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**Industrial Development Board****Forty-fifth session**

Vienna, 27-29 June 2017

Item 2 of the provisional agenda

**Adoption of the agenda****Annotated provisional agenda****Opening of the session**

The forty-fifth session of the Board will be opened by the President of the Board, H.E. Ms. M. Z. Angara Collinson (Philippines).

**Item 1. Election of officers**

In accordance with rule 23.1 of the rules of procedure, each year, at the commencement of its regular session, the Board shall elect from among the representatives of its members a President, three Vice-Presidents and a Rapporteur. Rule 23.3 stipulates that the offices of the President, the three Vice-Presidents and the Rapporteur shall be subject to equitable geographical rotation within a five-year cycle described in appendix A to the rules of procedure. Accordingly, for the forty-fifth session, the President should be elected from members of the Board among the States included in List D of Annex I to the Constitution. The three Vice-Presidents should be elected from members of the Board among the African States included in List A, the States included in List B and the States included in List C, respectively. The Rapporteur should be elected from among the representatives of members of the Board among the Asian States included in List A.

**Item 2. Adoption of the agenda**

A provisional agenda for the forty-fifth session, based on the provisional agenda adopted in decision IDB.44/Dec.18, is submitted to the Board for adoption in document IDB.45/1.

The Board will have before it:

- Provisional agenda (IDB.45/1)
- Annotated provisional agenda (IDB.45/1/Add.1)
- List of documents (IDB.45/CRP.1)

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



**Item 3. Annual report of the Director General for 2016**

In accordance with Article 11.6 of the Constitution, the Director General is to prepare an annual report on the activities of the Organization.

The annual report was presented through the thirty-third session of the Programme and Budget Committee to the current session of the Board due to the reduction of the number of sessions of the Board in non-General Conference years (decision IDB.39/Dec.7 (f)), and in line with the practice established in 2012. Annotations in relation to the annual report and its content were contained in the annotated provisional agenda of the Committee session (PBC.33/1/Add.1).

In line with Article 9.4 (d) of the Constitution and decision IDB.1/Dec.29, Member States already delivered statements, which included information on their activities related to the work of the Organization, at the thirty-third session of the Committee. With a view to enhancing the debate on the item, Member States are requested to bear in mind the statements already delivered at the Committee and to focus their interventions to any further developments of note.

The Board will have before it:

- *Annual Report of UNIDO 2016* (including programme performance report) (IDB.45/2)

**Item 4. Report of the Programme and Budget Committee**

Article 10.4 (d) of the Constitution requires that the Programme and Budget Committee “report to the Board at each regular session on all activities of the Committee and submit advice or proposals on financial matters to the Board on its own initiative”. The report of the Committee on the work of its thirty-third session is reflected in document IDB.45/11. The following subjects and documentation, dealt with by the Committee at that session, are of relevance to the work of the Board at its current session. Annotations are contained in the annotated provisional agenda of the thirty-third session of the Committee (PBC.33/1/Add.1). At that session, the Committee recommended to the Board the adoption of a number of draft decisions, as indicated in the report of the session and under the respective subheadings below.

**4 (a) Report of the External Auditor for 2016**

- Conclusion 2017/2 of the Programme and Budget Committee
- Report of the External Auditor on the accounts of UNIDO for the financial year 1 January to 31 December 2016 (IDB.45/3)
- Annexes to the report of the External Auditor on the accounts of UNIDO for the financial year 1 January to 31 December 2016 (unaudited) (PBC.33/CRP.3)

**4 (b) Financial situation of UNIDO, including unutilized balances of appropriations**

- Conclusion 2017/3 of the Programme and Budget Committee
- Financial situation of UNIDO. Report by the Director General (IDB.45/4)
- Status of assessed contributions. Note by the Secretariat (IDB.45/CRP.2)

