



General Conference

Nineteenth session

Vienna, 29 November–3 December 2021

Agenda item 9

Reports of the Industrial Development Board on the work of its forty-eighth and forty-ninth regular sessions

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

(12–15 July 2021)

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Introduction

1. The report of the Industrial Development Board on the work of its forty-ninth 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. These are available through the UNIDO Extranet.

2. The following decisions of the Board, reproduced in annex I, are related to the work of the General Conference at its nineteenth session:

- IDB.49/Dec.3 Appointment of the Director General
- IDB.49/Dec.4 Terms and conditions of appointment of the Director General
- IDB.49/Dec.5 Financial situation of UNIDO
- IDB.49/Dec.6 Restoration of voting rights – Dominican Republic
- IDB.49/Dec.7 Scale of assessments for the fiscal period 2022–2023
- IDB.49/Dec.8 Working Capital Fund for the biennium 2022–2023
- IDB.49/Dec.9 Programme and Budgets, 2022-2023
- IDB.49/Dec.10 Outcome of the consultations on circular economy
- IDB.49/Dec.14 Preparations for the nineteenth session of the General Conference

I. Organizational and procedural matters

3. The forty-ninth session of the Board was held at UNIDO headquarters, Vienna International Centre, from 12 to 15 July 2021 (seven plenary meetings). The session took place in a hybrid format involving in-person participation, as well as virtual attendance on the Interprefy conferencing platform.

Participation

4. All 52 members of the Board¹ were represented at the session: Algeria, Argentina, Austria, Bangladesh, Belarus, Brazil, Burkina Faso, China, Costa Rica, Côte d'Ivoire, Cuba, Cyprus, Egypt, Ethiopia, Finland, Germany, Hungary, India, Indonesia, Iran (Islamic Republic of), Ireland, Italy, Japan, Kenya, Kuwait, Luxembourg, Mali, Malta, Mexico, Morocco, Namibia, Netherlands, Norway, Pakistan, Peru, Philippines, Poland, the Republic of Korea, the Russian Federation, Saudi Arabia, Senegal, Slovenia, Spain, Sudan, Sweden, Switzerland, Tunisia, Turkey, the United Arab Emirates, Uruguay, Venezuela (Bolivarian Republic of), and Zambia.

5. The following 63 Member States of UNIDO also participated in the session: Afghanistan, Albania, Angola, Armenia, Azerbaijan, Bolivia (Plurinational State of), Bosnia and Herzegovina, Bulgaria, Chad, Chile, Colombia, Croatia, Czechia, the Democratic People's Republic of Korea, the Dominican Republic, Ecuador, El Salvador, Eritrea, Eswatini, Gabon, Ghana, Guatemala, Honduras, Iraq, Israel, Jordan, Kazakhstan, Kyrgyzstan, the Lao People's Democratic Republic, Lebanon, Libya, Madagascar, Malaysia, Monaco, Mongolia, Montenegro, Mozambique, Myanmar, Nepal, Nicaragua, Nigeria, North Macedonia, Oman, Panama, Paraguay, Qatar, the Republic of Moldova, Romania, Serbia, Sierra Leone, Somalia, South

¹ As per Article 9.1 of the UNIDO Constitution, the Board shall consist of 53 members of the Organization elected by the Conference. One seat from List C remains vacant. Currently the Board consists of 52 members.

Africa, Sri Lanka, State of Palestine, the Syrian Arab Republic, Tajikistan, Thailand, Uganda, Ukraine, Uzbekistan, Viet Nam, Yemen, and Zimbabwe.

6. The Holy See participated as an observer.
7. The following United Nations bodies were represented: the Economic Commission for Latin America and the Caribbean (ECLAC), the Joint United Nations Programme on HIV/AIDS (UNAIDS), and the United Nations Development Programme (UNDP).
8. The following specialized agencies and related organizations were represented: the Food and Agriculture Organization of the United Nations (FAO), the International Atomic Energy Agency (IAEA), the International Telecommunication Union (ITU), and the World Health Organization (WHO).
9. The following other intergovernmental organizations were represented: the Asia-African Legal Consultative Organization (AALCO), the Arab Industrial Development, Standardization and Mining Organization (AIDSMO), the Asian Productivity Organization (APO), the African Union Commission (AUC), the Arab Union for Cement and Building Materials (AUCBM), the European Union (EU), the Cooperation Council for the Arab States of the Gulf (GCC), the GCC Standardization Organisation (GSO), the International Centre for Genetic Engineering and Biotechnology (ICGEB), the International Organization of la Francophonie (OIF), the League of Arab States (LAS), and the Standards and Metrology Institute for Islamic Countries (SMIIC).
10. The following non-governmental organizations were represented: the China Chamber of International Commerce (CCOIC), the Center for Global Dialogue and Cooperation (CGDC), the International Association for the Exchange of Students for Technical Experience (IAESTE), the International Council of Women (ICW), the International Federation of Automatic Control (IFAC), Soroptimist International (SI), and the World Union of Small and Medium Enterprises (WUSME).

