



# United Nations Industrial Development Organization

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## Programme and Budget Committee

### Twenty-eighth session

Vienna, 25-26 June 2012

Item 2 of the provisional agenda

### Adoption of the agenda

## Annotated provisional agenda

### Opening of the session

In accordance with rule 17.2 of the rules of procedure, the twenty-eighth session of the Programme and Budget Committee will be opened by the Chairman of the Committee, H.E. Mr. U. K. Yatani (Kenya).

#### Item 1. Election of officers

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

#### Item 2. Adoption of the agenda

A provisional agenda for the twenty-eighth session, prepared by the Director-General in consultation with the Chairman of the Committee in accordance

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with rules 8 and 9 of the rules of procedure, is submitted to the Committee for adoption in document PBC.28/1 as stipulated in rule 12.

The Committee will have before it:

- Provisional agenda (PBC.28/1)
- Annotated provisional agenda (PBC.28/1/Add.1)
- List of documents (PBC.28/CRP.1)

### **Item 3. Annual report of the Director-General for 2011**

In accordance with Article 11.6 of the Constitution, the Director-General is to prepare an annual report on the activities of the Organization. In its resolution GC.4/Res.2, the General Conference requested the Director-General to fully incorporate in future annual reports the programme performance report according to Board decision IDB.7/Dec.11. At the request of the Board in decision IDB.23/Dec.12, annual reports include information on operational activities for developments arising from relevant United Nations General Assembly resolutions, including the comprehensive policy review, which will change from a triennial to a quadrennial cycle in 2013, in accordance with United Nations General Assembly resolution 63/232. In compliance with resolution GC.10/Res.5, Member States are kept informed in the annual report of UNIDO's role in achieving the Millennium Development Goals (MDGs). In line with resolution GC.13/Res.3, the *Annual Report of UNIDO 2011* covers information on the implementation of the medium-term programme framework, particularly with reference to its activities in support of achieving the MDGs in its three thematic priorities, and to specific accomplishments in improving the overall approach of the United Nations system's development cooperation in support of national development priorities and strategies, and national capacity-building.

Article 9.4 (d) of the Constitution stipulates that the Board shall request members to furnish information on their activities related to the work of the Organization. In decision IDB.1/Dec.29, Member States were requested to inform the Board on their activities related to the work of the Organization when reviewing the annual report. Due to the reduction of the number of sessions of the Board in non-General Conference years (decision IDB.39/Dec.7 (f)), the annual report will, for the first time, be presented through the Programme and Budget Committee to the Board.

Member States may therefore wish to include information on their activities as they relate to the work of UNIDO in the oral statements delivered by their representatives to the Committee under this item.

The Committee will have before it:

- *Annual Report of UNIDO 2011 (including programme performance report)* (PBC.28/2-IDB.40/2)

### **Item 4. Report of the External Auditor**

Financial regulations 11.9 and 11.10 stipulate that the reports of the External Auditor, together with the audited financial statements, shall be completed by not later than 1 June for the second year of the biennium, following the financial year to

which they relate, and shall be transmitted through the Committee to the Board in accordance with directions given by the Conference. The Committee shall examine the financial statements and the audit reports and submit recommendations to the Board, which shall forward them to the Conference with such comments, as it deems appropriate.

The Committee in its conclusion 1987/19 requested the Director-General to submit each year to the Board through the Committee a clear and detailed financial performance report itemizing the utilization of financial resources. As in 2011, the financial performance report, i.e. the financial statements compliant with the International Public Sector Accounting Standards (IPSAS), is included in the External Auditor's report.

The Committee will have before it:

- Report of the External Auditor on the accounts of UNIDO for the financial year 1 January to 31 December 2011 (PBC.28/3-IDB.40/3)

#### **Item 5. Financial situation of UNIDO**

The report by the Director-General to the General Conference at its fourteenth session (GC.14/7), amended through a note by the Secretariat (GC.14/CRP.1), covered a wide range of issues within the context of the financial situation. That information will be updated in a document submitted to the present session. In addition, the complete text of the financial regulations superseding the version issued under the symbol PBC.26/CRP.3, dated 12 July 2010, will be brought to the attention of the Committee.

