



European Union

**EU Statement on
Agenda item 3: Annual Report of the Director General for 2021**

**50th session of the
Industrial Development Board (IDB)
United Nations Industrial Development Organisation (UNIDO)**

Vienna, 21-23 November 2022

Mr/s. President,

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

I congratulate you on your election, Mr/s President, and assure you of our full cooperation. I would also like to thank the outgoing Bureau, Ambassador Dominika Krois of Poland, as President and Ambassador O'Leary from Ireland, as Vice President, whose outstanding leadership enabled the IDB to submit its contribution to the High Level Political Forum (HLPF) on Sustainable Development for the first time in two years.

Mr/s President,

The EU reaffirms its strong support for the work of UNIDO Director General Dr. Gerd Müller. We welcome his commitment to reform the organisation under the motto "Progress by innovation", his goal to increase UNIDO's relevance and further improve its service delivery in line with the needs and priorities of its Member States. We support DG Müller's ambition to ensure a leading role for UNIDO in the global periodic review of Sustainable Development Goal (SDG) 9 during the HLPF in 2023, as well as in the preparation of the SDG Summit that will be held next September under the auspices of the UN General Assembly. We shall continue to follow closely the inclusive and transparent implementation of the reforms, particularly the upcoming field reform exercise, in line with the updated terms of reference for UNIDO's field offices that called for further decentralisation.

* Candidate Countries North Macedonia, Montenegro, 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 welcome the Independent Oversight Advisory Committee's (OAC) report as published in Document IDB.50/22 on which we provided comments at the 38th session of the PBC in June. We further encourage the OAC to continue advising UNIDO's management on the impact of the reform on areas related to its mandate.

We trust that a reformed and strengthened UNIDO will prove itself fit for purpose to support its Member States to address the growing number of global crises that undermine sustainable development. The EU condemns, in the strongest possible terms, the war of aggression of the Russian Federation against Ukraine which has led to the immense suffering of the Ukrainian people and caused a global food and energy crisis affecting in particular the most vulnerable States and populations, and hampering post-COVID recovery worldwide.

We urge the Russian Federation to immediately cease its military actions, unconditionally withdraw all its forces and military equipment from the entire territory of Ukraine and fully respect Ukraine's territorial integrity, sovereignty and independence within its internationally recognised borders. We call upon all UN Member States to defend the UN Charter and unequivocally reject the Russian Federation's gross violations of international law and international humanitarian law. We welcome the recent resolution of the UN General Assembly, where 143 States condemned Russia's attempted annexation of four regions of Ukraine. These attempts have no legal validity or effect, they are null and void.

Mr/s President,

At the 38th session of the Programme and Budget Committee (PBC) in June, the European Union provided extensive comments on the report of the Director General for 2021. These are still valid. For consistency, herewith we would like to reiterate our commitment to a sustainably resourced UNIDO that delivers on its mandate. We stand ready to engage in early discussions on the preparation of UNIDO's next biennial budget. The Informal Working Group on Programme and Budget has proven to be a good venue in this regard.

We take note of the DG's priority agenda outlined in his report: food security, agribusiness development and fair supply chains, energy efficiency and improved access to renewable energy to reduce industrial greenhouse gas emissions. We have a long-standing cooperation in these areas and we look forward to its strengthening in order to make further progress towards achieving the SDGs and to facilitate a green transition worldwide.

We commend UNIDO's participation at the recent UN Climate Change Conference (COP27) in Egypt. There, UNIDO conveyed an important message that the full implementation of the Paris Agreement will not be possible without the sustainable transformation of industry.

Global food security is a top priority for the EU. We invest in the resilience of our partner countries, strengthening their capacities for sustainable production to become less dependent on food imports. 52 % of all EU contributions to UNIDO are focused on Africa. We recall the importance of the private sector to create decent work, focusing on Low Income Countries and Least Developed Countries (LDCs). We encourage UNIDO to further engage with the private sector based on its expertise in public private partnerships. The EU has provided comments on the draft UNIDO operational strategy for the LDCs in this regard.

The work of UNIDO should be inclusive and gender mainstreaming should be part of its every programme and project. This is a top priority for the EU. We continue to draw attention to achieving gender equality in the Organization, particularly at the senior management level.

In line with the EU's support for the UN Development System reform, we encourage UNIDO to step up its cooperation with other UN Agencies to ensure a coordinated UN support in advancing the development goals of each Member State and to achieve larger development impact. The Memorandum of Understanding signed between UNIDO and FAO on sustainable agri-food systems transformation and agribusiness value chain is a good example in this regard.

I thank you for your attention.