Opening of the session

11. The forty-ninth session of the Board was declared open by the President of the forty-eighth session, H.E. Mr. Darmansjah Djumala (Indonesia).

Officers of the session

12. In accordance with rule 23 of the rules of procedure, the Board elected by acclamation H.E. Ms. Dominika Krois (Poland) as President, H.E. Mr. Eoin O'Leary (Ireland), H.E. Mr. Eric Anderson Machado (Peru) and Mr. Hazem Zaki (Egypt) as Vice-Presidents, and Mr. Tarazul Islam (Bangladesh) as Rapporteur.

Agenda of the session

13. The Board adopted the following agenda:
 1. Election of officers.
 2. Adoption of the agenda.
 3. Annual Report of the Director General for 2020.
 4. Report of the Programme and Budget Committee:
 - (a) Report of the External Auditor for 2020;
 - (b) Financial situation of UNIDO, including unutilized balances of appropriations;

- (c) Report by the Informal Working Group on Programme and Budget Committee-related issues;
 - (d) Scale of assessments for apportionment of the regular budget expenses for the biennium 2022–2023;
 - (e) Working Capital Fund for the biennium 2022–2023;
 - (f) Mobilization of financial resources;
 - (g) General risk management;
 - (h) Appointment of the External Auditor;
 - (i) Updated medium-term investment proposals.
5. Programme and budgets, 2022–2023.
 6. Medium-term programme framework, 2022–2025.
 7. UNIDO’s response to the COVID-19 pandemic.
 8. UNIDO and the 2030 Agenda for Sustainable Development.
 9. UNIDO and the United Nations development system reform.
 10. Third Industrial Development Decade for Africa (IDDA III).
 11. UNIDO activities in the environment and energy:
 - (a) Outcome of the consultations on circular economy.
 12. Inclusive and sustainable development in middle-income countries.
 13. Activities of the Joint Inspection Unit.
 14. UNIDO Independent Oversight Advisory Committee.
 15. Evaluation and internal oversight activities.
 16. Personnel matters.
 17. Matters related to intergovernmental, non-governmental, governmental and other organizations.
 18. Recommendation of a candidate for the post of Director General.
 19. Preparations for the nineteenth session of the General Conference.
 20. Provisional agenda and date of the fiftieth session.
 21. Adoption of the report.
14. The Board adopted a proposal by the President to ensure the maximum utilization of available conference-servicing resources (see annex I, decision IDB.49/Dec.1).
15. The Board decided to set up informal in-session consultations with the aim of facilitating the drafting of decisions and entrusted Vice-Presidents H.E. Mr. Eoin O’Leary (Ireland) and Mr. Hazem Zaki (Egypt) to chair those consultations.

II. Recommendation of a candidate for the post of Director General (item 18)

16. Under item 18, the Board considered a request submitted by the Bolivarian Republic of Venezuela for the restoration of voting rights. Following a vote, the Board restored the voting rights of the Bolivarian Republic of Venezuela and adopted decision IDB.49/Dec.2 (see annex I).
17. Furthermore, under item 18, the Board had before it two notes by the Secretariat respectively containing information on candidates for the post of Director General

(IDB.49/27) and a draft contract for appointment of the Director General (IDB.49/28). The Board considered two draft decisions orally submitted by the President and adopted decisions IDB.49/Dec.3 and IDB.49/Dec.4 (see annex I).

III. Annual Report of the Director General for 2020 (item 3)

18. Under item 3, the Board had before it the Annual Report of UNIDO 2020 (IDB.49/2).

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

IV. Report of the Programme and Budget Committee (items 4 (a) to (i))

20. Under item 4, 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-seventh session (IDB.49/16).

A. Report of the External Auditor for 2020

21. Under sub-item 4(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 2020 (IDB.49/3); the unaudited annexes for the year ended 31 December 2020, contained in conference room paper PBC.37/CRP.2; and a note by the Oversight Advisory Committee providing comments on the report of the External Auditor (PBC.37/CRP.3).

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

B. Financial situation of UNIDO, including unutilized balances of appropriations

23. Under sub-item 4(b), the Board had before it a report by the Director General on the financial situation of UNIDO (IDB.49/4); an update by the Director General on the financial situation of UNIDO (IDB.49/CRP.2); and a note by the Director General on the request from the Dominican Republic for the restoration of its voting rights (IDB.49/CRP.14).

24. The Board considered a draft decision on the financial situation of UNIDO submitted by the President (IDB.49/L.2) and adopted decision IDB.49/Dec.5 (see annex I). The Board also considered a draft decision submitted by the President on the restoration of voting rights for the Dominican Republic (IDB.49/L.12) and adopted decision IDB.49/Dec.6 (see annex I).

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

25. Under sub-item 4(c), the Board had before it a report by the Co-Chairs of the informal working group on Programme and Budget Committee-related issues (IDB.49/15) and their update on the working group's deliberations (IDB.49/CRP.8).

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

D. Scale of assessments for apportionment of the regular budget expenses for the biennium 2022–2023

27. Under sub-item 4(d), the Board had before it a note by the Secretariat on the scale of assessments for the fiscal period 2022–2023 (IDB.49/6).

