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Reports of the Industrial Development Board on the work of its forty-sixth and forty-seventh regular sessions

Report of the Industrial Development Board on the work of its forty-seventh session

(1–3 July 2019)

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Introduction

1. The report of the Industrial Development Board on the work of its forty-seventh session is presented to the General Conference in accordance with Article 9.4 (c) of the Constitution. As per decision of the Board IDB.46/Dec.3 (e), the Secretariat continues replacing written summary records of the Industrial Development Board and the General Conference with digital records.

2. The following decision[s] of the Board, reproduced in annex I, is [are] related to the work of the General Conference at its eighteenth session:

IDB.47/Dec.4	Working Capital Fund for the biennium 2020–2021
IDB.47/Dec.5	Activating the use of the Working Capital Fund to significantly reduce the problem of unutilized balances of appropriations
IDB.47/Dec.7	Strategic Framework for Partnering with Middle-Income Countries
IDB.47/Dec.9	Nominations to the Staff Pension Committee
IDB.47/Dec.11	Preparations for the eighteenth session of the General Conference

I. Organizational and procedural matters

3. The forty-seventh session of the Board was held at UNIDO Headquarters, Vienna International Centre, from 1 to 3 July 2019 (six plenary meetings).

Participation

4. The following 51 of the 53 members of the Board were represented at the session:

Algeria, Angola, Argentina, Austria, Bangladesh, Belarus, Burkina Faso, China, Costa Rica, Côte d'Ivoire, Croatia, Cuba, Cyprus, Ecuador, Egypt, Finland, Germany, Hungary, India, Iran (Islamic Republic of), Ireland, Italy, Japan, Kenya, Kuwait, Lebanon, Luxembourg, Malta, Mexico, Morocco, Nigeria, Norway, Pakistan, Panama, Peru, Philippines, Poland, Republic of Korea, Russian Federation, Saudi Arabia, South Africa, Spain, Sudan, Sweden, Switzerland, Thailand, Tunisia, Turkey, Uruguay, Venezuela (Bolivarian Republic of), and Zambia.

5. The following 41 Member States of UNIDO also participated in the session:

Afghanistan, Albania, Armenia, Azerbaijan, Bolivia (Plurinational State of), Brazil, Bulgaria, Chile, Colombia, Czechia, Democratic People's Republic of Korea, Dominican Republic, El Salvador, Indonesia, Iraq, Israel, Jordan, Lao People's Democratic Republic, Malaysia, Mali, Mongolia, Montenegro, Myanmar, Namibia, Nepal, Netherlands, North Macedonia, Oman, Paraguay, Qatar, Republic of Moldova, Senegal, Slovenia, Sri Lanka, State of Palestine, Syrian Arab Republic, Ukraine, United Arab Emirates, United Republic of Tanzania, Viet Nam, and Yemen.

6. The Sovereign Military Order of Malta participated as observer.

7. The following specialized agency and related organization was represented: International Atomic Energy Agency (IAEA).

8. The following other intergovernmental organizations were represented: Cooperation Council for the Arab States of the Gulf (GCC), European Investment Bank (EIB), European Union (EU), International Centre for Genetic Engineering and Biotechnology (ICGEB), International Organization for Migration (IOM), and League of Arab States (LAS).

9. The following non-governmental organizations were represented: China Chamber of International Commerce (CCOIC), International Association for the Exchange of Students for Technical Experience (IAESTE), International Council of Women (ICW), International Federation of Automatic Control (IFAC), and International Federation of Business and Professional Women (IFBPW).

Opening of the session

10. The forty-seventh session of the Board was declared open by the President of the forty-sixth session, H.E. Ms. Faouzia Mebarki (Algeria).

Officers of the session

11. In accordance with rule 23 of the rules of procedure, the Board elected by acclamation H.E. Mr. Senén Florensa Palau (Spain) as President, H.E. Ms. Maria Cleofe Natividad (Philippines), H.E. Mr. Adam Bugajski (Poland) and Mr. Marco Negrete Jimenez (Mexico) as Vice-Presidents, and Ms. Jane Bosibori Makori (Kenya) as Rapporteur.

Agenda of the session

12. The Board adopted the following agenda:

1. Election of officers.
2. Adoption of the agenda.
3. Annual report of the Director General for 2018:
   (a) Mid-term review of the medium-term programme framework, 2018–2021.
4. Third Industrial Development Decade for Africa (IDDA III).
5. Report of the Programme and Budget Committee:
   (a) Report of the External Auditor for 2018;
   (b) Financial situation of UNIDO;
   (c) Scale of assessments for apportionment of the regular budget expenses for the biennium 2020–2021;
   (d) Working Capital Fund for the biennium 2020–2021;
   (e) Report by the informal working group on Programme and Budget Committee-related issues;
   (f) Proposal by the informal working group on Programme and Budget Committee-related issues regarding unutilized balances of appropriations;
   (g) Mobilization of financial resources;
   (h) Appointment of an External Auditor;
   (i) Updated medium-term investment plan.
6. Programme and budgets, 2020–2021.
7. General risk management.
8. UNIDO and the 2030 Agenda for Sustainable Development.
9. UNIDO activities in energy and the environment.
10. Activities of the Joint Inspection Unit (JIU).

11. Addressing recommendations of the JIU review of management and administration in UNIDO.

12. UNIDO Independent Audit Advisory Committee.

13. Internal oversight activities.

14. Evaluation activities.

15. Personnel matters.

16. UNIDO, gender equality and the empowerment of women.

17. Sustainable industrial development in middle-income countries.

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

19. Preparations for the eighteenth session of the General Conference.

20. Provisional agenda and date of the forty-eighth session.

21. Adoption of the report.

13. The Board adopted a proposal by the President to ensure the maximum utilization of available conference-servicing resources (see annex I, decision IDB.47/Dec.1).

14. The Board decided to set up informal in-session consultations with the aim of facilitating the drafting of decisions and entrusted Vice-President Mr. Marco Negrete Jimenez (Mexico) to chair those consultations.

II. Annual Report of the Director General for 2018 (item 3)

15. Under item 3, the Board had before it the Annual Report of UNIDO 2018 (IDB.47/2) and its appendices.

16. At the proposal of the President, the Board took note of the documentation provided.

III. Mid-term review of the medium-term programme framework, 2018–2021 (item 3 (a))

17. Under item 3 (a), the Board had before it a report by the Director General on the mid-term review of the medium-term programme framework, 2018–2021 (IDB.47/10) and a note by the Secretariat on the updated integrated results and performance framework (PBC.35/CRP.11).

18. At the proposal of the President, the Board took note of the documentation provided.

IV. Report of the Programme and Budget Committee (items 5 (a) to (i))

19. Under item 5, including sub-items (a) to (i), the Board had before it the report of the Programme and Budget Committee on the work of its thirty-fifth session (IDB.47/15).

A. Report of the External Auditor for 2018

20. Under sub-item 5(a), the Board had before it the report of the External Auditor on the accounts of UNIDO for the financial year 1 January to 31 December 2018

(IDB.47/3), the unaudited annexes for the year ended 31 December 2018, contained in conference room paper PBC.35/CRP.2, and a note by the Audit Advisory Committee providing comments on the report of the External Auditor (PBC.35/CRP.6).

21. The Board considered a draft decision submitted by the President (IDB.47/L.8) and adopted decision IDB.47/Dec.2 (see annex I).

B. Financial situation of UNIDO

22. Under sub-item 5(b), the Board had before it a report by the Director General on the financial situation of UNIDO (IDB.47/4), a note by the Secretariat on the status of assessed contributions (IDB.47/CRP.2), and a note by the Secretariat providing additional information on the financial situation of UNIDO (PBC.35/CRP.10).

23. The Board considered a draft decision submitted by the President (IDB.47/L.2) and adopted decision IDB.47/Dec.3 (see annex I).

C. Scale of assessments for apportionment of the regular budget expenses for the biennium 2020–2021

24. Under sub-item 5(c), the Board had before it a note by the Secretariat on the scale of assessments for the fiscal period 2020–2021 (IDB.47/6 and IDB.47/6/Rev.1).

25. The Board took note of conclusion 2019/4 recommended by the thirty-fifth session of the Programme and Budget Committee. As the session was adjourned in accordance with rule 9 of the rules of procedures of the Board prior to a consensus being reached on this item, consideration of this item will be resumed upon the resumption of the session.

D. Working Capital Fund for the biennium 2020–2021

26. Under sub-item 5(d), the Board considered the proposals of the Director General for the Working Capital Fund for the biennium 2020–2021 (IDB.47/7) and a note by the Secretariat providing additional background information on the Working Capital Fund for the biennium 2020–2021 (PBC.35/CRP.7).

27. The Board considered a draft decision submitted by the President (IDB.47/L.3) and adopted decision IDB.47/Dec.4 (see annex I).

E. Report by the informal working group on Programme and Budget Committee-related issues

28. Under sub-item 5(e), the Board had before it a report of the Co-chairs of the informal working group on Programme and Budget Committee-related issues (IDB.47/8) and their update on the working group's deliberations since 26 March 2019 (IDB.47/CRP.11).

29. At the proposal of the President, the Board took note of the documentation provided.

F. Proposal by the informal working group on Programme and Budget Committee-related issues regarding unutilized balances of appropriations

30. Under sub-item 5(f), the Board had before it a report by the Co-chairs of the informal working group on Programme and Budget Committee-related issues providing a proposal regarding unutilized balances of appropriations (IDB.47/9).

31. The Board considered a draft decision submitted by the President (IDB.47/L.4) and adopted decision IDB.47/Dec.5 (see annex I).

G. Mobilization of financial resources

32. Under sub-item 5(g), the Board had before it a note by the Secretariat on projects approved under the Industrial Development Fund, trust funds and other voluntary contributions in 2018 (PBC.35/CRP.4).

33. At the proposal of the President, the Board took note of the documentation provided.

H. Appointment of an External Auditor

34. Under sub-item 5(h), the Board had before it a report by the Director General on the appointment of an External Auditor (IDB.47/11) and a note by the Secretariat on the candidates for the appointment of an External Auditor (PBC.35/CRP.5).

35. At the proposal of the President, the Board took note of the documentation provided.

I. Updated medium-term investment plan

36. Under sub-item 5(i), the Board had before it a report by the Director General on the updated medium-term investment plan, 2019–2022 (IDB.47/14).

37. At the proposal of the President, the Board took note of the documentation provided.

V. Programme and budgets, 2020–2021 (item 6)

38. Under item 6, the Board had before it proposals of the Director General for the programme and budgets, 2020–2021 (IDB.47/5), adjustments to the proposals of the Director General (IDB.47/5/Add.1) and a note by the Secretariat providing an update on UNIDO's full cost recovery initiative (PBC.35/CRP.9). The deliberations were also informed by a note by the Secretariat on UNIDO's field network in the context of the United Nations development system reform (PBC.35/CRP.8), considered by the Board under item 8 on UNIDO and the 2030 Agenda for Sustainable Development and the related United Nations development system reform matters.

