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D04241



United Nations Industrial Development Organization

Distr.
GENERAL

ID/B/85
20 February 1971

ORIGINAL: ENGLISH

Industrial Development Board

Fifth Session

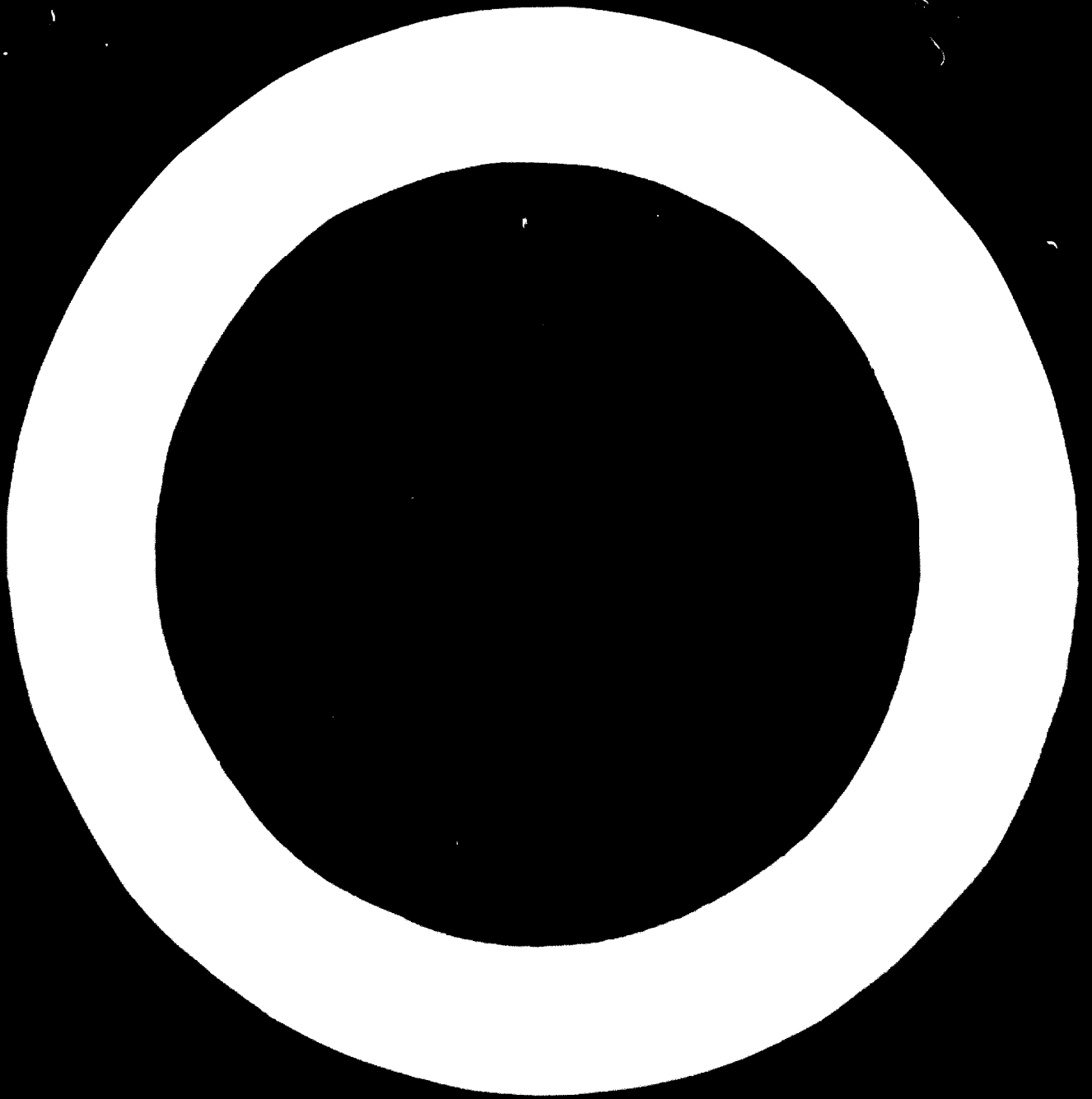
Vienna, 24 - 28 May 1971

Agenda item 7

ADMINISTRATIVE ACTIVITIES AND ORGANIZATIONAL
MATTERS OF UNIDO IN 1970

Report by the Executive Director

id.71-1104



Contents

	<u>Paragraph</u>	<u>Page</u>
Legal Liaison	1 - 3	3
Personnel Matters	4 - 30	3
Financial Matters	31 - 42	8
Conference Services	43 - 48	10
General Services	49 - 52	11
Technical Equipment Procurement and Contracting	53 - 63	11
Headquarters Planning and Administrative Management Activities	64 - 107	13
New York Liaison Office	108 - 122	28
Public Information Service	123 - 126	30

Annexes

Annex I Geographical Distribution of the Professional Staff of UNIDO	1 - 5
Annex II Organisation of the UNIDO Secretariat	1 - 13

LEGAL LIAISON

IMPLEMENTATION OF THE HEADQUARTERS AGREEMENT

1. The negotiations on the Supplemental Agreement on Social Security were concluded satisfactorily and the Agreement was signed by the Executive Director of UNIDO and the Austrian Foreign Minister on 15 December 1970. It is to be noted that the Agreement opens all branches of the Austrian Social Security scheme to UNIDO staff members on a voluntary basis, irrespective of nationality. A new revised version of the draft Supplemental Agreement on the Temporary Headquarters has been received by UNIDO from the Federal Ministry of Foreign Affairs and is at present under study. Negotiations have continued on the Supplemental Agreement relating to the operation of the Commissary, with the participation of representatives of the IAEA.
2. The provisions of the Headquarters Agreement concerning the privileges and immunities of UNIDO, of permanent missions and of the staff have continued to be implemented satisfactorily.

OTHER LEGAL ACTIVITIES

3. Besides giving legal advice to various administrative committees within the UNIDO framework, the Legal Liaison Office has continued to render assistance to the Technical Equipment, Procurement and Contracting Office in the preparation of contracts, purchase orders and framework agreements. Legal advice was also given to the substantive divisions of the UNIDO secretariat on legal questions and to Personnel Services, inter alia, when negotiating with Van Breda and Co., a firm of brokers acting on behalf of three European insurance companies, a rider to the Contract on Health Insurance for staff members, concluded on 1 August 1968. This rider deals with questions of premiums, health insurance for retired staff members and various other points of substance. Legal assistance was provided to the Industrial Services and Institutions Division in the preparation of a draft constitution and by-laws, as well as the rules of procedure for the World Association of Industrial and Technological Research Organizations (WAITRO). Legal assistance was further provided during the meetings of the Preparatory Committee and, subsequently, during the meeting of the Founding Members of WAITRO. The meeting of Founding Members, which took place in Vienna in October 1970, adopted the constitution and the by-laws of this new non-governmental organization. Legal advice was also given on a number of matters in which UNIDO or its staff were involved.

PERSONNEL MATTERS

ORGANIZATION AND STAFF CHANGES

4. On 17 August 1970, the Office of Personnel Services was reorganized. In addition to the Office of the Chief, there are now four sections: Project Personnel Recruitment; Secretariat Recruitment; Personnel Administration; and Special Services. The purpose of the reorganization was to place all recruitment activities for the secretariat in one section; provide more emphasis on the recruitment of project personnel while maintaining efforts to fill all secretariat professional posts; and to concentrate on the professional aspects of personnel administration of the secretariat staff. The assumption of all UNDP/SF project recruitment formerly performed by the Technical Assistance Recruitment Service (TARS) at United Nations Headquarters and the continued growth of the secretariat staff were major factors in deciding that a reorganization was necessary.

SECRETARIAT STAFFING

5. The comparative staffing situation of UNIDO on 1 January 1969, 15 November 1969 and 15 November 1970 was as follows:

	<u>1 January 1969</u>	<u>15 November 1969</u>	<u>15 November 1970</u>
P-5 and above	54	63	70
P-1 through P-4	163	190	222
Field Service Officers	12	11	9
General Service Staff	337	386	454
Manual Workers	<u>77</u>	<u>84</u>	<u>102</u>
Total	<u>643</u>	<u>734</u>	<u>857</u>

The above figures include five interregional and four special technical advisers attached to UNIDO headquarters. They do not include either short-term conference staff or the fourteen industrial development field advisers appointed jointly by UNIDO and UNDP.

PROFESSIONAL RECRUITMENT: UNIDO SECRETARIAT

6. On 15 November 1970 there were 39 professional net vacancies^{1/} against an authorized manning table of 337 professional posts.^{2/} Of the 298 posts filled, 268 were long-term appointments (one year or more) and nineteen were short-term appointments (less than one year).^{3/} Candidates for thirteen^{4/} of the 39 vacancies had accepted offers of appointment and were preparing to report for duty. Five of the remaining 26 vacancies were in the final stages of recruitment and candidates were under consideration for most of the others.

7. An analysis of the geographical distribution of the professional staff of UNIDO on 31 October 1970 is given in annex I.

CONSULTANTS PROGRAMME

8. Under the Consultants Programme, 183 Special Service Agreements were concluded and administered with outside experts during the period 1 January to 31 October 1970 at a total cost of \$255,035 against a programmed total of \$285,000 for the whole year: 101 Agreements, of which nine involved travel in the developing countries, were awarded for the preparation of technical papers or studies required for implementation of the UNIDO work programme; eighteen were awarded for technical consultations at UNIDO headquarters; and 64 Agreements covered both the preparation of technical papers and the participation of the author in a UNIDO expert group meeting or workshop.

^{1/} Five language posts (translators, interpreters, editors) in Conference Services, and 34 posts subject to geographical distribution.

^{2/} Including the four special technical advisers mentioned above but not the interregional advisers.

^{3/} Additionally, eleven posts were temporarily occupied by other staff such as Field Service Officers performing professional functions or were assigned for UNIDO duties to other United Nations offices.

^{4/} Ten long-term and three short-term.

9. It may be recalled that the raison d'être of the Consultants Programme is:
- "that the UNIDO field of activity covers an area of great complexity requiring highly specialized knowledge which is not always available within the staff resources of the secretariat. The recourse to outside consultants for highly specialized tasks that may be called for in connexion with some of the UNIDO activities is clearly more economical than the alternative of making use of highly specialized permanent staff whose competence would not always be utilized to full capacity."^{5/}

Details of funds allocated to this programme and their utilization by area of activity were given to the Industrial Development Board in documents ID/B/44 (para. 15,41 and table c) and ID/B/64 (Part One, para. 13,33 and table 5).

PROJECT RECRUITMENT

10. As from 2 November 1970, UNIDO assumed responsibility for the recruitment of UNDP/SF project staff and the few remaining UNDP/TA component posts which had been handled by New York. This completed the stage-by-stage hand-over of recruitment responsibility from TARS, Office of Personnel at United Nations Headquarters to the Project Personnel Recruitment Section of UNIDO, which began in January 1969.
11. A meeting of National Committees (subsequently renamed National Recruitment Services) convened by the Office of Personnel, United Nations Headquarters, was held in Vienna at the invitation of UNIDO from 14 - 18 September 1970. One of the major topics of the meeting was UNIDO project recruitment, and the opportunity was taken to present a full explanation of the particular problems of UNIDO and to discuss measures to overcome them. UNIDO assisted the Headquarters Division of Recruitment and the Geneva Technical Assistance Recruitment Service in organizing the meeting. UNIDO serviced the meeting, using this occasion to associate the national authorities more closely with UNIDO recruitment efforts.
12. The Deputy Chief of TARS spent several weeks in Vienna assisting in a review of recruitment procedures and preparation of the list of project vacancies before and after the National Committees meeting. The Recruitment Officer who had handled the bulk of UNDP/SF recruitment for UNIDO at TARS, United Nations Headquarters, was loaned to UNIDO for six months in conjunction with the take-over of that phase of recruitment.
13. There was a considerable increase in project recruitment activities in 1970. From January through November 1970, 325 UNIDO experts were appointed compared to a total of 246 for the whole of 1969. The monthly rate of appointments rose from an average of 25 during the first six months of 1970 to an average of 36 for the five-month period ending November 1970. This increase reflects the effect of the training that the new Recruitment Officers received in late 1969 and early 1970. During the first eleven months of 1970, 537 new job descriptions for expert posts were prepared and distributed by UNIDO (460 job descriptions were issued in 1969). There has been a constant refinement of procedures and techniques, the most important being the completion of computerization of searches for candidates with the qualifications required for specific vacant posts. This involved a major diversion of clerical staff to prepare the input data for more than 6,000 individual candidates.

^{5/} Programme of Work of UNIDO for 1969; document ID/B/26, para.13.

14. Personnel Services have worked closely with the Technical Equipment Procurement and Contracting Office (TEPCO) in furthering the programme of contracting for expert services in sectors in which recruitment of individual experts would take too long or which have proved to be unduly difficult.

PERSONNEL ADMINISTRATION

15. Salaries for General Service and Manual Worker categories of staff in Vienna were revised as from 1 January 1970 after a joint review of salary and cost-of-living indices by IAEA and UNIDO.

16. The International Labour Office conducted a complete place-to-place cost-of-living survey for international officials in Vienna in May 1970 to establish the Post Adjustment Index. Personnel Services actively participated in the organization of the survey. The new index as of May 1970 was 109. The semi-annual survey to update the index was started in November in co-operation with IAEA and ILO.

17. The on-duty language training programme was introduced in January 1970 when the new language laboratory was installed. Classes in French and Spanish using modern audio-visual techniques are offered. Daily audio-visual classes in German were made available to staff members. The evening off-duty language training programme was intensified to provide twice-a-week instruction. During the summer months, new teaching material was reviewed and training in audio-visual instruction techniques was given to several part-time instructors.

18. For the Autumn semester 1970, daily lunch-time classes in English, French, Spanish and Russian were introduced. Most of these classes used audio-visual or audio-oral teaching methods and the language laboratory. There was a full schedule of evening courses in English, French, Spanish, Russian and German, many of which also used the language laboratory. Discussions were held with staff responsible for language training at Headquarters, the European Office at Geneva, FAO and UNESCO in an effort to standardize the language training of the various organizations.

19. The premiums for the Group Medical Insurance contract were re-negotiated jointly with IAEA and some minor revisions of the contract were made. An automatic premium adjustment clause was included in the new contract. It was agreed that IAEA and UNIDO staff would be considered as one group for purposes of applying this clause. Due to the high rate of claims, the cost of full medical insurance coverage increased nearly 35 per cent. The cost of supplementary insurance (for staff with Austrian public medical insurance) increased only slightly, while disability insurance coverage decreased in cost. The new policy is valid through 31 December 1971.

