



# United Nations Industrial Development Organization

Distr.: General  
4 April 2007

Original: English

## Industrial Development Board Thirty-third session

Vienna, 25-27 June 2007

Item 4 (a) of the provisional agenda

**Interim report of the External Auditor, including the implementation of the recommendations of the External Auditor for the biennium 2004-2005; financial performance report and programme performance report for the biennium 2006-2007**

## Programme and Budget Committee Twenty-third session

Vienna, 2-4 May 2007

Item 3 of the provisional agenda

**Interim report of the External Auditor, including the implementation of the recommendations of the External Auditor for the biennium 2004-2005; financial performance report and programme performance report for the biennium 2006-2007**

## Interim financial performance report for the biennium 2006-2007

Submitted by the Director-General

Itemizes the utilization of financial resources during the period 1 January – 31 December 2006 in accordance with Programme and Budget Committee conclusion 1987/19.

## Contents

	<i>Page</i>
I. Financial statements for the 12-month period of the biennium 2006-2007 ended 31 December 2006	
Report by the Director-General . . . . .	4
Chart of consolidated accounts for the year 2006. . . . .	7
Certification of financial statements . . . . .	8
Statement I   Statement of income and expenditure and changes in reserves and fund balances for the year ended 31 December 2006. . . . .	9

For reasons of economy, this document has been printed in a limited number. Delegates are kindly requested to bring their copies of documents to meetings.



Statement II	Statement of assets, liabilities, and reserves and fund balances as at 31 December 2006 .....	11
Statement III	Consolidated statement of cash flow for the year 2006 as at 31 December 2006 .....	12
Statement IV	General Fund: Status of appropriations by Major Programme for 2006 as at 31 December 2006 .....	13
Schedule 1	Status of assessed contributions to the regular budget (in euros) as at 31 December 2006 .....	14
Schedule 1.1	Supplementary estimates for the biennium 2004-2005 for security enhancements – status as at 31 December 2006 .....	21
Schedule 2	Status of advances to the Working Capital Fund as at 31 December 2006 .....	26
Schedule 3	General Fund: Status of appropriations by major object of expenditure for the year 2006 as at 31 December 2006 .....	31
Schedule 4	Other Headquarters funds. Buildings Management Services: Status of appropriations by major object of expenditure for 2006 as at 31 December 2006 .....	32
II.	Notes to the financial statements .....	33
	Note 1 – Objectives and activities of UNIDO .....	33
	Note 2 – Summary of significant accounting policies .....	33
	Note 3 – General Fund and Working Capital Fund .....	38
	Note 4 – Other Headquarters funds .....	47
	Note 5 – Technical cooperation .....	49
 Annexes		
I.	Technical cooperation activities executed by UNIDO	
	Table 1: Combined statement of income and expenditure and changes in reserves and fund balances for the year ended 31 December 2006 (in euros) .....	54
	Table 1: Statement of income and expenditure and changes in reserves and fund balances for the year ended 31 December 2006 (in US dollars) .....	56
	Table 1: Statement of income and expenditure and changes in reserves and fund balances for the year ended 31 December 2006 (in euros) .....	58
	Table 2: Combined statement of assets, liabilities, and reserves and fund balances as at 31 December 2006 (in euros) .....	59
	Table 2: Statement of assets, liabilities, and reserves and fund balances as at 31 December 2006 (in US dollars) .....	60
	Table 2: Statement of assets, liabilities, and reserves and fund balances as at 31 December 2006 (in euros) .....	61

---

Table 3: Summary of transactions on sub-accounts of the Industrial Development Fund for the year 2006 as at 31 December 2006 – euro-based (in euros) . . . . .	62
Table 3: Summary of transactions on sub-accounts of the Industrial Development Fund for the year 2006 as at 31 December 2006 – dollar-based (in US dollars). . . . .	63
Table 4: Summary of technical cooperation activities financed by trust funds for the year 2006 as at 31 December 2006 – euro-based (in euros) . . . . .	65
Table 4: Summary of technical cooperation activities financed by trust funds for the year 2006 as at 31 December 2006 – dollar-based (in US dollars). . . . .	66
Table 5: Summary of technical cooperation activities for 2006 financed under inter-organization agreements (in US dollars) . . . . .	71
II. Operating funds. UNDP and UNDP trust funds . . . . .	72
Statement I – Global Environment Facility . . . . .	73
Statement I – Republic of Korea for the Tumen Region . . . . .	74
III. Special account for Buildings Management Services (for other than staff costs) . . . . .	75

## Report by the Director-General

The financial report for the year ended 31 December 2006 is prepared and submitted in accordance with Article X of the financial regulations. The present report is based on the programme and budgets 2006-2007, as adopted by the General Conference at its eleventh session (decision GC.11/Dec.18).

The regular budget estimates for the biennium 2006-2007 consisted of gross expenditures of €154,009,900, to be financed from assessed contributions in the amount of €150,785,600 and other income of €3,224,300. Accordingly, €75,392,800 representing one-half of the biennium's contributions was assessed to Member States for 2006.

The financial implementation of the approved programme and budgets is dependent on the actual level of cash resources available during the year. Assessed contributions paid to the Organization and the amounts assessed in accordance with General Conference decisions with comparative figures for the previous three years are given below in millions of euros.

	2006		2005		2004	
	€	%	€	%	€	%
Assessed contributions receivable	75.4	100.0	71.0	100.0	71.0	100.0
Assessed contributions received	70.6	93.7	63.7	89.8	64.3	90.5
Shortfall in collections	4.8	6.3	7.3	10.2	6.7	9.5

I am pleased to report that the rate of collection of assessed contributions for 2006 of 93.7 per cent, is the highest collection rate recorded at UNIDO. In comparison, the collection rates for the two previous years were 89.8 per cent and 90.5 per cent respectively. The accumulated outstanding assessed contribution at period end was €47.5 million, excluding an amount of €71.3 million due from former Member States. During 2006, the unpaid assessed contributions decreased by €1.2 million from the previous period end amount of €48.7 million. The timing of payment of assessed contributions has an impact on the implementation of the regular budget as approved by the General Conference. During the year one Member State signed a payment plan with the Organization. I would encourage those Member States having difficulties in meeting their obligations to contact the Secretariat to enter into a suitable payment plan.

Expenditures during 2006 amounted to €61.4 million or 81.6 per cent utilization of the €75.2 million gross approved expenditure budget. Actual collection of budgeted income amounted to €0.5 million government contribution to the cost of the field office network under the Regional Programme and €0.8 million under miscellaneous income against a budgeted amount of €0.9 million and €0.8 million, respectively. After taking into account the miscellaneous income not estimated in GC.11/Dec.18, the total net expenditures of €60.1 million represent 81.8 per cent of the net regular budget appropriations of €73.5 million. The resulting balance of net appropriations at 31 December 2006 amounted to €13.4 million.

In the operational budget, reimbursement for programme support costs amounted to €9.0 million during the reporting period. Expenditures were recorded in the amount

of €7.8 million, resulting in an excess of income over expenditure in the amount of €1.2 million. The closing balance of the special account for programme support costs, i.e. the level of the operating reserve, including savings on cancellation of prior biennium obligations, was €6.8 million as compared to the opening balance of €5.1 million.

The relatively low expenditures under both the regular and the operational budgets were the result of a high vacancy level that prevailed during 2006. While the Organization has initiated a structured recruitment plan already in June 2006, the financial impact will show only during 2007.

The technical cooperation delivery recorded another impressive performance during the year with an amount of US\$113.6 million expenditure. This represents an increase of US\$14.8 million or 15 per cent over the first year of the previous biennium 2004-2005.

As prescribed in the Constitution, UNIDO has three policymaking organs, namely the General Conference, the Industrial Development Board and the Programme and Budget Committee. The Member States of UNIDO meet once every two years at the General Conference, the supreme policymaking organ of the Organization. The Conference determines the guiding principles and policies, approves the budget and work programme of UNIDO. As the chief administrative officer of the Organization, I have the overall responsibility and authority to direct the work of the Organization. The gradual introduction of results-based management (RBM) as a management tool has enabled the Organization to ensure that all its activities contribute towards the achievement of its strategic objectives and that results of activities are systematically assessed against objectives and indicators. The RBM principles were applied comprehensively while preparing the 2006-2007 programme and budgets approved by the Member States in decision GC.11/ Dec.18.

As part of the United Nations system-wide management reform, the Chief Executives Board for Coordination, at its session in April 2006, endorsed the recommendation of High-level Committee on Management for adoption of the International Public Sector Accounting Standards (IPSAS) throughout the United Nations system by 2010. IPSAS represent international best practice for public sector and not-for-profit organizations accounting. Furthermore the adoption of IPSAS is seen as an essential component of good governance, accountability and transparency. In its decision IDB.32/Dec.5 the Board agreed, in principle, to the adoption of IPSAS by UNIDO enabling the Organization to commence the initial activities on this enormous change.

During the year, revised financial regulations and rules of the Organization were issued (PBC.22/CRP.2 and UNIDO/DG/B.74/Rev.2), reflecting the various previous amendments to the financial regulations and improvements to the Organization's financial operations. During the process of revision, consideration was given to reflecting best prevailing practices from both within and outside the United Nations system relating to financial management/operations, procurement, internal control and oversight, aimed at further improving the corporate governance of the Organization, while clarifying and enhancing the authority, responsibility and accountability of all involved in the operations of the Organization.

In coordination with the Austrian Government, the project to make the VIC an asbestos-free environment, which commenced during the previous biennium,

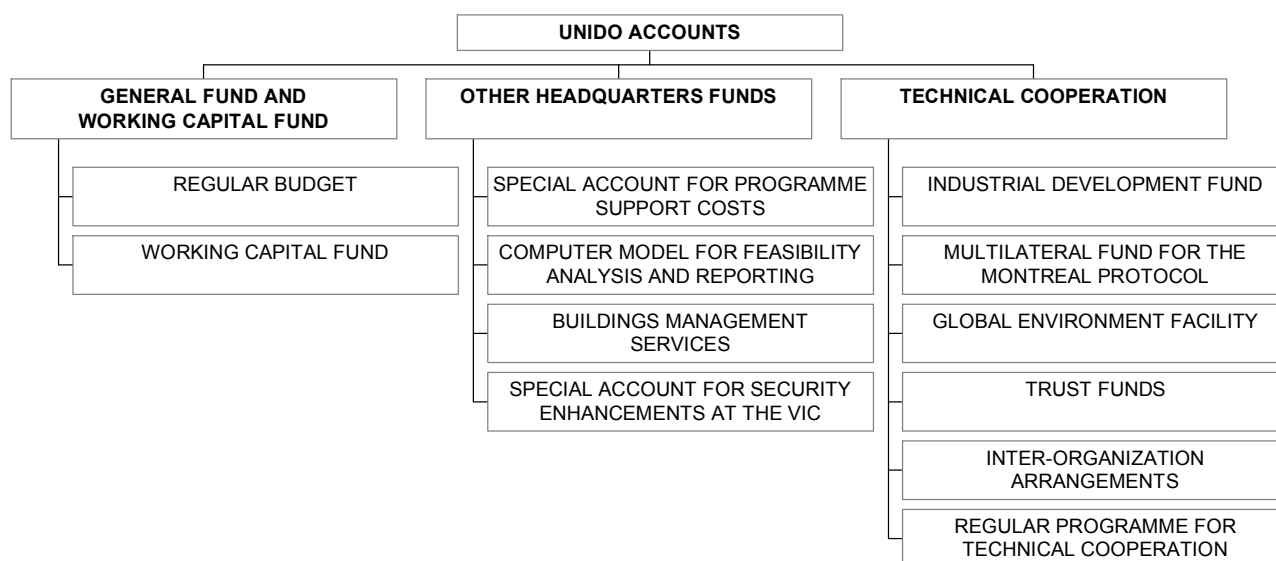
continued in 2006. UNIDO, along with all other VIC-based organizations, strictly follows the host country regulations on environment protection in recycling and/or disposing unwanted material and equipment.

UNIDO is committed to the highest standards of integrity and conduct of its staff, which are regulated by the provisions of the Standards of Conduct for the International Civil Service promulgated by the International Civil Service Commission. The Organization is currently reviewing developments in the United Nations Common System on financial disclosure and declaration of interest statements, with a view to adopting a similar policy for the Organization.

I wish to take this opportunity to express my appreciation to Member States and to donors for their financial support, and to all UNIDO staff for their contribution to the work of the Organization.

[*Signed*]  
Kandeh K. Yumkella  
Director-General

**CONSOLIDATED ACCOUNTS  
FOR THE YEAR  
2006**



## Introduction

1. In its conclusion 1987/19, paragraph (j), the Programme and Budget Committee requested the Director-General to submit each year to the Industrial Development Board through the Committee a clear and detailed financial performance report itemizing the utilization of financial resources.
2. The present financial report covers the period 1 January – 31 December 2006 and is based on the appropriations contained in the programme and budgets 2006-2007, as adopted by the General Conference at its eleventh session (decision GC.11/Dec.18).

## Financial statements for the 12-month period of the biennium 2006-2007 ended 31 December 2006

### Certification of financial statements

#### Director-General's responsibility

The Director-General of the United Nations Industrial Development Organization is responsible for the preparation and integrity of the financial statements.

The financial statements have been prepared in accordance with the United Nations System Accounting Standards and the Article X of the Financial Regulations of UNIDO and have used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and management's best estimates.

The Organization maintains systems of internal accounting controls, policies and procedures to manage risks and ensure the reliability of financial information, the safeguarding of assets and to prevent and detect fraud and other irregularities.

The internal control systems and financial records were subject to reviews by the Internal Oversight Services and the External Auditor during their respective audits, and management objectively reviews the recommendations made by them for further improving the internal control framework of the Organization.

All material transactions have been properly charged in the accounting records and are properly reflected in the appended financial statements I to IV. The statements disclose with reasonable accuracy the financial position of the Organization and of funds held in trust by it, the results of their operations and changes in their financial position.

[Signed]  
Amita Misra  
Director, Financial Services Branch

[Signed]  
Kandeh K. Yumkella  
Director-General

Date: 31 March 2007



**Statement I**  
**STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN**  
**RESERVES AND FUND BALANCES**  
**for the year ended 31 December 2006**  
(In thousands of euros)

<i>Heading</i>	<i>General Fund and Working Capital Fund</i>	<i>Other Headquarters funds</i>	<i>Technical cooperation</i>	<i>Eliminations</i>	<i>Total 2006</i>	<i>Total 2004</i>
	<i>Note</i>	<i>Note</i>	<i>Note</i>	<i>Note 3.17</i>		
<b>INCOME</b>						
Assessed contributions	75,392.8	3.1			75,392.8	71,000.0
Supplementary assessments					0.0	
Voluntary contributions	522.6	3.2	68,999.2		69,521.8	111,460.9
<b>OTHER INCOME</b>						
Revenue-producing activities	50.2	3.3	9,662.1		9,712.3	8,884.0
Funds under inter-organizational arrangements				5,459.5	5,459.5	5,048.0
Jointly financed activities			23,789.3	(3,408.4)	20,380.9	16,907.7
Income for services rendered			577.9	(229.6)	348.3	395.3
Interest income	732.3	3.4	910.8	2,639.1	4,282.2	1,610.6
Currency exchange adjustments	(295.7)	3.5	(759.1)	4.5	167.8	5.3
				64.1	(822.9)	(1,353.0)
Miscellaneous income	332.4	3.6	46.7	(2.9)	0.3	376.5
				0.3	376.5	335.2
<b>TOTAL INCOME</b>	<b>76,734.6</b>		<b>34,227.7</b>	<b>4.4</b>	<b>77,262.7</b>	<b>(3,573.6)</b>
					<b>184,651.4</b>	<b>214,288.7</b>
<b>EXPENDITURE</b>						
Salaries and common staff costs	43,800.6		13,778.0		29,230.9	2,790.9
Operating costs and contractual services	12,103.1		11,555.0		31,119.5	(3,029.4)
Acquisitions					20,397.8	286.7
Fellowships					6,203.1	326.5
RPTC and SRA activities	5,517.0					(3,948.3)
Programme support costs			10.0		9,292.9	
<b>TOTAL EXPENDITURE</b>	<b>61,420.7</b>		<b>25,343.0</b>	<b>4.4</b>	<b>96,244.2</b>	<b>(3,573.6)</b>
					<b>179,434.3</b>	<b>167,863.8</b>
<b>EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>	<b>15,313.9</b>		<b>8,884.7</b>		<b>(18,981.5)</b>	
					<b>5,217.1</b>	<b>46,424.9</b>
Prior biennium adjustments	(254.3)	3.7	4.5		(249.8)	(119.3)
Savings on cancellation of obligations from prior biennium	2,959.4	3.8	556.5		3,515.9	4,637.1

<i>Heading</i>	<i>General Fund and Working Capital Fund</i>	<i>Other Headquarters funds</i>	<i>Technical cooperation</i>	<i>Eliminations</i>	<i>Total 2006</i>	<i>Total 2004</i>	
<i>Note</i>	<i>Note</i>	<i>Note</i>	<i>Note</i>	<i>Note 3.17</i>			
Provision for delays in the collection of contributions	(5,986.1)				(5,986.1)	(6,093.9)	
<b>NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>	12,032.9	9,445.7	4.4	(18,981.5)	2,497.1	44,848.8	
Transfers to reserves	1,615.3	3.14	1,798.9	115.5	5.4	3,529.7	514.1
Transfers from reserves			(1,798.9)			(1,798.9)	(0.4)
Transfers to donor accounts				(167.8)		(167.8)	
Credits to Member States	(1,977.2)	3.16				(1,977.2)	(2,941.1)
Transfers to and from other funds							
Currency translation				(11,813.1)	5.5	(11,813.1)	(9,557.5)
Other adjustments to reserves and fund balances							
Reserves and fund balances, beginning of year	26,173.6	23,650.4	174,464.5		224,288.5	125,612.0	
<b>RESERVES AND FUND BALANCES, END OF YEAR</b>	<b>37,844.6</b>	<b>33,096.1</b>	<b>143,617.6</b>		<b>214,558.3</b>	<b>158,475.9</b>	

**Statement II**  
**STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCES**  
**as at 31 December 2006**  
(In thousands of euros)

<i>Heading</i>	<i>General Fund and Working Capital Fund</i>		<i>Other Headquarters funds</i>		<i>Technical cooperation</i>		<i>Total 2006</i>	<i>Total 2004</i>
	<i>Note</i>		<i>Note</i>		<i>Note</i>			
<b>ASSETS</b>								
Cash and term deposits	45,883.7		24,806.4		191,549.7	5.13	262,239.8	215,423.8
<b>Accounts receivable</b>								
Assessed contributions receivable from Member States	118,945.7	Sch.1					118,945.7	117,401.9
Provision for delays in the collection of contributions	(114,052.2)	Sch.1					(114,052.2)	(110,666.8)
Net assessed contributions receivable	4,893.5						4,893.5	6,735.1
Other contributions receivable	12.7	Sch.2			5,074.6		5,087.3	248.4
Interfund balances			3,712.9		2,257.8		5,970.7	2,149.3
Other	3,144.5	3.9	12,867.1	4.6	1,735.7	5.7	17,747.3	12,913.2
Other assets	590.3	3.10			6,650.4	5.8	7,240.7	4,814.4
<b>TOTAL ASSETS</b>	<b>54,524.7</b>		<b>41,386.4</b>		<b>207,268.2</b>		<b>303,179.3</b>	<b>242,284.2</b>
<b>LIABILITIES</b>								
Payments or contributions received in advance	2,450.7	3.11	433.8		5,010.5	5.9	7,895.0	9,159.1
Borrowings payable within one year								737.0
Unliquidated obligations	6,024.4		3,557.0		27,784.1		37,365.5	39,228.1
Accounts payable - interfund	2,441.4		519.2		3,010.1		5,970.7	2,149.3
Accounts payable - other	5,763.6	3.12	3,780.3		27,845.9	5.10	37,389.8	32,534.8
<b>TOTAL LIABILITIES</b>	<b>16,680.1</b>		<b>8,290.3</b>		<b>63,650.6</b>		<b>88,621.0</b>	<b>83,808.3</b>
<b>RESERVES AND FUND BALANCES</b>								
Operating reserves			3,030.0	4.7	418.0	5.11	3,448.0	5,234.2
Other reserves	17,889.8	3.14			2,206.7	5.4	20,096.5	12,261.5
Balances relating to projects funded by donors					187,833.3		187,833.3	172,361.2
Balances on currency translation					(51,898.8)	5.5	(51,898.8)	(54,996.7)
Working Capital Fund	7,423.1	3.15					7,423.1	7,423.0
Surplus (deficit)	12,531.7	3.16	30,066.1		5,058.4	5.12	47,656.2	16,192.7
<b>TOTAL RESERVES AND FUND BALANCES</b>	<b>37,844.6</b>		<b>33,096.1</b>		<b>143,617.6</b>		<b>214,558.3</b>	<b>158,475.9</b>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCES</b>	<b>54,524.7</b>		<b>41,386.4</b>		<b>207,268.2</b>		<b>303,179.3</b>	<b>242,284.2</b>

