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United Nations Industrial Development Organization

Industrial Development Board

Second session
Vienna, 13-23 October 1986
Agenda item 7

REPORT OF THE PROGRAMME AND BUDGET COMMITTEE ON THE WORK OF ITS SECOND SESSION

Addendum

Resumed second session
14 October 1986

Introduction

1. The Programme and Budget Committee held its resumed second session at UNIDO Headquarters, Vienna International Centre, on 14 October 1986. The following 26 of the 27 members of the Committee participated in the resumed session: Algeria, Angola, Argentina, Bangladesh, Belgium, Brazil, Bulgaria, Cameroon, Cape Verde, China, Colombia, Denmark, Ethiopia, France, German Democratic Republic, Germany, Federal Republic of, India, Indonesia, Japan, Netherlands, Nigeria, Switzerland, Thailand, Turkey, Union of Soviet Socialist Republics and United States of America. The following 56 Members of UNIDO also attended the session: Australia, Austria, Burundi, Byelorussian Soviet Socialist Republic, Canada, Chile, Côte d'Ivoire, Cuba, Czechoslovakia, Democratic People's Republic of Korea, Democratic Yemen, Ecuador, Egypt, Finland, Ghana, Greece, Guatemala, Hungary, Iran (Islamic Republic of), Iraq, Israel, Italy, Kenya, Lebanon, Luxembourg, Malawi, Malaysia, Mauritius, Mexico, Morocco, Namibia (United Nations Council for), Nicaragua, Norway, Oman, Pakistan, Panama, Peru, Philippines, Poland, Qatar, Republic of Korea, Romania, Saudi Arabia, Senegal, Spain, Sweden, Tunisia, Ukrainian Soviet Socialist Republic, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland, Uruguay, Venezuela, Viet Nam, Yugoslavia, Zaire and Zambia.

WORKING CAPITAL FUND

2. In accordance with its conclusion 1986/6 of 16 May 1986, the Committee resumed the consideration of item 11 of the agenda of its second session, i.e. the Working Capital Fund. The Committee had before it a note by the Director-General (PBC.2/11) drawing the attention of the Committee to a number of documents submitted to the second session of the Industrial Development Board concerning the current financial

situation of UNIDO (see annex). The Committee considered a draft conclusion submitted by the Chairman (PBC.2/L.7) and amendments proposed orally by the Chairman and the representative of Nigeria on behalf of the African Group.

3. The representative of the United States of America requested a roll-call vote on the draft conclusion as amended. In accordance with rule 43 (provisionally adopted for the second session of the Committee only) of its rules of procedure, the Committee, by 19 votes to 1, with 6 abstentions, adopted conclusion 1986/9 reproduced below. The voting was as follows:

In favour: Algeria, Angola, Bangladesh, Belgium, Cameroon, Cape Verde, China, Colombia, Denmark, Ethiopia, France, Germany, Federal Republic of, India, Indonesia, Japan, Netherlands, Nigeria, Thailand, Turkey.

Against: United States of America.

Abstaining: Argentina, Brazil, Bulgaria, German Democratic Republic, Switzerland, Union of Soviet Socialist Republics.

Conclusion 1986/9

The Committee recommended to the Board the adoption of the following draft decision:

"The Industrial Development Board:

(a) Takes note of the information provided by the Director-General in document PBC.2/7 on the Working Capital Fund and in subsequent reports on the scale of assessments and the

financial situation of UNIDO in documents
IDB.2/26 and IDB.2/27;

(b) Decides, having considered the recommendation of the Programme and Budget Committee and after reviewing the current financial situation of the Organization, that a further amount of \$3,000,000 should be paid into the Working Capital Fund for UNIDO in 1987, bringing the total amount of the Fund to \$9,000,000 as approved by the General Conference at its first session; this increase should not be to the detriment of any programme undertaken by UNIDO in favour of developing countries;

(c) Takes note of the views expressed by the African members of the Board concerning the implementation of the Industrial Development Decade for Africa;

(d) Invites Member States to remit their advances to the Working Capital Fund as early as possible in the calendar year 1987."

DURATION OF THE THIRD SESSION

4. Following a proposal by the Chairman, the Committee adopted the following conclusion:

Conclusion 1986/10

The Committee, in the light of the current financial situation of the Organization, decided to curtail by two days the duration of its third session. The Committee thus reviewed its conclusion 1986/8 of 14 May 1986 and decided to hold its third session from 9 to 18 March 1987.

CLOSURE OF THE SECOND SESSION

5. The Committee closed its second session, having entrusted the Rapporteur with the preparation and finalization of the report of its resumed second session.

ANNEX

Documents considered by the Programme and Budget Committee at its resumed second session

- PBC.2/11 Working Capital Fund - Note by the Director-General
- PBC.2/L.7 Working Capital Fund - Draft conclusion submitted by the Chairman
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- IDB.2/26 Report of the Programme and Budget Committee: Financial situation of UNIDO - Report by the Director-General
- IDB.2/27 Report of the Programme and Budget Committee: Scale of assessments for apportionment of the regular budget expenses of UNIDO - Status report of assessed contributions paid for the year 1986
- *****
- IDB.2/CRP.2 Update of document IDB.2/26, annex I, tables 1 and 2: status of advances to the Working Capital Fund
- IDB.2/CRP.3 Update of document IDB.2/27, annex I, tables 1 and 2: status of assessed contributions to the regular budget for 1986
- IDB.2/CRP.4 Update of document IDB.2/26, annex III (projected loss on exchange for 1986-1987 programme budget, by programme) and annex IV (regular budget estimated cash flow for the period 1 July 1986 - 31 December 1987)
- IDB.2/CRP.5 Background information on the financial situation of UNIDO