28. The Board considered a draft decision submitted by the President (IDB.49/L.3) and adopted decision IDB.49/Dec.7 (see annex I).

E. Working Capital Fund for the biennium 2022–2023

29. Under sub-item 4(e), the Board considered proposals by the Director General on the Working Capital Fund for the biennium 2022–2023 (IDB.49/7).

30. The Board considered a draft decision submitted by the President (IDB.49/L.4) and adopted decision IDB.49/Dec.8 (see annex I).

F. Mobilization of financial resources

31. Under sub-item 4(f), the Board considered information on the mobilization of financial resources contained in chapter 8 of the Annual Report of UNIDO 2020 (IDB.49/2); and a conference room paper prepared by the Secretariat on projects approved under the Industrial Development Fund, thematic and individual trust funds and other voluntary contributions in 2020 (PBC.37/CRP.5).

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

G. General risk management

33. Under sub-item 4(g), the Board had before it a report by the Director General on the general risk management (IDB.49/9).

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

H. Appointment of an External Auditor

35. Under sub-item 4(h), the Board had before it a report by the Director General on the candidates for the appointment of External Auditor (IDB.49/10); and a note by the Secretariat on the same topic (PBC.37/CRP.6).

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

I. Updated medium-term investment proposals

37. Under sub-item 4(i), the Board had before it a report by the Director General on the medium-term investment proposals, 2021–2024 (IDB.49/11).

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

V. Programme and budgets, 2022–2023 (item 5)

39. Under item 5, the Board had before it proposals of the Director General for the programme and budgets, 2022–2023 (IDB.49/5 and Add.1).

40. The Board considered a draft decision submitted by the President (IDB.49/L.5) and adopted decision IDB.49/Dec.9 (see annex I).

VI. Medium-term programme framework, 2022–2025 (item 6)

41. Under item 6, the Board had before it a proposal by the Director General on the medium-term programme framework, 2022–2025 (IDB.49/8); and a note by the Secretariat on the results of the preparatory consultation surveys (IDB.49/CRP.9). The Board also considered a note by the Director General on the fourth industrial revolution and inclusive and sustainable industrial development (IDB.49/CRP.11).

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

VII. UNIDO’s response to the COVID-19 pandemic (item 7)

43. Under item 7, the Board had before it a report by the Director General updating on UNIDO’s response to the COVID-19 pandemic (IDB.49/12).

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

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

45. Under item 8, the Board had before it a report by the Director General on UNIDO and the 2030 Agenda for Sustainable Development (IDB.49/17).

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

IX. UNIDO and the United Nations development system reform (item 9)

47. Under item 9, the Board had before it a report by the Director General on United Nations development system reform (IDB.49/14).

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

X. Third Industrial Development Decade for Africa (IDDA III) (item 10)

49. Under item 10, the Board had before it a report by the Director General on the Third Industrial Development Decade for Africa (IDDA III) (IDB.49/13).

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

XI. UNIDO activities in the environment and energy (item 11)

51. Under item 11, the Board had before it a report by the Director General on UNIDO activities in the environment and energy (IDB.49/18); a note by the Director General on climate change and inclusive and sustainable industrial development (IDB.49/CRP.12); and a note by the Secretariat on the outcomes of the Vienna Energy Forum 2021 (IDB.49/CRP.13).

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

A. Outcome of the consultations on circular economy (item 11(a))

53. Under sub-item 11(a), the Board had before it a report by the Director General on the consultations on circular economy (IDB.49/19); and a note by the Co-Chairs on the consultations (IDB.49/CRP.3).

54. The Board considered a draft decision submitted by the President (IDB.49/L.10) and adopted decision IDB.49/Dec.10 (see annex I).

XII. Inclusive and sustainable development in middle-income countries (item 12)

55. Under item 12, the Board had before it a report by the Director General on inclusive and sustainable industrial development in middle-income countries (IDB.49/20); and a note by the Director General containing the UNIDO workplan for partnering with middle-income countries (IDB.49/CRP.10).

56. The Board considered a draft decision submitted by the President (IDB.49/L.11) and adopted decision IDB.49/Dec.11 (see annex I).

XIII. Activities of the Joint Inspection Unit (item 13)

57. Under item 13, the Board had before it a report by the Director General on the activities of the Joint Inspection Unit (IDB.49/21); together with a note containing the UNIDO comments on the recommendations of the Joint Inspection Unit (IDB.49/CRP.4).

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

XIV. UNIDO Independent Oversight Advisory Committee (item 14)

59. Under item 14, the Board had before it the report of the Oversight Advisory Committee (OAC) submitted by its Chair (IDB.49/22); and the response thereto by the management of UNIDO (IDB.49/22/Add.1).

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

XV. Evaluation and internal oversight activities (item 15)

61. Under item 15, the Board had before it reports by the Director of the Office of Evaluation and Internal Oversight on internal oversight activities (IDB.49/23) and on evaluation activities (IDB.49/24).

