



UNIDO Industrial Development Board

Forty-second session

Agenda item 4

Report of the Programme and Budget Committee

Vienna, 25 November 2014

Intervention by Switzerland

Mr. Chairperson,

Let me thank the DG for his additional report on UNIDO's financial contribution to the UN Resident Coordinator system.

We share the conclusion that UNIDO's full participation in the Resident Coordinator system is both essential and unavoidable.

It is essential because UNIDO wants to participate actively in the implementation of that set of indivisible goals that is the post 2015 development agenda. Clearly, this calls for closer coordination in the UN system, including on the country level.

We should bear in mind that resident coordinators have the capacity to open doors and identify new opportunities for UNIDO, especially in countries where UNIDO does not have a field office of its own.

Since UNIDO has assumed financial obligations with its partners in the UN Development Group, the financial contribution is a matter of principle, too. It should be beyond question that UNIDO fulfills its obligations.

The financial contribution needs to be included in the regular budget. We shall see in due course, during the budget discussion next year, how we can make ends meet. This will be one element of the broader budget discussion. We would prefer not to prejudge that discussion at this stage, before we see the full picture.

Only the fully elaborated MTPF will present the context and enable us to take informed decisions. According to the provisional outline, the MTPF will elaborate on the field network and related resources, participation in system-wide activities at the country level, and the strategy for field locations.

We expect that UNIDO's participation in the UN Resident Coordinator system will be part and parcel of such a strategy.

Mr. Chairperson, I thank you.



UNIDO Industrial Development Board

Forty-second session

Agenda item 5

Provisional outline of the MTPF, 2016-2019

Vienna, 25 November 2014

Intervention by Switzerland

Mr. Chairperson,

My delegation wishes to thank the Director General for submitting a provisional outline of the new MTPF. We welcome this opportunity for a first discussion on its general thrust.

By adopting the Lima Declaration and the Strategic Guidance Document, we the Member States have already provided substantial input and orientation.

As the Lima Declaration says, UNIDO's approaches must be periodically reviewed to ensure that it remains aligned with agreed UN system-wide frameworks and responds effectively to emerging new developmental challenges. That is exactly what we expect from the MTPF.

Apart from the definition of thematic priorities, we will pay special attention to the proposed management framework. We are looking forward in particular to the further elaboration of three elements: results-based management, field operations management, and procurement.

We appreciate that results-based management appears high on the Director-General's agenda. This is a follow-up to one of the key recommendations in the Strategic Guidance Document, and it remains highly relevant. UNIDO's own evaluations have shown that projects are often activity- or output-oriented, with too little attention to deliver results at the outcome or impact levels. Results-based management should bring about a culture change. It is important and motivating for all collaborators to see how exactly their work contributes to development.

Field operations management is another priority that was identified by the working group on the future. We note that the Director-General has already amended the terms of reference of the field offices and of the Regional Bureaus here at headquarters, but a comprehensive review of the network still needs to be conducted, and an action plan concerning the field policy should be developed, as recommended in the Strategic Guidance Document. We are very pleased to see that the organization of the field network and related resources will be examined in the MTPF.

We are also pleased that under "Operational management" the Secretariat will elaborate on the further development of the procurement system. We recognize that some efficiency gains have been

achieved in the Organizations' procurement and contracting processes. Still, project delays are often attributed to weaknesses in the procurement process. While we should certainly not sacrifice quality and transparency for speed in procurement, this area merits closer attention of the management and Member States.

In the same context, we note that earlier, the Director General had announced a comprehensive revision of the programme and project formulation and approval process, with a view to streamlining and accelerating this process. We look forward to receiving more detailed information on this revision - and even better: to seeing its practical effects.

Finally, let me turn to the bottom line of document IDB.42/9. I am referring to the budgetary framework.

We acknowledge that it is timely for Member States to provide some very preliminary and basic orientation on the budgetary framework.

Let me assure you that my country wants to see UNIDO strong and fit for its task to promote industrial development. The Organization has been successful in attracting voluntary contributions, and its regular budget should not become a limiting factor on the implementation of technical cooperation activities.

We would also like to avoid a situation where the quality of UNIDO's performance deteriorates because of over-stretched capacities in parts of the Organization. To be more precise, I am speaking of the stress that we put on some staff and which is not conducive to quality.

