



European Union

EU Statement on

Agenda item 3: Annual Report of the Director General for 2023

**52nd session of the Industrial Development Board (IDB)
United Nations Industrial Development Organisation (UNIDO)**

Vienna, 25-27 November 2024

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, Serbia, Albania, Ukraine, the Republic of Moldova, and Bosnia and Herzegovina.

President,

I congratulate you on your election and would like to thank the outgoing IDB President, Ambassador Mofadal Elnour of Sudan, and other Bureau members, for their successful stewardship of the IDB.

The EU and its Member States welcome the announcement by UNIDO Director General Gerd Müller that he is available for a second term. We as EU would like to express our full and strong support for his candidacy.

We recall the particular importance of UNIDO and its work for promoting sustainable and inclusive industrialisation and supporting countries to achieve SDG 9. Its work strongly resonates with the Clean Industrial Deal, as set out in the Political Guidelines of the new European Commission.

As the largest donor to UNIDO from governmental funds, the European Union institutions currently support 40 UNIDO projects totalling EUR 335 million. The EU's voluntary contributions are expected to further increase with the launch of new UNIDO programmes. Furthermore, EU Member States collectively contribute 28% of the UNIDO regular budget.

We welcome the tangible results achieved in 2023 under the leadership of Director General Müller. Financial resource mobilisation for technical cooperation increased by 44%. Technical cooperation delivery increased by 25% and the same is expected this year. Partnerships have been expanded with non-Member donors such as the United Kingdom. Three new Member States have joined since the last IDB. We also commend UNIDO's proactive engagement with the private sector and exploration of innovative financial mechanisms.

We commend DG Müller's efforts to modernize and reform UNIDO. As recommended by the Office of Evaluation and Internal Oversight, these reform efforts need to have a

define timeline. We also welcome the reports of the Office of Evaluation and Internal Oversight and of the Independent Oversight Advisory Committee, and request the DG to timely address their recommendations, and to keep the Member States informed of their implementation. Enhancement of the result monitoring and reporting frameworks, risk management, clear roles and responsibilities for UNIDO's network of Offices, and an alignment of skills and competencies with UNIDO's strategic goals should all remain a priority. Additionally, we encourage UNIDO to further enhance its collaboration with other UN agencies to amplify the development impact.

Securing consistent and predictable funding remains essential for UNIDO's success, and contributions from UNIDO Member States are the primary source. Therefore, we continue to call on all Member States to pay their assessed contributions in full and on time. Furthermore, we support the proposed interim time-bound decision, for vertical flexibility in the implementation of the regular budget for the biennium 2024-2025. UNIDO must be in a position to address evolving operational needs, similar to other UN organisations.

President,

Our meeting coincides with the International Day for the Elimination of Violence Against Women and the launch of the 16 Days of Activism against Gender-Based Violence. Promoting gender equality and women's empowerment remains an important horizontal priority for the EU. The EU as a member of the Group of Friends for Gender Equality and the Empowerment of Women, chaired by Finland and Honduras, the EU encourages UNIDO to continue work on gender mainstreaming and to achieve gender parity in senior management in particular.

Food security remains a critical issue, particularly in Sub-Saharan Africa, and the issue should be kept high on our agenda. We welcome the global call for a "World Without Hunger" launched jointly by UNIDO, the African Union and the Ethiopian government at the conference in Addis Ababa, and we will consider the recommendations of the new joint UNIDO-FAO study. The EU also welcomes the recent launch of the Group of Friends of Food Security co-chaired by Sudan and Italy. The EU's humanitarian food assistance amounted to over 1 billion EUR in 2023. Largest beneficiaries include a number of African countries, but also all other countries affected by wars. Global food supply remains insecure as long as Russia continues its blockage of Black Sea ports, reducing Ukraine's ability to export grain and foodstuff to the global market.

Finally, we welcome UNIDO's active role at COP29. Its comprehensive Climate Change Strategy rightly seeks to boost the use of renewable energy, and explore diverse renewable energy applications, including biofuels and green hydrogen.

In conclusion, the EU would like to express our appreciation and support for UNIDO's work and its current strategic trajectory.

I thank you for your attention.