



United Nations Industrial Development Organization

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Industrial Development Board

Fifty-first session

Vienna, 3–6 July 2023

Item 2 of the provisional agenda

Adoption of the agenda

Annotated provisional agenda

Opening of the session

The fifty-first session of the Board will be opened by the outgoing President of the Board, H.E. Mr. Alejandro Edmundo Solano Ortiz (Costa Rica).

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 fifty-first session, the President should be elected from members of the Board among the African States included in List A of Annex I to the Constitution. The three Vice-Presidents should be elected from members of the Board among the States of List B, Asian States included in List A, and the States included in List D, respectively. The Rapporteur should be elected from among the representatives of members of the Board among States of List C.

Item 2. Adoption of the agenda

A provisional agenda for the fifty-first session, based on the provisional agenda adopted in decision IDB.50/Dec.11, as well as on the agenda of the thirty-ninth session of the Programme and Budget Committee, is submitted to the Board for adoption in document IDB.51/1.

The Board will have before it:

- Provisional agenda (IDB.51/1)
- Annotated provisional agenda (IDB.51/1/Add.1)
- List of documents (IDB.51/CRP.1)

For reasons of sustainability, this document has not been printed. Delegates are kindly requested to refer to electronic versions of all documents.



Item 3. Annual report of the Director General for 2022

In accordance with Article 11.6 of the Constitution, the Director General is to prepare an annual report on the activities of the Organization. In its resolution GC.4/Res.2, the General Conference requested the Director General to fully incorporate in future annual reports the programme performance report according to Industrial Development Board decision IDB.7/Dec.11. At the request of the Board through decision IDB.23/Dec.12, annual reports include information on operational activities for developments arising from relevant United Nations General Assembly resolutions, including the quadrennial comprehensive policy review in accordance with United Nations General Assembly resolution 75/233 of 21 December 2020.

In compliance with Conference resolution GC.17/Res.1 paragraph (p) and Board decision IDB.44/Dec.2, paragraph (c), the annual report also informs Member States of the implementation of the medium-term programme framework (MTPF) and of UNIDO's contribution to the realization of the 2030 Agenda for Sustainable Development and its Sustainable Development Goals. Pursuant to Board decision IDB.44/Dec.2, paragraph (d), the Annual Reports of UNIDO will provide information in a concise manner, enriched with statistical data and results in accordance with the integrated results and performance framework (IRPF), to enhance UNIDO's performance accountability and visibility.

The Annual Report 2022 pioneers the UNIDO reporting on progress towards its biennial targets at the aggregate UNIDO level. Priority is given to the reporting of targets as per the Programme and Budgets 2022–23, where its indicators are a subset of the UNIDO IRPF. A detailed set of data and information related to the indicators and targets is made available in the appendices of this report. The data and information in the Appendices have been used as the basis for the qualitative infographics in the Annual Report 2022. The Annual Report 2022 acknowledges the limitations of some of the indicators in the IRPF, and the scope for further improvement in the quality assurance process to achieve better reporting accuracy. Improvements to the IRPF indicators will be reviewed within the midterm update of the MTPF.

The Board will have before it:

- Annual Report of UNIDO 2022 (IDB.51/2-PBC.39/2)

Item 4. Report of the Programme and Budget Committee

Article 10.4 (d) of the Constitution requires that the Programme and Budget Committee shall “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-ninth session will be reflected in document IDB.51/11. The following subjects and documentation, to be dealt with by the Committee at that session, are of relevance to the work of the Board at its fifty-first session. Annotations are contained in the annotated provisional agenda of the thirty-ninth session of the Committee (PBC.39/1/Add.1/Rev.1). At its thirty-ninth session, the Committee will recommend to the Board the adoption of a number of draft decisions, to be indicated in the report of the session and under the respective subheadings below.

4.(a) Report of the External Auditor for 2022

- Report of the External Auditor on the accounts of UNIDO for the financial year 1 January to 31 December 2022 (IDB.51/3-PBC.39/3)
- Annexes to the report of the External Auditor on the accounts of UNIDO for the financial year 1 January to 31 December 2022 (unaudited) (PBC.39/CRP.2)
- Comments on the Report of the External Auditor. Note by the UNIDO Independent Oversight Advisory Committee (PBC.39/CRP.3)

