



United Nations Industrial Development Organization

Distr.: General
21 May 2009

Original: English

Industrial Development Board

Thirty-sixth session

Vienna, 23-26 June 2009

Item 8 of the provisional agenda

**Cooperation Agreement with the United Nations
Development Programme**

Cooperation Agreement with the United Nations Development Programme

Explanatory note by the Director-General

Provides an explanatory note on the postponement of discussions on the issue until the thirteenth session of the General Conference.

1. In decision IDB.32/Dec. 6 (d) (vi), the Director-General was requested to present a fully fledged independent evaluation of the Agreement to Member States for their consideration. The Secretariat is currently undertaking this joint evaluation with the United Nations Development Programme (UNDP). The Director-General has therefore proposed that consideration of this item be postponed until the thirteenth session of the General Conference when it will be possible to provide the findings. A letter to the same effect is included in the annex. The Director-General's proposal was met with agreement by all members of the Bureau of the Board.

Action required of the Board

2. The Board may wish to take note of the information contained in the present document.

For reasons of economy, this document has been printed in a limited number. Delegates are kindly requested to bring their copies of documents to meetings.



Annex

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Director-General

31 March 2009

Excellency,

I have the honour to convey to you my sincere appreciation and gratitude for your able leadership and also the support the Organization enjoyed from the members of the Bureau throughout the thirty-fourth and thirty-fifth sessions of the Industrial Development Board.

I am now writing to you in the context of the agenda and documentation that the Secretariat is currently preparing for the thirty-sixth session of the Industrial Development Board scheduled from 23 to 26 June 2009. In particular, I refer to item 8 of the provisional agenda that relates to the Cooperation Agreement with the United Nations Development Programme (UNDP).

Since the Board adopted the provisional agenda at its last session in December 2008, a number of important developments took place that have not only changed the global environment but also development priorities and the concomitant support requirements in many countries. In addition, since the Cooperation Agreement was signed in September 2004, the context in which the Agreement had originally been developed has changed significantly. Already at the last session of the Board, it was noted that the Cooperation Agreement had to be seen in light of UNIDO's active engagement in the United Nations system-wide coherence and the Delivering as One process at the country level. Furthermore, changes in senior management at UNDP are under way. Ms. Helen Clark, the former Prime Minister of New Zealand, has been nominated as the new Administrator of UNDP by the United Nations Secretary-General pending confirmation by the United Nations General Assembly.

His Excellency
Mr. Horacio Bazoberry Otero
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President of the Industrial Development Board
Permanent Representative of the Republic of Bolivia to UNIDO
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It is against this background that I believe that a fundamental rethinking and reflection of UNIDO's future cooperation with UNDP is necessary. I also should like to inform you that a fully fledged evaluation of the Cooperation Agreement with UNDP, as mandated in decision IDB.32/Dec.6 (d) (ii), is ongoing. This evaluation will have to factor in the developments mentioned above and will be a challenging exercise. As the results of the evaluation will become only available during the second half of this year – in time for submission to the thirteenth session of the General Conference – I do not consider it advisable to present preliminary results at too early a stage. I would therefore like to propose to you, as President of the Board, not to discuss the item relating to the Cooperation Agreement at the June session of the Board, but foresee inclusion and discussion of the agenda item at the session of the General Conference in December 2009.

In the meantime, I should like to assure Member States that the Organization will not undertake any activities regarding further implementation and/or renewal of the Cooperation Agreement, without any prior consultation with Member States.

I would be grateful if you could discuss this matter with the other members of the Bureau, Her Excellency Ms. K. Sinigiorgis (Ethiopia), Mr. A. Raiss Shaghaghi (Islamic Republic of Iran), Mr. G. Kemmerling (Germany) and Ms. N. Vladulescu (Romania) and seek their views. My colleagues and I would of course be available for any questions you may have.

I look forward to our continued collaboration and excellent partnership in the future.

Please accept, Excellency, the assurances of my highest consideration.

[Signed]
Kandeh. K. Yumkella
