



## **General Conference**

### **Eighteenth session**

Abu Dhabi, 3–7 November 2019

Agenda item 8

### **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**

### **Addendum**

### **Resumed forty-seventh session of 6 September 2019**

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## Introduction

1. In accordance with rule 9 of the rules of procedures of the Board, the President of the Industrial Development Board adjourned the forty-seventh session of the Board for the purpose of deciding on the programme and budgets, 2020–2021 (item 6), and the scale of assessments for apportionment of the regular budget expenses for the biennium 2020–2021 (sub-item 5 (c)).
2. The report of the Industrial Development Board on the work of its resumed forty-seventh session is presented to the General Conference in accordance with Article 9.4 (c) of the Constitution. As per decision IDB.46/Dec.3 (e), the Secretariat continues replacing written summary records of the Industrial Development Board and the General Conference with digital records.

## I. Organizational and procedural matters

3. The resumed forty-seventh session of the Board was held at UNIDO Headquarters, Vienna International Centre, on 6 September 2019 (one plenary meeting).
4. The President of the forty-seventh session of the Board, H.E. Mr. Senén Florensa Palau (Spain) presided over the resumed session.

### Participation<sup>1</sup>

5. The following 51 of the 53 members<sup>2</sup> 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.
6. The following 43 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, Libya, Malaysia, Mali, Mongolia, Montenegro, Myanmar, Namibia, Nepal, Netherlands, North Macedonia, Oman, Paraguay, Qatar, Republic of Moldova, Romania, Senegal, Slovenia, Sri Lanka, State of Palestine, Syrian Arab Republic, Ukraine, United Arab Emirates, United Republic of Tanzania, Viet Nam, and Yemen.
7. The Sovereign Military Order of Malta participated as observer.
8. The following United Nations specialized agency and related organization was represented: International Atomic Energy Agency (IAEA).
9. 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).

<sup>1</sup> Registrations for the forty-seventh session are considered valid for the resumed session. Member States were requested to inform the Secretariat in case of any changes to the delegation registered for the forty-seventh session.

<sup>2</sup> One seat from List B is vacant.

10. 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), International Federation of Business and Professional Women (IFBPW), and Soroptimist International (SI).

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

11. The Board resumed its forty-seventh session to continue the consideration of agenda item 6: Programme and budgets, 2020–2021.

12. 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 Add.2) 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 two notes by the Secretariat on UNIDO's field network in the context of the United Nations development system reform (PBC.35/CRP.8), and on UNIDO and the United Nations development system reform (IDB.47/CRP.10), 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. The Board also considered a note by the Secretariat on UNIDO in the United Nations Resident Coordinator system (IDB.47/CRP.13).

13. The Board considered a draft decision submitted by the President (IDB.47/L.14) and adopted decision IDB.47/Dec.13 below.

### **IDB.47/Dec.13 Programme and budgets, 2020–2021**

The Industrial Development Board:

(a) Took note of the proposals of the Director General on the programme and budgets for the biennium 2020–2021, as contained in document IDB.47/5-PBC.35/5 and amended by document IDB.47/5-PBC.35/5 Addendum 1 and IDB.47/5 Addendum 2;

(b) Took note that the proposed programme and budgets are created in order to fulfil the mandate of the Organization within the broader development context of the ongoing reform of the United Nations development system and incorporates within the proposal the increased cost of UNIDO's contribution to the United Nations Resident Coordinator system, in line with United Nations General Assembly resolution 72/279;

(c) Recommended to the General Conference the approval of estimates of regular budget gross expenditures of €144,091,811<sup>3</sup> to be financed from assessed contributions in the amount of €138,924,543, other income of €2,551,500 and efficiency gains of €942,223 and a balance of €1,673,545 to be financed from all available resources, including:

- (i) Voluntary contributions;
- (ii) Increased application of the full cost recovery principle;
- (iii) Voluntary renouncements of unspent balances of appropriations;
- (iv) Further savings, prioritizations and efficiencies if appropriate;

<sup>3</sup> This amount is to be reviewed following the review of the cost-sharing formula for the calculation of the contribution to the Resident Coordinator System within the United Nations Sustainable Development Group.

