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IMPLEMENTATION OF THE COOPERATION AGREEMENT WITH THE UNITED NATIONS DEVELOPMENT PROGRAMME

Progress report by the Director-General

Updates and complements the information contained in documents GC.11/7 and IDB.30/CRP.6.

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I. INTRODUCTION

1. Document GC.11/7, also issued to the thirtieth session of the Board (IDB.30/17), reported on the status as of May 2005 of implementation of the strategic alliance with United Nations Development Programme concluded in the Cooperation Agreement signed 23 September 2004.

2. The report outlined the achievements with regard to defining and applying the criteria for identification of the locations hosting the new form of UNIDO field presence—the UNIDO Desks (UD); the progress made on the physical establishment of the UD, including that of recruiting the Heads of UNIDO Operations (Heads) and making the UD operational; as well as on the implementation of the joint programming initiative with a special focus on private sector development. In addition, the report provided information on the steps ahead. That information was updated to 17 June 2005 in a conference room paper (IDB.30/CRP.6). The present document, which provides updated information on achievements since June 2005, will be further updated in a conference room paper.

II. UNIDO DESKS

3. As stated on various occasions, during the pilot period the strategic alliance covers the joint establishment of up to 15 UD to further enhance the visibility and field presence of UNIDO. Closely aligned with the objectives of the strategic alliance, UNIDO also decided to increase the number of UD to be established to 20. The additional five locations, currently hosting UNIDO Focal Points, would be upgraded without following the agreed cost-sharing principles stipulated in the Agreement.

4. As reported in document IDB.30/CRP.6, nine UD were established and made operational as per 17 June 2005. Since then, the Heads in Eritrea, Jordan and Rwanda have been appointed and are now operational. In addition, the Head in Zimbabwe has been appointed and will be taking up his duties as of early November 2005. The Head in Afghanistan resigned his duties at the end of June for medical and family reasons. The position was re-advertised and a new candidate has just been appointed who took up his duties middle of October 2005.

5. Unfortunately and despite repeated attempts, it has not been possible to identify a suitable candidate for the Head of UNIDO Operations in Angola. Therefore, the establishment of this UD is pending while the Secretariat advances on establishing a UD in Burundi instead. Recruitment for this position is being prepared. Finally, the establishment of the UD in the Philippines is still pending.

6. A consolidated overview of the status of field offices is provided in the annex to the present document.

7. The Secretariat has also advanced on upgrading selected Focal Points, with the recruitment process having been launched for Cuba, Mozambique and Uganda. It is estimated that by the end of November 2005 a total of 16 UD will be operational. These results are encouraging when taking into account that the Cooperation Agreement was signed only in September 2004.

8. Documents GC.11/7 and IDB.30/CRP.6 also provided information on the first round of training and the planned second round for the newly-appointed Heads. In this context, the division of Programme Coordination and Field Operations (PCF) and the Human Resource Management Branch, together with some 30 staff members ensured that four Heads, as well as six additional invited international and national programme officers from regular field offices, received necessary and relevant information during the six-day induction course. As during the previous round, the course included information related to the long-term vision statement, core activities, service modules and thematic areas, programme and project cycle and related technical cooperation guidelines, funds mobilization, human and financial resource management, as well as general information on the field network.

9. The Heads on board in June continued their discussion with UNDP colleagues on site to adjust the preliminary work plans developed. The new Heads, attending the second round of training, have also been requested to develop their work plans and to finalize it in close consultation with respective UNDP colleagues. Throughout this process, the Regional Bureaux have been working closely with the Heads in preparing the work plans to ensure that certain substantive aspects and achievements of the UD can be taken into account by the time the initiative is evaluated.

III. JOINT PROGRAMMING—PRIVATE SECTOR DEVELOPMENT

10. The “Framework for joint UNIDO/UNDP technical cooperation programmes on private sector development”, complementary to the Cooperation Agreement, was the subject of chapter III of document GC.11/7. As stated in paragraph 12 of that report, the UNIDO/UNDP task force established to ensure that the framework is managed in a well-coordinated manner met in October 2004 and again in April 2005. A third meeting of the task force took place in September 2005.

11. Joint programme development and formulation has progressed well and in a constructive spirit. The feedback from all stakeholders (Governments, private

sector organizations, potential donors) has been overwhelmingly positive. In particular, various donor agencies have expressed their appreciation for the collective and focused action on the part of UNIDO and UNDP. Furthermore, in the case of some countries, additional United Nations agencies have joined the initiative, which clearly adds to its potential impact and makes it an effective instrument of donor coordination.