20. The computerization of basic personnel data for UNIDO secretariat staff was completed in 1970 and routine listings were regularly received. The programme proved its value and more advanced use of the stored information is planned.

21. A six-month trial project of announcing higher level General Service vacancies was initiated in May 1970 at the request of the Staff Council. A cost-benefit analysis of the trial was prepared for review by the Joint Advisory Committee.

22. There was continuing informal and formal co-ordination with the Division of Personnel, IAEA, regarding common personnel policies, classification of General Service and Manual Worker posts, medical insurance and cost-of-living survey work.
23. The Consultative Committee on Administrative Questions (CCAQ) issued a number of position papers on personnel policy matters and questionnaires on personnel programmes in 1970. Comments on, and statistics for, these papers were furnished regularly to United Nations Headquarters. The question of UNIDO participation in inter-agency meetings on personnel, budgetary and financial matters was again raised unsuccessfully.
24. The second promotion review of General Service staff, begun in late 1969, was completed in 1970 when the Appointment and Promotion Panel (APP) recommended a total of 53 staff members for promotion to levels G-5 and above. The promotions were approved by the Executive Director. A similar promotion review of Manual Worker staff resulted in 9 promotions. The APP commenced the third review of General Service staff in Autumn 1970 with the objective of making its recommendations in sufficient time to permit the resulting promotions to be effected early in 1971. This was in line with the schedule tentatively planned when the APP was first established in 1968.
25. UNIDO recommendations for the 1970 Professional Promotion Registers were forwarded to United Nations Headquarters in January 1970 and the Chief, Personnel Service, represented UNIDO before the Headquarters Appointment and Promotion bodies. The recommendations for the 1971 Promotion Registers are to be forwarded at the end of 1970. An informal UNIDO review group, composed of the Directors of the five Divisions, was established to give comments on the individual recommendations to the Executive Director.
26. Personnel Services started a review of procedures and work methods to rationalize the clerical work which increased considerably as the increased operational activities of UNIDO were reflected in the growth of both secretariat and project staff.

STAFF WELFARE

27. The focus of activity in Staff Welfare work gradually moved from assisting newly arrived staff towards counselling and advising staff with personal problems and assisting staff to organize common interest groups to promote recreational and cultural activities. New staff are however still assisted in obtaining accommodation and in matters pertaining to buying, insuring and licensing private vehicles. The additional activities reported in previous years have been continued. The Staff Welfare Officer spent a great deal of time in 1970 assisting individual staff members to arrange for hospitalization and payment of hospital bills and to ensure that those who had no dependents in the area were taken care of. The Staff Welfare Officer was appointed Secretary to the two local UNIDO panels which recommend disposition of claims resulting from service-incurred accidents, death or illness and from loss or damage of personal property connected with official duties.

JOINT MEDICAL SERVICE

28. Agreement was reached with IAEA on the operation and financing of the Joint Medical Service (JMS). All the staff, except for one nurse holding a United Nations permanent appointment

are appointed by IAEA and administered in accordance with their rules and regulations. Control of the JMS is the joint responsibility of the Chief, Personnel Services, and the IAEA Director of Personnel. Financing is shared proportionately to the actual use of the services by each organization.

29. The JMS was able to clear the backlog of periodic medical examinations and was, by mid-1970, following the regular United Nations schedule.

STAFF RELATIONS

30. The Joint Advisory Committee (JAC) continued to be the main avenue for settling general staff problems. The representatives of the Staff Council and the Executive Director worked together harmoniously to explore problems and recommend solutions. A number of other joint administration-staff bodies including the Local Appointment and Promotion Panel, Staff Welfare Board, Commissary Board of Management, Restaurant Advisory Committee, Local Claims Review Panel and Local Advisory Board on Compensation Claims met regularly in 1970 to deal with matters within their terms of reference. These joint bodies co-operated satisfactorily for the benefit of both the organization and the staff.

FINANCIAL MATTERS

31. The activities of Financial Services were characterized in 1970 by the absorption of a substantial addition of workload. The following increases observed during the year in selected areas are indicative of the over-all pattern of growth:

Increases over corresponding period in 1969
(in per cent)

Disbursement vouchers	28.0
Cash receipt vouchers issued	38.0
Invoices processed	25.0
Cheques and transfer orders issued	40.0

32. The additional workload, which resulted from the considerable expansion of the organization's activities, was absorbed through improved work methods and augmented productivity of the staff without corresponding increase in staff. However, it becomes gradually more difficult to keep pace with the continuing increase in workload because of the inadequacy of the present accounting equipment. This difficulty will be fully remedied only through the completion of the computerization of the accounting system. It was nevertheless possible in 1970 to introduce minor improvements in the financial reporting system and to provide assistance to all sectors of the organization in the control of expenditures.

BUDGET

33. The budget estimates of UNIDO for 1971, which were completed in late 1969 and submitted to the Board at its fourth session (ID/B/66), were prepared before the Administrative Management Service began the survey of staff utilization and deployment. No provision for staff over the 1970 establishment was, therefore, included in these initial estimates so as not to prejudge the findings of the survey.

34. These budget estimates were subsequently reviewed by the Advisory Committee on Administrative and Budgetary Questions (ACABQ) in May 1970. After the completion of the manpower survey in August 1970, revised estimates reflecting the recommendations were prepared and submitted by the Secretary-General to the General Assembly which subsequently approved them.

35. Improvements were made in the system of planning and allocation of resources from budgetary and extra-budgetary funds. Thus, Financial Services have enhanced their participation in the planning phase of the work programme, in order to ensure that consideration of financial and administrative aspects is an integral part in the elaboration of each project.

FINANCIAL REPORTING

36. Considerable staff time was directed in 1970 to the task of strengthening control and review procedures on the implementation of projects. As a follow-up to previous studies, in particular those made by the Auditor-General of Canada in 1968 and 1969, a system of periodic financial data statements was evolved, designed to facilitate management decisions and programme control. The primary aim of the system is to compare planned activities with actual performance so as to discern delays in the programme, determine and analyse their cause and initiate remedial action. Increased attention was given to the provision to management of timely financial and other statistical information concerning field projects. Changes in reporting procedures have been introduced in conformity with UNDP requirements, and developments consequent on the Capacity Study are being followed up with a view to implementing speedily the decisions concerning the financial information system.

TREASURY ACTIVITIES

37. By the end of 1970, the Treasury operated a total of 46 bank accounts in 31 countries. Total disbursements in the course of the year are in the proximity of \$15,600,000.

38. The control of collections of the voluntary contributions pledged to the UNIDO General Trust Fund and of subsequent disbursements, involving transactions in a large number of currencies, has been one of the important features of the work of the Treasury during the year.

FINANCIAL CONTROL OF TRAVEL

39. In order to improve the financial control and co-ordination of travel, financial approval of travel by headquarters and field staff, including consultants, has been centralized in Financial Services since mid-1970.

ACCOUNTS

40. In the first half of 1970, considerable effort was expended in the computerization of the regular payroll, and by mid-year it became possible to replace the manually calculated payroll by a fully computerized operation. In co-operation with the Office of Headquarters Planning and Administrative Management, steps have been taken to extend the computerization to the Technical Assistance Experts' payroll and other accounting applications.

41. Further improvements are envisaged in the field of standardization of nomenclature, classification and coding essential for effective interchange and consolidation of information. Efforts are also being directed towards the utilization of computer techniques in the preparation of financial statements from accounting records.

42. As proposed by the External Auditors, a revised set of financial statements was used to report on the 1969 accounts, reflecting UNIDO's accountability for all financial resources placed at its disposal.

CONFERENCE SERVICES

43. The volume of publications and documentation for meetings has continued to grow and now exceeds considerably the limited capacity of Conference Services, especially with regard to translations. In spite of the continued difficulty of recruiting permanent language and editorial staff, the average output compares favourably with that of similar groups within the United Nations family. Nevertheless, and in spite of resort to short-term staff and outside contractual assistance, a rapid build-up of a backlog is unavoidable if the language staff is not strengthened within the near future.

44. Some improvement was achieved in 1970 with regard to the acceleration of the processing and the clearance of manuscripts by the editorial staff. The outpostting of editors to the substantive divisions, a move that had been contemplated, did not materialize owing to lack of posts. Further efforts are necessary to improve the quality of manuscripts submitted for publication.

45. A Publications Committee has been established within UNIDO and has begun work. It has been able to identify a number of organizational and substantive problems that require attention. A study of these problems has been undertaken, and it is expected that it will lead to an improvement in the quality and to a reduction of the quantity of UNIDO publications.

46. The Documents Section has been active in the reproduction of documents for UNIDO and for other United Nations conferences through its own facilities and under the common service arrangements with the IAEA. The purchase of additional equipment is expected to contribute to the avoidance of bottle-necks during peak periods when clashes of priorities occur. There remain a number of space problems which must first be resolved if this difficulty is to be overcome. Additional capacity will continue to be used to increase the part of the UNIDO publications programme that can be produced internally rather than on a contractual basis, for internal reproduction can result in a considerable reduction of costs.

47. The Conference Unit has continued to organize and service effectively UNIDO meetings both at Headquarters and outside. It has continued to grant assistance in the preparation and organization of United Nations and specialized agency meetings in Vienna. Due to the considerable pressure of work in Geneva, it is expected that a number of conferences will continue to be held in Vienna. Co-operation with the United Nations European Office in Geneva and with the Austrian Authorities has continued most satisfactorily.

18. The common interpretation service with the IAEA has continued to operate smoothly, and considerable savings have accrued to both organizations from this common effort. It is expected that co-operation in the same field with the European Office in Geneva and with specialized agencies will be continued on a mutually satisfactory basis.

GENERAL SERVICES

49. With the continued expansion of the work programme of UNIDO, additional work falls to the General Services. In 1970, the three substantive divisions and the Technical Co-operation Division, which had been located in the Felderhaus, were moved to the Lerchenfelderstrasse complex, and several sections of the Division of Administration were transferred to the Felderhaus. General Services assisted in this movement of staff which was carried out in a minimum of time and without disrupting the substantive work of the organization.

50. In April 1970, the UNIDO catering facility in the Hostel building commenced operations. This operation, like the Commissary, is managed by UNIDO on a break-even basis. A total of eight General Service posts and 27 Manual Worker posts are financed from the profits of the Commissary and the catering operation.

51. With the completion of the Hostel building, additional storage space has become available in the Hostel basement. Moreover, several machine shops have been established in the Hostel building to facilitate the day-to-day maintenance of the UNIDO premises.

52. The sale of United Nations postal stamps continues to be a successful venture and has proved to be a source of revenue for the United Nations.

TECHNICAL EQUIPMENT PROCUREMENT AND CONTRACTING

53. The year 1970, as compared with 1969, was marked by a sharp increase in the volume and value of purchases and contracts and by a progressive advance in value of project inventories, as indicated by the figures in table 1. The upward trend reflects not only acceleration in the implementation of earlier approved projects and the initiation of new projects, but also the increased use of subcontracting as a method of project implementation. As of December 1970, orders and contracts in preparation or under administration amounted to approximately \$10,000,000.

54. Through subcontracting, TEPCO is playing an increasingly important role in the implementation of UNIDO projects and, in so doing, is furthering the working partnership with the Technical Co-operation Division and the substantive divisions. At the same time, the co-ordination of policy and procedures within the United Nations system is being advanced by good contacts with, and co-operation from, the Financial Management and Administrative Policy Division of the UNDP and the purchasing and contracting offices of the various agencies.

PROCUREMENT

55. Based on international bidding, 548 new orders and amendments were placed in 1970 with 325 suppliers in 20 countries. Consisting primarily of machine tools, industrial research and laboratory items, deliveries were effected to 36 UNDP/SF, UNDP/TA and SIS projects, principally for the equipment of industrial centres and other institutes.

56. On the basis of voluntary contributions, orders were also placed for eight mobile workshops for various destinations and for machine tool accessories and parts. A large quantity of equipment and spare parts was procured for the Government of Romania as emergency assistance to replace losses from the severe floods in May 1970.

CONTRACTING

57. In the course of 1970, 19 contracts were completed; 111 new contracts and amendments were signed; and approximately 65 contracts are presently under administration. The total value of contracts in preparation or under administration as of 31 December amounted to approximately \$8,500,000.

58. Beginning in mid-1970, greater use has been made of subcontracting for SIS projects, substantially reducing the lead-time for initiation of action. More than one hundred experts have taken up field assignments in 1970, on the basis of 44 contracts ranging from 1 man/month assignments to major pre-investment studies, covering food and forest products processing, ferrous and non-ferrous metals, petrochemicals, textiles, repair and maintenance and management studies. A further 21 contracts were executed under the Regular Budget and voluntary contributions for engineering and other technical services.

MISSIONS AND MEETINGS

59. During 1970, TEPCO staff members participated in a number of special UNIDO missions relating to the initiations or execution of project subcontracting. Meetings with government officials and consulting organizations were held in Bratislava, Budapest, Ottawa and Washington. TEPCO representatives also took part in the British Consultants Bureau Seminar on Overseas Contracting in London in September and in the "Journées d'Information sur le PNUD" in Brussels in November.

ADMINISTRATIVE MATTERS

60. Preliminary steps have been taken to delegate additional authority to project managers for local purchasing and, in some cases, for subcontracting, with the expectation that the intended new arrangements will become fully operative in 1971.

61. With the increase in work volume, efforts have been continued to rationalize procedures and accelerate implementation. New registration forms have been introduced; improved classification and selection systems are in operation; leaflets and articles have been prepared on purchasing and contracting procedures; and more than 200 information "packets" have been distributed to prospective vendors and contractors.

62. The Control Unit handled nearly \$5,500,000 in requisitions in 1970 and carries an increasing task in the processing of invoices, expediting equipment deliveries, registering and insuring vehicles, and in the maintenance of field inventories.

