



United Nations Industrial Development Organization

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Item 10 (b) of the provisional agenda

Financial situation of UNIDO

Request from Brazil for restoration of voting rights based on payment plan

Note by the Director-General

Draws the attention of the Conference to a request from Brazil for restoration of voting rights based on a payment plan agreement.

Introduction

1. Two letters dated 25 October 2011 from the Ambassador of Brazil requesting a decision by the General Conference on the restoration of voting rights are shown in the annex to the present document. The letters were also circulated to permanent missions with an information note on 27 October 2011.

I. Payment plan

2. On 28 July 2010, Brazil signed a payment plan agreement with UNIDO of five years' duration to cover the arrears of €24,623,634, including the commitment to meet future years' assessments. Payment of €5,878,476 received in 2010 was applied against the first instalment and payment of €5,797,104 received in 2011 was applied against the second instalment. The third, fourth and fifth instalments due in 2012, 2013 and 2014 will each amount to about €5,878,477 (exact amount will depend on the adjustment credits due). The agreement is in accordance with the terms for payment plans outlined in the report of the open-ended discussion group

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on timely payment of assessed contributions (IDB.19/12 and Corr.1), adopted by the Industrial Development Board in decision IDB.19/Dec.5.

II. Voting rights

3. Article 5.2 of the UNIDO Constitution stipulates that any organ may permit a Member in arrears to vote in that organ if it is satisfied that the failure to pay is due to conditions beyond the control of the Member. Voting rights are governed by the respective rules of procedure of the governing bodies (rule 91 of the General Conference, rule 50 of the Industrial Development Board and rule 42 of the Programme and Budget Committee). In its report to the Board, the open-ended discussion group on timely payment of assessed contributions states: “When considering applications for the restoration of voting rights, the competent body should regularly take into account the state of payments made under an agreed payment plan” (IDB.19/12 and Corr.1, para. 14).

III. Action required of the Conference

4. The Conference may wish to consider adoption of the following draft decision:

“The General Conference:

“(a) Takes note of information provided in document GC.14/19;

“(b) Welcomes the commitment of Brazil to settle its arrears through a payment plan agreement and encourages Brazil to pay regularly its instalments in line with the conditions therein;

“(c) Gives satisfaction to the request by Brazil for the restoration of its voting rights in accordance with article 5.2 of the UNIDO Constitution.”

Annex¹**Embassy of Brazil in Vienna**

BRAZIL/UNOV/NR.98/2011

Vienna, 25 October 2011

Excellency,

I have the honor to refer to the “Agreement between the United Nations Industrial Development Organization (UNIDO) and the Government of the Federative Republic of Brazil regarding the settlement of outstanding assessed contributions under a payment plan”, and inform that Brazil has deposited, this last October 18th, its second instalment, in the amount €5.797.204.

Being committed to the objectives of the UNIDO activities, Brazil continues to make a strong effort to settle its outstanding contributions in order to better cooperate with the organization.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

[Signed]

JULIO CEZAR ZELNER GONÇALVES
Ambassador

His Excellency
Mr. Kandeh K. Yumkella
Director-General
United Nations Industrial Development Organization
UNIDO

¹ These letters are reproduced in the form in which they were received by the Secretariat.

Embassy of Brazil in Vienna

BRAZIL/UNIDO/NR.99/2011

Vienna, 25 October 2011

Excellency,

On behalf of the Government of the Federative Republic of Brazil, I would like to request the restoration of the right to vote for Brazil in the United Nations Industrial Development Organization (UNIDO). This request comes as a result of the deposit under the “Agreement between UNIDO and Brazil regarding the settlement of outstanding assessed contributions under a payment plan”, of its second instalment, in the amount €5.797.204, on October 18, 2011.

I would wish to seek your personal assistance to bring my Government’s request to the attention of the forthcoming session of the General Conference and hope that the General Conference will take a positive decision thereon.

Please, accept, Excellency, the assurances of my highest consideration.

[Signed]

JULIO CEZAR ZELNER GONÇALVES
Ambassador

His Excellency
Mr. Kandeh K. Yumkella
Director-General
United Nations Industrial Development Organization
UNIDO