**Statement III**  
**CONSOLIDATED**  
**Statement of cash flow for the year 2006 as at 31 December 2006**  
(In thousands of euros)

	<i>Total 2006</i>	<i>Total 2004</i>
<b>Cash flows from operating activities</b>		
Excess (shortfall) of income over expenditure (Statement I)	5,217.1	47,582.0
(Increase) decrease in contributions receivable	989.4	(3,424.1)
(Increase) decrease in voluntary contributions receivable	15,868.9	16,231.7
(Increase) decrease in other contributions receivable	(4,735.2)	672.5
(Increase) decrease other accounts receivable	(113.3)	(1,933.7)
(Increase) decrease other assets	585.9	3,172.9
Increase (decrease) in contributions or payments received in advance	(1,450.5)	(6,076.6)
Increase (decrease) in unliquidated obligations	(18,047.2)	(6,285.5)
Increase (decrease) in accounts payable	7,908.7	754.8
Less: Interest income	4,282.3	
Currency exchange adjustments	<u>(822.9)</u>	<u>1,414.7</u>
<b>Net cash from operating activities</b>	<b>2,764.4</b>	<b>49,279.3</b>
<b>Cash flows from investing and financing activities</b>		
Increase (decrease) in borrowings	0.0	(865.0)
Plus: Interest income	4,282.3	
Currency exchange adjustments	<u>(822.9)</u>	<u>1,414.7</u>
<b>Net cash from investing and financing activities</b>	<b>3,459.4</b>	<b>549.7</b>
<b>Cash flows from other sources</b>		
Savings on or cancellation of prior period's obligations	3,515.9	4,637.1
Transfers to (from) reserves and other adjustments	(10,250.1)	(10,200.9)
Credits to Member States and prior bienniums adjustments	<u>(2,227.0)</u>	<u>(3,060.4)</u>
<b>Net cash from other sources</b>	<b>(8,961.2)</b>	<b>(8,624.2)</b>
<b>Net increase (decrease) in cash</b>	<b>(2,737.4)</b>	<b>41,204.8</b>
Cash at beginning of period	<u>264,977.2</u>	<u>174,219.0</u>
<b>Cash at end of period (Statement II)</b>	<b><u>262,239.8</u></b>	<b><u>215,423.8</u></b>

**Statement IV**  
**GENERAL FUND**  
**Status of appropriations by Major Programme for 2006 as at 31 December 2006**  
(In thousands of euros)

<i>Major Programme</i>	<i>Original appropriation</i>	<i>Transfers</i>	<i>Revised appropriation</i>	<i>Disbursements during 2006</i>	<i>Unliquidated obligations as at 31/12/06</i>	<i>Total expenditure</i>	<i>Balance of appropriations</i>
Polymaking Organs	2,138.6	0.0	2,138.6	1,261.0	429.1	1,690.1	448.5
General Management	6,146.2	0.0	6,146.2	5,171.6	362.8	5,534.4	611.8
Environment and Energy	9,761.8	0.0	9,761.8	7,472.9	208.9	7,681.8	2,080.0
Trade Capacity-Building	10,297.5	0.0	10,297.5	8,671.3	202.8	8,874.1	1,423.4
Poverty Reduction through Productive Activities	8,613.7	0.0	8,613.7	5,981.0	140.5	6,121.5	2,492.2
Cross-Cutting Programmes	14,900.1	0.0	14,900.1	9,808.8	1,772.6	11,581.4	3,318.7
Administration	13,069.1	0.0	13,069.1	10,600.0	605.6	11,205.6	1,863.5
Indirect Costs	10,263.0	0.0	10,263.0	7,231.8	1,500.0	8,731.8	1,531.2
<b>TOTAL A</b>	<b>75,190.0</b>	<b>0.0</b>	<b>75,190.0</b>	<b>56,198.4</b>	<b>5,222.3</b>	<b>61,420.7</b>	<b>13,769.3</b>
<b>Income</b>			<b>Approved Estimates</b>	<b>Actual Income</b>	<b>Accrued Income</b>	<b>Total Income</b>	<b>Shortfall</b>
Regional Programme	888.6	0.0	888.6	522.6		522.6	366.0
Miscellaneous Income							
1. Estimated in GC.11/Dec.18	769.1	0.0	769.1	782.5	0.0	782.5	-13.4
2. Not estimated in GC.11/Dec.18				36.7		36.7	-36.7
<b>TOTAL B</b>	<b>1,657.7</b>	<b>0.0</b>	<b>1,657.7</b>	<b>1,341.8</b>	<b>0.0</b>	<b>1,341.8</b>	<b>315.9</b>
<b>TOTAL A - B</b>	<b>73,532.3</b>	<b>0.0</b>	<b>73,532.3</b>	<b>54,856.6</b>	<b>5,222.3</b>	<b>60,078.9</b>	<b>13,453.4</b>

**Schedule 1**  
**STATUS OF ASSESSED CONTRIBUTIONS TO THE REGULAR BUDGET**  
**(in euros)**  
as at 31 December 2006

Member States	Scale %	Contributions payable 1 January 2006				Credits and collections in 2006				Contributions outstanding		
		Prior-biennium	Current biennium	Prior biennium	Current biennium	Prior biennium	Current biennium	Prior biennium	Current biennium	Total outstanding		
Afghanistan	0.003	53,941	2,262	20,243	-	33,698	2,262	35,960				
Albania	0.007	-	5,277	-	-	-	5,277	5,277				
Algeria	0.111	69,306	83,686	69,306	83,686	-	-	-				
Angola	0.001	-	754	-	754	-	-	-				
Argentina	1.391	6,573,633	1,048,714	3,932	6,569,701	1,048,714	7,618,415					
Armenia	0.003	912,691	2,262	2,004	910,687	2,262	912,949					
Austria	1.250	-	942,410	-	942,410	-	-					
Azerbaijan	0.007	888,472	5,277	132,136	12,177	756,336	5,277	761,613				
Bahamas	0.019	-	14,325	-	14,325	-	2,148	2,148				
Bahrain	0.044	35,475	33,173	-	33,173	35,475	68,648					
Bangladesh	0.010	13,461	7,539	7,633	-	5,828	7,539	13,367				
Barbados	0.015	-	11,309	-	11,309	-	-					
Belarus	0.026	-	19,602	-	19,602	-	-					
Belgium	1.556	-	1,173,112	-	1,173,112	-	-					
Belize	0.001	668	754	668	129	-	625	625				
Benin	0.003	4,005	2,262	4,005	386	-	1,876	1,876				
Bhutan	0.001	-	754	-	754	-	-					
Bolivia	0.013	29,574	9,801	13,415	3,016	16,159	9,801	25,960				
Bosnia and Herzegovina	0.004	-	3,016	-	3,016	-	-					
Botswana	0.017	-	12,817	-	12,817	-	-					
Brazil	2.216	21,379,555	1,670,704	10,043	679	21,369,512	1,670,704	23,040,216				
Bulgaria	0.025	-	18,848	-	18,848	-	18,169	18,169				
Burkina Faso	0.003	-	2,262	-	2,262	-	-					
Burundi	0.001	67,781	754	6,518	754	61,263	754	62,017				
Cambodia	0.003	5,978	2,262	5,978	2,262	-	-					
Cameroon	0.012	14,719	9,047	14,719	9,047	-	-					
Cape Verde	0.001	97,528	754	-	754	97,528	754	98,282				
Central African Republic	0.001	112,891	754	-	754	112,891	754	113,645				
Chad	0.001	86,196	754	-	754	86,196	754	86,950				
Chile	0.324	396,314	245,027	365,933	-	30,381	245,027	275,408				

Member States	Contributions payable 1 January 2006			Credits and collections in 2006			Contributions outstanding		
	Scale %	Prior biennium	Current biennium	Prior biennium	Current biennium	Prior biennium	Current biennium	Total outstanding	
China	2.987	130,450	2,251,982	130,450	2,251,982	-	-	-	
Colombia	0.226	87,485	170,388	87,485	170,388	-	-	-	
Comoros	0.001	123,102	754	-	-	123,102	754	123,856	
Congo	0.001	2,193	754	2,193	754	-	-	-	
Costa Rica	0.044	129,440	33,173	6,595	-	122,845	33,173	156,018	
Côte d'Ivoire	0.015	5,311	11,309	-	-	5,311	11,309	16,620	
Croatia	0.054	-	40,712	-	40,712	-	-	-	
Cuba	0.063	60,224	47,497	40,764	-	19,460	47,497	66,957	
Cyprus	0.057	-	42,974	-	42,974	-	-	-	
Czech Republic	0.266	-	200,545	-	200,545	-	-	-	
Democratic People's Republic of Korea	0.015	-	11,309	-	561	-	10,748	10,748	
Democratic Republic of the Congo	0.004	129,908	3,016	125	-	129,783	3,016	132,799	
Denmark	1.045	-	787,855	-	787,855	-	-	-	
Djibouti	0.001	86,196	754	-	-	86,196	754	86,950	
Dominica	0.001	1,850	754	135	-	1,715	754	2,469	
Dominican Republic	0.051	396,969	38,450	-	-	396,969	38,450	435,419	
Ecuador	0.028	6,640	21,110	6,640	11,183	-	9,927	9,927	
Egypt	0.175	-	131,937	-	-	-	131,937	131,937	
El Salvador	0.032	194,796	24,126	-	-	194,796	24,126	218,922	
Equatorial Guinea	0.003	68,035	2,262	-	-	68,035	2,262	70,297	
Eritrea	0.001	1,939	754	1,939	754	-	-	-	
Ethiopia	0.006	-	4,524	-	96	-	4,428	4,428	
Fiji	0.006	7,459	4,524	7,459	317	-	4,207	4,207	
Finland	0.776	-	585,048	-	585,048	-	-	-	
France	8.775	-	6,615,718	-	6,615,718	-	-	-	
Gabon	0.013	36,113	9,801	1,573	-	34,540	9,801	44,341	
Gambia	0.001	75,497	754	-	-	75,497	754	76,251	
Georgia	0.004	1,609,041	3,016	16,114	-	1,592,927	3,016	1,595,943	
Germany	12.605	-	9,503,262	-	9,503,262	-	-	-	
Ghana	0.006	-	4,524	-	4,524	-	-	-	
Greece	0.771	-	581,278	-	581,278	-	-	-	
Grenada	0.001	67,883	754	-	-	67,883	754	68,637	
Guatemala	0.044	-	33,173	-	33,173	-	-	-	

Member States	Contributions payable 1 January 2006			Credits and collections in 2006			Contributions outstanding		
	Scale %	Prior biennium	Current biennium	Prior biennium	Current biennium	Prior biennium	Current biennium	Total outstanding	
Guinea	0.004	4,938	3,016	219		4,719	3,016	7,735	
Guinea-Bissau	0.001	118,201	754			118,201	754	118,955	
Guyana	0.001	-	754		754	-	-	-	
Haiti	0.004	-	3,016		39	-	2,977	2,977	
Honduras	0.007	-	5,277		3,572	-	1,705	1,705	
Hungary	0.183	-	137,969		137,969	-	-	-	
India	0.613	-	462,158		462,158	-	-	-	
Indonesia	0.207	-	156,063		156,063	-	-	-	
Iran (Islamic Republic of)	0.228	540,697	171,896	266,816		273,881	171,896	445,777	
Iraq	0.023	1,972,410	17,340	137,994		1,834,416	17,340	1,851,756	
Ireland	0.509	-	383,749		383,749	-	-	-	
Israel	0.680	-	512,671		512,671	-	-	-	
Italy	7.109	-	5,358,920		5,358,920	-	-	-	
Jamaica	0.012	-	9,047		5,034	-	4,013	4,013	
Japan	22.000	-	16,586,416		16,586,416	-	-	-	
Jordan	0.016	-	12,063		12,063	-	-	-	
Kazakhstan	0.036	302,878	27,141	302,878		-	-	-	
Kenya	0.013	-	9,801		9,444	-	357	357	
Kuwait	0.236	-	177,927		177,927	-	-	-	
Kyrgyzstan	0.001	377,142	754			377,142	754	377,896	
Lao People's Democratic Republic	0.001	-	754		754	-	-	-	
Lebanon	0.035	11,042	26,387			11,042	26,387	37,429	
Lesotho	0.001	-	754		131	-	623	623	
Liberia	0.001	88,778	754			88,778	754	89,532	
Libyan Arab Jamahiriya	0.192	-	144,754			-	144,754	144,754	
Lithuania	0.035	167,660	26,387	111,597		56,063	26,387	82,450	
Luxembourg	0.112	-	84,440		84,440	-	-	-	
Madagascar	0.004	70	3,016	70		-	-	-	
Malawi	0.001	-	754		754	-	-	-	
Malaysia	0.295	-	222,409		222,409	-	-	-	
Maldives	0.001	913	754	155		758	754	1,512	
Mali	0.003	-	2,262		113	-	2,149	2,149	
Malta	0.020	-	15,079		15,079	-	-	-	
Mauritania	0.001	115,395	754	37,195		78,200	754	78,954	



Member States	Contributions payable 1 January 2006			Credits and collections in 2006			Contributions outstanding		
	Scale %	Prior biennium	Current biennium	Prior biennium	Current biennium	Prior biennium	Current biennium	Total outstanding	
Mauritius	0.016	-	12,063	-	12,063	-	-	-	
Mexico	2.740	-	2,065,762	-	2,065,762	-	-	-	
Moldova	0.001	876,787	754	137	-	876,650	754	877,404	
Monaco	0.004	-	3,016	-	3,016	-	-	-	
Mongolia	0.001	1,205	754	1,205	754	-	-	-	
Morocco	0.068	-	51,267	-	51,267	-	-	-	
Mozambique	0.001	1,285	754	1,285	754	-	-	-	
Myanmar	0.010	7,038	7,539	91	-	6,947	7,539	14,486	
Namibia	0.009	-	6,785	-	-	-	6,785	6,785	
Nepal	0.006	7,715	4,524	240	-	7,475	4,524	11,999	
Netherlands	2.459	-	1,853,909	-	1,853,909	-	-	-	
New Zealand	0.322	-	242,765	-	242,765	-	-	-	
Nicaragua	0.001	136,056	754	-	-	136,056	754	136,810	
Niger	0.001	97,563	754	-	-	97,563	754	98,317	
Nigeria	0.061	140,546	45,990	140,546	1,180	-	44,810	44,810	
Norway	0.988	-	744,881	-	744,881	-	-	-	
Oman	0.102	-	76,901	-	76,901	-	-	-	
Pakistan	0.080	1,002	60,314	1,002	60,314	-	-	-	
Panama	0.028	9,524	21,110	9,524	7,038	-	14,072	14,072	
Papua New Guinea	0.004	16,800	3,016	663	-	16,137	3,016	19,153	
Paraguay	0.017	71,671	12,817	40,304	-	31,367	12,817	44,184	
Peru	0.134	533,680	101,026	287,297	-	246,383	101,026	347,409	
Philippines	0.138	60,662	104,042	60,662	21,150	-	82,892	82,892	
Poland	0.671	-	505,886	-	505,886	-	-	-	
Portugal	0.684	-	515,687	-	515,687	-	-	-	
Qatar	0.093	-	70,115	-	-	-	70,115	70,115	
Republic of Korea	2.613	1,868,272	1,970,014	1,868,272	1,664,134	-	305,880	305,880	
Romania	0.087	-	65,592	-	1,604	-	63,988	63,988	
Russian Federation	1.601	-	1,207,039	-	1,207,039	-	-	-	
Rwanda	0.001	1,940	754	1,940	754	-	-	-	
Saint Kitts and Nevis	0.001	1,269	754	1,269	754	-	-	-	
Saint Lucia	0.003	1,870	2,262	1,870	2,262	-	-	-	
Saint Vincent and the Grenadines	0.001	112,361	754	-	-	112,361	754	113,115	
Sao Tome and Principe	0.001	123,102	754	-	-	123,102	754	123,856	

Member States	Contributions payable 1 January 2006			Credits and collections in 2006			Contributions outstanding		
	Scale %	Prior biennium	Current biennium	Prior biennium	Current biennium	Prior biennium	Current biennium	Total outstanding	
Saudi Arabia	1.038	-	782,577	-	782,577	-	-	-	
Senegal	0.007	-	5,277	-	5,277	-	-	-	
Serbia	0.028	20,203	21,110	20,203	570	-	20,540	20,540	
Seychelles	0.003	49,828	2,262	-	-	49,828	2,262	52,090	
Sierra Leone	0.001	-	754	-	754	-	-	-	
Slovakia	0.074	-	55,791	-	55,791	-	-	-	
Slovenia	0.119	114,666	89,717	114,666	89,717	-	-	-	
Somalia	0.001	136,069	754	-	-	136,069	754	136,823	
South Africa	0.425	-	320,419	-	320,419	-	-	-	
Spain	3.667	-	2,764,653	-	2,764,653	-	-	-	
Sri Lanka	0.025	-	18,848	-	18,848	-	-	-	
Sudan	0.010	5,996	7,539	-	-	5,996	7,539	13,535	
Suriname	0.001	45,522	754	140	-	45,382	754	46,136	
Swaziland	0.003	3,496	2,262	3,496	2,262	-	-	-	
Sweden	1.452	-	1,094,703	-	1,094,703	-	-	-	
Switzerland	1.742	-	1,313,342	-	1,313,342	-	-	-	
Syrian Arab Republic	0.055	-	41,466	-	41,466	-	-	-	
Tajikistan	0.001	154,428	754	7,840	-	146,588	754	147,342	
Thailand	0.304	-	229,194	-	229,194	-	-	-	
The Former Yugoslav Republic of Macedonia	0.009	1,870	6,785	1,489	-	381	6,785	7,166	
Timor-Leste	0.001	-	754	-	-	-	754	754	
Togo	0.001	58,703	754	23	-	58,680	754	59,434	
Tonga	0.001	668	754	155	-	513	754	1,267	
Trinidad and Tobago	0.032	15,760	24,126	-	-	15,760	24,126	39,886	
Tunisia	0.047	2,673	35,435	2,673	28,300	-	7,135	7,135	
Turkey	0.541	-	407,875	-	407,875	-	-	-	
Turkmenistan	0.007	161,358	5,277	-	-	161,358	5,277	166,635	
Uganda	0.009	4,083	6,785	4,083	2,461	-	4,324	4,324	
Ukraine	0.057	4,860,095	42,974	1,014,993	-	3,845,102	42,974	3,888,076	
United Arab Emirates	0.342	-	257,843	-	257,843	-	-	-	
United Kingdom	8.916	-	6,722,022	-	6,722,022	-	-	-	
United Republic of Tanzania	0.009	-	6,785	-	1,714	-	5,071	5,071	
Uruguay	0.070	308,715	52,775	231,288	-	77,427	52,775	130,202	
Uzbekistan	0.020	480,649	15,079	16,732	-	463,917	15,079	478,996	

