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Industrial Development Board

REPORT OF THE INDUSTRIAL DEVELOPMENT BOARD ON
THE WORK OF ITS FIRST SESSION (PART ONE)
13 TO 17 AUGUST 1985

Corrigendum

Annex I, IDB.1/Dec.4

Paragraph (a), line 1

for Committee on Negotiations with the United Nations read Committee to Negotiate a Relationship Agreement between the United Nations and UNIDO

Footnote ^{b/}, lines 1 and 2

for Committee on Negotiations with the United Nations read Committee to Negotiate a Relationship Agreement between the United Nations and UNIDO

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* The present document will be combined with the report on part two of the first session of the Board and issued in one volume as a document of the General Conference.

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Introduction

1. The report of the Industrial Development Board on part one of its first session is presented to the General Conference in accordance with Article 9.4(c) of the Constitution. The report should be read in conjunction with the summary records of the Board, where details of the proceedings are contained.

2. The following decisions of the Board, reproduced in annex I, call for action by the Conference^{1/}:

- IDB.1/Dec.2 Recommendation of a candidate for the post of Director-General
- IDB.1/Dec.3 Provisional agenda and date of part two of the first session of the Industrial Development Board
- IDB.1/Dec.4 Establishment of a committee to negotiate a relationship agreement between the United Nations and UNIDO
- IDB.1/Dec.5 Provisional application of the relationship agreement between the United Nations and UNIDO.

I. ORGANIZATIONAL AND PROCEDURAL MATTERS

3. Part one of the first session of the Board of the newly established UNIDO was held at the Hofburg Congress Centre, Vienna, from 13 to 17 August 1985 (5 plenary meetings - see UNIDO/IDB.1/SR.1, 4 and 5).^{2/}

A. Membership and attendance

4. All 53 members of the Board were represented at the session: Argentina, Australia, Austria, Bangladesh, Belgium, Brazil, Burundi, Chile, China, Cuba, Czechoslovakia, Ecuador, Egypt, France, Germany, Federal Republic of, Ghana, Greece, Hungary, India, Indonesia, Iraq, Italy, Ivory Coast, Jamaica, Japan, Kenya, Lesotho, Malawi, Malaysia, Mauritius, Mexico, Nigeria, Norway, Pakistan, Peru, Philippines, Poland, Romania, Saudi Arabia, Senegal, Spain, Sweden, Switzerland, Thailand, Tunisia, Turkey, Union of Soviet Socialist Republics, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland, United States of America, Venezuela, Zaire, Zambia.

^{1/} The decisions listed in paragraph 2 were considered by the Conference at its 3rd plenary meeting on 17 August 1985.

^{2/} No summary records were issued for the second part (private) of the 1st plenary meeting, for the 2nd or 3rd (private) meetings or for the first part (private) of the 4th meeting.

5. The following 57 Member States of UNIDO also participated in the session: Afghanistan, Algeria, Angola, Barbados, Benin, Bolivia, Bulgaria, Burkina Faso, Byelorussian Soviet Socialist Republic, Cameroon, Canada, Cape Verde, Colombia, Cyprus, Democratic People's Republic of Korea, Democratic Yemen, Denmark, Dominican Republic, Ethiopia, Finland, Gabon, German Democratic Republic, Guatemala, Guinea, Honduras, Iran (Islamic Republic of), Ireland, Israel, Kuwait, Lebanon, Libyan Arab Jamahiriya, Luxembourg, Madagascar, Mali, Mauritania, Mongolia, Morocco, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Oman, Panama, Portugal, Republic of Korea, Rwanda, Sri Lanka, Sudan, Syrian Arab Republic, Trinidad and Tobago, Ukrainian Soviet Socialist Republic, United Republic of Tanzania, Uruguay, Viet Nam, Yugoslavia, Zimbabwe.

6. The following 7 States were represented by observers: Albania, Bahrain, Holy See, Mozambique, Qatar, Suriname, Swaziland.

7. The Palestine Liberation Organization attended as observer.

8. The following United Nations bodies were represented: the Secretary-General, the Office of the Director-General for Development and International Economic Co-operation, Economic Commission for Africa, United Nations Development Programme.

9. The following specialized and related agencies were represented: International Atomic Energy Agency, International Labour Organisation, United Nations Educational, Scientific and Cultural Organization.

