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United Nations Industrial Development Organization

GENERAL CONFERENCE

DECISIONS AND RESOLUTIONS

OF THE

GENERAL CONFERENCE

Sixth regular session

Vienna, Austria

4 to 8 December 1995

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^{*} All decisions were adopted by consensus. Discussions related to the adoption of the decisions are reflected in the summary records cited in the present contents.

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GC.6/Dec.18	Appointment of External Auditor (GC.6/L.1; GC.6/SR.9, paras. 91-92)	12 (d)	6
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GC.6/Dec.20	Headquarters agreement between UNIDO and the Republic of Austria (GC.6/L.1; GC.6/SR.9, paras. 95-96)	12 (f)	7
GC.6/Dec.21	Computerization programme (GC.6/22; GC.6/L.1; GC.6/SR.9, paras. 99-100)	12 (h)	7
GC.6/Dec.22	Date and place of the seventh session of the General Conference (GC.6/SR.9, paras. 101-102)	13	7

RESOLUTIONS*

	Resolution No.	Title	Item	Page
	GC.6/Res.1	UNIDO policy framework—organizational and staff structure (GC.6/30 and Corr.1; GC.6/30/Add.1; GC.6/L.1; GC.6/SR.9, paras. 33-34)	8 (a)	8
	GC.6/Res.2	Annual reports of the Director-General on the activities of the Organization for 1993 and 1994 (IDB.12/10; IDB.14/10; IDB.14/10/Add.1 and Corr.1; IDB.14/10/Add.2; GC.6/L.1; GC.6/SR.9, paras. 35-36)	8 (b)	8
	GC.6/Res.3	Field representation (IDB.14/25; GC.6/L.1; GC.6/SR.9, paras. 41-42)	8 (e)	9
	GC.6/Res.4	Development of human resources for industry (IDB.14/10, chap. II.A.2; GC.6/5, chap.I; GC.6/24; GC.6/L.1; GC.6/SR.9, paras. 47-48)	9 (c)	9
	GC.6/Res.5	Integration of women in industrial development (GC.6/5, chap. VII; IDB.14/10/Add.3, chap. III; GC.6/L.1; GC.6/SR.9, paras. 49-50)	9 (d)	10
0	GC.6/Res.6	Environmentally sustainable industrial development (IDB.14/10, chap. II.A.4; GC.6/5, chap. V; GC.6/28; GC.6/L.1/Add.1; GC.6/SR.9, paras. 51-52)	9 (d)	10
	GC.6/Res.7	Environmentally sustainable industrial development: cleaner industrial production (GC.6/L.1; GC.6/SR.9, paras. 53-54)	9 (e)	11
	GC.6/Res.8	Industrialization of the least developed countries (GC.6/5, chap. VIII; GC.6/20; GC.6/L.1; GC.6/SR.9, paras. 59-64)	9 (g)	11
	GC.6/Res.9	Private sector development (IDB.14/10, chap. II.B; GC.6/5, chap. III; GC.6/25; GC.6/L.1; GC.6/SR.9, paras. 65-66)	9 (h)	16
	GC.6/Res.10	Quality of technical cooperation (GC.6/15; GC.6/8 and Add.1; GC.6/L.1; GC.6/SR.9, paras.69-70)	9 (j)	16
	GC.6/Res.11	Africa (in particular the Second Industrial Development Decade for Africa) (GC.6/11; A/50/487; GC.6/L.1; GC.6/SR.9, paras. 71-72)	10 (a)	16
0	GC/6.Res.12	Arab countries programme for industrial development, including technical assistance to the Palestinian people (GC.6/9/Rev.1 and Corr.1; GC.6/L.1; GC.6/SR.9, paras. 73-74)	10 (b)	17
	GC.6/Res.13	Special Programme for the Industrial Development of Asia and the Pacific (GC.6/13/Rev.1; GC.6/L.1; GC.6/SR.9, paras. 75-76)	10 (c)	18
	GC.6/Res.14	Regional Cooperation Programme for the Industrial Recovery of Latin America and the Caribbean (GC.6/14/Rev.1; GC.6/L.1; GC.6/SR.9, paras. 77-78)	10 (d)	18
	GC.6/Res.15	Mobilization of financial resources for UNIDO programmes (IDB.13/9; IDB.13/24; GC.6/21; GC.6/L.1; GC.6/SR.9, paras. 81-82)	11	19
	GC.6/Res.16	Matters related to intergovernmental, non-governmental, governmental and other organizations (GC.6/L.1, GC.6/SR.9, paras. 97-98)	12 (g)	20

^{*} All resolutions were adopted by consensus. Discussions related to the adoption of the resolutions are reflected in the summary records cited in the present contents.

Introductory note

- 1. The decisions and resolutions adopted by the General Conference at its sixth regular session (1995) are reproduced in the present document.
- 2. The table of contents, for ease of reference, lists a serial number by which each decision or resolution may be cited, the title of each decision and resolution, the pertinent background document(s), a reference to the summary record of the plenary meeting at which the decision or resolution was adopted and the relevant agenda item. Decisions and resolutions are, as far as possible, set out in the order of the agenda.
- 3. The present document should be read in conjunction with the summary records of the General Conference, where details of the proceedings are provided.

AGENDA OF THE SIXTH REGULAR SESSION

- 1. Opening of the sixth session.
- 2. Election of officers:
 - (a) Election of the President;
 - (b) Election of other officers.
- 3. Adoption of the agenda.
- 4. Organization of work.
- 5. Credentials of representatives to the Conference.
- 6. Elections to organs:
 - (a) Industrial Development Board;
 - (b) Programme and Budget Committee.
- Reports of the Industrial Development Board on the work of its twelfth, thirteenth and fourteenth regular sessions.
- 8. State and prospects of the reform and revitalization process:
 - (a) UNIDO policy framework—Organizational and staff structure;
 - (b) Annual reports of the Director-General on the activities of the Organization for 1993 and 1994;
 - (c) Medium-term plan, 1996-2001;
 - (d) Programme and budgets, 1996-1997;
 - (e) Field representation.
- Industrial development and cooperation activities:
 - (a) Industrial development cooperation (General Assembly resolution 49/108, including the external debt and industrial development);
 - (b) Industrial and technological growth and competitiveness;
 - (c) Development of human resources for industry;
 - (d) Equitable development through industrial development;
 - (e) Environmentally sustainable industrial development;

- (f) International cooperation in industrial investment and technology, including cooperation among developing countries;
- (g) Industrialization of the least developed countries;
- (h) Private sector development;
- (i) Global priorities (follow-up to major United Nations conferences, e.g. International Conference on Population and Development, World Summit for Social Development, Fourth World Conference on Women);
- (j) Operational activities for development.
- 10. Regional priorities and programmes:
 - (a) Africa (in particular the Second Industrial Development Decade for Africa);
 - (b) Arab countries;
 - (c) Asia and the Pacific;
 - (d) Latin America and the Caribbean;
 - (e) Europe and Newly Independent States.
- 11. Mobilization of financial resources for UNIDO programmes.
- 12. Financial and administrative matters:
 - (a) Financial situation of UNIDO;
 - (b) Working Capital Fund;
 - (c) Scale of assessments of Member States;
 - (d) Appointment of External Auditor;
 - (e) Personnel matters;
 - (f) Headquarters agreement between UNIDO and the Republic of Austria;
 - (g) Matters related to intergovernmental, nongovernmental, governmental and other organizations;
 - (h) Computerization programme.
- 13. Date and place of the seventh session.
- 14. Closure of the sixth session.

DECISIONS

GC.6/Dec.1 INCLUSION OF MEMBER
STATES IN THE LISTS OF
STATES OF ANNEX I TO THE
CONSTITUTION

The General Conference decided to include Eritrea and Kyrgyzstan in List A of Annex I to the Constitution and Azerbaijan, Bosnia and Herzegovina, Croatia, The former Yugoslav Republic of Macedonia and the Republic of Moldova in List D of Annex I to the Constitution.

1st and 6th plenary meetings 4 and 7 December 1995

GC.6/Dec.2 ELECTION OF THE PRESIDENT

The General Conference elected by acclamation Mr. Alexander GORELIK (Russian Federation) President of the Conference at its sixth session.

1st plenary meeting 4 December 1995

GC.6/Dec.3 ELECTION OF THE VICE-PRESIDENTS

The General Conference elected the following Vice-Presidents of the Conference at its sixth session: Mr. R. A. WALKER (Australia), Mr. J. AGBO (Central African Republic), Mr. D. STERN (Croatia), Mr. R. SAGASTI (Ecuador), Mr. Y. HOJJAT (Islamic Republic of Iran), Ms. R. LAJOUS VARGAS (Mexico), Mr. S. K. LEE (Republic of Korea), Mr. J. A. de YTURRIAGA BARBERAN (Spain) and Mr. M. SYAMUJAYE (Zambia).

1st plenary meeting 4 December 1995

GC.6/Dec.4 ADOPTION OF THE AGENDA OF THE SIXTH SESSION OF THE GENERAL CONFERENCE

The General Conference adopted the agenda of its sixth session as contained in document GC.6/1.