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

XVI. Personnel matters (item 16)

63. Under item 16, the Board had before it a report by the Director General on personnel matters (IDB.49/25); annexes to the report by the Director General

(IDB.49/CRP.5); and a conference room paper submitted by the Secretariat, providing the list of UNIDO staff as at 1 June 2021 (IDB.49/CRP.6).

64. 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 17)

65. Under item 17, the Board had before it applications for consultative status from two non-governmental organizations (IDB.49/26); and a note from the Director General with information on one intergovernmental organization (IDB.49/30).

66. The Board considered two draft decisions submitted by the President with regard to the applications for consultative status from two non-governmental organizations (IDB.49/L.8), and to the relationship agreement with one intergovernmental organization (IDB.49/L.7), and adopted decisions IDB.49/Dec.12 and IDB.49/Dec.13 (see annex I).

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

67. Under item 19, the Board had before it a report by the Director General on the preparations for the nineteenth session of the General Conference (IDB.49/29).

68. The Board considered a draft decision submitted by the President (IDB.49/L.6) and adopted decision IDB.49/Dec.14 (see annex I).

XIX. Provisional agenda and date of the fiftieth session (item 20)

69. Under item 20, the Board had before it a note by the Director General on the provisional agenda and date of the fiftieth session (IDB.49/CRP.7).

70. The Board considered a draft decision submitted by the President (IDB.49/L.9) and adopted decision IDB.49/Dec.15 (see annex I).

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

71. On 15 July 2021, the Board considered the draft report on the work of its forty-ninth session (IDB.49/L.1) and adopted it as a whole with the understanding that the Rapporteur would be entrusted with the task of finalizing the report.

72. The Board closed its forty-ninth session at 10.50 a.m. on 15 July 2021.

Annex I

Decisions adopted by the Board at its forty-ninth session

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Decision IDB.49/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-ninth session only, provided no substantive decisions were taken at those meetings.

*1st plenary meeting
12 July 2021*

Decision IDB.49/Dec.2 Restoration of voting rights - Bolivarian Republic of Venezuela

The Industrial Development Board, following a request by the Bolivarian Republic of Venezuela and in line with Article 5.2 of the UNIDO Constitution, decided to restore the voting rights of the Bolivarian Republic of Venezuela for its forty-ninth session.

*1st plenary meeting
12 July 2021*

Decision IDB.49/Dec.3 Appointment of the Director General

The Industrial Development Board, acting in accordance with Article 11.2 of the Constitution, decided to recommend to the General Conference the appointment of

Mr. Gerd Müller as Director General of UNIDO for a period of four years from 6 December 2021 or until the Director General to be appointed at the twenty-first regular session of the General Conference assumes office, whichever is later.

*1st plenary meeting
12 July 2021*

Decision IDB.49/Dec.4 Terms and conditions of appointment of the Director General

The Industrial Development Board, further to its decision IDB.49/Dec.3, and acting in accordance with rule 103 of the rules of procedure of the General Conference, decided to recommend to the Conference for approval the draft contract annexed to the present decision, which establishes the terms and conditions of appointment of the Director General, including the salary and emoluments attached to the office.

*1st plenary meeting
12 July 2021*

Annex

Draft Contract for the Appointment of the Director General

THIS CONTRACT is made between the United Nations Industrial Development Organization (hereinafter called the Organization) for the one part and..... (hereinafter called the Director General) for the other part.

WHEREAS

The Director General, upon recommendation of the Board, has been duly appointed by the Conference at its nineteenth session held from 29 November 2021 to 3 December 2021.

IT IS HEREBY AGREED AS FOLLOWS:

1. Term of office

The Director General shall be appointed for a period of four years from the day of two thousand twenty-one (2021), or until the Director General to be appointed at the twenty-first regular session of the General Conference assumes office, whichever is later.

2. Official duty station

The official duty station for the Director General shall be Vienna, Austria.

3. Official duties

In accordance with Article 11 of the Constitution of the Organization, the Director General shall be the chief administrative officer of the Organization.

4. Privileges and immunities

The Director General shall enjoy all the privileges and immunities in keeping with his office as determined by the Constitution of the Organization, Article 21, and any relevant legal instruments already in force or to be concluded in the future.

5. Staff Regulations

The Director General shall be subject to the Staff Regulations of the Organization, together with such amendments as may be made thereto, in so far as they are applicable to him.

6. Assessable salary and allowances

(a) The annual gross salary of the Director General shall be US dollars two hundred and fifty-seven thousand and ten (257,010), corresponding to an annual net base salary equivalent to US dollars one hundred and ninety-three thousand four hundred and seven (193,407) (dependency rate) or US dollars one hundred and seventy-one thousand nine hundred eighty-nine (171,989) (single rate) respectively. The gross and net base salary shall be adjusted whenever the General Assembly decides to adjust the gross and net base salary levels of staff in the Professional and higher categories;

(b) He shall receive post adjustment, allowances and benefits, including social security benefits, for which a staff member in the Professional category of the UNIDO Secretariat would be eligible under the Staff Regulations and Staff Rules of the Organization, provided the purpose of such emolument, allowance or benefit has not already been met by other provisions of the present contract;

(c) The Director General shall receive a representation allowance of euros thirty-nine thousand and nine hundred (39,900) per annum, adjusted for the budgeted annual inflation rate in successive years, to meet his share of the obligations which the Organization incurs in the form of representation and hospitality expenditure;

(d) He shall receive a housing allowance amounting to euros sixty thousand and three hundred (60,300) per annum adjusted for the budgeted annual inflation rate in successive years;

(e) The above salary, allowances and benefits to which the Director General is entitled under this agreement shall be subject to adjustment by the Board, after consultations with the Director General, to keep them in line with those of the executive heads of other specialized agencies within the common system of the United Nations.