39. As the session was adjourned in accordance with rule 9 of the rules of procedures of the Board prior to a consensus being reached on this item, consideration of this item will be resumed upon the resumption of the session, which is to be convened after further consultations on this item.

VI. UNIDO Independent Audit Advisory Committee (item 12)

40. Under item 12, the Board had before it the report of the Audit Advisory Committee (AAC) submitted by its Chairperson (IDB.47/21), and the response thereon by the management of UNIDO (IDB.47/21/Add.1).

41. The Board considered a draft decision submitted by the President (IDB.47/L.9) and adopted decision IDB.47/Dec.6 (see annex I).

VII. Third Industrial Development Decade for Africa (IDDA III) (item 4)

42. Under item 4, the Board had before it a report of the Director General providing an annual update on the Third Industrial Development Decade for Africa (IDDA III) (IDB.47/12).

43. At the proposal of the President, the Board took note of the documentation provided.

VIII. General risk management (item 7)

44. Under item 7, the Board had before it a report of the Director General on the general risk management strategy (IDB.47/16).

45. At the proposal of the President, the Board took note of the documentation provided.

IX. UNIDO and the 2030 Agenda for Sustainable Development (item 8)

46. Under item 8, the Board had before it a report by the Director General on UNIDO and the 2030 Agenda for Sustainable Development (IDB.47/17), a conference room paper on the substantive input by the Industrial Development Board to the High-level Political Forum 2019 (IDB.47/CRP.3), and a note by the Secretariat on the conclusion of basic cooperation agreements between governments and UNIDO (IDB.47/CRP.4). The Board had also before it a report by the Director General on the United Nations development system reform (IDB.47/13) and two notes by the Secretariat on UNIDO and the United Nations development system reform (IDB.47/CRP.10), and UNIDO's field network in the context of the United Nations development system reform (PBC.35/CRP.8).

47. At the proposal of the President, the Board took note of the documentation provided.

X. UNIDO activities in energy and the environment (item 9)

48. Under item 9, the Board had before it a report by the Director General on UNIDO activities in energy and the environment (IDB.47/18).

49. At the proposal of the President, the Board took note of the documentation provided.

XI. Activities of the Joint Inspection Unit (item 10) and addressing recommendations of the JIU review of management and administration in UNIDO (item 11)

50. Under items 10 and 11, the Board had before it two reports by the Director General, one on the activities of the Joint Inspection Unit (IDB.47/19), together with a note containing the UNIDO comments to the recommendations of the Joint Inspection Unit (IDB.47/CRP.9), and one report specifically on the recommendations of the Joint Inspection Unit review of management and administration in UNIDO (IDB.47/20).

51. At the proposal of the President, the Board took note of the documentation provided.

XII. Internal oversight activities (item 13)

52. Under item 13, the Board had before it a report by the Director of the Office of Evaluation and Internal Oversight on internal oversight activities (IDB.47/22) and a conference room paper containing the charter of the Office of Evaluation and Internal Oversight (IDB.47/CRP.5).

53. At the proposal of the President, the Board took note of the documentation provided.

XIII. Sustainable industrial development in middle-income countries (item 17)

54. Under item 17, the Board had before it a report by the Director General on the strategic framework for partnering with middle-income countries (IDB.47/26).

55. The Board considered a draft decision submitted by the President (IDB.47/L.10) and adopted decision IDB.47/Dec.7 (see annex I).

XIV. Evaluation activities (item 14)

56. Under item 14, the Board had before it a report by the Director of the Office of Evaluation and Internal Oversight on evaluation activities (IDB.47/23).

57. The Board considered a draft decision submitted by the President (IDB.47/L.5) and adopted decision IDB.47/Dec.8 (see annex I).

XV. Personnel matters (item 15)

58. Under item 15, the Board had before it a report by the Director General on personnel matters (IDB.47/24), annexes to the report by the Director General (IDB.47/CRP.6) and a note by the Secretariat, providing the list of UNIDO staff as of 24 June 2019 (IDB.47/CRP.7).

59. The Board considered a draft decision submitted by the President (IDB.47/L.6) and adopted decision IDB.47/Dec.9 (see annex I).

XVI. UNIDO, gender equality and the empowerment of women (item 16)

60. Under item 16, the Board had before it a report by the Director General on UNIDO, gender equality and the empowerment of women (IDB.47/25).

61. At the proposal of the President, the Board took note of the documentation provided.

XVII. Matters related to intergovernmental, non-governmental, governmental and other organizations (item 18)

62. Under item 18, the Board had before it an application for consultative status from a non-governmental organization (IDB.47/28).

63. Regarding the application for consultative status from a non-governmental organization, the Board adopted a decision submitted by the President based on a recommendation by the Bureau (see annex I, decision IDB.47/Dec.10).

XVIII. Preparations for the eighteenth session of the General Conference (item 19)

64. Under item 19, the Board had before it a report by the Director General on the preparations for the eighteenth session of the General Conference (IDB.47/27).

65. The Board considered a draft decision submitted by the President (IDB.47/L.12) and adopted decision IDB.47/Dec.11 (see annex I).

XIX. Provisional agenda and date of the forty-eighth session (item 20)

66. Under item 20, the Board had before it a note by the Director General on the provisional agenda and date of the forty-eighth session (IDB.47/CRP.8).

67. The Board considered a draft decision submitted by the President (IDB.47/L.12) and adopted decision IDB.47/Dec.12 (see annex I).

XX. Adoption of the report (item 21) and closure of the forty-seventh session

68. On 3 July, the Board considered the draft report on the work of its forty-seventh session (IDB.47/L.1) and adopted it as a whole with the understanding that the Rapporteur would be entrusted with the task of finalizing the report.

69. In accordance with rule 9 of the rules of procedures of the Board, the President adjourned the forty-seventh session of the Board. It will be resumed for the purpose of deciding on the programme and budgets, 2020-2021, and the scale of assessments for the fiscal period 2020-2021. This resumed session will be convened after further consultations.

Annex I

Decisions adopted by the Board at its forty-seventh session

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Decision IDB.47/Dec.1 Utilization of available conference-servicing resources

The Industrial Development Board, with the aim of utilizing the available conference-servicing resources to the maximum extent possible, decided to suspend with immediate effect rule 32 of its rules of procedure relating to the quorum, for the meetings of its forty-seventh session only, provided no substantive decisions were taken at those meetings.

1st plenary meeting
1 July 2019

Decision IDB.47/Dec.2 Report of the External Auditor for 2018

The Industrial Development Board:

(a) Took note of the report of the External Auditor on the accounts of the United Nations Industrial Development Organization for the financial period 1 January to 31 December 2018, as contained in document IDB.47/3, and the comments on the same report by the Audit Advisory Committee in PBC.35/CRP.6;

(b) Also took note of the statements of the Director General and the External Auditor made at the thirty-fifth session of the Programme and Budget Committee;

(c) Expressed its gratitude to the External Auditor for the valuable services rendered by him and for his findings and recommendations;

(d) Endorsed the recommendations of the External Auditor and those by the Audit Advisory Committee, in particular the recommended appointment of a focal point at a high level to monitor the progress of implementation of recommendations, within existing resources;

(e) Requested the Director General to continue implementing these recommendations and to report thereon to the Industrial Development Board at its forty-eighth session.

5th plenary meeting
3 July 2019

Decision IDB.47/Dec.3 Financial situation of UNIDO

The Industrial Development Board:

(a) Took note of the information contained in document PBC.35/4;

(b) Urged those Member States and former Member States that have not yet paid their assessed contributions, including advances to the Working Capital Fund and prior years' arrears, to do so without delay;

(c) Further urged the Director General to encourage Member States to pay their assessed contributions on time and in full, and to continue his efforts with Member States and former Member States on collecting outstanding assessed contributions;

(d) Requested the Director General to reflect on possible ways to improve timely and full collection and, in close consultation with the Informal Working Group, develop concrete proposals to be presented by the Informal Working Group to the next session of the Programme and Budget Committee.

5th plenary meeting
3 July 2019

Decision IDB.47/Dec.4 Working Capital Fund for the biennium 2020–2021

The Industrial Development Board:

(a) Took note of document PBC.35/7;

(b) Recommended to the General Conference that the level of the Working Capital Fund for the biennium 2020–2021 should remain at €7,423,030 and that the authorized purposes of the Fund for the biennium 2020–2021 should remain the same as for the biennium 2018–2019, i.e. as stipulated in decision GC.2/Dec.27, paragraph (b);

(c) Urged 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;

(d) Invited the Informal Working Group to discuss the adequacy of the level of the Working Capital Fund and to develop, in close consultation with the Secretariat, proposals for consideration at the next Programme and Budget Committee.

5th plenary meeting
3 July 2019

Decision IDB.47/Dec.5 Activating the use of the Working Capital Fund to significantly reduce the problem of unutilized balances of appropriations

The Industrial Development Board:

(a) Recalled decisions GC.1/Dec.33 and GC.2/Dec.27 regarding the establishment, purpose, and conditions of the Working Capital Fund and notes that:

(i) The sources of money for the Working Capital Fund shall be advances from Member States made in accordance with the scale of assessment as adopted by the General Conference;

(ii) The current level of the Working Capital Fund is approved at €7,423,030 by GC.17/Dec.16;

(iii) The General Conference authorizes the Director General to advance from the Working Capital Fund such amounts as might be necessary to finance budgetary appropriations pending the receipt of contributions; and

(iv) Such advances from the Working Capital Fund should be reimbursed as soon as receipts from contributions are available for that purpose;

(b) Confirmed the purpose and conditions of use of the Working Capital Fund and requested the Director General to avail of this provision prudently to decrease, and minimize unutilized balances of appropriations arising from the late payment of assessed contributions;

(c) Further requested the Secretariat to make use of the Working Capital Fund within the provisions of the existing Financial Regulations;

(d) Reaffirmed that the regular review of the Working Capital Fund level on a biennial basis by the Programme and Budget Committee, the Industrial Development Board and the General Conference shall be maintained to determine the adequacy of the Working Capital Fund;

(e) Requested the Director General to report annually to the Industrial Development Board through the Programme and Budget Committee on the effect of the aforementioned measures on the financial situation of the Organization;

(f) Urged 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;

(g) Invited the Informal Working Group to discuss the adequacy of the level of the Working Capital Fund and to develop, in close consultation with the Secretariat, proposals for consideration at the next Programme and Budget Committee.