1st plenary meeting 4 December 1995

GC.6/Dec.5 ORGANIZATION OF WORK

The General Conference:

(a) Decided to cover agenda items 7 to 12 in the plenary in the form of a general debate;

- (b) Also decided to establish, in accordance with rule 44 of its rules of procedure, one Main Committee, under the chairmanship of Mr. K. G. Kgoroba (Botswana), on which each Member participating in the Conference might be represented;
- (c) Further decided to allocate agenda items 7 to 12 to the Main Committee for a more focused debate, aimed at the preparation of consensus draft decisions and resolutions for submission to the plenary, and requested the Chairman of the Main Committee, in accordance with decision GC.3/Dec.11, to submit a written report to the Conference on the Committee's work on 7 December 1995.

1st plenary meeting 4 December 1995

GC.6/Dec.6 APPOINTMENT OF THE CREDENTIALS COMMITTEE

The General Conference appointed the following Members to serve on the Credentials Committee: Bolivia, China, Ethiopia, Kuwait, Luxembourg, Mali, Russian Federation, United States of America and Venezuela.

1st plenary meeting 4 December 1995

GC.6/Dec.7 C R E D E N T I A L S O F REPRESENTATIVES OF THE SIXTH SESSION OF THE GENERAL CONFERENCE

The General Conference approved the report of the Credentials Committee on the credentials of representatives to the sixth session of the General Conference as reflected in summary record GC.6/SR.8, paragraphs 1 to 10.

8th plenary meeting 7 December 1995

GC.6/Dec.8 ELECTION OF TWENTY-SIX MEMBERS TO THE INDUSTRIAL DEVELOPMENT BOARD

The General Conference, in pursuance of Article 9.1 of the Constitution, elected the following twenty-six members to the Industrial Development Board to hold office until the close of the eighth regular session of the Conference in 1999:

(a) Fifteen members from States in Lists A and C of Annex I to the Constitution: Brazil, Cape Verde, China, Colombia, Ghana, Indonesia, Kenya,

Morocco, Pakistan, Paraguay, Peru, Republic of Korea, Sierra Leone, Tunisia, United Arab Emirates;

- (b) Eight members from States in List B of Annex I to the Constitution: Belgium, Denmark, France, Germany, Greece, Italy, Japan, United Kingdom of Great Britain and Northern Ireland;
- (c) Three members from States in List D of Annex I to the Constitution: Bulgaria, Hungary, Romania.

9th plenary meeting 8 December 1995

As a result, the Industrial Development Board is composed of the following States: Algeria*, Argentina*, Austria*, Belgium**, Brazil**, Bulgaria**, Cape Verde**, China**, Colombia**, Côte d'Ivoire*, Cuba*, Denmark**, Ecuador*, Egypt*, France**, Germany**, Ghana**, Greece**, Hungary**, India*, Indonesia**, Iran (Islamic Republic of)*, Italy**, Japan**, Kenya**, Lebanon*, Mexico*, Morocco**, Netherlands*, Nicaragua*, Nigeria*, Pakistan**, Paraguay**, Peru**, Philippines*, Poland*, Portugal*, Qatar*, Republic of Korea**, Romania**, Russian Federation*, Saudi Arabia*, Sierra Leone**, Spain*, Sudan*, Sweden*, Switzerland*, Tunisia**, Turkey*, Uganda*, United Arab Emirates**, United Kingdom of Great Britain and Northern Ireland**, Zambia*,

GC.6/Dec.9 ELECTION OF MEMBERS OF THE PROGRAMME AND BUDGET COMMITTEE

The General Conference, in pursuance of Article 10.1 of the Constitution, elected the following twenty-seven members of the Programme and Budget Committee to hold office until the close of the seventh regular session of the Conference in 1997:

(a) Fifteen members from States in Lists A and C of Annex I to the Constitution: Brazil, Cameroon, Ecuador, Egypt, India, Kuwait, Libyan Arab Jamahiriya,

Mali, Mexico, Nigeria, Republic of Korea, Saudi Arabia, Thailand, Togo, Uruguay;

- (b) Nine members from States in List B of Annex I to the Constitution: Austria, Belgium, Denmark, France, Germany, Italy, Japan, Switzerland, United Kingdom of Great Britain and Northern Ireland;
- (c) Three members from States in List D of Annex I to the Constitution: Romania, Russian Federation, Slovakia.

9th plenary meeting 8 December 1995

GC.6/Dec.10 MEDIUM-TERM PLAN, 1996-2001

The General Conference:

- (a) Took note of the medium-term plan, 1996-2001, as contained in document IDB.13/19;
- (b) Decided in future to rename the "mediumterm plan" the "medium-term programme framework", and to reduce its coverage to four years;
- (c) Further decided, in light of Industrial Development Board decision IDB.14/Dec.27, that in the event that the cash resources availability for the biennium 1996-1997 changed significantly resulting in a curtailment of the assumptions contained in document IDB.14/29, to present a revised version of the medium-term programme framework.

9th plenary meeting 8 December 1995

GC.6/Dec.11 PROGRAMME AND BUDGETS, 1996-1997

The General Conference:

- (a) Approved the programme and budgets for 1996-1997 as contained in document IDB/S.6/2, on the understanding that the Industrial Development Board at its fifteenth session through the Programme and Budget Committee would undertake an in-depth examination of the programmatic contents of the revised programme and budgets, 1996-1997 in accordance with the arrangements set out under paragraphs (g) to (j) below;
- (b) Appropriated on the basis of an exchange rate of US\$ 1 = AS 12.90 a total amount of \$210,246,600 for the regular budget of the Organization in 1996-1997, as reflected in the following table:

^{*} Twenty-seven States whose term of office expires at the close of the seventh regular session of the General Conference in 1997 (see decision GC.5/Dec.7 of 9 December 1993).

^{**} Twenty-six States whose term of office expires at the close of the eighth regular session of the General Conference in 1999 (see decision GC.6/Dec.8 of 8 December 1995).

	(In US dollars)		
	Appropriations	Estimated income	Net requirements
Policy-making Organs	7,347,800		7,347,800
General Management	11,873,900		11,873,900
Country Programmes and Funds Mobilization	25,677,600		25,677,600
Information and Research	15,796,400		15,796,400
Human Resource, Enterprise and Private Sector			•
Development	12,052,600		12,052,600
Industrial Sectors and Environment	19,368,700		19,368,700
Investment and Technology Promotion	13,265,800		13,265,800
Common Programmes	18,069,700		18,069,700
Joint and Common Services	49,983,900	26,986,500	22,997,400
Administration	36,810,20	755,200	36,055,000
Miscellaneous Income		1,605,400	(1,605,400)
Total	210,246,600	29,347,100	180,899,500

Note:

The amounts presented in the table are to be adjusted in accordance with the adjustment formula presented at the end of the present decision to take account of exchange rate variations during the biennium.

- (c) Decided that the foregoing appropriations of \$210,246,600 at an exchange rate of US\$ 1 = AS 12.90 should be financed from:
 - (i) Payments of contributions by Member States under the provisions of financial regulation 5.5(e) amounting to \$156,360,712 (\$18,763,250 plus the equivalent in United States dollars of AS 1,775,007,266) in accordance with decision GC.6/Dec.17 adopted by the General Conference at its sixth session concerning the scale of assessments;
 - (ii) Miscellaneous and other income of \$29,347,100;
 - (iii) United States mandatory payment of \$24,538,788 (\$2,944,650 plus the equivalent in United States dollars of AS 278,564,374);
- (d) Approved estimates of expenditure totalling \$28,810,000 at an exchange rate of US\$ 1 = AS 12.90 for the purpose of the operational budget for the biennium 1996-1997 to be financed from voluntary contributions and such other income as might be provided for in the financial regulations;
- (e) Requested, however, at the same time the Director-General to implement the programme and budgets for 1996-1997 within the cash resource availability and in accordance with the contingency plans presented by him;
- (f) Took note that the basis of the 1998-1999 budget appropriation would be \$185,707,812 at an

- exchange rate of US\$ 1 = AS 12.90 representing the 1996-1997 appropriation of \$210,246,600 less the United States mandatory payment of \$24,538,788;
- (g) Authorized the Industrial Development Board at its fifteenth session to examine in depth the revised programme and budgets 1996-1997 and recommend such appropriate changes as may be required in the light of a report of the Director-General on the experience of the Organization in implementing the programme and budgets in the first quarter of 1996;
- (h) Requested the Board at its fifteenth session to review the relevance of the 25 per cent ceiling of assessments as contained in Article 15.2 of the UNIDO Constitution in the light of the discussion which had taken place at the General Conference;
- (i) Also requested the Director-General to issue a report on the composition of the Secretariat including relevant information on desirable ranges of representation;
- (j) Further requested the Director-General to convene an additional session of the Programme and Budget Committee in May 1996 to discuss the reports of the Director-General and make appropriate recommendations to assist the Industrial Development Board in its tasks relating to paragraphs (g) to (i) above:
- (k) Finally requested the Director-General to report on the above on a regular basis to the policy-making organs.

