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**Programme and budgets, 2018-2019**

**PROGRAMME AND BUDGETS 2018-2019\***

Proposals of the Director General

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\* The present document has not been edited.

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## Abbreviations

AAC	Audit Advisory Committee
ASHI	After-service health insurance
AUC	African Union Commission
CEB	United Nations System Chief Executives Board for Coordination
CTBTO	Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization
ECOSOC	United Nations Economic and Social Council
EGM	Expert group meeting
ERP	Enterprise resource planning
FAO	Food and Agriculture Organization of the United Nations
GC	General Conference
GEF	Global Environment Facility
GIS	Geographic information system
GS	General Service staff category
HLPF	High-level political forum
HRM	Human resource management
IAEA	International Atomic Energy Agency
IAEG-SDG	Inter-agency Expert Group on Sustainable Development Goals Indicators
ICSC	International Civil Service Commission
ICT	Information and communications technology
IDB	Industrial Development Board
IDDA	Industrial Development Decade for Africa
IGO	Intergovernmental organization
ILO	International Labour Organization
ITU	International Telecommunication Union
IRPF	Integrated results and performance framework
ISID	Inclusive and sustainable industrial development
LDC	Least developed country
MEA	Multilateral environmental agreement
MTPF	Medium-term programme framework
NEPAD	New Partnership for Africa's Development
NGO	Non-governmental organization
NSO	National statistical office
ODS	Ozone depleting substances
OECD	Organization for Economic Co-operation and Development
PCP	Programme for Country Partnerships
PMO	Policymaking organs
POP	Persistent organic pollutant

QCPR	Quadrennial comprehensive policy review of operational activities for development of the United Nations system
RBM	Results-based management
REC	Regional Economic Communities
RPTC	Regular programme of technical cooperation
SDG	Sustainable Development Goal
SME	Small and medium enterprise
SRA	Special Resources for Africa
TC	Technical cooperation
TFM	Technology Facilitation Mechanism
UNCT	United Nations Country Team
UNCTAD	United Nations Conference on Trade and Development
UNDAF	United Nations Development Assistance Framework
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNDS	United Nations development system
UNECA	United Nations Economic Commission for Africa
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNIDO	United Nations Industrial Development Organization
UNJSPF	United Nations Joint Staff Pension Fund
UNOV	United Nations Office at Vienna
UNRC	United Nations Resident Coordinator
UNSC	United Nations Statistical Commission
VBO	Vienna-based organization
VIC	Vienna International Centre

## EXECUTIVE SUMMARY

1. In accordance with Article 14 of the Constitution and Financial Regulations 3.1 and 3.4, the Director General herewith submits his proposed programme and budgets for the biennium 2018-2019 to the Industrial Development Board, through the Programme and Budget Committee.
2. The proposed programme and budgets have been prepared against the background of the beginning of the implementation phase of the Sustainable Development Goals (SDGs) and the consolidation of the follow-up and review architecture of the new agenda. It also takes into account the renewed commitment by United Nations Member States to the inclusive and sustainable industrialization agenda, including through the proclamation of the third Industrial Development Decade for Africa, for which UNIDO received the clear mandate to lead among other United Nations entities.
3. These intergovernmental mandates given to both UNIDO and the United Nations system in its entirety have been underpinned by a growing results and impact-orientation in every aspect of the Organization's activities at policy, operational and management level. On this foundation, UNIDO established its new integrated results and performance framework (IRPF), to form UNIDO's long-term results-based management (RBM) and its results monitoring and reporting system. In line with the global thematic agenda and with the imperatives of transparency, effectiveness and efficiency, the IRPF is consolidated into this programme and budgets document as well as into the updated medium-term programme framework (MTPF) for the 2018-2021 period.
4. In continuity with the previous budget biennium, UNIDO will further pursue the full implementation of its gender equality and women's empowerment policy over the biennium 2018-2019. It will do so both by mainstreaming it into all relevant programmes and through a dedicated programme component under Programme D.1. The Organization will also increase its efforts towards a better gender balance as part of its human resource strategies and recruitment policies. This initiative will be implemented under the direct guidance of the Director General.
5. Despite the new mandates received by the United Nations General Assembly to support inclusive and sustainable industrialization, the proposed budget for 2018-2019 has again been formulated to take into account the impact of the withdrawal of certain Member States from UNIDO and the continued budgetary pressures facing Member States as they recover from the global financial and economic crisis. It also takes full account of the decision of the Industrial Development Board (IDB.39/Dec.7), which "acknowledged that upon the announced departure of any Member State, the Organization's regular budget shall be readjusted so as not to increase the assessed contributions of remaining Member States".
6. To ensure compliance with decision IDB.39/Dec.7, the programmes proposed herein will need to be undertaken within the limited resources at the disposal of the Organization. The combined regular and operational budgets, 2018-2019 are presented at a level of 0.50 per cent reduction rate, in real terms. However, the regular budget is reduced by 1.10 per cent, comprising a reduction of €3.39 million (€3,385,858) for the past share of departing Member States and the inclusion of €1.88 million, which comprises UNIDO's €1.40 million contribution to the United Nations Resident Coordinator (UNRC) system, €0.09 million (€86,200) for support to the Audit Advisory Committee (AAC) and €0.28 million (€279,100) required for an established position for the Gender Officer (P4). These additional resource requirements result in an increase of €0.11 million to the Regular Programme for Technical Cooperation (RPTC).

## INTRODUCTION

### I. PROGRAMMATIC FRAMEWORK

7. UNIDO's mandate to support its Member States in achieving inclusive and sustainable industrial development (ISID) derives from its Constitution and a number of key policy documents approved by the policymaking organs of the Organization. These include the Lima Declaration "Towards inclusive and sustainable industrial development", adopted by the fifteenth session of the General Conference in December 2013, and the outcome document of the informal working group, entitled "Strategic Guidance Document" (IDB.41/24), which was also endorsed by the same session of the General Conference (decision GC.15/Dec.18). The formulation of the programme and budgets for 2018-2019 has been framed under the guidance of these documents, building on the programme and budgets for the 2016-2017 biennium.

8. The present proposal integrates a further developed IRPF, which provides an improved RBM, monitoring and reporting system for UNIDO, to sharpen its capacity to deliver in a fast-changing, demanding and interconnected development landscape.

#### **2030 Agenda for Sustainable Development**

9. The preparation of the programme and budgets 2018-2019 incorporated the alignment of the programmatic framework with the SDGs, initiated in the previous programme and budget cycle. UNIDO's ISID mandate is fully reflected in the new agenda, both in a focused and a mainstreamed manner. On the one hand, one component of Goal 9 explicitly refers to "inclusive and sustainable industrialization" as a key enabler of sustainable development; on the other hand, the underlying factors and the implications of the ISID agenda are observed throughout the integrated, universal and interrelated set of SDGs. This ISID approach to the 2030 Agenda is recognized by the policymaking organs of the Organization, as spelled out in decision IDB.44/Dec.8, which "reaffirmed UNIDO's crucial role in achieving the transformative 2030 Agenda in an integrated way by helping countries to realize inclusive and sustainable industrial development (SDG 9) through partnerships (SDG 17), thus generating economic growth and jobs (SDG 8) which reduce poverty, hunger and inequalities (SDGs 1, 2 and 10), and realize social inclusiveness through women and youth empowerment and employment (SDGs 4 and 5), while safeguarding the environment by promoting resource and energy efficiency and renewable energy (SDGs 6, 7 and 12) as well as reducing greenhouse gas emissions and pollution (SDGs 11, 13, 14 and 15)".

10. In addition, UNIDO's activities are fully in accordance with such multilateral environmental agreements as the Montreal Protocol, the Stockholm Convention on Persistent Organic Pollutants (POPs), the Minamata Convention on Mercury and the United Nations Framework Convention on Climate Change (UNFCCC), and with the objectives of the Global Environmental Facility (GEF).

#### **Format and presentation**

11. The programmatic structure of the programme and budgets 2018-2019 is based on six Major Programmes. These Major Programmes comprise:

Major Programme A: Policymaking Organs

Major Programme B: Executive Direction and Strategic Management

Major Programme C: Thematic Programme Framework: Towards Inclusive and Sustainable Industrial Development

Major Programme D: Programme Support Services

Major Programme E: Buildings Management

Major Programme F: Indirect Costs



12. Major Programmes A and B continue to serve the requirements of the policymaking organs (PMO) and of the executive management of UNIDO. Major Programme C covers the bulk of the substantive services provided by UNIDO to its Member States. It provides an integrated programmatic structure for UNIDO's technical cooperation, policy advisory services, research and statistics, donor relations, partnerships mobilization and outreach. It also includes activities in the field, which aim to achieve greater regional and country-level coherence and to better tailor the Organization's support to its Member States' implementation of the SDGs. Major Programme D relates to the support services needed to ensure the effective implementation of the Organization's substantive activities. Major Programme E encompasses the management of the Vienna International Centre (VIC) complex. Major Programme F shows all indirect costs and joint services of the Vienna-based Organizations (VBOs) and the United Nations system in which UNIDO participates.

13. As in previous programme and budgets frameworks, the programme and budgets 2018-2019 also includes two supplementary items in addition to the six Major Programmes. These are: (i) Regular Programme of Technical Cooperation (RPTC) and (ii) Miscellaneous Income. The Regular Programme of Technical Cooperation relates to technical cooperation activities financed from the regular budget as provided for in the Constitution of UNIDO (Annex II, Part B). Miscellaneous Income covers income derived from a number of disparate sources, including income on deposits, income from the sale of publications and the sales publication revolving fund, the sales of used equipment, and net exchange rate gains.

#### **Programmatic structure and resource base**

14. The programmatic structure of the programme and budgets 2018-2019 introduces some new elements into the structure applied in the previous budget biennium, to better capture the changing environment around UNIDO and the new challenges and opportunities of the SDGs framework. While Major Programmes A, E and F remain relatively unchanged, Major Programmes B, C and D include significant innovations to reflect some changes in the organizational structure, which are closely tied to the programmatic framework. As in the previous biennium, IRPF tables have replaced the former RBM tables, and are included in Major Programmes A, B, C, and D. A summary of the programmes and programme components covered across the Major Programmes is given below.

15. **Major Programme A** includes its two traditional programmes related to the organization of PMO meetings, to the secretariat services for the PMOs, and to the relationships management with Member States and other stakeholders. Programme A.1 provides and arranges for the necessary infrastructure for the meetings of the principal and subsidiary bodies of UNIDO's PMOs and assures that the meetings are conducted in a timely, orderly and procedurally correct manner. Programme A.2 covers a number of substantive, technical, logistical and advisory support services to the PMOs. It also covers the secretariat services of the PMOs, which constitute the main channel of communication and interaction between Member States and the UNIDO Secretariat.

16. The resource level of Major Programme A (Policymaking Organs) has been decreased to 2.8 from 2.9 per cent in the previous biennium. In this context, the consolidation should be noted of the significant reduction of budgeted costs of the PMOs introduced in the 2014-2015 biennium by the replacement of written summary records in all six languages of the Industrial Development Board and the General Conference with digital records. With decision IDB.43/Dec.6, the Board decided to continue the exercise for the period of 2016-2017. The present proposal is built on the assumption that the Board would agree to continuing the practice also for the next budget cycle.

17. **Major Programme B** contains six programmes, including a new programme B.6. Programme B.1 provides a consolidated framework for the inclusion of all the

principal functions of executive direction and strategic management under three separate programme components: (i) Executive Direction and Organizational Alignment; (ii) Strategic Planning, United Nations Coherence and Coordination; and (iii) Programmatic Quality Monitoring. Programme component B.1.1 is primarily responsible for establishing the overall policy direction for all activities undertaken by UNIDO. Programme B.1.2 is responsible for establishing, providing guidance, and coordinating the work of other programmes on specific policies and priorities of the Organization, as well as its strategic positioning within the context of the United Nations system. Component B.1.3 is responsible for overseeing and implementing UNIDO's programmatic quality monitoring framework. Programme B.2 covers the evaluation function. UNIDO attaches high priority to this due to its contribution to accountability, learning and the effectiveness of the Organization's substantive services. Programme B.3 relates to legal services to ensure that all of UNIDO's activities and programmes comply with the Organization's legal frameworks. Programme B.4, related to internal oversight, aims to promote integrity and transparency through independent and objective internal audit services and investigations of alleged wrongdoings. Programme B.5, covering ethics and accountability, supports the development and implementation of UNIDO's ethics-related policies. Programme B.6 is introduced in the present programme and budgets and relates to the newly established Audit Advisory Committee (AAC), as per decision IDB.44/Dec.3.

18. The proportion of total gross resources devoted to Major Programme B in the current programme and budgets is 6.9 per cent. This increase of 0.4 per cent over the rate of the previous biennium is mainly attributable to management objectives and the request by PMOs for additional budgets in the Programmes associated with oversight and accountability functions. Therefore, the budgets for Programme B.4 Internal Audit and Investigation, B.5 Ethics and Accountability and B.6 Audit Advisory Committee (AAC) have each been increased by 0.1 per cent.

19. **Major Programme C** is the largest of the Major Programmes, incorporating UNIDO's programmatic activities in the three thematic priorities of ISID. They are derived directly from the MTPF 2016-2019, its update for the 2018-2021 period and additional programmes for cross-cutting issues and field operations support.

20. Programme C.1 covers the services provided by UNIDO to Member States under the thematic field of "creating shared prosperity". It aims to advance poverty eradication and inclusiveness by creating job and income opportunities for all women and men across all social groups, by building productive capacities and value chain development. It comprises three programme components. Component C.1.1 promotes pro-poor business opportunities for rural populations through agri-business value chain and rural development. Component C.1.2 focuses on the participation of women and youth in productive activities. Component C.1.3 uses industrial solutions to address challenges and root-causes of human insecurity in countries and communities emerging from crisis situations.

21. Programme C.2 focuses on the provision of services under the thematic area of "advancing economic competitiveness". Component C.2.1 includes services relate to improving the overall business environment and investment climate for SME development and internalization, private investment, innovation and technological learning and development, and economic integration. Component C.2.2 offers services aimed at strengthening competitiveness and exports of developing countries, and at enabling them to conform to standards required by target markets. The latter include quality, health, safety, workers occupational health, environmental, sustainability, and business responsibility standards. Component C.2.3 provides an integrated range of services to enhance economic transformation and ISID through entrepreneurship, social inclusion and skills upgrading. This is done through curriculum development programmes, particularly for disadvantaged groups, including young people and women.

22. Programme C.3 covers UNIDO's services in the area of "safeguarding the environment". Component C.3.1 supports the reduced consumption of natural

resources, the reduction of greenhouse gases and other emissions and industrial wastes generated by industrial processes. It also supports targeted measures to enhance industrial energy efficiency and management, the productive use of water, and the environmentally sound management of chemicals, with a view to adopting circular economy practices. Component C.3.2 promotes access to sustainable energy solutions, renewable energy for productive uses and industrial applications. It also promotes the efficient use of energy in industry, including targeted measures to enhance industrial energy efficiency and management practices, and the promotion and transfer of low-carbon technologies. Component C.3.3 assists developing countries and countries with economies in transition to meet their obligations under multilateral environmental agreements. In particular this includes the Montreal Protocol on Substances that Deplete the Ozone Layer, the Stockholm Convention on Persistent Organic Pollutants (POPs), the upcoming Minamata Convention on Mercury and the United Nations Framework Convention on Climate Change.

23. Major Programme C.4 covers a range of cross-cutting services through six diverse programme components. Component C.4.1 covers UNIDO's corporate communications and media relations activities. Component C.4.2 provides industrial policy advice, applied research, knowledge and statistics in support of ISID activities. Component C.4.3 addresses the growing areas of strategic relation with partners and stakeholders, and of South-South cooperation. Component C.4.4 relates to the regional programming and coordination activities in support of ISID activities tailored to country and regional needs. Component C.4.5 includes activities to ensure effective and efficient management of the programme, including the monitoring of formal compliance and results of technical cooperation services. Component C.4.6 covers issues related to resource mobilization and strategic donor relations.

24. Programme C.5, ensures that the UNIDO field network, consisting of regional hubs, regional and country offices, receives optimal support and is fully integrated into the programmatic activities carried out under Major Programme C.

25. There is a moderate decline from the last biennium in overall resources devoted to Major Programme C from 59.4 to 58.3 per cent. This is mainly due to the need to reduce the biennial resources of 2018-2019. Notwithstanding, there is a minor increase in the resources of Programme C.3, Safeguarding the Environment, from 16.9 to 17.4 per cent, while the resources for the other programmes have been marginally reduced.

26. **Major Programme D** comprises the variety of services required to support the effective operations of UNIDO and includes five programmes: Programme D.1 covers human resource management, including Programme component D.1.1 on Gender Equality and the Empowerment of Women. Programme D.2 relates to the financial services provided by the Organization in support of its programmatic activities. Programme D.3 is subdivided into two programme components covering procurement services (D.3.1) and logistics services (D.3.2). Programme D.4 relates to the management of information and communication technology. Programme D.5 covers direction and management of the Organization's support services.

27. Compared to the last biennium, the share of resources allocated to Major Programme D has been decreased from 18.4 to 18.1 per cent. This, too, aligns with the overall need to reduce the biennial resources of 2018-2019. The slight increase in Programme D.1, Human Resource Management and Gender Mainstreaming, is due to the need for additional resources for an established professional position for the Gender Officer.

28. **Major Programme E** relates to the operation, maintenance and repair of the VIC complex of buildings, which is undertaken by UNIDO on behalf of, and with financial contributions from, the four organizations based in the complex. These are the International Atomic Energy Agency (IAEA), the Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO), UNIDO, and the United Nations Office at Vienna (UNOV). Programme E.1, Common Buildings

Management, is financed by all VIC-based organizations. Programme E.2, Joint Buildings Management, is financed only by CTBTO, UNIDO and UNOV. Both provide broadly similar services in relation to the objectives of the Major Programme.

29. The cost shared budget for VBOs has been maintained due to the general requirement to keep cost at a minimum and garner savings through efficiency gains.

30. Thus, the proposed gross expenditure budget for Programme E.1, Common Buildings Management Services, includes savings across most budget lines. An exception is the operational budgets where a need for additional budget requirements is mandated by new maintenance contracts with third parties, due to the aging of the building. These new maintenance contracts are pegged at current market price levels.

31. However, during the 2018-2019 biennium the estimated contribution of UNIDO to the cost-shared activities of Common Buildings Management is expected to decrease from 15.389 to 14.185 per cent. Thus, overall, there is a reduction in the UNIDO contribution to Common Buildings Management of €534,610.

32. **Major Programme F** covers UNIDO's contributions to shared services and other indirect costs. Programme F.1 covers specific joint services of the VBOs and joint activities of the United Nations system, including the UNRC system.

33. Indirect costs show an increase of €1,725,525. With €1,403,911, the majority of the increase is for the UNRC. The item represents the initial inclusion of the proportionate budget share of UNIDO to the costs of the UNRC system, since no budgetary provisions were provided in the biennium 2016-2017.

34. The increase in the pay-as-you-go servicing of the long-term liability under the after-service health insurance (ASHI) scheme by an amount of €909,400 is due to a significant increase in the number of UNIDO retirees. It is estimated on the basis of actual costs incurred in 2016 and the additional estimated costs resulting from retirements during 2017-2019.

35. The increase under ASHI has been offset to a large extent by the savings realized from UNIDO's contribution to Common Buildings Management in the amount of €534,610, as listed in Programme E above, and the savings in Joint Communications services of €140,000.

36. **Regular Programme for Technical Cooperation and Special Resources for Africa:** As in the biennium 2016-2017, the entire volume of the funds dedicated to the RPTC will be freely programmable in 2018-2019, in accordance with the priority accorded to Africa by the international development community and by UNIDO. While the prioritized allocation of extrabudgetary resources towards programmes and projects in the African region remains the main instrument, the item Special Resources for Africa (SRA) is maintained as a unique budget line to provide seed funding for programme activities with a level of €1 million in 2018-2019.

37. The resources allocated together for RPTC and SRA in 2018-2019 will be equivalent to €9.09 million before recosting.

#### **Comparison with the previous biennium by Major Programme**

38. The comparison between the current biennium and the estimated requirements for the biennium 2018-2019 is based on 2016-2017 cost levels. The budgets of all Major Programmes have been reduced, with minor increments occurring only in Major Programmes B and F. The particulars of each Major Programme are presented in the following analysis. It should be noted that the shares of individual Major Programmes and Programmes presented are based on total budget data excluding Major Programme E (Buildings Management), because of its joint sources of funding.

### Changes by major object of expenditure

39. The composition of the budgets remains largely the same as far as the relative share of the various major objects of expenditure is concerned. Details of notable variances are provided below by major object of expenditure.

40. *Changes in staff costs and the post structure:* The total number of posts has been decreased by 9.5. Details of the composition of posts are presented in table 5 and annex C. At Headquarters, there was a net increase of 1.5 in the total number of Professional posts. In the General Service category, there was a reduction by three positions. In the Field Representation there was an increase by two National Programme Officer posts. Ten General Service posts were reduced.

41. *Official Travel:* Regular budget travel resources remained almost constant except for the increase of €85,200, as required for the operation of the new Audit Advisory Committee (AAC). The operational budget features an increase of €305,300 under the monitoring requirements of GEF and Montreal Protocol projects, as mandated by the respective funding agreements.

42. *Operating costs:* It is worth noting that as the Major Programme for Indirect Costs has a large component of resources for operating costs, the other Major Programmes show only a small proportion of these costs. Such operating costs include, but are not limited to, printing, public information services and translation, and directly impact on the relevant Programmes. The over-all level of this cost category exhibits a moderate decrease.

## II. PROGRAMMATIC ADJUSTMENTS

43. The changes in the programmatic structure of the present programme and budgets consider the programmatic implications of the growing role of UNIDO as the provider of institutional support for the implementation of the 2030 Agenda, both at technical cooperation and at policy and standard-setting levels. In particular, the SDGs framework gives UNIDO a specific mandate to perform thematic policy analysis, monitoring and reporting functions vis-à-vis the SDGs at the global and regional level, and supporting Member States with policy advisory services in their voluntary national reviews to the high-level political forum (HLPF) of the implementation of SDGs.