STATISTICS

63. Comparative statistics for the various TEPCO operations are shown in table 1 below.

Table 1

Comparative statistics for TEPCO, 1968 - 1970

	<u>1968</u>	<u>1969</u>	<u>1970</u>
Number of purchase orders and amendments	76	382	548
Approximate value of purchase orders and amendments	\$62,000	\$482,700	\$1,139,600
Number of contracts and amendments	2	26	111
Approximate value of contracts and amendments	\$41,000	\$1,516,000	\$2,610,500
Number of requisitions processed	241	360	620
Value of requisitions processed	N.A.	\$2,834,080	\$5,449,186
Approximate value of project inventories	N.A.	\$1,330,000	\$1,650,000

HEADQUARTERS PLANNING AND ADMINISTRATIVE MANAGEMENT ACTIVITIES

64. On the basis of the recommendations contained in the report of the External Auditors for the year ended 31 December 1969, and supported by the findings of the United Nations Administrative Management Service (AMS) in its manpower study, additional responsibilities were delegated to the Office of Headquarters Planning and Administrative Management, particularly in the areas of systems design, organization and methods and electronic data processing.

TEMPORARY HEADQUARTERS

65. The following information supplements that which appeared in the report for 1969 (ID/B/70) and reflects the situation as of 31 December 1970.

66. The Government of Austria and the City of Vienna gave further evidence of their continuing and effective assistance to UNIDO during 1970 by providing additional accommodations for the temporary headquarters. With the provision of the new Hostel building, which was made available on 5 December 1969, it became apparent that a major relocation of staff from the Felderhaus

to Lerchenfelderstrasse would have to be undertaken due to the congestion in the former location. It was decided, therefore, that the Office of the Executive Director, the Industrial Policies and Programming Division, the Industrial Technology Division and the Technical Co-operation Division would best be accommodated in the Lerchenfelderstrasse complex, adjacent to the Industrial Services and Institutions Division which had already been located there. This relocation would provide a more suitable physical and functional arrangement and would allow for some expansion in the immediate area to accommodate additional substantive staff through 1970 and early 1971.

67. The major moves were accomplished with minimum inconvenience during the period June - August 1970. To facilitate operational co-ordination between the substantive and key administrative groups, the Office of the Director, Division of Administration, Conference and General Services, the Technical Equipment Procurement and Contracting Office and some units of the Office of General Services were likewise accommodated in the Lerchenfelderstrasse complex. The remainder, comprising Personnel, Conference and Financial Services and the Office of Headquarters Planning and Administrative Management, was relocated in the Felderhaus.

68. As a consequence of this major relocation, it was also necessary to transfer a number of support administrative services such as the main registry, telex and documents distribution from the Felderhaus to the Lerchenfelderstrasse, a move that entailed a number of structural modifications in Prefabs A, B and, to a lesser extent, in the Felderhaus. Further, this necessitated converting the lobby, the restaurant, kitchen and cafeteria in Prefabs A and B into new offices and other service areas - a project which the Austrian authorities graciously undertook and completed in record time and which resulted in an increase of some 75 m² of net usable space in these buildings.

69. A recapitulation of the total available space and occupancy as of 31 December 1970 is presented in table 2 below.

70. In the latter part of 1969 and early 1970, when it became apparent that the planning and construction period of the permanent headquarters of UNIDO would again be extended and could not possibly be completed before early 1974, further requests were made to the Austrian authorities for additional space, comprising some 5,281 m² of office space and service areas to cover the period from 1971-1973 inclusive. In response to these requests and in the light of the construction schedule of the permanent headquarters as foreseen at that time (completion date of 1974 announced in the General Assembly), the Federal Minister of Foreign Affairs informed the Executive Director on 6 May 1970 that the following additional premises for the temporary headquarters of UNIDO would be provided in 1971-1972. In the view of the Austrian authorities, these premises should accommodate some 300 persons and be sufficient through 1974.

- (a) Two small extensions to the Hostel (C and C-1), comprising 1,320 m² of net usable space to be constructed by mid-1971 (photo 1);
- (b) A remodelled building adjacent to, and connected with, the present Felderhaus, to contain 2,447.6 m² of net usable space and be made available in the third quarter of 1972 (photo 2).

Table 2

Total usable space and occupancy in temporary headquarters buildings as of 31 December 1970

	Total usable space (net m ²)	Office space (net m ²)	Special-use and service areas (net m ²)	Occupancy ^{a/} (no. persons)			Reserve space		
				Office space	Special-use and service areas	Total	Offices		Desks ^{b/}
							No.	Total (m ²)	
Felderhaus	5,362.55	3,809.60	1,552.95	267	91	358	25	607.10	57
Hostel (Part A)	4,546.15	2,477.50	2,068.65	182	51	233	7	153.65	18
Annex A	2,132.83	1,628.51	504.32	90	38	128	20	338.94	14
Annex B	1,621.64	1,391.12	230.52	93	23	116	10	146.63	10
Annex C	2,084.60	1,408.89	675.71	108	58	166	7	129.06	10
Hofburg	1,386.25	-	1,386.25	-	14	14	-	-	-
Rathaus	642.00	-	642.00	-	1	1	-	-	-
Commissary	547.36	-	547.36	-	8	8	-	-	-
Total	18,323.38	10,715.62	7,607.76	740	284	1,024	69	1,375.38	109^{c/}

a/ Includes authorized and extra-budgetary posts, consultants, temporary staff, IAEA personnel and commercial affiliates (Bank, Wagon Lits/Cook, cleaning contractors etc.).

b/ Potential desk space in partially occupied offices for temporary conference staff, visitors, short-term consultants etc.

c/ Average at 8.3 m² per desk = approximately 903.58 m².

Note: The slight variations in the "Total usable space (net m²)" shown in this table as compared to the one in the report for 1969 result from the various modifications and structural changes made in the premises during 1970. The calculations are updated annually.

ADDITIONAL PREMISES FOR 1971

PHOTO 1

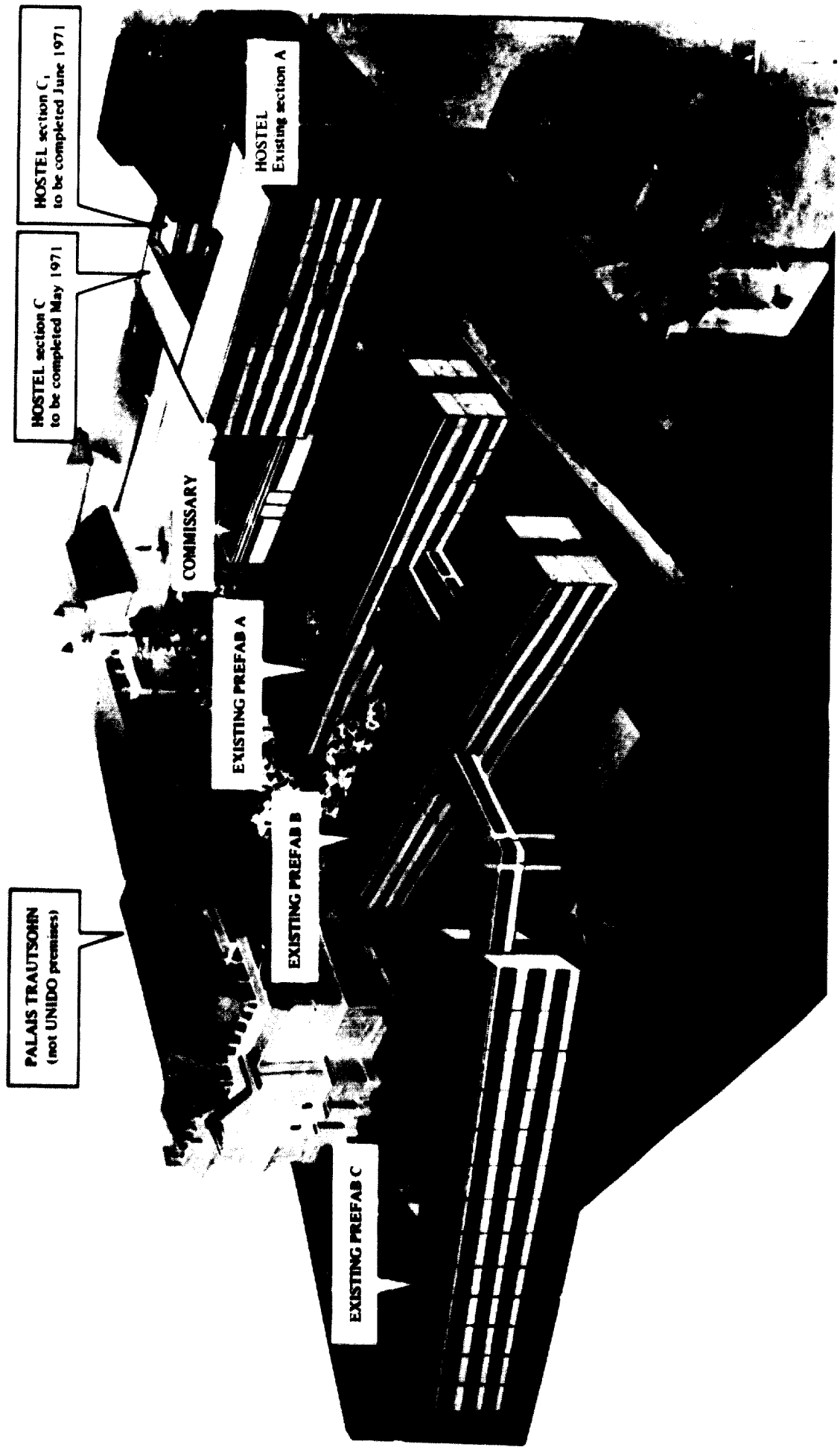


PHOTO 2

ADDITIONAL PREMISES FOR 1972



71. The construction of the extensions noted in (a) above has commenced, and they should be ready for occupancy in May and June 1971. Upon detailed review of the final plans, however, it is estimated that these two small extensions will accommodate a maximum of 88 occupants (instead of 100 persons as originally estimated) in 1,050.6 m² of net office space and provide additional service areas of 269.4 m² in the two basements. The final plans of the new building adjacent to the Felderhaus have not been provided to UNIDO as yet. However, provisional estimates would indicate a potential availability in late 1972 of an additional 1,656 m² net office space (1st to 6th floors) which could accommodate a further 135-140 staff (instead of 200 as originally forecast), 199.0 m² on the 7th floor for additional conference facilities and 596.6 m² of service areas on the 1st to 6th floors, the ground floor and basement.

72. In addition to the above new facilities to be provided in 1971-1972, a further 369.0 m² of service areas are to be made available in the Rathaus (Townhall) in early 1971 for the expansion of archives and documents storage.

73. With the additional space to be made available by the Austrian Government in 1971-1972 (in the Rathaus, the Hostel extensions and the Annex to the Felderhaus), comprising 2,706.6 m² of net office space and 1,430.0 m² of special-use and service space (total 4,136.6 m² net usable), the total provision of usable space by 1972 would be as follows:

Table 3
Total usable space to be available by the end of 1972

	<u>Office space (m²)</u>	<u>Special-use and service areas (m²)</u>	<u>Total usable (m²)</u>
<u>1970</u> (see table 2)	10,715.62	7,607.76 *	18,323.38
<u>1971</u> Extensions C and C-1 to Hostel	1,050.60	269.40	1,320.00
Rathaus (extension of storage space)	-	369.00	369.00
<u>1972</u> Annex to Felderhaus	1,656.00	791.60	2,447.60
<u>Total</u>	<u>13,422.22</u>	<u>9,037.76</u>	<u>22,459.98</u>

74. On the basis of the above calculations, the maximum potential occupancy in the total usable space (22,459.98 m² - office and service areas) in all the available buildings by 1972 would be some 1,425 to 1,450 occupants, of which approximately 1,156 could be accommodated in office space (13,422 m² net office space at approximately 12.0 m² per capita utilization). Table 4 below reflects the total space availability in 1972 and the maximum potential occupancy.

Table 4
Space availability (1972) and estimate of maximum potential occupancy
in present and future premises

	<u>Total m² available</u>	<u>Maximum occupancy</u>		
		<u>Offices</u>	<u>Special-use and service areas</u>	<u>Total</u>
<u>Present</u>				
December 1970 - space in use	16,044.42	740	284	1,024
Reserve space	2,278.96	190	-	190
Sub-total	<u>18,323.38</u>	<u>930</u>	<u>284</u>	<u>1,214</u>
<u>1971</u>				
Extensions: Hostel (C + C-1)	1,320.0 ^{a/}	88	5	93
Rathaus	369.0	-	-	-
<u>1972</u>				
Annex Felderhaus	2,447.6 ^{b/}	138	5	143
Total	<u>22,459.98</u>	<u>1,156</u>	<u>294</u>	<u>1,450</u>

a/ 1,050.6 m² - Office space for approximately 88 staff.
 269.4 m² - Service areas in basements for expansion of storage facilities and shops.
1,320.0 m²

b/ 1,656.0 m² - Office space for approximately 138 staff.
 596.6 m² - Service areas on 1st to 6th floors, ground floor and in basement.
 195.0 m² - Additional conference room and facilities.
2,447.6 m²

75. As reflected in table 2 above, on 31 December 1970 there was a total of 1,024 occupants in all the buildings, of which 740 were accommodated in office space and 284 in special-use and service areas. Thus, with the additional premises to be made available in 1971-1972 and with the existing reserve space, it should be possible to accommodate a further 426 persons (416 in office space and 10 in service areas).

76. Based on the most recent projections and taking into account the potential growth in financial resources from 1971 to 1976, the Executive Director has forecast a total regular staff, extra-budgetary and support personnel, of some 1,700 by 1976, excluding temporary assistance personnel for conferences, manual and operational personnel, affiliates, commercial and other occupants (grand total estimated at some 2,100 persons for 1976). On the basis of this new forecast of potential staff resources, a further need arises for additional space to accommodate an estimated increase of some 660 occupants, of which 400 to 450 would require office space. Accordingly, and in order to allow the Austrian authorities sufficient time to arrange for the provision of additional premises in the near future, a further request was made to the Minister of Foreign Affairs in early 1971 for additional temporary premises to be made available to UNIDO.

77. The Executive Director, in expressing his appreciation to the Austrian Government for its continuing support and substantial contribution in resolving the temporary accommodation problems, emphasized that the additional premises would have to be considered in early 1972 for the longer range programme, since the final decision had been taken on the selection of the design for the permanent headquarters. More specifically, he noted that the increase in space requirements to accommodate additional personnel through mid-1976 is based on: (a) the estimated increase in

financial resources and the acceleration of UNDP/SF programmes and other technical assistance activities allocated to UNIDO, resulting in an upward revision of the previous forecasts of the number of regular, extra-budgetary and overhead posts to become available; and (b) the extension of the planning and construction period for the permanent headquarters from early 1974 to mid-1976.

