



**G-77 and China statement during the UNIDO Industrial Development Board, 50<sup>th</sup> session, 21-23 November 2022, delivered by H.E. Ambassador Azzeddine Farhane, Permanent Representative of Morocco**

**Agenda item 4: Report of the Programme and Budget Committee:**

1. The Group of 77 and China conveys its appreciation to H.E. Mr. Alessandro Cortese of Italy in his capacity as Chair of the 38th session of the Programme and Budget Committee for this Report of the PBC.

2. The Group wishes to recall the points it had raised at the 38th session of the PBC, and reiterates the following:

**(a) On the Report of the External Auditor for 2021**

1. Bearing in mind the points it raised on this Agenda Item at the 38th session of the PBC, the Group of 77 and China strongly urges UNIDO to work on addressing the findings of the External Auditor for 2021, regardless of the level of importance and priority assigned to them in the report, as well as to work on closing the remaining unresolved, partially resolved, and still-open findings of the previous and prior audit years, as the Group considers all of these recommendations to be particularly pertinent to ensure that the Organization will function as efficiently and effectively as possible.

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

Mr. President,

1. The Group continues to encourage Member States for the timely payment of their assessed contributions in full, to explore ways for current and former Member States to settle their outstanding assessed contributions, and for the Director General to sustain efforts towards the improvement of the financial situation of UNIDO in order to maintain a healthy and stable financial outlook for the Organization in view of the challenges ahead.

Thank you, Mr. President.

**(c) On the Report by the informal working group on Programme and Budget Committee-related issues (IWG)**

Mr. President,

1. The Group of 77 and China appreciates the work undertaken by the Informal Working Group on Programme and Budget Committee (IWG) and is particularly thankful to the co-Chairs from Poland and India for their dedication and leadership.

2. The Group believes that the IWG is a valuable platform for both Secretariat and Member States to deliberate and explore possible recommendations on important issues, including the programme and budgets of UNIDO. The Group also believes that the IWG's mandate has the potential to be expanded further to include discussions on emergent issues within the overall mandate and objectives of UNIDO.

3. The Group welcomes the discussion held in the IWG meetings in 2022 especially on the topics of budgetary flexibility, After Service Health Insurance (ASHI), and Independent Oversight Mechanisms among others. The discussion in the IWG meetings has enhanced understanding of these issues for the Member States.

4. The Group is hopeful that the IWG's deliberations will be held more regularly in the coming months and topics like gender equity and personnel matters; efficiency and effectiveness of the programme and budgets implementation, the financial situation of UNIDO etc. will be deliberated by the IWG. The Group also encourages all Member States to actively participate in the discussions on these matters in IWG.

Thank you, Mr. President.

**(d) On the mobilization of financial resources**

Mr. President,

1. The Group maintains the view that a sufficient, assured and predictable funding is vital for UNIDO to effectively deliver its core mandate and activities, and encourages the donor community to continue their contributions to UNIDO's programmable funds, including dedicated trust funds and special purpose funding at the country, regional or global level. The Group also encourages the Director General to continue searching for diverse and innovative funding resources, as well as to work on initiatives aimed at the efficient use of available resources.

2. In this regard, the Group encourages Member States and other funding partners to increase their voluntary contributions to UNIDO, including for the Partnership Trust Fund as well as the Special Account of Voluntary Contributions for Core Activities (SAVCCA) and the Major Capital Investment Fund (MCIF).

3. The Group strongly recommends UNIDO to specifically identify and facilitate the access to funds available from bilateral funding partners, multi-donor trust funds, climate finances funds, private development cooperation, as well as other development finance institutions.

Thank you, Mr. President.