5th plenary meeting
3 July 2019

Decision IDB.47/Dec.6 UNIDO Independent Audit Advisory Committee

The Industrial Development Board:

(a) Took note of the report of the Audit Advisory Committee (IDB.47/21) which is the second report presented to the Board since the Committee's establishment as a subsidiary organ of the Board, pursuant to decision IDB.44/Dec.4;

(b) Also took note of the statement of the Chair of the Audit Advisory Committee at the forty-seventh session of the Industrial Development Board, as well as the management response to the Audit Advisory Committee report included in document IDB.47/21/Add.1;

(c) Expressed its gratitude to the Audit Advisory Committee for the valuable advice provided and the recommendations made on various aspects of UNIDO's governance, risk management and internal control processes;

(d) Recognized the important contribution that the Audit Advisory Committee makes as independent expert advisory body that adds value and strengthens accountability and governance functions;

(e) Requested the Director General to work on implementing the recommendations made by the Audit Advisory Committee and to report thereon to the Industrial Development Board at its forty-eighth session.

5th plenary meeting
3 July 2019

Decision IDB.47/Dec.7 Strategic Framework for Partnering with Middle-Income Countries

The Industrial Development Board:

(a) Recalled resolution GC.17/Res.6 on sustainable industrial development in middle-income countries, in which the Director General was requested to identify and discuss with Member States a strategic framework for collaboration of UNIDO, within its mandate and resources, with middle-income countries;

(b) Recalled also the Industrial Development Board's decision IDB.46/Dec.10, which requested the Director General to organize consultations with Member States for the finalization of the draft strategic framework;

(c) Underlined the importance of the consultative process conducted by the Secretariat with Member States, including through the regional groups, to ensure full ownership of the UNIDO strategic framework on behalf of Member States;

(d) Took note of the report by the Director General (IDB.47/26);

(e) Took note with appreciation of the draft UNIDO Strategic Framework for Partnering with Middle-Income Countries, annexed to the present decision, and recommended its adoption to the General Conference.

5th plenary meeting
3 July 2019

ANNEX: UNIDO strategic framework for partnering with Middle Income Countries (MICs)

I. Background and context

1. UNIDO aims at addressing the need to develop a strategic framework for partnering with Middle-Income Countries (MICs), as mandated by Member States through GC17/Res.6., requesting the Director General to support the efforts of Middle-Income Countries to eradicate extreme poverty in all its forms and dimensions. This initiative started five years ago, since the landmark San José Declaration of Middle-Income Countries in June 2013, and with the adoption of the 2030 Agenda for Sustainable Development in 2015, entitled: "Transforming our world: the 2030 Agenda for Sustainable Development" (A/69/L.85) (2030 Agenda), including the 17 Sustainable Development Goals (SDGs).

2. In parallel to UNIDO's activities and initiatives strengthening its engagement with MICs, the United Nations Development System (UNDS) has been monitoring development cooperation with middle-income countries at system-wide level through the related reports of the Secretary-General (SG) pertaining to this issue (A/64/253, A/66/220, A/68/265, A/70/227 and A/72/329). The latest report submitted to the General Assembly (GA) in 2017 includes a specific recommendation by SG Mr. Guterres for the UNDS to "ensure that the diverse and specific development needs of middle-income countries are appropriately considered and addressed, in a tailored fashion, in their relevant strategies and policies"[1].

3. Additionally, partnering with MICs is essential to UNIDO's goal of achieving Inclusive and Sustainable Industrial Development (ISID) globally, through the implementation of Goal 9 ("Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation") in a particular way. Existing interlinkages among the SDGs and their related targets will ensure the multiplying effect of industrialization on all other areas of development in MICs.

4. Furthermore, interlinkages and interdependences in global development processes go beyond the Agenda 2030 itself. For example, interrelations between the Paris Agreement and the SDGs, particularly SDG-9, can be found in the intersection between industrial infrastructure, energy and development objectives related to reduced greenhouse gas (GHG) emissions, as well as in the Addis Ababa Action Agenda (AAAA), in which the GA welcomes "relevant cooperation within the United Nations system, including the United Nations Industrial Development Organization (UNIDO), to advance the linkages between infrastructure development, inclusive and sustainable industrialization and innovation"[2].

Characterization of MICs

5. According to the World Bank classification of countries[3], 97 UNIDO Member States are MICs. They are a diverse group classified by size, population, and income level, which led to breaking-up these MICs into lower middle-income economies (those with a GNI per capita between $996 to $3,895) and upper middle-income economies (those with a GNI per capita between $3,896 to $12,055[4]).

6. MICs are populated by five of the world's seven billion people and by 73 percent of the world's poor people. In parallel, this group of countries represent about one

[1] Operational Paragraph 69 of the report https://undocs.org/en/A/72/329.
[2] Operational Paragraph 15 of UNGA resolution A/RES/69/313.
[3] For the purpose of this exercise, and following the methodology used in SG's reports on development cooperation with MICs, UNIDO will use as reference the World Bank classification for MICs: https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups.
[4] *Ibid*.

third of global GDP and are major engines of global growth, making it apparent that MICs are essential for continued global economic growth and stability.

MICs' similarities and diversities

7. Given the growing number of countries falling under the MICs category, there are considerable differences and diversities both within and between them. Some MICs have extensive coastlines, some are landlocked, some have large rivers that have been a path of commerce for centuries, or mountains that have been a barrier to trade. These differences create opportunities and challenges for commerce or for their respective industrial development.

8. Trends in the current debate on MICs go from verification of cross-country economic convergence between LDCs, lower MICs, upper MICs and high-income countries (HICs), to even questioning the very existence of the middle-income trap (MIT)[5]. While upper MICs have traditionally made significant progress on policy reform in their lower MIC stages, currently lower MICs face a different kind of challenges that could hamper their achievement of inclusive growth, namely, *inter alia*: (a) the backlash against globalization in HICs; (b) climate change; (c) lower human capital than their predecessors at an equivalent level of development[6].

9. The World Economic Forum's Global Competitiveness Index[7] (GCI- which aggregates measures for macroeconomic environment; skills and education; and technological innovation) is a global indicator that sheds light on the convergences between lower and upper MICs. In its 2017-2018 report, the GCI concludes that, according to average competitiveness growth rates between 2007 and 2016, there are clear signs of convergence, partly due to lower-income economies leverage on less-skilled labour. At the same time, the Environmental Performance Index[8] (which includes indicators for agriculture; wastewater management or trends in carbon intensity, among others) reflects that, overall, upper MICs perform significantly better in these types of environmental indicators than lower MICs.

10. These convergences and divergences of trends between lower and upper MICs reflect existing synergies and complementarities between MICs, and the space and ground for mutual learning, based on their experiences and on the potentials for strengthening cooperation and partnering activities between them.

11. Likewise, the development proximity between LDCs and MICs gives the latter a certain comparative advantage in understanding the technical assistance needs of the former, as well as in understanding how industrial development assistance can be most effectively delivered. Geographic proximity, cultural similarities, comparable institutional development and recent experiences in addressing development challenges explain these complementarities.

MICs as beneficiaries and emerging donors

12. The role of middle income countries in the context of the 2030 Agenda as both recipients and contributors of development aid, is a subject of continuous debate. On the one hand, as MICs move up the income ladder, and given the increased domestic resources and international private capital at their disposal, traditional mechanisms for development cooperation have been reduced. On the other hand, MICs still face

[5] Analysis by Dev Patel, Justin Sandefur and Arvind Subramanian on cross-country convergence for the Center for Global Development https://www.cgdev.org/blog/everything-you-know-about-cross-country-convergence-now-wrong.

[6] *Ibid*.

[7] Figure 1 of the Global Competitiveness Report 2017-2018 http://www3.weforum.org/docs/GCR2017-2018/05FullReport/TheGlobalCompetitivenessReport2017%E2%80%932018.pdf.

[8] Figure 8 of the Asian Development Bank's document "Distinguishing MICs from LICs and HICs" https://www.adb.org/sites/default/files/linked-documents/3-Distinguishing-MICs-from-LICs-and-HICs.pdf.

considerable structural challenges and vulnerabilities that require collective action of the international community.

13. Middle-income countries, as emerging partners for development, are highly characterized by their role as providers of South-South Cooperation, distinguishing their approaches from those of traditional donors by considering themselves as peers in mutually beneficial relationships with their partner countries. A high potential for South-South knowledge transfer between countries from the Global South is still to be fully explored, including the expansion, the scaling up and the replication of successful initiatives. The Agenda 2030 and SDG-9, as well as UNIDO's mandate on ISID, provide both the circumstances and the opportunities to explore new and innovative mechanisms to facilitate and catalyse MICs-to-MICs knowledge transfer and exchange through South-South and Triangular Cooperation (SSTC).

Industry 4.0 and jobs in MICs

Implications of technological change on job creation in MICs
The rapidly evolving global manufacturing and industrial landscape calls for MICs to accelerate the advancement and convergence of new technologies. However, opportunities and challenges for achieving decent work within a Fourth Industrial Revolution (also referred to as the New Industrial Revolution or Industry 4.0) context, need to be addressed and anticipated. Challenges associated with MICs adaptation to technological change, such as ensuring that technological gains are broadly and equally distributed across society in terms of jobs and income, or the lacking of sufficient quality digital infrastructure systems, demand for considerable investment and flexible regulatory frameworks. In parallel, new job roles require new capabilities. Governments that are successfully driving the industrial promotion of technology-intensive sectors[9], emphasize the development of skills, and are heavily investing in programs leading to the cultivation of professionals in the fast-developing fields of new technologies, Industry 4.0. or the Fourth Industrial Revolution. Solutions to challenges associated with skills development for technology transition, in addition to heavy investment, are required, in order to receive quick returns in potentially long-term processes. By addressing these challenges, the private sector will play the key role to leverage investments via public-private partnerships so as to equip younger generations with the capabilities required by the labour markets. Inclusive and Sustainable Industrial Development, as the primary source of income generation, enabling rapid and sustained increases in living standards for all people, and providing clean technological solutions to environmentally sound industrialization, provides the tools for a successful deployment of advanced technologies in MICs. New technologies will open a plethora of job opportunities easily accessible via a thorough training, thus, turning formerly unskilled labour force into an advantage.

The role of sustainable industrialization in graduating to the high-income status

14. Achieving a robust industrial transformation of middle-income economies is a key objective in the path to graduate into high-income status. The implementation of ISID policies is not only a central feature for structural economic change of middle-income countries, but also an essential pillar for achieving higher levels of social and environmental standards by the creation of productive capacities opportunities and the implementation of environmentally sustainable policies.

[9] Such as the Republic of Korea, according to Bloomberg https://www.bloomberg.com/news/articles/2017-01-17/sweden-gains-south-korea-reigns-as-world-s-most-innovative-economies.

15. Social and economic inclusiveness is essential to realize the developmental potential of industries, decrease income inequality, and to strengthen social cohesion. For example, the World Economic Forum's Inclusive Development Index 2018[10] (IDI) finds a positive correlation between GDP per capita, labour productivity and healthy life expectancy. The IDI overall reflects a similar performance between developed economies and upper MICs for the period 2013-2018, and much weaker progress in lower MICs. This supports the high potential for South-South knowledge exchange from upper MICs to lower MICs and to LDCs.