44. Concurrently, the significant gap in available and reliable industrial data, particularly in developing countries, has become all the more evident within the SDGs global indicator framework. This calls for further support services by UNIDO in capacity-building activities in the field of industrial statistics.

45. Another consideration were the programmatic implications of UNIDO's prominent role in the science, technology and innovation work stream at the inter-agency level, particularly regarding the establishment of a technology facilitation mechanism, as mandated by the Addis Ababa Action Agenda.

### Follow up and review architecture of the 2030 Agenda

46. The United Nations Statistical Commission (UNSC) and its related Inter-agency Expert Group on Sustainable Development Goals Indicators (IAEG-SDG) developed a list of indicators for the global monitoring of the goals and targets of the 2030 Agenda. As part of this work, UNIDO was appointed in March 2016 as the custodian agency of for six industry-related indicators under SDG 9 (SDG indicators 9.2.1, 9.2.2, 9.3.1, 9.3.2, 9.4.1, and 9.b.1).

47. In paragraphs 72ff. of the 2030 Agenda for Sustainable Development, Governments committed themselves to a systematic follow-up and review at the national, regional and global levels, and laid down guiding principles for this follow-up and review process. The follow-up and review should also "benefit from the active support of the United Nations system and other multilateral institutions".

Furthermore, thematic reviews, including cross-cutting issues, taking place at the HLPF “should be supported by reviews by the ECOSOC functional commissions and other inter-governmental bodies and forums which should reflect the integrated nature of the goals as well as the interlinkages between them”. In this context, since 2016 UNIDO’s Industrial Development Board is regularly invited to provide its input to the HLPF process on issues related to inclusive and sustainable industrialization.

48. UNIDO coordinates with UNSC, other partner agencies and national statistical offices (NSOs) in developing the SDG indicators. It has also been working to address the challenge of reliable monitoring at the global level. Through its collaboration with the UNSC and other partners, UNIDO supports NSOs in the implementation of SDG indicators within their statistical programmes. This leads to enhanced cooperation with national and international stakeholders of Goal 9.

49. UNIDO is a member of the Inter-agency Task Force on Financing for Development, convened by the Secretary-General after the adoption of the Addis Ababa Action Agenda. Part of this work is a Technology Facilitation Mechanism (TFM), which is based on a multi-stakeholder collaboration between Member States, civil society, the private sector, the scientific community, United Nations entities and other stakeholders. The dissemination and acquisition of technology represents a key area of UNIDO support to Member States, and UNIDO is thus actively involved in the TFM.

### **The Third Industrial Development Decade for Africa**

50. On 25 July 2016, the United Nations General Assembly proclaimed the period 2016-2025 as the Third Industrial Development Decade for Africa. Resolution 70/293 specifically calls upon UNIDO “to develop, operationalize and lead the implementation of its programme”, and invites UNIDO “to scale up its technical assistance to African countries in order to promote inclusive and sustainable industrial development”. Noting that Africa remains “the poorest and the most vulnerable region in the world”, the General Assembly highlighted the need for the continent to take “urgent action to advance sustainable industrialization as a key element of furthering economic diversification and value addition, creating jobs and thus reducing poverty and contributing to the implementation of the 2030 Agenda for Sustainable Development”. The General Assembly also encouraged UNIDO’s Director General to mobilize adequate resources for the implementation of the Third Industrial Development Decade, and requests the Director General to submit a periodic progress report to the General Assembly through the Secretary-General. In addition, the resolution invites UNIDO to foster partnerships, as appropriate, with other relevant entities in the United Nations development system (UNDS).

51. In compliance with this mandate by the General Assembly, the programme and budgets 2018-2019 incorporate programmatic considerations of an increased commitment to greater industrial development impact on the African continent, including mechanisms to raise the necessary voluntary contributions, to build new and expand existing partnership approaches to support Africa in achieving the SDGs, in particular Goal 9. In this sense, over the course of the next years, the Organization will adapt its processes and structure as necessary to optimize its contribution to these activities.

### **United Nations coherence and Resident Coordinator system**

52. Being part of the United Nations system, UNIDO’s programmatic objectives and priorities are impacted by broader decisions and resolutions adopted at the system-wide level. One of the most relevant is the quadrennial comprehensive policy review of operational activities for development of the United Nations system (QCPR). Following the established quadrennial cycle, the latest QCPR resolution was adopted on 21 December 2016 (resolution 71/243). In essence, it guides the UNDS in supporting the implementation of the 2030 Agenda, and

continues the work of the 2012 QCPR resolution towards an effective, efficient and coherent UNDS.

53. The latest QCPR contains elements with important implications for UNIDO's programmatic activities. First, the UNIDO programmatic cycle itself will need to be adapted to the QCPR cycle by 2021. As already captured in the Secretary-General's report on the implementation of the QCPR, and as requested by UNIDO Member States in decision IDB.44/Dec.10, the MTPF 2016-2019 planning cycle will require an extension to the biennium 2020-2021, for the UNIDO cycle to be fully aligned with the one of the QCPR.

54. To date, it has not yet been defined what work will take place within the respective intergovernmental bodies of United Nations entities to align their budgets with the QCPR. Similarly there is no clarity as to the required adjustments in the cost-sharing of the UNRC offices in the field..

55. The new QCPR is expected to have implications on UNIDO's work as an organization with relatively limited field presence, not least in light of the recent implementation of the Organization's field network reform. Enhanced coordination at field level is expected among United Nations agencies, funds and programmes, which will bear consequences for the UNIDO field offices.

56. UNIDO contributes to system-wide coherence mechanisms, including through the CEB, its two high-level committees on programmes and on management, and the United Nations Development Group (UNDG), in which UNIDO is a full member of the advisory board. In these efforts, UNIDO aligns all its country-level programmatic activities with the UNRC system while providing support to the operations of the UNRC offices. Through its participation in UNDG and United Nations Country Team (UNCT) meetings, retreats and joint events at global, regional and country level, and through its engagement in the One United Nations, UNDAFs, and joint programming processes, the Organization has increased its visibility and sharpened its comparative advantages. This engagement also increased the demand for UNIDO's thematic programmes and has led to the formulation and implementation of joint programmes with relevant United Nations entities including Food and Agriculture Organization of the United Nations (FAO), International Labour Organization (ILO), United Nations Conference on Trade and Development (UNCTAD), United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP) and International Telecommunication Union (ITU). These joint activities have fostered positive results as they build on the comparative advantages of each entity and thus avoid duplication and ensure the efficient use of funds.

57. As the experience since the adoption of the 2030 Agenda has shown, engaging in the institutionalized UNCTs is essential for the Organization to enable it to embed ISID in UNDG mechanisms, and in particular in the UNDAFs. UNIDO's full contribution to the UNDG cost sharing towards the UNRC is therefore essential for the future standing of the Organization in the United Nations development system. Henceforth, United Nations entities which fail to pay the contribution in full will only be granted observer status. This will have a negative impact on their participation in joint programmes and on their ability to benefit from various fundraising mechanisms. With the requested additional resources UNIDO's full participation within the UNRC system will be ensured, and UNIDO will thus strategically position its mandate in programmatic activities at the country level.

#### **New strategic partnerships**

58. UNIDO's increasingly relevant role in the global debate on international cooperation for development led to the widening of the Organization's strategic partnerships in the policy and normative space, in addition to that of traditional technical cooperation. As outlined in the updated MTPF for the 2018-2021 period, one of the highlights of this enhanced policy activity is the Organization's engagement with the G20. including its new initiative to support industrialization in

Africa and least developed countries, based on a comprehensive report prepared by UNIDO. The Organization's efforts to participate in the G20 and similar global governance forums will have implications on its programming frameworks, particularly in its policy function. This was taken account of in the preparation of the programme and budget 2018-2019.

59. At the end of 2016, UNIDO and the World Bank signed an agreement to facilitate the provision of UNIDO expertise to governments implementing World Bank-financed investment projects. The new standard agreement is intended to help the two organizations support client countries in achieving the SDGs. The agreement is expected to have important implications on UNIDO's ability to raise voluntary contributions towards the delivery of its services. It will also greatly facilitate resource mobilization in support of Programmes for Country Partnership (PCPs) and the implementation of Third Industrial Development Decade for Africa. A similar agreement was signed with the African Development Bank and cooperation frameworks with other institutions are currently under examination. These developments in the operational architecture will have implications for the programmatic approaches of UNIDO in the provision of its technical cooperation, policy advisory, normative, and convening services.

#### **Results-based management, performance monitoring and accountability**

60. The IRPF was introduced in the MTPF 2016-2019 to support the monitoring and reporting of corporate results. The initial set of indicators contained in the MTPF 2016-2019 was tested, analysed and improved over the course of 2016. It now includes a list of selected SDG indicators for the global level development results framework. While the IRPF is a living document, its set of results indicators is used in the structure of the present programme and budget document in connection with each Major Programme and related Programmes and components, as a way of improving the RBM framework of the organizational performance.

### **III. BUDGET FRAMEWORK**

#### **Financing of the regular budget**

61. The following analysis is presented at 2018-2019 costs, i.e. including the elements of revaluation and recosting.

62. The net requirements under the regular budget, which are financed by assessed contributions payable by Member States, have been budgeted at the level of 1.10 per cent, reduction rate, in real terms. Total gross expenditures of €139,502,102 are reduced by an anticipated income of €2,501,500, and the resulting amount of €137,000,602 constitutes the net requirements.

63. Estimated income falls under two categories: (a) cost reimbursement for field offices and (b) miscellaneous income. The latter category includes income from sales publications, interest earned and other sundry items for which details are provided in a separate section. Except for US\$ deposits, the projected income continues to be considerably lower than that of the previous biennium given the current global outlook on interest rates on the financial markets.

#### **Financing of the operational budget**

64. Total gross expenditures under the operational budget of €36,152,400 are similarly reduced by income of €355,100. The resulting net requirements of €35,797,300 are financed from the reimbursement of support costs pertaining to technical cooperation and other services. Details related to technical cooperation delivery and related support cost income estimates are shown in Tables 1 and 2(b). The projected level for 2018-2019 amounts to €344.3 million.



65. Miscellaneous income earned under the operational budget falls under the same categories as that of the regular budget and is subject to the same considerations.

#### **Development of budget estimates**

66. In accordance with financial regulation 3.3, the budgetary estimates for the regular and operational budgets are presented separately at all programme levels. Similar to previous bienniums, comparisons between the bienniums 2016-2017 and 2018-2019 are shown at the same cost levels as the biennial budget for 2016-2017. The budget estimates for the biennium 2018-2019 are then adjusted (recosted) to take into account the impact of inflation and other cost adjustments.

67. For the development of the budgetary estimates for the biennium 2018-2019, the following elements have been taken into consideration:

- (a) Approved budgets for 2016-2017;
- (b) Adjustments to the approved 2016-2017 budgets to allow comparison;
- (c) Resource requirements for 2018-2019 at 2016-2017 rates;
- (d) Inflation and other cost adjustments.

#### **Approved budgets for 2016-2017 as the budget base**

68. The programme and budgets for the biennium 2016-2017, as contained in document IDB.43/6/Add.1 and approved by the General Conference in decision GC.16/Dec.15, detailed the resource requirements to implement the programmes of the Organization for the biennium 2016-2017. In line with that document, the budgets for the biennium 2016-2017 represent, under the regular budget, a net amount of €136,416,533 and €33,764,700 under the operational budget.

69. The General Conference, in decision GC.16/Dec.15 paragraph (b), approved an amount of €136,416,533 as the level of assessed contributions for 2016-2017.

70. In order to allow comparison at the levels of programme and objects of expenditure, the resource levels, as presented and approved in document IDB.43/6/Add.1, have been used as the comparative base for the resource requirements for 2018-2019.

71. Consequently, the comparative base for the regular budget is €136,416,533.

#### **Adjustments to the budget base**

72. The budget base has been restated to reflect the changes in the programmatic structure to allow for a meaningful comparison of resource requirements for 2018-2019 with those of 2016-2017. The adjustments were mainly limited to re-coding the approved resources in accordance with the integration of the Programme D.5, Business and Systems Support with the Programme D.4 Information Technology and Communications.

73. There is also a shift of resources to Programme C.4, Cross-cutting Services, from Programme B.1, Executive Direction and Strategic Management. This was done to recognize the integration of the Quality Monitoring and Independent Evaluation Division.

#### **Resource requirements for 2018-2019 at 2016-2017 rates**

74. As in the previous biennium, the programmes proposed in the programme and budgets 2018-2019 will need to be undertaken within the limited resources at the disposal of the Organization. To ensure compliance with decision IDB.39/Dec.7, the programmes proposed herein will need to be undertaken within the limited resources at the disposal of the Organization. The combined regular and operational budgets, 2018-2019 are presented at a level of 0.50 per cent reduction rate, in real terms. However, the regular budget is reduced by 1.10 per cent, comprising a reduction of

€3.39 million (€3,385,858) for the past share of departing Member States and the inclusion of €1.88 million, which comprises UNIDO's €1.40 million contribution to the United Nations Resident Coordinator (UNRC) system, €0.09 million (€86,200) for support to the Audit Advisory Committee (AAC) and €0.28 million (€279,100) required for an established position for the Gender Officer (P4). These additional resource requirements result in an increase of €0.11 million to the Regular Programme for Technical Cooperation (RPTC).

75. The net operational budget estimates of €34,449,100 represent a growth of €684,400, or a 2.0 per cent increase rate, in real terms.

76. The vacancy factors assumed in the budgets for the biennium 2018-2019 remain at five per cent for Professional-level and three per cent for General Service-level posts. These assumptions reflect the reduced financial requirements of a post due to a period of vacancy during the recruitment process.

#### **Inflation and other cost adjustments**

77. The application of inflation and other cost adjustments to the 2018-2019 estimates (expressed at 2016-2017 rates) results in a recosting of these estimates to 2018-2019 rates.

78. This process consists of two steps. First, the resource requirements expressed at 2016-2017 rates are recosted to reflect the actual cost structures of 2016-2017. In the second step, the requirements are further adjusted in line with expected cost increases for 2018 and 2019.

79. The increase in financial requirements for 2018-2019 is attributable to anticipated changes in the consumer price and wage index levels in Austria and field locations, and also to expected statutory changes in salary and common staff costs for staff on established posts.

80. It is important to emphasize that the conditions of service for staff are regulated by the provisions of the United Nations common system of salaries and entitlements, of which UNIDO is a part.

81. On recommendation by the International Civil Service Commission (ICSC), the General Assembly of the United Nations in resolution 70/244 approved changes to the conditions of service and entitlements for staff in the Professional and higher categories with effect from 1 January 2017. Furthermore, pursuant to General Assembly resolution 71/264 there was an increase in Professional salaries in Vienna, following a rise in the post adjustment multiplier for New York effective 1 February 2017. The new provisions have been reflected in the budget estimates.

82. Accordingly, projections have been made to standard salary costs for the biennium 2018-2019 as per the category of duty stations reflecting the following anticipated cost increases.

83. In the Professional category, the proposed increase on in-grade increments and merit promotions of 0.2 per cent, together with the average impact of the new unified salary scales of minus 2.4 per cent, results in an effective annual decrease of 2.2 per cent in 2017. A slight increase by 0.3 per cent for in-grade increments is expected for 2018. In 2019, this increase is estimated at 0.2 per cent. In other duty stations, estimates are slightly lower (-2.8 per cent in 2017, 0.1 in 2018 and 2019 each).

84. For General Service staff in Vienna, no salary increase is projected for 2017. Provision for merit promotions and in-grade increments is made at 0.3 per cent. In 2018-2019, total annual increases of 0.8 and 1.6 per cent respectively were assumed. Estimates for salary increases in other duty stations have been calculated on the basis of projected average consumer price and wage indices increases, together with in-grade increments.

85. The level of common staff costs under the regular and operational budgets has been estimated at an average 43.6 per cent (41.7 per cent in 2016-2017) of net

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Professional salaries, and 33.0 per cent (32.9 per cent in 2016-2017) of General Service salaries for 2018-2019. These estimates have been developed by analysing the cost movements of the various entitlements as regulated by the ICSC, taking into account the current staff population at UNIDO, as well as changes in entitlements as per the above mentioned resolution 70/244.

86. The inflation rate for various non-staff objects of expenditure such as utilities, maintenance and supplies is based on forecasts of price index movements by the Austrian Institute for Economic Research, the Organization for Economic Co-operation and Development (OECD), the World Economic Situation and Prospects 2016, or on assumed inflation trends at field office locations.

87. The average rate under the regular budget for net cost increases in the biennium 2018-2019 is 0.771 per cent per annum. The net amount required for recosting under the regular budget is €2,088,550.

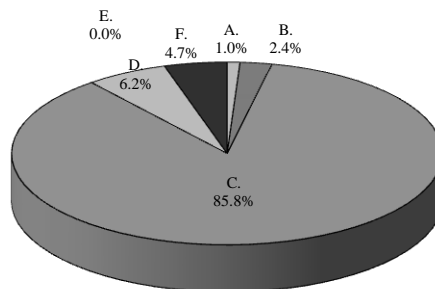
#### **Budgeting for non-euro expenditures**

88. The Organization prepares and presents its budgets in one currency only, i.e. the euro. However, some 10 to 15 per cent of expenditures remain in other currencies, mainly in United States dollars. In order to estimate the required budgetary amounts in euros, the January to December 2016 average United Nations euro/dollar exchange rate, i.e. US \$ 1 = € 0.904, has been applied to those items. The same rate will be used to determine the transfers to or from the special reserve for exchange rate gains and losses.

Table 1  
Summary of budget estimates by Major Programme for 2018-2019  
for total operations  
(In euros, at 2018-2019 costs)

Major Programme	Regular budget (net)	Operational budget (net)	Technical cooperation (extrabudgetary)	Total net estimates	Per cent of total estimates
A. Policymaking Organs	4,857,000	92,800		4,949,800	1.0%
B. Executive Direction and Strategic Management	11,828,935	280,500	237,800	12,347,235	2.4%
C. Thematic Programme Framework: Towards Inclusive and Sustainable Industrial Development	69,098,618	30,891,200	344,078,700	444,068,518	85.8%
D. Programme Support Services	26,961,664	4,887,900		31,849,564	6.2%
E. Buildings Management					0.0%
F. Indirect Costs	24,324,385			24,324,385	4.7%
Miscellaneous Income	(70,000)	(355,100)		(425,100)	
<b>Total net requirements</b>	<b>137,000,602</b>	<b>35,797,300</b>	<b>344,316,500</b>	<b>517,114,402</b>	<b>100.0%</b>

Total volume of operations in 2018-2019  
by major programme  
(including technical cooperation)



**Table 2(a)**  
**Summary of regular and operational budgets**  
(Excluding Major Programme E, Buildings Management)  
(In euros)

	2016-2017 approved budget 1	2018-2019 Departing Member States 2	2018-2019 Specific Activities 3	2018-2019 resource growth at 2016-2017 rates 4	2018-2019 resource requirements at 2016-2017 rates 5	Recosting to 2018-2019 rates 6	2018-2019 resource requirements at 2018-2019 rates 7
<b>Regular budget</b>							
Expenditures	138,934,833	(3,385,858)	1,881,377	(1,521,281)	137,413,552	2,088,550	139,502,102
Income	(2,518,300)			16,800	(2,501,500)		(2,501,500)
Net requirements	136,416,533	(3,385,858)	1,881,377	(1,504,481)	134,912,052	2,088,550	137,000,602
<b>Operational budget</b>							
Expenditures	34,066,200			738,000	34,804,200	1,348,200	36,152,400
Income	(301,500)			(53,600)	(355,100)		(355,100)
Net requirements	33,764,700			684,400	34,449,100	1,348,200	35,797,300
Total regular and operational budgets	170,181,233	(3,385,858)	1,881,377	(820,081)	169,361,152	3,436,750	172,797,902
<b>Rate of real growth (net)</b>							
Regular budget				(1.1%)			
Operational budget				2.0%			
Combined				(0.5%)			

Table 2 (b)

Technical cooperation delivery and support cost income estimates  
(Excluding Regular Programme activities)  
(In euros)

	2016-2017		2018-2019 <sup>a</sup>	
	Delivery	Support cost income	Delivery	Support cost income
European Union	39,412,400	2,829,300	40,003,900	2,697,500
Global Environment Facility	99,053,700	9,128,900	128,237,300	10,938,500
Industrial Development Fund	37,908,100	4,323,700	32,735,400	3,805,300
Montreal Protocol	67,199,500	8,308,500	44,077,500	7,105,900
Trust funds and others	85,942,100	7,973,800	98,629,500	9,997,700
UNDP — Main programme	300,400	21,500	632,800	52,400
Technical Services		1,179,000		1,200,000
<b>Total</b>	<b>329,816,200</b>	<b>33,764,700</b>	<b>344,316,400</b>	<b>35,797,300</b>

<sup>a</sup> Calculated with US\$1 = €0.904, the January to December 2016 average United Nations exchange rate.

