Statement by Poland on the occasion of the 50th session of Industrial Development Board of UNIDO Vienna, 3-6 July 2023 Agenda item 4.(b) Financial situation of UNIDO, including unutilized balances of appropriations

Mr. President,

Let me begin with congratulating you, Mr. President on taking the job of presiding over the 51st session of the IDB. We assure you of the full support of the Polish delegation in bringing this session to its ultimate success. At the same time we are thankful to His Excellency Mr. Alejandro Solano Ortíz, Permanent Representative of Costa Rica, President of the fiftieth session of the Industrial Development Board for his skillful leadership and breathless efforts to bring tangible results of the last year IDB activity.

Mr. President,

Poland fully supports the previous statements delivered by the distinguished representative of the European Union. However I would like to add a few comments from our national perspective.

My country observes with a big satisfaction the reinvigoration of the UNIDO activities brought about under the leadership of the DG G. Muller. Three priorities set by the DG: Sustainable supply chains, Ending hunger and Climate action are very close to our vision of UNIDO and Poland is eager to play an active part at these endeavours. In terms of the financial prudence we appreciate very

1

much that although it was an extremely difficult time UNIDO managed to close the year 2022 with a balanced financial budget.

However the picture is not so rosy in every dimension!

As in the case of two last sessions of the PBC (38th and 39th), this 51st session of the IDB is second in row when we have to witness the unprovoked, brutal aggression of Russia against Ukraine. It worsens the difficult global situation mainly in terms of energy prices volatility and food shortages for the countries who rely heavily on import. These countries have to face severe financial limitations to their public spending and it is maybe one of the reasons why the number of the countries in arrears for payment their assessed contribution is so high which leads to loss of their voting rights.

Nevertheless one can say with the satisfaction that the overall collection rate as for the start of this IDB is 51,34 per cent which should be treated as the positive sign although every MS should pay its assessed contribution within 30 days after receiving a proper invoice.

Poland makes every possible effort to pay its assessed contribution very much on time according to the existing regulations. We treat it as our duty and the obligation towards the international community and we strongly encourage the other countries to follow that good pattern.

Moreover, for a time being, according to the available data, we are the biggest European country who voluntarily renounced its share of unutilized balances of appropriations as they were calculated for the beginning of 2023. We took the

2

decision to transfer 80% of our UBs for the support of diagnostic work within project programming the reconstruction of Ukraine. The minor part of the UBs allocated to Poland went for the purposes of modernization of UNIDO's IT system.

We managed to gather a substantial amount of resources at the Polish share of the Industrial Development Funds. Its sources were the UBs of the past years and the separate voluntary contributions donated to UNIDO. Currently significant preparatory work has started to launch a project aimed at the strengthening the capacities of the local communities for the resilience against industrial emergencies and natural disasters in one of the sub-Saharan African countries. Hopefully we will be able to reveal more details during the coming General Conference in November 2023.

We hope that the new budget approved for next 2024-2025 biennial will ease some of the most acute financial difficulties of UNIDO and will enable to put again the organization on the upward going trend. The countries who feel the most of the increased burden of the assessed contribution due to the applied principle of the zero real growth and due to the raised scale of assessments for apportionment of the regular budget expenses as it is a case for Poland, are in the urgent need to be convinced of the real value for money when being a member of the organization. We hope that our voice on that issue will be well heard and a good response will be formulated.

3

Mr. President,

Poland believes in UNIDO as an excellent platform to bring its industrial experiences to the outside world especially all LDCs and we are ready to form good partnerships to achieve these goals.

Thank you Mr. President!