Adjustment formula in US dollars

Appropriations	US dollars	Austrian schillings
Policy-making Organs	430,000 +	89,240,200 /R
General Management	1,361,200 +	135,614,400 /R
Country Programmes and Funds Mobilization	2,907,900 +	293,729,580 /R
Information and Research	2,098,800 +	176,698,700 /R
Human Resource, Enterprise and Private Sector Development	1,497,800 +	136,156,600 /R
Industrial Sectors and Environment	2,363,000 +	219,373,400 /R
Investment and Technology Promotion	1,760,600 +	148,416,800 /R
Common Programmes	5,609,700 +	160,733,940 /R
Joint and Common Services	2,950,800 +	606,726,500 /R
Administration	2,639,100 +	440,807,220 /R
Subtotal - Appropriations	23,618,900 +	2,407,497,340 /R
Estimated income		
Joint and Common Services	1,184,200 +	332,849,800 /R
Administration	28,000 +	9,380,700 /R
Miscellaneous	698,800 +	11,695,200 /R
Subtotal - Estimated income	1,911,000 +	353,925,700 /R
TOTAL NET REQUIREMENTS	21,707,900 +	2,053,571,640 /R

- Note 1: The net requirements shown above assume a ratio of 12 per cent in US dollars and 88 per cent in Austrian schillings at an exchange rate of US\$ 1 = AS 12.90.
- Note 2: R represents the average United Nations exchange rate for Austrian schilling to US dollar which will be experienced during 1996-1997.
- Note 3: The estimates expressed at the United Nations accounting rate of exchange for December 1995 of US\$ 1 = \(^{1}\) AS 10.00 are: (i) regular budget net requirements \$227,065,100 and (ii) operational budget \$35,546,900.

9th plenary meeting 8 December 1995

GC.6/Dec.12 GUIDELINES FOR THE FUNC-TIONING OF THE INVEST-MENT PROMOTION SERVICE OFFICES

The General Conference took note of the report by the Director-General on industrial investment promotion (IDB.14/16-GC.6/5/Add.2) and decided to amend the Guidelines for the Functioning of the Investment Promotion Service Offices, approved in General Conference resolution GC.3/Res.19, as follows:

The new text of paragraph 11 as approved in General Conference resolution GC.3/Res.19 should read:

"11. Funding arrangements for IPSOs

"IPSOs shall be financed by their host countries, who shall make voluntary contributions to UNIDO adequate to meet the costs to the Organization. The funding for all expenditures including the charge for programme support services (overhead charge) shall be provided in convertible currencies, except that in countries with non-convertible currencies, funding for expenditures of IPSOs in local currency may be provided in such local currency, while the funding for all other expenditures including the charge for programme support services (overhead charge)

shall be provided in convertible currency. A procedures and operations manual for the IPSOs shall be prepared.

"When requested by an interested country referred to in paragraph 4 above, UNIDO shall try to arrange extrabudgetary financing for the instalment and operating expenses of IPS offices established in developing countries. IPSOs may also raise additional resources by charging fees for services rendered on a cost-reimbursement basis."

The new text of paragraph 12 as reflected in document GC.3/13 and approved in General Conference resolution GC.3/Res.19 should read:

"12. Personnel arrangements for IPSOs

"The Head of the IPSO will be appointed by the Director-General of UNIDO in accordance with the regulations, rules and procedures of UNIDO and after consultation with the host Government. UNIDO will operate and supervise the IPSO. The Head will either be appointed under the 200 series of the UNIDO staff rules and have the status of international project personnel or will be appointed as a locally recruited National Professional Officer, to whom the local salary scales apply as established by the International Civil Service Commission (ICSC) for this particular category of professional staff. For other staff, salaries will be determined on the basis of discussions between the host country and the UNIDO Secretariat."

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GC.6/Dec.13 ECONOMIC AND TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES

The General Conference:

- (a) Recalled its resolution GC.5/Res.10 and Industrial Development Board decisions IDB.13/Dec.21 and IDB.14/Dec.18:
- (b) Took note of the recommendations contained in the annex to document IDB.13/15 and of the report by the Director-General (IDB.14/17);
- (c) Endorsed the requests contained in Board decision IDB.14/Dec.18.

9th plenary meeting 8 December 1995 GC.6/Dec.14 SPECIAL FINANCIAL
ARRANGEMENTS RELATING
TO VOLUNTARY SEPARATIONS OF FIXED-TERM STAFF

The General Conference:

- (a) Took note of the information provided in chapter IV of document GC.6/32;
- (b) Requested the Director-General that, in paying separation indemnities, he should be governed by the relevant staff regulations and rules;
- (c) Approved, as a special measure in view of the circumstances and without constituting a precedent, the financial arrangements relating to voluntary separation of staff which may include the special arrangements to holders of fixed-term appointments to be financed from the separation indemnity reserve;
- (d) Requested the Director-General that the measures referred to in paragraph (c) be implemented on a case-by-case basis and be guided by:
 - Cost-effectiveness:
 - Relevant observations and recommendations contained in the report of the External Auditor (IDB.13/7);
- (e) Requested the Director-General to report to the Industrial Development Board at its fifteenth session on the implementation of the scheme of separation of personnel.

9th plenary meeting 8 December 1995

GC.6/Dec.15 FINANCIAL SITUATION OF UNIDO

The General Conference,

- (a) Recalled Industrial Development Board decision IDB.14/Dec.27;
- (b) Took note of the report of the Director-General on the financial situation of UNIDO (GC.6/32) containing information concerning the status of assessed contributions, advances to the Working Capital Fund, cash flow analyses and establishment of a separation indemnity reserve;
- (c) Took note of the report by the Director-General in response to General Conference decision GC.5/Dec.19 on information on developments

concerning the unified conference service (GC.6/10) and the revised regular budget estimates for the biennium 1994-1995 arising from the transfer of the service;

- (d) Urged those Member States that had not yet paid their assessed regular budget contributions, including advances to the Working Capital Fund, for the bienniums 1986-1987 to 1994-1995, to do so without delay;
- (e) Decided to approve in relation with the programme and budgets for 1996-1997, and in view of the extraordinary prevailing circumstances and without constituting a precedent, the suspension of financial regulations 4.2(b) and (c), with respect to the unutilized balance of appropriations for the biennium 1992-1993, which had been paid in, as a credit for the sole purpose of partially funding the separation indemnity reserve;
- (f) Requested the Director-General to report on the above on a regular basis to the policy-making organs.

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GC.6/Dec.16 WORKING CAPITAL FUND

The General Conference:

- (a) Took note of Industrial Development Board decision IDB.14/Dec.8 and document IDB/S.6/3 in which a revised level of the Fund was proposed for the 1996-1997 biennium;
- (b) Decided that the level of the Working Capital Fund for the 1996-1997 biennium should be \$6,750,000 and that the authorized purposes of the Fund should remain the same as those for the 1994-1995 biennium, i.e., as stipulated in Conference decision GC.2/Dec.27, paragraph (b);
- (c) Urged Member States to pay their outstanding assessed contributions as soon as possible to facilitate reimbursement to the Working Capital Fund.

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GC.6/Dec.17 SCALE OF ASSESSMENTS OF MEMBER STATES FOR THE FISCAL PERIOD 1996-1997

The General Conference decided to establish a scale of assessments for the regular budget expen-

ditures of UNIDO for the fiscal period 1996-1997 based on annex I to document IDB/S.6/1, which was based on General Assembly resolution 49/19B adjusted to the membership of UNIDO, and on the understanding that, in accordance with financial regulation 5.6, new Member States should be assessed for the year in which they become Members on the basis of the United Nations scale of assessments as applicable to UNIDO.

9th plenary meeting 8 December 1995

GC.6/Dec.18 APPOINTMENT OF EXTERNAL AUDITOR

The General Conference:

- (a) Decided to extend the current appointment of the President of the Federal Court of Audit of Germany as the External Auditor of UNIDO for a period of two years, from 1 July 1996 to 30 June 1998, under the terms of reference specified in the Financial Regulations of UNIDO;
- (b) Requested the Director-General, in future, to invite proposals from Member States for the appointment of an External Auditor and to submit such proposals to the Programme and Budget Committee for consideration.

9th plenary meeting 8 December 1995

GC.6/Dec.19 UNIDO STAFF PENSION COMMITTEE

The General Conference:

(a) Decided to elect the following two members and two alternate members of the UNIDO Staff Pension Committee for the biennium 1996-1997:

Members: Mr. W. Buch (Germany)

Mr. S. O. Fatunla (Nigeria)

Alternate

Members: Mr. J. Pogány (Hungary)

Mr. L. Parodi Gambetti (Chile)

(b) Authorized the Industrial Development Board to proceed with the election for any of the abovementioned posts that might become vacant before the General Conference holds its seventh session.

