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Decentralization

Haruko Hirose
Deputy to the Director – General and Managing Director
Increased UNIDO field presence

- To further increase TC delivery and improve the shape of the portfolio of UNIDO programmes, taking into account the:
  - UN system calls for enhanced coordination and coherence of country level programmes.
  - UNIDO programmes must be aligned with PRSPs, CCAs and UNDAFs to contribute towards the achievement of the MDGs.
- There is a need for UNIDO to increase its field presence
Consultation with Member States

- To comply with GC.10/Res.10 and provide comprehensive field coverage and to comply with the Secretary-General’s initiative, discussions on a strategic alliance at the field level was initiated with UNDP

- To seek advice of the Member States on such an alliance, the Informal Advisory Group on Decentralization was established.

  ➢ Meeting of the Informal Advisory Group at 3 occasions:
    31 March; 27 April; 17 May

  ➢ Meeting with the Regional Groups:
    5 meetings in total during April
Consultation with Member States

• The above discussions have indicated the following basic issues for the secretariat to keep in mind:

  • The UNIDO Secretariat should pursue a new partnership with UNDP in field operation but not at all cost.

  • Such a partnership should meet the following conditions:
    ▶ UNIDO should keep some of its own offices.
    ▶ UNIDO’s own identity has to be ensured in the new partnership.
    ▶ The new partnership and resulting field structure of UNIDO should lead to increased efficiency and effectiveness.
    ▶ The cost for UNIDO to implement the new partnership should remain within its programme and budgets 2004-2005.
    ▶ Cost of operating UNIDO Desks should be shared by the two organizations in the spirit of partnership.
Alliance with UNDP:

New Partnership with UNDP could:

- Double the field presence in the coming years with limited investment by:
  - Transforming some of the field offices to UNIDO Desks
  - Concluding a beneficial agreement with UNDP to off-set transitional costs

- Increase its participation in the country-level programme coordination

- Increase its contribution to the CCA/UNDAF and PRSP process
UNIDO is considering the following model for future field presence:

- 8 to 10 UNIDO Regional Technical Centers (URTCs) staffed with:
  - 1 Director, 1 P5 and 1 P4 professional, 4 National Programme Officers, and 4 General Service staff

- Combined with:
  - 60 to 70 UNIDO Desks (UDs) staffed with:
    - 1 National Programme Officer
Proposed model:

- The proposed model, taking into account the prevailing conditions, would result in:
  - A unit cost of 1.16 million Euro for the URTCs and 104,000 Euro for UDAs
  - A deficit during 2004-2005 of 2.4 to 3.8 million Euro

- To ensure the introduction of the proposed model within the approved Programme and Budgets, cost can be lowered by:
  - Lowering the number of URTCs
  - Lowering the number of UDAs
  - Reducing the staffing level of the URTCs (e.g. 2 instead of 4 NPOs)
  - Changing the staff composition of the URTCs
  - Sharing operational costs with UNDP
  - Piloting the initiative and,
  - Phasing the implementation over several years
Continued consultations:

- To pursue this complex exercise UNIDO will continue:
  - The positive consultation process through the Informal Advisory Group on Decentralization
  - To seek the advice and support of the Member States as this is a key element for success

The secretariat wishes to express its gratitude for the positive advice and support already given by the Member States