Table 3

Proposed expenditure and income  
by Major Programme for 2018-2019 with comparative data for 2016-2017  
(In euros)

Major Programme	2016-2017 approved budget <sup>a</sup>	2018-2019 resource growth at 2016-2017 rates	2018-2019 resource requirements at 2016- 2017 rates	Recosting to 2018- 2019 rates	2018-2019 resource requirements at 2018- 2019 rates
	1	2	3	4	5
<b><u>1. Regular and operational budgets</u></b>					
A. Policymaking Organs	4,964,457	(77,557)	4,886,900	62,900	4,949,800
B. Executive Direction and Strategic Management	11,321,894	619,066	11,940,960	168,475	12,109,435
C. Thematic Programme Framework: Towards Inclusive and Sustainable Industrial Development	102,749,822	(2,705,428)	100,044,394	2,376,925	102,421,319
Income	(2,431,500)		(2,431,500)		(2,431,500)
Net requirements	100,318,322	(2,705,428)	97,612,894	2,376,925	99,989,819
D. Programme Support Services	31,905,700	(344,886)	31,560,814	288,750	31,849,564
E. Buildings Management	55,060,800	746,600	55,807,400	258,000	56,065,400
Income	(55,060,800)	(746,600)	(55,807,400)	(258,000)	(56,065,400)
Net requirements					
F. Indirect Costs	22,059,160	1,725,525	23,784,685	539,700	24,324,385
Miscellaneous Income	(388,300)	(36,800)	(425,100)		(425,100)
<b>Total regular and operational budgets</b>	<b>170,181,233</b>	<b>(820,080)</b>	<b>169,361,153</b>	<b>3,436,750</b>	<b>172,797,903</b>

(Continued next page)

Table 3 (continued)  
Proposed expenditure and income  
by Major Programme for 2018-2019 with comparative data for 2016-2017  
(In euros)

Major Programme	2016-2017 approved budget <sup>a</sup>	2018-2019 resource growth at 2016-2017 rates	2018-2019 resource requirements at 2016- 2017 rates	Recosting to 2018- 2019 rates	2018-2019 resource requirements at 2018- 2019 rates
	1	2	3	4	5
<b><u>2. Regular budget</u></b>					
A. Policymaking Organs	4,873,657	(77,757)	4,795,900	61,100	4,857,000
B. Executive Direction and Strategic Management	11,042,794	619,066	11,661,860	167,075	11,828,935
C. Thematic Programme Framework: Towards Inclusive and Sustainable Industrial Development	73,926,022	(3,443,228)	70,482,794	1,047,325	71,530,119
Income	(2,431,500)		(2,431,500)		(2,431,500)
Net requirements	71,494,522	(3,443,228)	68,051,294	1,047,325	69,098,619
D. Programme Support Services	27,033,200	(344,886)	26,688,314	273,350	26,961,664
E. Buildings Management	55,060,800	746,600	55,807,400	258,000	56,065,400
Income	(55,060,800)	(746,600)	(55,807,400)	(258,000)	(56,065,400)
Net requirements					
F. Indirect Costs	22,059,160	1,725,525	23,784,685	539,700	24,324,385
Miscellaneous Income	(86,800)	16,800	(70,000)		(70,000)
<b>Total regular budget</b>	<b>136,416,533</b>	<b>(1,504,480)</b>	<b>134,912,053</b>	<b>2,088,550</b>	<b>137,000,603</b>
<b><u>3. Operational budget</u></b>					
A. Policymaking Organs	90,800	200	91,000	1,800	92,800
B. Executive Direction and Strategic Management	279,100		279,100	1,400	280,500
C. Thematic Programme Framework: Towards Inclusive and Sustainable Industrial Development	28,823,800	737,800	29,561,600	1,329,600	30,891,200
Net requirements	28,823,800	737,800	29,561,600	1,329,600	30,891,200
D. Programme Support Services	4,872,500		4,872,500	15,400	4,887,900
Net requirements					
Miscellaneous Income	(301,500)	(53,600)	(355,100)		(355,100)
<b>Total operational budget</b>	<b>33,764,700</b>	<b>684,400</b>	<b>34,449,100</b>	<b>1,348,200</b>	<b>35,797,300</b>

<sup>a</sup> Reflects budget adjustments to the base.



Table 4(a)  
Proposed expenditure and income  
by major object of expenditure for 2018-2019 with comparative data for 2016-2017  
(Excluding Major Programme E, Buildings Management)  
(In euros)

Major object of expenditure	2016-2017 Approved budget	2018-2019 resource growth at 2016-2017 rates	2018-2019 resource requirements at 2016-2017 rates	Recosting to 2018-2019 rates	2018-2019 resource requirements at 2018-2019 rates
	1	2	3	4	5
<b><u>1. Regular and operational budgets</u></b>					
1 Staff costs	124,394,170	(653,263)	123,740,907	2,602,850	126,343,757
2 Official travel	4,365,431	423,128	4,788,559	99,000	4,887,559
3 Operating costs	27,752,340	(79,873)	27,672,467	466,300	28,138,767
4 Information and communication technology	7,304,100	(383,000)	6,921,100	143,200	7,064,300
5 RPTC and Special Resources for Africa	9,184,992	(90,272)	9,094,720	125,400	9,220,120
Income	(2,819,800)	(36,800)	(2,856,600)		(2,856,600)
<b>Total net regular and operational budgets</b>	<b>170,181,233</b>	<b>(820,080)</b>	<b>169,361,153</b>	<b>3,436,750</b>	<b>172,797,903</b>
<b><u>2. Regular budget</u></b>					
1 Staff costs	93,205,470	(1,273,363)	91,932,107	1,314,450	93,246,557
2 Official travel	2,429,431	117,828	2,547,259	54,300	2,601,559
3 Operating costs	26,810,840	107,527	26,918,367	451,200	27,369,567
4 Information and communication technology	7,304,100	(383,000)	6,921,100	143,200	7,064,300
5 RPTC and Special Resources for Africa	9,184,992	(90,272)	9,094,720	125,400	9,220,120
Income	(2,518,300)	16,800	(2,501,500)		(2,501,500)
<b>Total net regular budget</b>	<b>136,416,533</b>	<b>(1,504,480)</b>	<b>134,912,053</b>	<b>2,088,550</b>	<b>137,000,603</b>
<b><u>3. Operational budget</u></b>					
1 Staff costs	31,188,700	620,100	31,808,800	1,288,400	33,097,200
2 Official travel	1,936,000	305,300	2,241,300	44,700	2,286,000
3 Operating costs	941,500	(187,400)	754,100	15,100	769,200
Income	(301,500)	(53,600)	(355,100)		(355,100)
<b>Total net operational budget</b>	<b>33,764,700</b>	<b>684,400</b>	<b>34,449,100</b>	<b>1,348,200</b>	<b>35,797,300</b>

Table 4(b)  
Annual proposed expenditure and income  
by major object of expenditure for 2018-2019  
(Excluding Major Programme E, Buildings Management)  
(In euros)

Major object of expenditure	2018 resource requirements at 2018 rates	2019 resource requirements at 2019 rates	2018-2019 resource requirements at 2018-2019 rates
	1	2	3
<b><u>1. Regular and operational budgets</u></b>			
1 Staff costs	62,832,981	63,510,776	126,343,757
2 Official travel	2,734,374	2,153,185	4,887,559
3 Operating costs	13,578,907	14,559,860	28,138,767
4 Information and communication technology	3,533,700	3,530,600	7,064,300
5 RPTC and Special Resources for Africa	4,570,093	4,650,027	9,220,120
Income	(1,414,400)	(1,442,200)	(2,856,600)
<b>Total net regular and operational budgets</b>	<b>85,835,655</b>	<b>86,962,248</b>	<b>172,797,903</b>
<b><u>2. Regular budget</u></b>			
1 Staff costs	46,331,781	46,914,776	93,246,557
2 Official travel	1,294,374	1,307,185	2,601,559
3 Operating costs	13,180,407	14,189,160	27,369,567
4 Information and communication technology	3,533,700	3,530,600	7,064,300
5 RPTC and Special Resources for Africa	4,570,093	4,650,027	9,220,120
Income	(1,244,000)	(1,257,500)	(2,501,500)
<b>Total net regular budget</b>	<b>67,666,355</b>	<b>69,334,248</b>	<b>137,000,603</b>
<b><u>3. Operational budget</u></b>			
1 Staff costs	16,501,200	16,596,000	33,097,200
2 Official travel	1,440,000	846,000	2,286,000
3 Operating costs	398,500	370,700	769,200
Income	(170,400)	(184,700)	(355,100)
<b>Total net operational budget</b>	<b>18,169,300</b>	<b>17,628,000</b>	<b>35,797,300</b>

**Table 5**  
**Positions established under the regular and operational budgets**  
**2016-2017 and 2018-2019**  
 (Excluding Major Programme E, Buildings Management)

<b>A. Total UNIDO</b>	2016-2017			2018-2019			Increase/ decrease
	RB	OB	Total	RB	OB	Total	
<u>Professional and above</u>							
Director General	1.0	-	1.0	1.0	-	1.0	-
Director	20.0	6.0	26.0	20.0	6.0	26.0	-
P-5	40.0	18.0	58.0	39.5	21.0	60.5	2.5
P-4	60.0	7.0	67.0	58.0	6.0	64.0	-3.0
PS (P-1 to P-3)	80.0	19.0	99.0	82.0	19.0	101.0	2.0
NP (National Programme Officer)	-	40.0	40.0	-	42.0	42.0	2.0
Subtotal	201.0	90.0	291.0	200.5	94.0	294.5	3.5
General Service	221.00	73.00	294.00	208.00	73.00	281.00	-13.00
<b>GRAND TOTAL</b>	<b>422.00</b>	<b>163.00</b>	<b>585.00</b>	<b>408.50</b>	<b>167.00</b>	<b>575.50</b>	<b>-9.50</b>
<b>B. Headquarters (including offices at New York, Geneva and Brussels)</b>							
	2016-2017			2018-2019			Increase/ decrease
	RB	OB	Total	RB	OB	Total	
<u>Professional and above</u>							
Director General	1.0	-	1.0	1.0	-	1.0	-
Director	18.0	3.0	21.0	18.0	3.0	21.0	-
P-5	36.0	9.0	45.0	35.5	11.0	46.5	1.5
P-4	60.0	6.0	66.0	58.0	6.0	64.0	-2.0
PS (P-1 to P-3)	80.0	19.0	99.0	82.0	19.0	101.0	2.0
NP (National Programme Officer)	-	-	-	-	-	-	-
Subtotal	195.0	37.0	232.0	194.5	39.0	233.5	1.5
General Service	157.00	56.00	213.00	154.00	56.00	210.00	-3.00
<b>GRAND TOTAL</b>	<b>352.00</b>	<b>93.00</b>	<b>445.00</b>	<b>348.50</b>	<b>95.00</b>	<b>443.50</b>	<b>-1.50</b>
<b>C. Field Offices</b>							
	2016-2017			2018-2019			Increase/ decrease
	RB	OB	Total	RB	OB	Total	
<u>Professional and above</u>							
Director	2.0	3.0	5.0	2.0	3.0	5.0	-
P-5	4.0	9.0	13.0	4.0	10.0	14.0	1.0
P-4	-	1.0	1.0	-	-	-	-1.0
PS (P-1 to P-3)	-	-	-	-	-	-	-
NP (National Programme Officer)	-	40.0	40.0	-	42.0	42.0	2.0
Subtotal	6.0	53.0	59.0	6.0	55.0	61.0	2.0
General Service	64.0	17.0	81.0	54.0	17.0	71.0	-10.0
<b>GRAND TOTAL</b>	<b>70.0</b>	<b>70.0</b>	<b>140.0</b>	<b>60.0</b>	<b>72.0</b>	<b>132.0</b>	<b>-8.0</b>

## MAJOR PROGRAMME A: POLICYMAKING ORGANS

*Objective:* To provide a framework to Member States for determining the guiding principles, policies, priorities and budgetary resources of UNIDO, and to build strong relationships, strengthen partnerships with, and ownership by, Member States and other stakeholders.

*General description:* The Member States are the main constituency of Major Programme A. Besides the regular sessions of the PMOs, recent years have been characterized by special events and side events held in the presence of high-level dignitaries and other stakeholders. Furthermore, frequent briefings for Member States have become an established practice. These and other trends further enhance the participatory processes and organizational effectiveness of the Organization, and encourage Member States at a very high level to share their views and provide guidance on how UNIDO should contribute to the overall development objectives of the 2030 Agenda. The Programme also facilitates the annual substantive input by the Industrial Development Board to the HLPF, under the auspices of the ECOSOC.

### Major Programme A: POLICYMAKING ORGANS

#### Resource estimates (in euros)

Positions			2018-2019 estimates (after recosting)			
Professional	General Service	Total	Regular budget	Operational budget	Total	
5.00	3.00	8.00	Staff costs	1,849,000	1,849,000	
			Consultants	37,500	37,500	
			Official travel	36,400	36,400	
			Operating costs	2,934,100	92,800	3,026,900
			<b>Total gross expenditure</b>	<b>4,857,000</b>	<b>92,800</b>	<b>4,949,800</b>
			<b>Total net resources</b>	<b>4,857,000</b>	<b>92,800</b>	<b>4,949,800</b>

#### By programme

		Positions		Regular and operational budgets	Technical cooperation (extrabudgetary)	TOTAL
		P	GS			
A.1.	Meetings of the Policymaking Organs			3,076,700		3,076,700
A.2.	Policymaking Organs Secretariat and Relations with Member States	5.00	3.00	1,873,100		1,873,100
<b>A.</b>	<b>Total Major Programme</b>	<b>5.00</b>	<b>3.00</b>	<b>4,949,800</b>		<b>4,949,800</b>

### *Programme A.1: Meetings of the Policymaking Organs*

*Objective:* To provide and arrange for the necessary infrastructure, services (translation, printing, conference facilities, and interpretation) and substantive advice for the policymaking organs, including regular and special sessions and a range of inter-sessional meetings.

*General description:* The programme serves the PMOs of the Organization and responds to the mandate as outlined in the Constitution and the rules of procedure of the policymaking organs. As provided for in Chapter II of the Constitution, these PMOs comprise: (a) The General Conference; (b) The Industrial Development Board; (c) The Programme and Budget Committee. The Programme provides and arranges for the necessary infrastructure for the meetings of the principal and

subsidiary bodies of UNIDO's PMOs. These are intended to develop guidelines and policy directives for the Secretariat on the functions and activities of the Organization as set out under Article 2 of the Constitution and the Lima Declaration, thereby discharging constitutional and mandated responsibilities. It assures that meetings are conducted in a timely, orderly and procedurally correct manner through authoritative advice and thorough preparations of the Secretariat.

<i>Expected results</i>	<i>Performance indicators (as per IRPF)</i>	<i>Means of verification</i>
PMO sessional documents issued in line with legislative deadline and language requirements.	Percentage of documentation issued before or at the legislative date.	Statistics prepared by PMO Secretariat based on issuance data.

### ***Programme A.2: Policymaking Organs Secretariat and Relations with Member States***

*Objective:* To facilitate deliberations and decision-making of the policymaking organs and strengthen liaison with Member States, Permanent Missions accredited to UNIDO, non-Member States, IGOs and NGOs, and regional groups, with a view to ensuring responsive, efficient and effective cooperation and strengthened relationship with Member States and non-Member States.

*General description:* The policymaking organs are provided for in Chapter III of the Constitution, and the Secretariat of the PMOs ensures and coordinates the framework for their sessions and serves as the main channel of communication and interaction between Member States and the UNIDO Secretariat.<sup>1</sup> The Programme serves to facilitate deliberations and decision-making of the PMOs and to maintain effective and strengthened relations with Member States, Permanent Missions accredited to UNIDO, non-member States and regional groups. This is done to increase support for the mandate and overall development objectives of the Organization. Similarly, the Programme contributes to the advancement of UNIDO's programme management through a smooth and effective conduct of meetings and the provision of timely and high-quality services and legislative documents. The Programme also supports the Director General in managing UNIDO's political relationship and partnership with Member States.

<i>Expected results</i>	<i>Performance indicators (as per IRPF)</i>	<i>Means of verification</i>
Member States have an adequate platform for their views and guidance.	Regularity of quality briefings, meetings and informal dialogues organized.	PMO briefing and events calendar

<sup>1</sup> The detailed list of advisory and technical functions related to the sessions and protocol is included in the Director General's Bulletin of 17 February 2016 (UNIDO/DGB/2016/01/Amend.1).

## MAJOR PROGRAMME B: EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT

*Objective:* To ensure the establishment, implementation and communication of effective strategies, policies and operational systems, based on the differentiated needs of Member States in achieving ISID and the 2030 Agenda for Sustainable Development.

*General description:* Within the scope of the constitutional objectives of UNIDO, pursuant to the decisions of the policymaking organs, and guided by the diverse state of ISID and related needs of Member States, this Major Programme provides effective strategic guidance direction to the Organization. It is further responsible for ensuring the strategic positioning of UNIDO within the multilateral development system by maintaining close ties with governments, intergovernmental organizations, and the United Nations system agencies. The Major Programme also ensures effective programmatic monitoring, oversight and evaluation services that inform the strategic decision-making and direction of UNIDO's executive management.

### Major Programme B: EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT

#### Resource estimates (in euros)

Positions			2018-2019 estimates (after recosting)			
Professional	General Service	Total		Regular budget	Operational budget	Total
<b>22.05</b>	<b>16.50</b>	<b>38.55</b>	Staff costs	9,830,535	280,500	10,111,035
			Consultants	230,400		230,400
			Meetings	10,200		10,200
			Official travel	834,800		834,800
			Operating costs	786,600		786,600
			Information and comm. techn.	136,400		136,400
			<b>Total gross expenditure</b>	<b>11,828,935</b>	<b>280,500</b>	<b>12,109,435</b>
(extrabudgetary)		<b>237,800</b>	<b>Total net resources</b>	<b>11,828,935</b>	<b>280,500</b>	<b>12,109,435</b>
			<b>Total resources (including extrabudgetary TC)</b>			<b>12,347,235</b>

#### By programme

		Positions		Regular and operational budgets	Technical Cooperation (extrabudgetary)	TOTAL
		P	GS			
B.1.	Executive Direction and Strategic Management	9.55	9.00	6,912,335	237,800	7,150,135
B.2.	Evaluation	4.00	3.00	1,751,300		1,751,300
B.3.	Legal Services	3.00	2.00	1,289,200		1,289,200
B.4.	Internal Audit and Investigation	5.00	2.00	1,809,100		1,809,100
B.5.	Ethics and Accountability	0.50	0.50	259,500		259,500
B.6.	Audit Advisory Committee			88,000		88,000
<b>B.</b>	<b>Total Major Programme</b>	<b>22.05</b>	<b>16.50</b>	<b>12,109,435</b>	<b>237,800</b>	<b>12,347,235</b>

## ***Programme B.1: Executive Direction and Strategic Management***

*Objective:* To carry out a variety of mutually supportive executive management functions, serving to determine the overall strategic direction and positioning of UNIDO as an efficient and effective provider of industrial development services in accordance with its mandate to promote ISID.

*General description:* In line with the constitutional objectives of UNIDO and the decisions of the policymaking organs, including those related to the relevant medium-term programme framework, Programme B.1 provides the overall strategic and policy direction for the management of the Organization. In this context, the programme ensures the strategic positioning of UNIDO in the overall multilateral development architecture, particularly within the United Nations system, and is responsible for enhancing multi-stakeholder support for UNIDO through effective communication, information, knowledge dissemination and partnerships, also through its liaison offices in New York, Geneva and Brussels. The programme also ensures the quality monitoring of the Organization's programmatic activities, and the reporting on its overall development effectiveness.

### *Programme Component B.1.1: Executive Direction and Organizational Alignment*

*Objective:* To provide a strategic and policy framework for UNIDO's activities and operations, in accordance with its mandate towards ISID, and to ensure the support of its Member States for these activities and the implementation of the SDGs.

*General description:* This programme component guides and coordinates the strategic direction of UNIDO's technical cooperation, convening, policy advisory and normative activities, as well as its administrative and financial processes and procedures, including gender equality and the empowerment of women, in accordance with the constitutional objectives of the Organization and decisions of its policymaking organs. It aims at generating support from Member States and non-Member States for UNIDO's mandate and activities through direct communication and dialogue.

### *Programme Component B.1.2: Strategic Planning, United Nations Coherence and Coordination*

*Objective:* To establish specific strategic and policy priorities for UNIDO, to maintain strategic partnerships with relevant public and private partners, and to ensure the effective strategic positioning of the Organization within the multilateral development system.

*General description:* This programme component provides for the establishment of, and guidance on, specific strategies, policies and priorities of the Organization, and for the establishment and maintenance of strategic partnerships with relevant external stakeholders. It is also responsible for the strategic positioning of UNIDO in the multilateral development context, and particularly within the United Nations system. In this context, it manages and coordinates UNIDO's participation and involvement in intergovernmental and inter-agency meetings and activities.

### *Programme Component B.1.3: Programmatic Quality Monitoring*

*Objective:* To ensure the quality of programs and projects to support the achievement of development results including SDGs; that the development results of UNIDO's programmatic activities are monitored adhering to RBM principles; and that the Organization's development effectiveness is further increased.

*General description:* The component provides impartial programmatic quality monitoring that supports the achievement of UNIDO's programme objectives and contributes to further increasing the development effectiveness of UNIDO's programmatic activities. It provides management and Member States with indications of the extent of progress in programme implementation and

achievement of results. Its functions include: (a) to provide advisory services to staff across the organization on issues related to the approval and monitoring of programs and projects; (b) to perform the impartial monitoring of the quality of application of results-based management (RBM) principles in the Organization's programmatic activities, the quality of interventions design and the quality of implementation monitoring; and (c) to identify and address RBM capacity-building requirements. It ensures overall coherence between operations and the strategic objectives, as well as the achievement of the expected results of the Organization.

<i>Expected results</i>	<i>Performance indicators (as per IRPF)</i>	<i>Means of verification</i>
Increased focus on expected results through improved quality at entry and midterm review (MTRs) process	IRPF indicator I3.3: Quality of technical cooperation programmes'/projects' quality rated moderately satisfactory or higher, at entry. IRPF indicator I3.9: (%) of programmes'/projects' gender mainstreaming rated satisfactory or higher, at entry.	Executive Board reports MTR reports
Support for data collection and analysis for IRPF reporting	Contribution to the development of corporate score card to track the IRPF indicators	IRPF Scorecard

### ***Programme B.2: Evaluation***

*Objective:* To provide UNIDO Management, member states and partners with evidence-based information, and contribute to improve the design, implementation and strategic orientation of UNIDO activities.