> 9th plenary meeting 8 December 1995

GC.6/Dec.20 HEADQUARTERS AGREE-MENT BETWEEN UNIDO AND THE REPUBLIC OF AUSTRIA

The General Conference:

- (a) Took note of the report of the Director-General (GC.6/29);
- (b) Approved the headquarters agreement between UNIDO and the Republic of Austria as contained in the annex to document GC.6/29;
- (c) Authorized the Director-General to bring the new headquarters agreement into force in the manner provided in section 58 thereof.

9th plenary meeting 8 December 1995

GC.6/Dec.21 COMPUTERIZATION PROGRAMME

The General Conference decided to rescind the mandatory reporting requirements in paragraphs (h) and (i) of decision GC.4/Dec.18.

9th plenary meeting 8 December 1995

GC.6/Dec.22 DATE AND PLACE OF THE SEVENTH SESSION OF THE GENERAL CONFERENCE

The General Conference decided that its seventh session should be held in Vienna from 1 to 5 December 1997.

9th plenary meeting 8 December 1995

RESOLUTIONS

GC.6/Res.1 UNIDO POLICY FRAMEWORK— ORGANIZATIONAL AND STAFF STRUCTURE

The General Conference,

Recalling its resolutions GC.5/Res.18 and GC.5/Res.20, as well as Industrial Development Board decision IDB.14/Dec.2,

Taking note with appreciation of the report by the Director-General on the UNIDO reform contained in documents GC.6/30 and Corr.1 and GC.6/30/Add.1,

Recognizing that the three main dimensions of focus of UNIDO services—thematic, sectoral and geographical—provide a useful framework and direction for the specialization of services provided by the Organization,

Having been convinced that progress has been made in implementing the reform process and focusing of UNIDO activities, which has been recently acknowledged and supported at various regional and global levels,

Expressing concern that the prevailing uncertainties with respect to the financial situation and cash availability can affect the completion of the reform process and the ability to deliver services,

- 1. Commends the Director-Generaland UNIDO staff for the efforts made so far to reform and progress towards a more efficient and leaner Organization by more clearly defining the priorities and the potential advantages,
 - 2. Supports the role of UNIDO:
- (a) To serve as a global forum to exchange information, analysis and advice on industrial policies and institutions within the field of development;
- (b) To provide integrated services to Governments, institutions and enterprises in recipient countries for the design and implementation of industrial policies, the development of selected industrial subsectors, private sector development, the development and transfer of clean technologies, industrial partnerships and investments, and development of human resources in line with the identified priorities of the Organization;
- (c) To function as a central coordinating agency within the United Nations system in the field of industry, for supporting the endeavours of developing countries to achieve sustainable development;

- 3. Urges, therefore, all Member States to meet their financial obligations without delay and to continue to extend to the revitalized UNIDO their political, financial and technical support, which is vital for the future work of the Organization and its reform process;
- 4. Calls for increased cooperation between all relevant United Nations bodies, intergovernmental organizations and financial institutions, especially for the provision of new and additional resources to support UNIDO services:
 - 5. Requests the Director-General:
- (a) To continue to implement the reform process, including the new structure of the Organization, on a coherent application of the identified priorities by further focusing the activities of UNIDO and to comply with the timetable presented in document GC.6/30 and Corr.1 and GC.6/30/Add.1;
- (b) To pay due regard to the principle of equitable geographical distribution in the Secretariat within the context of the reform process, taking into account the provisions of Article 11, paragraph 5, of the Constitution;
- (c) To keep Member States informed on the implementation of the reform and to report to the General Conference at its seventh session through the Industrial Development Board on the implementation of the present resolution.

9th plenary meeting 8 December 1995

GC.6/Res.2 ANNUAL REPORTS OF THE DIRECTOR-GENERAL ON THE ACTIVITIES OF THE ORGANIZATION FOR 1993 AND 1994

The General Conference,

Recalling General Conference resolutions GC.4/Res.2 and GC.5/Res.9,

- 1. Takes note of the information provided in documents IDB.12/2, IDB.14/10, IDB.14/10/Add.1 and Corr.1 and IDB.14/10/Add.2 and Corr.1;
 - 2. Requests the Director-General:
- (a) To adapt, beginning with the Annual Report of UNIDO 1995, to be submitted to the Industrial Development Board at its sixteenth session, the Annual

Report into a consolidated report covering (i) new technical cooperation programmes, (ii) progress on current programmes and (iii) an assessment of completed programmes;

- (b) To ensure that this Annual Report contains brief descriptions of projects and the envisaged source of funding for new projects as well as the technical assistance supplied either by UNIDO, external consultants or other cooperating agencies. Statistical analysis of the geographical distribution, of the sectoral and thematic context as well as of the size of the projects should also be included;
- (c) To also include similar information concerning the promotional, networking, and industrial information services and the rest of the global forum functions as well as all other relevant information:
- 3. Notes that this new Annual Report will allow the discontinuing of the Industrial Development Board conference room paper with the list of technical cooperation projects approved and/or operational;
- 4. Requests the Director-General, in an effort to facilitate the reporting requirements of the Secretariat, to discontinue the publication of any other documents containing information that overlaps with the Annual Report.

9th plenary meeting 8 December 1995

GC.6/Res.3 FIELD REPRESENTATION

The General Conference,

Recalling Industrial Development Board decision IDB.14/Dec.27,

Taking note of the report by the Director-General on UNIDO policy framework—Organizational and staff structure (GC.6/30).

Conscious of the uncertainty confronting UNIDO in respect of the level of financial resources available to fund the regular budget,

Considering the necessary adjustments that the financial situation will entail,

Also considering the importance of UNIDO field representation, in particular in the least developed countries,

Stressing the need to improve the quality of the field representation programme, taking into account the importance of achieving an appropriate degree of decentralization of the Organization,

1. Urges all Member States, on a voluntary basis, to make all possible efforts to increase contributions in support of this programme,

2. Requests the Director-General:

- (a) To consider that the sustainability of a field representation programme could be secured only through the combination of financing from various sources, including the regular and operational budgets, the United Nations Development Programme, as well as donor and host country contributions;
- (b) To improve the harmonization and simplification of procedures for UNIDO Country Director offices and the coordination between Headquarters and the field:
- (c) To take into account, in the implementation of the UNIDO Country Director programme, the special needs of the least developed countries and the possibility of clustering the UNIDO field offices;
- (d) To ensure UNIDO's cooperation to work for the effective planning and implementation of activities in the field within the United Nations system in consultation with the resident coordinator with a view to attaining a more unified field representation;
- (e) To report to the next regular session of the Industrial Development Board.

9th plenary meeting 8 December 1995

GC.6/Res.4 DEVELOPMENT OF HUMAN RESOURCES FOR INDUSTRY

The General Conference,

Recalling its resolution GC.5/Res.2 and Industrial Development Board decisions IDB.11/Dec.3 and IDB.13/Dec.3,

Taking note of the reports by the Director-General contained in documents GC.6/24 and GC.6/30,

Emphasizing the importance to be attached to the human dimension in development and in particular human resources development for industry,

Welcoming the increasing emphasis given to demand orientation and capacity-building in the human resources development activities of UNIDO, and stressing the necessity to make this the overriding principle,

. Requests the Director-General:

- (a) To more clearly define the human resources development concept of UNIDO so that the respective activities are focused within the seven thematic priorities for the next biennium;
- (b) To prepare the necessary guidelines to further develop a comprehensive approach to human resources development activities to ensure that such activities become an integral part of a coherent programming approach to all UNIDO services;
- (c) To enhance the role of human resources development for industrial growth and competitiveness and on building up efficient industrial support services;
- (d) To strengthen industrial training institutions and associations in developing countries in general, and in Africa in particular, through the mobilization of extrabudgetary resources with a view to attaining a sharper focus of their activities within the new thematic focus of UNIDO:
- (e) To initiate and enhance programmes of South-South cooperation in the field of human resources development, with a particular emphasis on specific technical, technological and managerial training;
- 2. Further requests the Director-General to report on the implementation of the present resolution to the General Conference at its seventh session through the Industrial Development Board.

9th plenary meeting 8 December 1995

GC.6/Res.5 INTEGRATION OF WOMEN IN INDUSTRIAL DEVELOPMENT

The General Conference,

Recalling its resolution GC.5/Res.11 and Industrial Development Board decisions IDB.13/Dec.9 and IDB.14/Dec.4.

Taking note of the progress report of the Director-General on the integration of women in industrial development contained in document GC.6/5,

Reaffirming the renewed importance of the integration of women in industrial development in the context of the UNIDO response to the Platform for Action: Equality, Development and Peace, adopted at Beijing at the Fourth World Conference on Women in September 1995,

- 1. Requests the Director-General:
- (a) To ensure that gender considerations are fully integrated into all the UNIDO themes, priorities

and programmes and to enhance the implementation of relevant activities to that end;

- (b) To contribute to the implementation of the sections of the Platform for Action: Equality, Development and Peace, adopted by the Fourth World Conference on Women, as relevant to UNIDO mandates and to develop a specific follow-up plan of action for UNIDO;
- (c) To pursue and intensify coordination with other relevant United Nations organizations and non-governmental organizations in this field;
- (d) To secure, within existing resources, the necessary financing for the implementation of the above programmes;
- 2. Encourages Member States to continue to support the development of the programmes and activities for the full integration of women in industrial development;
- 3. Further requests the Director-General to report on the implementation of the present resolution to the General Conference at its seventh session through the Industrial Development Board.

