



European Union

**EU Statement on
Agenda Item 3: Annual report of the Director General for 2020**

**49th session of the Industrial Development Board
United Nations Industrial Development Organization**

Vienna, 12-15 July 2021

Madam President,

I have the honour to speak on behalf of the European Union and its Member States. The following countries align themselves with this statement: the Republic of North Macedonia*, Montenegro*, Serbia*, Albania*, Bosnia and Herzegovina*, Norway+, Ukraine, the Republic of Moldova and Armenia.

At the outset, allow me to thank you for bringing the election of the UNIDO Director General to a successful conclusion. We would again like to extend our warmest congratulations to Dr. Müller and look forward to his appointment at the 19th General Conference in November.

The EU and its Member States are fully engaged with the UN's call to 'build back better' and consider the whole UN system, including UNIDO, a key player in recovering from the COVID-19 crisis. Now is the time to reaffirm our commitment to the Agenda 2030 and to make every effort to accelerate its implementation in this Decade of Action. The EU will pursue a Global Recovery Initiative, linking investment and debt relief to the Sustainable Development Goals to secure a truly transformative, post-COVID-19 path. We work jointly, as *Team EUROPE*, to address the recovery needs of our partner countries. We have mobilised more than 40 billion EUR as of January 2021 to address and mitigate the impacts of the pandemic. Furthermore, the EU is the largest exporter of COVID-19 vaccines to the world and will continue its efforts to increase global vaccine production capacities in order to meet global needs. The EU and its Member States are committed to accelerate vaccine sharing for countries in need, leaving no one behind, with the aim of donating at least 100 million doses by the end of the year.

Madam President,

We reiterate our commitment to a sustainably resourced and efficiently managed UNIDO that pursues efficiency and delivers on its mandate. We took note of the 2020 External Auditor's report on the accounts of the Organisation and we call on all Member States, particularly those in arrears, to honour their legal obligation to pay assessed contributions on time, in full and without conditions.

* Candidate Countries the Republic of North Macedonia, Montenegro, Serbia and Albania as well as potential Candidate Country Bosnia and Herzegovina continue to be part of the Stabilisation and Association Process.

+ Norway is a member of the EFTA and of the European Economic Area.

We are pleased that the UNIDO Member States agreed on the 2022-2023 programme and budgets at the Programme and Budget Committee (PBC) in May, upholding the Vienna spirit. We express our gratitude to the Co-Chairs of the Informal Working Group from Poland and Iran, for the work that has been carried out since March. We commend the Secretariat for the preparation of the new budget in accordance with the Results-Based Budgeting Principles, the Medium-Term Programme Framework 2022 - 2025 and the updated Integrated Results and Performance Framework.

Throughout the process, the EU and its Member States took into account the independent assessment of UNIDO's performance prepared by the Multilateral Organisation Performance Assessment Network (MOPAN). We encourage UNIDO to constructively consider its outcomes, particularly the recommendations to clarify its future strategy, including the objectives of its normative role; to improve further main organizational issues, such as decentralization, and risk and results-based management; and to address cross-cutting priorities, such as governance and human rights.

Madam President,

At the 37th last session of the PBC, the European Union provided extensive comments on the report of the Director General for 2020. These are still valid.

For consistency, herewith we would like to reiterate our support to UNIDO's activities in the fields of the environment and energy that contribute to reaching the objectives of the Paris Agreement and to sustainable and inclusive industrialization. We commend the UNIDO Secretariat for organising the Global consultations on circular economy, co-chaired by Austria and Costa Rica, and we look forward to continuing this work. Finally, the EU welcomes UNIDO's support for the establishment of the "Global Alliance on Circular Economy and Resource Efficiency" that was launched together with UNEP last February.

We recall the importance of further mobilizing the private sector to create decent work and deliver inclusive and sustainable development, focusing on Low Income Countries and Least Developed Countries. In this regard, we call on UNIDO to have a more proactive approach in the implementation of the Third Industrial Development Decade for Africa (IDDAIII) and we expect more information on the related activities.

The EU finds it important that the work of the Organisation is inclusive and that gender mainstreaming is part of every project and programme. As a gender champion, the EU, together with many Member States, has been consistent in urging the Secretariat to use every opportunity to achieve gender equality in the Organisation, particularly at senior management level.

In line with the EU support for the UN Development System reform, we appreciate the UNIDO Programme for Country Partnership (PCP), which proved to be a valuable contribution to its implementation at country-level and mobilizes resources to achieve larger development impact. We would appreciate to be kept informed of the selection process of possible further PCP countries and the implementation of the recommendations of the Mid Term Review.

Thank you, Madam President!