7. Pension arrangements

Alternative A

The Director General shall participate in the United Nations Joint Staff Pension Fund in accordance with the provisions of decision IDB.10/Dec. 17 (d) of the Industrial Development Board. His pensionable remuneration shall be determined and adjusted in accordance with the provisions of articles 51(c) and (b) of the regulations and rules of the United Nations Joint Staff Pension Fund.

Alternative B

The Director General shall not participate in the United Nations Joint Staff Pension Fund. Instead, he shall have an amount equal to 15.8 per cent of pensionable remuneration, corresponding to the Organization's contribution to the Pension Fund, paid as a supplement to his remuneration, in lieu of participation in the Pension Fund, in accordance with General Assembly resolution 47/203.

8. Currency of payments

Payments will be effected in the currency applicable to staff in the Professional and higher categories serving at the official duty station Vienna, Austria.

9. Notice of resignation

The Director General may at any time give three months' notice of resignation in writing to the Board, which is authorized to accept his resignation on behalf of the General Conference, in which case, upon expiration of such period of notice, he shall cease to be Director General of the Organization and this contract shall terminate.

10. Entry into force

This contract shall enter into force as of the day of 2021.

SIGNED this day of 2021 at Vienna.

_____	_____
(.....)	(.....)
President of the Conference acting on behalf of the Organization	Director General

Decision IDB.49/Dec.5 Financial situation of UNIDO

The Industrial Development Board:

- (a) Took note of the information contained in document PBC.37/4;
- (b) Urged those Member States and former Member States that had not yet paid their assessed contributions, including advances to the Working Capital Fund and prior years' arrears, to do so without delay;
- (c) Requested the Director General to pursue his efforts and contacts with Member States and former Member States to effect the collection of arrears.

*7th plenary meeting
15 July 2021*

Decision IDB.49/Dec.6 Restoration of voting rights – Dominican Republic

The Industrial Development Board:

- (a) Took note of the information provided in document IDB.49/CRP.14;
- (b) Also took note of the regular payment of instalments, in line with the conditions of the payment plan as approved in May 2019, and encouraged the Dominican Republic to continue paying regularly its outstanding instalments;
- (c) At the request of the Dominican Republic, decided to restore its voting rights at the Industrial Development Board in accordance with Article 5.2 of the UNIDO Constitution;
- (d) Recommended to the General Conference to consider positively the restoration of voting rights of the Dominican Republic in all policymaking organs of UNIDO, in accordance with Article 5.2 of the Constitution.

*7th plenary meeting
15 July 2021*

Decision IDB.49/Dec.7 Scale of assessments for the fiscal period 2022–2023

The Industrial Development Board:

- (a) Took note of document IDB.49/6-PBC.37/6;
- (b) Recommended to the General Conference the establishment of a scale of assessments for the fiscal period 2022–2023 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 2022–2023 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
15 July 2021*

Decision IDB.49/Dec.8 Working Capital Fund for the biennium 2022–2023

The Industrial Development Board:

(a) Took note of document IDB.49/7-PBC.37/7;

(b) Recommended to the General Conference that the level of the Working Capital Fund for the biennium 2022–2023 should remain at €7,423,030 and that the authorized purposes of the Fund for the biennium 2022–2023 should remain the same as for the biennium 2020–2021, 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.

*7th plenary meeting
15 July 2021*

Decision IDB.49/Dec.9 Programme and budgets, 2022–2023

The Industrial Development Board:

(a) Took note of the proposals of the Director General on the programme and budgets for the biennium 2022–2023, as contained in document IDB.49/5-PBC.37/5 and amended by document IDB.49/5/Add.1;

(b) Took note with appreciation that the proposed programme and budgets were prepared in compliance with decision GC.18/Dec.14, by which Member States requested the Director General to “establish the [...] draft budget 2022–2023 according to results-based budgeting principles”;

(c) Recognized the challenges of transitioning to the new results-based budget framework and the efforts made by the Secretariat to prepare a balanced, evidence-based programme and budgets based on the results data generated by the integrated results and performance framework, and encouraged further efforts to improve results-based management at the project, programme and corporate level;

(d) Recommended to the General Conference the approval of the proposed results-based budget structure and took note with appreciation of the improved alignment between the Programme and Budgets, 2022–2023 and the medium-term programme framework, 2022–2025, as recommended, inter alia, by the Report of the External Auditor for the financial year 2018 (IDB.47/3-PBC.35/3);

(e) Recommended to the General Conference the approval of estimates of regular budget gross expenditures of €145,929,543 to be financed from assessed contributions in the amount of €141,856,243 and other income of €4,073,300;

