

Agenda Item 4: Report of the Programme and Budget Committee

Madam President,

1. The Group of 77 and China takes note of document IDB.44/8 containing the report of the thirty-second session of the Programme and Budget Committee.
2. The Group appreciates that, in accordance with Conclusion 2016/2 of the PBC, the Director General has submitted the draft terms of reference of an Audit Advisory Committee that will represent the link between management, Member States, and Internal and External Audit. The Group remains committed to cooperating for the establishment of the Committee by the IDB.
3. The Group takes note of document IDB.44/4-PBC.32/4 on the Financial Situation of UNIDO and notes that the collection rate of the 2016 assessed contributions as of November 2016 was 67.3 per cent, an increase from the 2015 and 2014 rates of 66.4 and 62.3 per cent, respectively. The compliance of the financial obligations by Member States is a concrete and definitive manifestation of support for the work being conducted by the Organization.
4. At the same time, the Group remains greatly concerned by the outstanding assessed contributions amounted to €148.8 million, including arrears of €69.1 million by the United States of America, and €2.1 million by the former Yugoslavia. The Group appeals to the former members of UNIDO with outstanding contributions to make payments on their arrears, including advances to the Working Capital Fund, in order to allow the Organization to carry out its mandate and support the industrial development efforts of Member States.
5. Regarding the operationalization of the field policy action plan, the Group requests the Director General to ensure a smooth implementation of such action plan in close consultation with all Member States, particularly those that are affected directly, ensuring that field offices effectively support the delivery of technical cooperation programmes.
6. The Group emphasizes that the implementation of this field network restructuring plan should be monitored and evaluated to see if it has been responsive to the needs of Member States.
7. The Group takes note of document IDB.44/11 containing the Report of the Director General on the general risk management strategy. The Group supports the Mitigation efforts made to avoid the risk of withdrawal of Member States, including initiatives to (a) enhance dialogue between the Secretariat and Member States, (b) maximize the developmental impact of UNIDO operations through an optimized partnership approach, and (c) strengthen the perceived relevance of the Organization in the intergovernmental and policy discussions on development cooperation.

Thank you, Madam President.