The Committee will thus have before it:

- Financial situation of UNIDO. Report by the Director-General (PBC.28/4-IDB.40/4)
- Financial Regulations of UNIDO. Note by the Secretariat (PBC.28/CRP.2)
- Status of assessed contributions. Note by the Secretariat (PBC.28/CRP.4)

#### **Item 6. Strengthening UNIDO programmes through unutilized balances of appropriations**

At its thirteenth session, the General Conference decided to utilize parts of the amounts of unutilized balances of appropriations due to Member States in 2010 for financing the Programme for Change and Organizational Renewal (PCOR), and the trust funds on food security and for renewable energy (GC.13/Dec.15).

In line with decision IDB.38/Dec.4, Member States were regularly briefed on the developments regarding PCOR. The most recent update was provided in a note issued to the fourteenth session of the General Conference (GC.14/CRP.5). The Committee will be apprised of the main developments that have taken place since then.

Also in relation to the two dedicated trust funds, the Committee will be informed of the most recent developments, thereby updating the reports on the trust fund on food security (IDB.39/10) and the trust fund on renewable energy (IDB.39/11).

In addition, the fourteenth session of the General Conference encouraged Member States to consider voluntarily renouncing their shares of unutilized balances to strengthen UNIDO programmes (GC.14/Dec.14). The Director-General will report through the Committee to the fortieth session of the Board on the implementation of the same decision, including on the establishment of a trust fund for Latin America and the Caribbean.

The Committee will thus have before it:

- Programme for Change and Organizational Renewal. Report by the Director-General (PBC.28/5-IDB.40/5)
- Trust fund on food security. Report by the Director-General (PBC.28/6-IDB.40/6)
- Trust fund on renewable energy. Report by the Director-General (PBC.28/7-IDB.40/7)
- Unutilized balances of appropriations. Report by the Director-General (PBC.28/8-IDB.40/8)

**Item 7. Informal working group on the future, including programmes and resources, of UNIDO**

In accordance with Board decision IDB.39/Dec.7 (h), an informal working group of interested Member States to provide guidance on the future, including programmes and resources of UNIDO, was established under the co-chairmanship of H.E. Ms. A. T. Dengo Benavides (Costa Rica) and Mr. A. Groff (Switzerland).

In line with the terms of reference of the informal working group, issued as an annex to the report included in document GC.14/14 and Corr.1, an interim report on the activities of the working group shall be submitted to the UNIDO policymaking organs biannually until the fifteenth session of the General Conference.

The Committee will thus have before it:

- Informal working group on the future, including programmes and resources, of UNIDO. Interim report of the Co-Chairs (PBC.28/10-IDB.40/10)

**Item 8. Mobilization of financial resources**

At its twenty-fifth session the Board adopted decision IDB.25/Dec.5 on funds mobilization for integrated programmes. In that decision in paragraph (i), the Board, inter alia, requested the Director-General to maintain a continuous dialogue with Member States in order to actively sustain the common resource mobilization efforts. A report on progress made will be submitted to the Board through the Committee, and should be considered in conjunction with the *Annual Report of UNIDO 2011*, which provides information on mobilization of financial resources for that year.

The Committee will have before it:

- Mobilization of financial resources. Report by the Director-General (PBC.28/9-IDB.40/9)

- Funding performance. *Annual Report of UNIDO 2011* (PBC.28/2-IDB.40/2, chapter 2)
- Projects approved under the Industrial Development Fund, trust funds and other voluntary contributions in 2011 (PBC.28/CRP.3)

**Item 9. Date of the twenty-ninth session**

The following dates have been reserved for the policymaking organs of UNIDO in 2012 and 2013:

20-22 November 2012	Industrial Development Board, fortieth session
21-24 May 2013 (tentative)	Programme and Budget Committee, twenty-ninth session
1-5 July 2013 (tentative)	Industrial Development Board, forty-first session
2-6 December 2013	General Conference, fifteenth session

**Item 10. Adoption of the report**

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