**4 (c) Scale of assessments for apportionment of the regular budget expenses for the biennium 2018-2019**

- Conclusion 2017/5 of the Programme and Budget Committee

- Scale of assessments for the fiscal period 2018-2019. Note by the Secretariat (IDB.45/6)

#### **4 (d) Working Capital Fund for the biennium 2018-2019**

- Conclusion 2017/6 of the Programme and Budget Committee
- Working Capital Fund for the biennium 2018-2019. Proposals by the Director General (IDB.45/7)

#### **4 (e) Mobilization of financial resources**

- Conclusion 2017/8 of the Programme and Budget Committee
- Funding performance. Annual Report of UNIDO 2016 (IDB.45/2, chapter 4)
- Projects approved under the Industrial Development Fund, thematic and individual trust funds, and other voluntary contributions in 2016 (PBC.33/CRP.6)

#### **4 (f) General risk management strategy**

- General risk management strategy. Report by the Director General (IDB.45/9)

#### **4 (g) Appointment of an External Auditor**

- Candidates for the appointment of External Auditor. Report by the Director General (IDB.45/10)
- Candidates for the appointment of External Auditor. Note by the Secretariat (PBC.33/CRP.7)

### **Item 5. Programme and budgets, 2018-2019**

In accordance with Article 14.3 of the Constitution, the Board shall examine the proposals of the Director General together with any recommendations of the Programme and Budget Committee and adopt the programme of work, the regular budget and the operational budget for submission to the Conference for consideration and approval. In line with conclusion 2017/4, adjustments to the proposals of the Director General will be submitted in an addendum.

The Board will have before it:

- Conclusion 2017/4 of the Programme and Budget Committee
- Programme and budgets, 2018-2019. Proposals of the Director General (IDB.45/5)

### **Item 6. Medium-term programme framework and medium-term investment plan**

In paragraphs (e) and (f) of decision GC.15/Dec.17, the Conference at its fifteenth session requested the Director General to submit from 2015 onwards, on a quadrennial basis, to the Board in the second year of the biennium, through the Programme and Budget Committee, a draft medium-term programme framework (MTPF) for four years, taking into account the Lima Declaration: Towards inclusive and sustainable industrial development, the recommendations of the latest comprehensive policy review of operational activities for development, and the recommendations of the outcome document of the informal working group on the future, including programmes and resources, of UNIDO, entitled “Strategic Guidance Document”. In line with this decision and with Board decision IDB.44/Dec.10, which requested the Director General to submit to the Board at its forty-fifth session, through

the Programme and Budget Committee, an updated MTPF for the period 2018-2021, the main features of the MTPF 2018-2021 were presented to the Committee. A detailed proposal, including programmatic refinements following the adoption of General Assembly resolution 71/243 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system on 21 December 2016, will be presented to the Board. This MTPF proposal will also include the integrated results and performance framework.

In line with paragraph (l) of decision IDB.43/Dec.6, a medium-term investment plan should be attached to the MTPF and be updated annually.

The Board will have before it:

- Medium-term programme framework, 2018-2021. Proposals by the Director General (IDB.45/8)
- Medium-term programme framework, 2018-2021. Comprehensive proposals by the Director General (IDB.45/8/Add.2)
- Medium-term investment plan, 2016-2019. Addendum to the proposals by the Director General (IDB.45/8/Add.1)
- Updated integrated results and performance framework. Note by the Secretariat (PBC.33/CRP.4).

**Item 7. UNIDO and the 2030 Agenda for Sustainable Development, including the Industrial Development Board's substantive input to the high-level political forum 2017**