(f) Also recommended to the General Conference the approval of estimates of gross expenditures totalling €39,582,700 for the purpose of the operational budget for the biennium 2022–2023 to be financed from the reimbursement of support costs pertaining to technical cooperation and other services in the amount of €37,785,546 and other income amounting to €1,797,154 as may be provided for in the financial regulations;

(g) Further, recommended to the General Conference the approval of €71,300 accumulated in the Special Account of Voluntary Contributions for Core Activities for the purpose of career development training during the biennium 2022–2023;

(h) Requested the Director General to:

(i) Ensure a balanced allocation of resources among Results 1 to 5 during the execution of the Programme and Budgets, 2022–2023, with a special emphasis on Development Results one through three and Least Developed Countries;

(ii) Report on the state of financing and implementation of the Programme and Budgets, 2022–2023 to the Programme and Budget Committee, the Industrial Development Board, and the General Conference of UNIDO throughout the biennium;

(iii) Report to the next two sessions of the Programme and Budget Committee on efficiencies and savings between sessions, with the understanding that the search for efficiencies and savings must be a continuous management process, without hampering the core functions of the Organization;

(iv) Continue to strengthen the Secretariat's results-based management processes and tools, as they relate to, inter alia, target-setting, impact-oriented planning, and continuous monitoring, reporting and evaluation, as a means to improve accountability and learning at UNIDO;

(v) Report yearly to the Board on the progress made by the Secretariat on items (ii) and (iv) above, in particular on improving the results data within the integrated results and performance framework, with a view to, inter alia, inform accurate target-setting in future programme and budgets;

(i) Noted that the Special Resources for Africa together with voluntary contributions would 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
15 July 2021*

Decision IDB.49/Dec.10 Outcome of the consultations on circular economy

The Industrial Development Board:

(a) Recalled resolution GC.18/Res.7 on UNIDO activities in energy and the environment, in which the Director General was requested to organize consultations for experts from Member States on circular economy;

(b) Underlined the importance of consultations on substantive issues to promote collaborative action in Member States to advance the implementation of the 2030 Agenda on Sustainable Development through inclusive and sustainable industrial development;

(c) Took note of the report by the Director General (IDB.49/19);

(d) Agreed to further consider the outcome of the consultations on circular economy, held on 10–12 May 2021, at the nineteenth session of the General Conference with a view to adopting a resolution on this matter.

*7th plenary meeting
15 July 2021*

Decision IDB.49/Dec.11 Inclusive and sustainable development in middle-income countries

The Industrial Development Board:

(a) Recalled that its decision IDB.48/Dec.7 requested the Director General to finalize the workplan for implementation of the UNIDO Strategic Framework for

Partnering with Middle-Income Countries (GC.18/Res.9) and to present it for consideration to the Board at its forty-ninth session;

(b) Took note of the information contained in the report by the Director General (IDB.49/20) and acknowledged the distribution of the UNIDO workplan for partnering with middle-income countries (IDB.49/CRP.10) on July 12, 2021;

(c) Highlighted the importance of providing such workplans as pre-session documents, to allow all Member States to study them in order to be able to engage in a productive discussion and reminded the Secretariat the need to respect the deadlines and other requirements established in the Rules of Procedure for the distribution of documents for the Board's consideration;

(d) Decided to continue consideration of the workplan at its fiftieth session and requested the inclusion of this item on the agenda of the session.

*7th plenary meeting
15 July 2021*

Decision IDB.49/Dec.12 Applications from non-governmental organizations for consultative status

The Industrial Development Board:

(a) Took note of the information contained in document IDB.49/26;

(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 organizations:

Global Energy Interconnection Development and Cooperation Organization (GEIDCO), and

Global Women's Network for the Energy Transition (GWNET).

*7th plenary meeting
15 July 2021*

Decision IDB.49/Dec.13 Relationship agreement with an intergovernmental organization

The Industrial Development Board:

(a) Took note of the information provided in document IDB.49/30;

(b) Authorized the Director General, in accordance with Article 19.1 (a) 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. 9), and on the basis of the information contained in the annex to document IDB.49/30, to conclude an appropriate relationship agreement with the following intergovernmental organization:

International Network for Bamboo and Rattan (INBAR).

*7th plenary meeting
15 July 2021*

Decision IDB.49/Dec.14 Preparations for the nineteenth session of the General Conference

The Industrial Development Board:

(a) Took note of the information provided in document IDB.49/29;