*General description:* This programme contributes to accountability and to organizational learning to enhance the impact, effectiveness, efficiency and sustainability of UNIDO's technical cooperation programmes and related policy advisory, convening and normative activities. The independent evaluations conducted under this programme provide recommendations to UNIDO managers, at various levels, on how to achieve UNIDO's ISID mandate and development objectives more effectively.

This programme also provides learning for competence development and excellence; measuring and reporting on results for strengthening UNIDO's results-orientation; providing information on lessons learned and arising opportunities for innovativeness; and validating results for accountability.

<i>Expected results</i>	<i>Performance indicators (as per IRPF)</i>	<i>Means of verification</i>
Evidence-based project performance assessed (in terms of relevance, efficiency, effectiveness, impact, gender mainstreaming)	Project Performance ratings	Synthesis of evaluation reports (conducted every 4/5 years)
Impact of UNIDO project/programmes assessed systematically	n/a	n/a



### ***Programme B.3: Legal Services***

*Objective:* To ensure the proper conduct of the affairs of UNIDO and defend its rights and interests by promoting the rule of law and advising on international law and the internal law of the Organization.

*General Description:* The Programme provides legal advisory services to all organs of UNIDO. Core activities include advising on international agreements, contracts, employment matters, external relations, and technical assistance projects; defending UNIDO's interests in contractual or litigation matters before international tribunals and other fora; and furthering the development of international law and the harmonization of rules, procedures and policies in the United Nations common system.

<b><i>Expected results</i></b>	<b><i>Performance indicators</i></b>	<b><i>Means of verification</i></b>
Sound legal footing of the Organization's activities and effective defence of the Organization's rights, positions and interests in contractual or litigation matters	<ul style="list-style-type: none"> <li>• Absence of errors or disputes in connection with legal advice</li> <li>• Legal inputs provided in a clear manner</li> <li>• Total liabilities are minimized compared to total claims made against the Organization</li> <li>• Absence of instances where the status, privileges and immunities of the Organization and its officials are challenged or not maintained</li> </ul>	<ul style="list-style-type: none"> <li>• Correspondence, including interoffice memoranda, letters, emails</li> <li>• Logbook</li> <li>• Judgments of the Administrative Tribunal of the International Labour Organization (ILOAT)</li> </ul>

### ***Programme B.4: Internal Oversight***

*Objective:* To add value to and improve UNIDO's operations in terms of effectiveness, efficiency, compliance and relevance by examining and assessing the Organization's activities in an independent and objective manner, thereby supporting transparency, accountability and improved performance.

*General description:* This programme supports the achievement of UNIDO's mission and fulfilment of expected results and accountabilities worldwide, fostering a culture of integrity, transparency and accountability through:

- (a) Independent and objective internal audit services (both assurance and advisory), assessing and analysing the effectiveness and adequacy of UNIDO's system of internal controls, risk management and governance processes, as well as the efficient, effective and economic use of resources available to UNIDO, through systematic, disciplined and objective reviews at all levels within UNIDO, and making recommendations for improvements where necessary; and
- (b) Examination of alleged wrongdoings, e.g. of fraud, corruption, mismanagement, work/sexual harassment, abuse of authority, retaliation against whistle-blowers and violation of the Code of Ethical Conduct in UNIDO.

The Programme also serves as the focal point for all activities at UNIDO related to the work of the Joint Inspection Unit.

<i>Expected results</i>	<i>Performance indicators (as per IRPF)</i>	<i>Means of verification</i>
Improved transparency, accountability, results, integrity, and stakeholders' trust in the Organization.	<input type="checkbox"/> Number of UNIDO operations audited against the plan.	<input type="checkbox"/> Completed internal audit reports.
	<input type="checkbox"/> Number of allegation cases reviewed and concluded.	<input type="checkbox"/> Completed investigation reports.

### ***Programme B.5: Ethics and Accountability***

*Objective:* To promote and foster a culture of ethics, transparency and accountability within the Organization and ensure that UNIDO's policies in this area remain aligned with best practice in the United Nations system and elsewhere.

*General description:* This programme provides for the promotion of a culture of ethics, transparency and accountability throughout the Organization, through: (a) Supporting the development and implementation of UNIDO's ethics-related policies; (b) Providing guidance to UNIDO management and personnel on ethics-related policies and issues; (c) Communicating established standards of conduct throughout the Organization; (d) Monitoring global trends and best practices in the area of ethics, transparency and accountability; and (e) Representing UNIDO vis-à-vis external networks in ethics-related matters.

<i>Expected results</i>	<i>Performance Indicators (as per IRPF)</i>	<i>Means of Verification</i>
Increased awareness and response on ethics and accountability issues in the Organization.	Number of awareness messages circulated.	Staff response to messages.

### ***Programme B.6: Audit Advisory Committee***

*Objective:* To add value to and improve UNIDO's governance framework by providing assurance to the Director General and Member States on the effectiveness of the Organization's systems of internal control, risk management and the internal oversight function.

*General description:* The Independent Audit Advisory Committee is established, pursuant to Rule 63 of the Rules of Procedure of the Industrial Development Board and decision IDB.44/Dec.3, as an expert advisory body to advise the Director General and the IDB on issues within the Committee's mandate as stipulated in the terms of reference. The Committee, whose members are appointed by the Board, shall meet at least two times a year.

## **MAJOR PROGRAMME C: THEMATIC PROGRAMME FRAMEWORK TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT**

*Objective:* To advance inclusive and sustainable industrial development (ISID) through enhanced economic competitiveness, shared prosperity, and environmental protection.

*General description:* This Major Programme provides the thematic focus for the programmatic activities of the Organization, to support developing countries and

countries with economies in transition in their efforts to achieve higher levels ISID. Results are achieved through an adequate mix of enabling functions and services, namely (i) technical cooperation; (ii) analytical functions and policy advisory services; (iii) normative functions and standards/compliance-related activities; and (iv) convening and partnerships for knowledge transfer, networking and industrial cooperation. The UNIDO Field network, which is tasked with representing UNIDO in the field and feeding the local needs back to UNIDO Headquarters, is integrated into this Major Programme.

Development outcomes will be measured at the level of results achieved by Member States through UNIDO support. In addition, the effectiveness of UNIDO's programme management will be measured and reported.

*Development outcomes:* IRPF level 2 and 3

<b><i>Creating shared prosperity</i></b>		
Increased capacities of countries for addressing food security and other human security threats through industrial solutions	(# of countries)	Prog. C.1
Countries with enhanced participation and equal opportunities for women in political, economic and public life	(# of countries)	Prog. C.1
Countries in a post-crisis situation with increased livelihood opportunities for affected populations via restoring micro and small-scale enterprises, rehabilitation of damaged agricultural or industrial infrastructure, and employment creation	(# of countries)	Prog. C.1
<b><i>Advancing economic competitiveness</i></b>		
Enhanced capacity of countries to develop and implement policies and initiatives that support ISID through entrepreneurship, creativity and innovation, and encourage the formalization and growth of	(# of countries)	Prog. C.2
Increased capacity of countries in integrating small and medium industrial and other enterprises into national and global value chains and markets	(# of countries)	Prog. C.2
Higher levels of ISID achieved in countries, including through higher levels of private sector investments	(# of countries)	Prog. C.2
<b><i>Safeguarding the environment</i></b>		
Enhanced capacity of countries to implement multilateral environmental agreements (MEAs) and mainstream into national and subnational policy, planning, financial, and legal frameworks	(# of countries)	Prog. C.3
Countries with enhanced capacities to manage transformational shifts towards a low-emission and resilient development path, including through low-emission technologies	(# of countries)	Prog. C.3

*Indicators for programme management effectiveness:*

<b><i>Portfolio management, results-based management (RBM), and monitoring and evaluation (M&amp;E)</i></b>		
Number of programmes/projects approved by the Executive Board per region	(number)	M.Prog. C
Programmes aligned with broader country frameworks	(%)	M.Prog. C
Quality of technical cooperation programmes/projects: % programmes/projects' quality rated moderately <i>successful</i> or higher at entry	(%)	M.Prog. C
Quality of technical cooperation programmes/projects: % programmes/projects' quality rated moderately <i>successful</i> or higher at completion	(%)	M.Prog. C
Research — policy — technical cooperation linkages in programmes/projects	(%)	M.Prog. C
<b><i>Partnership mobilization, gender mainstreaming, and knowledge management</i></b>		
Amount of partnership-based co-financing/leveraging achieved (million US Dollars)	(EUR)	M.Prog. C

Projects with cross-organizational cooperation among branches and divisions	(%)	M.Prog. C
Percentage of programmes/projects with gender-informed design as captured by the UNIDO gender marker	(%)	M.Prog. C
Percentage of programmes/projects' gender mainstreaming rated satisfactory or higher at entry	(%)	M.Prog. C
Publications cited in professional journals	(%)	M.Prog. C
Monthly visitor count of UNIDO public website	(number)	M.Prog. C

### Major Programme C: THEMATIC PROGRAMME FRAMEWORK: TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT

#### Resource estimates (in euros)

Positions			2018-2019 estimates (after recosting)			
Professional	General Service	Total	Regular budget	Operational budget	Total	
<b>224.95</b>	<b>177.50</b>	<b>402.45</b>	Staff costs	52,818,055	26,640,900	79,458,955
			Consultants	940,510	989,900	1,930,410
			Meetings	129,700	298,000	427,700
			Official travel	1,560,400	2,286,000	3,846,400
			Operating costs	6,139,834	676,400	6,816,234
			Information and comm. techn.	721,500		721,500
			RPTC/SRA	9,220,120		9,220,120
			<b>Total gross expenditure</b>	<b>71,530,119</b>	<b>30,891,200</b>	<b>102,421,319</b>
			Income	(2,431,500)		(2,431,500)
Technical cooperation (extrabudgetary)		<b>344,078,700</b>	<b>Total net resources</b>	<b>69,098,619</b>	<b>30,891,200</b>	<b>99,989,819</b>
			<b>Total resources (including extrabudgetary TC)</b>			<b>444,068,519</b>

#### By programme

	Positions		Regular and operational budgets	Technical Cooperation (extrabudgetary)	TOTAL
	P	GS			
C.1. Creating Shared Prosperity	63.35	27.90	25,130,947	66,455,200	91,586,147
C.2. Advancing Economic Competitiveness	48.10	22.90	17,960,694	73,479,900	91,440,594
C.3. Safeguarding the Environment	71.20	35.80	30,265,577	196,747,200	227,012,777
C.4. Cross-cutting Services	42.30	18.90	16,860,266	7,396,400	24,256,666
C.5. Field Operations Support		72.00	9,772,334		9,772,334
<b>C. Total Major Programme</b>	<b>224.95</b>	<b>177.50</b>	<b>99,989,819</b>	<b>344,078,700</b>	<b>444,068,519</b>

#### *Programme C.1: Creating Shared Prosperity*

*Objective:* Advancing poverty eradication and inclusiveness by sustainably adding value to agricultural produce and increase jobs and income opportunities for rural and crises-affected communities with focus on women and youth.

*General description:* Programme C.1 covers the suite of services provided by UNIDO to its Member States under the thematic priority of “Creating Shared Prosperity” responding to the SDGs (1, 2, 5, 9, 10, 17). This thematic priority comprises three programme components where UNIDO expects to achieve the following impact:

- Advancing poverty eradication and economic inclusiveness, building productive capacities in an inclusive manner, and providing more opportunities for all women and men as well as across social groups, also through partnerships with all relevant public and private stakeholders involved in industrialization processes;
- Sustainably adding value to agricultural produce by developing and upgrading agro-based local value chains with an inclusive approach by integrating smallholders farmers and increase jobs and income opportunities of rural communities;
- Responding to complex emergencies by creating, restoring and upgrading local productive capacities and jobs that contribute to socio-economic security both at national and local level addressing also root causes of migration.

#### *Programme Component C.1.1: Agribusiness and Rural Development*

*Objective:* To add value to the output of the agricultural sector and generate employment and income opportunities in off-farm activities for rural communities.

*General description:* The Programme promotes inclusive and sustainable industrialization and human development by increasing local value addition, strengthening, and upgrading food and non-food agro-based value chains, and supporting food systems, including sanitary and phyto-sanitary measures (SPS)-related infrastructure to address food security and safety. The objective of the programme is to add value to the output of the agricultural sector and generate employment and income opportunities in off-farm activities for rural communities, thereby contributing to increased food security and safety leading to a sustainable reduction of poverty. The programme promotes transfer of technology and good practices in agri-business value chains and the mobilisation of financial resources and responsible investors for the establishment of sustainable agro-parks and value chains.

#### *Programme Component C.1.2: Women and Youth in Productive Activities*

*Objective:* To empower and strengthen participation of women and youth in productive activities.

*General description:* The Programme addresses the need to develop human capital through ISID and specifically the distinct challenges faced by women and youth in participating in the productive sectors of the economy, especially in the least developed countries (LDCs). When women do not participate equally as entrepreneurs, managers or workers, economies lose out due to the long-term negative effects when half of the potential pool of labour is not tapped. Economic empowerment of marginalized parts of the population, in particular women and youth, makes a significant contribution to the eradication of poverty and increases prospects for growth. Poverty cannot be eradicated without addressing the pervasive inequalities in incomes and economic opportunities between and within populations and regions.

#### *Programme Component C.1.3: Human Security and Post-crisis Rehabilitation*

*Objective:* To increase human security, restore livelihoods and build resilience amongst vulnerable communities affected by conflicts, economic crises and natural disasters and address root causes of migration through skill upgrading and the development of job-generating local productive activities.

*General description:* The Programme contributes to human security in countries affected by man-made and natural disasters and by in-flows and out-flows of migrants and refugees, by helping restore livelihoods and build resilience amongst

vulnerable communities. The objective is to support reconstruction of community and industrial infrastructure through restoring and developing productive activities and vocational skills upgrading so as to become more inclusive as well as gender responsive as they play an active role in the creation of sustainable and decent employment opportunities. Restoring destroyed industrial assets, promoting stability, economic recovery and supporting reconstruction for communities affected by conflicts, natural and economic crises helps stabilize populations and curb rural-to-urban as well as cross-border migrations. The promotion of human security by engaging crisis-affected communities in the development of local productive activities through the creation of businesses, jobs and income opportunities has an impact on improving living standards and resilience.

### ***Programme C.2: Advancing Economic Competitiveness***

*Objective:* To advance economic competitiveness, based on the diverse needs of developing countries, through innovation, technological learning and development, investment, and enhanced trade capacities of SMEs, and to ensure that all countries can benefit from technological progress and globalization of production and trade through using modern industrial policies, ensuring compliance with international standards and market requirements, and pursuing partnerships for knowledge and technology transfer, networking and industrial cooperation.

*General description:* The programme supports the development and upgrading of local value and supply chains and their linkages with regional and global value chains for accelerating export-led economic growth for realizing ISID. The programme promotes product, process, and value chain upgrading and innovation; business and investment climate for encouraging investment, technological transfer and absorption, as well as trade capacity building. The programme assists countries to overcome the constraints arising from a lack of competitive productive supply capacity of tradable goods that meet the quality, health, safety, environmental, sustainability and consumer protection requirements of target markets. It supports the establishment of a quality infrastructure (hard and soft), in particular the adoption of and proof of compliance with international standards. It includes the development of entrepreneurship and small and medium-sized enterprise (SME) clusters and networks; and leverages the benefits of infrastructure-industrialization-innovation nexus through industrial corridor development approaches. The programme's portfolio of services includes technical cooperation; analytical and policy advisory services; and convening and partnerships for knowledge transfer, networking and industrial cooperation.

#### *Programme Component C.2.1: Investment, Technology and SME Development*

*Objective:* To improve the overall business environment and correlating investment climate by providing incentives for SME development and internalization; private investment; innovation and technological learning and development, and economic integration.

*General description:* The programme component advances policies and institutional capacities, at the national and regional level, for creating environment conducive to business, particularly for SMEs and their clusters, and improving investment and innovation climate. The programme activities include promoting SME clusters; fostering resilient business alliances and reliable institutional networks; allowing clusters to achieve complementarities and economies of scale and scope; setting-up and supporting export consortia for linking local clusters to global value chains; establishing knowledge-sharing platforms for the exchange of know-how and expertise on planning, developing and managing modern and sustainable industrial parks, zones, and cities; and helping local enterprises take advantage of industrial subcontracting and outsourcing, through establishing industrial partnership exchanges networks and investment and technology promotion offices, to gain access to new markets, skills, technology, finance and partnerships.

*Programme Component C.2.2:  
Competitive Trade Capacities and Corporate Responsibility*

*Objective:* To strengthen competitiveness and exports of developing countries SMEs, and enable them to meet quality requirements and to conform to public and private standards and technical requirements of the national and international markets, including for product, quality, health, safety, labour, environmental, sustainability and corporate social responsibility.

*General description:* This programme component aims to strengthen the capacities of SMEs from developing countries, and LDCs in particular, to participate in regional and global value chains and meet requirements of the markets chain is supplying. It addresses various aspects of product, process and value chain upgrading such as policy, governance, productivity, value creation and capture, and standards compliance. It further addresses the requirements originating from WTO agreement such as on sanitary and phyto-sanitary measures (SPS), technical barriers to trade (TBT) and trade facilitation (TF), as well as from other international conventions and agreements that determine access to target markets.

Knowledge sharing, policy advice and capacity-building focus in particular on the development of a conducive business environment supporting industrial upgrading and modernization and trade capacity through regulatory, policy and programmes on establishing quality infrastructure institutions and provision of conformity assessment-related services (viz. testing, calibration, inspection, certification, traceability) in line with international best practice and towards their international recognition.

*Programme Component C.2.3: Entrepreneurship Development*

*Objective:* To enhance economic transformation and ISID through social inclusion and the development of an entrepreneurial culture and skills upgrading, particularly for disadvantaged groups, including youth and women.

*General description:* This programme component strengthens national and regional productive capacities to embrace opportunities and address challenges brought by new technologies and changing nature of manufacturing and manufacturing-related services. It promotes entrepreneurship and human skills' development through provision of training for starting a business for all segments of the population, and youth and women in particular. The programme component also encourages improvements in the regulatory environment to promote competitive entrepreneurial activities in the formal sector, including through broad-based curriculum development programmes for entrepreneurship education, at secondary and vocational training institutions, and the alignment of industrial skills' development with the skills needed by modern industries. Through this, it supports the development of entrepreneurs that build foundation for private sector development, economic diversification, and a more resilient, sustainable and inclusive industrial structure of the economy.

***Programme C.3: Safeguarding the Environment***

*Objective:* To reduce environmental impacts through the increased use of renewable energies, the adoption of energy efficient practices in industry and cleaner production practices, policies and techniques, and other environmentally sustainable processes and technologies in industry.

*General description:* The programme contributes to advancing ISID by improving the environmental performance, resource productivity and safety of existing, as well as by supporting the creation of new industries providing environmental goods and services. Moreover, it is responsible for assisting countries in the transition to a sustainable energy future through the application of renewable energy for productive uses, adoption of the efficient use of energy by industry and the

introduction of low carbon technologies and processes. The programme component also supports countries in their implementation of industry-related requirements related to multilateral environmental agreements (MEAs).

*Programme Component C.3.1:  
Resource-efficient and Low-carbon Industrial Production*

*Objective:* To enable countries to achieve a reduced level of consumption of natural resources, greenhouse gas and other emissions and industrial wastes in industrial processes.

*General description:* This programme component aims to increase the capacity of industry, government and environmental services providers, as well as intergovernmental and non-governmental entities, to scale up and mainstream the adoption of more resource-efficient and cleaner patterns of production with a view to implementing circular economy practices, through recycling, resource recovery and/or environmentally sound treatment and disposal of wastes, waste waters and toxic and/or hazardous chemicals, the sustainable use and management of water and other natural resources used in industrial processes.

*Programme Component C.3.2: Clean Energy Access for Productive Use*

*Objective:* To enable countries to achieve an increased competitiveness through the use of renewable energy, thus achieving sustainable low-carbon industrial development.

*General description:* The programme component is responsible for enhancing the use of renewable sources of energy and efficient use of energy by industry especially by small and medium enterprises, and for facilitating access to affordable and sustainable energy to support productive activities and the income and employment opportunities they create, thereby contributing to the mitigation of climate change in developing countries and countries with economies in transition. Demonstration and transfer of low-carbon energy technologies, development of policies, regulations and standards and management practices are key dimensions under this programme component.

*Programme Component C.3.3:  
Implementation of Multilateral Environmental Agreements (MEA)*

*Objective:* To support countries in meeting their obligations under the major MEA, such as the Montreal Protocol, the Stockholm Convention, the upcoming Minamata Convention on Mercury, and the UNFCCC.

*General description:* The programme component aims to support countries in: Accessing non-ozone depleting substances (ODS) based technologies within the deadlines of the phase-out schedules set by the Montreal Protocol; and implementing provisions of and steps towards compliance with other MEA, in particular the Stockholm Convention on Persistent Organic Pollutants (POPs), the upcoming Minamata Convention on Mercury and the UNFCCC. This programme component builds capacities of government offices and relevant national authorities to plan, develop and implement aspects of the conventions related to industry and industrial development. This includes direct support to industries, but also support for planning, developing and implementing national plans and/or sector plans; and to creation or promotion of appropriate sustainable industrial technologies and practices to be utilized within these plans.

***Programme C.4: Cross-cutting Services***

*Objective:* To support policymakers, knowledge institutions, private sector, and other global stakeholders in industrial policy and partnership processes related to their aspirations and ISID-related plans.



*General description:* This programme comprises a number of cross-cutting services that support countries in implementing their ISID policies and programmes through targeted knowledge products, networking and partnership facilitation, including along a South-South axis, and rigorous results monitoring and reporting at all levels. The programme also supports countries in building their industrial policy and statistics capacities that are necessary for planning and operationalizing their ISID programmes and to contribute to the SDGs, in particular SDG 9. This programme also develops innovative communication strategy to communicate and promotes UNIDO's mandate and disseminate the results of the Organization's activities.