9th plenary meeting 8 December 1995

GC.6/Res.6 ENVIRONMENTALLY SUSTAINABLE INDUSTRIAL DEVELOPMENT

The General Conference,

Recalling its resolution GC.5/Res.6 and taking note of the report of the Director-General as contained in document GC.6/28, particularly chapter IV relating to industrial and international environmental norms and standards,

Being aware that due to financial and technical limitations in developing countries, the application of various ecolabelling schemes in several countries within international markets may pose non-tariff barriers or marketing barriers to enterprises in developing countries,

Bearing in mind the various positive effects of ecolabelling such as enlightening and educational effects for environmental programmes of consumers, promotional effects for environmentally sustainable products, providing producers with incentives and environmental considerations as well as encouraging sustainable management of resources, while at the same time taking into account the cost-benefit analysis,

Endorses Board decision IDB.13/Dec.7;

- 2. Further endorses the priorities set out in document GC.6/28 and encourages Member States, in particular the donor countries, to increase funding of the priority programmes and projects identified in the same document;
- 3. Requests the Director-General to develop a suitable technical cooperation programme for the 1996-1997 biennium aiming to provide technical support to technical service institutions and standards bodies in developing countries so that they could effectively apply relevant ISO standards, including ISO 9000 and ISO 14000 series of standards;
- 4. Takes note of the serious concerns of developing countries that the introduction of environmental labelling in the international trade regime could have a negative impact on economic growth and industrial development and could shift an additional economic burden on developing countries that would be detrimental to their competitiveness and comparative advantage in trade;
- 5. Requests the Director-General, subject to future international agreement on ecolabelling requirements, and in close cooperation with the competent international bodies, in particular the World Trade Organization, to provide assistance to developing countries to enable them to support the necessary adjustment of national industrial production and related services to the internationally agreed requirements;
- 6. Further requests the Director-General to report on the implementation of the present resolution to the General Conference at its seventh session through the Industrial Development Board.

9th plenary meeting 8 December 1995

GC.6/Res.7 ENVIRONMENTALLY SUS-TAINABLE INDUSTRIAL DEVELOPMENT: CLEANER IN-DUSTRIAL PRODUCTION

The General Conference,

Taking note of the recommendations of the UNIDO Forum for Non-Governmental Organizations on Cleaner Industrial Production (Vienna, 30 November 1 December 1995).

Further taking note of the UNIDO programme on cleaner industrial production,

1. Requests the Director-General to further develop the UNIDO programme on cleaner industrial production, and in particular:

- (a) To expand the network of national cleaner production centres with the aim of regionalizing them, wherever possible, in Member States involving governmental and non-governmental organizations as partners according to their specific activities;
- (b) To cooperate with international, regional and national governmental and non-governmental organizations in the implementation of the programme;
- (c) To act as a focal point within the United Nations system for the collection, management and dissemination of information on cleaner industrial production at the industrial plant level for the benefit of Governments as well as public and private institutions and enterprises;
- 2. Further requests the Director-General to explore all relevant multilateral financing systems to support cleaner industrial production;
- 3. Urges Member States and financial institutions to provide adequate funding for the UNIDO programme on cleaner industrial production through voluntary contributions to the Industrial Development Fund.

9th plenary meeting 8 December 1995

GC.6/Res.8 INDUSTRIALIZATION OF THE LEAST DEVELOPED COUNTRIES

The General Conference,

Recalling the Paris Declaration and Programme of Action of the Second United Nations Conference on the Least Developed Countries as well as United Nations General Assembly resolutions 48/171 and 49/98,

Also recalling its resolutions GC.4/Res.9, GC.4/Res.10, GC.5/Res.20 containing the Yaoundé Declaration and in particular GC.5/Res.16,

Further recalling the outcome of the World Summit for Social Development and the results of the High-Level Intergovernmental Meeting on the Mid-Term Global Review of the Implementation of the Programme of Action for the Least Developed Countries for the 1990s, New York, 26 September to 6 October 1995,

Stressing the increasing role of the private sector in industrial development and the need to support sustainable private sector development and accelerated growth of industrial enterprises in least developed countries in UNIDO programmes and projects,

Taking note of the conclusions of the Third Ministerial Symposium on the Industrialization of the Least Developed Countries held in Vienna from 30 November to 8 December 1995 and the information provided in document GC.6/20,

Noting with concern the lack of progress in the industrialization of the least developed countries, particularly in Africa,

- 1. Calls upon the Member States to support programmes and projects that are related to the priority sectors stated in the Industrial Action Programme for the Least Developed Countries through the creation of a special fund in UNIDO for the industrialization of the least developed countries in addition to voluntary contributions within the Industrial Development Fund, trust funds and other available sources;
- 2. Appeals to the international community, especially the developed countries, regional and international financial institutions and private investors, to enhance their financial and technological support for the development of a sustainable private sector and the accelerated growth of industrial enterprises in the least developed countries, as stated in document GC.5/17;
 - 3. Requests the Director-General:
- (a) Within the context of the framework of the reform of UNIDO as outlined in document GC.6/30 to accord highest priority to the industrialization of the least developed countries in order to secure effective and sustainable socio-economic development and a better quality of life for the least developed countries;
- (b) To take appropriate measures to implement the conclusions and recommendations of the Second Ministerial Symposium on the Industrialization of the Least Developed Countries, held at Yaoundé, Cameroon, from 3 to 10 December 1993, as well as the Third Ministerial Symposium on Least Developed Countries held in Vienna from 30 November to 8 December 1995;
- (c) To give full support to the activities of the least developed countries programme and to provide progress reports on the implementation of the programme to the sessions of the Industrial Development Board, as well as to report to the General Conference at its seventh session through the Industrial Development Board on the implementation of the present resolution.

9th plenary meeting 8 December 1995

Annex I

CONCLUSIONS AND RECOMMENDATIONS OF THE THIRD MINISTERIAL SYMPOSIUM ON THE INDUSTRIALIZATION OF THE LEAST DEVELOPED COUNTRIES

SUSTAINABLE PRIVATE SECTOR DEVELOP-MENT AND ACCELERATED GROWTH OF INDUSTRIAL ENTERPRISES IN LDCs

Vienna, Austria, 30 November - 8 December 1995

I. Conclusions

The Third Ministerial Symposium on the industrialization of the least developed countries, held in Vienna from 30 November to 8 December 1995,

- 1. Aware that:
- (i) Implementing the world trade liberalization agreements following the Uruguay Round of trade negotiations could, in the initial stages, have some unfavourable impact on least developed countries (LDCs);
- (ii) The ongoing revolution in information and other technologies and telecommunications is reshaping competitiveness across the world and creating new opportunities and challenges, but that LDCs have yet to benefit from this revolution;
- (iii) The emergence of the newly industrialized economies with unprecedented productive capabilities is creating increased competitive pressures on LDCs;
- (iv) LDC Governments will need assistance to adjust to the changing role of the State in the economy;
- (v) The globalization of the financial markets have not benefited LDCs, which have received very limited capital flows;
- (vi) Official development assistance, which was expected to be 0.15 per cent of gross national product of Organisation for Economic Cooperation and Development countries, has been in fact only 0.09 per cent and may be even less in the future;

- 2. Noted that:
- (i) The main features of the new economic environment will be knowledge- and technology-intensive activities, global competition and accelerated pace of change. Success in the new economic order will be achieved by nations which would have the ability to integrate themselves into the world economy and exhibit continuous learning and adaptability;
- (ii) The LDCs, at present, display economic stagnation characterized by: (a) insignificant and declining gross domestic product growth rates that have not kept up with population growth rates, and (b) declining trade shares. As a result, the number of LDCs has increased from 42 in 1990, the year of the second United Nations Conference on the LDCs, to 48 in 1995;
- (iii) Countries that have successfully achieved economic growth have implemented policies of deregulation, market liberalization, public sector reforms, financial sector reforms and encouragement of export led industries;
- (iv) In view of the difficult situation facing all LDCs, closer cooperation is needed among the countries so as to attain sustainable and accelerated growth for the economic and social welfare of their people;
- (v) In line with the results of the World Summit for Social Development, UNIDO will give high priority to the LDCs to achieve rapid, sustainable industrialization consistent with social goals agreed on at the summit;
- 3. Agreed on the following principles:

(i) Role of Governments

The meeting emphasized the need for good governance of LDCs. It highlighted the role of an efficient government in formulating appropriate development policies and putting in place transparent, credible and effective judicial, regulatory and legislative systems to strengthen the private sector. It also stressed that Governments should give priority to developing human resources and infrastructure, and establishing consultative mechanisms between the public and private sector;