Member States	Contributions payable 1 January 2006			Credits and collections in 2006			Contributions outstanding		
	Scale %	Prior biennium	Current biennium	Prior biennium	Current biennium	Prior biennium	Current biennium	Total outstanding	
Vanuatu	0.001	79,757	754			79,757	754	80,511	
Venezuela (Bolivarian Republic of)	0.249	207,746	187,728	207,746	187,728	-	-	-	
Viet Nam	0.031	16,031	23,372			16,031	23,372	39,403	
Yemen	0.009	1,189	6,785	1,189	6,785	-	-	-	
Zambia	0.003	59,544	2,262	9,421		50,123	2,262	52,385	
Zimbabwe	0.010	8,031	7,539	8,031	7,539	-	-	-	
Subtotal:	100	48,530,271	75,392,800	5,875,404	70,647,856	42,654,867	4,744,944	47,399,811	
FORMER MEMBER STATES:									
USA		69,190,525	-	7,527	-	69,182,998	-	69,182,998	
Yugoslavia (former)		2,081,599	-	-	-	2,081,599	-	2,081,599	
Subtotal:		71,272,124	-	7,527	-	71,264,597	-	71,264,597	
NEW MEMBER STATE:									
Chad		9,802	-			9,802	-	9,802	
Comoros		12,968	-			12,968	-	12,968	
Djibouti		8,780	-			8,780	-	8,780	
El Salvador		17,250	-			17,250	-	17,250	
Liberia		18,613	-			18,613	-	18,613	
Montenegro		0	754			0	754	754	
Sao Tome and Principe		12,968	-			12,968	-	12,968	
Turkmenistan		52,332	-			52,332	-	52,332	
Subtotal:		132,713	754			132,713	754	133,467	
TOTAL		119,935,108	75,393,554	5,882,931	70,647,856	114,052,177	4,745,698	118,797,875	
1986		44,138		-		44,138		44,138	
1987		46,734		-		46,734		46,734	
1988		73,639		918		72,721		72,721	
1989		100,229		8,750		91,479		91,479	
1990		505,895		9,828		496,067		496,067	
1991		743,575		117,743		625,832		625,832	
1992		902,679		56,193 #		846,486		846,486	
1993		1,042,723		4,372		1,038,351		1,038,351	
1994		7,800,102		36,243		7,763,859		7,763,859	
1995		36,651,858		133,687		36,518,171		36,518,171	
1996		34,166,085		669,038		33,497,047		33,497,047	

Member States	Contributions payable 1 January 2006			Credits and collections in 2006			Contributions outstanding		
	Scale %	Prior biennium	Current biennium	Prior biennium	Current biennium	Prior biennium	Current biennium	Total outstanding	
1997		4,900,629	388,638	4,511,991				4,511,991	
1998		3,692,255	370	3,691,885				3,691,885	
1999		4,279,447	180,730	4,098,717				4,098,717	
2000		2,895,226	60,007	2,835,219				2,835,219	
2001		2,984,234	149,015	2,835,219				2,835,219	
2002		3,463,054	239,453	3,223,601				3,223,601	
2003		3,773,565	229,385	3,544,180				3,544,180	
2004		4,613,981	715,221	3,898,760				3,898,760	
2005		7,255,060	2,883,340	4,371,720				4,371,720	
2006			75,393,554		70,647,856		4,745,698	4,745,698	
<b>TOTAL</b>		<b>119,935,108</b>	<b>75,393,554</b>	<b>5,882,931</b>	<b>70,647,856</b>	<b>114,052,177</b>	<b>4,745,698</b>	<b>118,797,875</b>	
Supplementary estimates for the biennium 2004-2005 for security enhancements (GC.11/Dec.15) - refer Schedule 1.1 for details									
		2,585,160				147,778		147,778	
<b>GRAND TOTAL</b>		<b>122,520,268</b>	<b>75,393,554</b>	<b>8,320,313</b>	<b>70,647,856</b>	<b>114,199,955</b>	<b>4,745,698</b>	<b>118,945,653</b>	

**Schedule 1.1**  
**SUPPLEMENTARY ESTIMATES FOR THE BIENNIUM**  
**2004-2005 FOR SECURITY ENHANCEMENTS**  
**(GC.11/Dec.15)**

Status as of 31 December 2006 (in euros)

<i>Scale (2004) per cent</i>	<i>Member State</i>	<i>Contributions due</i>	<i>Amount credited</i>	<i>Amount outstanding</i>
0.00100	Afghanistan	26	26	-
0.00426	Albania	110	15	95
0.09951	Algeria	2,572	2,572	-
0.00284	Angola	73	73	-
1.37752	Argentina	35,611		35,611
0.00284	Armenia	73		73
1.34625	Austria	34,802	34,802	-
0.00569	Azerbaijan	147	147	-
0.01706	Bahamas	441	441	-
0.02559	Bahrain	662		662
0.01000	Bangladesh	259	259	-
0.01279	Barbados	331	331	-
0.02701	Belarus	698	698	-
1.60498	Belgium	41,491	41,491	-
0.00100	Belize	26	26	-
0.00284	Benin	73	73	-
0.00100	Bhutan	26	26	-
0.01137	Bolivia	294		294
0.00569	Bosnia and Herzegovina	147	147	-
0.01422	Botswana	368	368	-
3.39761	Brazil	87,833		87,833
0.01848	Bulgaria	478	478	-
0.00284	Burkina Faso	73	73	-
0.00100	Burundi	26		26
0.00284	Cambodia	73	73	-
0.01279	Cameroon	331	331	-
0.00100	Cape Verde	26		26
0.00100	Central African Republic	26		26
0.00100	Chad	26		26
0.30138	Chile	7,791	7,791	-
2.17788	China	56,301	56,301	-
0.28574	Colombia	7,387	7,387	-
0.00100	Comoros	26		26
0.00100	Congo	26	26	-
0.02843	Costa Rica	735		735
0.01279	Côte d'Ivoire	331	251	80
0.05544	Croatia	1,433	1,433	-
0.04265	Cuba	1,103	1,103	-

<i>Scale (2004) per cent</i>	<i>Member State</i>	<i>Contributions due</i>	<i>Amount credited</i>	<i>Amount outstanding</i>
0.05402	Cyprus	1,397	1,397	-
0.28858	Czech Republic	7,460	7,460	-
0.01279	Democratic People's Republic of Korea	331	331	-
0.00569	Democratic Republic of the Congo	147		147
1.06477	Denmark	27,526	27,526	-
0.00100	Djibouti	26		26
0.00100	Dominica	26		26
0.03270	Dominican Republic	845		845
0.03554	Ecuador	919	919	-
0.11515	Egypt	2,977		2,977
0.02559	El Salvador	662		662
0.00100	Equatorial Guinea	26		26
0.00100	Eritrea	26	26	-
0.00569	Ethiopia	147	147	-
0.00569	Fiji	147	147	-
0.74207	Finland	19,184	19,184	-
9.19202	France	237,628	237,628	-
0.01990	Gabon	514		514
0.00100	Gambia	26		26
0.00711	Georgia	184		184
13.88754	Germany	359,015	359,015	-
0.00711	Ghana	184	184	-
0.76624	Greece	19,809	19,809	-
0.00100	Grenada	26		26
0.03838	Guatemala	992	992	-
0.00426	Guinea	110	19	91
0.00100	Guinea-Bissau	26		26
0.00100	Guyana	26	26	-
0.00284	Haiti	73	73	-
0.00711	Honduras	184	184	-
0.17059	Hungary	4,410	4,410	-
0.48476	India	12,532	12,532	-
0.28432	Indonesia	7,350	7,350	-
0.38667	Iran (Islamic Republic of)	9,996	9,996	-
0.19334	Iraq	4,998		4,998
0.41795	Ireland	10,805	10,805	-
0.58996	Israel	15,251	15,251	-
7.20001	Italy	186,131	186,131	-
0.00569	Jamaica	147	147	-
22.00000	Japan	568,735	568,735	-
0.01137	Jordan	294	294	-
0.03980	Kazakhstan	1,029	1,029	-
0.01137	Kenya	294	294	-

<i>Scale (2004) per cent</i>	<i>Member State</i>	<i>Contributions due</i>	<i>Amount credited</i>	<i>Amount outstanding</i>
0.20897	Kuwait	5,402	5,402	-
0.00100	Kyrgyzstan	26		26
0.00100	Lao People's Democratic Republic	26	26	-
0.01706	Lebanon	441		441
0.00100	Lesotho	26	26	-
0.00100	Liberia	26		26
0.09525	Libyan Arab Jamahiriya	2,462		2,462
0.02417	Lithuania	625	625	-
0.11373	Luxembourg	2,940	2,940	-
0.00426	Madagascar	110	110	-
0.00284	Malawi	73	73	-
0.33407	Malaysia	8,636	8,636	-
0.00100	Maldives	26		26
0.00284	Mali	73	73	-
0.02132	Malta	551	551	-
0.00100	Mauritania	26		26
0.01564	Mauritius	404	404	-
1.54385	Mexico	39,911	39,911	-
0.00284	Moldova	73		73
0.00569	Monaco	147	147	-
0.00100	Mongolia	26	26	-
0.06255	Morocco	1,617	1,617	-
0.00100	Mozambique	26	26	-
0.01000	Myanmar	259	259	-
0.00995	Namibia	257	71	186
0.00569	Nepal	147		147
2.47073	Netherlands	63,872	63,872	-
0.34260	New Zealand	8,857	8,857	-
0.00100	Nicaragua	26		26
0.00100	Niger	26		26
0.09667	Nigeria	2,499	2,499	-
0.91835	Norway	23,741	23,741	-
0.08672	Oman	2,242	2,242	-
0.08672	Pakistan	2,242	2,242	-
0.02559	Panama	662	662	-
0.00853	Papua New Guinea	221		221
0.02275	Paraguay	588		588
0.16775	Peru	4,337		4,337
0.14216	Philippines	3,675	3,675	-
0.53736	Poland	13,892	13,892	-
0.65678	Portugal	16,979	16,979	-
0.04833	Qatar	1,249		1,249
2.63137	Republic of Korea	68,025	68,025	-

<i>Scale (2004) per cent</i>	<i>Member State</i>	<i>Contributions due</i>	<i>Amount credited</i>	<i>Amount outstanding</i>
0.08245	Romania	2,131	2,131	-
1.70591	Russian Federation	44,100	44,100	-
0.00100	Rwanda	26	26	-
0.00100	Saint Kitts and Nevis	26	26	-
0.00284	Saint Lucia	73	73	-
0.00100	Saint Vincent and the Grenadines	26		26
0.00100	Sao Tome and Principe	26		26
0.78756	Saudi Arabia	20,360	20,360	-
0.00711	Senegal	184	184	-
0.02843	Serbia	735	735	-
0.00284	Seychelles	73		73
0.00100	Sierra Leone	26	26	-
0.06113	Slovakia	1,580	1,580	-
0.11515	Slovenia	2,977	2,977	-
0.00100	Somalia	26		26
0.58001	South Africa	14,994	14,994	-
3.58064	Spain	92,565	92,565	-
0.02275	Sri Lanka	588	588	-
0.00853	Sudan	221	218	3
0.00284	Suriname	73		73
0.00284	Swaziland	73	73	-
1.45962	Sweden	37,734	37,734	-
1.81111	Switzerland	46,820	46,820	-
0.11373	Syrian Arab Republic	2,940	2,940	-
0.00100	Tajikistan	26		26
0.41795	Thailand	10,805	10,805	-
0.00853	The Former Yugoslav Republic of Macedonia	221	221	-
0.00100	Timor-Leste	26		26
0.00100	Togo	26		26
0.00100	Tonga	26		26
0.02275	Trinidad and Tobago	588	289	299
0.04265	Tunisia	1,103	1,103	-
0.62550	Turkey	16,170	16,170	-
0.00426	Turkmenistan	110		110
0.00711	Uganda	184	184	-
0.07534	Ukraine	1,948	1,948	-
0.28716	United Arab Emirates	7,424	7,424	-
7.86994	United Kingdom	203,450	203,450	-
0.00569	United Republic of Tanzania	147	147	-
0.11373	Uruguay	2,940	2,940	-
0.01564	Uzbekistan	404		404
0.00100	Vanuatu	26		26



<i>Scale (2004) per cent</i>	<i>Member State</i>	<i>Contributions due</i>	<i>Amount credited</i>	<i>Amount outstanding</i>
0.29569	Venezuela (Bolivarian Republic of)	7,644	7,644	-
0.02275	Viet Nam	588		588
0.00853	Yemen	221	221	-
0.00284	Zambia	73		73
0.01137	Zimbabwe	294	294	-
<b>100.00000</b>	<b>TOTAL</b>	<b>2,585,160</b>	<b>2,437,382</b>	<b>147,778</b>

**Schedule 2**  
**STATUS OF ADVANCES TO THE WORKING CAPITAL FUND**  
**as at 31 December 2006**  
(in euros)

<i>Member State</i>	<i>Scale of assessment (per cent)</i>	<i>Amount of advance</i>	<i>Collections 1986-2005</i>	<i>Adjustments 2006</i>	<i>Collections 2006</i>	<i>Amount outstanding</i>
Afghanistan	0.003	223	74	-	149	-
Albania	0.007	520	316	-	204	-
Algeria	0.111	8,240	7,387	853		-
Angola	0.001	74	211	(137)		-
Argentina	1.391	103,254	102,254	1,000		-
Armenia	0.003	223	211	-	12	-
Austria	1.250	92,788	99,933	(7,145)		-
Azerbaijan	0.007	520	422	-	98	-
Bahamas	0.019	1,410	1,266	144		-
Bahrain	0.044	3,266	1,900	873		493
Bangladesh	0.010	742	742	-		-
Barbados	0.015	1,113	949	-	164	-
Belarus	0.026	1,930	2,005	(75)		-
Belgium	1.556	115,503	119,139	(3,636)		-
Belize	0.001	74	74	-		-
Benin	0.003	223	211	12		-
Bhutan	0.001	74	74	-		-
Bolivia	0.013	965	844	121		-
Bosnia and Herzegovina	0.004	297	422	(125)		-
Botswana	0.017	1,262	1,056	-	206	-
Brazil	2.216	164,494	174,061	(9,567)		-
Bulgaria	0.025	1,856	1,372	484		-
Burkina Faso	0.003	223	211	12		-
Burundi	0.001	74	74	-		-
Cambodia	0.003	223	211	-	12	-
Cameroon	0.012	891	949	(58)		-
Cape Verde	0.001	74	74	-		-
Central African Republic	0.001	74	74	-		-
Chad	0.001	74	74	-		-
Chile	0.324	24,051	22,372	-	1,679	-
China	2.987	221,726	161,665	57,186	2,875	-
Colombia	0.226	16,776	21,211	(4,435)		-
Comoros	0.001	74	74	-		-
Congo	0.001	74	74	-		-
Costa Rica	0.044	3,266	2,110	-	1,156	-
Côte d'Ivoire	0.015	1,113	949	164		-
Croatia	0.054	4,008	4,115	(107)		-
Cuba	0.063	4,677	3,166	-	1,511	-
Cyprus	0.057	4,231	4,010	-	221	-
Czech Republic	0.266	19,745	21,421	(1,676)		-

<i>Member State</i>	<i>Scale of assessment (per cent)</i>	<i>Amount of advance</i>	<i>Collections 1986-2005</i>	<i>Adjustments 2006</i>	<i>Collections 2006</i>	<i>Amount outstanding</i>
Democratic People's Republic of Korea	0.015	1,113	949	164		-
Democratic Republic of the Congo	0.004	297	422	(125)		-
Denmark	1.045	77,571	79,039	(1,468)		-
Djibouti	0.001	74	74	-		-
Dominica	0.001	74	74	-		-
Dominican Republic	0.051	3,786	325			3,461
Ecuador	0.028	2,078	2,638	(560)		-
Egypt	0.175	12,990	8,548	3,565		877
El Salvador	0.032	2,375	153	-		2,222
Equatorial Guinea	0.003	223	74	-		149
Eritrea	0.001	74	74	-		-
Ethiopia	0.006	445	422	23		-
Fiji	0.006	445	422	-	23	-
Finland	0.776	57,603	55,084	-	2,519	-
France	8.775	651,371	682,327	(30,956)		-
Gabon	0.013	965	1,477	(512)		-
Gambia	0.001	74	74	-		-
Georgia	0.004	297	528	(231)		-
Germany	12.605	935,673	1,030,877	(95,204)		-
Ghana	0.006	445	528	(83)		-
Greece	0.771	57,232	56,878	-	354	-
Grenada	0.001	74	74	-		-
Guatemala	0.044	3,266	2,849	5	412	-
Guinea	0.004	297	316	(19)		-
Guinea-Bissau	0.001	74	74	-		-
Guyana	0.001	74	74	-		-
Haiti	0.004	297	211	86		-
Honduras	0.007	520	528	(8)		-
Hungary	0.183	13,584	12,663	921		-
India	0.613	45,503	35,984	-	9,519	-
Indonesia	0.207	15,366	21,105	(5,739)		-
Iran (Islamic Republic of)	0.228	16,925	28,703	(11,778)		-
Iraq	0.023	1,707	3,770	(2,063)		-
Ireland	0.509	37,783	31,025	-	6,758	-
Israel	0.680	50,477	43,793	6,684		-
Italy	7.109	527,704	534,459	(6,755)		-
Jamaica	0.012	891	422	275	194	-
Japan	22.000	1,633,067	1,633,067	-		-
Jordan	0.016	1,188	844	344		-
Kazakhstan	0.036	2,672	2,954	(282)		-
Kenya	0.013	965	844	-	121	-
Kuwait	0.236	17,518	15,512	2,006		-
Kyrgyzstan	0.001	74	74	-		-
Lao People's Democratic Republic	0.001	74	74	-		-

<i>Member State</i>	<i>Scale of assessment (per cent)</i>	<i>Amount of advance</i>	<i>Collections 1986-2005</i>	<i>Adjustments 2006</i>	<i>Collections 2006</i>	<i>Amount outstanding</i>
Lebanon	0.035	2,598	1,266	-		1,332
Lesotho	0.001	74	74	-		-
Liberia	0.001	74	74	-		-
Libyan Arab Jamahiriya	0.192	14,252	7,070	5,225		1,957
Lithuania	0.035	2,598	1,794	804		-
Luxembourg	0.112	8,314	8,442	(128)		-
Madagascar	0.004	297	316	(19)		-
Malawi	0.001	74	211	(137)		-
Malaysia	0.295	21,898	24,798	(2,900)		-
Maldives	0.001	74	74	-		-
Mali	0.003	223	211	12		-
Malta	0.020	1,485	1,583	(98)		-
Mauritania	0.001	74	74	-		-
Mauritius	0.016	1,188	1,161	-	27	-
Mexico	2.740	203,391	114,600	45,099	43,692	-
Moldova	0.001	74	211	(137)		-
Monaco	0.004	297	422	(125)		-
Mongolia	0.001	74	74	-		-
Morocco	0.068	5,048	4,643	-	405	-
Mozambique	0.001	74	74	-		-
Myanmar	0.010	742	742	-		-
Namibia	0.009	668	739	(71)		-
Nepal	0.006	445	422	23		-
Netherlands	2.459	182,533	183,404	(871)		-
New Zealand	0.322	23,902	25,431	(1,529)		-
Nicaragua	0.001	74	74	-		-
Niger	0.001	74	74	-		-
Nigeria	0.061	4,528	7,176	(2,648)		-
Norway	0.988	73,340	68,170	-	5,170	-
Oman	0.102	7,571	6,437	1,134		-
Pakistan	0.080	5,938	6,437	(499)		-
Panama	0.028	2,078	1,900	178		-
Papua New Guinea	0.004	297	633	(336)		-
Paraguay	0.017	1,262	1,689	(427)		-
Peru	0.134	9,947	12,452	(2,505)		-
Philippines	0.138	10,244	10,553	(309)		-
Poland	0.671	49,809	39,889	-	9,920	-
Portugal	0.684	50,774	48,753	-	2,021	-
Qatar	0.093	6,903	3,588	1,662		1,653
Republic of Korea	2.613	193,964	195,328	(1,364)		-
Romania	0.087	6,458	6,120	338		-
Russian Federation	1.601	118,843	126,631	(7,788)		-
Rwanda	0.001	74	74	-		-
Saint Kitts and Nevis	0.001	74	74	-		-

