

#### **Agenda Item 4: Report of the Program and Budget Committee**

Madame President,

The Asia-Pacific Group expresses its appreciation to the President of the 32<sup>nd</sup> Session of the Program and Budget Committee, H.E. Ambassador Michael A.O. Oyugi of Kenya for the successful outcome of the meeting held in June this year.

The Group notes with appreciation that the Secretariat has drafted the Terms of Reference of an Audit Advisory Committee, in compliance with various findings of the External Auditor and as part of best practices in international organizations.

The Group also supports the strengthening of the Office of Internal Oversight as a means for UNIDO to effectively and efficiently fulfill its mandate.

The Group also expresses grave concern at the decline in the collection rate for outstanding assessed contributions and for contributions in arrears from the previous year from 36.8% to 32.6% and from 3.6% to 1.8%, respectively. In this regard, the Group urges current and former Member States that have not yet done so, to pay their assessed contributions and contributions in arrears in full and without further delay.

The Group also encourages Member States and donors to support the efforts of the Director-General and the Secretariat in pursuing innovative sources of financing through, among others, considering contribution to programmable funds such as the Partnership Trust Fund, Special Account of Voluntary Contributions for Core Activities, and the Major Capital Investment Fund.

The Group wishes to express its appreciation to the Member States who have made available their share of unutilized balances of appropriations amounting to USD 2.4M for the benefit of trust funds.

With these comments, the Asia-Pacific Group takes note of the Programme and Budget Committee's report contained in IDB.44/8.

Thank you Madame President.