



# United Nations Industrial Development Organization

Distr.: General  
17 March 2025

Original: English

**Industrial Development Board**  
**Fifty-third session**  
Vienna, 30 June–3 July 2025

**Programme and Budget Committee**  
**Forty-first session**  
Vienna, 13–15 May 2025  
Item 9 of the provisional agenda  
**Working Capital Fund for the biennium 2026–2027**

## Working Capital Fund for the biennium 2026–2027

### Proposals by the Director General

The present document proposes the level and authorized purposes of the Working Capital Fund for the biennium 2026–2027, and reports on the status of the Fund as at 31 December 2024.

## I. Introduction

1. In accordance with financial regulation 5.4 (a), the Programme and Budget Committee should recommend to the Industrial Development Board the amount and purposes of the Working Capital Fund.
2. In the absence of authority to borrow funds from external sources, the Working Capital Fund serves as a vital source of cash, ensuring the Organization can meet its financial commitments when assessed contributions are delayed or unpaid by Member States.
3. Financial regulation 5.4 (b) stipulates that “the sources of moneys for the Fund shall be advances from Members, which shall be made in the proportion of the scale of assessments established by the Conference for the contributions of Members to the regular budget. The advances shall be carried to the credit of the respective Members who made the advances”.

## II. Biennium 2024–2025

4. In its decision GC.20/Dec.13, the General Conference decided that the level of the Working Capital Fund for the biennium 2024–2025 should remain at €7,423,030 and that the authorized purposes of the Fund for the biennium 2024–2025 should remain the same as for the biennium 2022–2023, i.e. as stipulated in decision

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GC.2/Dec.27, paragraph (b). Accordingly, the Conference authorized the Director General to advance from the Working Capital Fund during the 2024–2025 biennium:

“(i) Such sums as might be necessary to finance budgetary appropriations pending the receipt of contributions; sums so advanced should be reimbursed as soon as receipts from contributions were available for that purpose;

(ii) Such sums as might be necessary to finance unforeseen and extraordinary expenses, excluding expenditures intended to compensate for any losses caused by fluctuation in exchange rates; for sums so advanced, the Director General should make provision in the budget estimates for reimbursing the Working Capital Fund.”

5. As at 31 December 2024, the status of the Fund was as follows:

Advances from Member States:	€7,411,063
Unpaid advances:	€11,967
Working Capital Fund:	€7,423,030

### III. Proposals for the biennium 2026–2027

6. It is proposed that the current level of the Working Capital Fund of €7,423,030 and the authorized purposes of the Fund for the biennium 2026–2027 should remain the same as for the biennium 2024–2025, i.e. as stipulated in decision GC.2/Dec.27, paragraph (b).

7. The Director General assumes that, for the biennium 2026–2027, most Member States will continue to meet their obligations. However, maintaining the Working Capital Fund at its authorized level depends on contributions received from Member States. The continued replenishment of the Working Capital Fund is a priority for the Organization, ensuring that prudent minimum cash reserves are maintained. This would allow the Working Capital Fund to be utilized in accordance with its approved purposes, should the need arise.

### IV. Action required of the Committee

8. The Committee may wish to recommend to the Industrial Development Board the adoption of the following draft decision:

“The Industrial Development Board:

(a) Takes note of document IDB.53/8-PBC.41/8;

(b) Recommends to the General Conference that the level of the Working Capital Fund for the biennium 2026–2027 should remain at €7,423,030 and that the authorized purposes of the Fund for the biennium 2026–2027 should remain the same as for the biennium 2024–2025, i.e. as stipulated in decision GC.2/Dec.27, paragraph (b);

(c) Urges Member States to pay their outstanding assessed contributions as soon as possible to minimize the need to withdraw sums from the Working Capital Fund to meet shortfalls in the payment of assessed contributions.”