78. In view of the fact that the major increases of staff requiring office space will be in the substantive divisions, which are now located in the Lerchenfelderstrasse complex, the Executive Director requested that the additional premises be provided in this immediate vicinity, in order to avoid any further dispersment of the major organizational units and to retain the present physical and operational contiguity. The Executive Director is confident that the Austrian authorities will take the necessary measures to make these premises available, hopefully, no later than mid-1972, at which time it is anticipated that a critical shortage of office space will develop in the Lerchenfelderstrasse complex.

PERMANENT HEADQUARTERS

79. As was noted in the report to the Board in 1970 (ID/B/70, para.88), the Austrian authorities, on 12 December 1969, requested the four prize winners of the International Architectural Competition to revise their projects, "retaining the fundamental ideas of the prize-winning designs, but taking the jury's adjudication into consideration as far as possible". The original deadline for submitting the modified designs was 16 March 1970, but it was subsequently extended to 16 April 1970.

80. The four prize-winning architects presented their revised projects and detailed plans to the Austrian authorities in mid-April 1970, at which time a new group of nine independent experts was appointed by the Austrian Government to review the revised projects on a comparative basis with due regard to all the architectural, engineering and economic aspects, taking into account the new specifications and guidelines based on the assessment criteria of the jury, and to advise the Austrian authorities which design, in their view, would be most acceptable for execution. The composition of the Expert Committee of Nine and the fields of specialization were as follows:

Chairman: Prof. R. Rainer (Austria), Town Planning and Architecture
(including City by-laws)

Members: Prof. E. Engel (Austria), Traffic
Prof. J. B. Bakema (Netherlands), Town Planning and Architecture
Prof. F. Stüssi (Switzerland), Structural Design and Construction
Prof. C. Veder (Austria), Soil Mechanics and Foundations
Prof. N. Amiras (Austria), Installations
Prof. W. Schaupp (Fed. Rep. of Germany), Physical Properties of
Construction Materials
Mr. E. Van Name (USA), Functional Suitability of the Headquarters
and Conference Facilities
Dipl.Ing. P. Walter (Fed. Rep. of Germany), Economics

81. The panel of experts held its first series of meetings in the Hofburg from 4 to 6 May 1970, during which time the four revised designs were presented and described in some detail by the winning architects in the presence of representatives of the Republic of Austria, the City of Vienna, UNIDO and IAEA. At the close of the session, it was decided that the nine experts

would prepare and exchange their individual reports and reconvene during the week of 17 June 1970 for further discussions. Shortly after the first session of the panel of experts, the Austrian authorities provided the two organizations with copies of the revised designs and detailed plans and requested them to review the four projects on a comparative basis and submit their observations thereon. Accordingly, UNIDO and IAEA, with the assistance of their respective consulting firms from Switzerland and Sweden, prepared and submitted on 11 June 1970 a detailed but limited assessment of the individual designs and recommended one project (rated first by the jury) which, subject to certain specified structural modifications, would best meet the requirements of the two organizations. In the joint UNIDO/IAEA communication to the Austrian Government, it was clearly stated that the organizations' observations were confined solely to their primary interests as potential "users" of the permanent headquarters buildings specifically designated for their exclusive use, and not as the "promoters" of the total project whose main and over-all objectives were of a greater scope and included, in addition to the UNIDO/IAEA complex of buildings, a large international conference centre and various buildings and facilities for four additional organizations. The relevant extract of the joint letter that lent emphasis to this principle is as follows:

"Neither organization concerned itself with the aesthetics of the projects nor how any of the designs would fit into the future urban planning of the City of Vienna. The comments therefore bear on the functional utilization of the project including maintenance and operating costs which must, of course, be of paramount importance to both organizations in discharging their responsibilities to their Member States."

82. The panel of experts held their second and third series of meetings on 15 to 17 June and 7 July, respectively, during which time a summary report was prepared containing an 8-1 recommendation in favour of the Building Design Partnership (BDP) project. The negative vote was cast by Mr. E. Van Name, and a separate minority report was submitted by him to the panel of experts expressing the reasons for his objection to the panel's recommendation. The new ranking of the revised projects by the panel of experts as compared to the jury's original selection was as follows:

<u>New ranking</u>	<u>Jury's selection</u>
First: Building Design Partnership (BDP)	First: C. Pelli
Second: J. Staber	Second: Building Design Partnership (BDP)
Third: Novotny and Mähner	Third: Novotny and Mähner
Fourth: C. Pelli	Fourth: J. Staber

83. In early July 1970, when it became apparent that a decision on the selection of the design to be executed was imminent and that no further consultations had been held with the organizations regarding their joint report of 11 June 1970, the Austrian Ministry of Foreign Affairs made available to the organizations all the reports and related data prepared by the Committee and requested them "to examine the reasons for the experts' recommendations in the light of their own requirements". Further, in his letter of 28 July 1970, the Minister of Foreign Affairs clearly indicated that the final decision had not yet been taken and stated:

"The Austrian Government and the City of Vienna are fully aware of the fact that none of the four designs can be put into execution at present, since they meet in detail neither the requirements of UNIDO and IAEA nor the concepts of the Austrian planning authorities. The final project will have to be modified in consultation with both organizations in a process of general and detailed planning, provided that the basic architectural concept is preserved."

84. In accordance with the request of the Foreign Minister, a further and more extensive study was undertaken by UNIDO and IAEA, and a joint report with relevant attachments was submitted to the Austrian Government on 10 September 1970 covering: (a) general comments on the experts' reports, (b) analysis of the Building Design Partnership (BDP) project, (c) major deficiencies of all four projects, (d) analysis of the four projects on the basis of the functional and operational requirements of the organizations, and (e) building areas and volumes.

85. In this communication, the organizations drew particular attention to their technical analysis of the revised BDP design wherein it was quite obvious that this project would not meet their requirements. Further, and with a view towards complete objectivity and to assist the Austrian authorities in the final selection, the organizations presented the following proposal:

"... the organizations are ready to lend any necessary assistance for the selection of a final design from among the four projects by participating in a 'Joint Committee' which could be composed of members representing the Government, the City of Vienna as well as the future users. This Joint Committee could take all relevant elements into account, i.e. the reports of the nine experts, the views of the Government and of the City of Vienna as well as the comments of the organizations on the four projects, including any comments available from the four prize winners."

86. The UNIDO/IAEA report was carefully reviewed by the standing "Contact Committee" (a joint co-ordinating group comprising representatives of the Austrian Government and the City of Vienna), and shortly thereafter a special meeting was convened on 10 November 1970 by the Federal Chancellor with representatives at the ministerial level and the two organizations.

87. On the basis of the conclusions reached, the Federal Chancellor requested the organizations to prepare and submit a detailed list of modifications to the Staber project bearing in mind, however, that the basic design concept could not be changed. Accordingly, UNIDO and IAEA presented a further joint report on 24 November 1970 which included a list of specific modifications that would have to be made to the Staber project in order for it to meet the requirements of the organizations. In their presentation, UNIDO and IAEA "abstained from making any suggestions or proposals which would affect the basic architectural concept" which was considered to be the privilege and responsibility of the architect. Basically, what was proposed was "a relocation of buildings in order to achieve a more compact arrangement and functional layout of buildings in relation to each other resulting in more economical use of space, better control of exteriority, shorter communications within the building complex and considerable improvements in maintenance and operations". In addition to these proposed modifications, the organizations provided the Austrian authorities with a set of block schematics to assist the architect in his understanding of the required functional and physical arrangements of the buildings.

88. Finally, in mid-December 1970, after further meetings and review by the Austrian authorities and the architect of the proposed modifications requested by the organizations, agreement was reached between UNIDO/IAEA and the "Contact Committee"; a joint report was prepared and signed by all parties for presentation to the Federal Chancellor and the Foreign Minister. On 18 December 1970, the Federal Chancellor convened a meeting at the ministerial level with representatives of UNIDO and IAEA and announced the Austrian Government's decision to execute the Staber project.

89. In order to reflect the objectivity of the selection processes, it should be noted that all four winning designs were critically examined by the two organizations and their outside consulting firms, and that the final selection made by the Austrian authorities would, with the modifications proposed and agreed upon, meet both the functional and operational requirements of the two organizations as well as the economic and financial considerations which understandably are of serious concern to the "promoters" of the project.

90. The Executive Director would like to inform the Board that the Donaupark project is of such a huge magnitude and unusual significance to both the Austrian Government and UNIDO/IAEA that the co-ordination processes are necessarily involved and may, at times, become somewhat difficult. This is quite understandable when one realizes that there are two groups of "promoters" - the Republic of Austria contributing 65 per cent of the costs of the project and the City of Vienna paying 35 per cent (plus the site), - and two "users", UNIDO and IAEA. As Ambassador Waldheim of Austria pointed out at the twenty-fifth session of the General Assembly:

"Mr. Chairman, considering the fact that the new Vienna United Nations Centre will have more usable space than the United Nations Headquarters in New York, it will be appreciated that the planning period for a project of such dimensions inevitably tends to be longer than foreseen. We are confident that we will be able to reach the final decision in the very near future and that permanent headquarters for UNIDO and IAEA could be completed by 1974/75 as indicated by the ACABQ in its Report A/8008, paragraph 334."

In the view of the Executive Director, this projected completion date may be most optimistic. According to more recent forecasts, it is the consensus that the final redesign and detailed planning processes will take approximately 18 to 20 months (mid- to end-1972) and actual construction some 3 to 3½ years (end-1975 to mid-1976).

91. The total project as shown in photos 3 and 5 (subject to the agreed modifications) is to be undertaken in three construction phases:

Phase I - The UNIDO/IAEA complex of office buildings, autonomous conference centre and common services building and the first part of the International Conference Centre (photo 4);

Phase II - The remainder of the International Conference Centre; and

Phase III - Additional buildings for other organizations and urban development.

92. Of immediate interest to the UNIDO/IAEA, however, is construction Phase I with the necessary modifications as recently agreed upon. These, in general terms, comprise the following:

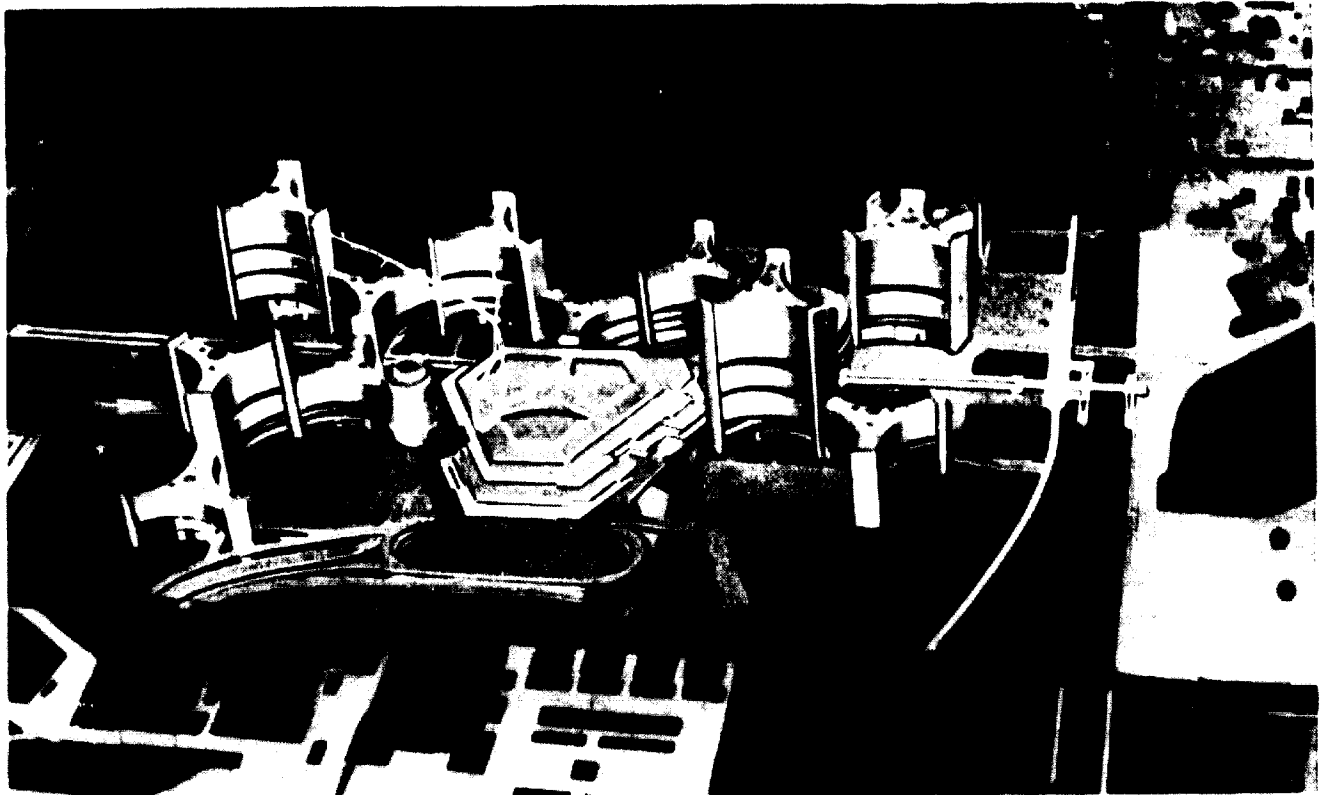
(a) Direct access and communication between the UNIDO/IAEA buildings, the autonomous conference building and the common services building of the organizations;

(b) Precise delineation of the headquarters site and greater distance and separation between the International Conference Centre and the buildings complex of the UNIDO/IAEA to ensure the necessary exterritoriality and security in accordance with the Headquarters Agreement;

(c) The headquarters site to be designated will contain only the buildings and facilities of the two organizations, although provision may be made to accommodate other organizations on a temporary basis in the extension buildings; and

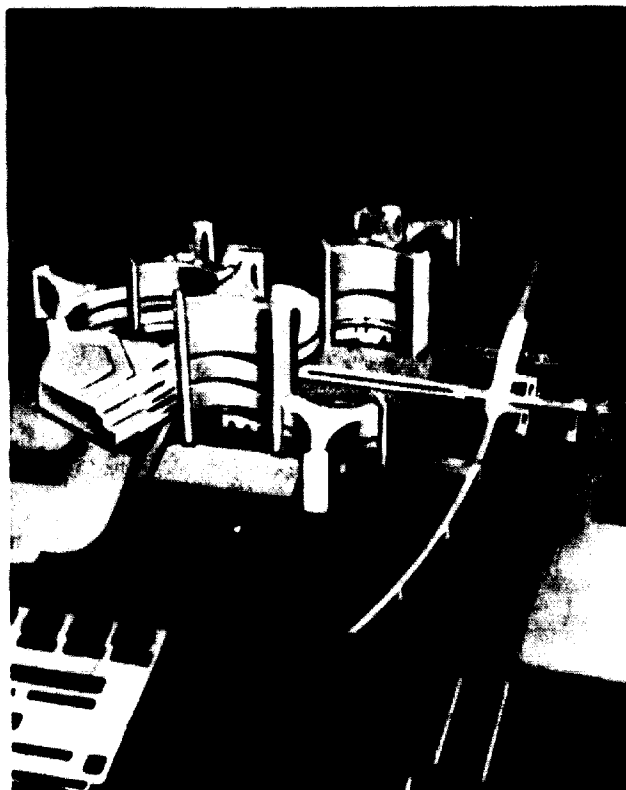
(d) Provision for a growth pattern to be agreed upon at a later date as well as "built-in" expansion.