<i>Member State</i>	<i>Scale of assessment (per cent)</i>	<i>Amount of advance</i>	<i>Collections 1986-2005</i>	<i>Adjustments 2006</i>	<i>Collections 2006</i>	<i>Amount outstanding</i>
Saint Lucia	0.003	223	211	-	12	-
Saint Vincent and the Grenadines	0.001	74	74	-	-	-
Sao Tome and Principe	0.001	74	74	-	-	-
Saudi Arabia	1.038	77,052	58,461	-	18,591	-
Senegal	0.007	520	528	(8)	-	-
Serbia	0.028	2,078	2,110	(32)	-	-
Seychelles	0.003	223	211	3	-	9
Sierra Leone	0.001	74	74	-	-	-
Slovakia	0.074	5,493	4,538	-	955	-
Slovenia	0.119	8,833	8,548	285	-	-
Somalia	0.001	74	74	-	-	-
South Africa	0.425	31,548	43,054	(11,506)	-	-
Spain	3.667	272,203	265,792	-	6,411	-
Sri Lanka	0.025	1,856	1,689	-	167	-
Sudan	0.010	742	633	109	-	-
Suriname	0.001	74	211	(137)	-	-
Swaziland	0.003	223	211	-	12	-
Sweden	1.452	107,783	108,348	(565)	-	-
Switzerland	1.742	129,310	134,439	(5,129)	-	-
Syrian Arab Republic	0.055	4,083	8,442	(4,359)	-	-
Tajikistan	0.001	74	74	-	-	-
Thailand	0.304	22,566	31,025	(8,459)	-	-
The Former Yugoslav Republic of Macedonia	0.009	668	633	35	-	-
Timor-Leste	0.001	74	74	-	-	-
Togo	0.001	74	74	-	-	-
Tonga	0.001	74	74	-	-	-
Trinidad and Tobago	0.032	2,375	1,689	686	-	-
Tunisia	0.047	3,489	3,166	-	323	-
Turkey	0.541	40,159	46,431	(6,272)	-	-
Turkmenistan	0.007	520	56	-	-	464
Uganda	0.009	668	528	140	-	-
Ukraine	0.057	4,231	5,593	(1,362)	-	-
United Arab Emirates	0.342	25,387	21,316	-	4,071	-
United Kingdom	8.916	661,838	584,189	-	77,649	-
United Republic of Tanzania	0.009	668	422	246	-	-
Uruguay	0.070	5,196	8,442	(3,246)	-	-
Uzbekistan	0.020	1,485	1,161	-	324	-
Vanuatu	0.001	74	74	-	-	-
Venezuela (Bolivarian Republic of)	0.249	18,483	21,949	(3,466)	-	-
Viet Nam	0.031	2,301	1,689	587	-	25
Yemen	0.009	668	633	35	-	-
Zambia	0.003	223	211	3	9	-
Zimbabwe	0.010	742	844	(102)	-	-
Subtotal	100.000	7,423,030	7,330,194	(117,752)	197,946	12,642

<i>Member State</i>	<i>Scale of assessment (per cent)</i>	<i>Amount of advance</i>	<i>Collections 1986-2005</i>	<i>Adjustments 2006</i>	<i>Collections 2006</i>	<i>Amount outstanding</i>
New Member State						
Montenegro	0.001	74				74
<b>TOTAL</b>	<b>100.001</b>	<b>7,423,104</b>	<b>7,330,194</b>	<b>(117,752)</b>	<b>197,946</b>	<b>12,716</b>

**Schedule 3**  
**GENERAL FUND**  
**Status of appropriations by major object of expenditure for 2006 as at 31 December 2006**  
(In thousands of euros)

<i>Major object of expenditure</i>	<i>Original appropriation</i>	<i>Transfers</i>	<i>Revised appropriation</i>	<i>Disbursements during 2006</i>	<i>Unliquidated obligations as at 31/12/06</i>	<i>Total expenditure</i>	<i>Balance of appropriations</i>
Salaries and common staff costs	50,842.8	0.0	50,842.8	41,161.8	1,573.9	42,735.7	8,107.1
Official travel	1,403.4	0.0	1,403.4	921.6	143.3	1,064.9	338.5
Operating costs	13,271.3	0.0	13,271.3	7,544.0	2,776.6	10,320.6	2,950.7
Information and communication technology	2,798.9	0.0	2,798.9	1,054.0	728.5	1,782.5	1,016.4
RPTC and SRA activities	6,873.6	0.0	6,873.6	5,517.0	0.0	5,517.0	1,356.6
<b>TOTAL A</b>	<b>75,190.0</b>	<b>0.0</b>	<b>75,190.0</b>	<b>56,198.4</b>	<b>5,222.3</b>	<b>61,420.7</b>	<b>13,769.3</b>
<b>Income</b>		<b>Approved Estimates</b>	<b>Actual Income</b>	<b>Accrued Income</b>	<b>Total Income</b>	<b>Shortfall</b>	
Regional programme	888.6	0.0	888.6	522.6	0.0	522.6	366.0
Miscellaneous Income							
1. Estimated in GC.11/Dec.18	769.1	0.0	769.1	782.5	0.0	782.5	-13.4
2. Not estimated in GC.11/Dec.18				36.7	0.0	36.7	-36.7
<b>TOTAL B</b>	<b>1,657.7</b>	<b>0.0</b>	<b>1,657.7</b>	<b>1,341.8</b>	<b>0.0</b>	<b>1,341.8</b>	<b>315.9</b>
<b>TOTAL A - B</b>	<b>73,532.3</b>	<b>0.0</b>	<b>73,532.3</b>	<b>54,856.6</b>	<b>5,222.3</b>	<b>60,078.9</b>	<b>13,453.4</b>

**Schedule 4**  
**OTHER HEADQUARTERS FUNDS**  
**BUILDINGS MANAGEMENT SERVICES**  
**Status of appropriations by major object of expenditure for 2006**  
(in thousands of euros)

<i>Major object of expenditure</i>	<i>Original appropriation</i>	<i>Transfers</i>	<i>Revised Disbursements during 2006 appropriation</i>	<i>Unliquidated obligations as at 31/12/06</i>	<i>Total expenditure</i>	<i>Balance of appropriations</i>
Staff costs	7,788.0	0.0	6,134.2	35.0	6,169.2	1,618.8
Official travel	7.4	0.0	0.0	0.0	0.0	7.4
Operating costs	24,354.3	0.0	24,354.3	2,783.3	11,192.2	13,162.1
Information and communication technology	0.0	0.0	0.0	0.0	0.0	0.0
RPTC and SRA activities	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL A</b>	<b>32,149.7</b>	<b>0.0</b>	<b>14,543.1</b>	<b>2,818.3</b>	<b>17,361.4</b>	<b>14,788.3</b>
<b>Income</b>		<b>Estimated Income</b>	<b>Actual Income</b>	<b>Accrued Income</b>	<b>Total Income</b>	<b>Shortfall/ (Excess)</b>
Common Buildings Management	31,187.4	0.0	31,187.4	790.8	23,779.9	7,407.5
Joint Building Management	962.3	0.0	962.3	175.1	587.3	375.0
<b>TOTAL B</b>	<b>32,149.7</b>	<b>0.0</b>	<b>32,149.7</b>	<b>965.9</b>	<b>24,367.2</b>	<b>7,782.5</b>
<b>Miscellaneous Income</b>						
Not estimated in GC.11/Dec.18	0.0	0.0	0.0	104.4	577.0	-577.0
<b>TOTAL C</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>104.4</b>	<b>577.0</b>	<b>-577.0</b>
<b>TOTAL A - B - C</b>	<b>0.0</b>	<b>0.0</b>	<b>-9,330.8</b>	<b>1,748.0</b>	<b>-7,582.8</b>	<b>7,582.8</b>
<b>Cumulative fund balance - Special Account for BMS</b>						
Excess of income over expenditure for 2006 (as above)						7,582.80
Savings on cancellation of obligations						87.30
Prior biennium adjustment						4.50
Fund balance as at 1 January 2006						15,587.00
Cumulative fund balance as at 31 December 2006						<b>23,261.60</b>



## II. Notes to the financial statements

### Note 1: Objectives and activities of UNIDO

1.1 The United Nations Industrial Development Organization (UNIDO) is a specialized United Nations agency dedicated to improving the living conditions of people and promoting global prosperity through offering tailor-made solutions for the sustainable industrial development in developing countries and countries with economies in transition. It mobilizes knowledge, skills, information and technology to promote productive employment, a competitive economy and a sound environment.

1.2 UNIDO channels its technical cooperation activities into three thematic priority areas - poverty reduction through productive activities, trade capacity-building and environment and energy. In addition, it engages in a number of cross-cutting activities, especially in promoting South-South cooperation for industrial development and in helping the industrial recovery and rehabilitation of countries emerging from crisis situations. In carrying out its activities, UNIDO seeks to engage in partnerships with other developmental agencies having complementary mandates and competences, in both the public and private sector, in order to optimize the developmental impact of its interventions.

1.3 The key comparative advantage of UNIDO lies in its unique ability to provide comprehensive and integrated packages of services; combining its operational activities with its analytical, normative and convening roles. Those services include: analyses of current and emerging industrial trends; benchmarking of industrial performance; policy advice based on international best practices; transfer and upgrading of environmentally-sound manufacturing technologies; and promotion of industrial investments. UNIDO focuses its work on low-income countries, particularly in Africa, and on linking agriculture with industry. UNIDO is committed to maintaining excellent standards in the implementation of these programmes.

### Note 2: Summary of significant accounting policies

#### Basis of presentation

2.1 UNIDO's accounts are maintained in accordance with Article X of the Financial Regulations of UNIDO, as adopted by the General Conference, the financial rules formulated there under, administrative instructions and in conformity with generally accepted accounting principles. UNIDO follows the United Nations System Accounting Standards as approved by the High-level Committee on Management (HLCM) on behalf of the United Nations Chief Executives Board for Coordination (CEB) at its seventh session and requested by General Assembly resolution 48/216, and the financial statements, of which these notes form an integral part, are presented in accordance with those standards.

2.2 The UNIDO financial statements are prepared on the historical cost basis of accounting and have not been adjusted to reflect the effects of changing prices for goods and services.

2.3 In accordance with Financial Regulation 10.5, the financial statements of UNIDO are presented in euros. Accounts and accounting records may, however, be

kept in such currency or currencies, as the Director-General may deem necessary. Accordingly, accounts of technical cooperation activities are maintained in euros and United States dollars, depending on the currency in which the funding from the donor was received or in certain cases, according to the currency of project implementation.

2.4 UNIDO's accounts are maintained on a "fund accounting" basis. Separate funds for general or special purposes may be established by the General Conference or the Director-General. Each fund is maintained as a distinct financial and accounting entity, with a separate self-balancing double-entry group of accounts.

2.5 The fiscal period of the Organization is a biennium and consists of two consecutive calendar years.

2.6 Income, expenditure, assets and liabilities are recognized on the accrual basis of accounting, except in instances specifically mentioned below.

#### **Translation and conversion of currencies**

2.7 Transactions in currencies other than euro are recorded in euros for all funds and in United States dollars for dollar-based extra budgetary technical cooperation activities at the applicable United Nations operational rate of exchange at the deemed date of the transaction. Assets, liabilities, reserves and fund balances held in other currencies are translated at the applicable United Nations operational rate of exchange at the date of the statement.

2.8 Exchange rate gains and losses arising from transactions and the revaluation of assets and liabilities are accounted as other income in Statement I subject to 2.9 (iii) below.

2.9 In preparing the Organization's consolidated financial statements, the accounts of technical cooperation activities maintained in United States dollars are translated to euros using generally accepted accounting practices, namely:

- (i) Non-euro income, expenditure and changes in reserves and fund balances are stated at the equivalent amount of euros applicable as at the deemed date of the transaction applying the United Nations operational rate of exchange as at that date;
- (ii) Non-euro assets, liabilities, reserves and fund balances as at 31 December 2006 are converted to a euro equivalent using the United Nations operational rate of exchange as at 31 December 2006;
- (iii) All resulting exchange differences are classified as a component of reserves and fund balances in Statements I and II in a separate account – 'currency translation'.

#### **Income recognition**

2.10 Contributions to the regular budget are recognized as income on the basis of assessments of Member States approved by the General Conference for the fiscal period.

2.11 Voluntary contributions towards regular budget and technical cooperation activities from Governments or other donors are recognized as income upon receipt of cash or cash equivalents.

2.12 Contributions received in kind are not accounted for, but the value is disclosed in the notes to the financial statements. Where necessary, amounts are estimated locally based on a fair commercial value in an arms length transaction.

2.13 Funds under inter-organization arrangements representing income from UNDP and UNDP trust funds are the same as reported for total expenditure in line with UNDP procedures, which require that allocations be adjusted to equal actual expenditure.

2.14 Income from revenue producing activities, consisting of sales publications and Computer Model for Feasibility and Analysis (COMFAR), is recognized on a cash basis. In addition, for COMFAR, income is recognized on confirmation of receipt of funds at a field location (e.g. UNDP country offices).

2.15 Income from the operation of common services under Buildings Management Services (BMS) is recognized on issuance of invoices to the VIC-based organizations. At year-end, income is accrued for staff costs in BMS, pending the issuance of invoices.

2.16 For the regular budget, refunds of expenditure charged to previous fiscal periods, proceeds from the sale of surplus property, commissions from travel agents, CTBTO support costs and other sundry credits are treated as miscellaneous income.

#### **Interest income**

2.17 Interest income, including accrued interest on bank deposits for the regular and operational budgets, the special account for Buildings Management, the general-purpose segment of the Industrial Development Fund and Multilateral Fund for the Montreal Protocol are recognized as income in the respective accounts and funds. Interest income arising from UNDP activities is credited to the operating fund account maintained with that organization. Pursuant to General Conference decision GC.8/Dec.10, interest income under the regular budget is limited to the budgetary estimates contained in the programme and budgets for the fiscal period, including interest earned on working capital funds.

2.18 Total interest income, including accrued interest on bank deposits for the special-purpose Industrial Development Fund, Global Environment Facility (net of audit fees) and trust funds relating to the technical cooperation activities, is credited to accounts payable until instructions regarding utilization are received from the donor.

#### **Expenditure**

2.19 Expenditure reported in the financial statements includes disbursements and unliquidated obligations.

2.20 Expenditure on acquisition of furniture, equipment, other non-expendables and leasehold improvements is charged to expenditure in the year of purchase and is not included in the assets of the Organization. The inventory of such non-expendable

property is maintained on historical cost basis, and the value is disclosed in the notes to the financial statements.

2.21 Disbursements made in the current fiscal period for future fiscal periods are not charged to the expenditure in the current fiscal period but are recorded as deferred charges, as referred to in note 2.25 below.

2.22 Ex gratia payments made in accordance with financial rule 109.3.1 are reported in the notes to the financial statements of the respective fund pursuant to financial regulation 9.3.

#### **Assets**

2.23 Assessed contributions receivable represent legal obligations due from Member States. Details of the receivables are provided in a schedule to the financial statements. A full provision for outstanding assessed contributions for the previous fiscal periods is made at the end of the current fiscal period.

2.24 Funds on deposit in interest-bearing bank accounts, certificates of deposit, time deposits and call accounts are shown as cash and term deposits.

2.25 Expenditure items that are not properly chargeable in the current fiscal period and that will be charged as expenditure in a subsequent fiscal period are shown under other assets as deferred charges. For balance sheet statement purposes only, that portion of the education grant advance, which is assumed to pertain to the scholastic year completed as at the date of the financial statement, is also shown under deferred charges.

#### **Liabilities and reserves**

2.26 In accordance with financial regulation 5.2(d), the unencumbered balance of appropriations adjusted against future assessments as requested by certain Member States and contributions received in advance for 2007 and future years are held as a liability until applied against assessments for future fiscal periods.

2.27 For the regular budget, obligations made and outstanding against the current fiscal period are shown as unliquidated obligations. According to financial regulation 4.2(b), these obligations remain valid for twelve months following the end of the fiscal period to which they relate. At the end of the twelve months the unliquidated obligations are terminated.

2.28 For all technical cooperation activities, unliquidated obligations meeting the established criteria remain valid for twelve months after the end of each calendar year. However, in accordance with established policy, these obligations may be retained beyond twelve months, when a firm liability to pay still exists and/or until the completion of activities under relevant projects.

2.29 No provision is made in the General Fund for end-of-service entitlements, after-service health insurance or meeting potential liabilities under appendix D to the Staff Rules of UNIDO, as funds are provided for in the budget appropriations to meet the obligations on a pay-as-you-go basis. However, provision is made to meet repatriation grant entitlements and potential liabilities for compensation payments under appendix D to the Staff Rules for personnel financed by technical cooperation resources other than inter-organization arrangements and certain trust funds and are

calculated on the basis of eight per cent and one per cent of net base pay, respectively (refer to Note 2.32).

#### **Savings on or cancellation of prior period obligations**

2.30 Savings on or cancellation of obligations relating to the regular budget unliquidated obligations for the prior fiscal period are credited to Member States in the current fiscal period in accordance with financial regulation 4.2(c). Savings on or the cancellation of prior year obligations in respect of all technical cooperation activities are credited to individual projects as a reduction of the current year expenditure or as miscellaneous income for completed projects. For BMS, the savings on or the cancellation of obligations for the prior period is credited to the special account in the current period.

#### **Commitments and contingent liabilities**

2.31 Commitments, approved for future fiscal periods that are necessary in the interest of UNIDO in accordance with financial rule 109.2.2, are disclosed in the notes to the financial statements of the respective fund. Such commitments are normally restricted to administrative requirements of a continuing nature and to other contracts or legal obligations where long lead times are required for delivery.

2.32 Contingent liabilities for end-of-service entitlements, after-service health insurance and for any pending litigations are disclosed in the notes to the financial statements (refer to Note 2.29).

#### **Special account for Regular Programme of Technical Cooperation (RPTC)**

2.33 The appropriations for the Regular Programme of Technical Cooperation (RPTC) are administered in accordance with the Financial Regulations of UNIDO, and in accordance with General Conference decision GC.9/Dec.14.

2.34 Miscellaneous income from refunds for completed projects and exchange differences relating to the RPTC are credited to the special account.

2.35 The criteria for recording and reporting unliquidated obligations against the current year for the RPTC are the same as those for technical cooperation activities. Savings on or cancellation of obligations are credited to the relevant projects under RPTC and retained in the special account for carrying out RPTC activities.

#### **Special account for programme support costs**

2.36 Income from programme support costs, charged in respect of programme expenditure under extrabudgetary technical cooperation activities, is recognized in the event of the establishment of obligations or on disbursements, and is credited to the special account for financing the operational budget.

2.37 In the financial statements of the Organization, the special account for programme support costs is shown separately from the inter-organization funds, from which its income derives.

2.38 Unliquidated obligations in respect of the special account for programme support costs are accounted for on the same basis as for the regular budget. Savings

on or cancellations of obligations are credited to the special account for programme support costs.

### Note 3: General Fund and Working Capital Fund

#### 3.1 Assessed contributions

The General Conference approved that an amount of €75,392,800 of the regular budget for the year 2006 (GC.11/Dec.18) be financed from assessed contributions by Member States. In accordance with financial regulation 5.5(c), payments made by a Member State are credited first to the Working Capital Fund and then to the contributions due, in the order in which the Member State was assessed. Full provision of €114,052,177 is made for assessed contributions outstanding for prior bienniums as at 31 December 2006.

#### 3.2 Voluntary contributions

These represent host-Government contributions towards the operational costs of UNIDO field offices.

#### 3.3 Revenue-producing activities

Gross revenue from the sale of UNIDO publications was €99,522, one-half of which (€49,761) is reported under revenue producing activities and the other half was transferred to the sales publications revolving fund (refer to Note 3.14(i)).

#### 3.4 Interest income

Interest income of €732,300 represents one-half of the budgetary estimate contained in the programme and budgets for the biennium 2006-2007. According to decision GC.8/Dec.10, the excess interest amounting to €743,679 is set aside pending distribution to eligible Member States in accordance with the "S" curve formula as an incentive for prompt payment of assessed contributions.

