



United Nations Industrial Development Organization

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Item 4 (b) of the provisional agenda

Financial situation of UNIDO

Request from Ukraine for restoration of voting rights based on a payment plan

Note by the Director-General

The present note draws the attention of the Board to a request from Ukraine for the restoration of voting rights at the level of the Board, based on a payment plan agreement signed in November 2011.

Introduction

1. On 7 May 2012, the Permanent Representative of Ukraine, on behalf of the Government of Ukraine, requested the restoration of voting rights at the level of the Programme and Budget Committee, the Industrial Development Board and the General Conference. The request was contained in a letter annexed to document IDB.40/11.

I. Payment plan

2. On 28 November 2011, Ukraine signed a payment plan. Information thereon, as well as on Ukraine's demonstrated commitment in the form of the first instalment paid in April 2012, was provided to the twenty-eighth session of the Programme and Budget Committee (PBC.28/11-IDB.40/11). As described in the same document, the agreement is in accordance with the terms for payment plans outlined in the report

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of the open-ended discussion group on timely payment of assessed contributions (IDB.19/12 and Corr.1).

II. Voting rights

3. Article 5.2 of the UNIDO Constitution stipulates that any organ may permit a Member in arrears to vote in that organ if it is satisfied that the failure to pay is due to conditions beyond the control of the Member. Voting rights are governed by the respective rules of procedure of the governing bodies (rule 91 of the General Conference, rule 50 of the Industrial Development Board and rule 42 of the Programme and Budget Committee). In its report to the Board, the open-ended discussion group on timely payment of assessed contributions states: “When considering applications for the restoration of voting rights, the competent body should regularly take into account the state of payments made under an agreed payment plan” (IDB.19/12 and Corr.1, para. 14).

4. At its twenty-eighth session, the Programme and Budget Committee decided to restore Ukraine’s voting rights at the level of the Committee (conclusion 2012/4). The Committee furthermore recommended to the Industrial Development Board to positively consider the request of Ukraine for the restoration of voting rights in accordance with Article 5.2 of the Constitution of UNIDO.

III. Action required of the Board

5. The Board may wish to consider adopting the following draft decision:

“The Industrial Development Board:

“(a) Takes note of the information provided in documents IDB.40/11 and Add.1;

“(b) Welcomes the commitment of Ukraine to settle its arrears through a payment plan agreement and encourages Ukraine to pay regularly its instalments in line with the conditions therein;

“(c) Decides to restore the voting rights of Ukraine at the Board in accordance with article 5.2 of the UNIDO Constitution;

“(d) Recommends to the fifteenth session of the General Conference to positively consider the request of Ukraine for the restoration of voting rights in accordance with Article 5.2 of the Constitution of UNIDO.”