- 4.(b) Financial situation of UNIDO, including unutilized balances of appropriations**
- Financial situation of UNIDO. Report by the Director General (IDB.51/4-PBC.39/4)
 - Status of assessed contributions. Note by the Secretariat (IDB.51/CRP.2)
- 4.(c) Report by the Informal Working Group on Programme and Budget Committee-related issues**
- Report by the informal working group on Programme and Budget Committee-related issues. Report by the Co-Chairs (IDB.51/5-PBC.39/5)
 - Update on the report by the informal working group on Programme and Budget Committee-related issues. Report by the Co-Chairs (IDB.51/CRP.3)
- 4.(d) Scale of assessments for apportionment of the regular budget expenses for the biennium 2024–2025**
- Scale of assessments for the fiscal period 2024–2025. Note by the Secretariat (IDB.51/7-PBC.39/7)
- 4.(e) Working Capital Fund for the biennium 2024–2025**
- Working Capital Fund for the biennium 2024–2025. Proposals by the Director General (IDB.51/8-PBC.39/8)
- 4.(f) Mobilization of financial resources**
- Funding performance. *Annual Report of UNIDO 2022* (IDB.51/2-PBC.39/2, chapter 5)
 - Projects approved under the Industrial Development Fund, thematic and individual trust funds, and other voluntary contributions in 2022 (PBC.39/CRP.6)
- 4.(g) General risk management**
- General risk management. Report by the Director General (IDB.51/12-PBC.39/12)
- 4.(h) Appointment of the External Auditor**
- Candidates for the appointment of an External Auditor. Report by the Director General (IDB.51/13-PBC.39/13)
- 4.(i) Medium-term investment proposals**
- Medium-term investment proposals, 2024–2025. Report by the Director General (IDB.51/14-PBC.39/14)
- 4.(j) Budget implementation flexibility**
- Budget implementation flexibility. Proposal by the Director General (IDB.51/9-PBC.39/9)

Item 5. Programme and budgets, 2024–2025

In accordance with Articles 14.1 and 14.2 of the Constitution, the Director General shall prepare and submit to the Board through the Committee a draft programme of work for the following fiscal period, together with the corresponding estimates for those activities to be financed from the regular budget. The Director General shall, at the same time, submit proposals and financial estimates for those activities to be financed from voluntary contributions to the Organization. The Committee shall consider the proposals of the Director General and submit to the Board its recommendations on the proposed programme of work and corresponding

estimates for the regular budget and the operational budget. Such recommendations of the Committee shall require a two-thirds majority of the members present and voting. At its nineteenth session, the General Conference will need to consider and approve the programme and budgets, 2024–2025.

Through decision IDB.43/Dec.6 (i), the Industrial Development Board established the Special Account of Voluntary Contributions for Core Activities (SAVCCA) to facilitate the receipt, management and deployment of less tightly earmarked voluntary contributions for core activities, which cannot be fully funded from the regular budget. In his proposal for the programme and budgets 2024–2025, the Director General has included a re-designed mechanism to offer Member States and partners an attractive and results-oriented funding modality to strengthen UNIDO.

The re-designed SAVCCA, named the UNIDO “Innovation and Transformation Fund”, features greater transparency and accountability elements, as well as attractive financial conditions, with the objective to support, deepen or expand core areas of work. Details on this fund will be presented in Conference Room Paper PBC.39/CRP.8.

The Board will have before it:

- Programme and budgets, 2024–2025. Proposals by the Director General (IDB.51/6-PBC.39/6)
- Introduction of the UNIDO Innovation and Transformation Fund. Note by the Secretariat. (PBC.39/CRP.8)

Item 6. Medium-term programme framework, 2022–2025

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 (GC.15/Res.1), 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” (IDB.41/24). At its forty ninth session, the Board had before it a proposal by the Director General on the medium-term programme framework, 2022–2025 (IDB.49/8); and a note by the Secretariat on the results of the preparatory consultation surveys (IDB.49/CRP.9). The Board also considered a note by the Director General on the fourth industrial revolution and inclusive and sustainable industrial development (IDB.49/CRP.11).

In accordance with IDB.44/Dec.10, and as per established practice, an update by the Director General of the medium-term programme framework 2022–2025 will be submitted to the Board, through the Committee.

The Board will thus have before it:

- Medium-term programme framework, 2022–2025: midterm update. Report by the Director General (IDB.51/10-PBC.39/10)

Item 7. UNIDO and the 2030 Agenda for Sustainable Development

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). Reports on UNIDO's contribution to the 2030 Agenda were provided regularly to the Board and the General Conference.

The Board will have before it:

- UNIDO and the 2030 Agenda for Sustainable Development. Report by the Director General (IDB.51/17)

Item 8. United Nations development system reform

In June 2017, the Secretary-General launched his first report on repositioning the United Nations development system (UNDS), and a second report was issued in December 2017. On 31 May 2018, the General Assembly adopted resolution 72/279 on the repositioning of UNDS.

In its decision IDB.46/Dec.12, the Board requested the Director General to regularly report on UNDS reform-related matters to the Programme and Budget Committee, the Industrial Development Board and the General Conference of UNIDO.