16. One of the three pillars of the ISID is that inclusive economic growth should be supported within an environmentally sustainable framework. This includes, for example, industrial transformation through a phase-out of polluting substances in industrial processes, which is a priority for the graduation of the MICs into HICs. Common challenges typically associated with the environmental pillar of ISID, include the integration of long-term industrial transformation plans, green industry development policies and sustainable environmental programs in national plans and strategies.

17. UNIDO's comparative advantage in facilitating the deployment of new technologies, spearheading circular practices, or promoting skills development programs in the context of ISID implementation, has the potential to significantly influence and accelerate MICs achievement to high income status, as long as investments in critical areas are made. These critical areas comprise, *inter alia*, digital infrastructures for big data analytics; artificial intelligence and internet of things; and high-level skills development to reap the benefits of digital infrastructure, including interoperability.

Reform of the UN development system

18. On May 2018, Member States adopted resolution A/RES/72/279 on the repositioning of the United Nations development system (UNDS). This resolution includes seven transformational areas: (i) *a system-wide strategic document* (SWSD), a strategic tool to guide and accelerate alignment with the 2030 Agenda, focused on concrete actions; (ii) *a new generation of UN country teams* (UNCTs), a demand-driven approach tailored to meet the specific development priorities and needs of countries; (iii) *an impartial, independent and empowered Resident Coordinator* (RC) establishing a development-focused UN country-level team with stronger capacity, accountability and impartiality; (iv) *a coordinated, re-profiled and restructured regional approach* for better cohesion and coordination at the regional level; (v*) the strengthening of horizontal governance and system-wide transparency and evaluation*; (vi) *the strengthening of UN partnerships and South-South cooperation* (SSC)*;* and (vii) *a funding compact* aimed at setting out mutual commitments to foster investments in the UN system towards a stronger funding mechanisms for the 2030 Agenda.

19. These major UNDS reform work-streams are geared towards increased joint work and collective results, as well as enhanced system-wide accountability. As part of the UNDS repositioning process, UNIDO will continue to support MICs to achieve internationally-agreed objectives particularly industry-related goals and targets included in the 2030 Agenda.

20. Within the new framework provided by the reinvigorated RC system, RCs are expected to draw on the expertise and assets of all UN entities, including non-resident agencies (NRAs), to support countries' development agendas. The new system offers increased opportunities for UNIDO to contribute to the achievement of national priorities of middle-income countries through ISID. This will entail close coordination with the host country and the RCs to ensure that the economic dimension of sustainable development and ISID are included in the UNDS priorities and related national frame.

[10] Retrieved from: http://www3.weforum.org/docs/WEF_Forum_IncGrwth_2018.pdf.

Closing the gender gap through ISID

21. Achieving higher socio-economic levels of gender balance indicates a good industrial development performance. In less developed economies, women are more likely to engage in low productivity activities than men, working in the informal sector[11]. As countries climb the income ladder and reach middle-income and higher status, women tend to engage, first, in smaller businesses related to public services, retail services, trade, as well as in the informal sector. Consequently, if women's access to higher education is facilitated, they are more likely to have access to finance, business and other higher-paid employments.

22. UNIDO considers closing the gender gap, not only as a human development issue, but also as "smart economics", and as a key for facilitating the achievement of ISID in middle-income economies. The Organization is determined to strengthen the gender component of its programmatic approach to MICs by implementing gender specific interventions to advance the internationally agreed development goals related to gender equality, particularly SDG-5 and its linkages with industrialization through SDG-9.

23. Therefore, UNIDO's interventions in MICs will emphasize the following: i) promoting equal opportunities for women and men to engage in competitive agriculture-based value chain development; ii) addressing gender-related constraints related to the transformation from informal to formal growth-oriented businesses; and iii) strengthening women's entrepreneurial and technical skills, access to technologies, business support services, advocacy and self-help networks.

II. Rationale of the Strategic Framework

24. Ninety seven out of 168 UNIDO Member States are MICs. This represents 58 percent of the total number of UNIDO Member States. Those 97 UNIDO Member States within the middle-income category are crucial providers of resources to the Organization as showcased by their contribution of nearly 40 percent of UNIDO's current Regular Budget (RB) through assessed contributions (39.3 percent of RB total according to the UNIDO scale for 2019).

25. Considering the relevance of this group of countries for the UNIDO's Member base, and beyond recognizing specific industrial development challenges in middle-income countries through this renewed framework for partnering with MICs, the Organization recognizes the vitally important role played by MICs for achieving poverty eradication globally, and the means to articulate ISID solutions to effectively respond to common industrial development challenges of MICs.

26. The Strategic Framework for Partnering with Middle-Income Countries builds on the mandate emanating from GC 17/Res.6, and is guided by the Organization's Medium-Term Program Framework (MTPF) 2018-2021. This alignment at strategic level with the MTPF ensures coherence in the programmatic delivery of results by linking the established priority areas to the program and management framework and, subsequently, to UNIDO's associated organizational performance and development results.

27. This report does not attempt to cover all possible areas of UNIDO engagement in MICs across the three dimensions of sustainable development (social, economic and environmental), but rather concentrates on selected development challenges for which UNIDO has significant scope for contributions and learning in MICs through the implementation of its mandate on Inclusive and Sustainable Industrial Development. While this document identifies common ISID challenges for MICs and the related UNIDO actions aiming towards bridging those gaps, it is through the UNIDO regional strategies elaborated by the respective regional Divisions –Africa (AFR); Arab region (ARB); Asia and the Pacific (ASP); Europe and Central Asia

[11] According to figure 2.6 of the World Bank report "the persistence of gender inequality"(2012) https://siteresources.worldbank.org/INTWDR2012/Resources/7778105-1299699968583/7786210-1315936222006/chapter-2.pdf.

(EUR); and Latin America and the Caribbean (LAC)– that specific regional, sub-regional, cross-boundary and country-level challenges, gaps and bottlenecks for MICs are expected to be identified and addressed through UNIDO's technical assistance.

III. UNIDO's approach: vision & objectives

28. The alignment with the MTPF implies that the strategic framework for partnering with MICs is reviewed along with the Organization's programmatic framework. However, given that the current MTPF's time frame (2018-2021) is coming close to its term, it is expected that the proposed MICs framework will be reviewed by the end of 2021 and subsequently, adapted by the mid-term review of the next cycle, in principle to be undertaken from 2022 to 2025.

29. The overall goal of this strategic framework is to "*advance UNIDO's industrial cooperation activities and to promote inclusive and sustainable industrial development in middle-income countries*" (GC.17/Res. 6). The strategic framework for partnering with MICs thus, will position UNIDO as a trusted and impartial partner for the implementation and the achievement of industrial development, as envisaged in SDG-9, together with all the industry-related goals of the 2030 Agenda in MICs.

30. The MTPF 2018-2021 has a management objective: integration and scale-up. Through this management objective, greater integration is sought across the Organization's four functions - (i) technical cooperation; (ii) analytical and research functions and policy advisory services; (iii) normative functions, and standards-related activities; and (iv) convening function and partnerships. The management objective prioritizes programs that are larger in size, such as Country Programs (CPs), Programs for Country Partnership (PCPs), or interregional programs. A renewed UNIDO CP's approach will: (i) better align the methodology for the CP and the PCP, and (ii) will ensure consistence and coherence at programmatic level.

31. The MTPF 2018-2021 is structured around three plus one thematic priorities. The first three priorities represent different aspects of ISID: (i) creating shared prosperity, (ii) advancing economic competitiveness, and (iii) safeguarding the environment, a fourth thematic priority serves as an enabler to achieve the other three, (iv) strengthening knowledge and institutions. The objectives and goals as per each thematic priority are identified as follows:

(i) **Creating shared prosperity:** Within the framework of this thematic priority, ISID is a vehicle towards poverty reduction and social cohesion.

(ii) **Advancing economic competitiveness**: Under this thematic area, UNIDO supports its Member States to advance industrialization and achieve rapid growth, building trade capacities in industries, and ensuring that all Member States can benefit from international trade and technological progress.

(iii) **Safeguarding the environment**: UNIDO promotes an environmentally sustainable industrial development, building institutional and industrial sector capacities for greening industries through resource efficiency and cleaner production (CP) technologies methodologies, and creating green industries.

(iv) **Strengthening knowledge and institutions**: This thematic priority of the MTPF 2018-2021 enables a shift from a conceptual and sectoral perspective to a perspective focused on advancing the ISID through the cross-sectoral knowledge and institutional capacities of the Organization.

<table>
<tr><th colspan="3">MICs challenges and ISID</th></tr>
<tr><th>1. Creating Shared Prosperity</th><th>2. Advancing Economic Competitiveness</th><th>3. Safeguarding the Environment</th></tr>
<tr><td>In the context of its strengthened partnership with MICs, the Organization will aim at catalysing its expertise in:
(a) improving agricultural processes and modernizing industrial manufacturing to help MICs achieve their respective structural upgrading by contributing to create decent jobs;
(b) strengthening producer groups and access to markets;
(c) helping increase the value added to primary production;
(d) providing access to digital infrastructure and ensuring energy security and environmental protection.</td><td>UNIDO’s focus on technology transfer and skills development will accelerate the implementation of good technology practices and industrial skills development in MICs. The Organization will therefore promote and scale up the implementation of programs on:
(a) disseminating and uptake of new and enhanced technologies, and introducing of innovations in manufacturing processes;
(b) facilitating the adaptation to rapid technological changes;
(c) fostering prospects for industrial and trade diversification, value addition, enhanced productivity and economic growth; and
(d) providing policy-advisory services to governments on compliance and certification of global norms and regulations in the respective areas</td><td>Through its environment and energy-related programs and projects, UNIDO will address the priorities of MICs in this area by:
(a) assisting governments, institutions and industries to best adapt their production methods, move towards resource efficient and cleaner production systems and develop sustainable and efficient energy solutions;
(b) UNIDO’s focus on promoting green economy and providing circular economy solutions that promote recycling, resource recovery and the sustainable use of natural resources;
(c) UNIDO will keep supporting MICs in meeting their obligations under multilateral environmental agreements, including the Montreal Protocol, the Paris Agreement, the Stockholm Convention and the Minamata Convention on Mercury.</td></tr>
<tr><td colspan="3">Enabling component (priority): 4. Strengthening Knowledge and Institutions
Activities under this thematic priority will encompass all functions of UNIDO. The associated UNIDO services in areas such as, inter alia, policy assessment and reforms or capacity building on industrial statistics, will be of good interest to MICs.</td></tr>
</table>

32. In addition to the thematic and operational priorities, the strategic framework also identifies a limited number of strategic issues, defines a common analytical framework and proposes entry points for interventions in the medium- and longer-term.