10. The following other intergovernmental organizations were represented: European Economic Community, League of Arab States, Organization of African Unity.

11. As the first part of the first session of the Board was held in connection with part one of the first session of the Conference which took place in Vienna from 12 to 17 August 1985, the names of the participants in the Board session can be found in the list of participants of the Conference (UNIDO/GC.1/INF.2/Rev.2 and Corr.1).

B. Opening of the session

12. The first session of the Board was declared open by the President of the first session of the Conference, Endre G. Iván (Hungary).

C. Officers of the first session

13. In accordance with rule 25 of its provisional rules of procedure, the Board elected by acclamation: E. M. Roethlisberger (Switzerland) as President; G. Mazorra Hernández (Cuba), J. R. Hiremath (India), S. Przygodzki (Poland) as Vice-Presidents; and G. L. Ouattara (Ivory Coast) as Rapporteur.

D. Agenda for part one of the first session

14. The Board adopted the following agenda:
1. Opening of the first session of the Board.
 2. Election of the President.
 3. Adoption of the agenda for part one of the first session of the Board.
 4. Adoption of the rules of procedure.
 5. Election of officers other than the President.
 6. Credentials of representatives of members of the Board.
 7. Recommendation of a candidate for the post of Director-General.
 8. Relationship agreement between the United Nations and UNIDO as a specialized agency.
 9. Provisional agenda and date of part two of the first session of the Board.
 10. Adoption of the report of part one of the first session of the Board.
 11. Suspension of the first session of the Board.

E. Rules of procedure

15. The Board considered the draft provisional rules of procedure as contained in annex I to document UNIDO/IDB.1/2 with the modifications set out in conference room paper UNIDO/IDB.1/CRP.1 and adopted its provisional rules of procedure (see annex I, decision IDB.1/Dec.1).

F. Credentials of representatives of members

16. As the provisional rules of procedure adopted by the Board made no provisions for credentials, the Board saw no need to consider the matter (see UNIDO/IDB.1/SR.1, para. 17).

II. RECOMMENDATION OF A CANDIDATE FOR
THE POST OF DIRECTOR-GENERAL

17. In accordance with rule 60 BIS of the provisional rules of procedure, the Board considered in private meetings the following nominees for the post of Director-General:

Adebayo Adedeji (Nigeria)
Jorge Eduardo Navarrete (Mexico)
Domingo L. Siazon, Jr. (Philippines)

18. Upon completion of the voting procedure in private meetings, the Board adopted decision IDB.1/Dec.2 for submission to the Conference (see annex I).

**III. RELATIONSHIP AGREEMENT BETWEEN THE UNITED NATIONS
AND UNIDO AS A SPECIALIZED AGENCY**

19. After considering a draft decision submitted orally by the President (UNIDO/IDB.1/SR.4, para. 3) and a draft decision contained in section B of annex II to document UNIDO/IDB.1/3 on the conclusion of a relationship agreement between the United Nations and UNIDO as a specialized agency, the Board adopted decisions IDB.1/Dec.4 and Dec.5 (see annex I).

**IV. PROVISIONAL AGENDA AND DATE OF PART TWO
OF THE FIRST SESSION OF THE BOARD**

20. After considering the draft provisional agenda for part two of its first session (UNIDO/IDB.1/4), the Board adopted decision IDB.1/Dec.3 concerning the provisional agenda for part two of the first session of the Board as well as the date of part two of the first session (see annex I).

**V. ADOPTION OF THE REPORT OF PART ONE OF THE FIRST
SESSION AND SUSPENSION OF THE
FIRST SESSION OF THE BOARD**

21. At its 5th plenary meeting, on 17 August, the Board adopted the report on the work of part one of its first session as a whole, it being understood that the Rapporteur would be entrusted with the task of finalizing the report.