(b) Adopted the following agenda for the nineteenth 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. Appointment of the Director General.
7. Elections to organs:
 - (a) Industrial Development Board;
 - (b) Programme and Budget Committee.
8. Annual reports of the Director General on the activities of the Organization for 2019 and 2020.
9. Reports of the Industrial Development Board on the work of its forty-eighth and forty-ninth regular sessions.
10. Forum on industrial development issues.
11. 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 (if required).
12. Programme and budgets, 2022–2023.
13. Medium-term programme framework, 2022–2025.
14. UNIDO and the United Nations Development System Reform, including the new Resident Coordinator System and the field network.
15. UNIDO response to the COVID-19 pandemic.
16. UNIDO activities related to the Abu Dhabi Declaration.
17. UNIDO, gender equality and the empowerment of women.
18. UNIDO and the 2030 Agenda for Sustainable Development.
19. Third Industrial Development Decade for Africa (IDDA III).
20. UNIDO activities related to Digital Transformation and Innovation:
 - (a) UNIDO Strategic Framework for the Fourth Industrial Revolution.
21. UNIDO activities related to climate change, environment and energy:
 - (a) UNIDO activities related to the circular economy;
 - (b) UNIDO activities in the environment and energy;
 - (c) UNIDO strategy in response to climate change.
22. UNIDO activities related to structural transformation and sectoral expertise:
 - (a) UNIDO activities related to sectoral development including agri-business, trade capacity-building and job creation.

23. UNIDO activities related to the Abu Dhabi Ministerial Declaration for the Least Developed Countries.
24. UNIDO activities related to small island developing States.
25. UNIDO activities related to cooperation with middle-income countries taking into account the San José Declaration.
26. UNIDO's strategy for post-conflict/-crisis situations.
27. Personnel matters, including UNIDO Staff Pension Committee.
28. Matters related to intergovernmental, non-governmental, governmental and other organizations.
29. Date and place of the twentieth session.

(c) Agreed to hold a forum on industrial development issues within the framework of the General Conference (provisional agenda, item 10);

(d) Recommended to the Conference that items 8 to 29 of the provisional agenda be allocated to a main committee of the Conference;

(e) Also recommended that, in the light of experience gained in the preparation of previous sessions of the Conference, the President of the forty-ninth session of the Industrial Development Board conduct pre-session informal consultations for the preparation of the nineteenth session of the Conference;

(f) Urged Member States to submit to the informal consultations any proposed draft decisions or resolutions by 8 November 2021.

*7th plenary meeting
15 July 2021*

Decision IDB.49/Dec.15 Provisional agenda and date of the fiftieth session

The Industrial Development Board:

- (a) Took note of the information contained in document IDB.49/CRP.7;
- (b) Decided to approve the following provisional agenda for its fiftieth session:²
 1. Election of officers.
 2. Adoption of the agenda.
 3. Annual Report of the Director General for 2021.
 4. Report of the Programme and Budget Committee:
 - (a) Report of the External Auditor for 2021;
 - (b) Financial situation of UNIDO, including unutilized balances of appropriations;
 - (c) Report by the informal working group on Programme and Budget Committee-related issues;
 - (d) Mobilization of financial resources;
 - (e) General risk management strategy;
 - (f) Updated medium-term investment proposals.
 5. UNIDO and the 2030 Agenda for Sustainable Development.
 6. United Nations development system reform.

² To be updated to take account of mandates adopted by the Board at its forty-ninth session, by the General Conference at its nineteenth session, and by the Programme and Budget Committee at its thirty-eighth session.

7. Third Industrial Development Decade for Africa (IDDA III).
 8. Climate neutral industry and circular economy.
 9. UNIDO activities related to Digital Transformation and Innovation.
 10. UNIDO activities related to Structural Transformation and Sectoral Expertise.
 11. Activities of the Joint Inspection Unit.
 12. UNIDO Independent Oversight Advisory Committee.
 13. Evaluation and internal oversight activities.
 14. Personnel matters.
 15. Matters related to intergovernmental, non-governmental, governmental and other organizations.
 16. Provisional agenda and date of the fifty-first session.
 17. Adoption of the report.
- (c) Decided to hold its fiftieth session from 21 to 23 November 2022.

7th plenary meeting
15 July 2021

Annex II

Documents submitted to the Board at its forty-ninth session

	Agenda item	Symbol	Title
1	Election of officers	-	-
2	Adoption of the agenda	IDB.49/1	Provisional agenda
		IDB.49/1/Add.1	Annotated provisional agenda
		IDB.49/CRP.1	List of documents
3	Annual Report of the Director General for 2020	IDB.49/2	<i>Annual Report of UNIDO 2020</i>
4	Report of the Programme and Budget Committee	IDB.49/16	Report of the Programme and Budget Committee on the work of its thirty-seventh session (26–28 May 2021)
4 (a)	Report of the External Auditor for 2020	IDB.49/3	Report of the External Auditor on the accounts of UNIDO for the financial year 1 January to 31 December 2020
		PBC.37/CRP.2	Annexes to the report of the External Auditor on the accounts of UNIDO for the financial year 1 January to 31 December 2020 (unaudited).
		PBC.37/CRP.3	Comments on the Report of the External Auditor. Note by the Oversight Advisory Committee
4 (b)	Financial situation of UNIDO, including unutilized balances of appropriations	IDB.49/4	Financial situation of UNIDO. Report by the Director General
		IDB.49/CRP.2	Financial situation of UNIDO. Update by the Director General
		IDB.49/CRP.14	Request from the Dominican Republic for restoration of voting rights. Note by the Director General
4 (c)	Report by the informal working group on Programme and Budget Committee-related issues	IDB.49/15	Report by the informal working group on Programme and Budget Committee-related issues. Report by the Co-Chairs
		IDB.49/CRP.8	Update on the report of the informal working group on Programme and Budget Committee-related issues. Note by the Co-Chairs
4 (d)	Scale of assessments for apportionment of the regular budget expenses for the biennium 2022–2023	IDB.49/6	Scale of assessments for the fiscal period 2022–2023. Note by the Secretariat
4 (e)	Working Capital Fund for the biennium 2022–2023	IDB.49/7	Working Capital Fund for the biennium 2022–2023. Proposals by the Director General
4 (f)	Mobilization of financial resources	IDB.49/2, chapter 8	Funding performance. <i>Annual Report of UNIDO 2020</i>