At its sixteenth session, the General Conference requested the Director General to report to Member States on UNIDO's contribution to the achievement of the 2030 Agenda, taking into consideration the report of the United Nations Secretary-General, and the Global Indicator Framework (GC.16/Res.2). In the same resolution, the General Conference also requested the Director General to continue to actively contribute and pursue a leading role for UNIDO in the ongoing discussions with other international organizations and stakeholders on the follow-up and review mechanism for the achievement of Sustainable Development Goal 9 and other relevant and interlinked goals and targets of the 2030 Agenda. At its forty-fourth session, the Board reiterated the commitment of UNIDO and its Member States to the realization of the 2030 Agenda (decision IDB.44/Dec.9), and with a view to ensuring active and effective participation of UNIDO Member States in the follow-up and review process of the SDGs for the achievement of the 2030 Agenda, requested the Director General to prepare the annual substantive input by the Board for submission by the Board President to the high-level political forum (HLPF). The documentation under this item will therefore provide the Board with up-to-date information on this topic, including the presentation of the HLPF input as duly submitted by the Board President prior to the Board's forty-fifth session.

The Board will have before it:

- UNIDO and the 2030 Agenda for Sustainable Development. Report by the Director General (IDB.45/12)
- Substantive input by the Industrial Development Board to the High-level Political Forum 2017. Submitted on behalf of the Board President, further to the agreement by the Enlarged Bureau of the Board (IDB.45/CRP.3)

**Item 8. Implementation of the field policy action plan**

In line with decision IDB.44/Dec.11 (j), requesting the Director General to report on the implementation of the field policy action plan to the Board at its forty-fifth session and to regularly review the field network to ensure that it continues to support UNIDO projects in concerned countries, the Board will be presented with the following document:

- Implementation of the field policy action plan. Report by the Director General (IDB.45/13)

**Item 9. Activities of the Joint Inspection Unit**

In accordance with the follow-up scheme to recommendations of the Joint Inspection Unit (decision IDB.24/Dec.11), the Board will have before it the following document:

- Activities of the Joint Inspection Unit. Report by the Director General (IDB.45/14)

At its forty-fifth session, the Board will also have before it the Joint Inspection Unit's review of management and administration in UNIDO as well as the Director General's comments thereon:

- Activities of the Joint Inspection Unit. Review of management and administration in UNIDO (IDB.45/14/Add.1)
- Activities of the Joint Inspection Unit. Comments of the Director General on the JIU review of management and administration in UNIDO (IDB.45/14/Add.2)

**Item 10. UNIDO Independent Audit Advisory Committee**

At its forty-fourth session, the Board established an Independent Audit Advisory Committee (Audit Committee) as an advisory committee pursuant to rule 63 of the rules of procedure of the Board, to advise the Board and the Director General on issues within the Audit Committee's mandate. The Board also invited the Director General to consult with Member States on the procedure for selection of members to the Audit Committee, so as to prepare for the submission of candidates to the forty-fifth session of the Board (decision IDB.44/Dec.4 (b) and (d)). In line with paragraph 6 of the terms of reference of the Audit Committee, endorsed by the Board in decision IDB.44/Dec.4 and included as an annex thereto, the candidatures received following an open call for nominations by the Director General shall be submitted to the Board through its Enlarged Bureau as a non-exhaustive list of possible candidates.

For the purpose of appointing the members of the Audit Committee, the Board will therefore have before it:

- Independent Audit Advisory Committee. Report by the Director General (IDB.45/15)
- UNIDO Independent Audit Advisory Committee. Note by the Secretariat (IDB.45/CRP.4)

**Item 11. Internal oversight activities**

With its decision IDB.44/Dec.3, the Board mandated the establishment of an effective and functionally and operationally independent Office of Internal Oversight. Based on the same decision, the Director of the Office of Internal Oversight will submit the annual report on internal oversight activities to the Board for its consideration. Audit reports will be made available for Member States on the Extranet,

when issued throughout the year. These reports will include management responses, as stipulated in the Board decision.

The Board will therefore have before it:

- Internal oversight activities. Report by the Director of the Office of Internal Oversight (IDB.45/16)

#### **Item 12. Personnel matters**

By decision IDB.1/Dec.18 the Board decided to accept the International Civil Service Commission (ICSC) statute. The Board will be informed of any recent ICSC decisions and recommendations adopted by the General Assembly that are of relevance to UNIDO, as an organization in the United Nations common system. The documentation under this item will also contain information on personnel-related developments in UNIDO.