*Programme Component C.4.1: Corporate communications and media relations*

*Objective:* To enhance UNIDO's visibility and strengthen the Organization's position within the international development landscape via targeted and strategic advocacy and communication measures.

*General description:* The programme component aims at promoting UNIDO's role in the implementation of its ISID mandate and the Organization's contributions to the SDGs, in particular SDG 9; as well as the continuous alignment and implementation of UNIDO's corporate communications and media relations strategy, drawing upon relevant public information and advocacy techniques and proactively engaging with numerous stakeholder groups, including the international media.

*Resources: table*

<b>Expected results</b>	<b>Performance indicators (as per IRPF)</b>	<b>Means of verification</b>
Enhanced UNIDO's visibility	<ul style="list-style-type: none"> <li>(%) of references to UNIDO in professional journals (no baseline for previous years)</li> </ul>	<ul style="list-style-type: none"> <li>Regular review of international media landscape, publications and articles</li> </ul>
Enhanced transparency of UNIDO's activities	<ul style="list-style-type: none"> <li>(Index) Transparency of activities and resource management</li> </ul>	<ul style="list-style-type: none"> <li>Data publication against the International Aid Transparency Initiative (IATI) standard</li> </ul>
Enhanced monthly visitor count of UNIDO public website	<ul style="list-style-type: none"> <li>Number of visitors counted per month (target to be developed)</li> </ul>	<ul style="list-style-type: none"> <li>UNIDO website</li> </ul>

*Programme Component C.4.2: Industrial Policy Advice, Research and Statistics*

*Objective:* To develop statistics and evidence-based understanding of industrialization processes those provide key insights for policy formulation and capacity building and help to achieve inclusive and sustainable industrialization and Goal 9.

*General description:* The programme component on Industrial Policy Advice, Research and Statistics increases the understanding of development policies and programmes by providing intellectual leadership and analytical services to UNIDO and the wider development community and advocating inclusive and sustainable industrialization as the main approach to create employment, reduce poverty and combat climate change. The programme compiles and disseminates worldwide industrial statistics and on that basis develops and provides evidence-based analysis and policy advice to member states. It produces global, thematic, regional, country

and sectoral studies of industrial development and processes of structural change. In close cooperation with other relevant organizations and knowledge institutions around the world the programme provides individual and institutional capacity building to developing country policy-makers at all levels of seniority. The programme component delivers advice on industrial strategies and policy instruments and on ways to improve policy making processes in developing countries. This programme comprises four entities: Industrial Policy Advice, Statistics, Research and the UNIDO Institute for Capacity Development.

<b>Expected results (Industrial Policy Advice)</b>	<b>Performance indicators (as per IRPF)</b>	<b>Means of verification</b>
Enhanced orientation of industrial strategies/policy instruments and mechanisms/programmes/projects in terms of ISID	Explicit criteria related to improving productive and international trade capacity, reducing poverty and increasing energy efficiency and environmental sustainability included in national industrial strategies, policies, programmes and projects	Review of industrial strategies/policies instruments and mechanisms/programmes/projects in countries where UNIDO is engaged in the process
Improved quality of industrial strategies, policies instruments and mechanisms, industrial programmes and industrial projects in both content and processes	Alignment of industrial strategies, policies instruments and mechanisms, industrial programmes and industrial projects to local industrial strategies' objectives as well as to international good practice	Review of industrial strategies/policies/programmes/projects countries where UNIDO is engaged in the process
Increased involvement, interest and approval as well as coordination of policy process by relevant stakeholders	Extent of engagement and number of national and UNIDO technical cooperation stakeholders participating in the process of formulation, approval and implementation of industrial strategies/policies/programmes/projects. (%) of research-policy-technical cooperation linkages in programme projects (2016 baseline 5%)	Review of processes leading to industrial strategies/policies/programmes/projects in countries where UNIDO is engaged in the process Review of national media
Increased effectiveness and efficiency of organizations involved	Degree of autonomy of counterpart organizations in relation to formulation, approval and implementation of industrial strategies/policies/programmes/projects	Expert review of operational capacities of counterpart organizations Focus groups
Enhanced individual, organizational and institutional capabilities in national governments and ministries, private sector firms and associations	Assessment of use of policy instruments and mechanisms and of formulation and implementation capabilities in national governments and ministries, private sector firms and associations	Expert review of strategies, policy instruments and mechanisms and of formulation and implementation capabilities in national governments and ministries, private sector firms and associations

<b>Expected results (Statistics)</b>	<b>Performance indicators (as per IRPF)</b>	<b>Means of verification</b>
High-quality industrial data including those of global SDG monitoring are made available to international agencies, national governments, private sector, knowledge institutions, non-governmental organizations and other stakeholders in industrial development	Number of countries for which data are presented through publication of the Yearbook and electronic media, online databases	Availability of data in databases and publications by major indicators of industrial statistics.  Secretary-General's report on SDG monitoring
Technical advisory services provided to the NSOs of the member-states as per approved project documents	Number of countries receiving assistance from UNIDO in the field of statistics	Project document, expert's reports and project reports
Close cooperation with the NSOs and international agencies involved in data production	Participation of UNIDO in international statistical activities including United Nations Statistical Commission session, IAEG-SDG and Committee for the Coordination of Statistical Activities Strengthened industrial statistics systems and related institutional capacities of countries	Document, presentations, proposals and other inputs submitted by UNIDO.

**Expected results (Research)**

The Industrial Development Report messages conveyed to policymakers, and the policy recommendations adopted by governments  
The challenges and importance of the SDG 9 explained to policymakers, NGOs, and the general public, and the efforts to achieve the goal among them increased.

**Performance indicators\***

Citations in national research and policy documents  
User surveys

The number of countries regularly reporting SDG 9 indicators  
Collaborative activities with United Nations system agencies, Member States, UNIDO technical cooperation and strategic activities and academia

**Means of verification**

Number of citations  
Contacting survey interviewees

Improvements in the SDG 9 indicators reported by countries

<p>Analyses and policy recommendations related to ISID conveyed to policymakers, academia and practitioners by UNIDO’s working papers, book chapters and journal articles. Improved external and internal communications</p>	<p>On-line access to the papers. Citations Number and quality of regional, country, sectoral studies Participation in inter-agency initiatives EGMs on cutting-edge research topics (2018 and 2019) Strengthened through websites, as well as internal and external workshops and forums Access to UNIDO’s research website and the number of workshops and forums conducted</p>	<p>Access and citation counts User surveys Feedback from member states  Number of access to and download of the research papers and number of workshops and forums conducted and their participants</p>
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**\*Note:** At the time of drafting, no research-related indicators were identified in the IRPF. The most relevant IRPF indicator is “enhanced capacity of countries to develop and implement policies and initiatives that support ISID...”. Ref. IDB.43/9; PBC.31/9, pp. 29. Efforts will be made to update IRPF indicators to reflect these results.

<b>Expected results (UNIDO Institute for Capacity Development)</b>	<b>Performance indicators</b>	<b>Means of verification</b>
<p>Good quality capacity building programmes implemented;</p>	<p>Better understanding of industrial development processes and better quality of industrial policy; Enhanced human analytical and managerial capacities in governments, private sector, industry associations, think tanks and academia.</p>	<p>Tracer studies and post-course surveys</p>
<p>Strategic networking and partnerships with academia, think tanks, private sector and industry associations, and technical cooperation units in UNIDO established</p>	<p>Enhanced capacity of countries to develop and implement policies and initiatives that support ISID Two EGMs to develop capacity-building programmes on topical priorities arising from Global Manufacturing and Industrialization Summit and SDG9 studies</p>	<p>Surveys of network members, partners and policymakers</p>

Engage the private sector and industrial leaders in the discussions on how to shape the future of manufacturing and promoting transformational aimed at achieving inclusive and sustainable industrialization.	Improved capacities for promoting and coordinating productive processes and international trade, reducing poverty and increasing efficiency and environmental sustainability at the global and regional levels	Surveys of private sector, industrial leaders and policymakers
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*Programme Component C.4.3:  
Partnerships Mobilization and South-South Cooperation*

*Objective:* To support and enhance the efforts of Member States to promote and achieve inclusive and sustainable industrial development by developing and disseminating systematic and workable approaches and programmes to forge and manage partnerships between governments, development finance institutions and the private sector.

*General description:* This programme component aims to provide countries with a set of comprehensive approaches to achieve ISID, tailored to their respective needs, through multi-stakeholder partnerships that accelerate infrastructure development, market access, foreign direct investment, technology transfer, job creation and private sector development. The mobilization and leveraging of the required public and private capital calls for the establishment of broad partnerships bringing together, inter alia through UNIDO’s Programmes for Country Partnership (PCPs), governments, development finance institutions, development partners, and private sector operators and associations. Such industrial development partnerships maximize the impact of the government’s efforts to advance ISID by aligning and channelling all investment and aid flows into national industrialization strategies and programmes. Moreover, these partnerships are instrumental for fostering the transfer of technology, know-how, expertise, capital and other resources, including through South-South and triangular industrial cooperation.

*Programme Component C.4.4: Regional Programmes*

*Objective:* To ensure programmatic coherence and alignment of UNIDO’s services at the regional and country levels in the context of Inclusive and Sustainable Industrial Development (ISID) and SDGs and effectively respond to specific and differentiated development needs of Member States. In addition, this programme aims to strengthen UNIDO’s role, presence and engagement at the field level in the context of United Nations system wide coherence and Delivering as One initiatives.

*General description:* This programme component aims to align UNIDO’s competencies, match services to regional as well as country level needs, demands and maintain effective regular interaction with Member States in five regions of its coverage (Africa, the Arab Region, Asia and the Pacific, Europe and Central Asia, and Latin America and the Caribbean). This programme coordinates programmatic actions for least developed, middle and high income countries as well as small island developing States (SIDSs).

<b>Expected results*</b>	<b>Performance indicators (as per IRPF)</b>	<b>Means of verification</b>
Percentage of UNIDO Country Programmes developed per region vis a vis countries of coverage and are aligned with national priorities,	Programmes aligned to broader country frameworks (%)	ERP, including feedback from national stakeholders, country bi-annual progress reports, approved and signed country

<p>plans, including with United Nations Development Assistance Framework (UNDAF) *as per IRPF under Tier 2, Level 3: Programme Management effectiveness</p>		<p>programmes</p>
<p>Enhanced relationship and strengthened engagement with Member States and with the United Nations system, specifically at the regional and country levels</p>	<p>UNIDO services and work programme recognized by Member States and the UNDS specifically at the regional and country levels</p> <p>Increase in number of global forums, projects/programmes including inter-regional projects initiated in coordination with Member States and development partners, stakeholders</p>	<p>- Country briefing notes - Mission, project/programme reports including United Nations system wide coherence and DAO, UNDAF related reports - Signed cooperation agreements - Approved and signed country programmes</p>

*Programme Component C.4.5: TC Formal Compliance and Results Monitoring*

*Objective:* The objectives of the programme component are:

- To ensure technical cooperation project proposals submitted for approval comply with the procedural as well as informational requirements;
- To ensure that development results and impacts of technical cooperation projects are captured, communicated and reported to relevant stakeholders; and,
- To ensure knowledge accumulated and lessons learned from the implementation of technical cooperation projects are shared and owned by staff members and contribute to organizational learning.

*General description:* The programme component is responsible for that technical cooperation project proposals submitted for approval comply with the procedural as well as informational requirements set forth by the Organization's administrative instructions for project approval. More specifically, prior to submission to the Executive Board, project proposals are reviewed in terms of their completeness of information and clearance processes, including the clearances of their technical and design quality by the substantive Divisions and Departments. It also ensures that feedbacks and decisions of the Executive Board are communicated and acted upon swiftly by responsible project managers and other involved parties.

The programme component oversees and facilitates the programmatic results monitoring in terms of their objectives, baselines, performance indicator settings as well as lessons learned for the purpose of internal and external reporting and communication. To that end, it develops and maintains mechanisms of programmatic results monitoring, reporting and communication, where various reports with information on substantive results from the implementation of technical cooperation projects are properly assessed, aggregated and maintained according to the result-based management (RBM) principle.

*Programme Component C.4.6: Strategic Donor Relations*

*Objective:* The overall objective of the programme component is to mobilize support and voluntary contributions to all enabling functions of the Organization: (i) technical cooperation; (ii) analytical and research functions and policy advisory services; (iii) normative functions and standards and quality-related activities; and (iv) convening and partnerships for knowledge transfer, networking and industrial cooperation.

*General description:* The programme component cumulates several distinct functions, including:

- The promotion of policy level engagement with Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Israel, Ireland,

Italy, Japan, Luxemburg, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom of Great Britain and Northern Ireland, and United States of America;

- The identification of potential funding opportunities for technical cooperation activities irrespective of funding sources, the coordination of programming processes with donors, the preparation and management of funding agreements throughout the life-cycle of technical cooperation activities, the coordination of verifications and assessments of the Organization by donor institutions and Member States;
- The participation to United Nations-wide coordination mechanisms dealing with funding issues including the UNDG working group on joint funding, and with policies and standard documentation for Multi-Donor Trust Funds and related inter-agency issues such as the Fiduciary Management Oversight Group.

Expected results	Performance indicators (as per IRPF)	Means of verification
Maintenance of a sustainable funding level commensurate to the Organization's intervention requirements and implementation capacities.	Voluntary contributions (million US\$, net approvals)	Annual Report
Increased support from Governments and other relevant stakeholders towards UNIDO's functions and activities.	N/A as per current IRPF — a horizontal function sui generis reflected in the aggregation of a multitude of indicators	

### ***Programme C.5: Field Operations Support***

*Objective:* To provide UNIDO Field Network with timely and efficient administrative, operational support contributing to overall effectiveness of the delivery of services on the ground.

*General description:* This programme component aims to maintain its comprehensive support to the UNIDO Field Offices responsible for promoting UNIDO's image and representing UNIDO effectively in the field consisting of regional, country offices and UNIDO's presence through focal points and centres for industrial cooperation. This programme component includes provision of support in operational and general service-related requirements as well as related office infrastructure. The allocation of resources and the continued monitoring of field operating costs remain essential for Field Offices to effectively respond to the demand of Member States and deliver UNIDO services on the ground.

Expected results	Performance Indicators	Means of Verification
Efficient, reliable & cost effective field operations contributing to overall effective programming and representation at the country, regional levels	Field Offices maintained effectively and efficiently	Country bi-annual progress reports, field budget reports, ERP

## MAJOR PROGRAMME D: PROGRAMME SUPPORT SERVICES

*Objective:* The Major Programme will contribute towards enhancing UNIDO's technical cooperation service delivery and operational efficiencies by amongst others; assisting in the procurement of goods and services for technical cooperation projects; recruitment of staff (including consultants and experts); provision of financial management, ensuring reliable information and communications, supporting travel management, and maintaining inventory and records management services, and providing ongoing changes and improvements to the enterprise resource planning (ERP) system — all of which directly or indirectly support strategic objectives, technical cooperation delivery and other development services.

*General description:* This Major Programme provides operational support for the management of UNIDO and the implementation of its technical cooperation programmes through Human Resource Management, Financial services, Procurement and Logistics, Technology and Information Systems, and Direction and Management. Through these Programmes, the Major Programme will formulate policies and procedures, and provide strategic guidance, direction and support services to all entities of the Secretariat, in each of its areas of responsibility.

*Resources:* IRPF level 4

### Major Programme D: PROGRAMME SUPPORT SERVICES

#### Resource estimates (in euros)

Positions			2018-2019 estimates (after recosting)			
Professional	General Service	Total		Regular budget	Operational budget	Total
<b>42.50</b>	<b>84.00</b>	<b>126.50</b>	Staff costs	20,045,250	4,887,900	24,933,150
			Consultants	183,955		183,955
			Official travel	169,959		169,959
			Operating costs	892,500		892,500
			Information and comm. techn.	5,670,000		5,670,000
			<b>Total gross expenditure</b>	<b>26,961,664</b>	<b>4,887,900</b>	<b>31,849,564</b>
			<b>Total net resources</b>	<b>26,961,664</b>	<b>4,887,900</b>	<b>31,849,564</b>

#### By programme

	Positions		Regular and operational budgets	Technical Cooperation (extrabudgetary)	TOTAL
	P	GS			
D.1. Human Resource Management and Gender Mainstreaming	11.00	19.00	6,569,155		6,569,155
D.2. Financial Services	11.00	30.00	7,697,559		7,697,559
D.3. Procurement and Logistics	10.00	22.00	7,983,000		7,983,000
D.4. Information Technology and Communication	8.50	10.00	8,406,850		8,406,850
D.5. Direction and Management	2.00	3.00	1,193,000		1,193,000
<b>D. Total Major Programme</b>	<b>42.50</b>	<b>84.00</b>	<b>31,849,564</b>		<b>31,849,564</b>



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## ***Programme D.1: Human Resource Management***

*Objective:* Human Resources policies and practices are aligned to support the core business of UNIDO. This underscores the strategic role of Human Resources Management to achieve key human resources outcomes that result in increased employees' productivity and higher levels of performances.

While securing the highest standards of efficiency, competence and integrity, and with due regard to the geographical and gender balance, the Programme shall provide UNIDO, with qualified human capital, in a timely manner and shall administer programmes to ensure the continuing motivation and productivity of employees to fulfil the mandate of UNIDO.

*General description:* The Programme is responsible for a broad range of services covering UNIDO's human capital and includes the development of policies, systems and tools that facilitate the management of its human capital, thus enabling the Organization to achieve its mandate while upholding the impartiality and fairness embodied in the Staff Regulations and Rules of UNIDO.

The Programme envisions a structured process of human resources planning through skills gap analyses and bridging of such gaps through talent outreach and recruitment and staff development. This shall facilitate rational and strategic deployment of human resources throughout the Organization and better matching of staff profiles to organizational needs.

The Programme shall design and implement policies and tools that ensure that the human capital of the organization are valued, engaged and motivated to contribute their best. The Programme is responsible for carrying out statutory functions in accordance with the provisions of the Staff Regulations and Rules of the Organization, the Regulations of the United Nations Joint Staff Pension Fund (UNJSPF) and policy issuances covering other categories of UNIDO human capital.

The Programme is also responsible for promoting the programmatic goals of gender equality and the empowerment of women within the Organization, including the systematic gender mainstreaming of all policies, programmes and organizational practices as well as working towards achieving gender parity/balance within UNIDO.

The programme is organized functionally in the following four programme components:

**Talent Outreach and Recruitment:** Develop and implement policies and improvements for efficient and effective management of the human capital of the organization; facilitate the timely acquisition of the Organizations human resources needs and promote diversity in its human capital, particularly in promoting geographical and gender balance.

**Talent Management:** Develop and implement policies and practices which promote high productivity of its human capital through a work environment where the human resources are motivated and compelled to excel.

**Policy and Advisory Support:** Implement policies and promote measures to simplify procedures and practices; cooperate with relevant bodies with a view to harmonizing the conditions of service of UNIDO personnel to keep them aligned with the agreed United Nations system-wide frameworks such as the International Civil Service Commission (ICSC); and issue amendments to staff rules, administrative instructions and guidelines, and report thereon to the policymaking organs as required.

**Gender Equality and Empowerment of Women:** Oversee the implementation of the provisions of the policy pronouncements on Gender Equality and Empowerment of Women and the Gender Strategy, 2016-2019.

<b>Expected results</b>	<b>Performance Indicators</b>	<b>Means of Verification</b>
<p>Qualified and competent employees secured in a timely manner.</p> <p>Motivated and competent staff delivering high levels of performances.</p> <p>Ensured gender equality and parity</p> <p>Ensured geographical diversity.</p>	<p>Timely staffing of all employees, including for projects, through varied contractual modalities</p> <p>Updated human resources management (HRM) policies reflecting best practices appropriate to UNIDO;</p> <p>(%) Alignment rate of trainings with UNIDO priorities (no baseline available)</p> <p>(%) of women at different grades in comparison to baseline 2015</p> <p>(%) Member States nationals under staff contract out of the total number of Member States in comparison with baseline 2015.</p> <p>(%) Member States nationals under all types of contracts out to the total number of Member States in comparison with baseline 2015</p>	<p>Recruitment and human resource (HR) services statistics</p> <p>HR records</p> <p>Training plans</p> <p>HR policies</p> <p>Feedback from clients</p>

*Programme Component D.1.1: Gender Equality and the Empowerment of Women*

*Objective:* Programme Component D.1.1 will ensure that a gender perspective is reflected in all organizational practices, policies and programmes through the implementation of UNIDO’s Policy on Gender Equality and the Empowerment of Women and the Gender Strategy, 2016-2019.

*General description:* The programme component promotes the goals of gender equality and the empowerment of women within the Organization, including the systematic gender mainstreaming of all policies, programmes and organizational practices as well as working towards achieving gender parity/balance within UNIDO. The programme component is also responsible for overseeing the implementation of the Policy on Gender Equality and Empowerment of Women and the Gender Strategy, 2016-2019.

<b>Expected results</b>	<b>Performance indicators (as per IRPF)</b>	<b>Means of verification</b>
Programmes/projects assess the implications for women and men of any planned actions and thus contribute to ensure equal opportunities for women and men	Percentage of project outputs by gender relevance as captured by the UNIDO gender marker (%)	Gender marker (ERP)
Enhanced synergies with relevant development partners working on gender equality and the empowerment of women	Number of joint initiatives towards gender equality and the empowerment of women with United Nations Women and other Organizations	Number of projects with gender equality partners number of joint initiatives, events, training sessions, agreements signed

*Programme D.2: Financial Services*

*Objective:* To ensure the financial integrity, credibility and transparency of UNIDO.

