



United Nations Industrial Development Organization

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Programme and Budget Committee

Thirty-second session

Vienna, 21-22 June 2016

Item 2 of the provisional agenda

Adoption of the agenda

Annotated provisional agenda

Opening of the session

The thirty-second session of the Programme and Budget Committee will be opened by H.E. Ms. P. Saborío de Rocafort (Costa Rica) as the Chairperson of the thirty-first session.

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 Chairperson and three Vice-Chairpersons, and from among the delegations of its members a Rapporteur. Rule 17.3 stipulates that the offices of the Chairperson, the three Vice-Chairpersons and the Rapporteur shall be subject to equitable geographical rotation within a five-year cycle in accordance with appendix A to the rules of procedure. According to that appendix, the Chairperson of the thirty-second session should be elected from members of the Committee from the African States in List A, and the three Vice-Chairpersons from the Asian States in List A, States in List B and States in List C. The Rapporteur should be elected from members of the Committee from among the States in List D.

* Reissued for technical reasons on 4 May 2016.

For reasons of economy, this document has not been printed. Delegates are kindly requested to bring their copies of documents to meetings.

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Item 2. Adoption of the agenda

A provisional agenda for the thirty-second session, prepared by the Director General in consultation with the Chairperson of the Committee in accordance with rules 8 and 9 of the rules of procedure, is submitted to the Committee for adoption in document PBC.32/1 as stipulated in rule 12.

The Committee will have before it:

- Provisional agenda (PBC.32/1)
- Annotated provisional agenda (PBC.32/1/Add.1)
- List of documents (PBC.32/CRP.1)

Item 3. Annual Report of the Director General for 2015

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 quadrennial comprehensive policy review in accordance with United Nations General Assembly resolution 67/226 of 21 December 2012. 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.16/Res.1, paragraph (d), the *Annual Report of UNIDO 2015* covers information on the implementation of the medium-term programme framework.

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)) and following the practice established in 2013, the annual report will 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 2015 (including programme performance report)* (PBC.32/2-IDB.44/2)

Item 4. Report of the External Auditor for 2015

Financial regulations 11.9 and 11.10 stipulate that the reports of the External Auditor, together with the audited financial statements, shall be completed not later

than 20 April 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. Starting in 2011, the financial performance report, i.e. the financial statements compliant with the International Public Sector Accounting Standards (IPSAS), has been included in the External Auditor's report.

In line with Board decision IDB.43/Dec.2, the report of the External Auditor will also include information on the implementation of recommendations included in the report of the External Auditor for 2014 (IDB.43/3).

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 2015 (PBC.32/3-IDB.44/3)
- Annexes to the report of the External Auditor on the accounts of UNIDO for the financial year 1 January to 31 December 2015, presented in accordance with United Nations System Accounting Standards for the year ended 31 December 2015 (unaudited) (PBC.32/CRP.2)

Item 5. Financial situation of UNIDO, including unutilized balances of appropriations

The report by the Director General to the General Conference at its sixteenth session (GC.16/5) 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.

Furthermore, at its sixteenth session the Director General apprised the General Conference of the unutilized balances of appropriations (GC.16/CRP.3), encouraging Member States to decide by 20 December 2015 on a voluntary basis the contribution of their balance to one of the special accounts (document IDB.43/5 and Board decision IDB.43/Dec.6 (i) refer), the Industrial Development Fund (IDF), a thematic trust fund or the application of the amount to their 2016 assessment. Information on the allocation of the unutilized balances of appropriations will therefore be included in the above-mentioned document, submitted to the present session.

The Committee will thus have before it:

- Financial situation of UNIDO. Report by the Director General (PBC.32/4-IDB.44/4)
- Status of assessed contributions. Note by the Secretariat (PBC.32/CRP.3)

Item 6. 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, which will provide the Committee with substantive reporting on the various thematic trust funds. This report should be considered in conjunction with the *Annual Report of UNIDO 2015*, 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.32/5-IDB.44/5)
- Funding performance. *Annual Report of UNIDO 2015* (PBC.32/2-IDB.44/2, chapter 5)
- Projects approved under the Industrial Development Fund, thematic and individual trust funds, and other voluntary contributions in 2015 (PBC.32/CRP.4)

Item 7. Medium-term programme framework, 2016-2019: Baseline for the integrated results and performance framework

In line with existing mandates, the Director General presented the medium-term programme framework (MTPF), 2016-2019, through the Programme and Budget Committee to the Industrial Development Board (IDB.43/9). In line with paragraph (l) of conclusion 2015/4 of the thirty-first session of the Programme and Budget Committee, an addendum to the MTPF, containing the medium-term investment plan, 2016-2019, for which the annual cycle of reporting will start in 2017, was also presented.

At its sixteenth session, the General Conference took note with appreciation of the medium-term programme framework, 2016-2019 (resolution GC.16/Res.1). In paragraph (c) of the same resolution, the Conference noted that the MTPF already included performance indicators, while also noting its understanding that the Organization would “set a baseline for these indicators and continue its efforts towards enriching these indicators in a continuous manner”. Therefore, the Conference requested the Director General to report the progress on this matter at the forty-fourth session of the Board.

The Committee will thus have before it:

- Progress report setting a baseline for the indicators of the medium-term programme framework, 2016-2019 (PBC.32/6-IDB.44/6). Report by the Director General

Item 8. UNIDO field policy and network

At the sixteenth session of the General Conference, the Director General presented an action plan on the UNIDO field policy and network (GC.16/6). Following consultations with Member States on the matter a report on the operationalization of the field policy action plan will be submitted to the Committee.

The Committee will thus have before it:

- Operationalization of the field policy action plan. Report by the Director General (PBC.32/7-IDB.44/7)

Item 9. Date of the thirty-third session

The following dates have been reserved for the policymaking organs of UNIDO in 2016 and 2017:

22-24 November 2016	Industrial Development Board, forty-fourth session
16-18 May 2017 (tentative)	Programme and Budget Committee, thirty-third session
27-30 June 2017 (tentative)	Industrial Development Board, forty-fifth session
27 November to 1 December 2017	General Conference, seventeenth session

Item 10. Adoption of the report