	Agenda item	Symbol	Title
		PBC.37/CRP.5	Projects approved under the Industrial Development Fund, thematic and individual trust funds, and other voluntary contributions in 2020
4 (g)	General risk management	IDB.49/9	General risk management. Report by the Director General
4 (h)	Appointment of an External Auditor	IDB.49/10	Candidates for the appointment of an External Auditor. Report by the Director General
		PBC.37/CRP.6	Candidates for the appointment of an External Auditor. Note by the Secretariat
4 (i)	Updated medium-term investment proposals	IDB.49/11	Medium-term investment proposals, 2021–2024. Report by the Director General
5	Programme and budgets, 2022–2023	IDB.49/5	Programme and budgets 2022–2023. Proposals by the Director General
		IDB.49/5/Add.1	Programme and budgets, 2022–2023. Adjustments to the proposals of the Director General
6	Medium-term programme framework, 2022–2025	IDB.49/8	Medium-term programme framework 2022–2025. Proposal by the Director General
		IDB.49/CRP.9	Medium-term programme framework, 2022–2025: Results of the preparatory consultation surveys. Note by the Secretariat
		IDB.49/CRP.11	UNIDO Strategic Framework for the Fourth Industrial Revolution. Note by the Director General
7	UNIDO's response to the COVID-19 pandemic	IDB.49/12	UNIDO's response to the COVID-19 pandemic. Report by the Director General
8	UNIDO and the 2030 Agenda for Sustainable Development	IDB.49/17	UNIDO and the 2030 Agenda for Sustainable Development. Report by the Director General
9	UNIDO and the United Nations development system reform	IDB.49/14	United Nations development system reform. Report by the Director General
10	Third Industrial Development Decade for Africa (IDDA III)	IDB.49/13	Report on the Third Industrial Development Decade for Africa (IDDA III). Report by the Director General
11	UNIDO activities in the environment and energy	IDB.49/18	UNIDO activities in the environment and energy. Report by the Director General
		IDB.49/CRP.13	Summary report on the Vienna Energy Forum 2021. Note by the Secretariat
11 (a)	Outcome of the consultations on circular economy	IDB.49/19	Report of the consultations on circular economy. Report by the Director General
		IDB.49/CRP.3	Global consultations on circular economy (10–12 May 2021). Note by the Co-Chairs
		IDB.49/CRP.12	Climate Change and ISID: Update on UNIDO climate action. Note by the Director General

	Agenda item	Symbol	Title
12	Inclusive and sustainable development in middle-income countries	IDB.49/20	Inclusive and sustainable industrial development in middle-income countries. Report by the Director General
		IDB.49/CRP.10	UNIDO workplan for partnering with middle-income countries. Note by the Director General
13	Activities of the Joint Inspection Unit	IDB.49/21	Activities of the Joint Inspection Unit. Report by the Director General
		IDB.49/CRP.4	Activities of the Joint Inspection Unit. Note by the Director General
14	UNIDO Independent Oversight Advisory Committee	IDB.49/22	Report of the Oversight Advisory Committee. Report by the Chair
		IDB.49/22/Add.1	Report of the Oversight Advisory Committee. Management Response
15	Evaluation and internal oversight activities	IDB.49/23	Internal oversight activities. Report by the Director of the Office of Evaluation and Internal Oversight
		IDB.49/24	Evaluation activities. Report by the Director of the Office of Evaluation and Internal Oversight
16	Personnel matters	IDB.49/25	Personnel matters. Report by the Director General
		IDB.49/CRP.5	Personnel matters. Annexes to the report by the Director General
		IDB.49/CRP.6	List of UNIDO staff. Submitted by the Secretariat
17	Matters related to intergovernmental, non-governmental, governmental and other organizations	IDB.49/26	Applications from non-governmental organizations for consultative status. Note by the Director General
		IDB.49/30	Information on an intergovernmental organization. Note by the Director General
18	Recommendation of a candidate for the post of Director General	IDB.49/27	Candidates for the post of Director General. Note by the Secretariat
		IDB.49/28	Draft contract for appointment of the Director General. Note by the Secretariat
19	Preparations for the nineteenth session of the General Conference	IDB.49/29	Preparations for the nineteenth session of the General Conference. Report by the Director General
20	Provisional agenda and date of the fiftieth session	IDB.49/CRP.7	Provisional agenda and date of the fiftieth session. Note by the Director General
21	Adoption of the report	-	-