22. The first session of the Board was suspended at 10.30 a.m. on 17 August 1985.

Annex I

DECISIONS ADOPTED BY THE INDUSTRIAL DEVELOPMENT BOARD
DURING ITS FIRST SESSION (PART ONE)

	<u>Contents</u>	<u>Page</u>
	ADOPTION OF THE RULES OF PROCEDURE (agenda item 4)	
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	RECOMMENDATION OF A CANDIDATE FOR THE POST OF DIRECTOR-GENERAL (agenda item 7)	
IDB.1/Dec.2	Recommendation of a candidate for the post of Director-General	9
	PROVISIONAL AGENDA AND DATE OF PART TWO OF THE FIRST SESSION OF THE BOARD (agenda item 9)	
IDB.1/Dec.3	Provisional agenda and date of part two of the first session of the Industrial Development Board (UNIDO/IDB.1/SR.4, paras.17-22)	10
	RELATIONSHIP AGREEMENT BETWEEN THE UNITED NATIONS AND UNIDO AS A SPECIALIZED AGENCY (agenda item 8)	
IDB.1/Dec.4	Establishment of a committee to negotiate a relationship agreement between the United Nations and UNIDO (UNIDO/IDB.1/SR.4, paras.3-16 and SR.5, paras.1-15)	11
IDB.1/Dec.5	Provisional application of the relationship agreement between the United Nations and UNIDO (UNIDO/IDB.1/SR.5, paras.1-19)	12

Note: Discussions related to the adoption of each decision are reflected in the summary records cited in the contents above.

IDB.1/Dec.1 RULES OF PROCEDURE

The Industrial Development Board adopted as its provisional rules of procedure for part one of its first session the draft contained in annex I to document UNIDO/IDB.1/2 with the modifications contained in conference room paper UNIDO/IDB.1/CRP.1.

The Board decided that its provisional rules of procedure would be reviewed further by members of the Board represented in Vienna under the chairmanship of the Permanent Representative of Switzerland to UNIDO,^{a/} acting on behalf of the President of the Board, who would report thereon to the Board at part two of its first session.

1st and 4th plenary meetings
13 and 16 August 1985

IDB.1/Dec.2 RECOMMENDATION OF A CANDIDATE FOR THE
POST OF DIRECTOR-GENERAL

The Industrial Development Board, acting in accordance with Article 11.2 of the Constitution of UNIDO, recommended to the General Conference the appointment of Domingo L. Siazon, Jr. as Director-General of UNIDO for a period starting no later than 1 September 1985 and extending to a date determined by the Conference at its third regular session for the Director-General appointed at that session to take office.

The Board further recommended that the salary and post adjustment of the Director-General be established at levels corresponding to the salary and post adjustment of the executive heads of other specialized agencies within the common system of the United Nations. In addition, the Director-General should be entitled to allowances and benefits, including social security benefits and separation allowances, for which a staff member in the Professional category of the UNIDO Secretariat would be eligible under the Staff Regulations and Staff Rules of the Organization, provided the purpose of such emolument, allowance or benefit had not already been met by other provisions of the appointment.

The Board also recommended that the Conference request the Programme and Budget Committee at its first session to formulate proposals for submission to the Board and the Conference as part of the consideration of the regular budget for 1986-1987 for appropriate levels of representation and housing allowances for the Director-General, to be made payable retroactive to the date he would assume his office.

4th plenary meeting
16 August 1985

^{a/} As a United Nations organ.

IDB.1/Dec.3 PROVISIONAL AGENDA AND DATE OF PART TWO
OF THE FIRST SESSION OF THE INDUSTRIAL
DEVELOPMENT BOARD

The Board approved the following provisional agenda for part two of its first session:

1. Opening of part two of the first session.
2. Adoption of the agenda.
3. Consideration of the provisional rules of procedure.
4. Report of the Programme and Budget Committee:
 - (a) Scale of assessments of Member States;
 - (b) Programme and budget, 1986-1987;
 - (c) Number and geographical distribution of deputy directors-general;
 - (d) Financial regulations;
 - (e) Industrial Development Fund;
 - (f) Establishment of a working capital fund;
 - (g) Appointment of external auditors.
5. Personnel matters:
 - (a) Staff regulations;
 - (b) UNIDO participation in the International Civil Service Commission;
 - (c) UNIDO participation in the United Nations Joint Staff Pension Fund;
 - (d) UNIDO participation in an Administrative Tribunal.
6. Other administrative matters:
 - (a) Transfer of assets from the United Nations to UNIDO;
 - (b) UNIDO participation in the Joint Inspection Unit.
7. Relationship agreement with the United Nations.
8. Agreement between UNIDO and the United Nations Development Programme.
9. Standard basic co-operation agreement between Governments and UNIDO.
10. Guidelines for the relationship of UNIDO with:
 - (a) Intergovernmental organizations;
 - (b) Non-governmental organizations;
 - (c) Governmental and other organizations.
11. Headquarters agreement between UNIDO and the Republic of Austria.
12. Annex in respect of UNIDO to the Convention on the Privileges and Immunities of the Specialized Agencies.