(v) And, as a last resort, to draw on the funds allocated to strengthening the United Nations development system, in accordance with Annex II of the Constitution;

with the assurance that the above would not hamper the core functions of the Organization including technical cooperation activities, as well as staffing and the field network;

(d) Also recommended to the General Conference the approval of estimates of gross expenditures totalling €37,867,400 for the purpose of the operational budget for the biennium 2020–2021 to be financed from the reimbursement of support costs pertaining to technical cooperation and other services in the amount of €37,571,300 and other income amounting to €296,100 as may be provided for in the financial regulations;

(e) Further, recommended to the General Conference the approval of €197,000 accumulated in the Special Account of Voluntary Contributions for Core Activities for the purpose of career development training during the biennium 2020–2021;

(f) Requested the Director General to:

(i) Continue financing the United Nations Resident Coordinator system, in line with paragraph (c) above, with the understanding that:

a. In 2020 and 2021, an amount of up to \$2,637,121 (€2,228,367) will be paid annually;

b. The Director General proactively contributes to the process and the review of the cost-sharing formula for the calculation of contributions to the Resident Coordinator System, within the United Nations Sustainable Development Group, in the best interest of the Organization, bearing in mind inter alia the implications of the Organization's current cost-sharing contribution on its regular budget, and regularly report to Member States, including to the Programme and Budget Committee and the Industrial Development Board;

(ii) Report to each session of the Industrial Development Board on the services provided by the United Nations Resident Coordinator system, leading to cost-savings, synergies and efficiencies and to ensure accountability and transparency for the funds provided by UNIDO to the United Nations Resident Coordinator system;

(iii) Establish the following draft budget 2022–2023 according to results-based budgeting principles;

(iv) Ensure a balanced allocation of resources among Major Programmes during the execution of the programme and budgets 2020–2021 with a special emphasis on Least Developed Countries;

(v) Submit detailed reports on the state of financing and implementation of the programme and budget 2020–2021 to the Programme and Budget Committee, the Industrial Development Board, and the General Conference of UNIDO;

(g) Noted that the “Special Resources for Africa” together with voluntary contributions will be used to foster industrialization in Africa and implement UNIDO's leading role assigned in United Nations General Assembly resolution [70/293](#) on the Third Industrial Development Decade for Africa.

*7th plenary meeting  
6 September 2019*

### **III. Scale of assessments for apportionment of the regular budget expenses for the biennium 2020–2021 (sub-item 5 (c))**

14. The Board also considered sub-item 5 (c): Scale of assessments for apportionment of the regular budget expenses for the biennium 2020–2021.

15. 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](#)).

16. The Board considered a draft decision submitted by the President (IDB.47/L.15) and adopted decision IDB.47/Dec.14 below.

#### **IDB.47/Dec.14 Scale of assessments for apportionment of the regular budget expenses for the biennium 2020–2021**

The Industrial Development Board:

(a) Took note of document PBC.35/6 and [PBC.35/6/Rev.1](#);

(b) Recommended to the General Conference the establishment of a scale of assessments for the fiscal period 2020–2021 based on the United Nations General Assembly resolution [73/271](#), adjusted to the membership of UNIDO on the understanding that new members shall be assessed for the year in which they become members on the basis of the United Nations scale of assessments, as applicable to UNIDO;

(c) Urged Member States to pay their assessed contributions for the 2020–2021 biennium in accordance with financial regulation 5.5 (b), which states that contributions and advances shall be due and payable in full within thirty days of the receipt of the communication of the Director General, or as of the first day of the calendar year to which it relates, whichever is later;

(d) Called on Member States and former Member States that are in arrears to fulfil their constitutional obligations by paying their outstanding assessed contributions in full and without conditions as soon as possible, or to take advantage of payment plans to settle their arrears, in accordance with previous decisions by the policymaking organs of UNIDO.

*7th plenary meeting  
6 September 2019*

### **IV. Adoption of the report (item 21)**

17. Under item 21, the Board considered the draft report (IDB.47/L.13) and adopted it as a whole with the understanding that the Rapporteur would be entrusted with the task of finalizing the report.

### **V. Closure of the session**

18. On 6 September 2019, at 11.07 a.m., the Board closed its forty-seventh session.

## Annex

## Documents submitted to the Board at its resumed forty-seventh session of 6 September 2019

<i>Symbol</i>	<i>Agenda item</i>	<i>Title</i>
<a href="#">IDB.47/5</a>	6	Programme and budgets, 2020–2021. Proposals of the Director General
<a href="#">IDB.47/5/Add.1</a>	6	Programme and budgets, 2020–2021. Adjustments to the proposals of the Director General
<a href="#">IDB.47/5/Add.2</a>	6	Programme and budgets, 2020–2021. Additional 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
<a href="#">IDB.47/6/Rev.1</a>	5 (c)	Scale of assessments for the fiscal period 2020–2021. Revised note by the Secretariat
<a href="#">IDB.47/13</a>	8	United Nations Development System reform. Report by the Director General
<b>Conference room papers</b>		
IDB.47/CRP.10	8	UNIDO and the United Nations development system reform. Note by the Secretariat
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
IDB.47/CRP.12/Add.1/Rev.1	-	List of participants
IDB.47/CRP.13	-	UNIDO in the United Nations Resident Coordinator system. Note by the Secretariat