



**European Union**

**Statement on the occasion of the  
UNIDO Industrial Development Board and  
Special Session of the General Conference  
Vienna, 25-27 November 2014**

**Agenda item 3, 4, 5**

1. I have the honour to speak on behalf of the European Union. The following countries align themselves with this declaration: Turkey<sup>§</sup>, the former Yugoslav Republic of Macedonia\*, Montenegro\*, Serbia\*, Albania\*, Bosnia and Herzegovina\*, Ukraine, and the Republic of Moldova.

Mr. Chairman,

2. Let me start by welcoming you as the Chair of this 42<sup>nd</sup> Session of the Industrial Development Board. We are confident that under your able guidance, we will make good progress this week and I would like to assure you and the other members of the Bureau of our full cooperation in this regard.
3. We would like to thank the Director General and his staff for the background documentation before the Board.

Mr. Chairman,

4. With regard to the Director General's Annual Report for the year 2013, we take note that work carried out by UNIDO in 2013 targets its integration as a leading partner in the Post-2015 Development Agenda debate.
5. At the last session of the PBC, the European Union offered its comments on the Annual Report of the Director General for 2013. They stand.
6. Conclusion 2013/3 of the PBC, which adopted the biennium budget, stressed a number of important principles, including the need to actively pursue additional efficiency gains and cost-savings on an ongoing basis. While endorsing the decisions adopted by the PBC in May 2014, we would like to reaffirm these principles.
7. The European Union welcomes the broad principles followed by UNIDO in seeking to address the financial challenges caused by the significant budgetary constraints in many Member States and in particular we urge the rigorous implementation of Decision 12 IDB 41. We agree that every effort should be made to minimise, to the extent possible, the impact of budgetary cutbacks on programmatic and technical

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<sup>§</sup> Candidate Country

cooperation activities. UNIDO has also been posed an additional challenge through the changes in membership to the Organisation. In this regard we recall that the withdrawal of Member States from the Organisation must not result in an additional burden upon the remaining Member States

8. Moreover, we shall like to underline that the European commitment towards UNIDO remains unchanged. Let us recall that the contributions by the EU Member States account for around 40 per cent of the Regular Budget. The European Commission and EU Member States voluntary contributions to the UNIDO's Technical Cooperation Programme totalled approximately USD 32 million in 2013, i. e. 18 per cent of total TC delivery in 2013. In addition, the EU contributes through different funds. We would like to see more EU participation in the work of the Secretariat and important events organized by the Organization.
9. We look forward to working with the Director General towards the successful implementation of all paragraphs in Conclusion 2013/3. It is recommended that future medium-term programme frameworks should, pursuant to General Assembly Resolution 67/226, take into account the recommendations of the latest comprehensive policy review of operational activities for development. Further setting clear targets for implementation and monitoring of upcoming medium-term programme frameworks as well as cohesion amongst pillars, is essential in order to ensure an effective and efficient conduct. A clear and realistic budgetary framework, assigning distinct and structured budgets to each pillar, would bear measureable results that could provide a basis for comparison of what was supposed to be achieved, hence serve as a foundation for ameliorating upcoming medium-term programme frameworks, if needed. At the same time, it is recommended that costs of activities foreseen in the future medium-term programme framework do not go beyond the outcome of the negotiations for the budget 2016/2017.
10. We look forward to working with the Director General towards the use of opportunities related to the Post-2015 Development Agenda. The post -2015 Agenda, only one year away of the summit, when Heads of States will address shared global challenges, should put sustainable development at the core. It should also prioritize a profound economic transformation to end extreme poverty and improve livelihoods, i. e. to create opportunities for good and decent jobs and ensure that it reduces poverty and inequality, to strive to add value and raise productivity, so that growth begets more growth, and to put in place a stable environment that enables business to flourish. As demonstrated at the ISID Forum, three weeks ago, the key to inclusive and sustainable development lies, inter alia, in involving the private sector in boosting businesses in developing countries to ensure that productive investments will lead to economic uptakes, thus result in self-sufficiency.
11. We recall the relevance and importance of UNIDO in such fields as trade capacity building, standards implementation, development of the private sector, including institution building, development of national and regional industry strategies and policies, development of value chains, in particular for innovative branches and those with high impact for fighting poverty, environmentally sound processes and product management in industries, energy efficiency and industry related renewable energy. The new industrial revolution is a digital one. Therefore, the EU strongly encourages

UNIDO to strengthen their cooperation with other UN agencies in the field of "access to knowledge" and "human capacity development".

Mr. Chairman,

12. We would like to reiterate our commitment to UNIDO's activities and our interest in the continued dialogue with the Organisation. We highly value the exchange of information between the Secretariat and Member States and would like to recall the IDB decision calling upon the Secretariat to organise regular briefings on UNIDO's activities. We look forward to continuing implementation of this decision and to participating in the briefings. We thank the Secretariat for the documentation prepared for the session and would like to stress the importance of its timely release.