(ii) Commitment to private sector development

The meeting recognized the increasingly important role of a dynamic private sector in economic development and reiterated the need for Governments to further improve the macro-economic environment, reduce transaction costs and facilitate entrepreneurial development. A stable macro-economic environment can be characterized by policies to encourage a high savings and investment rate, reduce government/private sector inefficiencies, liberalize exchange rates, reduce tariff and remove price controls. However, given the prevailing weaknesses of the private sector in LDCs, it is extremely important that institutional support including efficient and investmentarrangements friendly financing incentives, consistent with provisions of the Uruguay Round Agreements, provided to local enterprises to enhance their competitiveness;

(iii) Informal sector, micro, small and medium enterprises (IMSMEs)

The meeting emphasized the vital role of IMSMEs in social and economic development of LDCs through the creation of employment and income-generating activities, absorbing retrenched workers from the privatization and austerity programmes and creating opportunities for a significant proportion of female entrepreneurs. Accordingly, promotion of IMSMEs across the various sectors of the economy should be given priority;

(iv) Privatization

The meeting acknowledged the importance of privatization as a means to reduce inefficiencies and create conducive market conditions for achieving a more efficient allocation of resources. However, privatization should not be seen as an exercise of change in ownership only as it is a transformation process which covers developing a competitive environment and new regulatory and institutional frameworks. It should be done in a transparent manner. It should also be viewed as an instrument for creating favourable conditions for industrial growth and economic development;

(v) Regional cooperation

The meeting recognized the need for enhancing the vital role of regional cooperation to promote the flow of goods, services, investments, skills and technology. Such cooperation should also encourage close interaction of trade, industry and training institutions among the countries involved, and facilitate the development of internationally-competitive clusters.

II. Recommendations

The Third Ministerial Symposium on the Industrialization of the Least Developed Countries recommends for the promotion of sustainable private sector development and accelerated growth of industrial enterprises:

1. Public-private sector partnership

- Establishing new or strengthening existing public/private consultative groups. These consultative groups should meet at least once every quarter and should involve the key players from the public and private sectors. The priority agenda for these consultative groups includes: (a) furthering macrostreamlining economic stability; (b) administrative, judicial and regulatory procedures to make them effective and business-friendly; (c) privatization; (d) training programmes targeted to strengthening entrepreneurship, research and development and enhancing production management and technical skills; (e) upgrading of infrastructure with special attention to industrial zoning and estates, avoidance of industrial pollution, environmental protection, and energy efficiency;
- (ii) On a priority basis, the LDCs should establish a working group to evaluate the impact of the Uruguay Round of Agreements on their economies and identify constraints and actions necessary to establish internationally competitive industries. The findings of this working group should provide input into the discussions of the consultative groups;

2. Informal sector, micro, small and medium enterprises

(i) The LDCs should develop institutional, financial and technological support systems for IMSMEs and to facilitate access to markets, finance and technology. There should be particular focus on rural areas, where most of the population resides.

Special emphasis should be given to: (a) removing obstacles that keep enterprises in the informal sector; (b) extension services for information and appropriate technological and marketing support; and (c) supporting specialized financial institutions which rely on local savings, reliable banking services and careful screening of borrowers to reach small clients on a sustainable basis;

3. Technology, standardization and metrology

- (i) To keep pace with international developments in standardization and quality management systems, LDCs must establish national or regional standards bureaux for the purpose of implementing total quality management, ISO 9000 series of standards and harmonization of standards regionally so as to improve quality, standardization and metrology;
- (ii) LDCs should set up demand-driven technology upgrading programmes on a cost-sharing basis between the private sector, public sector and donors;

4. Female entrepreneurship

Considering the importance of female entrepreneurship and the constraints and barriers that women have to overcome in order to become entrepreneurs, LDCs should support specific programmes to encourage and promote female entrepreneurship as well as the creation of support structures and selfhelp organizations for women entrepreneurs;

5. Privatization

- (i) Where appropriate in the privatization process, LDCs should promote local participation and broad ownership. Privatization should be done in a competitive environment with particular emphasis on transparency, establishment of an appropriate regulatory environment, and development of local entrepreneurship and capital markets. Special priority should be given to privatizing those enterprises that have a large impact on the macroeconomic situation;
- (ii) Serious consideration should be given to public education campaigns in order to gain political support for the programme and to inform the public about:
 - (a) Losses incurred by public enterprises;

- (b) The high cost of continuing public ownership of enterprises;
- (c) Benefits of the privatization programme;
- (d) How the public can participate in the privatization programme;
- (iii) When appropriate, the privatization programmes should adopt methods of sale that broaden ownership structures such as trust funds and employee ownership options in order to enlist widespread participation in and support for privatization programmes;
- 6. Resource mobilization and donor assistance
- (i) Recognizing that many LDCs have made considerable efforts to promote economic restructuring and private sector development, and the fact that even in countries with well established institutions and legal systems, reform has been a long process exceeding 20 years, LDCs require continuous support to develop and implement their programmes;
- (ii) UNIDO and other multilateral bodies such as the World Bank, Inter-American Development Bank, Asian Development Bank and African Development Bank, should provide, in a coordinated way, financial and technical support to LDCs implementing private sector development programmes;
- (iii) UNIDO should set up a steering committee to assist the LDCs mobilize the necessary resources for, and to follow up on, the implementation of the conclusions and the resolutions of the Ministerial Symposium;
- (iv) UNIDO and other organizations should study the possibility of setting up and financing information networks with antennae in the private sector organizations of LDCs to expose the business communities to a wider range of commercial and technical information and business opportunities;
- (v) With the support of UNIDO, the World Bank Group and other multilateral organizations, LDCs should undertake comprehensive programmes for investment promotion and foreign collaboration;
- (vi) UNIDO, the African Development Bank, the Asian Development Bank, World Bank and other multilateral organizations should continue and reinforce their support to regional initiatives, technical cooperation among developing countries (TCDC) and

- economic cooperation among developing countries (ECDC);
- (vii) UNIDO has a major role to play to ensure that LDCs successfully implement the above conclusions and resolutions. In light of this, the current reforms of UNIDO will enhance its effectiveness in providing the requisite technical assistance that will facilitate the accomplishment of accelerated private sector development and industrialization of the poorest countries.

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THIRD MINISTERIAL SYMPOSIUM ON THE INDUSTRIALIZATION OF THE LEAST DEVELOPED COUNTRIES: SUSTAINABLE PRIVATE SECTOR DEVELOPMENT AND ACCELERATED GROWTH OF INDUSTRIAL ENTERPRISES IN LDCs

Draft Declaration in support of the reform of UNIDO

Vienna, 30 November - 8 December 1995

We, the Ministers of Industry of the least developed countries, meeting in Vienna from 30 November to 8 December 1995, on the occasion of the Third Ministerial Symposium of the LDCs: Sustainable Private Sector Development and Accelerated Growth of Industrial Enterprises in LDCs;

- 1. Affirm our strong support for the reforms in progress at UNIDO and the restructuring of UNIDO, together with the heightened emphasis laid on the industrialization of LDCs as is proposed, particularly in respect of the African LDCs;
- 2. Recognizing the urgent need of UNIDO for financial resources for ensuring the success of the reforms and the effectiveness of UNIDO in meeting the requests for assistance submitted by LDCs;
- 3. Call upon the Chairman of the Third Ministerial Symposium to submit to the General Conference of UNIDO, at its sixth session, for appropriate consideration and action, the annexed draft declaration together with the conclusions and recommendations of the Ministerial Symposium, to establish contact with donor countries with a view to obtaining political and financial support for UNIDO in accordance with the Yaoundé Declaration, and to launch an appeal to the Governments of LDCs to undertake political and other démarches for mobilizing the support of the international community, and in particular of UNIDO donor countries, in accordance with the recommendations of the meeting of non-aligned countries held at Cartagena, Colombia.

GC.6/Res.9 PRIVATE SECTOR DEVELOP-MENT

The General Conference,

Recalling its resolution GC.5/Res.4 and Industrial Development Board decision IDB.13/Dec.5 on industrial rehabilitation and modernization, as well as Board decision IDB.13/Dec.15 on private sector development,

Recognizing the increasing role of the private sector in industrial development and the need for UNIDO to take into consideration supporting the development of the private sector in its programmes and projects,

Stressing the importance of foreign direct investment to the economic growth and development of developing countries, particularly for the creation of new employment opportunities and for the transfer of technology,

Underlining the growing role of the private sector as an essential partner in the development endeavours, particularly for the small and medium enterprises, and the joint-ventures establishment,

Noting that the implementation of global agreements, such as the Uruguay Round Agreements on trade liberalization, would require an enhanced role of the private sector in the national economies of developing countries,

Recognizing the importance of the networking of regional and subregional centres of excellence for technology transfer, training and dissemination of technological information with the active participation of the private sector, and incentives from Governments,

Taking note of the report of the Director-General contained in document GC.6/25.