PHOTO 3



"Vienna United Nations Centre" – Donaupark (View from Danube, Hubertusdamm)

PHOTO 4



"Vienna United Nations Centre" – Donaupark (first stage)

PHOTO 5

Extensions
(UNIDO, IAEA)

Separate Office Buildings
for UNIDO and IAEA

UNIDO, IAEA
Conference Building

International
Conference Centre



Common Services

Office Buildings and Extensions
for Future Organizations

View from Alta Donau

23. Taking the above modifications into account, there would be a slight realignment of the buildings and a reduction in the total number of buildings on the UNIDO/IAEA site. Further, the complex for the UNIDO/IAEA will have a distinct and separate identity. Insofar as the facilities and/or highlights of the Staber project are concerned, these can be summarized as follows:

- Provision can be made for a maximum number of individual offices;
- All the buildings will have natural lighting;
- There will be separate, covered parking and garage facilities independent of those for the International Conference Centre;
- Adequate facilities will be available for visitors and guided tours;
- Staff welfare facilities have been provided for in the original space programme and include lounges, bank, reading rooms, staff library, club rooms, small cinema, rest rooms, hairdressers etc.;
- Recreation facilities outside of the UNIDO/IAEA complex have also been included in the programme, but these will be subject to further discussions with the Austrian authorities at a later date.

ADMINISTRATIVE MANAGEMENT ACTIVITIES

24. The major administrative management activities undertaken during 1970, other than the routine organization and method studies, co-ordination, editing and issuance of procedural instructions, evaluation and making recommendations for improved communications, delegation of authority and administrative procedure, were related to: (a) the review of procedures and manpower utilization; (b) electronic data processing and related feasibility studies of new applications; and (c) common services arrangements with IAEA.

Review of procedures and manpower utilization

25. The United Nations Administrative Management Service (AMS) completed its review of UNIDO and made various recommendations involving minor organizational changes, redeployment of staff and simplification of work procedures. The Administrative Management Section of UNIDO assisted the AMS with the preparation of a pilot project and will follow up in the implementation of the recommendations made in the final report of the AMS. It will also continue to review, on a regular basis, procedures, functional arrangements and working methods with a view to effecting improvements where possible.

Electronic data processing

26. All the applications that were scheduled to be operational in 1970 (Administration Subsystem I) were completed and implemented on time. The usual problems arising from parallel runs were satisfactorily resolved and the Administration Subsystem I is functioning efficiently. The systems work has been started on Administration Subsystem II, which includes general and technical assistance accounts-financial reports, experts-payroll and statistical reports.

27. UNIDO is now actively engaged in developing a programme of computer mechanization to provide management with better information in order to make optimal use of the available financial resources and to assist in the supervision and implementation of the numerous technical assistance projects.

98. The potential applications have been identified and the initial planning and estimates of required resources are under review. The manpower study by the AMS has confirmed that it is essential for UNIDO to have the necessary qualified personnel as soon as possible to undertake the development of an over-all programme and related systems designs, so as to avoid revisions in the future as a consequence of unknown or undefined requirements.

99. The study prepared by the Auditor General of Canada on "Electronic Data Processing in the United Nations Family of Organizations" recognized that the ultimate success of UNIDO's programme will depend on development of a sound "in-house" technical capability to provide the necessary expertise and experience to ensure that management information and processing systems are introduced which would provide maximum assistance to UNIDO's technical programmes.

100. In view of the importance of electronic data processing in the field of management, information, planning and control, training courses on computer concepts and application will be organized on a larger scale for "in-house" users.

101. During 1971, work will continue on the Administration Subsystem II and on the internal management information system for project implementation which is being designed to serve UNIDO in the acceleration of project implementation and in the preparation of various related reports.

102. A more formal agreement has been reached with the IAEA on the use of the latter's computer facilities on a reimbursement basis. Further, a closer operational relationship has developed with a view to making maximum use of joint systems/programming in areas of mutual benefit, thus avoiding unnecessary duplication of effort. Finally, UNIDO will continue to rely on the strengthening of the IAEA computer facilities to meet its needs. The effectiveness of this arrangement, however, will depend on the ability of IAEA to make processing time available as required and to the extent needed by UNIDO.

103. UNIDO continues to participate in the meetings of the Inter-Organization Board (IOB), previously known as the Computer Users Committee (CUC) and intends to assist in the activities of the specific task forces that will be constituted in the future for the development of inter-organizational management information systems to ensure that the interests and requirements of UNIDO are duly taken into account.

Common services arrangements with IAEA

104. The provisional arrangements concluded with the IAEA for the provision of various common services to UNIDO have continued very satisfactorily during 1970. The facilities and services presently being provided or shared include:

- Medical services;
- Procurement services (other than for the technical programmes);
- Interpretation services;
- Reproduction services;
- Computer services.

In addition to the above, UNIDO is presently negotiating an agreement for the processing of its microfiche programme by the IAEA on a reimbursable basis.

105. It is intended to continue the present provisional arrangements of common services until such time as UNIDO and IAEA move to the permanent headquarters in the Donaupark. All commitments that have been entered into by both organizations for staff, equipment and other facilities have been closely co-ordinated, taking into account the future requirements of the joint services.

106. The work load of UNIDO has been increasing rapidly since 1968 and is causing some strain on certain common services. The reproduction services, in particular, are under heavy pressure and give cause for some concern as the IAEA facilities are presently working at full capacity and there is no possibility yet for expansion, owing to lack of space. A study has been undertaken to determine how best to resolve this problem to the satisfaction of both organizations. In this respect, it may become necessary to increase the capacity of the small UNIDO reproduction shop to meet the increased workload.

107. The effectiveness of the joint common services is contingent on the ability of IAEA to make these services available at the time required and to the extent needed by UNIDO. The Executive Director is confident, however, that these minor operational problems will be overcome through further co-ordination between the two organizations and with the assistance of the Austrian authorities in the provision of additional service space in the Hofburg.

NEW YORK LIAISON OFFICE

108. In 1970, the New York Liaison Office carried out an increasing volume of activities related to the expanding programme of work of UNIDO. The requirements served during the period under review covered: policy questions, of concern to UNIDO, dealt with by the competent organs of the United Nations; liaison with permanent missions accredited at United Nations Headquarters; co-ordination and co-operation with different sectors of the United Nations and the UNDP on matters related to the substantive and operational programmes of work of UNIDO; representation of UNIDO in conferences, meetings and consultations held in North America on matters of industry and technology; liaison and co-operation with the World Bank Group, the Inter-American Development Bank and the Organization of American States; organization and implementation of specific projects as determined by the requirements of the over-all operations of UNIDO; and liaison with industrial and research organizations as well as with public agencies in areas of particular interest to UNIDO.

109. During the year, staff of the New York Office have participated increasingly in the implementation of operational activities in the field and in the identification of opportunities for extended action within the framework of the functions of UNIDO. In general, the New York Office carries out the functions of the UNIDO secretariat, as required, within the geographical area of United Nations Headquarters. It has also undertaken the implementation of UNIDO training projects in the United States, such as the group in-plant training programme on industrial production of pesticides. Arrangements were also made for the participation of international specialists at technical meetings and seminars organized by UNIDO. The New York Office has acted generally as an arm of UNIDO in the implementation of specific projects, including the promotion of attendance by prospective investors at the regional industrial investment meetings organized by UNIDO for Africa and Asia in 1970.

110. The New York Office continued to provide substantive secretariat backstopping for the items of the General Assembly which are of direct concern to UNIDO.

111. As in former years, the New York Office was responsible for the preparatory work and organization of the Annual Pledging Conference on UNIDO which was held on 10 November 1970 at United Nations Headquarters.

OPERATIONAL ACTIVITIES

112. The New York Office continued to provide a channel for consultations with the UNDP on current problems related to the operational activities of UNIDO. It has participated increasingly in the negotiation of specific projects and in the co-ordination of technical co-operation at the policy level. There has also been a considerable increase in the number of experts who were given substantive briefing and debriefing in connexion with UNIDO field assignments.

113. The New York Office has continued to assist in the individual recruitment of experts through the United Nations Technical Assistance Recruitment Service for UNIDO field assignments and has participated in special efforts undertaken by UNIDO to contact sources of qualified manpower for technical co-operation projects requiring highly specialized technical expertise. Staff of the New York Office carried out during the year field missions and consultations with government officials in Brazil, Chile, India, Mexico, the Sudan, Thailand and Uruguay.

UNIDO DOCUMENTATION CENTRE AND INFORMATION ACTIVITIES

114. The UNIDO Documentation Centre maintained at United Nations Headquarters by the New York Office has supplied, upon request, UNIDO documents and technical publications to the Permanent Delegations of Member States at the United Nations.

115. In the area of public information, the Director and staff of the New York Liaison Office have addressed numerous groups during the year on various aspects of the activities of UNIDO. These addresses have included briefings given to groups visiting United Nations Headquarters, lectures at training programmes and appearances at meetings organized by outside groups.

LIAISON AND CO-OPERATION WITH OTHER INTERNATIONAL ORGANIZATIONS

116. During the year co-operation between UNIDO and the World Bank (IBRD) included a limited number of IBRD field missions concerned with industry where participation by UNIDO was invited and arranged through the New York Office. Close contacts were maintained during the period under review with the Industrial Projects Department of IBRD. Plans have been advanced for holding periodic review and consultation meetings at the staff level for purposes of co-ordination and mutual review of operations.

117. Contact was also maintained with the International Finance Corporation (IFC) and the Economic Development Institute of the World Bank. In some instances, UNIDO field reports and studies were made available in connexion with projects considered by the IFC. Likewise UNIDO documents and training materials are being used by the Economic Development Institute in its training programmes related to industry and project evaluation.

118. Continuous contacts were maintained with the Inter-American Development Bank. Consultations undertaken in the latter part of 1970 have led to the preparation of a draft agreement for co-operation between UNIDO and the Inter-American Development Bank on a number of key areas in industry. It is expected that the agreement will be formalized early in 1971.

119. Staff of the New York Office represented UNIDO at a number of international meetings concerned with matters of direct interest to industrial development. Among these were the Diplomatic Conference on the Patent Co-operation Treaty, the Second Inter-American Conference on Materials Technology, and the Fourth Meeting of Latin American Integration.

LIAISON WITH INDUSTRY AND PROFESSIONAL GROUPS

120. The New York Office has a special responsibility with respect to the development of co-operation with industry in Canada and the United States of America. Intensified efforts were made in the recruitment of experts from industry, professional engineering groups and universities. Hundreds of American and Canadian firms and banks were contacted to promote attendance by prospective investors at the industrial investment promotion meetings, one held for the Asian region and one for the African region.

121. Special efforts were made to develop co-operation with industrial groups and professional societies such as the Young Presidents Organization, which comprises more than 2,500 presidents of selected companies. Following the successful undertaking last year of a joint symposium with the American Chemical Society, plans are in preparation for joint undertakings of a similar nature with other professional groups in the United States of America.

122. Consultations have also been initiated with a view towards co-operative activities to be undertaken jointly by UNIDO and the World Trade Centre which is coming into being in New York. Tentative agreement has been reached with its training arm, the World Trade Institute, for joint activities in the area of export promotion for developing countries.

PUBLIC INFORMATION SERVICE

123. The expansion of the activities of UNIDO in 1970 found reflection in the increased demands made upon the Public Information Service. The routine reporting on day-to-day activities has become increasingly project-oriented. Although a record number of seminars, expert group meetings and training programmes were covered, and digests were issued of major studies and reports, the main "news" in 1970 came from the field. This took various forms: straight reports on developments of immediate interest; short features on the progress of individual projects or experts, or the success of a new technique; an outline of the work being done in a particular country or region; or a thematic treatment of the over-all activities of UNIDO in a given industrial sector, e.g. food processing, plastics or textiles.