13. Information by Member States on activities related to the work of the Organization.
14. Provisional agenda for part two of the first session of the General Conference.
15. Provisional agenda and date of the second session of the Board.
16. Adoption of the report on part two of the first session.
17. Closure of the first session.

The Board agreed to refer the question of the date of part two of its first session to the General Conference for consideration.

4th plenary meeting
16 August 1985

IDB.1/Dec.4 ESTABLISHMENT OF A COMMITTEE TO NEGOTIATE
A RELATIONSHIP AGREEMENT BETWEEN THE
UNITED NATIONS AND UNIDO

The Industrial Development Board:

(a) Decided to establish a Committee on Negotiations with the United Nations, whose members would be appointed by the President of the Board after appropriate consultations and bearing in mind an equitable geographical distribution;^{b/}

(b) Requested the Committee to consider the draft relationship agreement between the United Nations and UNIDO, attached to background paper UNIDO/IDB.1/3 prepared by the UNIDO Secretariat, and either approve it or revise it, and thereupon to arrange for its transmittal by the Director-General of UNIDO to the Secretary-General of the United Nations for submission to the Committee on Negotiations with Intergovernmental Agencies established by the Economic and Social Council;

^{b/} The Board agreed that the Committee on Negotiations with the United Nations should consist of 24 members with the following geographical distribution: 6 from the African States Members of the Organization in list A of annex I to the Constitution (see document UNIDO/GC.1/3 and Add.1/Rev.2), 5 from the Asian States in the same list, 7 from States in list B, 4 from those in list C and 2 from those in list D.

The 24 members appointed to the Committee are: Austria, China, Chile, Cuba, Czechoslovakia, Ecuador, Egypt, France, Ghana, India, Iran (Islamic Republic of), Iraq, Italy, Japan, Kenya, Malaysia, Peru, Spain, Sudan, Sweden, Tunisia, Union of Soviet Socialist Republics, United States of America, Zaire.

- (c) Authorized the Committee established by the Board to negotiate with the Committee established by the Council with the object of arriving at an agreed text of a relationship agreement as soon as possible;
- (d) Requested the Committee established by the Board to report to the Board early at its resumed first session;
- (e) Decided to include the conclusion of a relationship agreement between the United Nations and UNIDO on the provisional agenda of its resumed first session.

5th plenary meeting
17 August 1985

IDB.1/Dec.5 PROVISIONAL APPLICATION OF THE
RELATIONSHIP AGREEMENT BETWEEN THE
UNITED NATIONS AND UNIDO

The Industrial Development Board recommended to the General Conference the adoption of the following draft decision:

"The General Conference decides to authorize the Industrial Development Board to approve, if necessary and pending approval by the Conference, the provisional application by UNIDO of the relationship agreement between the United Nations and UNIDO."

5th plenary meeting
17 August 1985

Annex II

DOCUMENTS SUBMITTED TO THE INDUSTRIAL DEVELOPMENT BOARD
AT ITS FIRST SESSION (PART ONE)

<u>Document No.</u>	<u>Agenda item</u>	<u>Document title</u>
UNIDO/IDB.1/1/Rev.1	3	Agenda
UNIDO/IDB.1/1/Add.1	3	Annotated provisional agenda
UNIDO/IDB.1/2 and Corr.1	4	Draft provisional rules of procedure of the Industrial Development Board
UNIDO/IDB.1/3 and Add.1	8	Conclusion of a relationship agreement between the United Nations and the United Nations Industrial Development Organization
UNIDO/IDB.1/4	9	Draft provisional agenda for part two of the first session of the Industrial Development Board
	* * *	
UNIDO/IDB.1/CRP.1	4	Draft provisional rules of procedure for the Industrial Development Board (UNIDO/IDB.1/2, annex I). Changes agreed at the informal inter-group open-ended meeting on the organization of the first session of the General Conference.
UNIDO/IDB.1/CRP.2	7	Background note by the Secretariat. Agenda item 7: recommendation of a candidate for the post of Director-General