Having said this, the Organization will have to make do with a regular budget that its Member States are able to sustain. The broader the membership, the brighter prospects will become. Unfortunately, the opposite is also true.

The Secretariat needs to understand that the remaining members will not bear additional financial burdens when other Member States withdraw. This principle is well known, and it has been reaffirmed last year, but it seems to have been neglected in the calculation of the budget ceiling for 2016-17. We join other delegations in asking the Secretariat to correct the baseline of its calculations which should take into account the fact that two important Member States withdraw from UNIDO on the 1st of January, 2015.

Apart from this, Mr. Chairman, we are open and ready to carefully consider proposals for savings or additional resources in the light of explanations that the management or Member States will produce.

Mr. Chairperson, I thank you.



UNIDO Industrial Development Board

Forty-second session

Agenda item 9 (b)

UNIDO and the post-2015 development agenda

Vienna, 26 November 2014

Intervention by Switzerland

Mr. Chairperson,

UNIDO ought to be commended for its active engagement in the decision-making process on the post-2015 development agenda.

Indeed, the Organization may feel vindicated by the fact that ISID was retained as one of the main goals proposed by the Open Working Group

While the Organization can certainly claim to play a leading role in the follow-up activities, this should not be regarded as UNIDO's exclusive field of competence, nor should UNIDO focus exclusively on goal number nine. There are a number of other goals that speak to UNIDO's mandate and competence. We would like to highlight a few targets that are proposed under different goals:

- Proposed goal 6 (water): reduce pollution and increase water-use efficiency
- Proposed goal 7 (energy): energy efficiency
- Proposed goal 8 (growth, decent jobs): decouple growth from environmental degradation, safe and secure working environment
- Proposed goal 12 (sustainable consumption and production): sound management of chemicals and waste
- Proposed goal 17 (means of implementation): development, transfer, dissemination and diffusion of environmentally sound technologies

There are growth opportunities for UNIDO in all these fields. To seize them, and to make an impact on the global scale, it will have to team up with other entities in the UN system, including UNDP, UNEP, ILO, and the Bretton Woods institutions.

Our Organization will have to become a master of effective collaboration with these and other partners. As an Organization with a rather limited budget on the one hand, and a strong expertise on the other hand, UNIDO will also need to monitor its project support costs and ensure full cost recovery.

Mr. Chairperson, I thank you.



UNIDO Industrial Development Board

Fourty-second session

Agenda item 9 (c)

Implementation of the recommendations relating to the management criteria contained in the “Strategic Guidance Document”

Vienna, 26 November 2014

Intervention by Switzerland

Mr. Chairperson,

We would like to thank the Director-General for his first detailed account on how UNIDO implements the management recommendations that are contained in the Strategic Guidance Document, and that were subsequently endorsed by the General Conference.

We are glad to see that the effort undertaken by Member States bears fruit and that our strategic guidance is valued and followed by the management. Most of the specific recommendations were expected for implementation “during the 2014-2015 biennium”, so what we see in the report can be considered an “early harvest”, and there is more time to address some issues that may need more time.

Specifically, the Strategic Guidance Document asks for the development and implementation of a strategy for UNIDO’s convening and partnership function, based on an evaluation, as well as an action plan concerning the field policy and field network, based on a comprehensive review of the existing field office network.

We recognize that the Director-General has already amended the terms of reference of the field offices and the former Regional Bureaus, with a stronger emphasis in relationship management issues. This is a first step, and we think that further measures can be considered when UNIDO enhances its use of the UN Resident Coordinator system. This concerns especially the management of relationships with Member States that do not have UNIDO representatives on the spot.

As the Strategic Guidance Document says, the action plan should address partnering and cost-sharing with other UN entities at the field level. In this regard, we are pleased that the MTPF will further elaborate on the field network and related resources, including participation in system-wide activities at the country level.

Finally, para 23 of the Director-General's report suggests the creation of a Major Capital Investment Fund. Switzerland finds this an interesting idea and would like to see it further developed. An overview of all the funds and special accounts that the Organization owns and operates will be helpful in this regard.

Mr. Chairperson, I thank you.