



INTERVENTION

BY

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**44TH SESSION OF THE INDUSTRIAL DEVELOPMENT BOARD OF UNIDO
AGENDA ITEM 4:**

**AGENDA ITEM 4: REPORT OF THE PROGRAMME AND BUDGET COMMITTEE,
INCLUDING SUB-ITEMS (A) AND (E)**

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Madame President,

The South African delegation welcomes the PBC's recommendation for the IDB to adopt the decision on the establishment of an Audit and Advisory Committee, as outlined in the Terms of Reference. We would like to thank the Secretariat for facilitating the negotiation of the Terms of Reference. South Africa underscores the importance of ensuring geographical representation, gender balance as well as transparency in the entire process.

Madame President,

Despite the enormous task and added responsibilities placed on UNIDO through the adoption of the Lima Declaration and Goal 9 of the 2030 Agenda for Sustainable Development, the finances of the organization continues to diminish.

In light of this untenable situation, South Africa reiterates its call for all Member States to ensure adherence and timely payment of their assessed contributions and arrears so as to unlock the potential of the Organization to render the necessary technical assistance to needy countries. New and traditional donors are also called upon to intensify their financial and material support to ensure the attainment of the 2030 Agenda for Sustainable Development in keeping with the Lima Declaration.

Madame President,

Having regard to the withdrawal of key donors coupled with the late payment of assessed contributions resulting in unutilized balances, South Africa urges the Director-General of UNIDO to continue efforts to collect all arrears due to the Organization from both current and former Member States to mitigate the situation.

South Africa would like to draw the attention of Member States to the Strategic Guidelines Document which entrusted UNIDO with the responsibility to identify and optimize under-utilized resources while pursuing innovative ways of financing. South Africa further commends the Republic of Armenia for actively engaging UNIDO on their financial contributions to the organization and invites other Member States in similar position to follow suit. It is for this reason that South Africa supports the PBC's Conclusion on this matter.

Madame President,

With regard to the mobilization of financial resources, South Africa would like to take this opportunity to commend UNIDO for coming-up with innovative ways of funding its projects and programmes as evidenced by the increase in extra-budgetary funding. This augurs well for the Organization in light of the limited availability of funding for technical cooperation activities from the regular budget.

The increase of funding from the Global Environmental Facility as well as other sources of funding including the Montreal Protocol is testament to the central role of UNIDO in addressing matters of global concerns and as a driver towards the

practical realization of Inclusive and Sustainable Industrial Development in line with the Lima Declaration and the 2030 Agenda for Sustainable Development.

Madame President,

South Africa is grateful to the Governments of Switzerland and Japan as well as the European Union and other donors for their continued support to UNIDO in the implementation of industry-related sustainable development goals with a view to enhancing the productivity of Member States, maintain competitiveness, create much needed jobs and eradicate poverty.

While voluntary contributions plays a crucial role in advancing UNIDO's Agenda, the conditionalities imposed by some donors for co-funding of projects obstructs the Organizations capacity to efficiently deliver on requests for technical assistance, including UNIDO's design phase of projects and programmes. It is for this reason that donors are encouraged to make unconditional contributions.

I thank you