IV. Priority areas of intervention

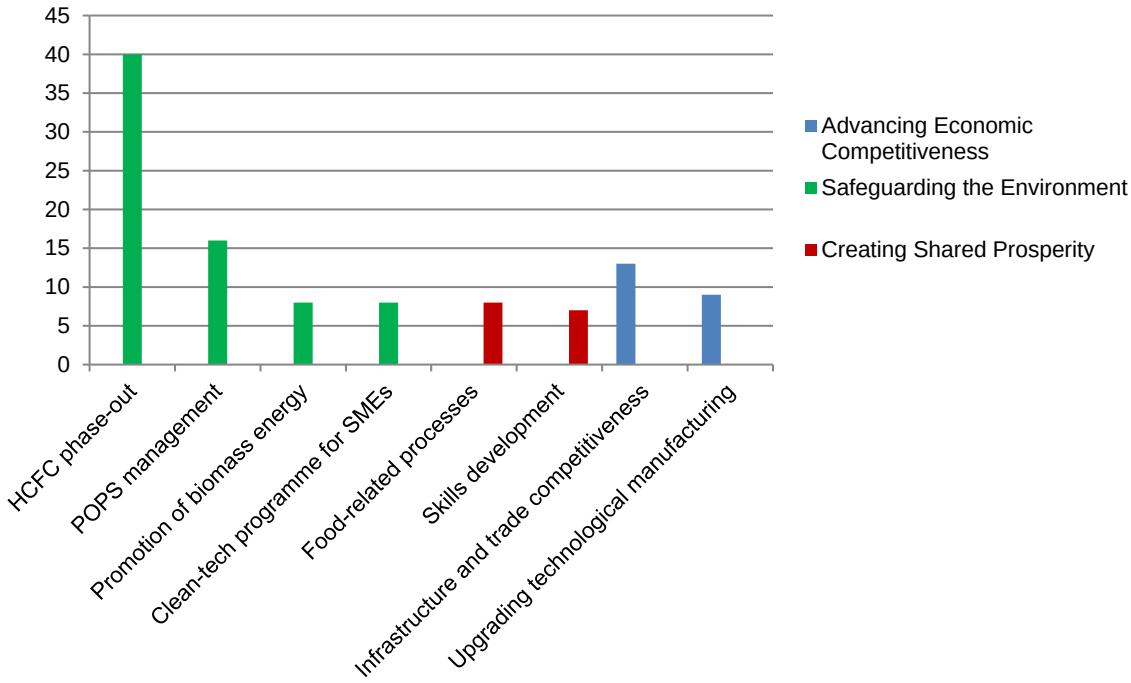
33. A vast amount of UNIDO projects implemented in MICs as of August 2018, relate to the thematic priority focused on *Safeguarding the Environment* (60.4 percent of the total). Activities, projects and programs under this thematic priority include predominantly (a) resource efficient and cleaner production; (b) phase-out of ozone depleting substances; (c) biomass and small hydro solutions; and (d) sustainable use of natural and mineral resources.

34. Activities implemented under *Creating Shared Prosperity* are dedicated to the following areas: (a) value chain development and food-related processes; (b) vocational training; (c) cluster development and creative industries.

35. The *Advancing Economic Competitiveness* thematic priority is characterized in MICs by: (a) improving competitiveness of export-oriented industries; (b) improving the business environment for enterprises; (c) productivity enhancement in key

industrial sectors; (d) export consortia; and trade competitiveness. The figure below offers an overview of the existing core focus of UNIDO's technical activities implemented in MICs as of August 2018.

UNIDO's focus in MICs as per number of projects implemented



Priority focus

36. This strategic framework for partnering with MICs aims at providing guidance to complement and consolidate the existing focus of UNIDO's actions in MICs with a goal- and impact-oriented approach. Challenges and opportunities faced by MICs in the context of the 2030 Agenda critically demand for UNIDO's action, given the Organization's mandate on ISID and its potential to influence the implementation of all the industry-related goals and targets. In this context, the strategic framework is configured around a combination of development priorities in the following core areas: (i) **Technology:** (ii) **Human Capital; and (iii) Environmental Sustainability:**

(i) **Technology**: Major competitive advantages within the Fourth Industrial Revolution are gained through the generation, processing and access to data by integrating cyber physical systems with advanced qualifications and skills. Furthermore, the benefits of technological convergence have the potential to produce revolutionary new approaches that enhance productivity and lead to exponential, rather than linear growth rates, while safeguarding the environment through circular economy practices. In this context, policy and regulatory measures to successfully adapt to new technologies, are of critical relevance. Globalization and digitalization in the absence of adequate compliance with standards at national and global level, such as standards for interoperability, may widen the productivity gap amongst countries and thus, affecting international trade. Therefore, it is crucial for MICs to adjust economic policy tools to the new economic environment to achieve a sustainable and socially inclusive transition. Given MICs' diversities and differences in their respective degree of development, readiness to implement Industry 4.0 across them differ, depending on the situation of their domestic industrial bases, their human capital attuned to big data analytics, interoperability, digital infrastructure and their regulatory environments.

In line with Secretary-General's Strategy on New Technologies[12] and its primary objective aiming at "*defining how the United Nations system will support the use of these technologies to accelerate the achievement of the 2030 Sustainable Development Agenda*"[13], UNIDO's approach to new technologies in MICs will be focused on promoting ISID through all possible concerted measures, including the development, transfer and adaptation of new technologies at multi-sectoral level, as well as providing the necessary policy advice to ensure full compliance with global regulatory frameworks. By implementing this approach, UNIDO also aims at contributing to bridge the so-called "technological divide" between developed and developing countries.

UNIDO's approach on technology transfer and adaptation in MICs will thus prioritize:

- Facilitating the smooth transition to Industry 4.0 in agriculture, mining, energy, manufacturing, and manufacturing related services;
- Accelerating clean energy (smart grids; virtual power plants; saving energy and resources in the manufacturing sector);
- Supporting circular economy using Industry 4.0 technologies;
- Supporting value chain upgrading/innovation (upgrading processes, products, functions and value chains);
- Supporting adoption of Industry 4.0 in MSMEs digital transformation;
- Supporting institutional adjustments (rules, regulations, norms and standards for interoperability);
- Deploying sector specific approaches, which take into consideration the technological readiness and demands for circular business practices, e.g. the automotive, agriculture, textile and apparel, and other sectors;
- Assessing MICs' Industry 4.0 readiness through the establishment of a comprehensive system of indicators for monitoring and evaluation;
- Mapping existing technological advancements by MICs;
- Mapping requirements for skill upgrading to meet Industry 4.0 requirements and develop new curricular for education and vocational training;
- Improving digital infrastructures of MICs;
- Building a digital business and innovation ecosystem to foster entrepreneurship and innovation, especially for youth and women;
- Supporting mainstreaming Science, Technology and Innovation (STI) including national, regional and sectoral systems of innovation.

(ii) **Human Capital:** Much of the debate within the United Nations development system over the future of work is focused on technology and its impact on jobs. Impacts of technology advances in labour markets have potential implications for the achievement of various SDGs - including SDG-4 (Education), SDG-8 (Decent Work and Inclusive and Sustainable Economic Growth), SDG-9 (Infrastructure and Industrialization), SDG-10 (Inequalities) or SDG-17 (Partnerships) -, which are interconnected and mutually reinforcing. It is in this context that persistent unemployment in many MICs, particularly among youth and women, prioritizes the promotion of tools and instruments enhancing anticipation of market's needs. Vocational training schools play a critical role to address this challenge by creating skilled manpower, enhancing industrial productivity and contributing significantly to social, environmental and economic development. Both in lower and upper MICs, there is often a scarcity of resources to keep pace with

[12] Secretary-General Antonio Guterres Strategy on New Technologies, September 2018: http://www.un.org/en/newtechnologies/images/pdf/SGs-Strategy-on-New-Technologies.pdf.
[13] *Ibid*.

changing labour market needs and new and sustainable technologies, in some cases ultimately using outdated equipment and curricula. As a result, it becomes more and more complicated for people to find a job with the skillset they possess, while companies operating in a country, face a shortage of local manpower.

UNIDO's approach within this priority area will aim at expanding and up-scaling platforms to promote industrial skills development particularly among young people and women in MICs. UNIDO's role as a catalyst of knowledge through public-private development partnerships (PPDPs) will be specifically promoted. In parallel, supporting the establishment and upgrading of vocational training schools to address those gaps in skills, as demanded by job markets in specific sectors or industries, will be critically addressed based on the following core objectives:

- Bring together public, private and development partners to design training curricula for context-based workforce skill-sets requirements;
- Bring forth dialogue on the topic of future of industrial skills in MICs;
- Scale-up skills development programs;
- Strengthening women's economic empowerment and entrepreneurship skills.

(iii) **Environmental Sustainability:** Challenges for MICs policy-making processes include reconciling economic growth with green transformation in a socially inclusive manner. The interdependent nature of the 2030 Agenda and the Paris Agreement offers a unique opportunity to create synergies between the different multilateral processes that address climate change and sustainable development**.** In this context, implementation of circular economy becomes critically relevant as countries gradually climb the income ladder and learn to extend their use of resources and their waste management, reducing their dependency on imported raw materials as well as other products manufactured abroad.

UNIDO's expertise and comparative advantages on environmental work has been refined in: (i) supporting cleaner manufacture of products; (ii) promoting industrial energy efficiency, developing easy-to-recycle products; or (iii) dealing with the recovery of safe disposal of resources at the end of a product's life. Considering that UNIDO has been promoting the transition to circular economy – under different labels- for thirty years, as exemplified by the Resource Efficient and Cleaner Production Center (RECPnet), and also taking into account that the circular economy is linked to no less than twelve out of the seventeen SDGs[14], including SDG-9, the Organization will assist MICs to achieve green industrial transformation through the:

- Implementation of low-carbon technologies and circular systems;
- Adoption of circular perspectives for waste management and circular business models based on complementarities and synergies to strengthen productivity;
- Enhancement of sustainable value chains generating green jobs;
- Creation of sustainable cities and eco-industrial parks;
- Implementation of multilateral environmental agreements (Montreal Protocol, the Stockholm Convention, the Minamata Convention on Mercury, and the United Nations Framework Convention on Climate Change (UNFCCC)).

37. Technological upgrading, productivity enhancement and Global Value Chains (GVCs) upgrading, require the right skilled labour force and compliance with global environmental regulatory frameworks. These interlinkages among the three proposed priority areas for action reflect the interrelated essence of the 2030 Agenda and, by extension, the interdependent nature of UNIDO's approach.

[14] Report by the International Resource Panel https://europa.eu/capacity4dev/unep/documents/resource-efficiency-potential-and-economic-implications.

