



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

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INFORMATION NOTE

Meetings of the informal working group on the future, including programmes and resources, of UNIDO

On behalf of the Co-Chairs H.E. Ms. Ana Teresa Dengo Benavides (Costa Rica) and Mr. Alberto Groff (Switzerland), I am pleased to inform Permanent Missions that the next meeting of the informal working group will take place on:

Thursday, 30 August 2012, at 10:00 a.m., in room M-2 (M-building).

At that meeting, it is intended to consider the weaknesses ("W") identified in the context of the SWOT analysis. In order to facilitate these deliberations, please find attached a synopsis of the weaknesses identified and submitted by Member States and regional groups to the Co-Chairs.

Kindly note that adjustments have been made to the meeting calendar for the second half of 2012: Wednesday, **5 September** 2012 in M-1; Friday, **5 October** 2012 in M-2; and Friday, **9 November** 2012 in Board Room B.

For any additional information, kindly contact H.E. Ms. Ana Teresa Dengo Benavides at telephone (01) 2633824 or e-mail: anateresadengo@yahoo.es; or Mr. Alberto Groff at telephone (01) 263411844 or e-mail: alberto.groff@eda.admin.ch.

Contact points in the Secretariat for queries related to the working group are Mr. S. Hobohm, Director, Organizational Strategy and Coordination Group, telephone: (01) 26026 3675 or e-mail: s.hobohm@unido.org, or myself, telephone: (01) 26026 3708 or e-mail: f.haidara@unido.org.

A handwritten signature in blue ink, appearing to read "Fatou", is written over a horizontal line.

Fatou Haidara
Director
Policymaking Organs Secretariat

Distribution:

Permanent Missions to UNIDO

**INFORMAL WORKING GROUP
CO-CHAIRS WEAKNESSES SUMMARY AS DISCUSSED WITH THE GROUP OF FRIENDS**

Points with consensus among Member States:

General Observations

Overlapping of UNIDO activities with other UN agencies, UNIDO's mandate partly overtaken by other agencies
TC focuses more on quantity than quality of projects
Perception by some member states of asymmetry between inputs and outputs (lack of strategy and dialogue to maintain support of member states, including middle income countries)
Lack of input to the agenda of ECOSOC and General Assembly
Relatively weak visibility of the organization among other UN bodies and in the field

Mandate and governance

1.	Lack of balance on implementation of UNIDO's activities with regard to the promotion of industrial development (regarding the alignment between TC activities and national industrial policies)
2.	Lack of compatibility between UNIDO indicators and MDG indicators

Programmatic

1.	Lack of strategy on global forum activities, beyond immediate outputs and insufficient focus on strategic industrial agenda, and disconnection with TC
2.	Fragmentation of TC projects
3.	Project identification, preparation, design, compatibility, management, monitoring and reporting needs improvement / sustainability of projects / regional adequacy / limited use of RBM **
4.	Lack of information on impact on social cohesion (youth employment, woman empowerment and de-industrialization)
5.	Limited use of and follow-up to evaluation recommendations and lessons learned
6.	Lack of strategy on renewable energy sources
7.	Limited success in its role as a facilitator of technology transfer (<i>subject to further explanation by the secretariat</i>)

Organizational

1.	Insufficient transparency (HR, financial information, project information)**
2.	Over-centralized decision-making processes, weak delegation to local staff in field**
3.	Lack of planning and accountability directives for field / unclear management by UNIDO of field presence / poor coordination and communication between field offices, and field offices and headquarters / limited responsibilities of field representation **
4.	Poor financial risk management**

5.	Lack of critical mass of technical expertise at HQ and in the field, problem exacerbated by steadily increasing amount of projects to be developed and HR needed for implementation, can lead to increment in costs through increased use of expensive international expertise
6.	Limited cooperation/communication among UNIDO branches (competitiveness between the branches), need for multidisciplinary teams**
7.	Lack of geographic and gender balance among staff on P and D levels, to be hired on the basis of merit
8.	Weak implementation of gender mainstreaming related to projects
9.	Lack of an HR plan for succession-planning, entry system for professionals, career perspectives, institutional memory and institutional learning
10.	Weak staff performance management**
11.	Resource fragility due to withdrawal of some major donors
12.	Unclear system/criteria for aid allocation among competing priorities
13.	Efficiency problematic (e.g. cost benefits of travel)
14.	Lack of information on cost benefits of conferences organized by UNIDO

** Subject to further assessment on the basis of PCOR

Points where different views were expressed among Member States:

General Observations

Size of organization and scale of operations
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Programmatic

1.	Lack of clarity on precise dimension and scope of normative function (balance between operational activities and normative functions, implemented through technical cooperation)
2.	Lack of strategy to address the issue of balance in the 3 thematic priorities, considered insufficient by some member states
3.	Geographic coverage of TC (balance)

Organizational

4.	Reliance on non-core funding / insufficient resources for TC from regular budget / earmarking of non-core funds / lack of predictable funding / marginalized non-core funding source through normative functions
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