- 1. Requests the Director-General, in the implementation of the UNIDO programme for private sector development, industrial restructuring, rehabilitation and modernization:
- (a) To strengthen the activities relating to the subprogramme on advisory services and assistance for private sector development and privatization;
- (b) To take the necessary measures to enhance the productivity and competitiveness of the private sector of developing countries, in particular in the market for manufactured goods and related services, by reinforcing human resources training and assisting in the elaboration and implementation of national policies, in order to contribute to the establishment of a conducive business

environment for the self-generating development of the private industrial sector;

- (c) To explore the feasibility of regional network programmes in this field and subsequently seeking the financing of network activities;
- (d) To take duly into account the need for a more vigorous private sector development in the implementation of the Second Industrial Development Decade for Africa;
- 2. Also requests the Director-General to report to the General Conference at its seventh session through the Industrial Development Board on the implementation of the present resolution.

9th plenary meeting 8 December 1995

GC.6/Res.10 QUALITY OF TECHNICAL CO-OPERATION

The General Conference,

Recalling its resolution GC.5/Res.1 and Industrial Development Board decisions IDB.12/Dec.5 and IDB.14/Dec.5,

Considering that the quality of UNIDO services constitutes a key element of the reform process,

- 1. Takes note with appreciation of progress made by UNIDO in the development of quality management principles for development cooperation as described in documents GC.6/8 and Add.1 and requests the Director-General to ensure the application of these principles in the interests of the continuous improvement of UNIDO performance;
- 2. Requests the Director-General to include in the Annual Report information on the implementation of the said principles by the management.

9th plenary meeting 8 December 1995

GC.6/Res.11 AFRICA (IN PARTICULAR THE SECOND INDUSTRIAL DEVELOPMENT DECADE FOR AFRICA)

The General Conference,

Recalling the Yaoundé Declaration as contained in General Conference resolution GC.5/Res.20, as well as

the Agenda for Action adopted by the seventeenth extraordinary session of the Council of Ministers of the Organization of African Unity held at Cairo, Egypt, from 25 to 28 March 1995,

Recalling resolution 1 (XII) on the implementation of the programme for the Second Industrial Development Decade for Africa (1993-2002), adopted at the twelfth meeting of the Conference of African Ministers of Industry held at Gaborone, Botswana, from 6 to 8 June 1995.

Taking note of the information contained in document GC.6/11 on the implementation of the programme for the Second Industrial Development Decade for Africa (1993-2002),

- 1. Invites international, regional and subregional financial institutions to allocate substantial resources for the implementation of the Second Industrial Development Decade for Africa programme at the regional, subregional and national level;
 - 2. Requests the Director-General:
- (a) Within the priorities of UNIDO, to take all measures, in cooperation with the Executive Secretary of the Economic Commission for Africa and the Secretary-General of the Organization of African Unity, as appropriate, for the effective implementation of the resolutions adopted by the Conference of African Ministers of Industry, all of which will contribute to the attainment of the objectives of the Second Industrial Development Decade for Africa;
- (b) To accord highest priority to the realization of the objectives set out in the Second Industrial Development Decade for Africa through, *inter alia*, providing sufficient resources for the implementation of the IDDA and ensuring successful cooperation within the context of Africa's industrialization efforts:
- (c) To provide progress reports to the sessions of the Industrial Development Board on the implementation of the programme for the Second Industrial Development Decade for Africa and its activities, including the updating of the regional, subregional and national programmes;
- (d) To report to the seventh session of the General Conference through the Industrial Development Board on the implementation of the present resolution.

9th plenary meeting 8 December 1995 GC.6/Res.12 A R A B C O U N T R I E S
P R O G R A M M E F O R
INDUSTRIAL DEVELOPMENT,
INCLUDING TECHNICAL
ASSISTANCE TO THE
PALESTINIAN PEOPLE

The General Conference,

Recalling its resolution GC.5/Res.13 and Industrial DevelopmentBoard decision IDB.14/Dec.17, particularly paragraph (d),

Taking note with concern of document GC.6/9/Rev.1 and Corr.1,

Stressing the need of the programme to promote the industrial development of the Arab countries,

Reaffirming the necessity of the Arab countries to enhance their industrial capacities and develop their human resources with a view to promoting industrial development, particularly in the least developed Arab countries, as well as to strengthen regional industrial cooperation, including providing technical assistance to the Palestinian people,

- 1. Requests the Director-General in the implementation of the programme:
- (a) To cooperate and coordinate with the Arab countries concerned, as well as the competent Arab organizations, especially the Arab Industrial Development and Mining Organization (AIDMO), in the formulation and implementation of new programmes and projects;
- (b) To ensure that official contacts with the countries concerned are routed through the Permanent Missions, and that the latter are kept fully informed of any other contacts, particularly on the preparations and implementation of the programme activities;
- (c) To continue providing technical assistance to the Palestinian people;
- (d) To secure additional resources for the programme by contacting international and Arab financial institutions;
- (e) To organize, in the biennium 1996-1997 from existing resources in the programme, a regional meeting for the purpose of evaluating forms for enhancing regional industrial cooperation;

- 2. Also requests the Director-General to take the necessary measures to enhance the capabilities of the Arab Countries Programme and to ensure a dedicated and efficient management in order to make the Programme more responsive to the needs and priorities of the Arab countries;
- 3. Further requests the Director-General to report on the implementation of the present resolution to the General Conference at its seventh session through the Industrial Development Board.

9th plenary meeting 8 December 1995

GC.6/Res.13 SPECIAL PROGRAMME FOR
THE INDUSTRIAL
DEVELOPMENT OF ASIA AND
THE PACIFIC

The General Conference,

Recalling its resolution GC.5/Res.14,

Taking note of the New Delhi Declaration on AcceleratedIndustrial Development and Competitiveness in the Asia and Pacific Region, adopted by the Regional Meeting of Ministers of Industry of Asia and the Pacific (New Delhi, India, 19-20 October 1995) and findings of the Global Forum on Industry: Perspectives for 2000 and Beyond (New Delhi, India, 16-18 October 1995),

Further taking note of the report of the Director-General as contained in document GC.6/13/Rev.1,

- 1. Urges Member States to support programmes and projects that are regional or subregional in character through voluntary contributions, including the Industrial Development Fund and trust funds;
- 2. Requests the Director-General, in the implementation of the Special Programme for Industrial Development of Asia and the Pacific:
- (a) To follow up with priority various actions, programmes and activities, and recommendations concerning the Asia and Pacific region as contained in the New Delhi Declaration;
- (b) To cooperate with the countries concerned in the formulation of new programmes and projects to enhance intercountry cooperation among countries in the region in the areas set out in General Conference resolutions, bearing in mind that economic and technical cooperation among developing countries as well as the special needs of the least developed countries in the region are accorded particular priority;

- (c) To continue to secure sufficient funds from all possible sources for the effective implementation of ongoing programmes and projects as well as new ones to be formulated in accordance with subparagraphs (a) and (b) above;
- (d) To increase efforts to promote investment in the industrial sector in countries of the region, taking into account the measures adopted by those countries to facilitate and promote investment;
- (e) To strengthen contacts and coordination with multilateral and bilateral development institutions in the implementation of the Programme;
- (f) To organize, within available resources, in cooperation with the Economic and Social Commission for Asia and the Pacific and other interested organizations, a regional meeting of Ministers of Industry of the region to be held at an appropriate time before the seventh session of the General Conference to consider UNIDO activities and measures to promote industrialization in the region;
- 3. Further requests the Director-General to report on the implementation of the present resolution to the General Conference at its seventh session through the Industrial Development Board.

9th plenary meeting 8 December 1995

GC.6/Res.14 REGIONAL COOPERATION
PROGRAMME FOR THE
INDUSTRIAL RECOVERY OF
LATIN AMERICA AND THE
CARIBBEAN

The General Conference,

Recalling its resolution GC.5/Res.15,

Noting the information contained in document GC.6/14/Rev.1,

Bearing in mind the Montevideo Declaration issued by the Regional Meeting of Ministers of Industry of Latin America and the Caribbean, held at Montevideo, Uruguay, on 21 and 22 September 1995, recognizing the importance of industrialization in the economic and social development of the region, and also its conclusions and recommendations,

Stressing the need of the Regional Programme to promote the industrial development of the region, particularly in Central America, the Caribbean and the relatively less developed countries of the region,

- 1. Requests the Director-General in the implementation of the Regional Programme:
- (a) To give special priority to pursuing the strategic guidelines as indicated in the conclusions and recommendations of the Regional Meeting of Ministers of Industry of Latin America and the Caribbean, which refer, *inter alia*, to:
 - The evaluation of the policies for the promotion of industry in the region, with the formulation of a coordinated strategic plan;
 - (ii) The development of a subregional project in the areas of quality, productivity and technological and environmental management;
 - (iii) The development of new subregional projects, in particular one in the Andean Pact countries;
- (b) To make fully effective the execution of the projects approved by applying standards of efficiency and rationality, and to continue his work in defining other high-impact projects which, by meeting specific needs and taking as a basis advanced methodologies and studies, could be agreed upon between Member States of the region and UNIDO;
- (c) To envisage the coordination of its activities within the framework of the regional and subregional integration agreements;
- (d) To enhance, with the available human and financial resources, the quality of the projects identified and formulated under the Regional Programme, without prejudice to the redoubling of efforts to secure the support of financial organizations at the international and regional levels;
- (e) To keep the countries of the region informed, through periodic meetings with the Permanent Missions, on the status of implementation of the Programme and projects, with particular emphasis on the financing requirements and other actions needed for their execution;
- (f) To organize, in the biennium 1996-1997 from existing resources in the Programme, a regional meeting for the purpose of reporting on the progress

made, and to present his proposals for future reorientation;

2. Also requests the Director-General to report to the General Conference at its seventh session through the Industrial Development Board on the implementation of the present resolution.