The Board will have before it:

- United Nations development system reform. Report by the Director General (IDB.51/16-PBC.39/16)

Item 9. Third Industrial Development Decade for Africa (IDDA III)

United Nations General Assembly resolution 70/293 on the Third Industrial Development Decade for Africa, 2016–2025 (IDDA III) mandated UNIDO, as one of the lead Organizations, to develop, operationalize and spearhead the implementation of IDDA III as well as enhance technical assistance and efforts towards resource mobilization for African countries specifically for this purpose.

In its resolution GC.18/Res.6, the General Conference requested the Director General to report regularly to the policymaking organs on the tangible progress in terms of concrete implementation and impact at national levels, as well as the feedback from development partners, with a view to sustaining momentum for resource mobilization and supporting data collection.

A report by the Director General was considered by the nineteenth session of the General Conference (GC.19/9) in conjunction with the information on IDDA III contained in chapter 7 of the *Annual Report of UNIDO 2020* and the United Nations General Assembly's Note by the Secretary-General on IDDA III ([A/74/199](#)).

The Board will have before it:

- Report on the Third Industrial Development Decade for Africa (IDDA III). Report by the Director General (IDB.51/15-PBC.39/15)

Item 10. Climate neutral industry and circular economy

10.(a) UNIDO activities related to circular economy

Through resolution GC.18/Res.1, the Conference recognized a circular economy as one of the means to achieve sustainable development and, through resolution GC.18/Res.7, requested the Director General to continue supporting industries to contribute to circular economy without delay by adopting energy and resource efficient manufacturing practices and innovations in design, production processes and product lifespan management, and by delivering related services. Through resolution GC.18/Res.7, the Conference also requested the Director General to organize technical meetings and consultations for experts from Member States on circular economy, with a view to facilitating exchanges on best practices and emerging

innovations, and the promotion and adoption of circular economy principles and practices by industries of Member States, as well as to continue undertaking formal and informal briefings, as recommended in General Conference resolution GC.17/Res.4 (i).

Under this sub-item, the Board will be updated on the UNIDO activities related to circular economy, and on the progress made in organizing the global consultations on circular economy in 2023.

The Board will have before it:

- UNIDO activities related to circular economy. Report by the Director General (IDB.51/18)

10.(b) UNIDO strategy in response to climate change

Through resolution GC.18/Res.3, the Conference requested the Director General to continue the activities of UNIDO, in line with the priorities outlined in UNIDO's MTPF, to address climate change.

At its nineteenth session, the Conference considered documents GC.19/14 and GC.19/CRP.5 on UNIDO's strategic framework for climate action, which provided information on the impact of climate change on industrial development and the response of UNIDO to the climate crisis and its socioeconomic consequences.

Through resolution GC.19/Res.2, the Conference requested the Director General to develop a draft strategy in consultation with Member States, for consideration by the Industrial Development Board at its fiftieth session, that will enhance the efficiency, effectiveness and coordination of UNIDO's activities in support of Member State ISID-related climate priorities and to implement climate-related best practices across its operations. The draft strategy was presented to the Board at its fiftieth session in the document IDB.50/16. Through decision IDB.50/Dec.5, the Board requested the Director General to continue consultations with Member States on the development of the draft strategy based on the document IDB.50/16 in order to ensure its objective as identified in resolution GC.19/Res.2. It further requested the Director General to develop, in consultation with Member States, an action plan to implement the strategy, within the mandate and available resources of UNIDO, after the above strategy is formulated.

Following decision IDB.50/Dec.5, the Board will further consider the draft strategy and will be updated on the UNIDO activities related to the development of the strategy and its action plan, including the sessions of the related Development Dialogue and bilateral meetings held between February and June 2023.

The Board will have before it:

- UNIDO Strategy in response to climate change. Report by the Director General (IDB.51/19)

Item 11. Inclusive and sustainable development in middle-income countries

Through resolution GC.17/Res.6 the General Conference requested the Director General to identify and discuss with Member States a strategic framework for collaboration of UNIDO, within its mandate and resources, with middle-income countries aiming at facilitating inclusive and sustainable industrial development in this group of countries. At its forty-sixth session, the Board considered a report by the Director General containing the proposed strategic framework (IDB.46/13). Through decision IDB.46/Dec.10, the Board requested the Director General to organize consultations with Member States for the finalization of the draft strategic framework, to present it for consideration to the Board at its forty-seventh session.