	€ 000's	
	2006	2004
Opening balance	345.3	233.7
Less: Credited to Member States	-	2.1
Excess interest for the period	743.7	57.9
<b>Closing balance</b>	<b>1,089.0</b>	<b>289.5</b>

#### 3.5 Currency exchange adjustments

The amount of €295,666 represents the net realized exchange loss from regular budget activities, primarily arising from revaluation of non-euro bank balances.

#### 3.6 Miscellaneous income

	€ 000's	
	2006	2004
Refund of prior periods expenditure	32.5	46.1

Commissions from travel agent	44.9	48.3
Support costs <sup>(a)</sup>	186.6	171.1
Sale of surplus property	7.6	6.9
Other miscellaneous	60.8	55.6
<b>Total</b>	<b>332.4</b>	<b>328.0</b>

<sup>(a)</sup> This relates to CTBTO support costs charged on BMS activities.

### 3.7 Prior biennium adjustments

The prior biennium adjustments comprise:

	€
(a) A charge for the biennium 2000-2001 in respect of a payment made to a UNIDO staff member as ruled by ILOAT;	3,264
(b) Correction of error between BMS and regular budget	4,485
(c) Various late charges for the biennium 2004-2005;	12,673
(d) A charge for the bienniums 2002-2003 and 2004-2005 in respect of a payment made to a former staff member as ruled by ILOAT;	247,261
(e) Late charges and recoveries for bienniums 2002-2003 and 2004-2005 on SRA activities	(13,338)
<b>Total</b>	<b>254,345</b>

### 3.8 Savings on or cancellation of obligations from the prior biennium

In accordance with financial regulation 4.2(c), the savings on or cancellation of obligations relating to the regular budget unliquidated obligations for biennium 2004-2005 credited to Member States in 2006 amounted to €2,959,357.

### 3.9 Accounts receivable – other

	€ 000's	
	2006	2004
Salary advances	46.9	53.9
Education grant advances	877.7	828.9
Travel advances	195.2	124.7
Receivables from VBOs	68.8	221.7
US income tax recoverable <sup>(a)</sup>	955.8	955.8
VAT Austria	195.0	148.6
Accrued interest	218.9	54.3
Other miscellaneous <sup>(b)</sup>	1,309.9	1,353.3
<b>Subtotal</b>	<b>3,868.2</b>	<b>3,741.2</b>
Less: Provision for doubtful receivables	(723.7)	(723.7)
<b>Total</b>	<b>3,144.5</b>	<b>3,017.5</b>

- (a) Organization's claim submitted to the Government of the United States of America in respect of United States income tax reimbursed to UNIDO staff members during the period 1994 to 1996 under the Tax Reimbursement Agreement. The Government of the United States of America had communicated to the Organization that it acknowledged this debt, however, no payment was received during the year.
- (b) Includes the Organization's claim to the International Atomic Energy Agency under the cost-sharing agreement for termination indemnity costs for Buildings Management staff separated during the 1995 staff reduction exercise not resolved. The amount claimed is \$644,453 (€723,720 at the United Nations operational rate of exchange approved by the ninth session of the General Conference (GC.9/Dec.15)). A provision has been made for a possible write-off of this receivable.

### 3.10 Other assets

Other assets include the deferred expenditure shown below.

	€ 000's	
	2006	2004
Advances against future years obligations	3.6	49.1
Deferred education grant advances	585.1	552.6
Other miscellaneous	1.6	12.8
<b>Total</b>	<b>590.3</b>	<b>614.5</b>

### 3.11 Payments or contributions received in advance

This amount includes, assessed contributions of €939,817 received from Member States to be applied against the 2007 assessment and advances of €1,510,873 received from VIC-based organizations for special work programmes carried-out by BMS at the VIC.

### 3.12 Accounts payable – other

	€ 000's	
	2006	2004
Unencumbered balances due to Member States	3,321.8	3,624.3
Incentive scheme interest due to Member States	1,089.0	289.5
Accruals for maternity leave replacements	168.9	206.5
Due to United Nations	156.6	124.6
Prior years' obligations	500.5	-
Miscellaneous payables	384.6	414.7
Other clearing accounts	142.2	1,117.6
<b>Total</b>	<b>5,763.6</b>	<b>5,777.2</b>

### 3.13 Borrowings

At the time UNIDO became a specialized agency, an interest-free loan of \$16,000,000 was received from the United Nations, which was repaid at \$1 million per annum. The loan was fully paid-off during the previous biennium.



**3.14 Other reserves**

Total other reserves of €17,889,834 comprise the following:

**(i) Sales publication revolving fund**

The sales publication revolving fund was established in the biennium 1998-1999 as contained in the programme and budgets (GC.7/21) and pursuant to decision GC.7/Dec.16 to support longer range planning of publication activities, including promotion, marketing and re-printing of publications. The fund is credited with one-half of the income generated from the sale of publications and charged with the full costs related to promotions, marketing and publication activities as shown below.

	€ 000's	
	2006	2004
Sales	99.5	75.5
Less: Transfer to revenue producing activities	49.8	37.7
Less: Promotional and other costs	3.9	26.6
Surplus/(deficit) for the period	45.8	11.2
Opening balance	130.1	121.1
<b>Closing balance</b>	<b>175.9</b>	<b>132.3</b>

**(ii) Separation indemnity reserves**

Pursuant to decision GC.6/Dec.15, paragraph (e), the amount of \$9,546,732 representing the balance of appropriations for the biennium 1992-1993, which was actually received by the Organization, was transferred to a separation indemnity reserve in 1995. Pursuant to General Conference decision GC.7/Dec.17, the amount of \$13.9 million was transferred from the unencumbered balance of appropriations for the biennium 1994-1995 for the funding of the separation indemnity reserve to meet the cost of staff separations resulting from the 1998-1999 programme and budgets. Unlike the previous allocation from the biennium 1992-1993, the allocation from the biennium 1994-1995 was not supported by actual cash, as large arrears for this biennium exist. The cumulative payments made during the period 1995 to 2001 from both reserves amounts to \$18,546,191. The remaining balance of \$4,900,541 was converted to euros on 1 January 2002 using the exchange rate approved by the General Conference (GC.9/Dec.15).

	€ 000's	
	2006	2004
Opening balance	5,499.3	5,499.3
Less: Payments made during the year	-	-
<b>Closing balance</b>	<b>5,499.3</b>	<b>5,499.3</b>

**(iii) Reserve for exchange rate fluctuations**

In decision GC.8/Dec.16 the General Conference authorized the Director-General to establish a reserve, not subject to the provisions of financial regulations 4.2(b) and

4.2(c). Consequently, the reserve was established in the biennium 2002-2003 in order to protect the Organization from exchange rate fluctuations resulting from the introduction of the euro as a single currency for the preparation of the programme and budgets, appropriation and assessment, collection of contributions and advances, and currency of accounts. The balance of €7,748,581 as at 31 December 2006 represents the amounts set aside in the previous bienniums.

	€ 000's	
	2006	2004
Opening balance	7,748.6	1,840.8
Transfers during the year	-	-
<b>Closing balance</b>	<b>7,748.6</b>	<b>1,840.8</b>

#### (iv) Special account for Regular Programme of Technical Cooperation (RPTC)

In accordance with General Conference decision GC.9/Dec.14, a special account was established for fully programmable appropriations under the RPTC, not subject to financial regulations 4.2(b) and 4.2(c). Funds from cancellation of obligations, if any, would be retained in the special account for carrying out RPTC activities (refer to Notes 2.33 to 2.35).

	€ 000's	
	2006	2004
Appropriations from regular budget	4,411.8	4,313.9
Currency exchange adjustment/misc. charges	64.4	45.2
Total income	4,476.2	4,359.1
Expenditure	(2,907.6)	(3,959.4)
Surplus for the period	1,568.6	399.7
Opening balance	2,897.4	2,468.1
<b>Closing balance</b>	<b>4,466.0</b>	<b>2,867.8</b>

### 3.15 Working Capital Fund

General Conference decision GC.2/Dec.27 established the Working Capital Fund at \$9 million for the purpose of financing budgetary appropriations pending the receipt of contributions and unforeseen and extraordinary expenditure. At subsequent General Conferences, the level of the Fund was progressively reduced to \$6,610,000. With the introduction of the euro assessment effective as of 1 January 2002, the amount was converted to euros in accordance with GC.9/Dec.15, resulting in a Working Capital Fund of €7,423,030. The General Conference (GC.11/Dec.14) decided to maintain the Fund at the same level for the biennium 2006-2007. The Fund is financed through assessments of Member States based on the scale of assessments approved by the General Conference.

	€ 000's	
	2006	2004
Opening balance	7,423.0	7,423.4
Adjustments during the period	0.1	(0.4)
<b>Closing balance</b>	<b>7,423.1</b>	<b>7,423.0</b>

As of 31 December 2006 an amount of €12,716 was outstanding. In accordance with Board decision IDB.29/Dec.4, the amount of €176,256 utilized to pre-finance security enhancements expenditure at the VIC in 2004-2005 from the Working Capital Fund, was replenished in 2006 from the collections of supplementary assessments made for security enhancements.

### 3.16 Credits/surpluses due to Member States

Surpluses due to Member States are funds available for credit to Member States arising from unencumbered balances of the appropriations and contributions from new Member States. In accordance with financial regulation 4.2(b), the unencumbered balance of the appropriations at the end of a fiscal period shall be surrendered to the Members at the end of the first calendar year following the fiscal period after deducting there from any contributions from Members relating to that fiscal period which remain unpaid, and shall be credited to the Members in proportion to their assessed contributions in accordance with the provisions of the financial regulations 4.2(c) and 5.2(d). Financial regulation 4.2(c) requires that, before the respective share of the balance is surrendered to any Member that has outstanding regular budget obligations to the Organization, those obligations shall first be brought to account.

As at the balance sheet date, the surpluses due for distribution—representing assessed contributions received for prior bienniums together with receipts from new Member States are set-aside in “accounts payable—other” (see Note 3.12), pending receipt of Member States’ instructions.

	€ 000's	
	2006	2004
Unencumbered balance brought forward	4,419.7	5,295.6
Contributions received during the period	1,977.2	2,941.1
Applied to assessments, retained for technical cooperation activities or refunded to Member States	(3,075.1)	(4,612.4)
<b>Unencumbered balance carried forward</b>	<b>3,321.8</b>	<b>3,624.3</b>

The following is a cumulative analysis of the surpluses due to Member States, expressed in millions of euros.

	<i>Surplus</i>	<i>Surpluses disposed and applied to assessments</i>	<i>Prior biennium adjustments</i>	<i>Surpluses due for distribution</i>	<i>Provisions for delays in the collection of contributions</i>	<i>Surpluses due to Member States</i>	<i>Remarks</i>
2006	15.3					15.3	Provisional
2004-2005	13.8		(0.2)		8.3	5.3	
2002-2003	10.3	1.9	(0.1)	0.7	6.8	0.8	
2000-2001	10.3	4.0		0.5	5.7	0.1	
1998-1999	14.3	5.9		0.5	7.8	0.1	
1996-1997 (GC.8/Res.4)	46.9	7.9		1.5	38.0	(0.5)	
1994-1995 (GC.7/Dec.17)	35.3	15.6			44.2	(24.5)	
1992-1993 (GC.6/Dec.15) (GC.8/Dec.10) (GC.8/Res.4)	16.5	14.5		0.1	1.9	0.0	
1990-1991	9.8				1.1	8.7	Retained– GC.5/Dec. 14
1988-1989	7.3				0.2	7.1	Retained– GC.4/Dec. 15
1986-1987 (GC4/Dec.15)	4.8	4.8				0.0	
<b>Total</b>	<b>184.6</b>	<b>54.6</b>	<b>(0.3)</b>	<b>3.3</b>	<b>114.0</b>	<b>12.4</b>	
Contributions from new Member States	1.9	1.7			0.1	0.1	
<b>Total</b>	<b>186.5</b>	<b>56.3</b>	<b>(0.3)</b>	<b>3.3</b>	<b>114.1</b>	<b>12.5</b>	

### 3.17 Eliminations

Eliminations comprise two elements as shown below:

- (a) Buildings Management Service costs charged to UNIDO. An amount of €3,638,043 is eliminated from both operating costs and contractual services and income to avoid double counting of UNIDO's contribution to buildings management costs;
- (b) Expenditure of €3,948,294 on RPTC and SRA activities is re-analysed into its component parts.

### 3.18 Contributions in kind

Contributions in kind estimated at €156,168 were received from Member States in support of UNIDO field offices during the year.

**3.19 Ex gratia payments**

No ex gratia payments were made during the year.

**3.20 Non-expendable equipment**

The following table shows the Headquarters non-expendable equipment, at cost, expressed in millions of euros, according to the cumulative inventory records of UNIDO as at 31 December 2006. The minimum value for recognition of non-expendable property is €1,700 per item.

	<b>2006</b>	<b>2004</b>
Opening balance	8.6	12.6
Adjustments to the opening balance	-	0.1
Adjusted opening balance	8.6	12.7
Add: Acquisitions during period	0.2	0.5
Deduct: Disposals during period	(0.2)	(1.0)
<b>Closing balance</b>	<b>8.6</b>	<b>12.2</b>

The historical value of non-expendable property at UNIDO field office locations at 31 December 2006 amounted to €1.8 million. In addition, special items with a unit value of €600 or more are maintained in inventory records for Headquarters and field offices and amounted to €2.7 million and €0.4 million respectively at 31 December 2006.

**3.21 Contingent liabilities****(i) End-of-service payment to staff**

In line with United Nations accounting standards, liabilities for end-of-service payments comprise end-of-service allowance, repatriation grant and compensation for accrued annual leave. To provide a more realistic estimate, the amount required for the removal of household goods has also been included. The valuation as at 31 December 2006 is based on the United Nations salary scale and the entitlements defined in the Staff Regulations and Rules, as well as taking into account the average of actual costs of removal expenses of staff separating during the year 2006. The amounts are estimated to be:

Regular budget      €18.6 million

Operational budget   €4.4 million

Post-retirement benefits are excluded.

No provision is made for this liability, except in the case of the operational budget, as reflected in Statement II and Note 4.7 (operating reserve).

**(ii) The United Nations Joint Staff Pension Fund**

UNIDO is a member organization participating in the United Nations Joint Staff Pension Fund (UNJSPF), which was established by the United Nations General Assembly to provide retirement, death, disability and related benefits. The Pension

Fund is a funded defined benefit plan. The financial obligation of the Organization to the United Nations Joint Staff Pension Fund consists of its mandated contribution at the rate established by the United Nations General Assembly, together with any share of any actuarial deficiency payments under Article 26 of the Regulations of the Fund. Such deficiency payments are only payable if and when the United Nations General Assembly has invoked the provision of Article 26, following determination that there is a requirement for deficiency payments based on an assessment of the actuarial sufficiency of the Fund as of the valuation date. At the time of this report, the United Nations General Assembly has not invoked this provision.

**(iii) After-service health insurance**

Staff members (their spouses, dependent children or survivors) retiring from service under the Pension Fund regulations at age 55 or later are eligible for after-service health insurance coverage after having been a participant in a contributory health insurance scheme of the common system for at least 10 years. The same applies to staff members receiving compensation for disability under Appendix D to the staff rules. Costs of participation in this scheme are borne on the basis of joint contributions by UNIDO and the participants concerned.

During the year, the Organization's contribution to the scheme amounted to €2,024,479. The contributions against the Buildings Management Services amounted to €77,612, which was cost-shared with other VIC-based organizations. In accordance with Programme and Budget Committee conclusion 2000/2, a detailed actuarial study to determine the financial impact of the after-service health insurance was carried out in 2000. The actuarial valuation was updated in early 2006 using the same demographic assumptions as used by the UNJSPF. According to the updated valuation, the level of unfunded liabilities as at 31 December 2005 was €69.6 million (\$82.3 million based on the period end exchange rate). A United Nations system-wide solution is being sought to address the issue of unfunded liabilities. The lead agency on this issue, established by the High-level Committee on Management, is the United Nations, who recently submitted a report to the General Assembly.

**(iv) Appeal cases**

The contingent liabilities on pending staff related appeals with ILOAT as at 31 December 2006 amounts to €451,994.

**(v) Major repairs and replacements at the Vienna International Centre**

Under a new agreement reached between the VIC-based organizations and the Republic of Austria in 2002, costs related to unexpected major repairs and replacements, which are not included in the agreed investment plan, will have to be shared equally between the Austrian Government and the VIC-based organizations. In the past, such costs were fully absorbed by the Austrian Government. No provisions have been made for such unforeseen expenditure in the financial statements.

**Note 4: Other Headquarters funds****4.1 Funds reported under this heading comprise:**

- (i) Special Account for Programme Support Costs;
- (ii) Computer Model for Feasibility Analysis and Reporting (COMFAR);
- (iii) Buildings Management Services (BMS);
- (iv) Special Account for Security Enhancements at the VIC.

**4.2 Buildings management services**

With effect from 1 January 2002, the General Conference approved (GC.9/Dec.17) BMS as a separate, self-balancing major programme in the programme and budgets of UNIDO. All BMS expenditures are offset by income, i.e. contributions received from other VIC-based organizations and from UNIDO. Consequently, under the UNIDO General Fund, only UNIDO's share of the BMS operations is included (reference IDB.24/3-PBC.17/3). In view of the above, the BMS is reported under other Headquarters funds beginning biennium 2002-2003. The General Fund and Working Capital Fund now show only UNIDO's contribution to BMS costs. The BMS operations are further split into two components:

- (i) Staff costs: This continues to be subject to the provisions of financial regulations 4.2(b) and 4.2(c);
- (ii) Special account for Buildings Management Services (for other than staff costs): The ninth session of the General Conference (GC.9/Dec.14) established with effect from January 2002 a special account for BMS (for other than staff costs), which is not subject to financial regulations 4.2(b) and 4.2(c). Thus the budgetary surplus, if any, will not require distribution to Member States. Each VIC-based organization (UNIDO, IAEA, UNOV and CTBTO) is required to pay its share into this account.

Additional analysis of BMS operations is provided in schedule 4 and the analysis on the special account is provided in annex III. The surplus of €23,261,632 on the special account for BMS costs does not form part of the unencumbered balances of the appropriations due to Member States at the end of the year and is used for planned activities having multi-year implementation schedules. This amount includes €9,700,215 due from the International Atomic Energy Agency.

**4.3 Special account for security enhancements at the VIC**

The General Conference at its eleventh session (GC.11/Dec.15) established a special account with effect from the biennium 2004-2005, for the purpose of financing UNIDO's share of the security enhancements at the VIC. The special account is not subject to financial regulations 4.2(b) and 4.2(c). Pending the issuance of supplementary assessments to Member States in 2006, the Board (IDB.29/Dec.4) approved the temporary withdrawal of €176,256 for security expenditure from the Working Capital Fund in biennium 2004-2005. Following the assessments in 2006, the Working Capital Fund was replenished during the year. Due to the specific purpose and duration of the special account, it is classified under other Headquarters funds in the financial statements.

#### 4.4 Income and expenditure and changes in fund balances

The following is an analysis of income and expenditure during the year for the funds reported under this heading:

	<i>Special account for programme support costs <sup>(a)</sup></i>	<i>Computer Model for Feasibility and Analysis</i>	<i>Buildings Management Services</i>	<i>Special account for security enhancements</i>	<i>Total</i>
<i>(In thousands of euros)</i>					
Income	8,980.4	303.1	24,944.2		34,227.7
Less: Expenditure	7,748.1	87.5	17,361.4	146.0	25,343.0
Excess (shortfall) of income over expenditure	1,232.3	215.6	7,582.8	(146.0)	8,884.7
Savings on cancellation of prior biennium obligations and prior biennium adjustments	469.2		91.8		561.0
Net excess (shortfall) of income over expenditure	1,701.5	215.6	7,674.6	(146.0)	9,445.7
Opening balance	5,160.4	494.0	15,587.1	2,408.9	23,650.4
Closing balance	6,861.9	709.6	23,261.7*	2,262.9	33,096.1

\* Relates to the special account (see annex III).