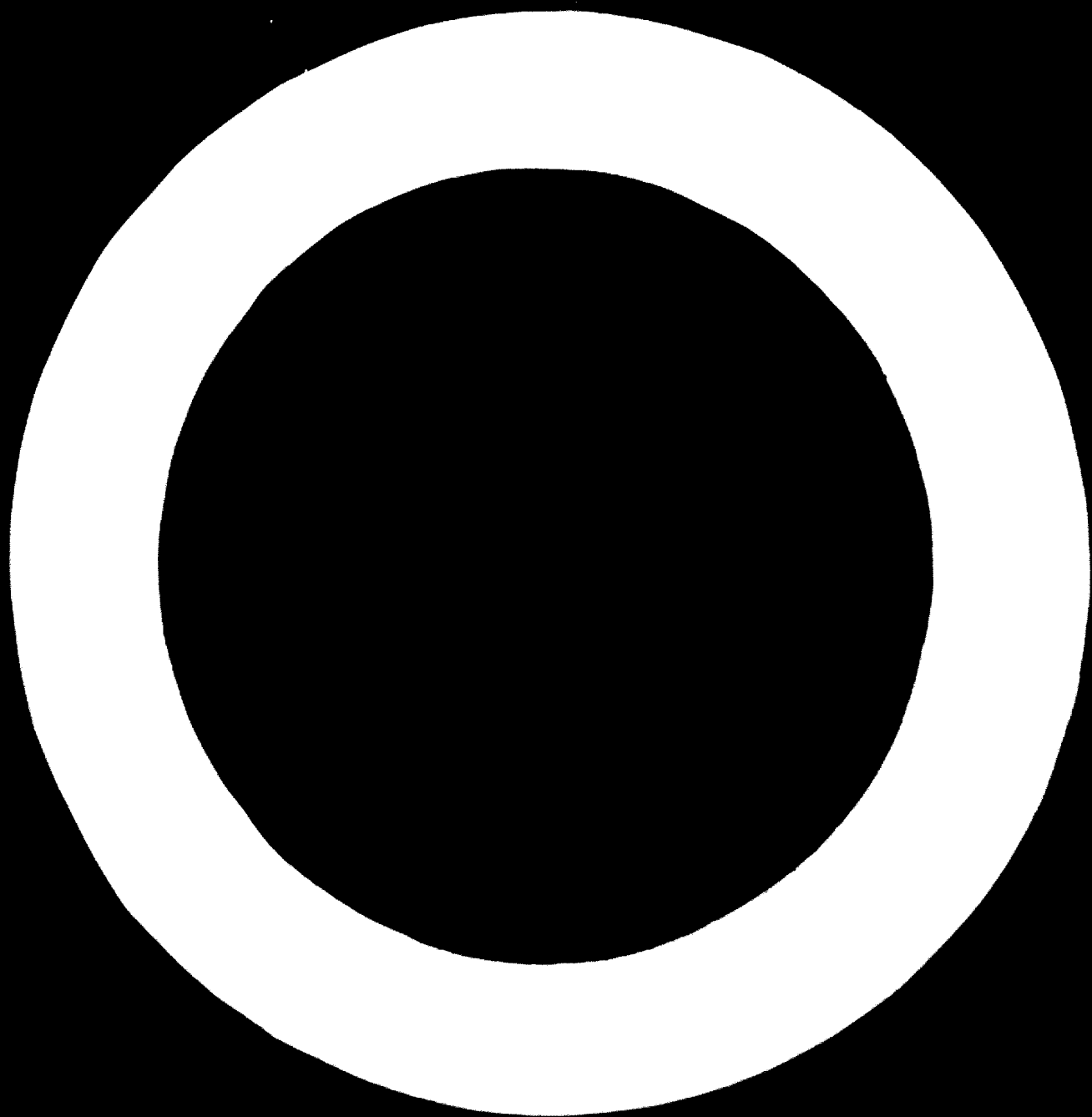
124. Since resources have limited on-the-spot coverage of field projects, maximum advantage was taken of visits to headquarters by experts, project managers and representatives of countries in which UNIDO is operating. Wherever possible, contacts were made with mass media representatives. In the same way, visits by reporters to field projects were encouraged, and it is hoped

that in future such survey missions can even be sponsored. The value of this approach was demonstrated by the coverage which resulted from the attendance at the Manila investment promotion meeting of a group of economic correspondents, sponsored by the Centre for Economic and Social Information.

125. The growing interest in the work of UNIDO is demonstrated by the inquiries and requests for specialized material arriving daily from trade and technical journals, businessmen, academic and research institutions, non-governmental organizations and individuals in many countries. Material of every kind is in demand, in the form of printed material or of photographs, posters, charts, maps or film footage. In response:

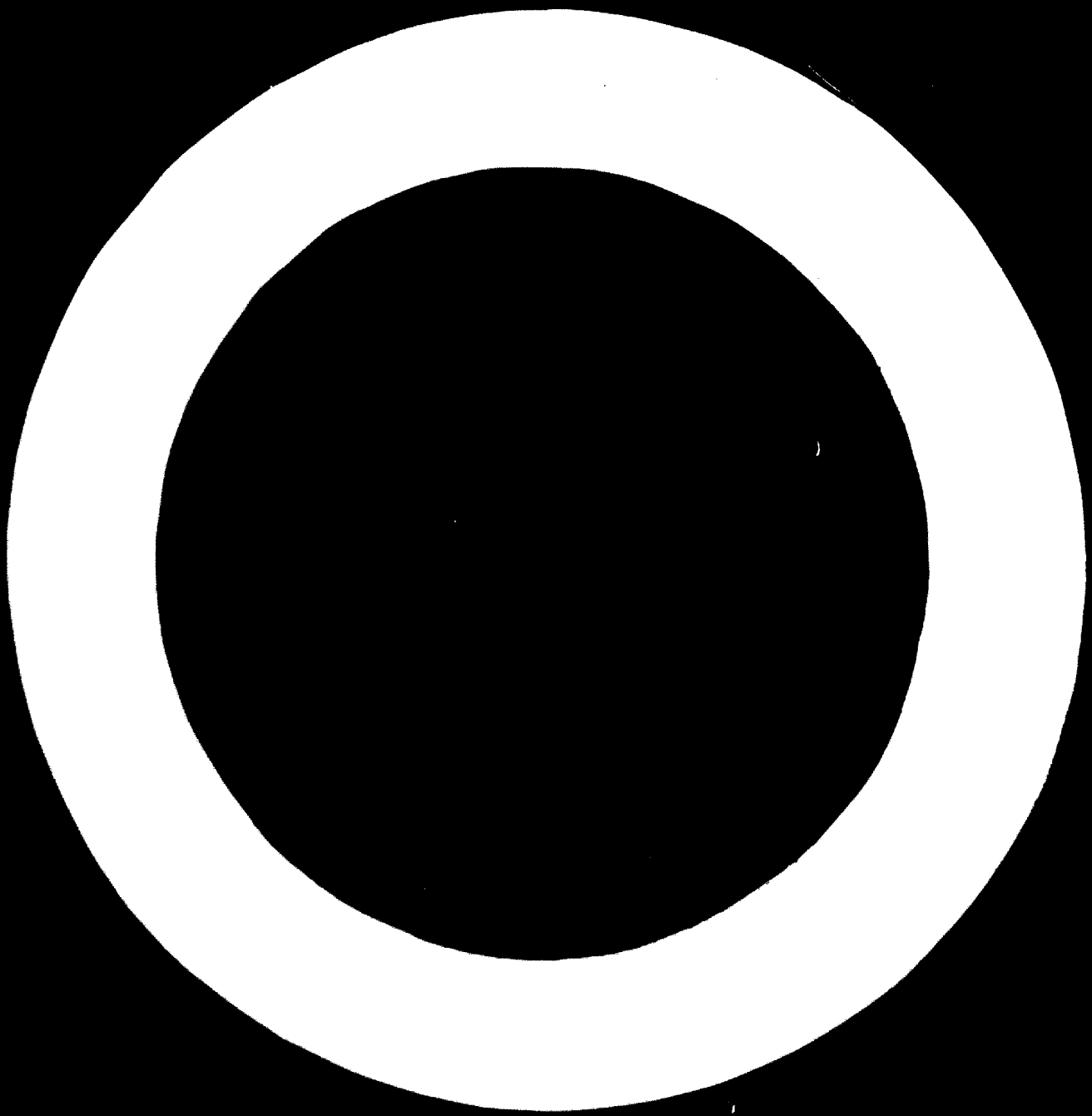
- A leaflet describing the structure, functions and principal activities of UNIDO has been produced in English, French, Russian and Spanish, as well as in Arabic, Danish, Finnish, German, Japanese, Norwegian, Persian and Swedish. Other language editions are in preparation;
- Specialized articles on various aspects of the work of UNIDO have been prepared, in collaboration with the substantive divisions, for individual publications at their request;
- Visits to UNIDO and briefings have been arranged for individuals or groups, including economic journalists, prominent industrialists, parliamentarians, civil servants, college and graduate students, trade unions and religious groups;
- Radio interviews have been recorded with experts, project managers, UNDP Resident Representatives and delegates to UNIDO meetings and sent to radio stations in a number of countries. (This material is also included in the world-wide broadcasts of United Nations Radio);
- A poster and wall sheet have been produced in English, French, Russian, Spanish and German and widely distributed to schools, colleges and non-governmental organizations;
- Photographic exhibits were arranged at the Vienna and Milan trade fairs, at EXPO '70 in Osaka and in the Palais des Nations in Geneva;
- Photographic coverage of field projects was undertaken as and when resources permitted, and distribution was made to major outlets;
- Assistance was given to television stations in Austria and the Federal Republic of Germany in the preparation of films on the plastics training programme, the repair and maintenance symposium, and the work of UNIDO in general (the latter, a 30-minute programme for schools);
- A short feature film is in production on the structure and major activities of the organization. This is designed for general distribution, and a number of language versions are envisaged.

126. The strength of the Public Information Service remains unchanged: two Professional and three General Service staff members.



ANNEX I

**GEOGRAPHICAL DISTRIBUTION
OF THE PROFESSIONAL STAFF OF UNDO**



1. Structurally and administratively, the UNIDO secretariat forms part of the United Nations Secretariat,^{1/} and therefore UNIDO does not appoint its own staff in the professional and higher categories. These staff members are appointed by the Secretary-General of the United Nations in accordance with the established United Nations procedures.

2. The geographical distribution situation in the Secretariat as a whole is reviewed annually in a report of the Secretary-General. A recent report entitled "Composition of the Secretariat" was submitted to the twenty-fifth session of the General Assembly.^{2/} Delegations interested in the question are referred to this report and to the subsequent discussions of the Fifth Committee of the General Assembly.

3. As part of the United Nations Secretariat, the UNIDO secretariat is subject to the overall guidelines on geographical distribution established by the General Assembly. The Secretary-General is also endeavouring to assure wide representative geographical distribution within the UNIDO secretariat. Throughout 1970, UNIDO, in conjunction with the Office of Personnel, has searched for qualified candidates from under-represented Member States in order to attain the widest possible geographical distribution within UNIDO.

4. As of 31 October 1970, there were 224 staff members serving with UNIDO on appointments of one year or more who were occupying posts subject to the principles of geographical distribution. These staff members represented 73 nationalities, as outlined in the list below. The comparable figures as of 31 October 1969 were 192 staff members representing 61 nationalities.

	<u>Number</u>
<u>AFRICA</u>	
Burundi (1 P-1)	1
Cameroon (1 P-2, 1 P-1)	2
Dahomey (1 P-3)	1
Gambia (1 P-2)	1
Ghana (1 P-4)	1
Ivory Coast (1 P-3)	1
Libyan Arab Republic (1 P-2)	1
Mali (1 D-1)	1
Mauritania (1 P-1)	1
Mauritius (1 P-3)	1
Morocco (1 P-3)	1
Nigeria (1 P-4)	1
Senegal (1 P-4)	1
Somalia (1 P-1)	1
Sudan (1 P-3)	1
Togo (1 P-2)	1
Tunisia (1 P-4)	1
Uganda (1 P-4)	1
United Arab Republic (1 USG, 1 D-1, 2 P-5 4 P-4)	3
Total	<u>27</u>

^{1/} General Assembly resolution 2152 (XXI) of 17 November 1966.

^{2/} General Assembly document A/8156 of 12 November 1970. Agenda item 82(a).

Number

ASIA AND THE FAR EAST

Australia (1 D-1, 1 P-5, 3 P-2)	5
China (1 P-4, 1 P-3)	2
India (1 D-1, 1 P-5, 1 P-4, 1 P-3)	4
Indonesia (1 P-5)	1
Japan (1 P-5, 3 P-4)	4
Khmer Republic (1 P-2)	1
New Zealand (1 P-4)	1
Pakistan (1 P-5, 1 P-4)	2
Philippines (1 P-1)	1
Total	21

EUROPE (Eastern)

Bulgaria (2 P-4, 1 P-3)	3
Byelorussian Soviet Socialist Republic (1 P-2)	1
Czechoslovakia (1 D-1, 1 P-5, 1 P-4, 1 P-2)	4
Hungary (1 P-5, 1 P-4, 1 P-3)	3
Poland (5 P-4)	5
Romania (1 P-4, 1 P-3)	2
Ukrainian Soviet Socialist Republic (1 P-3)	1
Union of Soviet Socialist Republics (1 D-2, 6 P-4, 5 P-3)	12
Yugoslavia (1 D-1, 1 P-5, 2 P-4)	4
Total	35

EUROPE (Western)

Austria (1 P-5, 3 P-4, 4 P-3, 2 P-2)	10
Belgium (1 P-5, 2 P-2)	3
Denmark (1 P-3)	1
Finland (2 P-4, 1 P-1)	3
France (1 D-2, 3 D-1, 3 P-5, 3 P-4, 2 P-3, 1 P-2)	13
Greece (1 P-5)	1
Iceland (1 P-2)	1
Ireland (1 P-5, 1 P-3)	2
Italy (2 P-4, 2 P-3)	4
Luxembourg (1 P-5)	1
Netherlands (2 P-4, 1 P-1)	3
Norway (1 P-5, 1 P-4, 1 P-3)	3
Portugal (1 P-2, 1 P-1)	2
Spain (1 P-3, 1 P-1)	2
Sweden (2 P-5, 3 P-2, 1 P-1)	6
United Kingdom of Great Britain and Northern Ireland (3 P-5, 2 P-4, 5 P-3, 1 P-2)	11
Total	66

LATIN AMERICA

Argentina (1 D-1, 1 P-3)	2
Brazil (1 D-1, 1 P-5, 1 P-3)	3
Colombia (1 D-2)	1
El Salvador (1 P-4, 1 P-3)	2
Haiti (1 P-3)	1
Mexico (1 P-5)	1
Total	10