Through resolution GC.18/Res.9 the General Conference adopted the UNIDO Strategic Framework for Partnering with Middle-Income Countries, as contained in Board decision IDB.47/Dec.7 and requested the Director General to prepare a work

plan for its implementation which was considered at the forty-eighth session of the Board (IDB.48/15). Through decision IDB.50/Dec.6, the Board requested the Director General to operationalize the UNIDO workplan for partnering with middle-income countries, ensuring its effective and efficient implementation in 2022–2025 and to hold consultations with Member States on its implementation. Furthermore, the Board requested that the establishment of an internal coordination mechanism within UNIDO shall be considered and a side event on the margins of the 2023 High-Level Political Forum under the auspices of ECOSOC organized.

The Director General is requested to report regularly to the Board on the implementation of the Strategic framework for partnering with middle-income countries (GC.18/Res.9) and its related workplan with possible future updates.

The Board will have before it:

- Inclusive and sustainable industrial development in middle-income countries. Report by the Director General (IDB.51/20)
- Updated UNIDO workplan for partnering with middle-income countries. Update by the Secretariat (IDB.51/CRP.4)

Item 12. 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 documents:

- Activities of the Joint Inspection Unit. Report by the Director General (IDB.51/21)
- Activities of the Joint Inspection Unit. Note by the Director General (IDB.51/CRP.5)

Item 13. UNIDO Independent Oversight Advisory Committee

In line with the terms of reference of the Independent Oversight Advisory Committee (OAC), approved with Board decision IDB.48/Dec.5, the annual report of the Oversight Committee as well as any Management response will be presented to the Board.

The Board will therefore have before it:

- Report of the Independent Oversight Advisory Committee. Report by the Chair (IDB.51/22)
- Report of the Independent Oversight Advisory Committee. Management Response (IDB.51/22/Add.1)

As the terms of some of the OAC members will expire with the fifty-first session of the Board (Board decision IDB.48/Dec.6), the Board will also be presented under this item with a document proposing the appointment of the members of the committee for the next term, in accordance with paragraph 8 of the revised terms of reference of the committee, and by considering the non-exhaustive roster of candidates for the OAC that was approved by Board decision IDB.50/Dec.7(b).

The Board will have before it:

- Membership of the Independent Oversight Advisory Committee. Note by the Secretariat (IDB.51/23)

Item 14. Evaluation and 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. On this basis, the Director of the Office of Evaluation and Internal Oversight will submit annual reports on internal oversight and on evaluation activities to the Board

for its consideration. Evaluation reports are made publicly available on the UNIDO website upon issuance. Audit reports are made available for Member States on the UNIDO Extranet, when issued throughout the year. These reports include agreed management action plans.

The Board will therefore have before it:

- Internal oversight activities. Report by the Director of the Office of Evaluation and Internal Oversight (IDB.51/24)
- Evaluation activities. Report by the Director of the Office of Evaluation and Internal Oversight (IDB.51/25)

Item 15. 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.

The Board will have before it:

- Personnel matters. Report by the Director General (IDB.51/26)
- Personnel matters. Annexes to the report by the Director General (IDB.51/CRP.6)
- List of UNIDO staff. Note by the Secretariat (IDB.51/CRP.7)

Item 16. Matters related to intergovernmental, non-governmental, governmental and other organizations

The General Conference in its decision GC.1/Dec.41 established guidelines regarding relationships with the organizations mentioned in article 19.1 of the Constitution. 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. Accordingly, the Board shall decide whether to grant consultative status to the organizations concerned in accordance with the guidelines established by the Conference.

Furthermore, in decision IDB.45/Dec.16, the Board approved a set of procedures for reviewing the applications of non-governmental organizations for consultative status with UNIDO. Through decision IDB.46/Dec.7, the Board recommended that it should review at least every four years the list of non-governmental organizations holding consultative status.

The Board will therefore have before it information concerning organizations on which decisions are required:

- Application from a non-governmental organization for consultative status. Note by the Director General (IDB.51/27)

Item 17. Preparations for the twentieth session of the General Conference

At its nineteenth session, the General Conference decided that its twentieth session shall be held in Vienna, Austria, from 27 November to 1 December 2023 (decision GC.19/Dec.18). 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 twentieth session of the General Conference. Report by the Director General (IDB.51/28)

Item 18. Provisional agenda and date of the fifty-second 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 fifty-second session. Note by the Director General (IDB.51/CRP.8)

The following dates have been reserved for the policymaking organs of UNIDO in 2023, 2024 and 2025:

2023

27 November–1 December 2023	General Conference, twentieth session
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2024

10–11 June 2024 (tentative)	Programme and Budget Committee, fortieth session
25–27 November 2024 (tentative)	Industrial Development Board, fifty-second session

2025

13–15 May 2025 (tentative)	Programme and Budget Committee, forty-first session
30 June–2 July 2025 (tentative)	Industrial Development Board, fifty-third session
24–28 November 2025 (tentative)	General Conference, twenty-first session

Item 19. 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.