<sup>(a)</sup> Reimbursement for programme support costs is calculated as a percentage of programme resources expended. The Multilateral Fund for the Montreal Protocol, under a new arrangement that became effective January 2006, makes an annual lump sum payment of US\$ 1.7 million as support cost for the implementation of its programme/projects; this amount is recorded as current year income. The Fund also pays a reduced support cost in respect of each of its projects, which, similar to most other technical cooperation activities, is calculated as a percentage of programme resources expended.

#### 4.5 Currency adjustment

The €759,149 exchange difference results primarily from the revaluation of the United States dollar cash and term deposits held by the special account for programme support costs.

#### 4.6 Accounts receivable — other

Accounts receivable—other is represented by:

	€ 000's	
	2006	2004
Accrued interest	164.4	41.2
Receivable from VBOs to BMS	10,505.2	5,016.8
Accounts receivable	330.6	398.4
VAT Austria	669.0	489.8
Austrian energy tax and Elektrizitaetswirtschafts- und-organizationsgesetz (ELWOG) <sup>(a)</sup>	798.6	610.8
Accrued income	678.7	575.9
Other	383.3	1,220.0



Subtotal	13,529.8	8,352.9
Less: Provision for doubtful receivables	(662.7)	(349.1)
<b>Total</b>	<b>12,867.1</b>	<b>8,003.8</b>

<sup>(a)</sup> In the special account for Buildings Management Services, accounts receivable includes an amount representing a claim for reimbursement from the Austrian authorities for stranded costs, Renewable Energy Surcharge and KWK-Zuschlag. A full provision has been made for the outstanding amount.

#### 4.7 Operating reserve

An operating reserve, established in respect of the special account for programme support costs in accordance with PBC conclusion 1989/4 at \$5,504,190 was reduced to \$4,300,000 (€4,828,900) in accordance with Board decision IDB.14/Dec.12. The purpose of the reserve is primarily to protect against unforeseen shortfalls in delivery and support cost income, for inflation and currency adjustments and to liquidate legal obligations in the case of abrupt termination of operational budget activities. By decision IDB.30/Dec.2, the Board approved the level of the operating reserve for the biennium 2006-2007 at €3,030,000.

	€ 000's	
	2006	2004
Opening balance	5,160.4	3,133.1
Surplus/(deficit) for the period	1,701.5	517.3
<b>Closing balance</b>	<b>6,861.9</b>	<b>3,650.4</b>

#### 4.8 Contributions in kind

Contributions in kind estimated at €63,476 were received from Member States in support of UNIDO projects.

### Note 5: Technical cooperation

#### 5.1 Technical cooperation activities

Technical cooperation activities reported under this heading comprise activities executed by UNIDO with funds provided through the Industrial Development Fund, trust funds, Multilateral Fund for the Montreal Protocol, Global Environment Facility and inter-organization arrangements with UNDP and UNEP. These activities are governed by various bilateral and multilateral agreements signed between donor(s) and UNIDO.

#### 5.2 Presentation of technical cooperation activities

A majority of voluntary contributions is received in United States dollars for projects programmable almost exclusively in that currency. From biennium 2004-2005, euro-based management of technical cooperation programmes enabled projects to be programmed in euros. Consequently, segregated accounting and reporting for United States dollar-based and euro-based technical cooperation projects was introduced. Accordingly, financial statements in Annex I, Tables 1 and 2 are provided in both United States dollars and euros for dollar-based projects and in euros only for euro-based projects. Therefore, unlike the previous periods,

financial statements for euro-based projects are no longer included in the United States dollar tables.

However, in order to present consolidated financial statements (Statements I and II) of UNIDO for the year ending 31 December 2006, all technical cooperation activities required translation to euros. The combined statements, Tables 1 and 2 presented in euros in Annex I, are prepared on the basis described in Note 2.9.

### 5.3 Currency exchange adjustment

(a) In Annex I, Table 1 - US dollar statements represent project funds where contributions are received and programmed almost exclusively in United States dollars. All exchange gains or losses arising from transactions and revaluation of non-US dollar assets and liabilities are recorded as currency exchange adjustment under other income.

(b) In Annex I, Table 1 - euro statements represent the euro-based projects for which funds are received and programmed almost exclusively in euros. All exchange gains or losses arising from transactions and revaluation of non-euro assets and liabilities are recorded as currency exchange adjustment under other income.

(c) Where applicable, the resulting exchange gains or losses are transferred to the respective donor accounts.

### 5.4 Transfers to reserves

This represents the charge to projects in respect of the provision for compensation payments under Appendix D to the staff rules. The year-end reserve comprises of the following:

	<i>€ 000's</i>				<i>Total</i>	
	<i>Industrial Development Fund</i>	<i>Montreal Protocol</i>	<i>Global Environment Facility</i>	<i>Trust funds</i>	<i>2006</i>	<i>2004</i>
Opening balance	1,219.8	17.6	19.3	1,060.5	2,317.2	1,984.9
Transfers during the year	50.4	3.8	3.9	57.4	115.5	103.2
Revaluation adjustment	(118.2)	(1.9)	(2.1)	(103.8)	(226.0)	(166.8)
<b>Closing balance</b>	<b>1,152.0</b>	<b>19.5</b>	<b>21.1</b>	<b>1,014.1</b>	<b>2,206.7</b>	<b>1,921.3</b>

### 5.5 Currency translation

Currency translations represent exchange differences from the conversion of assets and liabilities of United States dollar-based technical cooperation projects to euros at the closing rate for consolidation purposes only (refer to Note 2.9). The cumulative balance of currency translation as at 31 December 2006 is represented by:

	€ '000						Total	
	IDF	MP	GEF	TF	IOA*			
						2006	2004	
Opening balance	(16,214.1)	(10,959.4)	(3,103.4)	(10,142.7)	61.1	(40,358.5)	(45,439.2)	
Adjustments during the period	(2,815.7)	(4,142.5)	(165.4)	(4,249.5)	(167.2)	(11,540.3) <sup>(a)</sup>	(9,557.5)	
<b>Closing balance</b>	<b>(19,029.8)</b>	<b>(15,101.9)</b>	<b>(3,268.8)</b>	<b>(14,392.2)</b>	<b>(106.1)</b>	<b>(51,898.8)</b>	<b>(54,996.7)</b>	

\* Inter-organization arrangements

<sup>(a)</sup> In addition, revaluation adjustments of €226,116 in Note 5.4 and €46,750 on operating reserve disclosed in Note 5.11 represent the total currency translation reported in Statement I.

### 5.6 Promissory notes from Multilateral Fund for the Montreal Protocol

Promissory notes in favour of UNIDO held by the Multilateral Fund for the implementation of the Montreal Protocol to the value of \$18,779,814 (€15,868,943) as at 31 December 2005 were encashed during 2006.

### 5.7 Accounts Receivable - other

Other accounts receivable comprise of:

	€ 000's					Total	
	IDF	MP	GEF	TF	IOA		
						2006	2004
Travel advances	30.1	11.0	7.6	48.6	42.5	139.8	165.9
Accrued interest	256.2	445.5	37.4	510.6	11.8	1,261.5	524.0
VAT	13.4	0.6	0.3	9.4	1.2	24.9	7.0
Other	56.5			75.9	177.1	309.5	1,195.0
<b>Total</b>	<b>356.2</b>	<b>457.1</b>	<b>45.3</b>	<b>644.5</b>	<b>232.6</b>	<b>1,735.7</b>	<b>1,891.9</b>

### 5.8 Other assets

Other assets include:

	€ 000's					Total	
	IDF	MP	GEF	TF	IOA		
						2006	2004
Advances against future years' obligations	3.0	2.7		24.9		30.6	38.5
Deferred expenditure		9.9		1,147.6	18.5	1,176.0	-
Other				1.9	5,441.9 <sup>(a)</sup>	5,443.8	4,160.8
<b>Total</b>	<b>3.0</b>	<b>12.6</b>	<b>-</b>	<b>1,174.4</b>	<b>5,460.4</b>	<b>6,650.4</b>	<b>4,199.3</b>

<sup>(a)</sup> Includes the unprocessed field inter-office vouchers (IOVs) as of 31 December 2006 amounting to \$6,959,511 (€5,289,291). The unprocessed IOV balance at year-end comprises an amount of \$482,467 (€366,675) rejected due to insufficient information and \$653,431 (€496,670) held in suspense. With the exception of an immaterial amount of straight expenditures, related to service charges, communications costs and terminated obligations, all disbursements made by UNDP on behalf of UNIDO are covered by obligations.

### 5.9 Payments or contributions received in advance

The amount of \$6,592,860 (€5,010,510) reflects the funds under clearing accounts for UNDP activities as illustrated in Annex II.

### 5.10 Accounts Payable - other

As at 31 December 2006, the amounts represented in accounts payable – other were as follows:

	<i>€ 000's</i>						<i>Total</i>	
	<i>IDF</i>	<i>MP</i>	<i>GEF</i>	<i>TF</i>	<i>IOA</i>	<i>2006</i>	<i>2004</i>	
	Interest on donor funds <sup>(a)</sup>	5,147.6		627.0	6,789.5		12,564.1	6,562.0
Exchange gains <sup>(b)</sup>				2,427.9		2,427.9	6,197.4	
Accruals for end-of-service payments	292.4			864.0	7.8	1,164.2	1,147.9	
Prior years' obligations <sup>(c)</sup>	1,103.7	4,687.2	1,769.6	2,145.2	899.0	10,604.7	9,290.3	
Other	63.3	2.9		311.4	707.4	1,085.0	2,428.8	
<b>Total</b>	<b>6,607.0</b>	<b>4,690.1</b>	<b>2,396.6</b>	<b>12,538.0</b>	<b>1,614.2</b>	<b>27,845.9</b>	<b>25,626.4</b>	

<sup>(a)</sup> The treatment of the interest income earned from the investment of funds, net of bank charges, exchange gains and losses is governed by agreements with donors. This may include the return of such funds to donors, or their transfer to other projects, in which case they will be shown as voluntary contributions.

<sup>(b)</sup> The amount of €2,427,936 (\$3,194,653) as at 31 December 2006 represents the remaining balance of realized gains arising from the revaluation of euro denominated cash and term deposits held by Trust Funds, prior to the introduction of euro management of technical cooperation projects in the biennium 2004-2005. The balance remains undistributed pending a decision on its utilization.

<sup>(c)</sup> Prior years' obligations represent unliquidated obligations from periods prior to 2006 as these obligations may be retained beyond twelve months, when a firm liability to pay still exists and/or until the completion of activities under relevant projects (refer to Note 2.28).

### 5.11 Operating reserves

The Industrial Development Board, in decision IDB.2/Dec.7, authorized the freezing of the operational reserve of the Industrial Development Fund at \$550,000 (€418,000 at the United Nations rate of exchange as at 31 December 2006). The purpose of the reserve is to ensure the financial liquidity of the Fund and to compensate for uneven cash flows.

### 5.12 Surplus

The amount of €5,058,378 represents the accumulated surplus under the general-purpose segment of the Industrial Development Fund. It comprises \$2,145,092 (€3,171,840) United States dollar contributions and €1,886,538 euro contributions to the Fund.

### 5.13 Cash and term deposits

The equivalent of \$1,278,374 (€971,564) is held in currencies classified as non-convertible, as follows:

	<u>US\$ 000's</u>	<u>€000's</u>
Industrial Development Fund	654.1	497.1
Trust funds	624.2	474.4
	<u>1,278.3</u>	<u>971.5</u>

#### 5.14 Commitments

Commitments, representing legal obligations for which disbursements will be made in future years, were entered into prior to 31 December 2006, as listed below:

	<u>US\$ 000's</u>	<u>€000's</u>
Industrial Development Fund	2,033.8	1,590.0
Montreal Protocol	1,680.9	1,378.1
Global Environment Facility	203.8	158.5
Trust funds	6,721.7	5,214.3
Regular Programme of Technical Cooperation	206.8	159.1
Inter-organization arrangements	387.7	300.8
	<u>11,234.7</u>	<u>8,800.8</u>

#### 5.15 Contributions in kind

Contributions in kind estimated at \$569,843 (€453,847) were received from Member States in support of UNIDO projects and \$12,556 (€10,000) in support of project travel.

#### 5.16 Ex gratia payments

No ex gratia payments were made during the year.

#### 5.17 Non-expendable equipment

UNIDO maintains inventory records of property related to technical cooperation activities until its transfer to the project counterpart at the completion of the project. According to the cumulative inventory records, the historical value of such non-expendable property totalled €46.0 million as at 31 December 2006. The minimum value for recognition of non-expendable property is €1,700 per item. In addition, a separate inventory is maintained for special items with a unit value of €600 or more and amounted to €2.2 million at 31 December 2006.

During the year, non-expendable equipment to the value of €1,558 was reported as stolen and written off in the inventory records.

**Notes to the financial statements – Annex I**  
**TECHNICAL COOPERATION ACTIVITIES EXECUTED BY UNIDO**  
**Table 1. Combined statement of income and expenditure and changes in reserves**  
**and fund balances for the year ended 31 December 2006**  
(In thousands of euros)

	Regular Programme	Industrial Development Fund	Montreal Protocol	GEF	Trust Fund	Inter-organization arrangements	Subtotal Extrabudgetary Funds	Total
<b>INCOME</b>								
Voluntary contributions		16,853.8	17,102.2	1,632.1	30,117.0	3,294.1	68,999.2	68,999.2
Other income								
- Funds received under inter-organization arrangements						5,459.5	5,459.5	5,459.5
- Allocations from other funds	2,843.2	180.6	2,319.0			139.5	2,639.1	2,843.2
- Interest income								2,639.1
- Currency exchange adjustments	69.7	82.0			85.8		167.8	237.5
- Miscellaneous	(5.3)	(1.3)				(1.6)	(2.9)	(8.2)
<b>TOTAL INCOME</b>	2,907.6	17,115.1	19,421.2	1,632.1	30,202.8	8,891.5	77,262.7	80,170.3
<b>EXPENDITURE</b>								
Salaries and common staff costs	1,956.1	9,799.0	1,602.5	833.4	13,867.9	3,128.1	29,230.9	31,187.0
Contractual services	207.8	864.6	17,484.7	654.3	6,103.1	3,100.0	28,206.7	28,414.5
Operational expenses	194.1	764.3	408.9	30.9	1,289.0	419.7	2,912.8	3,106.9
Acquisitions	286.7	3,382.3	11,795.2	8.3	5,005.2	206.8	20,397.8	20,684.5
Fellowships	262.9	1,067.8	588.5	181.3	3,119.5	1,246.0	6,203.1	6,466.0
Programme support costs		1,895.7	3,936.8	141.5	2,838.2	480.7	9,292.9	9,292.9
<b>TOTAL EXPENDITURE</b>	2,907.6	17,773.7	35,816.6	1,849.7	32,222.9	8,581.3	96,244.2	99,151.8
<b>EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>		(658.6)	(16,395.4)	(217.6)	(2,020.1)	310.2	(18,981.5)	(18,981.5)

	Regular Programme	Industrial Development Fund	Montreal Protocol	GEF	Trust Fund	Inter-organization arrangements	Subtotal Extrabudgetary Funds	Total
<b>NET EXCESS (SHORTFALL) OF INCOME</b>								
<b>OVER EXPENDITURE</b>		(658.6)	(16,395.4)	(217.6)	(2,020.1)	310.2	(18,981.5)	(18,981.5)
Transfers to reserves		50.4	3.8	3.9	57.4		115.5	115.5
Transfers from reserves		(82.0)			(85.8)		(167.8)	(167.8)
Transfers to donor accounts								
Transfers to/from other funds								
Currency translation		(2,980.7)	(4,144.4)	(167.5)	(4,353.3)	(167.2)	(11,813.1)	(11,813.1)
Other adjustments to reserves and fund balances								
Reserves and fund balances, beginning of year		50,388.8	59,571.2	1,901.3	60,981.8	1,621.4	174,464.5	174,464.5
<b>RESERVES AND FUND BALANCES, END OF YEAR</b>		46,717.9	39,035.2	1,520.1	54,580.0	1,764.4	143,617.6	143,617.6

**TECHNICAL COOPERATION ACTIVITIES EXECUTED BY UNIDO**  
**Table 1. Statement of income and expenditure and changes in reserves and fund balances for the year ended 31 December 2006**  
(In thousands of United States dollars)

	<i>Industrial Development Fund</i>	<i>Montreal Protocol</i>	<i>GEF</i>	<i>Trust Fund</i>	<i>Inter-organization arrangements</i>	<i>Total</i>
<b>INCOME</b>						
Voluntary contributions	13,060.1	22,354.7	2,076.6	21,500.2	4,155.8	63,147.4
<u>Other income</u>						
- Funds received under inter-organization arrangements					6,916.2	6,916.2
- Allocations from other funds	169.7	2,887.5			175.8	3,233.0
- Interest income	61.0	(5.2)	1.1	222.8	(2.4)	277.3
- Currency exchange adjustments					(2.0)	(2.0)
- Miscellaneous						
<b>TOTAL INCOME</b>	<b>13,290.8</b>	<b>25,237.0</b>	<b>2,077.7</b>	<b>21,723.0</b>	<b>11,243.4</b>	<b>73,571.9</b>
<b>EXPENDITURE</b>						
Salaries and common staff costs	5,003.9	2,027.6	1,045.0	10,053.5	3,958.7	22,088.7
Contractual services	555.3	21,532.1	826.0	5,169.8	3,863.9	31,947.1
Operational expenses	408.0	519.0	39.1	1,126.9	533.9	2,626.9
Acquisitions	2,577.6	14,755.5	10.4	4,486.1	304.7	22,134.3
Fellowships	660.3	750.7	233.4	2,209.2	1,573.0	5,426.6
Programme support costs	1,129.9	4,793.3	178.8	2,343.4	606.4	9,051.8
<b>TOTAL EXPENDITURE</b>	<b>10,335.0</b>	<b>44,378.2</b>	<b>2,332.7</b>	<b>25,388.9</b>	<b>10,840.6</b>	<b>93,275.4</b>
<b>EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>	<b>2,955.8</b>	<b>(19,141.2)</b>	<b>(255.0)</b>	<b>(3,665.9)</b>	<b>402.8</b>	<b>(19,703.5)</b>



	<i>Industrial Development Fund</i>	<i>Montreal Protocol</i>	<i>GEF</i>	<i>Trust Fund</i>	<i>Inter-organization arrangements</i>	<i>Total</i>
<b>NET EXCESS (SHORTFALL) OF INCOME</b>						
<b>OVER EXPENDITURE</b>	2,955.8	(19,141.2)	(255.0)	(3,665.9)	402.8	(19,703.5)
Transfers to reserves	23.8	4.9	4.9	31.7		65.3
Transfers from reserves						
Transfers to donor accounts	(61.0)			(222.8)		(283.8)
Transfers to/from other funds						
Other adjustments to reserves and fund balances						
Reserves and fund balances, beginning of year	32,510.4	70,498.5	2,250.3	49,375.2	1,918.8	156,553.2
<b>RESERVES AND FUND BALANCES, END OF YEAR</b>	35,429.0	51,362.2	2,000.2	45,518.2	2,321.6	136,631.2

**TECHNICAL COOPERATION ACTIVITIES EXECUTED BY UNIDO**

**Table 1. Statement of income and expenditure and changes in reserves  
and fund balances for the year ended 31 December 2006**  
(In thousands of euros)