By decision GC.1/Dec.37 the General Conference accepted the Regulations of the United Nations Joint Staff Pension Fund and established the UNIDO Staff Pension Committee. In decision GC.16/Dec.16 the Conference elected the two members and two alternate members of the UNIDO Staff Pension Committee for the biennium 2016-2017. The Board may wish to recommend to the Conference, at its seventeenth session, candidates for election to the Committee for the years 2018-2019.

The Board will have before it:

- Personnel matters. Report by the Director General (IDB.45/17)
- List of UNIDO staff. Note by the Secretariat (IDB.45/CRP.5)

#### **Item 13. Matters related to intergovernmental, non-governmental, governmental and other organizations**

Guidelines regarding relationships with the organizations mentioned in Article 19.1 of the Constitution were established by the General Conference in decision GC.1/Dec.41. In accordance with these guidelines, the Director General shall (a) present the draft texts of agreements with other organizations of the United Nations system to the Board for its approval; (b) circulate among the members of the Board information on intergovernmental organizations that have expressed the wish to enter into agreements with UNIDO and seek the approval of the Board before concluding an appropriate relationship agreement with the organizations concerned; and (c) circulate among the members of the Board information on international and national non-governmental organizations and other organizations seeking consultative status, following which the Board shall decide whether to grant consultative status to the organizations concerned in accordance with the guidelines established by the Conference.

At its forty-fourth session, the Board requested the Secretariat to draft, in consultation with Member States, appropriate procedures for reviewing applications from non-governmental organizations for consultative status, for approval by the Board in accordance with Article 19.1 (b) of the Constitution and paragraph 17 of the guidelines for the relationship of UNIDO with intergovernmental, governmental, non-governmental and other organizations (decision IDB.44/Dec.17).

The Board will therefore have before it information concerning organizations on which decisions are required, as well as draft procedures for non-governmental organizations.

- Appropriate procedures for reviewing applications from non-governmental organizations for consultative status. Note by the Secretariat (IDB.45/20)

#### **Item 14. Recommendation of a candidate for the post of Director General**

Pursuant to Article 11.2 of the Constitution and Rule 61 of the rules of procedure and in compliance with decision IDB.41/Dec.2, the Board will decide upon the recommendation to the General Conference of a candidate for the post of Director General.

The Board will have before it:

- Candidates for the post of Director General. Note by the Secretariat (IDB.45/18)
- Draft contract for appointment of the Director General. Note by the Secretariat (IDB.45/18/Add.1)

#### **Item 15. Preparations for the seventeenth session of the General Conference**

At its sixteenth session, the General Conference decided that its seventeenth session shall be held in Vienna from 27 November to 1 December 2017 (decision GC.16/Dec.17). In accordance with Article 9.4 (g) of the Constitution, the Board shall prepare the provisional agenda for the Conference. A list of agenda items for consideration by the Conference as well as a draft schedule of work will be included as annexes to the following document:

- Preparations for the seventeenth session of the General Conference. Report by the Director General (IDB.45/19)

#### **Item 16. Provisional agenda and date of the forty-sixth session**

In accordance with rule 10.2 of the rules of procedure, the Director General shall submit to the Board at each regular session the provisional agenda for the following regular session. A provisional agenda will be proposed in the following conference room paper:

- Provisional agenda and date of the forty-sixth session. Note by the Director General (IDB.45/CRP.6)

The following dates have been reserved for the policymaking organs of UNIDO in 2017 and 2018:

27 November to 1 December 2017	General Conference, seventeenth session
19-20 June 2018	Programme and Budget Committee, thirty-fourth session
27-29 November 2018 (tentative)	Industrial Development Board, forty-sixth session

#### **Item 17. Adoption of the report**

In accordance with rule 71 of the rules of procedure, the draft report of the Board shall be prepared and submitted by the Rapporteur.