

**CHECK AGAINST
DELIVERY**

**STATEMENT OF THE AFRICAN GROUP AT THE 43RD SESSION OF UNIDO
INDUSTRIAL DEVELOPMENT BOARD (IDB) 23-25 JUNE, 2015.
TO BE DELIVERED BY H.E AMBASSADOR ABEL A. AYOKO,
PERMANENT REPRESENTATIVE OF NIGERIA**

Mr. President,

1. On behalf of African Group allow me to congratulate Ambassador Rolf Stafler, Alternate, Permanent Representative of Switzerland for his election to chair the 43rd Session of the Industrial Development Board (IDB) of UNIDO. I would also like to congratulate other members of the Bureau on their elections. The Group is confident that with your experience and diplomatic skills we will have a successful session, and we would like to assure you, of our cooperation and support in the course of our discussion. The Group also thanks the outgoing bureau for their commendable work.

2. The African Group would also like to convey its thanks and appreciation to the Director-General of UNIDO, Mr. LI Yong, for the efforts and leadership he demonstrated during his short tenure in Office. We also wish to extend our appreciation to the Secretariat for the excellent arrangement put in place for this meeting.

3. The Group associates itself with the statement delivered on behalf of the Group of 77 and China, by His Excellency Ambassador Armin ANDEREYA, the Permanent Representative of Chile.

Mr. President,

4. The 43rd Session of the IDB was preceded by the PBC on 22-25 June, 2015 where most of the critical issues, including challenges of UNIDO were exhaustively discussed. The African group is happy to note that after frank, objective and protracted debates, the PBC was successfully concluded on a consensual spirit, thereby setting the tune for the 43rd IDB session. The AG therefore has no doubt the IDB will also be conducted in a spirit of consensus. The African Group would like to assure you Mr Chairman of our cooperation and support in the cause of our discussion.

In the course of the debates I will take the floor to intervene in other agenda items.

Thank you.

On Agenda Item 3: Annual Report of the Director General for the year 2014

Mr. President,

1. The African Group takes note of the Annual Report of the Director General for 2014, contained in Document IDB.43/2-PBC.31/2
2. The Group commends the efforts of the Organization for the initiatives, activities and programmes planned and implemented in 2014. The Group highly values the Organization's efforts aimed at the operationalization of the mandate of Inclusive and Sustainable Industrial Development (ISID) given by the Lima Declaration.
3. The Group welcomes the efforts to incorporate ISID together with resilient infrastructure and innovation, as part of Goal-9 in the post 2015 development agenda, and noted that ISID mandate is very relevant for the Post 2015 development of the African continent.

Mr. President,

4. The Group notes the new partnership-based modality introduced by the Director General aimed at the operationalization of ISID through the country programme partnerships. In this regard, the Group welcomes the organization of the two ISID Forums, held in Vienna in June and November 2014 respectively, with the participation of a large number of high-level representatives from Member States, international and regional organizations, developmental and financial agencies and private sector, which provided a platform for the joint conceptualization and realization of this new collaborative approach. The Group is looking forward to participating actively at the highest level during the 3rd ISID Forum to be held in Addis Ababa, Ethiopia.
5. The African Group highly appreciates that two African LDCs, have been chosen as pilot countries for this new approach and is looking forward to similar projects in other African countries and indeed in other regions of the world.
6. On the management operations of UNIDO, the African Group notes the efforts aimed at optimizing efficiency and effectiveness through improvements in operational processes and the structure of the Secretariat.

7. The African Group commends UNIDO's continuous efforts to increasing South-South, North-South, as well as triangular cooperation in order to strengthen the exchange of knowledge, experience, technology, investment, information and capacity, guided by the principles of mutual benefit, respect for national sovereignty and ownership and non-interference in domestic affairs.

8. In this regard, the Group highly values UNIDO's activities in the development of SME clusters that play an important role in sustainability, inclusiveness, innovation, manufacturing, value addition and access to global markets. The project on cluster development in cultural and creative industries in the Southern Mediterranean implemented by UNIDO and funded by the EU and the Italian Development Cooperation is a very good example which should be encouraged.

9. Furthermore, the Group congratulates UNIDO for being, once again, ranked as the top implementing agency of the Multilateral Fund for the Implementation of the Montreal Protocol.

Thank you Mr. President.

Agenda Item 4: Report of the External Auditor

Mr. President,

1. The African Group takes note of document IDB.43/3-PBC.31/3 on the Report of the External Auditor on the Accounts of UNIDO for the financial year 2014.
2. The African Group takes this opportunity to thank the External Auditor for the work done. The African Group appreciates his contribution which has enhanced reliability and transparency of UNIDO's financial accounts. The Group invites UNIDO to comply with the observations and recommendations contained therein.
3. The Group is pleased to note that the External Auditor's examination revealed no shortcomings or errors considered material with regard to accuracy, completeness and validity of the financial statements of UNIDO. The Group invites UNIDO not only to note the observations but to comply with the recommendations contained therein.

Thank you, Mr. President.