*General description:* This programme supports the work of UNIDO through the provision of efficient and effective financial services including budgeting; financial control; financial planning; management of financial resources; cash management and treasury operations; management of assessed contributions; receipts and disbursements of all financial resources; accounting and reporting for regular and operational budget activities as well as all technical cooperation activities; and

policy advice on financial issues. It also provides regular financial performance and status information to UNIDO stakeholders, including accurate and timely financial reports and cash-flow projections to the Organization's management to facilitate managerial decision-making and planning. The programme also manages and monitors all matters relating to assessed contributions, including following up with Member States on outstanding assessed contributions so as to maintain a high level of financial stability.

<b>Results</b>	<b>Performance indicators</b>	<b>Means of verification</b>
Overall Financial integrity and credibility	Unqualified opinion on audited statements	Through external audit, provision of IPSAS compliant statements
Efficient and effective provision of financial services	Provision of sound financial advice to all stakeholders	Through routine check on feedback from stakeholders and clients
	Timely issuance of TC-Related financial instruments	Review of submissions against stipulated deadlines on the financial instruments
	Minimum downward variation of average interest rate on investment relative to average market rates	Treasury reports and the annual financial statements including external audit opinions
	Statutory deadlines met for biennial budgets and annual financial statements	Review of submissions against stipulated deadlines on PMO documents.

### ***Programme D.3: Procurement and Logistics***

*Objective:* To ensure enhanced responsiveness and quality by providing direct, efficient, transparent and cost-effective procurement, supply chain management and logistics support to all UNIDO activities.

*General description:* This Programme provides the complete range of operational and programme services in support of the implementation of all UNIDO programmes, projects and activities and the achievement of ISID mandate and SDG targets. These include efficient, cost effective and transparent procurement of goods, works and services; communications; inventory and property records management, archives and registry services; travel, visa, transportation and shipment services.

#### *Programme Component D.3.1: Procurement Services*

*Objective:* To ensure efficient, cost-effective, transparent and timely procurement of goods, works and services required for UNIDO's operations.

*General description:* This Programme component provides a variety of supply chain management, sustainable procurement, conventional procurement and contracting services for the acquisition of materials and services for UNIDO Headquarters, Liaison Offices, Field Offices, technical cooperation programmes and projects. These include ad-hoc and regular training and capacity-building workshops and

seminars on UNIDO procurement and contracting policies and activities for both UNIDO officials and experts as well as for member states, commercial trade delegations and business interest groups; advice and procurement appraisal of UNIDO's new technical cooperation programmes and projects; assistance and guidance in the preparation of technical specifications, terms of reference and scope of works as well as the formulation of appropriate qualification requirements, technical and commercial evaluation criteria, selection criteria and contractual terms and conditions; 'due diligence' assessment of the procurement capacity of UNIDO's executing entities; negotiating and management of UNIDO long-term agreements; contracts management; development and promulgation of the respective policies, rules, standards, procedures, templates and model documents.

Expected results	Performance indicators (as per IRPF)	Means of verification
Effective and efficient procurement	Average procurement timeline to remain within a range of $\pm 10\%$ of 81.2 calendar days (baseline 2015)	ERP Supplier Relationship Management (SRM)
Advanced competitiveness of UNIDO procurement	Average number of companies bidding for a UNIDO procurement action to remain at 4.8 companies (baseline 2015)	ERP SRM
Satisfactory contract and contractor performance	Number of satisfactorily performing contracts and contractors to remain at 98.48% (baseline 2015)	ERP SRM
Higher proportion of sustainable procurement transactions	Proportion of sustainable procurement transactions to remain at [Baseline and target to be determined upon improvement of source of verification]	ERP SRM

*Programme Component D.3.2: Logistics Services*

*Objective:* To ensure enhanced responsiveness and quality by providing direct, efficient and cost-effective logistics services.

*General description:* This Programme component provides direct, efficient and cost-effective logistics services for all UNIDO activities. These include services related to the management of UNIDO's property at headquarters, field offices and project sites; official travel, transportation, and shipment; communications; and the Organization's archives and registry records.

**Expected results**

Efficient, cost-effective, transparent and timely logistics services as required by the Organization.

Expected results	Performance Indicators (as per IRPF)	Means of Verification
Client satisfaction with the quality and timeliness of the services	(%) of complaints from clients at large	Email correspondence, online helpdesk records, periodic surveys
Accurate and up-to-date central inventory and Property Plant Equipment (PPE) records in ERP	Number of surplus, obsolete and unserviceable inventories and PPE items	Annual physical inventory of PPE Special inventory (ies) Reports to the Property Survey Board on missing, lost or stolen PPE and inventories

### ***Programme D.4: Information Technology and Communication***

*Objective:* To provide efficient and effective ERP and information technology (IT) systems to implement UNIDO's strategic objectives and achievement of the ISID mandate. To manage, support and monitor the entire IT and ERP infrastructure and Help Desk services to provide a high level of customer support, availability and connectivity for all stakeholders at headquarters and in the field including member states and donors.

*General description:* The programme component provides Application Management and Reporting Services and is responsible for providing efficient and effective ERP and IT systems to implement UNIDO's strategic objectives and achievement of the ISID mandate. The programme ensures continuous improvements and optimizing of processes to ensure fully functioning ERP and IT Systems which contribute to the overall efficiency and effectiveness of the Organization and increasing transparency. Furthermore, responsible for planning, coordination and implementing Knowledge Management and Collaboration (KMC) solutions, thus contributing to improving knowledge sharing and teamwork. Additionally, this programme will ensure, from an operational and technical perspective that these are implemented in the ERP, KMC and IT systems in an integrated, systematic and cost-effective manner following best practices.

The programme component also provides Help Desk and Infrastructure Support and will manage, support and monitor the entire IT and ERP infrastructure and Help Desk services to provide a high level of customer support, availability and connectivity for all stakeholders at headquarters and in the field including member states and donors. Furthermore, will ensure regular and effective communication with all stakeholders on system related matters. It will act as the focal point on ERP and ICT matters within the Organization and interactions with other United Nations and inter-governmental organizations.

<b>Expected results</b>	<b>Performance indicators (as per IRPF)</b>	<b>Means of verification</b>
Improved quality of the UNIDO Enterprise Resource Planning (ERP) system including its ICT infrastructure.	(%) Quality of ERP system, based on client surveys (2015 baseline 66%)	The indicator is based on a uniform ERP survey that measures various factors which culminate in an "overall satisfaction" rating by users of the UNIDO ERP.

### ***Programme D.5: Direction and Management***

*Objective:* To ensure the efficient and effective delivery of services to support UNIDO's activities, promote a culture of accountability and transparency, and to achieve organizational modernization.

*General description:* This programme identifies and determines the strategic direction and goals, as well as providing leadership, coordination and effective and efficient management, in the broad areas of human resource management, financial management, procurement and logistics, information technology management and common services including management of the building and catering operations on behalf of the Vienna-based Organizations (VBOs). It also administers the Common Fund for Major Repairs and Replacement. It also ensures the monitoring and measurement of the administrative efficiency of the organization and provides direction as to systematic modernization of the Organization.

#### **Expected results**

Programme management effectiveness (level 3) and Organizational effectiveness and modernization (level 4)

Expected results	Performance indicators (as per IRPF)	Means of verification
UNIDO's technical cooperation work has adequate assistance from efficient and effective support services	Minimization of claims, unqualified opinions of internal and external auditors, positive feedback from clients and demonstrated effectiveness and efficiency	Feedback from clients Continues quality monitoring
Deliver high-quality, client-oriented and innovative services	Effectiveness in providing solution-oriented support services for organizational and technical cooperation purposes	Feedback from clients Continues quality monitoring
Effective human capital management, including staff diversity, gender parity and equality; positive staff relations and knowledge enhancement of staff	(%) of staff turnover (%) of staff holding relevant qualifications (%) of staff satisfied with training opportunities and professional development Satisfaction of staff with communication between staff and management	Continues monitoring of the Human capital Periodic surveys

## MAJOR PROGRAMME E: BUILDINGS MANAGEMENT

### *Programmes E.1 and E.2: Common Buildings Management and Joint Buildings Management<sup>2</sup>*

*Objective:* The overall objective is to ensure the safe and reliable and cost-effective operation, maintenance and repair and modernization of the VIC complex and the associated installations according to the local buildings codes and standards and according to the VIC operating license conditions. With up-keeping and up-dating of installations and equipment, Buildings Management Services (BMS) is providing services as required by the organizations occupying the VIC complex.

Furthermore BMS is committed to ensure a modern working environment and state-of-the-art installations and equipment to cope with the work needs of the coming years.

While fulfilling the above mentioned objective, the aim is also to be cost-effective by using all possible potential savings and making the best and most efficient use of the available resources.

*General description:* Under the terms of the Memorandum of Understanding on Common Services, on behalf of and financed by the International Organizations based in the VIC, UNIDO's BMS Division is given the responsibility for managing and administering the operations, maintenance, repairs and replacements of the buildings and related installations and equipment of the VIC complex.

Main constituencies and the target groups of the subject programme are the 4 VIC-based international organizations, IAEA, UNOV, UNIDO and CTBTO with approx. 5000 staff members and 2500 additional daily visitors, conference participants, etc.

In recent years BMS has witnessed a trend of additional tasks entrusted to it with an ever-increasing large scale alterations projects of the VBOs such as the installation of new emergency power generators with four times the original capacity.

The costs of operating, maintaining and repairing the buildings and their integrated and added installations are increasing with the ageing of the complex, which was constructed in 1974-1979. The VIC with a gross area of approximately 379,000 m<sup>2</sup>

<sup>2</sup> Please note that the Major Programme Narratives are valid overall for both Programmes E.1 and E.2. The main difference between the 2 programmes E.1 and E.2 is only the different sources of funding, namely the budgets of IAEA, UNOV, UNIDO and CTBTO for E.1 and UNOV, UNIDO and CTBTO for E.2, respectively.

will be then more than 39 years in operation. The necessary repairs and maintenance work are carried out on a regular basis, among others, according to the commitments made vis-à-vis the Austrian Government — the owner of the buildings, in order to ensure the safe and reliable operation of the VIC complex.

After over 37 years of occupancy, the need for replacement programmes had been recognized in all areas of the buildings complex to maintain and increase the reliability of the VIC operations. Based on the agreements reached during the associated CCS meetings, last on 10 July 2006, BMS was instructed to maintain the standard and level of services provided since 1999, which were to the fullest satisfaction of the VIC based organizations, as well as to implement the projects initiated and planned by BMS in order to cope with today's demands of a modern office building complex.

Efficiency gains are planned for this biennium through innovative business approaches that result on third party investments in the VIC such as the electric cars charging stations that will be install, operated and maintained by an external supplier. Additionally, important resources (€1.2 M) for the VIC should be secured from the Government of Austria through the increment of the Major Repair and Replacement Fund budget.

### Major Programme E: BUILDINGS MANAGEMENT

#### Resource estimates (in euros)

Positions			2018-2019 estimates (after recosting)		
Professional	General Service	Total	Regular budget	Operational budget	Total
<b>6.00</b>	<b>106.00</b>	<b>112.00</b>			
			Staff costs	17,434,500	17,434,500
			Consultants	163,200	163,200
			Official travel	26,100	26,100
			Operating costs	38,305,900	38,305,900
			Information and comm. techn.	135,700	135,700
			<b>Total gross expenditure</b>	<b>56,065,400</b>	<b>56,065,400</b>
			Income	(56,065,400)	(56,065,400)
			<b>Total net resources</b>		

#### Programme E.1: Common Buildings Management

2018-2019 estimates (after recosting)	
	Regular budget
Established positions	14,668,900
Overtime and night differential	740,900
General temporary assistance	881,400
Consultant fees and travel	163,200
Career development training	62,700
After-service medical coverage	387,200
Travel on official business	26,100
Rental and maintenance of premises	17,394,100
Utilities	17,088,200

Rental and maintenance of office equipment	61,200
Rental and maintenance of vehicles	20,400
Miscellaneous general operating expenses	34,700
Other general operating expenses	360,000
Printing and binding	2,000
Hospitality	5,200
Supplies for premises	1,133,800
Office Supplies	81,600
Fuel and lubricants	52,000
Assets	306,000
IT supplies and materials	21,400
IT Assets	102,000
Communication service charges	12,300
<b>Total gross expenditure</b>	<b>53,605,300</b>
Other contributions to common operations	(5,965,500)
Other VBOs contribution to common operations	(38,265,230)
Withdrawal from special account	(3,049,400)
UNIDO contribution to common operations	(6,325,170)
<b>Total income</b>	<b>(53,605,300)</b>
<b>Total net resources</b>	

### Programme E.2: Joint Buildings Management

2018-2019 estimates (after recosting)	
	Regular budget
Established positions	601,200
Overtime and night differential	13,100
General temporary assistance	79,100
Rental and maint. of premises	1,690,300
Supplies for Premises_	31,600
Assets	44,800
<b>Total gross expenditure</b>	<b>2,460,100</b>
Other contributions to common operations	(327,000)
Other VBOs contribution to common operations	(1,344,010)
UNIDO contribution to common operations	(789,090)
<b>Total income</b>	<b>(2,460,100)</b>
<b>Total net resources</b>	



<b>Results</b>	<b>Performance indicators</b>	<b>Means of verification</b>
The VIC Buildings Complex is safe and fully operational.	Compliance with building codes, rules and standards	Certificates and reports received from authorized technical institutions such as TUEV
The VIC incorporates state-of-the-art, innovative and new techniques as well as up-to-date equipment.	Compliance with state-of-the-art norms and techniques	Certificates and reports received from authorized technical institutions such as TUEV
The working environment of the VIC has improved for the staff and visitors.	Satisfaction of the building users	Indicated by absence of complaints and increased positive feedback
Services are cost effective.	Introduction of innovative service/business solutions	BMS reports
UNIDO is recognized as a leader in the sustainable management of buildings.	Climate neutrality certification	Certificate

## **MAJOR PROGRAMME F: INDIRECT COSTS**

### ***Programme F.1: Contribution to Shared Services and other Indirect Costs***

#### **General description**

The Programme contains the indirect costs and provides a transparent way of identifying these and monitoring their development over time.

Indirect costs are those cost items of the budget that cannot be directly linked to any substantive programme or administrative service of the Organization. These costs include the after-service health insurance scheme as well as the cost items that are mainly attributable to the fact that UNIDO is located on the premises of the Vienna International Centre and hence it participates in joint and common services with the other Vienna-based organizations. Furthermore, it also includes UNIDO's contribution to joint activities with United Nations bodies, a cost item that has been increasing steadily in value and significance.

The following list shows the cost elements and the drivers or distribution keys for UNIDO's contribution to the total costs:

- (a) After-service health insurance (ASHI) — per retired staff;
- (b) Joint medical services (IAEA) — 12.32 per cent;
- (c) Joint language training (UNOV) — per enrolled staff;
- (d) UNIDO contribution to common buildings management — 14.185 per cent;
- (e) Reimbursement to the Major Repair and Replacements Fund — 14.185 per cent; (of total United Nations share)
- (f) UNIDO contribution to joint buildings management — 37 per cent;
- (g) Language and documentation services (UNOV) — share based on workload;

- (h) Security and safety services (UNOV) — 14.185 per cent;
- (i) Contribution to joint activities with various United Nations bodies — by United Nations formulas;
- (j) United Nations Resident Coordinator System (UNRC) — by United Nations formulas;

Joint communication services (UNOV) — 18.79 per cent.

The resource estimates under each of the above items are presented in the summary table.

The total budgeted expenditure (at 2016-2017 costs) under contributions to the cost-shared services has increased by €1,725,525 (7.82 per cent) as shown under the paragraphs below.

Most of the increase, in the amount of €1,403,911, is for the United Nations Resident Coordinator System (UNRC). The item represents the initial inclusion of the proportionate budget share of UNIDO to the costs of the UNRC system, since no budgetary provisions were provided in the biennium 2016-2017. The budgeted amount is lower than the full-scale expected contribution from UNIDO, reflecting the transitional agreement reached with DOCO.

The increase in the pay-as-you-go servicing of the long-term liability under the After Service Health Insurance scheme (ASHI) by an amount of €909,400 is due to the significant increase in the number of UNIDO retirees and is estimated on the basis of actual costs incurred in 2016 and the additional estimated costs resulting from retirements during 2017 to 2019.

The decrease under the budget line UNIDO contribution to Common BMS became possible by the utilization of the accumulated balance under the BMS special account. Further, the increase of €128,254 on the Reimbursements to the Major Repair and Replacements Fund reflects the agreement of the five parties to provide slightly more funds for the maintenance of the aging building.

The reduction of €140,000 under the Joint communication services (UNOV) is the result of a successful negotiation for a new arrangement with UNOV in the provision for this service.

### Objective and Expected Results

The objective and expected results of the common and joint services are described in detail in the programme and budget documents of the responsible organizations.

Common and joint buildings management services are fully described under Major Programme E — Buildings Management.

### Programme F.1: Contribution to Shared Services and other Indirect Costs

#### Resource estimates (in euros)

Positions			2018-2019 estimates (after recosting)		
Professional	General Service	Total	Regular budget	Operational budget	Total
0.00	0.00	0.00			
			Staff costs	7,171,452	7,171,452
			Operating costs	16,616,533	16,616,533
			Information and comm. techn.	536,400	536,400
			<b>Total gross expenditure</b>	<b>24,324,385</b>	<b>24,324,385</b>
			<b>Total net resources</b>	<b>24,324,385</b>	<b>24,324,385</b>

**Programme F.1: Contribution to Shared Services and other Indirect Costs**

<b>2018-2019 estimates (after recosting)</b>	
	Regular budget
Joint Medical Services (IAEA)	560,020
Joint language training	61,200
After-service medical coverage	6,550,232
UNIDO contribution to common BMS	5,735,190
UNIDO contribution to joint BMS	789,090
Reimbursements to Major Repair Fund	670,665
Security and safety services.	4,065,100
Joint language and docs. Services	1,792,795
Contribution to joint activities with United Nations bodies	2,131,482
UNRC Programme — UNDG	1,432,211
Joint communication services UNOV	536,400
<b>Total gross expenditure</b>	<b>24,324,385</b>
<b>Total income</b>	
<b>Total net resources</b>	<b>24,324,385</b>

**SPECIAL RESOURCES FOR ARICA**

*Objective:* The programmes and projects supported through the Special Resources for Africa aim at creating shared prosperity, advancing economic competitiveness, and safeguarding the environment and will be tailored to the achievement of globally agreed development results based on UNIDO's mandate.

*General description:* Special Resources for Africa (SRA) are utilized for the development, support and implementation of national, regional and sub-regional programmes and projects. For the period 2018-2019, special resources for Africa will among others, be utilized for the following:

- Implementation of Industrial Development Decade for Africa III programme of action
  - Preparation and implementation of country, sub-regional and regional programmes related to ISID and the implementation of relevant strategies;
  - the development of projects upon specific and targeted requests from Member States;
  - Implementation of UNIDO's LDC Operational strategy;
  - Support for Africa-related global forum activities and expert group meetings (EGMs);
  - Institutional capacity building and support for the African Union and the African Union Commission (AUC), Regional Economic Communities (RECs) and the New Partnership for Africa's Development (NEPAD);
- Significant emphasis will be placed on the cost-effectiveness, inclusiveness and sustainability of UNIDO services in Africa and their impact on the development process. Cross-cutting issues, such as gender, youth and environmental aspects will further be addressed in the SRA funded programmes.

<b>Expected results</b>	<b>Performance indicators (as per IRPF)</b>	<b>Means of verification</b>
Enhanced relationship and strengthened engagement with Member States and with other partners, such as the African Union and the RECs	UNIDO services and work programme recognized by Member States and the United Nations development system, specifically at the regional and	Country briefing notes Mission, project/programme reports including UNSWC & DAO, UNDAF reports Signed cooperation

	country levels Increase in number of global forums, projects/programmes including inter-regional projects initiated in coordination with Member States, partners and stakeholders.	agreements/MoUs
Percentage of UNIDO Country Programmes developed per region vis a vis countries of coverage and are aligned with national priorities, plans, including with United Nations Development Assistance Framework (UNDAF)	Number of approved and signed Country Programmes developed Programmes and projects aligned to broader country frameworks (%) and UNDAF.	Approved and signed Country Programmes Country bi-annual progress reports ERP, including feedback from national stakeholders,

## REGULAR PROGRAMME OF TECHNICAL COOPERATION

*Objective:* To improve the effectiveness of UNIDO's programme of work and strengthen its contribution to the United Nations development system.

*General description:* The programme is responsible for improving the effectiveness of the Organization's programmatic activities, as well as for strengthening the Organization's contribution to the goals of the broader United Nations development system. It emphasizes the differentiated needs of Member States at their diverse state of ISID, and supports the promotion of international industrial cooperation, with special attention to South-South cooperation.

## MISCELLANEOUS INCOME

Estimated miscellaneous income for 2018-2019 amounts to €70,000 in the regular budget and €355,100 in the operational budget, details of which are shown in the following paragraphs.

### *A. Income on deposits*

Estimates for income on deposits are based on anticipated interest earnings on cash balances in the General Fund, the Working Capital Fund and the Operational Budget Account for Support Cost Reimbursements. Forecasts from the global investment market as well as the banking sector show that UNIDO will earn no material interest on Euro deposits and other instruments held with various banking institutions. The US Dollar deposits however are expected to earn interest of approximately €355,100.

### *B. Sale of publications*

Through its sales publications, UNIDO seeks to promote its image worldwide as the focal point of the United Nations in all matters concerning sustainable industrial development. A sales publication usually originates when a substantive unit considers it has produced a study with sufficiently wide appeal as to be saleable. If the study is the result of an expensive input of staff and consultant time, selling it is a means not only of disseminating the data or information gathered, but also of recouping at least part of the costs of its preparation.

The UNIDO Publications Sales Office manages the direct sale, promotion and distribution of UNIDO publications, reports and videos, including CD-ROM versions of older printed material. It is also responsible for the preparation of an

annual publications catalogue and for maintaining the UNIDO publications website, through which publications may be obtained directly through an online catalogue and ordering mechanism. UNIDO publications are also sold through various distributors, including the United Nations. The UNIDO Publications Sales Office is the focal point for communication with the United Nations Publications Section in New York and Geneva in respect of UNIDO's participation at book fairs and for translation agreements of UNIDO publications with other parties.