9th plenary meeting 8 December 1995

GC.6/Res.15 MOBILIZATIONOF FINANCIAL RESOURCES FOR UNIDO PRO-GRAMMES

The General Conference,

Recalling its resolution GC.5/Res.8,

Recalling Industrial Development Board decisions IDB.14/Dec.3 and IDB.14/Dec.13,

Taking note of the information included in the Annual Reports of UNIDO for 1993 and 1994 and in document GC.6/30,

Taking into account the financial situation of UNIDO and the envisaged new organizational structure of UNIDO.

Emphasizing the growing importance of mobilizing extrabudgetary resources to strengthen the technical cooperation activities of UNIDO,

- 1. Encourages the Director-General to enhance cooperation within the United Nations system, as well as with all donors, international financial institutions and representatives of the private sector, in order to increase the volume of voluntary contributions;
- 2. Stresses, therefore, the necessity of maintaining and increasing the capability of the Organization in the field of mobilization and management of voluntary contributions;
- 3. Requests the Director-General to report on the measures taken to implement the present resolution to the Industrial Development Board at its next regular session.

9th plenary meeting 8 December 1995 GC.6/Res.16 MATTERS RELATED TO INTERGOVERNMENTAL, NON-GOVERNMENTAL, GOVERNMENTAL AND OTHER ORGANIZATIONS

The General Conference,

Taking note of the recommendations of the UNIDO Forum for Non-governmental Organizations on Cleaner Industrial Production (Vienna, 30 November - 1 December 1995);

Being aware of the important role played by international, regional and national non-governmental

organizations in bilateral and multilateral cooperation programmes;

- 1. Requests the Director-General to strengthen cooperation with non-governmental organizations from developed and developing countries and countries with economies in transition and to involve them in the efforts of the Organization;
- 2. Requests the Director-Generalto organize, as appropriate, forums for non-governmental organizations on selected priority areas of UNIDO.

9th plenary meeting 8 December 1995

Annex DOCUMENTS SUBMITTED TO THE GENERAL CONFERENCE AT ITS SIXTH REGULAR SESSION

Symbol	Agenda Item	Title
GC.6/1	3	Provisional agenda
GC.6/1/Add.1 and Corr.1	3	Annotated provisional agenda
GC.6/2	7	Report of the Industrial Development Board on the work of its twelfth session
GC.6/3	7	Report of the Industrial Development Board on the work of its thirteenth session
GC.6/4	7	Report of the Industrial Development Board on the work of its fourteenth session
GC.6/4/Add.1	7	Report of the Industrial Development Board on the work of its fourteenth session. Resumed fourteenth session of 31 October 1995
GC.6/5	9(c)-9(h)	Progress report for 1994 on specific UNIDO activities. Submitted by the Director-General
GC.6/5/Add.1	9(f)	Industrial investment promotion: Measures to improve and strengthen the UNIDO network of Investment Promotion Service offices. Report by the Director-General
GC.6/5/Add.2	9(f)	Industrial Investment Promotion. Report by the Director-General
GC.6/6	9(a)	The external debt and industrial development. Progress report by the Director-General
GC.6/6/Add.1	9(a)	The external debt and industrial development. Report by the Director-General
GC.6/7	12(a)	Joint United Nations/UNIDO conference services. Progress report by the Director-General
GC.6/8	9(j)	UNIDO technical cooperation activities in 1994. Report by the Director-General
GC.6/8/Add.1	9(j)	UNIDO technical cooperation activities. Report by the Director-General
GC.6/9/Rev.1 and Corr.1	10(b)	Regional priorities and programmes: Arab countries. Report by the Director-General
GC.6/10	12(a)	Information on developments concerning the unified conference service. Report by the Director-General
GC.6/11	10(a)	UNIDO support for the Second Industrial Development Decade for Africa. Report by the Director-General

Symbol	Agenda Item	Title
GC.6/12	9(f)	Economic and technical cooperation among developing countries. Report by the Director-General
GC.6/12/Add.1	9(f)	Economic and technical cooperation among developing countries. Report by the Director-General
GC.6/13/Rev.1	10(c)	Special programme for the Industrial Development of Asia and the Pacific. Report by the Director-General
GC.6/14/Rev.1	10(d)	Regional Cooperation Programme for the Industrial Recovery of Latin America and the Caribbean. Report by the Director-General
GC.6/15	9(j)	Operational activities for development. Note by the Director-General
GC.6/16	12(g)	Matters related to intergovernmental, non-governmental, governmental and other organizations. Note by the Director-General
GC.6/17/Rev.2	-	Lists of States included in Annex I to the Constitution of UNIDO. Note by the Secretariat
GC.6/18 and Corr.1	9	Industrial Development: Global Report 1995. Executive summary prepared by the Secretariat
GC.6/19	10(e)	UNIDO activities in Europe and the Newly Independent States of the former Soviet Union. Report by the Director-General
GC.6/20	9(g)	Industrialization of the least developed countries. Report by the Director-General
GC.6/21	11	Projects approved under trust fund arrangements. Report by the Director-General
GC.6/22	12(h)	Electronic data-processing programme of UNIDO. Report by the Director-General
GC.6/23	9(i)	UNIDO contribution to global United Nations conferences. Report by the Director-General
GC.6/24	9(c)	Development of human resources for industry. Report by the Director-General
GC.6/25	9(h)	Private sector development, industrial rehabilitation and modernization. Progress report by the Director-General
GC.6/26	9(f)	Development and transfer of technology. Report by the Director-General
GC.6/27	9(d)	Small and medium enterprises. Report by the Director-General
GC.6/28	9(e)	Environmentally sustainable industrial development. Report by the Director-General
GC.6/29	12(f)	Headquarters agreement between UNIDO and the Republic of Austria. Report by the Director-General

Symbol	Agenda Item	Title
GC.6/30 and Corr.1	8(a)	The UNIDO reform. Report by the Director-General
GC.6/30/Add.1	8(a)	Impact of reform. An outline of improvements at UNIDO. Report by the Director-General
GC.6/31	9	Executive summary of the report of the Global Forum on Industry, New Delhi, India, 16-18 October 1995. Prepared by the Secretariat
GC.6/32	12(a)	Financial situation of UNIDO. Report by the Director-General
GC.6/33	12(c)	Scale of assessment for the fiscal period 1996-1997. Note by the Secretariat
GC.6/34	-	Report of the Main Committee. Submitted by the Chairman of the Main Committee, Mr. K. G. Kgoroba (Botswana)
GC.6/35	8(d), 12	Report of the Industrial Development Board on the work of its sixth special session
		* * * *
GC.6/INF.1	-	Advance information for participants
GC.6/INF.2	3	List of documents
GC.6/INF.3/	-	List of participants
Rev.1		* * * *
GC.6/CRP.1	12(e)	List of staff of the UNIDO Secretariat as of 18 November 1995. Submitted by the Secretariat
GC.6/CRP.2	-	Report on the results of the informal consultations of Permanent Missions in Vienna for the preparation of the General Conference. Submitted by the President of the fourteenth session of the Industrial Development Board, H.E. Mrs. Fügen Ok
GC.6/CRP.3	-	Contingency plans. Submitted by the Director-General
GC.6/CRP.4	9(d)	Before, during and after the Fourth World Conference on Women
		* * * *
GC.6/L.1 and Add.1	-	Draft decisions and resolutions submitted on behalf of the Main Committee by its Chairman
GC.6/L.2	5	Credentials of representatives in the Conference. Report of the Credentials Committee
GC.6/L.3	-	Draft decisions submitted by the President (based on recommendations by the sixth special session of the Industrial Development Board)

Symbol	Agenda Item	Title
IDB.13/19	8(c)	Revised draft medium-term plan, 1996-2001. Proposals of the Director-General
IDB.14/25	8(c)	New framework for field representation. Note by the Director-General
IDB.S.6/2	8(d)	Programme and budgets, 1996-1997. Revised proposals by the Director-General
A/50/487	10(a)	Implementation of the programme for the Second Industrial Development Decade for Africa (1993-2002). Report of the Secretary-General