12. Joint programme documents have been finalized for Lao PDR, Nicaragua and the United Republic of Tanzania. Following their approval by the relevant bodies in UNIDO and UNDP, they are now in the process of being approved by the Governments concerned. While these programmes differ in terms of their substantive scope and budgetary requirements, they all address key development constraints hindering the full utilization of entrepreneurial and productive resources of small and medium enterprises. Special emphasis is given to various agro-industrial subsectors and to strengthening private sector organizations, such as chambers of commerce and industry. Funding for these three finalized programmes will be actively sought from the donor community.

13. In five further countries (Burundi, Ethiopia, Ghana, Nigeria and Rwanda), joint programming efforts are well under way and programme documents are at various stages of completion. In a number of additional countries, programming dialogues have been initiated. While delays have occurred due to a variety of reasons (such as national elections or the need felt by UNDP to harmonize timing with other country-level programming exercises), efforts will continue throughout 2006.

14. Complementing the above country-level cooperation, UNIDO and UNDP—with financial support from the Netherlands—are jointly participating in a range of activities that will provide a private sector and entrepreneurship dimension to the second phase of the World Summit on the Information Society taking place from 16 to 18 November 2005 in Tunis.

IV. STEPS AHEAD

15. UNIDO continues to be committed, both concerning an increased field presence and substantive

joint programming with UNDP, to exert the required efforts to advance towards full implementation of the initiative and to continue to capitalize on the current momentum. Concluding the physical establishment of the remaining UD's will be pursued to allow the Secretariat to focus exclusively on the joint programming elements of the initiative, which will ensure the perceived self-sustainability of the UD's beyond the pilot period. Additional programming missions will be targeted to cover all potential cooperation possibilities at the country level.

16. As is the case with many new initiatives, this strategic alliance faces varying degrees of complications at the implementation level. These will be continuously monitored and every effort will be made to resolve difficulties. In this context, the Secretariat plans to hold further consultations with UNDP, both at the level of its headquarters and in the field, to ensure that the UNDP Regional Bureaux and the Resident Representatives continue to contribute to the success of the initiative.

17. In the coming months, the operational guideline will be finalized to contribute to the smooth operation of the UD's at the field level and their interaction with Headquarters.

18. During the forthcoming General Conference, the Secretariat will take the opportunity to bring together the UNIDO Representatives and the Heads at Headquarters. This will allow field and Headquarters staff to hold close consultations on pertinent substantive issues in their countries of coverage and to exchange experiences on field-level operations. In addition, within the framework of a comprehensive training plan, of which the dedicated training sessions for the Heads is part, the focus seminar on private sector development is planned to be held for all staff, including colleagues from the field, in early December 2005. Moreover, the Heads will participate in a workshop on professional excellence, providing them with knowledge already transmitted to professional colleagues at Headquarters.

V. ACTION REQUIRED OF THE CONFERENCE

19. The Conference may wish to take note of the present document and the information contained therein.

Annex

STATUS OF UNIDO DESKS

Number	Region	Location	Status as of 19 October 2005	Remarks
UNIDO Desks at NEW locations—Part of the Agreement				
1	AFR	Burkina Faso	Head appointed and UD operational	Attended induction programme May/June 2005.
2	AFR	Burundi (ex-Angola)	Recruitment process ongoing	New location identified to replace Angola during the pilot period. Recruitment ongoing.
3	AFR	Eritrea	Head appointed and UD operational	Attended induction programme September 2005.
4	AFR	Mali	Head appointed and UD operational	Attended induction programme May/June 2005.
5	AFR	Rwanda	Head appointed and UD operational	Attended induction programme September 2005.
6	AFR	Sierra Leone	Head appointed and UD operational	Attended induction programme September 2005.
7	ARB	Jordan	Head appointed and UD operational	Attended induction programme September 2005.
8	ASP	Afghanistan	Head appointed	Will take up duties mid-October 2005
9	ASP	Lao PDR	Head appointed and UD operational	Attended induction programme May/June 2005.
10	EUR	Armenia	Head appointed and UD operational	Attended induction programme May/June 2005.
11	LAC	Ecuador	Head appointed and UD operational	Attended induction programme May/June 2005.
12	LAC	Nicaragua	Head appointed and UD operational	Attended induction programme May/June 2005.
Field offices converted to UNIDO Desks—Part of the Agreement				
13	AFR	Zimbabwe	Head appointed	Will take up duties early November 2005.
14	ASP	Philippines	Advertisement pending	
15	LAC	Bolivia	Head appointed and UD operational	Attended induction programme May/June 2005.
Focal points converted to UNIDO Desks—Outside the Agreement				
16	AFR	Mozambique	Recruitment process ongoing	Closing date for applications 24 October 2005.
17	AFR	Togo	Advertisement pending	
18	AFR	Uganda	Recruitment process ongoing	Closing date for applications 17 October 2005.
19	ASP	Sri Lanka	Advertisement pending	
20	LAC	Cuba	Recruitment process ongoing	Closing date for applications 14 October 2005.