*Sales publication revolving fund*

In 2000-2001, a sales publications revolving fund was established with income earned from the sale of publications during the biennium. The fund supports the longer-range planning of publication activities, including promotion, marketing, and translation and re-printing of publications and CD-ROMs.

During a biennium, one-half of the sales to the fund are credited to miscellaneous income to ensure that the anticipated credit against Member States' contributions for sales of publications is maintained. The fund covers costs, which under the current procedures are set off against revenues.

Unless there is a marked increase in sales activity, the sales publication revolving fund is expected to have a balance of €202,165 by the end of the biennium. The table presents the anticipated financial activity during the biennium under the fund.

**Revolving fund for sales publications — Estimates of gross and net revenue**  
**(In euros at 2016-2017 costs)**

	2016-2017 revised estimates		2018-2019 estimates	
	Sales publications revolving fund	Miscellane ous income	Sales publications revolving fund	Miscellaneo us income
Gross sales	76,000	76,000	70,000	70,000
Revolving fund balance of the preceding biennium	213,762		233,415	
<b>Total income (1)</b>	<b>289,762</b>	<b>76,000</b>	<b>303,415</b>	<b>70,000</b>
Consultants	39,091		43,500	
Travel	15,606		28,500	
Printing	–		27,000	
Advertising and Promotion	900		–	
Miscellaneous/bank charges	750		2,250	
<b>Total expenses (2)</b>	<b>56,347</b>		<b>101,250</b>	
Publications revolving fund (1-2)	233,415		202,165	

Funds will be required for relevant projects and for organizing special promotional activities. Resources will be required for journal advertisements and other promotional activities. Funding is required for translation and reprints of sales publications, CD-ROMs, planned publications and production of electronic statistical publications involving consultancy services, equipment and material for which provision in the regular budget is insufficient. Additional consultancy services will also be needed for undertaking peer reviews of selected publications. Miscellaneous expenditures relate to mailing costs and bank charges.

Annex A

Table 1. Regular and operational budget expenditure and income by Major Programme and programme  
(In euros)

Programme	2016-2017	2018-2019	2018-2019	Recosting	2018-2019	Per cent of	
	approved budget <sup>a</sup>	resource growth at 2016-2017 Rates	resource requirements at 2016- 2017 rates	to 2018- 2019 rates	resource requirements at 2018- 2019 rates	2016- 2017	2018- 2019
	1	2	3	4	5	6	7
<b>Expenditure</b>							
A POLICYMAKING ORGANS							
A.1 Meetings of the Policymaking Organs	3,049,280	(15,080)	3,034,200	42,500	3,076,700	1.8%	1.8%
A.2 Policymaking Organs Secretariat and Relations with Member States	1,915,177	(62,477)	1,852,700	20,400	1,873,100	1.1%	1.1%
<b>Subtotal</b>	<b>4,964,457</b>	<b>(77,557)</b>	<b>4,886,900</b>	<b>62,900</b>	<b>4,949,800</b>	<b>2.9%</b>	<b>2.8%</b>
B EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT							
B.1 Executive Direction and Strategic Management	6,611,600	184,660	6,796,260	116,075	6,912,335	3.8%	3.9%
B.2 Evaluation	1,798,962	(62,362)	1,736,600	14,700	1,751,300	1.0%	1.0%
B.3 Legal Services	1,309,911	(32,811)	1,277,100	12,100	1,289,200	0.8%	0.7%
B.4 Internal Audit and Investigation	1,554,124	233,176	1,787,300	21,800	1,809,100	0.9%	1.0%
B.5 Ethics and Accountability	47,297	210,203	257,500	2,000	259,500	0.0%	0.1%
B.6 Audit Advisory Committee		86,200	86,200	1,800	88,000	0.0%	0.1%
<b>Subtotal</b>	<b>11,321,894</b>	<b>619,066</b>	<b>11,940,960</b>	<b>168,475</b>	<b>12,109,435</b>	<b>6.5%</b>	<b>6.9%</b>
C THEMATIC PROGRAMME FRAMEWORK: TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT							
C.1 Creating Shared Prosperity	26,302,402	(1,580,295)	24,722,107	699,040	25,421,147	15.2%	14.5%
C.2 Advancing Economic Competitiveness	18,486,082	(786,488)	17,699,594	487,300	18,186,894	10.7%	10.4%
C.3 Safeguarding the Environment	29,223,977	725,410	29,949,387	650,390	30,599,777	16.9%	17.4%
C.4 Cross-cutting Services	16,843,461	(242,290)	16,601,171	318,695	16,919,866	9.7%	9.6%
C.5 Field Operations Support	11,893,900	(821,766)	11,072,134	221,500	11,293,634	6.9%	6.4%
<b>Subtotal</b>	<b>102,749,822</b>	<b>(2,705,429)</b>	<b>100,044,393</b>	<b>2,376,925</b>	<b>102,421,318</b>	<b>59.4%</b>	<b>58.3%</b>
D PROGRAMME SUPPORT SERVICES							
D.1 Human Resource Management and Gender Mainstreaming	6,268,493	261,862	6,530,355	38,800	6,569,155	3.6%	3.7%
D.2 Financial Services	7,657,159		7,657,159	40,400	7,697,559	4.4%	4.4%
D.3 Procurement and Logistics	8,146,150	(229,850)	7,916,300	66,700	7,983,000	4.7%	4.5%
D.4 Information Technology and Communication	8,662,750	(376,850)	8,285,900	120,950	8,406,850	5.0%	4.8%
D.5 Direction and Management	1,171,148	(48)	1,171,100	21,900	1,193,000	0.7%	0.7%
<b>Subtotal</b>	<b>31,905,700</b>	<b>(344,886)</b>	<b>31,560,814</b>	<b>288,750</b>	<b>31,849,564</b>	<b>18.4%</b>	<b>18.1%</b>
F INDIRECT COSTS							
F.1 Contribution to Shared Services and other Indirect Costs	22,059,160	1,725,525	23,784,685	539,700	24,324,385	12.8%	13.8%
<b>Subtotal</b>	<b>22,059,160</b>	<b>1,725,525</b>	<b>23,784,685</b>	<b>539,700</b>	<b>24,324,385</b>	<b>12.8%</b>	<b>13.8%</b>
<b>TOTAL expenditure (excl. Major Programme E)</b>	<b>173,001,033</b>	<b>(783,281)</b>	<b>172,217,752</b>	<b>3,436,750</b>	<b>175,654,502</b>	<b>100.0%</b>	<b>100.0%</b>
E BUILDINGS MANAGEMENT							
E.1 Common Buildings Management	53,003,600	380,600	53,384,200	221,100	53,605,300	96.3%	95.6%
E.2 Joint Buildings Management	2,057,200	366,000	2,423,200	36,900	2,460,100	3.7%	4.4%
<b>TOTAL expenditure (Major Programme E)</b>	<b>55,060,800</b>	<b>746,600</b>	<b>55,807,400</b>	<b>258,000</b>	<b>56,065,400</b>	<b>100.0%</b>	<b>100.0%</b>

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<sup>a</sup> Reflects budget adjustments to the base.

Table 1 (continued)

Programme	2016-2017 approved budget <sup>a</sup>	2018-2019 resource growth at 2016-2017 Rates	2018-2019 resource requirements at 2016- 2017 rates	Recosting to 2018- 2019 rates	2018-2019 resource requirements at 2018- 2019 rates	Per cent of total budget		
						2016- 2017	2018- 2019	
	1	2	3	4	5	6	7	
<b>Income</b>								
A	POLICYMAKING ORGANS							
<b>Subtotal</b>						<b>0.0%</b>	<b>0.0%</b>	
B	EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT							
<b>Subtotal</b>						<b>0.0%</b>	<b>0.0%</b>	
C	THEMATIC PROGRAMME FRAMEWORK: TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT							
C.1	Creating Shared Prosperity	290,200	290,200		290,200	10.3%	10.2%	
C.2	Advancing Economic Competitiveness	226,200	226,200		226,200	8.0%	7.9%	
C.3	Safeguarding the Environment	334,200	334,200		334,200	11.9%	11.7%	
C.4	Cross-cutting Services	59,600	59,600		59,600	2.1%	2.1%	
C.5	Field Operations Support	1,521,300	1,521,300		1,521,300	54.0%	53.3%	
<b>Subtotal</b>	<b>2,431,500</b>		<b>2,431,500</b>		<b>2,431,500</b>	<b>86.2%</b>	<b>85.1%</b>	
D	PROGRAMME SUPPORT SERVICES							
<b>Subtotal</b>						<b>0.0%</b>	<b>0.0%</b>	
F	INDIRECT COSTS							
<b>Subtotal</b>						<b>0.0%</b>	<b>0.0%</b>	
Miscellaneous Income	388,300	36,800	425,100		425,100	13.8%	14.9%	
<b>TOTAL income (excl. Major Programme E)</b>	<b>2,819,800</b>	<b>36,800</b>	<b>2,856,600</b>		<b>2,856,600</b>	<b>100.0%</b>	<b>100.0%</b>	
E	BUILDINGS MANAGEMENT							
E.1	Common Buildings Management	53,003,600	380,600	53,384,200	221,100	53,605,300	96.3%	95.6%
E.2	Joint Buildings Management	2,057,200	366,000	2,423,200	36,900	2,460,100	3.7%	4.4%
<b>TOTAL income (Major Programme E)</b>	<b>55,060,800</b>	<b>746,600</b>	<b>55,807,400</b>	<b>258,000</b>	<b>56,065,400</b>	<b>100.0%</b>	<b>100.0%</b>	
<b>NET GRAND TOTAL</b>	<b>170,181,233</b>	<b>(820,081)</b>	<b>169,361,152</b>	<b>3,436,750</b>	<b>172,797,902</b>			

<sup>a</sup> Reflects budget adjustments to the base

Annex A

Table 2. Regular budget expenditure and income by major programme and programme  
(In euros)

Programme	2016-2017 approved budget a/ 1	2018-2019 resource growth at 2016-2017 rates 2	2018-2019 resource requirements at 2016- 2017 rates 3	Recosting to 2018- 2019 rates 4	2018-2019 resource requirements at 2018- 2019 rates 5	Per cent of total budget		
						2016- 2017 6	2018- 2019 7	
<b>Expenditure</b>								
<b>A POLICYMAKING ORGANS</b>								
A.1	Meetings of the Policymaking Organs	2,958,480	(15,280)	2,943,200	40,700	2,983,900	2.1%	2.1%
A.2	Policymaking Organs Secretariat and Relations with Member States	1,915,177	(62,477)	1,852,700	20,400	1,873,100	1.4%	1.3%
<b>Subtotal</b>		<b>4,873,657</b>	<b>(77,757)</b>	<b>4,795,900</b>	<b>61,100</b>	<b>4,857,000</b>	<b>3.5%</b>	<b>3.5%</b>
<b>B EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT</b>								
B.1	Executive Direction and Strategic Management	6,611,600	184,660	6,796,260	116,075	6,912,335	4.8%	5.0%
B.2	Evaluation	1,798,962	(62,362)	1,736,600	14,700	1,751,300	1.3%	1.3%
B.3	Legal Services	1,030,811	(32,811)	998,000	10,700	1,008,700	0.7%	0.7%
B.4	Internal Audit and Investigation	1,554,124	233,176	1,787,300	21,800	1,809,100	1.1%	1.3%
B.5	Ethics and Accountability	47,297	210,203	257,500	2,000	259,500	0.0%	0.2%
B.6	Audit Advisory Committee		86,200	86,200	1,800	88,000	0.0%	0.1%
<b>Subtotal</b>		<b>11,042,794</b>	<b>619,066</b>	<b>11,661,860</b>	<b>167,075</b>	<b>11,828,935</b>	<b>7.9%</b>	<b>8.5%</b>
<b>C THEMATIC PROGRAMME FRAMEWORK: TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT</b>								
C.1	Creating Shared Prosperity	19,366,767	(1,379,425)	17,987,342	270,695	18,258,037	13.9%	13.1%
C.2	Advancing Economic Competitiveness	12,219,242	(467,183)	11,752,059	174,410	11,926,469	8.8%	8.5%
C.3	Safeguarding the Environment	17,881,192	(446,350)	17,434,842	226,660	17,661,502	12.9%	12.7%
C.4	Cross-cutting Services	13,472,721	(328,505)	13,144,216	162,560	13,306,776	9.7%	9.5%
C.5	Field Operations Support	10,986,100	(821,766)	10,164,334	213,000	10,377,334	7.9%	7.4%
<b>Subtotal</b>		<b>73,926,022</b>	<b>(3,443,229)</b>	<b>70,482,793</b>	<b>1,047,325</b>	<b>71,530,118</b>	<b>53.2%</b>	<b>51.3%</b>
<b>D PROGRAMME SUPPORT SERVICES</b>								
D.1	Human Resource Management and Gender Mainstreaming	4,637,593	261,862	4,899,455	36,500	4,935,955	3.3%	3.5%
D.2	Financial Services	5,543,659		5,543,659	34,900	5,578,559	4.0%	4.0%
D.3	Procurement and Logistics	7,018,050	(229,850)	6,788,200	59,100	6,847,300	5.1%	4.9%
D.4	Information Technology and Communication	8,662,750	(376,850)	8,285,900	120,950	8,406,850	6.2%	6.0%
D.5	Direction and Management	1,171,148	(48)	1,171,100	21,900	1,193,000	0.8%	0.9%
<b>Subtotal</b>		<b>27,033,200</b>	<b>(344,886)</b>	<b>26,688,314</b>	<b>273,350</b>	<b>26,961,664</b>	<b>19.5%</b>	<b>19.3%</b>
<b>F INDIRECT COSTS</b>								
F.1	Contribution to Shared Services and other Indirect Costs	22,059,160	1,725,525	23,784,685	539,700	24,324,385	15.9%	17.4%
<b>Subtotal</b>		<b>22,059,160</b>	<b>1,725,525</b>	<b>23,784,685</b>	<b>539,700</b>	<b>24,324,385</b>	<b>15.9%</b>	<b>17.4%</b>
<b>TOTAL expenditure (excl. Major Programme E)</b>		<b>138,934,833</b>	<b>(1,521,281)</b>	<b>137,413,552</b>	<b>2,088,550</b>	<b>139,502,102</b>	<b>100.0%</b>	<b>100.0%</b>
<b>E BUILDINGS MANAGEMENT</b>								
E.1	Common Buildings Management	53,003,600	380,600	53,384,200	221,100	53,605,300	96.3%	95.6%
E.2	Joint Buildings Management	2,057,200	366,000	2,423,200	36,900	2,460,100	3.7%	4.4%
<b>TOTAL expenditure (Major Programme E)</b>		<b>55,060,800</b>	<b>746,600</b>	<b>55,807,400</b>	<b>258,000</b>	<b>56,065,400</b>	<b>100.0%</b>	<b>100.0%</b>

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a/ Reflects budget adjustments to the base.



Table 2 (continued)

Programme	2016-2017 approved budget a/ 1	2018-2019 resource growth at 2016-2017 rates 2	2018-2019 resource requirements at 2016- 2017 rates 3	Recosting to 2018- 2019 rates 4	2018-2019 resource requirements at 2018- 2019 rates 5	Per cent of total budget		
						2016- 2017 6	2018- 2019 7	
<b>Income</b>								
A	POLICYMAKING ORGANS							
<b>Subtotal</b>						<b>0.0%</b>	<b>0.0%</b>	
B	EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT							
<b>Subtotal</b>						<b>0.0%</b>	<b>0.0%</b>	
C	THEMATIC PROGRAMME FRAMEWORK: TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT							
C.1	Creating Shared Prosperity	290,200	290,200		290,200	11.5%	11.6%	
C.2	Advancing Economic Competitiveness	226,200	226,200		226,200	9.0%	9.0%	
C.3	Safeguarding the Environment	334,200	334,200		334,200	13.3%	13.4%	
C.4	Cross-cutting Services	59,600	59,600		59,600	2.4%	2.4%	
C.5	Field Operations Support	1,521,300	1,521,300		1,521,300	60.4%	60.8%	
<b>Subtotal</b>		<b>2,431,500</b>	<b>2,431,500</b>		<b>2,431,500</b>	<b>96.6%</b>	<b>97.2%</b>	
D	PROGRAMME SUPPORT SERVICES							
<b>Subtotal</b>						<b>0.0%</b>	<b>0.0%</b>	
F	INDIRECT COSTS							
<b>Subtotal</b>						<b>0.0%</b>	<b>0.0%</b>	
	Miscellaneous Income	86,800	(16,800)	70,000	70,000	3.4%	2.8%	
<b>TOTAL income (excl. Major Programme E)</b>	<b>2,518,300</b>	<b>(16,800)</b>	<b>2,501,500</b>		<b>2,501,500</b>	<b>100.0%</b>	<b>100.0%</b>	
E	BUILDINGS MANAGEMENT							
E.1	Common Buildings Management	53,003,600	380,600	53,384,200	221,100	53,605,300	96.3%	95.6%
E.2	Joint Buildings Management	2,057,200	366,000	2,423,200	36,900	2,460,100	3.7%	4.4%
<b>TOTAL income (Major Programme E)</b>	<b>55,060,800</b>	<b>746,600</b>	<b>55,807,400</b>	<b>258,000</b>	<b>56,065,400</b>	<b>100.0%</b>	<b>100.0%</b>	
<b>NET GRAND TOTAL</b>	<b>136,416,533</b>	<b>(1,504,481)</b>	<b>134,912,052</b>	<b>2,088,550</b>	<b>137,000,602</b>			

<sup>a</sup> Reflects budget adjustments to the base

Annex A

Table 3. Operational budget expenditure and income by Major Programme and programme  
(In euros)

Programme	2016-2017 approved budget <sup>a</sup>	2018-2019 resource growth at 2016-2017 rates	2018-2019 resource requirements at 2016- 2017 rates	Recosting to 2018- 2019 rates	2018-2019 resource requirements at 2018- 2019 rates	Per cent of total budget		
						2016- 2017	2018- 2019	
	1	2	3	4	5	6	7	
<u>Expenditure</u>								
A	POLICYMAKING ORGANS							
A.1	Meetings of the Policymaking Organs	90,800	200	91,000	1,800	92,800	0.3%	0.3%
<b>Subtotal</b>		<b>90,800</b>	<b>200</b>	<b>91,000</b>	<b>1,800</b>	<b>92,800</b>	<b>0.3%</b>	<b>0.3%</b>
B	EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT							
B.3	Legal Services	279,100		279,100	1,400	280,500	0.8%	0.8%
<b>Subtotal</b>		<b>279,100</b>		<b>279,100</b>	<b>1,400</b>	<b>280,500</b>	<b>0.8%</b>	<b>0.8%</b>
C	THEMATIC PROGRAMME FRAMEWORK: TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT							
C.1	Creating Shared Prosperity	6,935,635	(200,870)	6,734,765	428,345	7,163,110	20.4%	19.8%
C.2	Advancing Economic Competitiveness	6,266,840	(319,305)	5,947,535	312,890	6,260,425	18.4%	17.3%
C.3	Safeguarding the Environment	11,342,785	1,171,760	12,514,545	423,730	12,938,275	33.3%	35.8%
C.4	Cross-cutting Services	3,370,740	86,215	3,456,955	156,135	3,613,090	9.9%	10.0%
C.5	Field Operations Support	907,800		907,800	8,500	916,300	2.7%	2.5%
<b>Subtotal</b>		<b>28,823,800</b>	<b>737,800</b>	<b>29,561,600</b>	<b>1,329,600</b>	<b>30,891,200</b>	<b>84.6%</b>	<b>85.4%</b>
D	PROGRAMME SUPPORT SERVICES							
D.1	Human Resource Management and Gender Mainstreaming	1,630,900		1,630,900	2,300	1,633,200	4.8%	4.5%
D.2	Financial Services	2,113,500		2,113,500	5,500	2,119,000	6.2%	5.9%
D.3	Procurement and Logistics	1,128,100		1,128,100	7,600	1,135,700	3.3%	3.1%
<b>Subtotal</b>		<b>4,872,500</b>		<b>4,872,500</b>	<b>15,400</b>	<b>4,887,900</b>	<b>14.3%</b>	<b>13.5%</b>
F	INDIRECT COSTS							
<b>Subtotal</b>							<b>0.0%</b>	<b>0.0%</b>
<b>TOTAL expenditure (excl. Major Programme E)</b>		<b>34,066,200</b>	<b>738,000</b>	<b>34,804,200</b>	<b>1,348,200</b>	<b>36,152,400</b>	<b>100.0%</b>	<b>100.0%</b>
E	BUILDINGS MANAGEMENT							
<b>TOTAL expenditure (Major Programme E)</b>								

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<sup>a</sup> Reflects budget adjustments to the base.