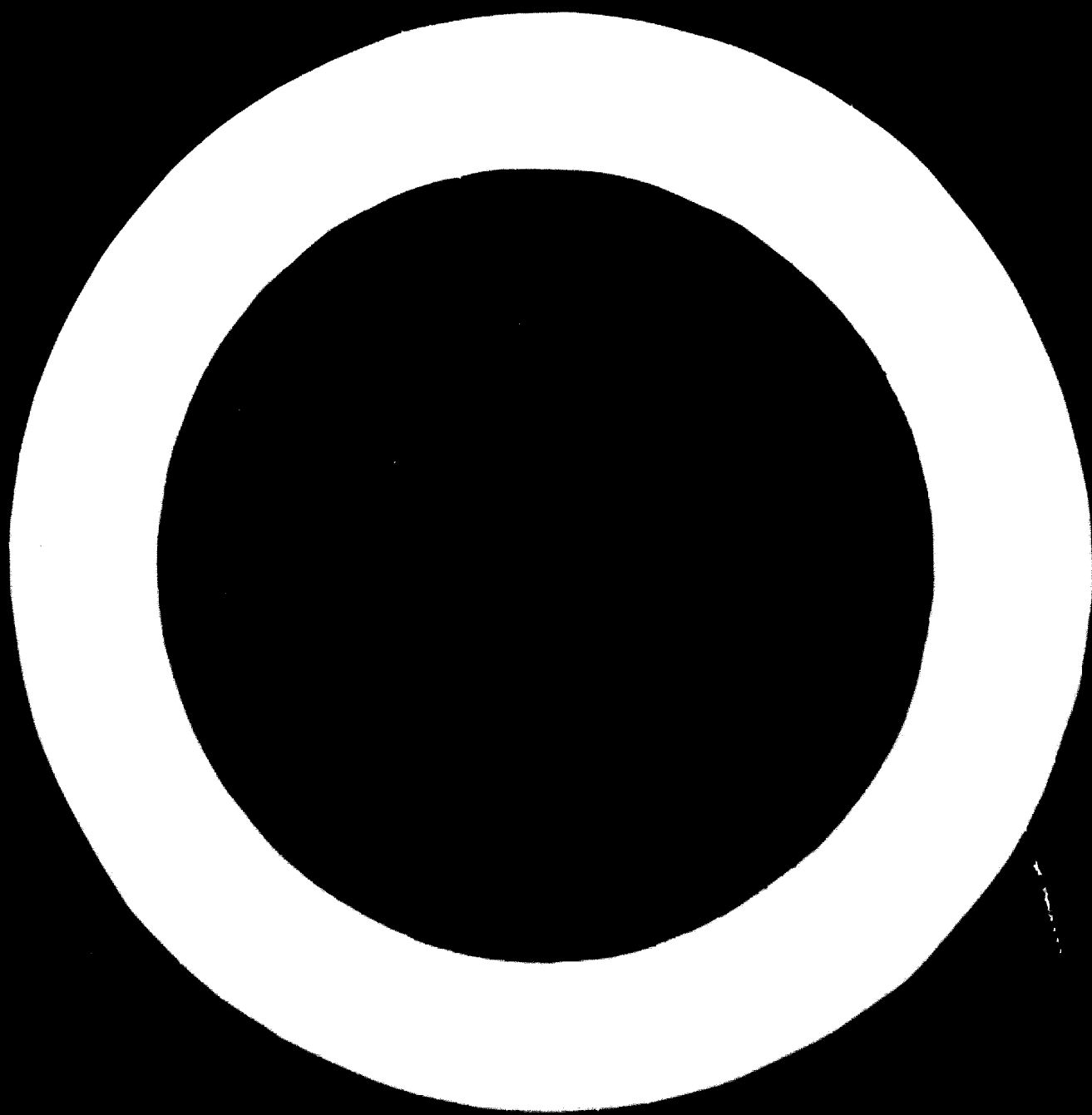
	<u>Number</u>
<u>MIDDLE EAST</u>	
Iran (1 P-5, 1 P-3)	2
Iraq (1 P-5)	1
Israel (1 P-4)	1
Jordan (1 P-4)	1
Lebanon (1 P-3)	1
Syria (2 P-5, 1 P-1)	3
Turkey (1 P-3)	1
Yemen (1 P-3)	1
Total	<u>11</u>

NORTH AMERICA AND THE CARIBBEAN

Canada (2 P-5, 1 P-3, 1 P-2)	4
Jamaica (1 P-1)	1
United States of America (2 D-2, 2 D-1, 9 P-5, 12 P-4, 9 P-3, 4 P-2)	38
Total	<u>43</u>

NON-MEMBER STATES

Federal Republic of Germany (1 D-1, 1 P-5, 1 P-4, 3 P-3, 1 P-2, 1 P-1)	8
Republic of Korea (1 P-3)	1
Switzerland (1 D-1, 1 P-4)	2
Total	<u>11</u>



ANNEX II

ORGANIZATION OF THE UNIDO SECRETARIAT

Contents

	<u>Page</u>
Office of the Executive Director	3
Technical Co-operation Division	3
Industrial Technology Division	4
Industrial Policies and Programming Division	4
Industrial Services and Institutions Division	5
Division of Administration, Conference and General Services	5
 <u>Organisation charts</u>	
United Nations Industrial Development Organisation	7
Office of the Executive Director	8
Technical Co-operation Division	9
Industrial Technology Division	10
Industrial Policies and Programming Division	11
Industrial Services and Institutions Division	12
Division of Administration, Conference and General Services	13

The secretariat of UNIDO comprises the Office of the Executive Director and five Divisions. Details on their functions and set-up are listed below. Organizational charts appear on pages 7 to 13.

OFFICE OF THE EXECUTIVE DIRECTOR

The Executive Director is responsible for the provision of policy guidance and for the over-all planning and direction of UNIDO activities. He undertakes and co-ordinates the following activities in collaboration with the various Divisions and Units of the Organization:

- Relations with Governments of Member States and with intergovernmental, non-governmental and industrial organisations;
- Provision of the secretariat and services for the Industrial Development Board and its subsidiary organs;
- Co-ordination of activities of United Nations organisations in the field of industrial development;
- Maintenance of close liaison, contact and co-operation in fields of common interest with regional economic commissions and the specialised agencies;
- Preparation of documentation for the General Assembly, the Industrial Development Board, the Committee for Programme and Co-ordination and other United Nations bodies;
- Liaison with United Nations Headquarters, Missions to the United Nations, intergovernmental organisations and other institutions in North America through the New York Liaison Office of UNIDO;
- Dissemination of information on the work and activities of UNIDO.

The Office of the Executive Director is composed of:

The Executive Director
Senior Adviser to the Executive Director
Co-ordination and External Relations Section
Secretariat of the Industrial Development Board
Information Service
New York Liaison Office

TECHNICAL CO-OPERATION DIVISION

The functions of this Division are to:

- Programme and implement field activities and their over-all co-ordination;
- Co-ordinate the activities of UNIDO as a participating agency in the United Nations Development Programme and maintain relations with the offices of the resident representative;
- Organise teams of experts and staff from different branches of industry for field missions as requested by Governments of Member States;
- Report on operational and field activities.

The Division is composed of:

Office of the Director which includes
Evaluation Unit
Reports Unit
Field Advisers Support Unit
Implementation Control Unit

Section for Programme Co-ordination
Section for Africa
Section for the Americas
Section for Asia and the Far East
Section for Europe and the Middle East
Section for Interregional Projects and Fellowships.

INDUSTRIAL TECHNOLOGY DIVISION

The functions of this Division are to:

- Provide support for technical assistance activities in developing countries for strengthening existing and establishing new industries;
- Provide support for technical assistance activities in developing countries for the introduction of appropriate technologies;
- Review the development of industrial branches and the applicability of new technologies to the needs of developing countries;
- Organize workshops, seminars and expert group meetings to review and disseminate experience and information on the development of industrial branches and new technologies;
- Prepare publications on industrial branches, technology and processes;
- Prepare relevant documentation for the Industrial Development Board and other United Nations bodies.

The Division is composed of:

Office of the Director
Industrial Sectors Development Section
Metallurgical Industries Section
Engineering Industries Section
Fertilizers, Pesticides and Petrochemicals Industries Section
Chemicals, Pharmaceuticals, and Building Materials Industries Section
Light Industries Section

INDUSTRIAL POLICIES AND PROGRAMMING DIVISION

The functions of this Division are to:

- Deal with matters related to planning and programming of industries, project preparation and implementation, industrial programming data, industrial location and regional development;
- Deal with matters related to industrial policies, industrial financing and promotion of specific industrial projects;
- Deal with matters related to the identification of viable export-oriented industries and evaluation of the export potential of existing industries;
- Prepare industrial development surveys and collaborate with developing countries in preparing national industrial surveys, and relevant documentation for the Industrial Development Board;
- Provide support of technical assistance activities in the above fields.

The Division is composed of:

Office of the Director
Industrial Programming Section
Industrial Policies and Financing Section
Export Industries Section
Survey Section

INDUSTRIAL SERVICES AND INSTITUTIONS DIVISION

The functions of this Division are to:

- Provide support to technical assistance activities in the field and to organize seminars and technical meetings;
- Assist developing countries in strengthening the public administrative machinery for industrialization including legislation, patents and licenses;
- Assist developing countries in establishing and strengthening research institutions, standardization bodies, industrial development centres and other relevant non-governmental organizations;
- Provide central services for industrial information and documentation at UNIDO headquarters and to assist developing countries in setting up local facilities in these areas;
- Carry out assessments of requirements and facilities for industrial training and organize relevant programmes;
- Assist developing countries in improving industrial management skills and practices and in developing and using management consulting services;
- Assist developing countries in establishing and improving service organizations and programmes for small-scale industries, including industrial estates and industrial extension services;
- Prepare current publications and relevant documentation for the Industrial Development Board and other United Nations bodies.

The Division is composed of:

Office of the Director
Industrial Administration Section
Industrial Institutions Section
Industrial Information Section
Industrial Training Section
Industrial Management Section
Small-Scale Industry Section

DIVISION OF ADMINISTRATION, CONFERENCE AND GENERAL SERVICES

The functions of this Division are to:

- Administer, in close co-operation with the central administrative services of the United Nations, matters pertaining to personnel, budget and finance of UNIDO;
- Provide general administrative management services, surveys and periodic organization and methods studies and to develop the use of electronic data processing for administrative purposes entailing systems studies and analyses;
- Provide conference services for UNIDO meetings;
- Provide services for editing, translation, reproduction and distribution of UNIDO official records, documents and publications;
- Provide general services including the management of UNIDO buildings and the co-ordination of planning for the permanent headquarters buildings in Vienna.

The Division is composed of:

Office of the Director, including
Office of Headquarters Planning and Administrative Management
Administrative Management Section
Headquarters Planning Section
Technical Equipment Procurement and Contracting Office
Central Administrative Office
Legal Liaison
Protocol and Liaison (Austrian Government)

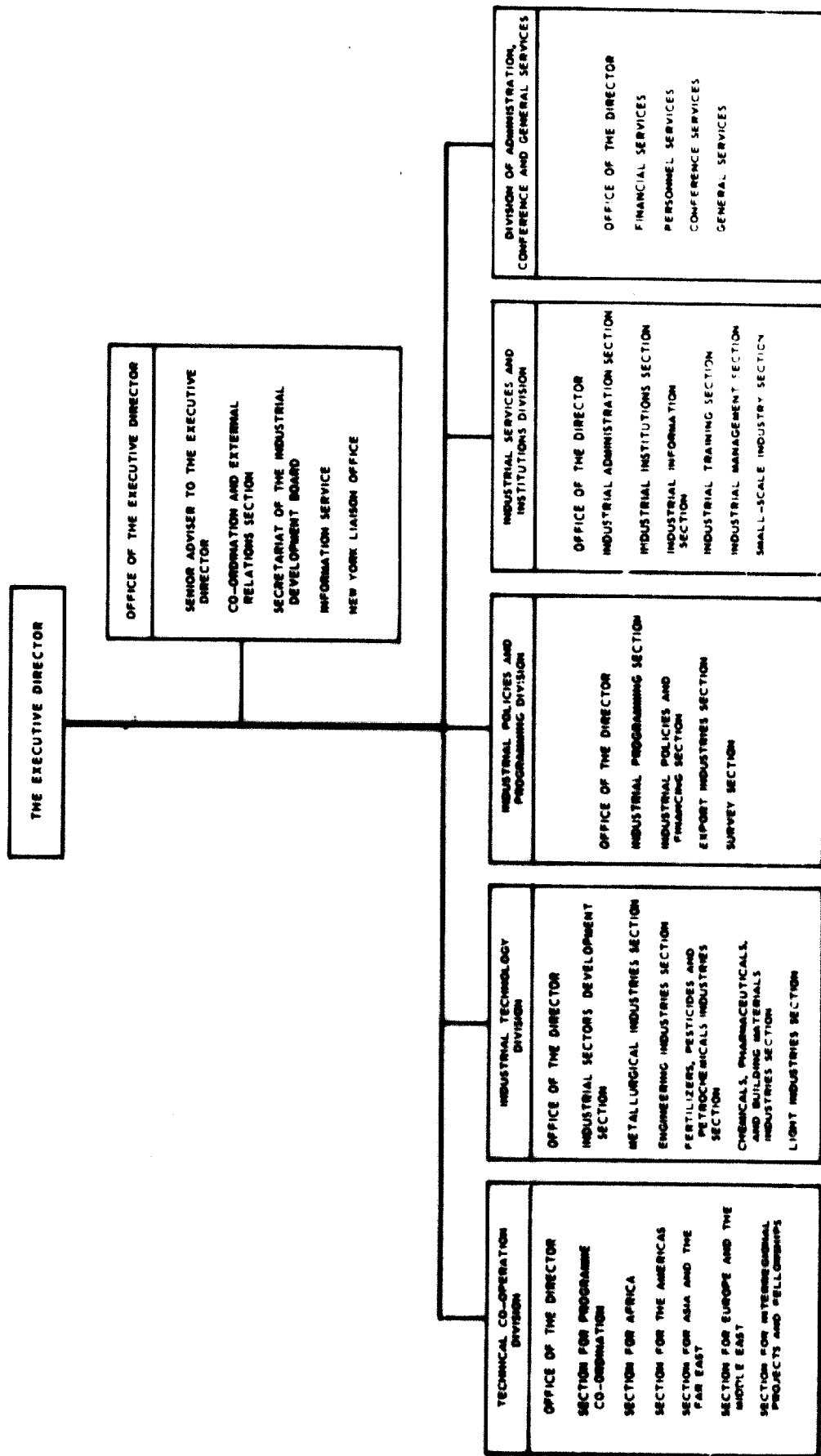
Financial Services, including
Office of the Chief
Budget Section
Finance Section
Technical Programmes Financial Management Section

Personnel Services, including
Office of the Chief
Secretariat Recruitment Section
Project Personnel Recruitment Section
Personnel Administration Section
Special Services Section