	<i>Regular Programme</i>	<i>Industrial Development Fund</i>	<i>Trust Fund</i>	<i>Subtotal Extrabudgetary Funds</i>	<i>Total</i>
<b>INCOME</b>					
Voluntary contributions		6,374.9	12,761.9	19,136.8	19,136.8
Other income					
- Allocations from other funds	2,843.2				2,843.2
- Interest income		51.6		51.6	51.6
- Currency exchange adjustments	69.7	82.0	85.8	167.8	237.5
- Miscellaneous	(5.3)	(1.3)		(1.3)	(6.6)
<b>TOTAL INCOME</b>	<b>2,907.6</b>	<b>6,507.2</b>	<b>12,847.7</b>	<b>19,354.9</b>	<b>22,262.5</b>
<b>EXPENDITURE</b>					
Salaries and common staff costs	1,956.1	5,810.3	5,881.2	11,691.5	13,647.6
Contractual services	207.8	425.8	2,037.6	2,463.4	2,671.2
Operational expenses	194.1	445.1	395.0	840.1	1,034.2
Acquisitions	286.7	1,347.6	1,393.0	2,740.6	3,027.3
Fellowships	262.9	552.5	1,375.2	1,927.7	2,190.6
Programme support costs		1,000.8	985.8	1,986.6	1,986.6
<b>TOTAL EXPENDITURE</b>	<b>2,907.6</b>	<b>9,582.1</b>	<b>12,067.8</b>	<b>21,649.9</b>	<b>24,557.5</b>
<b>EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>					
	0.0	(3,074.9)	779.9	(2,295.0)	(2,295.0)
<b>NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE</b>					
		(3,074.9)	779.9	(2,295.0)	(2,295.0)
Transfers to reserves		31.4	32.2	63.6	63.6
Transfers to donor accounts		(82.0)	(85.8)	(167.8)	(167.8)
Other adjustments to reserves and fund balances					
Reserves and fund balances, beginning of year		22,917.6	19,259.8	42,177.4	42,177.4
<b>RESERVES AND FUND BALANCES, END OF YEAR</b>	<b>0.0</b>	<b>19,792.1</b>	<b>19,986.1</b>	<b>39,778.2</b>	<b>39,778.2</b>

## TECHNICAL COOPERATION ACTIVITIES EXECUTED BY UNIDO

**Table 2. Combined statement of assets, liabilities, and reserves and fund balances  
as at 31 December 2006**  
(In thousands of euros)

	<i>Industrial Development Fund</i>	<i>Montreal Protocol</i>	<i>GEF</i>	<i>Trust Fund</i>	<i>Inter- organization arrangements</i>	<i>Total</i>
<b>ASSETS</b>						
Cash and term deposits	56,010.5	55,560.3	4,550.2	71,821.2	3,607.5	191,549.7
Accounts receivable						
Voluntary contributions receivable						0.0
Other contributions receivable					5,074.6	5,074.6
Interfund balances	581.3	552.4		708.5	415.6	2,257.8
Other	356.2	457.1	45.3	644.5	232.6	1,735.7
Other assets	3.0	12.6		1,174.4	5,460.4	6,650.4
<b>TOTAL ASSETS</b>	<b>56,951.0</b>	<b>56,582.4</b>	<b>4,595.5</b>	<b>74,348.6</b>	<b>14,790.7</b>	<b>207,268.2</b>
<b>LIABILITIES</b>						
Payments or contributions received in advance					5,010.5	5,010.5
Unliquidated obligations	3,626.1	12,857.1	629.5	7,230.6	3,440.8	27,784.1
Accounts payable						
Interfund balances			49.3		2,960.8	3,010.1
Other	6,607.0	4,690.1	2,396.6	12,538.0	1,614.2	27,845.9
<b>TOTAL LIABILITIES</b>	<b>10,233.1</b>	<b>17,547.2</b>	<b>3,075.4</b>	<b>19,768.6</b>	<b>13,026.3</b>	<b>63,650.6</b>
<b>RESERVES AND FUND BALANCES</b>						
Operating reserves	418.0					418.0
Other reserves	1,152.0	19.5	21.1	1,014.1		2,206.7
Balances relating to projects funded by donors	59,119.3	54,117.6	4,767.8	67,958.1	1,870.5	187,833.3
Balance on currency translation	(19,029.8)	(15,101.9)	(3,268.8)	(14,392.2)	(106.1)	(51,898.8)
Surplus (deficit)	5,058.4					5,058.4
<b>TOTAL RESERVES AND FUND BALANCES</b>	<b>46,717.9</b>	<b>39,035.2</b>	<b>1,520.1</b>	<b>54,580.0</b>	<b>1,764.4</b>	<b>143,617.6</b>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCES</b>	<b>56,951.0</b>	<b>56,582.4</b>	<b>4,595.5</b>	<b>74,348.6</b>	<b>14,790.7</b>	<b>207,268.2</b>

**TECHNICAL COOPERATION ACTIVITIES EXECUTED BY UNIDO - in United States dollars**  
**Table 2. Statement of assets, liabilities, and reserves and fund balances**  
**as at 31 December 2006**  
(In thousands of United States dollars)

	<i>Industrial Development Fund</i>	<i>Montreal Protocol</i>	<i>GEF</i>	<i>Trust Fund</i>	<i>Inter- organization arrangements</i>	<i>Total</i>
<b>ASSETS</b>						
Cash and term deposits	45,147.5	73,105.7	5,987.2	62,775.0	4,746.7	191,762.1
Accounts receivable						
Other contributions receivable					6,677.1	6,677.1
Interfund balances	232.2	726.9		877.8	547.1	2,384.0
Other	280.2	601.4	59.6	621.7	306.1	1,869.0
Other assets	3.3	16.5		1,532.6	7,184.6	8,737.0
<b>TOTAL ASSETS</b>	<b>45,663.2</b>	<b>74,450.5</b>	<b>6,046.8</b>	<b>65,807.1</b>	<b>19,461.6</b>	<b>211,429.2</b>
<b>LIABILITIES</b>						
Payments or contributions received in advance					6,592.9	6,592.9
Unliquidated obligations	3,051.0	16,917.1	828.3	6,635.8	4,527.4	31,959.6
Accounts payable						
Interfund balances			64.9		3,895.8	3,960.7
Other	7,183.2	6,171.2	3,153.4	13,653.1	2,123.9	32,284.8
<b>TOTAL LIABILITIES</b>	<b>10,234.2</b>	<b>23,088.3</b>	<b>4,046.6</b>	<b>20,288.9</b>	<b>17,140.0</b>	<b>74,798.0</b>
<b>RESERVES AND FUND BALANCES</b>						
Operating reserves	550.0					550.0
Other reserves	1,403.6	25.7	27.8	1,240.4		2,697.5
Balances relating to projects funded by donors	31,330.3	51,336.5	1,972.4	44,277.8	2,321.6	131,238.6
Surplus (deficit)	2,145.1					2,145.1
<b>TOTAL RESERVES AND FUND BALANCES</b>	<b>35,429.0</b>	<b>51,362.2</b>	<b>2,000.2</b>	<b>45,518.2</b>	<b>2,321.6</b>	<b>136,631.2</b>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCES</b>	<b>45,663.2</b>	<b>74,450.5</b>	<b>6,046.8</b>	<b>65,807.1</b>	<b>19,461.6</b>	<b>211,429.2</b>

**TECHNICAL COOPERATION ACTIVITIES EXECUTED BY UNIDO - in euros**  
**Table 2. Statement of assets, liabilities, and reserves and fund balances**  
**as at 31 December 2006**

(In thousands of euros)

	<i>Industrial Development Fund</i>	<i>Trust Fund</i>	<i>Total</i>
<b>ASSETS</b>			
Cash and term deposits	21,698.4	24,112.2	45,810.6
Accounts receivable			
Interfund balances	404.9	41.4	446.3
Other	143.3	171.9	315.2
Other assets	0.4	9.6	10.0
<b>TOTAL ASSETS</b>	<b>22,247.0</b>	<b>24,335.1</b>	<b>46,582.1</b>
<b>LIABILITIES</b>			
Unliquidated obligations	1,307.3	2,187.4	3,494.7
Accounts payable			
Other	1,147.6	2,161.6	3,309.2
<b>TOTAL LIABILITIES</b>	<b>2,454.9</b>	<b>4,349.0</b>	<b>6,803.9</b>
<b>RESERVES AND FUND BALANCES</b>			
Other reserves	85.3	71.4	156.7
Balances relating to projects funded by donors	17,820.2	19,914.7	37,734.9
Surplus (deficit)	1,886.6		1,886.6
<b>TOTAL RESERVES AND FUND BALANCES</b>	<b>19,792.1</b>	<b>19,986.1</b>	<b>39,778.2</b>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCES</b>	<b>22,247.0</b>	<b>24,335.1</b>	<b>46,582.1</b>

**Table 3. Summary of transactions on sub-accounts of the Industrial Development Fund  
for the year 2006 as at 31 December 2006 - Euro-based  
(In euros)**

	<i>Fund Balance at 01/01/2006</i>	<i>Cash received in 2006</i>	<i>Expenditures 2006</i>	<i>Misc. income incl. General Pool interest</i>	<i>Fund Balance as at 31/12/2006</i>
<b>General-purpose convertible</b>	1,514,373	321,832	0	50,334	<b>1,886,539</b>
Austria - Cleaner Production	1,976,313	1,007,371	721,551	0	<b>2,262,133</b>
Austrian Development Agency	1,401,003	928,404	912,873	0	<b>1,416,534</b>
Austria	2,356,087	120,456	760,949	-12	<b>1,715,583</b>
Austrian Ministry of Agriculture, Forestry, Environment and Water Management	20,878	89,245	81,506	0	<b>28,616</b>
Agence Wallonne à l'Exportation	388,977	0	175,753	0	<b>213,224</b>
France	234,534	590,000	630,126	0	<b>194,409</b>
France (Ministry of Agriculture)	351,040	0	40,258	0	<b>310,781</b>
Greece	248,395	383,831	376,315	0	<b>255,911</b>
Hungary	4,267	42,259	6,806	0	<b>39,720</b>
Italy	12,185,655	291,207	5,048,145	0	<b>7,428,717</b>
Luxembourg	10,007	1,244	-281	0	<b>11,533</b>
Namibia	0	348			<b>348</b>
Spain	431,481	113,129	295,558	0	<b>249,051</b>
Slovenia	936,319	957,772	1,153	0	<b>1,892,938</b>
Switzerland	129,923	1,505,881	260,574	0	<b>1,375,229</b>
Unencumbered balances - Integrated programmes and country service framework activities	371,451	11,560	126,408	0	<b>256,603</b>
Unencumbered balances - Millennium Development Goals	144,665	3,148	128,217	0	<b>19,597</b>
Unencumbered balances - Post-crisis situation	158,327	7,200	16,223	0	<b>149,304</b>
<b>Total special-purpose non-convertible</b>	<b>21,349,322</b>	<b>6,053,055</b>	<b>9,582,134</b>	<b>(12)</b>	<b>17,820,232</b>
<b>GRAND TOTAL</b>	<b>22,863,695</b>	<b>6,374,887</b>	<b>9,582,134</b>	<b>50,322</b>	<b>19,706,771</b>

**Table 3. Summary of transactions on sub-accounts of the Industrial Development Fund  
for the year 2006 as at 31 December 2006 - Dollar-based  
(In United States dollars)**

	<i>Fund Balance at 01/01/2006</i>	<i>Cash received in 2006</i>	<i>Expenditures 2006</i>	<i>Misc. income incl. General Pool interest</i>	<i>Fund Balance as at 31/12/2006</i>
<b>General-purpose convertible</b>	<b>1,911,139</b>	<b>116,494</b>	<b>52,218</b>	<b>169,677</b>	<b>2,145,092</b>
Argentina	20,170	0	0	0	<b>20,170</b>
Australia	55,764	0	0	0	<b>55,764</b>
Austria	782,803	-17,760	82,172	-2,418	<b>680,454</b>
Austria Cleaner Production	-8,400	53,883	33,620	10	<b>11,874</b>
Austria - Integrated programme	135,424	6,401	-7,391	0	<b>149,216</b>
Bahrain	466,778	266,782	482,392	0	<b>251,167</b>
Belgium	90,877	2,729	-9,798	-30	<b>103,374</b>
Brazil	29,696	0	0	0	<b>29,696</b>
Brazil - Pernambuco State Government	27,287	0	0	0	<b>27,287</b>
Chile	0	19,930	0	0	<b>19,930</b>
China	2,629,087	534,480	125,388	0	<b>3,038,179</b>
Côte d'Ivoire	-108,618	0	0	0	<b>-108,618</b>
Czech Republic	187,386	135,884	119,385	0	<b>203,885</b>
Denmark	2,398,440	72,175	520,184	0	<b>1,950,431</b>
Democratic People's Republic of Korea	-0	0	0	0	<b>-0</b>
Dutch Embassy In China-US/CPR/96/108	68,871	0	-4,856	7,547	<b>81,273</b>
Egypt	-101,718	0	0	0	<b>-101,718</b>
Finland	177,000	4,300	65,752	0	<b>115,549</b>
France	14,298	4,854	-4,235	0	<b>23,387</b>
Germany	219,903	0	-903	0	<b>220,806</b>
Germany - Deutsche Gesellschaft Für Technische Zusammenarbeit	-18	18	0	0	<b>0</b>
Greece	6,504	-5,720	0	-784	<b>0</b>
Guatemala	123,436	0	975	0	<b>122,461</b>
Hungary	305,988	58,002	70,932	0	<b>293,057</b>
India	5,555,948	1,330,742	678,453	-57	<b>6,208,180</b>
Indonesia	14,424	10,492	14,303	0	<b>10,613</b>
Ireland	34,913	759	0	0	<b>35,672</b>
Italy	631,976	0	204,366	-3,334	<b>424,277</b>
Japan	392,537	1,465,517	1,478,302	0	<b>379,751</b>
Japan Overseas Development Corporation, Bangkok	424	0	0	0	<b>424</b>
Kuwait	110,470	3,246	18,481	0	<b>95,235</b>
Luxembourg	27,800	700	-3,141	0	<b>31,641</b>
Mexico	400,525	960,000	60,701	0	<b>1,299,825</b>
Myanmar	577	0	0	0	<b>577</b>
Netherlands	828,524	0	0	0	<b>828,524</b>
New Zealand	34,510	0	0	0	<b>34,510</b>
Norway	156,049	0	0	0	<b>156,049</b>

	<i>Fund Balance at 01/01/2006</i>	<i>Cash received in 2006</i>	<i>Expenditures 2006</i>	<i>Misc. income incl. General Pool interest</i>	<i>Fund Balance as at 31/12/2006</i>
Norway - Integrated programme (Africa)	65,625	1,949	-2,642	0	<b>70,216</b>
Poland	-8,029	495,562	445,034	0	<b>42,498</b>
Portugal	1,521,625	132,041	112,450	0	<b>1,541,216</b>
Republic of Korea	610,764	600,000	283,984	0	<b>926,779</b>
Romania	13,434	0	0	0	<b>13,434</b>
Russian Federation	53,016	0	44,366	0	<b>8,650</b>
Rwanda	12	-12	0	0	<b>-0</b>
Saudi Arabia	1,312,444	29,617	0	0	<b>1,342,061</b>
Saudi Arabian General Investment Authority	306,489	0	0	0	<b>306,489</b>
Slovakia	349,622	0	29,631	0	<b>319,991</b>
Slovenia	20,374	0	19,970	0	<b>404</b>
Spain	984	0	29	0	<b>955</b>
Sweden	4,465	0	17	0	<b>4,448</b>
Switzerland	7,516,397	6,135,229	5,084,140	0	<b>8,567,486</b>
Thailand	2,290	13,420	0	0	<b>15,710</b>
Turkey	65,980	588,000	95,134	0	<b>558,846</b>
Unencumbered balances - Integrated programmes and country service framework activities	0	0	0	306	<b>306</b>
United Kingdom - Integrated programme	682,511	20,224	225,752	-2,255	<b>474,728</b>
Undefined	1,704	0	0	0	<b>1,704</b>
<b>Total special-purpose convertible</b>	<b>28,229,337</b>	<b>12,923,447</b>	<b>10,262,946</b>	<b>-1,014</b>	<b>30,888,823</b>
Bulgaria	28	0	0	0	<b>28</b>
China	41,470	0	19,823	0	<b>21,647</b>
Cuba	412,148	21,000	0	0	<b>433,148</b>
Egypt	-45,546	0	0	0	<b>-45,546</b>
Egypt Iron and Steel Company	31,942	0	0	0	<b>31,942</b>
India	-209	209	0	0	<b>0</b>
Undefined	293	0	0	0	<b>293</b>
Total special-purpose non-convertible	440,126	21,209	19,823	0	<b>441,513</b>
<b>GRAND TOTAL</b>	<b>30,580,602</b>	<b>13,061,150</b>	<b>10,334,987</b>	<b>168,663</b>	<b>33,475,428</b>



**Table 4. Summary of technical cooperation activities financed by trust funds  
for the year 2006 as at 31 December 2006 – Euro-based  
(In euros)**

<i>Description</i>	<i>Fund Balance at 2006</i>	<i>Contributions received, interest and miscellaneous income 2006</i>	<i>Expenditures 2006</i>	<i>Fund Balance as at 31/12/2006</i>
<b><u>Projects financed by recipient Governments</u></b>				
Kenya	41,661	22,688	-531	<b>64,880</b>
Sudan	126,661	0	11,387	<b>115,274</b>
Subtotal	168,322	22,688	10,856	<b>180,154</b>
<b><u>Projects financed by donor Governments</u></b>				
European Union	3,462,700	1,323,146	2,277,174	<b>2,508,672</b>
European Commission	41,403	50,234	34,789	<b>56,848</b>
Finland	1,158,278	0	683,083	<b>475,195</b>
France	850,751	1,443,392	1,851,692	<b>442,451</b>
Germany	0	700,000	99,014	<b>600,986</b>
Trust Fund Trade	729,086	144,548	311,096	<b>562,538</b>
Italy	10,691,287	7,095,378	5,735,244	<b>12,051,421</b>
Netherlands	178,751	353,180	333,112	<b>198,819</b>
Norway	0	184,593	24,063	<b>160,530</b>
Africa Region Productive Capacity Facility	49,976	1,030	0	<b>51,006</b>
Subtotal	17,162,232	11,295,501	11,349,267	<b>17,108,466</b>
<b><u>Other Trust Funds</u></b>				
Undefined	0	34,858	34,858	<b>0</b>
Subtotal	0	34,858	34,858	<b>0</b>
Austria	0	85,237	43,838	<b>41,399</b>
Hilfswerk Austria	0	35,000	31,766	<b>3,234</b>
Industrial Modernization Centre, Cairo, Egypt	1,732,481	-403	19,484	<b>1,712,594</b>
Iran (Islamic Republic of)	51,600	0	51,166	<b>434</b>
Norwegian Agency Development Cooperation (Norad)	0	1,116,100	412,207	<b>703,893</b>
Renewable Energy and Energy Efficiency Partnership	0	172,890	114,336	<b>58,554</b>
Spain	106,000	0	0	<b>106,000</b>
Subtotal	1,890,081	1,408,824	672,797	<b>2,626,108</b>
<b>GRAND TOTAL</b>	<b>19,220,635</b>	<b>12,761,871</b>	<b>12,067,778</b>	<b>19,914,728</b>

**Table 4. Summary of technical cooperation activities financed by trust funds for the year 2006 as at 31 December 2006 – Dollar-based**  
(In United States dollars)

<i>Description</i>	<i>Fund balance at 2006</i>	<i>Contributions received, interest and miscellaneous income 2006</i>	<i>Expenditures 2006</i>	<i>Fund balance as at 31/12/2006</i>
Projects financed by recipient Governments				
Algeria	23,647	2,844	-14	<b>26,505</b>
Argentina	361,894	0	0	<b>361,894</b>
Bolivia	12,460	0	0	<b>12,460</b>
Brazil	530,657	-14,787	321,300	<b>194,570</b>
Bulgaria	7,104	0	0	<b>7,104</b>
Belarus	26,204	0	0	<b>26,204</b>
Chad	0	150,064	74,536	<b>75,528</b>
Chile	6,824	0	0	<b>6,824</b>
Colombia	142,212	62,114	37,162	<b>167,164</b>
China	726,110	471,634	610,334	<b>587,410</b>
Ecuador	37,795	39,968	41,007	<b>36,756</b>
Egypt	499,463	609,575	359,313	<b>749,725</b>
Social Fund For Development, Egypt	103,807	0	43,683	<b>60,124</b>
Gabon	3,604	0	0	<b>3,604</b>
Honduras	2,958	0	0	<b>2,958</b>
India	2,516,047	-86,031	546,329	<b>1,883,687</b>
Indonesia	0	31,051	15,124	<b>15,927</b>
Iran (Islamic Republic of)	841,188	59,485	206,920	<b>693,753</b>
Iran - Organization for Investment, Economic and Technical Assistance of Iran	52,112	0	0	<b>52,112</b>
Iraq	27,625	0	8,177	<b>19,448</b>
Côte d'Ivoire	9,358	0	0	<b>9,358</b>
Kenya	7,983	0	-11	<b>7,994</b>
Lebanon	151,324	0	4,719	<b>146,605</b>
Libyan Arab Jamahiriya-Benghazi Development Centre	8,093	0	0	<b>8,093</b>
Libyan Arab Jamahiriya-General Pipe Company Benghazi	2,700	0	0	<b>2,700</b>
Libyan Arab Jamahiriya-Industrial Research Centre of Libya	10,049	0	0	<b>10,049</b>
Libyan Arab Jamahiriya-Secretariat of Strategic Industry	53,081	0	0	<b>53,081</b>
Lithuania	3,883	0	-45	<b>3,928</b>
Madagascar	95,671	0	0	<b>95,671</b>
Mauritius	26,938	-26,938	0	<b>0</b>