V. Means of implementation

38. Effective industrial development assistance will be provided through UNIDO's four enabling functions, namely:

- *Technical cooperation* (TC): UNIDO technical services are the primary operative function of the Organization to advance the achievement of ISID in its Member States. By tailoring its technical cooperation services to the ISID needs of MICs at different stages of development, UNIDO will provide evidence of its organizational expertise towards MICs. TC programs will have a strong orientation towards: (a) capacity-building to address climate change, environmental degradation and resource productivity issues; (b) uptake of clean technologies; (c) enhancing competitiveness development; (d) developing business infrastructure to support science, industry and technology development; and (e) supporting inclusion of women, youth and vulnerable groups in the economy.
- *Analytical and research functions and policy advisory services*: UNIDO will strengthen its support to MIC governments throughout the industrial policymaking cycle by expanding the implementation of governance mechanisms for policy design and implementation. By strengthening the institutional capacities of MICs for ISID through the provision of policy assessments and analyses, UNIDO will facilitate the integration of its technical services delivered across functions and thematic areas for the provision of long-term development results, thus, scaling-up UNIDO's services in MICs in an integrated manner.
- *Normative functions and standards and quality-related activities*: UNIDO will increase and strengthen its standard setting and normative practices in MICs, particularly in the context of: (a) the implementation of relevant multilateral environmental agreements, such as the Montreal Protocol on the phasing out of ozone-depleting substances and the Stockholm Convention on Persistent Organic Pollutants and the Minamata Convention on Mercury; (b) implementation of eco-industrial parks; industrial components of the sustainable cities program; (c) implementation of ISO 9001- ISO 14001- ISO 50001- ISO 8000 and other relevant standards and guidelines.
- *Convening and partnerships for knowledge transfer, networking and industrial cooperation*: Through strengthening its convening function, UNIDO will contribute to scale-up investment, knowledge and technology transfer, networking, and ISID cooperation in MICs. In parallel, strategic, context-based alliances will be built with relevant stakeholders in order to facilitate delivery of assistance in a more effective way and with greater pooled impact on the ground.

39. The design of industrial policies is a central component of development strategies in MICs. However, a persisting impediment hampering the achievement of ISID in many lower and even upper MICs is the lack of appropriate capacities to independently undertake thorough industrial diagnostics and to follow a strategy formulation process that is sufficiently evidence-based.

40. UNIDO will therefore prioritize this core function by articulating and facilitating context-based industrial strategies and subsequent policies to promote the achievement of ISID. UNIDO policy cycle approach to middle-income countries will be built upon 3 pillars: 1st) Industrial Diagnosis; 2nd) Industrial Strategy; 3rd) Industrial Policy. For ensuring a successful operationalization of this approach UNIDO will emphasize the implementation of institutional capacity-building packages to train public servants and analysts for public policy to facilitate their informed decisions based on a critical examination of empirical evidence. UNIDO's initiative on "Enhancing the Quality of Industrial Policies" (EQuIP project) embodies this concept by compiling globally available industrial performance and capability measurement approaches as well as a number of tailor-made new methodologies for

industrial diagnosis that also take the social and environmental dimensions of industrial development into account.

Partnerships and financing modalities

41. Leveraging partnerships and strategizing cooperation with individual MIC and the MIC group as a whole for inducing development impact of scale, will be at the core of the renewed strategic framework for cooperation. Traditional forms of financing ISID will be strategically oriented through a deep analysis and mapping of thematic and geographical priorities of potential donors, both traditional and emerging, and a careful selection of those related to UNIDO's mandate. UNIDO will stress on the identification of strong national partner institutions (business associations, universities, knowledge hubs, NGOs) for pursuing joint initiatives when it comes to ISID. In addition to the traditional model for partnering with MICs, and through the Multilateral Fund and the Global Environment Facility (GEF), UNIDO's renewed approach to MICs, the strategic framework will have a particular focus on:

(i) *Partnering with the business sector and Development Finance Institution and International Financial Institutions (DFIs/IFIs)*: a building block of the strengthened cooperation with MICs will be exploring alternatives for cooperation and partnering with private sources of finance (including financial and direct investment) and DFIs/IFIs. By consistently partnering with the business sector, it will be ensured that voices from the industry in MICs are funnelled into UNIDO's technical assistance and normative interventions. In parallel, a gradual expansion of multi-stakeholder approaches such as the Programme for Country Partnership (PCP) will serve to increase UNIDO's role in the industrial development of MICs by assisting them to achieve higher development impact. Multi-stakeholder platforms will be a place to discuss, share information and unleash the potential of the different actors involved on specific ISID areas. UNIDO's efforts should also prioritize and support the internationalization of MICs' private sector through international exhibitions, fairs, business missions and business-to-business events. Efforts will also be focused on deepening cooperation with DFIs/IFIs, particularly by providing technical assistance with grant support from DFIs/IFIs, and by supporting MIC governments in the implementation of IFI/DFI-financed programs or projects.

(ii) *Partnering within the UN system*: UNIDO also envisions strengthening its collaboration with other UN entities. Based on UNIDO's technical comparative advantage, and considering the expected higher relevance of the economic and environmental dimensions of sustainable development in the new generation of UNDAFs, the cooperation with UN sister entities will be crucial in order to position the Organization as the arrowhead for all the ISID activities in middle-income countries. UNIDO will actively participate in joint funds mobilization within UNCTs, and at the same time, will explore opportunities arising from the repositioning of the UN development system, including fundraising from the Joint Fund for the 2030 Agenda for Sustainable Development and other relevant instruments. While UN coordination at the field level remains essential, UNIDO will also work towards engaging with the political discussions being held particularly at the United Nations Headquarters level in New York. UNIDO's responsible Department for MICs has already started its engagement with the ongoing MIC process being developed in New York, coordinated by the United Nations Department of Economic and Social Affairs (UN DESA) and led by the Like-Minded Group of Countries Supporters of MICs. This engagement is expected to be gradually consolidated resulting in an increased positioning of the Organization in terms of integrating UNIDO's mandate on ISID in the process.

(iii) *Exploring alternative mechanisms for financing ISID, including self-financing*: Traditional forms of financing ISID in MICs will be strategically oriented through a deep analysis and mapping of thematic and geographical priorities of potential donors, both traditional and emerging, and a careful selection of those related to UNIDO's mandate. There is high potential to develop and scale-up self-funding activities in MICs. Given their income status and development achievements,

particularly from upper-MICs, some of their ISID priorities can be addressed predominantly by means of self-funding or self-financing, therefore, remarkably highlighting MICs' sense of ownership on their own development.

South-South and Triangular Cooperation (SSTC)

42. Southern solutions and technologies are particularly relevant for upper and lower-MICs as they come from similar southern environments and contexts. They frequently have lower costs of development, can provide more cost-effective and affordable solutions, and present an additional option for countries of the Emerging South, while not excluding the use of similar technology from the North. ISID opportunities to be grasped through triangular cooperation in MICs will be mainly focused on leveraging the potential for innovation. Since triangular cooperation brings together a diversity of partners, there are many possibilities for learning and inspiration, with UNIDO acting as catalyst of knowledge and expertise. Horizontal relations among partners, such as the ones created through triangular cooperation, will strengthen the ownership of all parties involved on the respective activity. In fact, this three-sided ownership is a key success factor for scaling-up and replication. Therefore, expanding and scaling-up transfer of new technologies within the framework of south-south and triangular cooperation, will be crucial to build up the technological and managerial capacities of MICs. This will enable them to adapt to the increased flow of technology, thus paving the way for their graduation into the HICs status.

43. Based on the aforementioned and on the Organization's comparative advantage and proven expertise, UNIDO will: (a) identify and assess the potential opportunities for SSC at regional level, following the analysis made by the respective Regional Divisions in regards to their related regional approach; (b) follow a demand-driven, tailor-made identification of Southern Industrial Development Solutions, including existing expertise and best practices to be disseminated and replicated; (c) build on existing experiences such as the International Centre for Inclusive and Sustainable Industrial Development in New Delhi, India, and UNIDO Centre for South-South and Industrial Cooperation in Beijing, China. Activities to be emphasized under SSTC modalities will include: (i) industrial upgrading; (ii) women's economic empowerment and entrepreneurship; (iii) development of green technologies and sustainable energy solutions; (iv) resource efficient and cleaner production; (v) youth entrepreneurship and job creation, and (vi) agri-business development.

VI. Risks management

44. External risks:

- Implementation of the MICs-oriented technical cooperation activities according to the priorities defined in this document should meet the expectations of middle-income countries.
- Adequate funding will need to be attracted to overcome the defined challenges and goals.

45. Internal risks:

- Consistency in the approach to align this strategic framework with MICs, UNIDO strategies, and other groups of countries in a complementary manner.
- Limitations at the field level, including UNIDO's NRA status in many MICs, or implications emanating from the reform of the United Nations development system, could hamper proactive engagement of UNIDO Representatives with MICs relevant stakeholders.

46. Contingency measures:

- Complementarity of strategic approaches to different groups of countries (MICs, LDCs) should be achieved by operationalizing differentiated approaches in

terms of substance to similar thematic areas – i.e. Industry 4.0; Circular Economy; Human Capital.

- UNIDO needs to work on expanding its existing donor base, particularly through exploring innovative modalities and business models with the private sector.
- UNIDO will work to build solid alliances with other UN sister agencies, and deepen cooperation with DFIs/IFIs.