Table 3 (continued)

Programme	2016-2017 approved budget <sup>a</sup>	2018-2019 resource growth at 2016-2017 rates	2018-2019 resource requirements at 2016- 2017 rates	Recosting to 2018- 2019 rates	2018-2019 resource requirements at 2018- 2019 rates	Per cent of total budget	
						2016- 2017	2018- 2019
	1	2	3	4	5	6	7
<b>Income</b>							
A	POLICYMAKING ORGANS						
<b>Subtotal</b>						<b>0.0%</b>	<b>0.0%</b>
B	EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT						
<b>Subtotal</b>						<b>0.0%</b>	<b>0.0%</b>
C	THEMATIC PROGRAMME FRAMEWORK: TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT						
<b>Subtotal</b>						<b>0.0%</b>	<b>0.0%</b>
D	PROGRAMME SUPPORT SERVICES						
<b>Subtotal</b>						<b>0.0%</b>	<b>0.0%</b>
F	INDIRECT COSTS						
<b>Subtotal</b>						<b>0.0%</b>	<b>0.0%</b>
Miscellaneous Income	301,500	53,600	355,100		355,100	100.0%	100.0%
<b>TOTAL income (excl. Major Programme E)</b>	<b>301,500</b>	<b>53,600</b>	<b>355,100</b>		<b>355,100</b>	<b>100.0%</b>	<b>100.0%</b>
<b>E)</b>							
E	BUILDINGS MANAGEMENT						
<b>TOTAL income (Major Programme E)</b>							
<b>NET GRAND TOTAL</b>	<b>33,764,700</b>	<b>684,400</b>	<b>34,449,100</b>	<b>1,348,200</b>	<b>35,797,300</b>		

<sup>a</sup> Reflects budget adjustments to the base

## Annex B

Table 1. Regular and operational budget expenditure and income by programme and major object of expenditure at 2016-2017 rates  
(In euros)

Programme	Staff costs		Official travel		Operating costs		Information and communication technology		RPTC and SRA activities		Total expenditure		Income		Net requirements		
	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	
<b>A</b>	<b>POLICYMAKING ORGANS</b>																
A.1	Meetings of the Policymaking Organs	76,038	76,000	22,842	8,000	2,950,400	2,950,200					3,049,280	3,034,200		3,049,280	3,034,200	
A.2	Policymaking Organs Secretariat and Relations with Member States	1,797,300	1,789,500	27,577	27,600	90,300	35,600					1,915,177	1,852,700		1,915,177	1,852,700	
	<b>Subtotal</b>	<b>1,873,338</b>	<b>1,865,500</b>	<b>50,419</b>	<b>35,600</b>	<b>3,040,700</b>	<b>2,985,800</b>					<b>4,964,457</b>	<b>4,886,900</b>		<b>4,964,457</b>	<b>4,886,900</b>	
<b>B</b>	<b>EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT</b>																
B.1	Executive Direction and Strategic Management	5,075,207	5,277,260	631,993	638,200	746,800	758,900	157,600	121,900			6,611,600	6,796,260		6,611,600	6,796,260	
B.2	Evaluation	1,763,100	1,736,600	22,462		13,400						1,798,962	1,736,600		1,798,962	1,736,600	
B.3	Legal Services	1,284,711	1,269,200	8,500	5,000	16,700	2,900					1,309,911	1,277,100		1,309,911	1,277,100	
B.4	Internal Audit and Investigation	1,467,419	1,686,500	74,505	81,700	4,600	7,100	7,600	12,000			1,554,124	1,787,300		1,554,124	1,787,300	
B.5	Ethics and Accountability	30,455	248,300	14,842	8,000	2,000	1,200					47,297	257,500		47,297	257,500	
B.6	Audit Advisory Committee				85,200		1,000						86,200			86,200	
	<b>Subtotal</b>	<b>9,620,892</b>	<b>10,217,860</b>	<b>752,302</b>	<b>818,100</b>	<b>783,500</b>	<b>771,100</b>	<b>165,200</b>	<b>133,900</b>			<b>11,321,894</b>	<b>11,940,960</b>		<b>11,321,894</b>	<b>11,940,960</b>	
<b>C</b>	<b>THEMATIC PROGRAMME FRAMEWORK: TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT</b>																
C.1	Creating Shared Prosperity	21,758,524	20,334,680	181,324	214,100	100,000	51,200			4,262,554	4,122,127	26,302,402	24,722,107	(290,200)	(290,200)	26,012,202	24,431,907
C.2	Advancing Economic Competitiveness	16,364,897	15,706,920	287,353	261,000	130,100	41,900			1,703,732	1,689,774	18,486,082	17,699,594	(226,200)	(226,200)	18,259,882	17,473,394
C.3	Safeguarding the Environment	23,926,064	24,566,120	1,520,512	2,095,500	1,093,300	707,900			2,684,101	2,579,867	29,223,977	29,949,387	(334,200)	(334,200)	28,889,777	29,615,187
C.4	Cross-cutting Services	14,684,535	14,679,420	875,221	734,200	731,100	475,600	18,000	9,000	534,605	702,951	16,843,461	16,601,171	(59,600)	(59,600)	16,783,861	16,541,571
C.5	Field Operations Support	5,180,700	4,540,500	521,900	463,400	5,412,600	5,374,134	778,700	694,100			11,893,900	11,072,134	(1,521,300)	(1,521,300)	10,372,600	9,550,834
	<b>Subtotal</b>	<b>81,914,720</b>	<b>79,827,640</b>	<b>3,386,310</b>	<b>3,768,200</b>	<b>7,467,100</b>	<b>6,650,734</b>	<b>796,700</b>	<b>703,100</b>	<b>9,184,992</b>	<b>9,094,719</b>	<b>102,749,822</b>	<b>100,044,393</b>	<b>(2,431,500)</b>	<b>(2,431,500)</b>	<b>100,318,322</b>	<b>97,612,893</b>
<b>D</b>	<b>PROGRAMME SUPPORT SERVICES</b>																
D.1	Human Resource Management and Gender Mainstreaming	6,226,900	6,506,355	33,793	24,000	7,800						6,268,493	6,530,355		6,268,493	6,530,355	
D.2	Financial Services	7,603,600	7,604,300	21,259	21,259	32,300	31,600					7,657,159	7,657,159		7,657,159	7,657,159	
D.3	Procurement and Logistics	6,158,700	6,111,300	36,150	36,200	905,200	758,800	1,046,100	1,010,000			8,146,150	7,916,300		8,146,150	7,916,300	
D.4	Information Technology and Communication	3,915,100	3,630,200	32,150	32,200	85,300	75,300	4,630,200	4,548,200			8,662,750	8,285,900		8,662,750	8,285,900	
D.5	Direction and Management	1,108,600	1,108,600	53,048	53,000	9,500	9,500					1,171,148	1,171,100		1,171,148	1,171,100	
	<b>Subtotal</b>	<b>25,012,900</b>	<b>24,960,755</b>	<b>176,400</b>	<b>166,659</b>	<b>1,040,100</b>	<b>875,200</b>	<b>5,676,300</b>	<b>5,558,200</b>			<b>31,905,700</b>	<b>31,560,814</b>		<b>31,905,700</b>	<b>31,560,814</b>	

F	INDIRECT COSTS																		
F.1	Contribution to Shared Services and other Indirect Costs	5,972,320	6,869,152			15,420,940	16,389,633	665,900	525,900			22,059,160	23,784,685					22,059,160	23,784,685
	<b>Subtotal</b>	<b>5,972,320</b>	<b>6,869,152</b>			<b>15,420,940</b>	<b>16,389,633</b>	<b>665,900</b>	<b>525,900</b>			<b>22,059,160</b>	<b>23,784,685</b>					<b>22,059,160</b>	<b>23,784,685</b>
	Miscellaneous Income													(388,300)	(425,100)	(388,300)	(425,100)		
	<b>TOTAL (excl. Major Programme E)</b>	<b>124,394,170</b>	<b>123,740,907</b>	<b>4,365,431</b>	<b>4,788,559</b>	<b>27,752,340</b>	<b>27,672,467</b>	<b>7,304,100</b>	<b>6,921,100</b>	<b>9,184,992</b>	<b>9,094,719</b>	<b>173,001,033</b>	<b>172,217,752</b>	<b>(2,819,800)</b>	<b>(2,856,600)</b>	<b>170,181,233</b>	<b>169,361,152</b>		
E	BUILDINGS MANAGEMENT																		
E.1	Common Buildings Management	17,274,400	17,398,700	24,400	25,500	35,704,800	35,826,900		133,100			53,003,600	53,384,200	53,003,600	53,384,200				
E.2	Joint Buildings Management	688,600	691,200			1,368,600	1,732,000					2,057,200	2,423,200	(2,057,200)	(2,423,200)				
	<b>TOTAL (Major Programme E)</b>	<b>17,963,000</b>	<b>18,089,900</b>	<b>24,400</b>	<b>25,500</b>	<b>37,073,400</b>	<b>37,558,900</b>		<b>133,100</b>			<b>55,060,800</b>	<b>55,807,400</b>	<b>55,060,800</b>	<b>55,807,400</b>				

<sup>a</sup> Reflects budget adjustments to the base.

## Annex B

Table 2. Regular budget expenditure and income by programme and major object of expenditure at 2016-2017 rates  
(In euros)

Programme	Staff costs		Official travel		Operating costs		Information and communication technology		RPTC and SRA activities		Total expenditure		Income		Net requirements		
	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	
<b>A</b>	<b>POLICYMAKING ORGANS</b>																
A.1	Meetings of the Policymaking Organs	76,038	76,000	22,842	8,000	2,859,600	2,859,200					2,958,480	2,943,200			2,958,480	2,943,200
A.2	Policymaking Organs Secretariat and Relations with Member States	1,797,300	1,789,500	27,577	27,600	90,300	35,600					1,915,177	1,852,700			1,915,177	1,852,700
	<b>Subtotal</b>	<b>1,873,338</b>	<b>1,865,500</b>	<b>50,419</b>	<b>35,600</b>	<b>2,949,900</b>	<b>2,894,800</b>					<b>4,873,657</b>	<b>4,795,900</b>			<b>4,873,657</b>	<b>4,795,900</b>
<b>B</b>	<b>EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT</b>																
B.1	Executive Direction and Strategic Management	5,075,207	5,277,260	631,993	638,200	746,800	758,900	157,600	121,900			6,611,600	6,796,260			6,611,600	6,796,260
B.2	Evaluation	1,763,100	1,736,600	22,462		13,400						1,798,962	1,736,600			1,798,962	1,736,600
B.3	Legal Services	1,005,611	990,100	8,500	5,000	16,700	2,900					1,030,811	998,000			1,030,811	998,000
B.4	Internal Audit and Investigation	1,467,419	1,686,500	74,505	81,700	4,600	7,100	7,600	12,000			1,554,124	1,787,300			1,554,124	1,787,300
B.5	Ethics and Accountability	30,455	248,300	14,842	8,000	2,000	1,200					47,297	257,500			47,297	257,500
B.6	Audit Advisory Committee				85,200		1,000						86,200				86,200
	<b>Subtotal</b>	<b>9,341,792</b>	<b>9,938,760</b>	<b>752,302</b>	<b>818,100</b>	<b>783,500</b>	<b>771,100</b>	<b>165,200</b>	<b>133,900</b>			<b>11,042,794</b>	<b>11,661,860</b>			<b>11,042,794</b>	<b>11,661,860</b>
<b>C</b>	<b>THEMATIC PROGRAMME FRAMEWORK: TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT</b>																
C.1	Creating Shared Prosperity	14,959,489	13,609,715	44,724	204,300	100,000	51,200			4,262,554	4,122,127	19,366,767	17,987,342	(290,200)	(290,200)	19,076,567	17,697,142
C.2	Advancing Economic Competitiveness	10,365,957	9,778,885	19,453	241,500	130,100	41,900			1,703,732	1,689,774	12,219,242	11,752,059	(226,200)	(226,200)	11,993,042	11,525,859
C.3	Safeguarding the Environment	14,515,579	14,810,175	438,912		242,600	44,800			2,684,101	2,579,867	17,881,192	17,434,842	(334,200)	(334,200)	17,546,992	17,100,642
C.4	Cross-cutting Services	11,763,695	11,338,965	425,321	617,700	731,100	475,600	18,000	9,000	534,605	702,951	13,472,721	13,144,216	(59,600)	(59,600)	13,413,121	13,084,616
C.5	Field Operations Support	4,272,900	3,632,700	521,900	463,400	5,412,600	5,374,134	778,700	694,100			10,986,100	10,164,334	(1,521,300)	(1,521,300)	9,464,800	8,643,034
	<b>Subtotal</b>	<b>55,877,620</b>	<b>53,170,440</b>	<b>1,450,310</b>	<b>1,526,900</b>	<b>6,616,400</b>	<b>5,987,634</b>	<b>796,700</b>	<b>703,100</b>	<b>9,184,992</b>	<b>9,094,719</b>	<b>73,926,022</b>	<b>70,482,793</b>	<b>(2,431,500)</b>	<b>(2,431,500)</b>	<b>71,494,522</b>	<b>68,051,293</b>
<b>D</b>	<b>PROGRAMME SUPPORT SERVICES</b>																
D.1	Human Resource Management and Gender Mainstreaming	4,596,000	4,875,455	33,793	24,000	7,800						4,637,593	4,899,455			4,637,593	4,899,455
D.2	Financial Services	5,490,100	5,490,800	21,259	21,259	32,300	31,600					5,543,659	5,543,659			5,543,659	5,543,659
D.3	Procurement and Logistics	5,030,600	4,983,200	36,150	36,200	905,200	758,800	1,046,100	1,010,000			7,018,050	6,788,200			7,018,050	6,788,200
D.4	Information Technology and Communication	3,915,100	3,630,200	32,150	32,200	85,300	75,300	4,630,200	4,548,200			8,662,750	8,285,900			8,662,750	8,285,900
D.5	Direction and Management	1,108,600	1,108,600	53,048	53,000	9,500	9,500					1,171,148	1,171,100			1,171,148	1,171,100
	<b>Subtotal</b>	<b>20,140,400</b>	<b>20,088,255</b>	<b>176,400</b>	<b>166,659</b>	<b>1,040,100</b>	<b>875,200</b>	<b>5,676,300</b>	<b>5,558,200</b>			<b>27,033,200</b>	<b>26,688,314</b>			<b>27,033,200</b>	<b>26,688,314</b>

<b>F</b>														<b>INDIRECT COSTS</b>			
F.1	Contribution to Shared Services and other Indirect Costs	5,972,320	6,869,152			15,420,940	16,389,633	665,900	525,900			22,059,160	23,784,685			22,059,160	23,784,685
<b>Subtotal</b>		<b>5,972,320</b>	<b>6,869,152</b>			<b>15,420,940</b>	<b>16,389,633</b>	<b>665,900</b>	<b>525,900</b>			<b>22,059,160</b>	<b>23,784,685</b>			<b>22,059,160</b>	<b>23,784,685</b>
Miscellaneous Income														(86,800)	(70,000)	(86,800)	(70,000)
<b>TOTAL (excl. Major Programme E)</b>		<b>93,205,470</b>	<b>91,932,107</b>	<b>2,429,431</b>	<b>2,547,259</b>	<b>26,810,840</b>	<b>26,918,367</b>	<b>7,304,100</b>	<b>6,921,100</b>	<b>9,184,992</b>	<b>9,094,719</b>	<b>138,934,833</b>	<b>137,413,552</b>	<b>(2,518,300)</b>	<b>(2,501,500)</b>	<b>136,416,533</b>	<b>134,912,052</b>

<b>E</b>														<b>BUILDINGS MANAGEMENT</b>			
E.1	Common Buildings Management	17,274,400	17,398,700	24,400	25,500	35,704,800	35,826,900		133,100			53,003,600	53,384,200	53,003,600	53,384,200		
E.2	Joint Buildings Management	688,600	691,200			1,368,600	1,732,000					2,057,200	2,423,200	(2,057,200)	(2,423,200)		
<b>TOTAL (Major Programme E)</b>		<b>17,963,000</b>	<b>18,089,900</b>	<b>24,400</b>	<b>25,500</b>	<b>37,073,400</b>	<b>37,558,900</b>		<b>133,100</b>			<b>55,060,800</b>	<b>55,807,400</b>	<b>55,060,800</b>	<b>55,807,400</b>		

<sup>a</sup> Reflects budget adjustments to the base.

Annex B  
Table 3. Operational budget expenditure and income by programme and major object of expenditure at 2016-2017 rates  
(In euros)

Programme	Staff costs		Official travel		Operating costs		Information and communication technology		RPTC and SRA activities		Total expenditure		Income		Net requirements			
	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019	2016-2017 <sup>a</sup>	2018-2019		
<b>A</b>	<b>POLICYMAKING ORGANS</b>																	
A.1	Meetings of the Policymaking Organs						90,800	91,000					90,800	91,000			90,800	91,000
	<b>Subtotal</b>						<b>90,800</b>	<b>91,000</b>					<b>90,800</b>	<b>91,000</b>			<b>90,800</b>	<b>91,000</b>
<b>B</b>	<b>EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT</b>																	
B.3	Legal Services		279,100	279,100									279,100	279,100			279,100	279,100
	<b>Subtotal</b>		<b>279,100</b>	<b>279,100</b>									<b>279,100</b>	<b>279,100</b>			<b>279,100</b>	<b>279,100</b>
<b>C</b>	<b>THEMATIC PROGRAMME FRAMEWORK: TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT</b>																	
C.1	Creating Shared Prosperity		6,799,035	6,724,965	136,600	9,800							6,935,635	6,734,765			6,935,635	6,734,765
C.2	Advancing Economic Competitiveness		5,998,940	5,928,035	267,900	19,500							6,266,840	5,947,535			6,266,840	5,947,535
C.3	Safeguarding the Environment		9,410,485	9,755,945	1,081,600	2,095,500	850,700	663,100					11,342,785	12,514,545			11,342,785	12,514,545
C.4	Cross-cutting Services		2,920,840	3,340,455	449,900	116,500							3,370,740	3,456,955			3,370,740	3,456,955
C.5	Field Operations Support		907,800	907,800									907,800	907,800			907,800	907,800
	<b>Subtotal</b>		<b>26,037,100</b>	<b>26,657,200</b>	<b>1,936,000</b>	<b>2,241,300</b>	<b>850,700</b>	<b>663,100</b>					<b>28,823,800</b>	<b>29,561,600</b>			<b>28,823,800</b>	<b>29,561,600</b>
<b>D</b>	<b>PROGRAMME SUPPORT SERVICES</b>																	
D.1	Human Resource Management and Gender Mainstreaming		1,630,900	1,630,900									1,630,900	1,630,900			1,630,900	1,630,900
D.2	Financial Services		2,113,500	2,113,500									2,113,500	2,113,500			2,113,500	2,113,500
D.3	Procurement and Logistics		1,128,100	1,128,100									1,128,100	1,128,100			1,128,100	1,128,100
	<b>Subtotal</b>		<b>4,872,500</b>	<b>4,872,500</b>									<b>4,872,500</b>	<b>4,872,500</b>			<b>4,872,500</b>	<b>4,872,500</b>
<b>F</b>	<b>INDIRECT COSTS</b>																	
	<b>Subtotal</b>																	
	Miscellaneous Income														(301,500)	(355,100)	(301,500)	(355,100)
	<b>TOTAL (excl. Major Programme E)</b>		<b>31,188,700</b>	<b>31,808,800</b>	<b>1,936,000</b>	<b>2,241,300</b>	<b>941,500</b>	<b>754,100</b>					<b>34,066,200</b>	<b>34,804,200</b>	<b>(301,500)</b>	<b>(355,100)</b>	<b>33,764,700</b>	<b>34,449,100</b>
<b>E</b>	<b>BUILDINGS MANAGEMENT</b>																	
	<b>TOTAL (Major Programme E)</b>																	

a/ Reflects budget adjustments to the base.



Annex C  
Staffing by Major Programme and programme

Programme	Professional and above			General service				
	Regular budget	Operational budget	Total	Regular budget	Operational budget	Total		
	1	2	6	4	5	6		
<b>A</b>	<b>POLICY-MAKING ORGANS</b>							
A.2	Policymaking Organs Secretariat and Relations with Member States		5.00		5.00	3.00	3.00	
<b>Subtotal</b>	<b>5.00</b>	<b>0.00</b>	<b>5.00</b>	<b>3.00</b>	<b>0.00</b>	<b>3.00</b>		
<b>B</b>	<b>EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT</b>							
B.1	Executive Direction and Strategic Management		9.55		9.55	9.00	9.00	
B.2	Evaluation		4.00		4.00	3.00	3.00	
B.3	Legal Services		2.00	1.00	3.00	2.00	2.00	
B.4	Internal Audit and Investigation		5.00		5.00	2.00	2.00	
B.5	Ethics and Accountability		0.50		0.50	0.50	0.50	
<b>Subtotal</b>	<b>21.05</b>	<b>1.00</b>	<b>22.05</b>	<b>16.50</b>	<b>0.00</b>	<b>16.50</b>		
<b>C</b>	<b>THEMATIC PROGRAMME FRAMEWORK: TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT</b>							
C.1	Creating Shared Prosperity		38.20	25.15	63.35	17.60	27.90	
C.2	Advancing Economic Competitiveness		24.30	23.80	48.10	18.10	22.90	
C.3	Safeguarding the Environment		44.85	26.35	71.20	20.30	35.80	
C.4	Cross-cutting Services		30.60	11.70	42.30	14.50	18.90	
C.5	Field Operations Support					55.00	17.00	72.00
<b>Subtotal</b>	<b>137.95</b>	<b>87.00</b>	<b>224.95</b>	<b>125.50</b>	<b>52.00</b>	<b>177.50</b>		
<b>D</b>	<b>PROGRAMME SUPPORT SERVICES</b>							
D.1	Human Resource Management and Gender Mainstreaming		10.00	1.00	11.00	10.00	9.00	19.00
D.2	Financial Services		9.00	2.00	11.00	20.00	10.00	30.00
D.3	Procurement and Logistics		7.00	3.00	10.00	20.00	2.00	22.00
D.4	Information Technology and Communication		8.50		8.50	10.00		10.00
D.5	Direction and Management		2.00		2.00	3.00		3.00
<b>Subtotal</b>	<b>36.50</b>	<b>6.00</b>	<b>42.50</b>	<b>63.00</b>	<b>21.00</b>	<b>84.00</b>		
<b>TOTAL (excl. Major Programme E)</b>	<b>200.50</b>	<b>94.00</b>	<b>294.50</b>	<b>208.00</b>	<b>73.00</b>	<b>281.00</b>		
<b>E</b>	<b>BUILDINGS MANAGEMENT</b>							
E.1	Common Buildings Management		6.00		6.00	102.00	102.00	
E.2	Joint Buildings Management					4.00	4.00	
<b>TOTAL (Major Programme E)</b>	<b>6.00</b>	<b>0.00</b>	<b>6.00</b>	<b>106.00</b>	<b>0.00</b>	<b>106.00</b>		