BALANCE</b>		<b><u>21,714,190</u></b>

**TOTAL LIABILITIES,RESERVES AND  
FUND BALANCE**

**30,096,104**

<b><u>Analysis of Fund Balance:</u></b>	<b><u>IAEA</u></b>	<b><u>UNIDO</u></b>	<b><u>UNOV</u></b>	<b><u>CTBTO</u></b>	<b><u>Total</u></b>
2008 Opening Fund Balance	10,074,275	3,475,592	4,518,670	1,911,331	19,979,868
Contributions	6,947,441	2,034,908	2,883,714	1,086,881	12,952,944
Interest (net of bank charges)	194,205	223,619	266,264	167,202	851,290
Net expenditure	-6,473,819	-2,687,124	-1,012,786	-1,896,183	-12,069,912
	<b><u>10,742,102</u></b>	<b><u>3,046,995</u></b>	<b><u>6,655,862</u></b>	<b><u>1,269,231</u></b>	<b><u>21,714,190</u></b>
 Contributions receivable	 7,491,396				 7,491,396