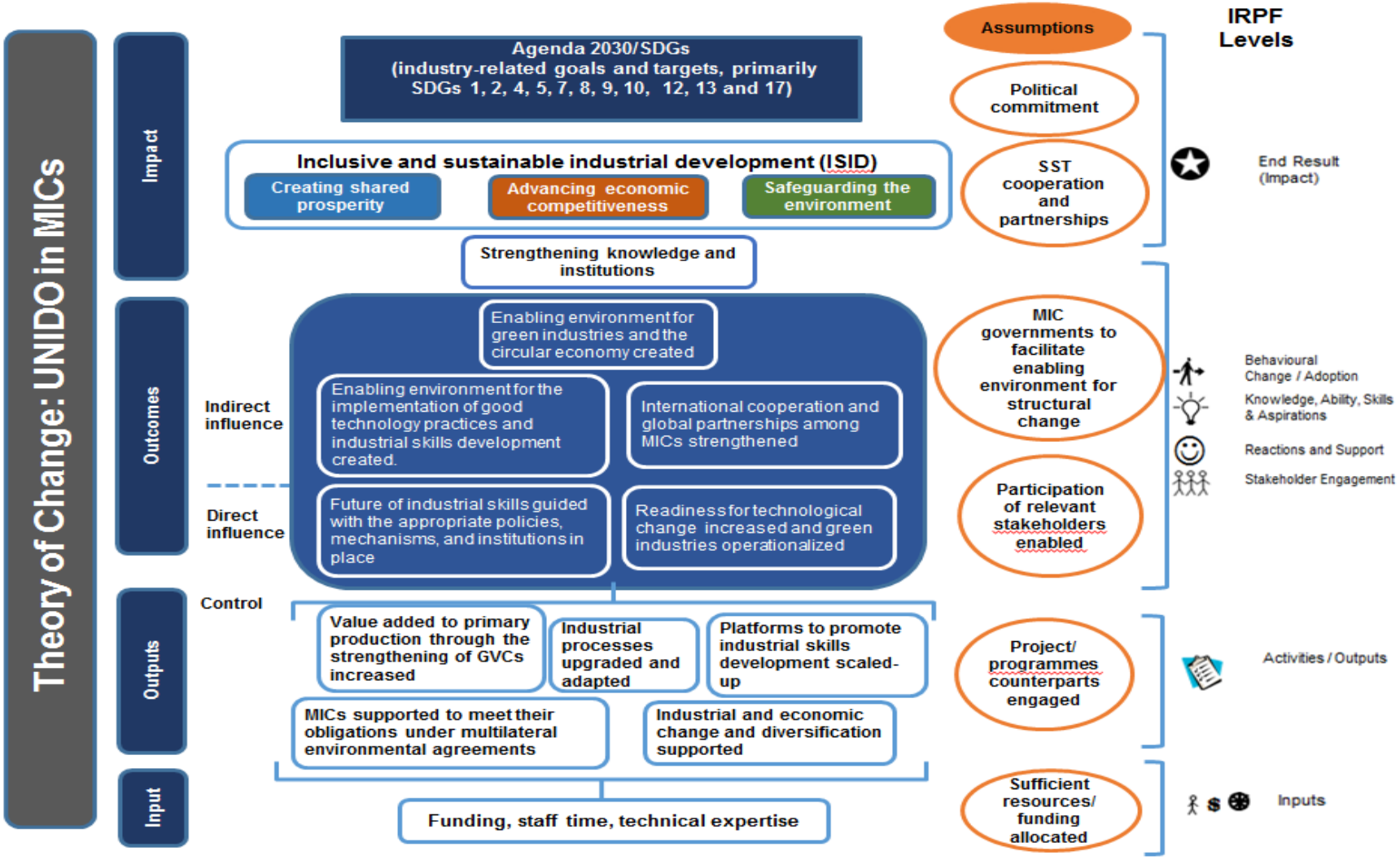
Monitoring and evaluation

47. The Department of Programs, Partnerships and Field Integration (PTC/PPF) will be responsible for following-up and coordinating the achievement of results as the focal point for the cooperation with MICs. PTC/PPF will act as the vehicle through which activities of departments, divisions and field offices will be coordinated and monitored ensuring coherence and alignment with the overall framework for cooperation.

48. Progress will be reported through the UNIDO Annual Report, as well as through the UNIDO integrated results and performance framework (IRPF) and the UNIDO Open Data Platform. The strategic framework will be reviewed in line with the Organization's Medium-Term Program Framework (MTPF).

49. Evaluation of the activities implemented within the context of the strategic framework for partnering with MICs will be conducted by the UNIDO Independent Evaluation Division (ODG/EIO/IED).

Annex 1: Theory of Change



Development Impact	**Primarily SDGs 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 17; ISID; Shared prosperity, Advancing Economic Competitiveness, Safeguarding the Environment; Strengthening knowledge and institutions**
Intermediate change II	• Increased readiness of MICs for Industry 4.0 and/or an era of rapid technological change, particularly in the agriculture, mining and manufacturing sectors. • Future of industrial skills in MICs are better directed and guided with the appropriate policies, mechanisms and institutions in place. • Green industries and the circular economy operationalized. • Strengthened international cooperation and global partnerships among MICs.
Intermediate change I	1. Create conducive economic social and environmental conditions by creating sustainable jobs, investments and the adaptation of new technologies for ISID. 2. Create an enabling environment for the implementation of good technology practices and industrial skills development. 3. Create an enabling environment for green industries and the circular economy. 4. Strengthen south-south industrial cooperation networks, where knowledge is shared on making ISID possible towards the achievement of the SDGs.
UNIDO Interventions	UNIDO's interventions will be developed based on the IRPF management objective: Integration and Scale-Up. This will be achieved through the combination of synergizing the benefits of UNIDO's 4 core functions of technical cooperation, policy analysis and advice, norms and standards and the convening and partnership functions, thereby enabling the scaling-up process to take place. Establish tailor-made programs to assist identified middle income countries in the following areas, configured around the utilization and promotion of technology, human capital and environmental sustainability: (a) Improving agricultural processes and modernizing industrial manufacturing by: (i) Facilitating a smooth transition to Industry 4.0 in agro-industries, mining, energy, manufacturing, and manufacturing related services (ii) Supporting the upgrading of industrial processes and MSMEs digital transformation and adaptation to Industry 4.0. (b) Strengthening producer groups and supporting value chain upgrading/innovation (upgrading processes, products, functions and value chains); (c) Increase value added to primary production through the strengthening of global value chains; (d) Providing access to, and improving digital infrastructure; (e) Diagnostic and analysis to foster prospects for industrial and trade diversification and value addition; (f) Provide policy advisory services on compliance and certification of global norms and regulations;

(g) Advise to governments, institutions and industries to adapt their production methods towards resource efficiency, cleaner production and circular economy systems, and supporting substantial institutional adjustments (rules, regulations, norms and standards for interoperability);

(h) Deploy sector specific approaches, which take into consideration the technological readiness and demands for circular business practices, e.g. the automotive, agriculture, textile and apparel, and other sectors;

(i) Assessing MICs' Industry 4.0 readiness through the establishment of a comprehensive system of indicators for monitoring;

(j) Mapping technological advancements in Industry 4.0 technologies by MICs;

(k) Mapping requirements for skill upgrading on interoperability, artificial intelligence and big data analytics to meet Industry 4.0 requirements and develop new curricular for education and vocational training;

(l) Improving digital infrastructures of MICs;

(m) Building a digital business and innovation ecosystem for fostering entrepreneurship and innovation, especially for youth and women;

(n) Supporting mainstreaming STI, including national, regional and sectoral systems of innovation;

(o) Promote the green economy, through:

(i) The implementation of low-carbon technologies and circular systems and business practices;

(ii) Providing circular economy solutions, including promoting recycling, resource recovery and sustainable use of natural resources, as well as applying Industry 4.0 (digital) technologies to circular solutions;

(iii) Sustainable value chains generating green jobs;

(iv) Supporting sustainable cities and eco-industrial parks.

(p) Support countries in meeting their obligations under multilateral agreements, including the Montreal Protocol, the Paris Agreement, the Stockholm Convention and the Minamata Convention on Mercury;

(q) Expand and scale up platforms to promote industrial skills development, especially among young people and women in MIC. Ways to do this includes:

(i) Bringing together public, private and development partners to secure the Future of Skills in MICs;

(ii) Using UNIDO's convening power to dialogue on the topic of the future of industrial skills in MICs.

(r) Undertake strengthening knowledge and institutions activities, including, *inter alia*, policy assessment and reforms, and capacity building on industrial statistics.

IRPF Indicators	• The UNIDO Integrated Results and Performance Framework (IRPF) measures UNIDO's development results at the global, regional and country level using a set of indicators[15], including the following selected indicators which particularly reflect progress on critical areas[16]: (i) Indicator 1.1: Manufacturing value added as a proportion of GDP (%) (ii) Indicator 1.2: Manufacturing employment as a proportion of total employment (%) (iii) Indicator 1.5: CO2 emission per unit of value added (kg CO. equivalent per US$ constant 2010 PPP GDP (Units)) (iv) Indicator 1.6: Proportion of medium and high-tech industry value added in total value added (%) (v) Indicator 1.15: Developing countries' share of global exports (%) (vi) Indicator 1.16: Stage of industrialization (# of countries) (vii) Indicator 1.17: Competitive Industrial Performance (CIP) Index. (viii) Indicator 3.1: Number of UNIDO programs/project approved per region.
MTPF, 2018-2021	• *Middle income countries are striving to escape the Middle-Income Trap. In this context, the private sector continues to play an important role, inter alia, as a source of innovation and growth, and as a participant in public-private partnerships* (MTPF, 2018-2021; O.P. 17). • *Facilitating the policy dialogue on issues pertaining to the advancement of ISID, particularly, but not exclusively, in developing and Middle-Income Countries* (MTPF, 2018-2021; O.P. 40 (iv).

[15] The scorecard and results in the IRPF is reviewed and updated quarterly on the Open Data Platform (ODP) and yearly in the Annual Report.

[16] The IRPF is currently in the process of being fine-tuned and reformulated. Changes in the existing framework might require subsequent adjustments in the proposed indicators.

Annex 2: List of UNIDO MICs' Member States according to the World Bank classification

List of UNIDO lower middle-income countries: 43

1. Angola
2. Bangladesh
3. Bhutan
4. Bolivia (Plurinational State of)
5. Cabo Verde
6. Cambodia
7. Cameroon
8. Congo
9. Côte d'Ivoire
10. Djibouti
11. Egypt
12. El Salvador
13. Eswatini
14. Georgia
15. Ghana
16. Honduras
17. India
18. Indonesia
19. Kenya
20. Kiribati
21. Kyrgyzstan
22. Lao People's Democratic Republic
23. Lesotho
24. Mauritania
25. Mongolia
26. Morocco
27. Myanmar
28. Nicaragua
29. Nigeria
30. Pakistan
31. Papua New Guinea
32. Philippines
33. Republic of Moldova
34. São Tomé and Principe
35. Sri Lanka
36. Sudan

37. Timor-Leste
38. Tunisia
39. Ukraine
40. Uzbekistan
41. Vanuatu
42. Viet Nam
43. Zambia

List of UNIDO upper middle-income countries: 54

1. Albania
2. Algeria
3. Armenia
4. Azerbaijan
5. Belarus
6. Belize
7. Bosnia and Herzegovina
8. Botswana
9. Brazil
10. Bulgaria
11. China
12. Colombia
13. Costa Rica
14. Cuba
15. Dominica
16. Dominican Republic
17. Equatorial Guinea
18. Ecuador
19. Fiji
20. Gabon
21. Grenada
22. Guatemala
23. Guyana
24. Iran (Islamic Republic of)
25. Iraq
26. Jamaica
27. Jordan
28. Kazakhstan
29. Lebanon
30. Libya
31. Malaysia
32. Maldives
33. Marshall Islands
34. Mauritius
35. Mexico
36. Montenegro
37. Namibia
38. North Macedonia

39. Paraguay
40. Peru
41. Romania
42. Russian Federation
43. Samoa
44. Serbia
45. Saint Lucia
46. Saint Vincent and the Grenadines
47. South Africa
48. Suriname
49. Thailand
50. Tonga
51. Turkey
52. Turkmenistan
53. Tuvalu
54. Venezuela (Bolivarian Republic of)

Decision IDB.47/Dec.8 Evaluation activities

The Industrial Development Board:

(a) Took note of the report on the evaluation activities (IDB.47/23);

(b) Reiterated its support to the evaluation function for accountability, learning and contribution to development effectiveness;

(c) Encouraged outcome- and impact-driven evaluations on results and the incorporation of information on performance and lessons learned into management and strategic planning processes;

(d) Encouraged exploring synergetic approaches to ensure adequate operational funding for evaluation and internal oversight activities, as one key element for increased coverage and enhanced independence of oversight functions.