<i>Description</i>	<i>Fund balance at 2006</i>	<i>Contributions received, interest and miscellaneous income 2006</i>	<i>Expenditures 2006</i>	<i>Fund balance as at 31/12/2006</i>
Mexico	27,380	0	0	<b>27,380</b>
Nigeria	1,830,875	0	699,304	<b>1,131,571</b>
Oman	11,311	0	0	<b>11,311</b>
Pakistan	28,604	0	24,453	<b>4,151</b>
Panama	10,057	0	0	<b>10,057</b>
Paraguay	17,780	0	0	<b>17,780</b>
Russian Federation	224,905	21,188	130,601	<b>115,492</b>
Russian Federation - The Foundation NEM and CPCOGI	1,786	0	0	<b>1,786</b>
Rwanda	0	1,350,000	951,867	<b>398,133</b>
Saudi Arabia	1,413,919	0	908,577	<b>505,342</b>
Saudi Arabian General Investment Authority	52,179	0	0	<b>52,179</b>
Saudi-German Hospitals Group	16,498	0	-42,748	<b>59,246</b>
Sudan	329	0	0	<b>329</b>
Thailand	16,174	0	0	<b>16,174</b>
Turkey	9,408,936	0	2,398,768	<b>7,010,168</b>
<b>Subtotal</b>	<b>19,351,524</b>	<b>2,670,167</b>	<b>7,339,356</b>	<b>14,682,335</b>
<b>Associate Experts and JPOs</b>				
Austria	45,488	0	44,031	<b>1,457</b>
Belgium	24,762	0	0	<b>24,762</b>
Denmark	215,314	0	0	<b>215,314</b>
Democratic People's Republic of Korea	36,515	120,000	124,703	<b>31,812</b>
France	23,456	0	0	<b>23,456</b>
Germany	137,241	265,987	216,481	<b>186,747</b>
Italy	380,377	0	236,217	<b>144,160</b>
Japan	195,506	158,970	146,765	<b>207,711</b>
Netherlands	177,007	25,000	172,051	<b>29,956</b>
Norway	118,822	143,115	-13,602	<b>275,539</b>
Republic of Korea	-3,516	0	0	<b>-3,516</b>
Russian Federation	235	0	0	<b>235</b>
Spain	25,026	0	0	<b>25,026</b>
Switzerland	70,903	0	-13,465	<b>84,368</b>
<b>Subtotal</b>	<b>1,447,136</b>	<b>713,072</b>	<b>913,181</b>	<b>1,247,027</b>
<b>JPOs' Travel</b>				
Austria	0	136,785	64,283	<b>72,502</b>
Denmark	32,193	0	0	<b>32,193</b>
Italy	47,946	0	33,941	<b>14,005</b>
Netherlands	27,506	-25,000	0	<b>2,506</b>
Russian Federation	0	76,755	40,624	<b>36,131</b>
<b>Subtotal</b>	<b>107,645</b>	<b>188,540</b>	<b>138,848</b>	<b>157,337</b>

<i>Description</i>	<i>Fund balance at 2006</i>	<i>Contributions received, interest and miscellaneous income 2006</i>	<i>Expenditures 2006</i>	<i>Fund balance as at 31/12/2006</i>
<b>Projects financed by donor Governments</b>				
Australia	23,274	0	0	<b>23,274</b>
Austria	94,793	0	53,442	<b>41,351</b>
Belgium	81,402	0	0	<b>81,402</b>
Canada	41,757	0	35,121	<b>6,636</b>
Czech Republic	9,703	-9,718	-15	<b>0</b>
Denmark	43,669	0	2,902	<b>40,767</b>
Finland	92,633	0	38,316	<b>54,317</b>
France	441,424	-254,452	62,120	<b>124,852</b>
Trust Fund Trade	264,086	26,079	167,473	<b>122,692</b>
Greece	23,524	0	0	<b>23,524</b>
Italy	2,876,324	981,801	2,192,307	<b>1,665,818</b>
Japan	1,491,187	4,220,702	1,060,875	<b>4,651,014</b>
Norway	1,277,009	2,278,687	2,012,540	<b>1,543,156</b>
Africa Region Productive Capacity Facility	250,000	5,613	0	<b>255,613</b>
Republic of Korea	27,686	0	-136	<b>27,822</b>
Republic of Korea - Korean Research Institute of Standards and Science	133,002	0	0	<b>133,002</b>
Spain	710,662	655,841	627,738	<b>738,765</b>
Sweden	167,392	0	153,382	<b>14,010</b>
United Kingdom	877,925	859,598	729,654	<b>1,007,869</b>
United States of America	373,232	0	0	<b>373,232</b>
Subtotal	<b>9,300,684</b>	<b>8,764,151</b>	<b>7,135,719</b>	<b>10,929,116</b>
<b>Other Trust Funds</b>				
Centro de Investigaciones Textiles, Argentina	60,561	12,864	6,549	<b>66,876</b>
Premag Handelsges.M.B.H, Austria	2,595	0	0	<b>2,595</b>
Austria Rural Energy, Austria	1,016,745	34,413	272,576	<b>778,582</b>
Kuwait Finance House in Bahrain, Bahrain	40,979	0	22,638	<b>18,341</b>
Institute for Scientific and Technological Development (IDCT), Brazil	4,075	0	0	<b>4,075</b>
Servicio Nacional de Aprendizagem Industry, Brazil	38,327	0	0	<b>38,327</b>
Jiangsu Baixue Electric Appliances Company, China	407	0	0	<b>407</b>
Instituto de Investigación de Recursos Biológicos, Columbia	0	52,400	38,945	<b>13,455</b>
Beni-Suef Cement Company, Egypt	33,822	0	0	<b>33,822</b>

<i>Description</i>	<i>Fund balance at 2006</i>	<i>Contributions received, interest and miscellaneous income 2006</i>	<i>Expenditures 2006</i>	<i>Fund balance as at 31/12/2006</i>
Engineering for the Petroleum and Process Industry (ENPPI), Egypt	8,179	0	0	<b>8,179</b>
Oil and Natural Gas Corporation Ltd, India	30,411	0	0	<b>30,411</b>
Glucosan Factories, Iran	-172	0	0	<b>-172</b>
Iranian Fuel Conservation Organization (IFCO), Iran (Islamic Republic of)	86,635	92,635	68,569	<b>110,701</b>
MAGFA Information Technology Development Centre, Iran (Islamic Republic of)	10,777	0	-3	<b>10,780</b>
Shahid Modarres Industrial Pharmaceutical Complex, Iran (Islamic Republic of)	53,878	0	0	<b>53,878</b>
Sezione Speciale per Lássicurazione del Credito, Italy	36,448	0	0	<b>36,448</b>
Chugoku Electric Power Company Incorporated, Japan	54,821	-54,821	0	<b>0</b>
New Energy and Industrial Technology Development Organization, Japan	1,324	16	-66	<b>1,406</b>
Procter and Gamble Far East Incorporated, Japan	475	0	0	<b>475</b>
Eastern and Southern African Leather Industries Association, Kenya	10,029	0	0	<b>10,029</b>
Petroliam Nasional Berhad (Petronas), Malaysia	28,179	0	0	<b>28,179</b>
Comité, Técnico Empresarial (CTE), Mexico	17,507	0	0	<b>17,507</b>
New Nigeria Development Company, Nigeria	28,325	0	0	<b>28,325</b>
Nigerian National Petroleum Corporation, Nigeria	502,649	0	0	<b>502,649</b>
Standards Organization of Nigeria (SON), Nigeria	980	0	-4	<b>984</b>
Norwegian Agency For Development cooperation (Norad)	923,433	425,023	631,813	<b>716,643</b>
Federal Chemical and Ceramics Corporation, Pakistan	-1,677	0	0	<b>-1,677</b>
Inversiones Cofide S.A., Peru	15,405	0	0	<b>15,405</b>
Gulf Organization for Industrial Consulting, Qatar	2,418	102,830	61,149	<b>44,099</b>
Islamic Development Bank, Saudi Arabia	6,228	0	0	<b>6,228</b>
Gulf Co-Operation Council, Saudi Arabia	11,676	0	0	<b>11,676</b>
Nadsme, Slovak Republic	8,181	0	0	<b>8,181</b>
Automotive Industry Development Centre (AIDC), South Africa	6,370	-6,370	0	<b>0</b>
Ceylon Steel Corporation, Sri Lanka	5,284	0	0	<b>5,284</b>
Swedish International Enterprise Development Corporation (Swedcorp), Sweden	18,293	0	0	<b>18,293</b>
Staudhammer Finanz AG, Switzerland	3,357	0	0	<b>3,357</b>
Turkish Electronic Industry Association (TESIDE), Turkey	1,781	0	0	<b>1,781</b>

<i>Description</i>	<i>Fund balance at 2006</i>	<i>Contributions received, interest and miscellaneous income 2006</i>	<i>Expenditures 2006</i>	<i>Fund balance as at 31/12/2006</i>
Unilever Research, United Kingdom	2,497	0	0	<b>2,497</b>
Epstein Engineering Export Limited, USA	807	0	0	<b>807</b>
The Ford Foundation, USA	12,982	0	0	<b>12,982</b>
US Agency for International Development, USA	-399	0	0	<b>-399</b>
Yemen Corporation for Cement Industry and Marketing, Yemen	15,708	0	0	<b>15,708</b>
Badea: Arab Bank for Economic Development in Africa	2,450	0	0	<b>2,450</b>
Common Fund for Commodities	-711,210	1,593,589	1,411,579	<b>-529,200</b>
Food and Agricultural Organization (FAO)	275	0	0	<b>275</b>
International Development Association	144,643	0	0	<b>144,643</b>
International Fund for Agricultural Development (IFAD)	59,860	150,000	0	<b>209,860</b>
Organization Of Petroleum Export Countries (OPEC)	0	40,000	0	<b>40,000</b>
RENAP Member Countries	84,561	73,230	124,180	<b>33,611</b>
Undefined	23,595	139,510	136,610	<b>26,495</b>
UN Economic and Social Commission for Western Asia	0	143,438	118,602	<b>24,836</b>
UN High Commissioner for Refugees	0	187,735	0	<b>187,735</b>
UNDP/United Nations Agreement for Tanzania	230,535	0	154,972	<b>75,563</b>
UNDP/United Nations Agreement for Tunisia	15,654	0	4,814	<b>10,840</b>
UNIDO Regional Cleaner Production Programme for Latin America and the Caribbean (RCPP-LAC)	0	12,239	0	<b>12,239</b>
United Nations Development Group Iraq Trust Fund	10,306,766	2,809,682	3,421,779	<b>9,694,669</b>
United Nations Fund For International Partnership	100,283	136,175	143,483	<b>92,975</b>
United Nations Joint Trust Fund for Sudan	42,695	0	40,184	<b>2,511</b>
United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA)	268,785	0	253,142	<b>15,643</b>
United Nations Office for Project Services(UNOPS)	442,023	253,664	322,682	<b>373,005</b>
United Nations Trust Fund for Human Security	3,848,295	2,966,040	2,627,631	<b>4,186,704</b>
Subtotal	17,959,510	9,164,292	9,861,824	<b>17,261,978</b>
<b>GRAND TOTAL</b>	<b>48,166,499</b>	<b>21,500,222</b>	<b>25,388,928</b>	<b>44,277,793</b>

**Table 5**  
**Summary of technical cooperation activities for the year 2006 financed under inter-  
organization agreements**  
(in United States dollars)

	<i>Project Expenditure</i>	<i>Programme Support</i>	<i>Total Expenditure</i>
<b>UNDP</b>			
UNDP Main Programme	407,873	38,773	446,646
Project for which UNIDO is the associated agency	19,036	3,063	22,099
Government-executed projects for which UNIDO is the implementing agency	22,198	60,426	82,624
UNDP Trust Funds	6,046,842	317,984	6,364,826
	<b>6,495,949</b>	<b>420,246</b>	<b>6,916,195</b>
<b>UNEP</b>			
UNEP / GEF	3,738,255	186,179	3,924,434
	<b>3,738,255</b>	<b>186,179</b>	<b>3,924,434</b>
<b>Total</b>	<b>10,234,204</b>	<b>606,425</b>	<b>10,840,629</b>

**Annex II**  
**Operating funds - UNDP and UNDP trust funds**  
**UNITED NATIONS DEVELOPMENT PROGRAMME**  
**(UNIDO)**

**Status of Funds as at 31 December 2006**  
(Expressed in United States dollars)

**Operating Funds**

<u>Operating Fund (Pre-2004)</u>			
Closing balance difference (31 December 2003)		-1,643,640	
Adjustments and credits to-date		145,851	
Closing balance at 31 December 2006		-1,497,789	-1,497,789
<u>Service Clearing Account</u>			
Opening balance at 1 January 2006		-249,105	
Cash drawings from UNDP	-23,000,000		
IOV's	21,250,899	-1,749,101	
Closing balance as at 31 December 2006		-1,998,206	-1,998,206
<u>Project Clearing Account</u>			
Opening balance at 1 January 2006		10,535,463	
Adjustment for pre-2004 Operating Fund			
Miscellaneous income and exchange adjustments (Report No. 8)	-9,978		
Miscellaneous items refunded to UNDP (Report No. 8)	-97,154		
Report No. 8: items previously recorded as expenditure in PCA	32,321		
Funds received directly from other agencies (UNOPS)	-29,950		
Expenditure and support costs for lines implemented for self-executed projects (executing PDR's)	446,645		
Expenditure and support costs for lines implemented for projects executed by other agencies and Governments (implementing PDR's)	104,724	446,608	
Closing balance as at 31 December 2006		10,088,855	10,088,855
<b>Balance as at 31 December 2006</b>			<b>6,592,860</b>

**Represented by:**

Cash at banks, on hand and in transit		657,401	
Accounts receivable (Report No. 9)		7,657,299	8,314,700
Less: Accounts payable (Report No. 10)		1,607,574	
2006 unliquidated obligations		114,266	1,721,840
<b>Balance as at 31 December 2006</b>			<b>6,592,860</b>



**STATEMENT I**  
**GLOBAL ENVIRONMENTAL FACILITY**  
**(UNDP-Administered Trust Fund)**  
**(UNIDO)**

**Status of Funds at 31 December 2006**  
(Expressed in United States dollars)

<u>Operating Fund</u>	\$	\$
Balance at 1 January 2006		-306,729
Add: Cash drawings from UNDP IOVs		
Other charges/credits (net)		
Miscellaneous income and exchange adjustments (net) (Report No. 19)	-5,314	
Miscellaneous items charged to trust fund (net) (Report No. 19)		-5,314
		-312,043
Less: Expenditure during 2006		
For projects		
Disbursements (Report No. 16)	3,808,994	
Unliquidated obligations (Report No. 16)	2,238,484	
For AOS (Report No. 15A)	318,048	6,365,526
		-6,677,569
Add/subtract:		
Adjustments to prior years (Report No. 15B):		
Expenditure		
Support costs		
AOS		
Balance at 31 December 2006		-6,677,569
Represented by:		
Cash at banks, on hand and in transit	0	
Accounts receivable (Report No. 20)	0	0
Less: Accounts payable (Report No. 21)	4,439,085	
Unliquidated obligations (Report No. 16)	2,238,484	6,677,569
		-6,677,569

**STATEMENT I**  
**REPUBLIC OF KOREA FUND FOR THE TUMEN REGION**  
**(UNIDO)**

**Status of Funds at 31 December 2006**  
(Expressed in United States dollars)

**Operating Fund**

Balance at 1 January 2006		-153
Add:	Cash drawings from UNDP IOV's	
	Other charges/credits (net)	
	Miscellaneous income and exchange adjustments (net) (Report No. 19)	-89
	Miscellaneous items refunded to trust fund (net) (Report No. 18)	0
		-89
		-242
Less:	Expenditure during 2006	
	For projects	
	Disbursements (Report No. 15A)	-636
	Unliquidated obligations (Report No. 16)	0
	For AOS (Report No. 15A)	-64
		-700
		458
Add/subtract:		
	Adjustments to prior years (Report No. 15B):	0
	Expenditure	0
	Support costs	0
	AOS	0
		0
Balance at 31 December 2006		458
Represented by:		
	Cash at banks, on hand and in transit	0
	Accounts receivable (Report No. 20)	22,601
		22,601
Less:	Accounts payable (Report No. 21)	22,143
	Unliquidated obligations (Report No. 16)	0
		22,143
		458

## Annex III

SPECIAL ACCOUNT FOR BUILDINGS MANAGEMENT SERVICES  
(FOR OTHER THAN STAFF COSTS)

## Statement of Income and Expenditure for the year ended 31 December 2006

(In euros)

<i>Income</i>	<i>Euro</i>	<i>Euro</i>
Contributions invoiced		
IAEA	8,307,386	
UNIDO	2,454,501	
UNOV	3,357,407	
CTBTO	1,344,076	
	<hr/>	15,463,370
Reimbursement for ad hoc projects		2,284,286
Interest income		530,242
Miscellaneous income		46,730
<b>Total income</b>		<hr/> <b>18,324,628</b>
<b>Expenditure</b>		
Rental and maintenance of premises		4,506,987
Utilities		6,039,200
Supplies and materials		75,174
Capital goods		33,292
Bank charges		2,980
Other general operating expenses		15,756
<b>Total expenditure</b>		<hr/> <b>10,673,389</b>
<b>Excess of income over expenditure for biennium</b>		<b>7,651,239</b>
Savings on cancellation of obligations		<b>23,361</b>
<b>NET SURPLUS FOR THE YEAR</b>		<hr/> <b>7,674,600</b>

## Statement of Assets, Liabilities, Reserves and Fund Balances as at 31 December 2006

<b>Assets</b>		
Cash		18,027,144
Accounts receivable		
Taxation		804,919.00
VIC-based organizations		10,505,209.00
Other		774,601.00
<b>Total Assets</b>		<hr/> <b>30,111,873</b>

<b>Liabilities</b>	
Unliquidated obligations	2,661,610
Payments in advance	433,767
Accounts payable	3,754,864
<b>Total liabilities</b>	<b>6,850,241</b>

<b>Fund balance</b>	
Balance available 1 January 2006	15,587,032
Add: Net surplus for 2006	7,674,600
Balance available 31 December 2006	<b>23,261,632</b>

<b>TOTAL RESERVES AND FUND BALANCE</b>	<b>23,261,632</b>
--	-------------------

<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>	<b>30,111,873</b>
---	-------------------

<b>Analysis of fund balance:</b>	<b>IAEA</b>	<b>UNIDO</b>	<b>UNOV</b>	<b>CTBTO</b>	<b>Total</b>
2006 Opening fund balance	8,051,756	2,668,846	3,475,375	1,391,055	15,587,032
Contributions	8,307,386	2,454,501	3,357,407	1,344,076	15,463,370
Interest (net of bank charges)	146,452	132,779	143,925	104,106	527,262
Net expenditure	-4,467,622	-1,320,004	-1,805,577	-722,829	-8,316,032
	<b>12,037,972</b>	<b>3,936,122</b>	<b>5,171,130</b>	<b>2,116,408</b>	<b>23,261,632</b>
Contributions receivable	9,700,215	0	802,389	2,605	10,505,209