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Agenda Item 5: Financial Situation of UNIDO

1. The African Group takes note of the document IDB.43/4.PBC.31/4 on the financial situation of UNIDO.
2. The Group notes with satisfaction the growth of UNIDO's total assets by 7.5%, but attract the direct attention on the important increase of the non-current liabilities (27.2%).
3. However, the Group notes with concern the high level of outstanding assessed contributions amounting to 140.4 million Euros. The Group requests the Secretariat to continue its efforts in collecting the arrears owed by Member States and former Member States, including conclusion of payment plans with member states in arrears.
4. The Group appreciates the increase of voluntary contributions from 69,3 million Euros in 2013 to 110,4 million Euros in 2014. However, the Group is concerned by the decreasing level of technical cooperation delivery from \$180.5 million in 2013 to \$171.2 million in 2014.
5. The Group assures its unwavering support to UNIDO and is aware of the challenges the Organization is facing including the departure of some member States from the Organization.

Thank you Mr. President.

Agenda item 6: Programme and budget 2016-2017

Mr. President,

1. The Group takes note of the proposal of the Director General on the Programme and Budget 2016-2017 as contained in Document **IDB.43/6-PCB.31/6**, as amended by document **IDB.43/6/Add.1** which gives an insight of what UNIDO intends to do in the next two years.
2. The African Group thanks the Director General and UNIDO Secretariat for the briefing and the informal consultations held with the Group prior to this session, particularly during and after the PCB especially on its concern regarding the proposal to shift the funding base of the Special Resources for Africa (SRA) from regular budget to voluntary contributions.
3. The Group recalls that the SRA is a unique budget line that is originally intended to harmonize industrialization strategies at the national, sub-regional and regional levels in Africa, and this objective as we all know has not yet been attained.
4. The group appreciate the frank discussion during the consultations leading to the amicable resolution of the matter including the decision that the SRA will continue to feature in the Regular budget and to reduce the regular budget of SRA to 1million. The group also welcome the arrangement to earmark Voluntary Contributions for the preparation of and support to programmes in Africa to march or exceed the previous levels of SRA. The group further welcome that the objective of the SRA would be to advance ISID in LDCs in Africa through effective policy coordination and implementation including the support for the African Union Commission, The Conference of the African Ministers of Industry (CAMI) and African Partnership for Africa's Development (NEPAD).

The group reaffirm its continued commitment, solidarity and support for UNIDO, its leadership and ISID programmes.

7. Finally, Mr Chairman, with regard to the proposal of restructuring UNIDO's field representation, the Group requests that its implementation should not affect the visibility of UNIDO and the delivery capacity of its national offices particularly the quality of its TCs.

Thank you Mr. President.

Agenda Item 9: Medium-term programme framework, 2016-2019

Mr. President,

1. The African Group takes note of the document IDB.43/9-PBC.31/9 on the Medium-Term Programme Framework, 2016-2019, which represents the basis for UNIDO's programmes and activities in the context of the quadrennial comprehensive policy review (QCPR) of operational activities for development of the United Nations system.
2. The Group notes that the programmatic objectives and priorities of the MTPF, 2016-2019, reflect the core mandate of UNIDO to reduce poverty through inclusive and sustainable industrial development (ISID), as re-emphasized by Members States in the Lima Declaration and the Strategic Guidance Document of Informal Working Group on the future, including programmes and resources, of UNIDO.
3. The Group commends the efforts of Director General in positioning ISID in the framework of global discussions on the post-2015 development agenda and its related Sustainable Development Goals (SDGs).
4. The Group welcomes the Sustainable Development Goal 9, "*Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation,*" and assures the Organization of its full support on this matter during the UN Special Summit on Sustainable Development in September 2015.
5. In order to achieve high-impact of the technical cooperation, the African Group encourages UNIDO to continue its efforts toward ensuring effectiveness and efficiency of its activities. In this connection, the Group urges UNIDO to enhance the independent evaluation function of the Organization and to give due consideration to its recommendations.
6. The Group further notes with interest, the efforts undertaken toward enhancing the results-based management (RBM) approach, and the introduction of an integrated results and performance framework (IRPF) in order to improve the monitoring and reporting systems and tools of UNIDO.
7. The African Group welcomes the partnership approach to promoting ISID, based on Programme for Country Partnerships (PCPs) as the core of UNIDO's service provision in the coming years and as a growing of its technical cooperation. The Group welcomes the implementation of the PCP approach with two pilot countries, Senegal and Ethiopia, and commends UNIDO's intention to expand the programme.

8. The Group is of the view that this innovative strategy will contribute to strengthen synergies among relevant development actors including governments, development finance institutions, the private sector, and civil society.

Thank you Mr. President.

Agenda Item 10: Mobilization of Financial Resources

1. The African Group notes that ISID was adopted as a developmental approach by UNIDO in response to new challenges facing the Organization. The Group reaffirms its belief in ISID while noting with concern that the financial situation of UNIDO reveals serious challenges to its operations in the future due to the global financial crisis and the withdrawal of some member states.
2. The African Group also notes that despite these financial constraints, UNIDO has continued to make progress in the industrial development of member states and commends UNIDO for these remarkable achievements in the midst of financial difficulties.
3. The Group recommends that UNIDO intensify efforts in mobilizing financial resources through collecting pending contributions from member states and former member states as a means of meeting its financial demands in the short run.

Thank You Mr. President.