5th plenary meeting
3 July 2019

Decision IDB.47/Dec.9 Nominations to the Staff Pension Committee

The Industrial Development Board:

(a) Took note of the information contained in document IDB.47/24;

(b) Recommended to the General Conference at its eighteenth session the following candidates for the election of two members and two alternate members of the UNIDO Staff Pension Committee for the biennium 2020–2021:

Members: ..... (country)

..... (country)

Alternates: ..... (country)

..... (country);

(c) Also recommended to the General Conference at its eighteenth session to authorize the Industrial Development Board to proceed with the election for any of the above-mentioned posts that might become vacant before the General Conference holds its nineteenth session.

5th plenary meeting
3 July 2019

Decision IDB.47/Dec.10 Application from a non-governmental organization for consultative status

The Industrial Development Board:

(a) Took note of the information contained in document IDB.47/28;

(b) Decided, in accordance with Article 19.1 (b) of the Constitution and the guidelines for the relationship of UNIDO with intergovernmental, governmental, non-governmental and other organizations (General Conference decision GC.1/Dec.41, annex, para. 17), to grant consultative status with UNIDO to the following non-governmental organization:

European Business Council for Africa and the Mediterranean (EBCAM).

5th plenary meeting
3 July 2019

Decision IDB.47/Dec.11 Preparations for the eighteenth session of the General Conference

The Industrial Development Board:

(a) Took note of the information provided in document IDB.47/27;

(b) Adopted the following agenda for the eighteenth session of the General Conference:

1. Opening of the session.
2. Election of officers.
3. Adoption of the agenda.
4. Organization of work.
5. Credentials of representatives to the Conference.
6. Elections to organs:
   (a) Industrial Development Board;
   (b) Programme and Budget Committee.
7. Annual reports of the Director General on the activities of the Organization for 2017 and 2018.
8. Reports of the Industrial Development Board on the work of its forty-sixth and forty-seventh regular sessions.
9. Forum on industrial development issues.
10. Financial matters:
    (a) Scale of assessments of Member States;
    (b) Financial situation of UNIDO;
    (c) Working Capital Fund;
    (d) Appointment of an External Auditor;
    [(e) Financial regulations.]
11. Programme and budgets, 2020–2021.
12. Midterm review of the medium-term programme framework, 2018–2021.
13. UNIDO and the United Nations development system reform, including the new Resident Coordinator System and the field network.
14. UNIDO, gender equality and the empowerment of women.
15. UNIDO and the 2030 Agenda for Sustainable Development.
16. Third Industrial Development Decade for Africa.
17. UNIDO activities related to energy and the environment.
18. UNIDO activities related to agribusiness, trade capacity-building and job creation.
19. UNIDO activities related to the Vienna Ministerial Declaration for the least developed countries.
20. UNIDO activities related to cooperation with middle-income countries, taking into account the San José Declaration.
21. Personnel matters, including the UNIDO Staff Pension Committee.
22. Matters related to intergovernmental, non-governmental, governmental and other organizations.

23. Date and place of the nineteenth session.

24. Closure of the session.

(c) Agreed to hold a forum on industrial development issues within the framework of the General Conference (provisional agenda, item 9), including a special event on the economic empowerment of women;

(d) Recommended to the Conference that items 7 to 24 of the provisional agenda be allocated to a main committee of the Conference;

(e) Recommended that, in light of the experience gained in the preparation of previous sessions of the Conference, the President of the forty-seventh session of the Industrial Development Board conducts informal consultations for the preparation of the eighteenth session of the Conference;

(f) Urged Member States to submit to the informal consultations any proposed draft decisions or resolutions by 14 October 2019.

5th plenary meeting
3 July 2019

Decision IDB.47/Dec.12 Provisional agenda and date of the forty-eighth session

The Industrial Development Board:

(a) Took note of the information contained in document IDB.47/CRP.8;

(b) Decided to approve the following provisional agenda for its forty-eighth session:

1. Election of officers.

2. Adoption of the agenda.

3. Annual report of the Director General for 2019.

4. Report of the Programme and Budget Committee:

   (a) Report of the External Auditor for 2019;

   (b) Financial situation of UNIDO;

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

   (d) Mobilization of financial resources;

   (e) General risk management;

   (f) Updated medium-term investment plan.

5. UNIDO and the 2030 Agenda for Sustainable Development.

6. United Nations development system reform.

7. Third Industrial Development Decade for Africa.

8. UNIDO activities in energy and the environment.

9. Activities of the Joint Inspection Unit.

10. Addressing recommendations of the Joint Inspection Unit review of management and administration in UNIDO.

11. UNIDO Independent Audit Advisory Committee.

12. Internal oversight activities.

13. Evaluation activities.

14. Personnel matters.

15. UNIDO, gender equality and the empowerment of women.

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

17. Provisional agenda and date of the forty-ninth session.

18. Adoption of the report.

(c) Decided to hold its forty-eighth session from 23 to 25 November 2020.

5th plenary meeting
3 July 2019

Annex II

Documents submitted to the Board at its forty-seventh session

Symbol	*Agenda item*	*Title*
IDB.47/1	2	Provisional agenda
IDB.47/1/Rev.1	2	Provisional agenda
IDB.47/1/Add.1	2	Annotated provisional agenda
IDB.47/2	3, 5 (g)	*Annual Report 2018*
IDB.47/3	5 (a)	Report of the External Auditor on the accounts of UNIDO for the financial year 1 January to 31 December 2018
IDB.47/4	5 (b)	Financial situation of UNIDO. Report by the Director General
IDB.47/5	6	Programme and budgets, 2020–2021. Proposals of the Director General
IDB.47/5/Add.1	6	Programme and budgets, 2020–2021. Adjustments to the proposals of the Director General
IDB.47/6	5 (c)	Scale of assessments for the fiscal period 2020–2021. Note by the Secretariat
IDB.47/6/Rev.1	5 (c)	Scale of assessments for the fiscal period 2020–2021. Revised note by the Secretariat
IDB.47/7	5 (d)	Working Capital Fund for the biennium 2020–2021. Proposals by the Director General
IDB.47/8	5 (e)	Informal Working Group on Programme and Budget Committee-related issues. Report by the Co-chairs
IDB.47/9	5 (f)	Proposal by the Informal Working Group on Programme and Budget Committee-related issues regarding unutilized balances of appropriations
IDB.47/10	3 (a)	Mid-term review of the medium-term programme framework, 2018-2021. Report by the Director General
IDB.47/11	5 (h)	Candidates for the appointment of an External Auditor. Report by the Director General
IDB.47/12	4	Annual update on the Third Industrial Development Decade for Africa (IDDA III). Report by the Director General
IDB.47/13	8	United Nations Development System (UNDS) reform. Report by the Director General
IDB.47/14	5 (i)	Medium-term investment plan 2019–2022. Report by the Director General

Symbol	*Agenda item*	*Title*
IDB.47/15	5	Report of the Programme and Budget Committee on the work of its thirty-fifth session
IDB.47/16	7	General risk management strategy. Report by the Director General
IDB.47/17	8	UNIDO and the 2030 Agenda for Sustainable Development. Report by the Director General
IDB.47/18	9	UNIDO activities in energy and the environment. Report by the Director General
IDB.47/19	10	Activities of the Joint Inspection Unit. Report by the Director General
IDB.47/20	11	Recommendations of the Joint Inspection Unit review of management and administration in UNIDO. Report by the Director General
IDB.47/21	12	Report of the Audit Advisory Committee. Report by the Chair
IDB.47/21/Add.1	12	Report of the Audit Advisory Committee. Management response
IDB.47/22	13	Internal oversight activities. Report by the Director of the Office of Evaluation and Internal Oversight
IDB.47/23	14	Evaluation activities. Report by the Director of the Office of Evaluation and Internal Oversight
IDB.47/24	15	Personnel matters. Report by the Director General
IDB.47/25	16	UNIDO, gender equality and the empowerment of women. Report by the Director General
IDB.47/26	17	Strategic framework for partnering with middle-income countries. Report by the Director General
IDB.47/27	19	Preparations for the eighteenth session of the General Conference. Report by the Director General
IDB.47/28	18	Application from a non-governmental organization for consultative statues. Note by the Director General
Conference room papers		
IDB.47/CRP.1	2	List of documents
IDB.47/CRP.2	5 (b)	Status of assessed contributions. Note by the Secretariat

Symbol	*Agenda item*	*Title*
IDB.47/CRP.3	8	Substantive input by the Industrial Development Board to the High-level Political Forum 2019. Submitted on behalf of the President of the Board, further to the agreement by the Enlarged Bureau of the Board
IDB.47/CRP.4	8	Conclusion of basic cooperation agreements between governments and UNIDO. Note by the Secretariat
IDB.47/CRP.5	13	Charter of the Office of Evaluation and Internal Oversight
IDB.47/CRP.6	15	Personnel matters. Annexes to the report by the Director General
IDB.47/CRP.7	15	List of UNIDO staff. Note by the Secretariat
IDB.47/CRP.8	20	Provisional agenda and date of the forty-eighth session. Note by the Director General
IDB.47/CRP.9	10	Activities of the Joint Inspection Unit. Note by the Director General
IDB.47/CRP.10	8	UNIDO and the United Nations development system reform. Note by the Secretariat
IDB.47/CRP.11	5 (e)	Report of the informal working group on Programme and Budget Committee-related issues, update since 26 March 2019. Note by the Co-chairs
PBC.35/CRP.2	5 (a)	Annexes to the report of the External Auditor on the accounts of UNIDO for the financial year 1 January to 31 December 2018 (unaudited). Prepared by the Secretariat
PBC.35/CRP.4	5 (g)	Projects approved under the Industrial Development Fund, thematic and individual trust funds, and other voluntary contributions in 2018
PBC.35/CRP.5	5 (h)	Candidates for the appointment of an External Auditor. Note by the Secretariat
PBC.35/CRP.6	5 (a)	Comments on the Report of the External Auditor. Note by the Audit Advisory Committee
PBC.35/CRP.7	5 (d)	Additional background information on the Working Capital Fund for the biennium 2020–2021
PBC.35/CRP.8	8	UNIDO’s field network in the context of the United Nations development system reform. Note by the Secretariat
PBC.35/CRP.9	6	Update on UNIDO’s full cost recovery initiative. Note by the Secretariat

Symbol	*Agenda item*	*Title*
PBC.35/CRP.10	5 (b)	Additional information on the financial situation of UNIDO. Note by the Secretariat
PBC.35/CRP.11	3 (a)	Updated integrated results and performance framework. Note by the Secretariat