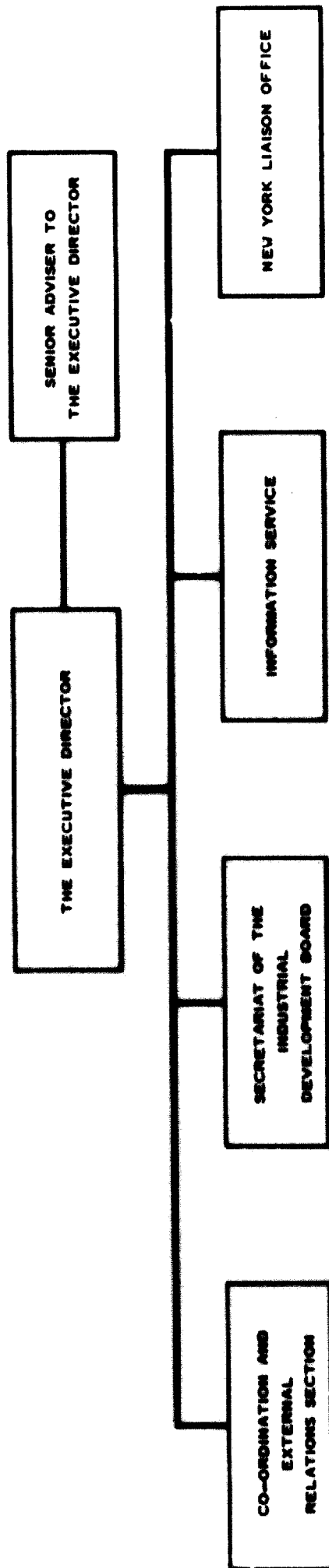
Conference Services, including
Office of the Chief
Documents Section
Editorial Control Section
Language Section
Interpretation Section

General Services, including
Office of the Chief
Travel, Transportation and Accommodation Section
Communications and Archives Section
Buildings Management Section
Security and Safety Section
Commercial Management Section

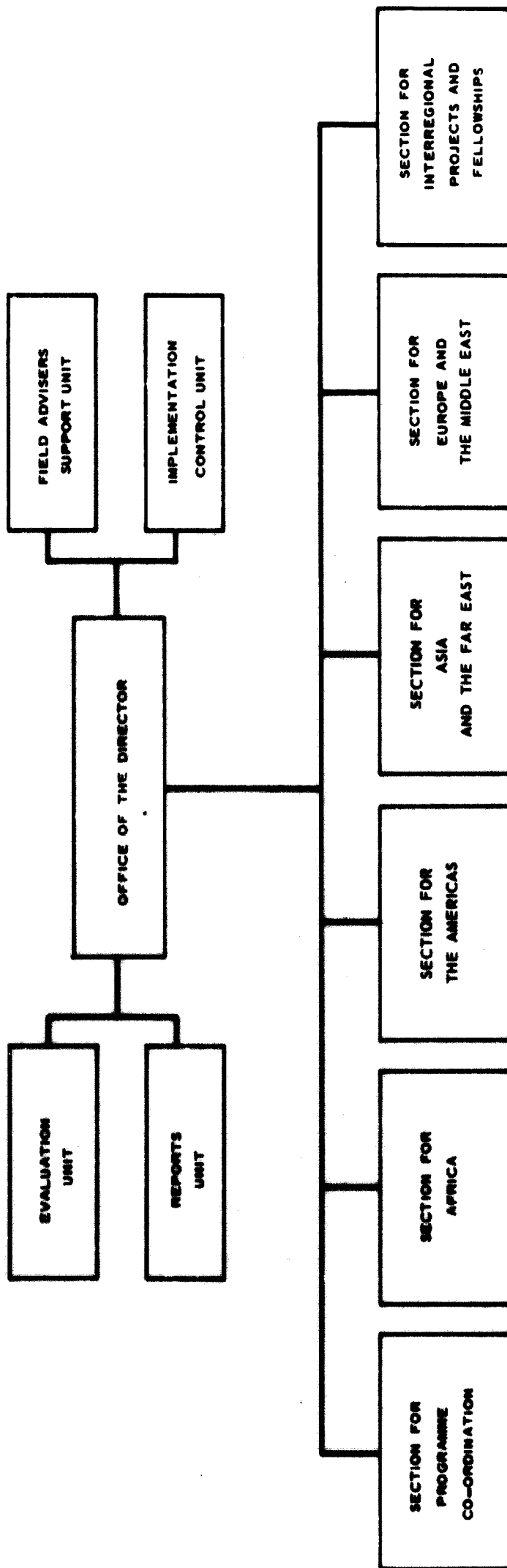
UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION ORGANIZATION CHART



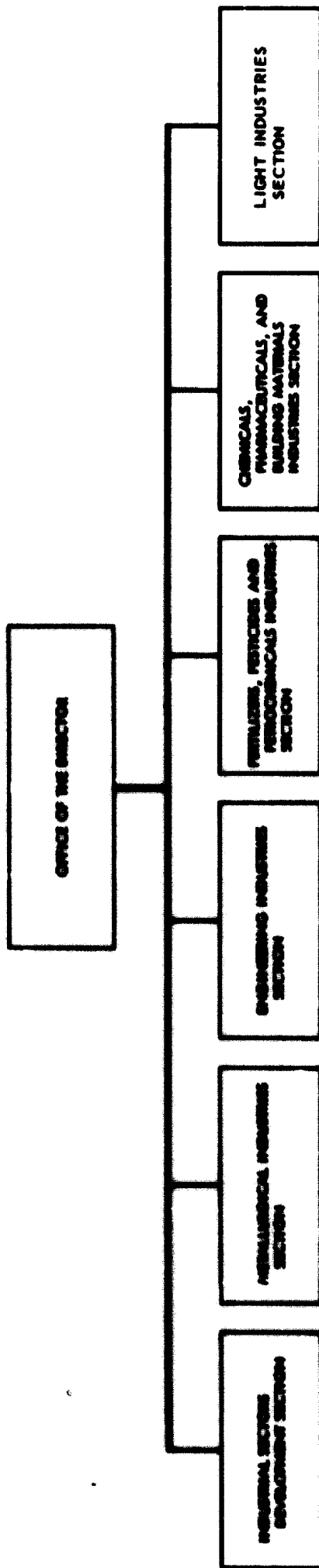
OFFICE OF THE EXECUTIVE DIRECTOR



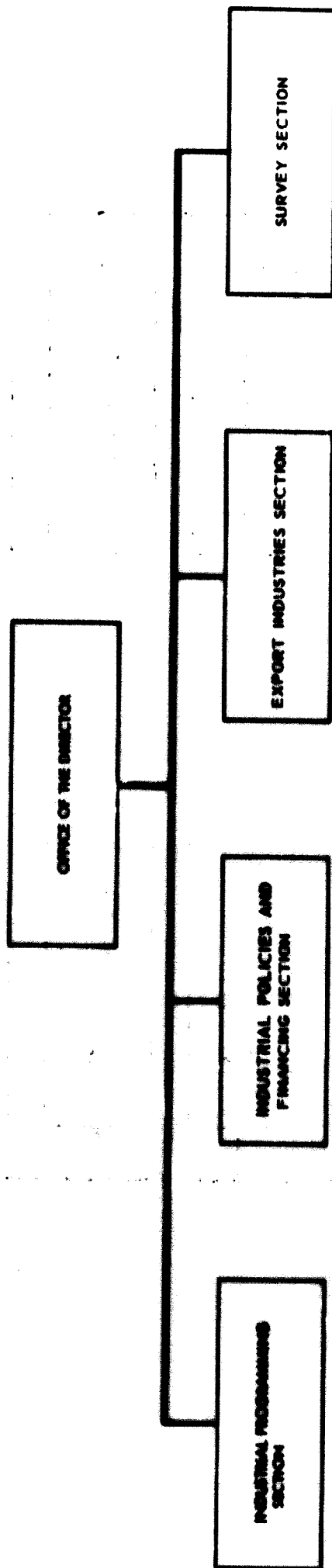
TECHNICAL CO-OPERATION DIVISION



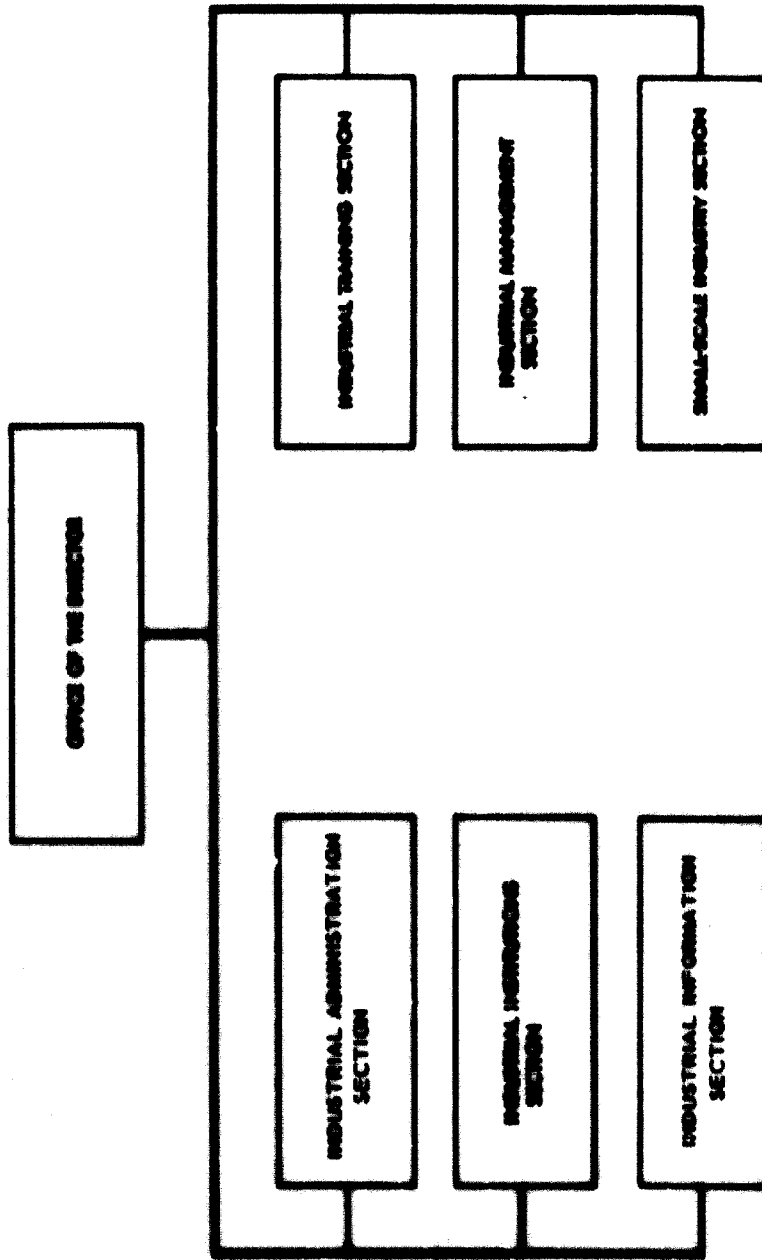
INDUSTRIAL TECHNOLOGY DIVISION



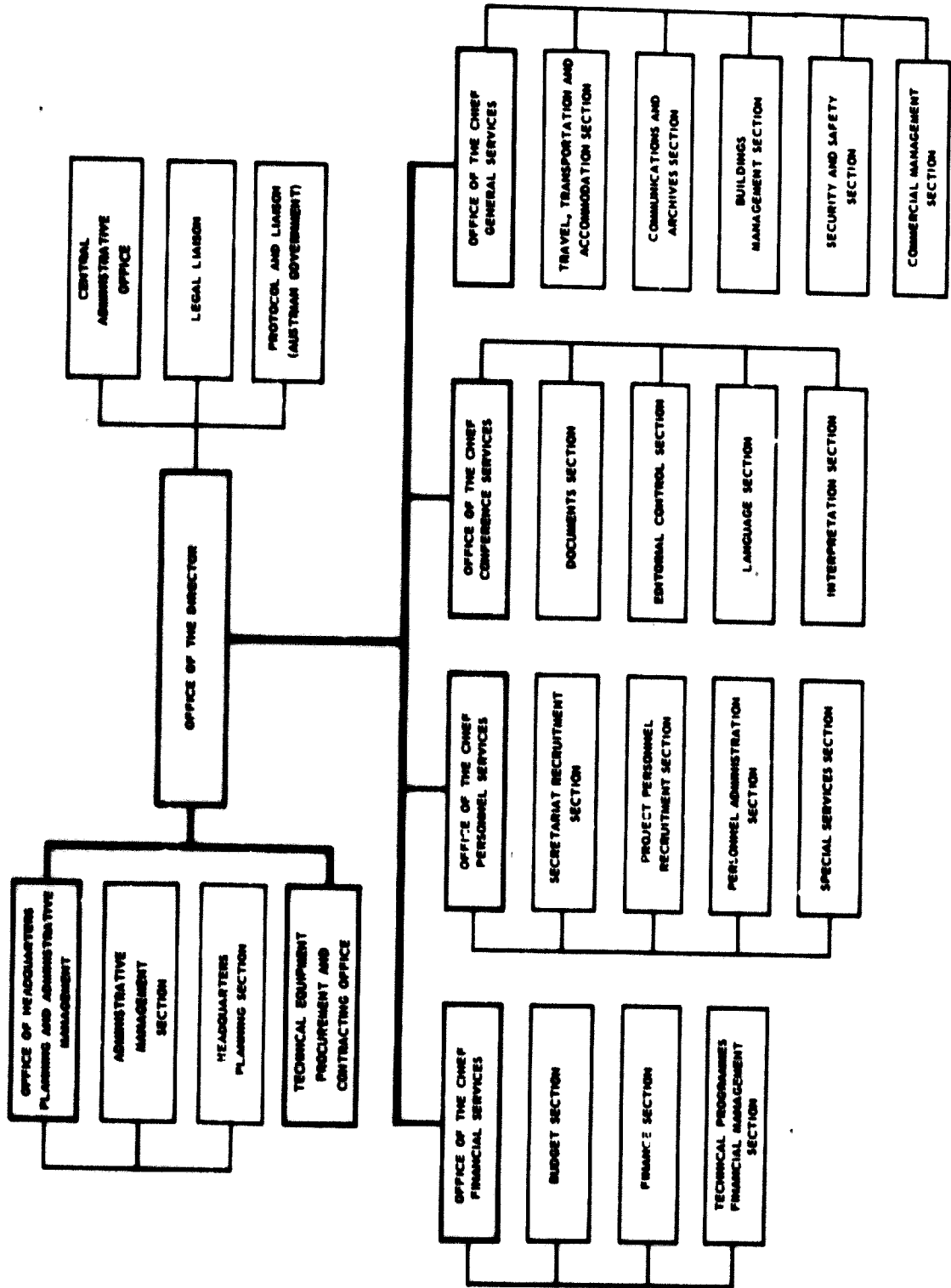
INDUSTRIAL POLICIES AND PROGRAMMING DIVISION

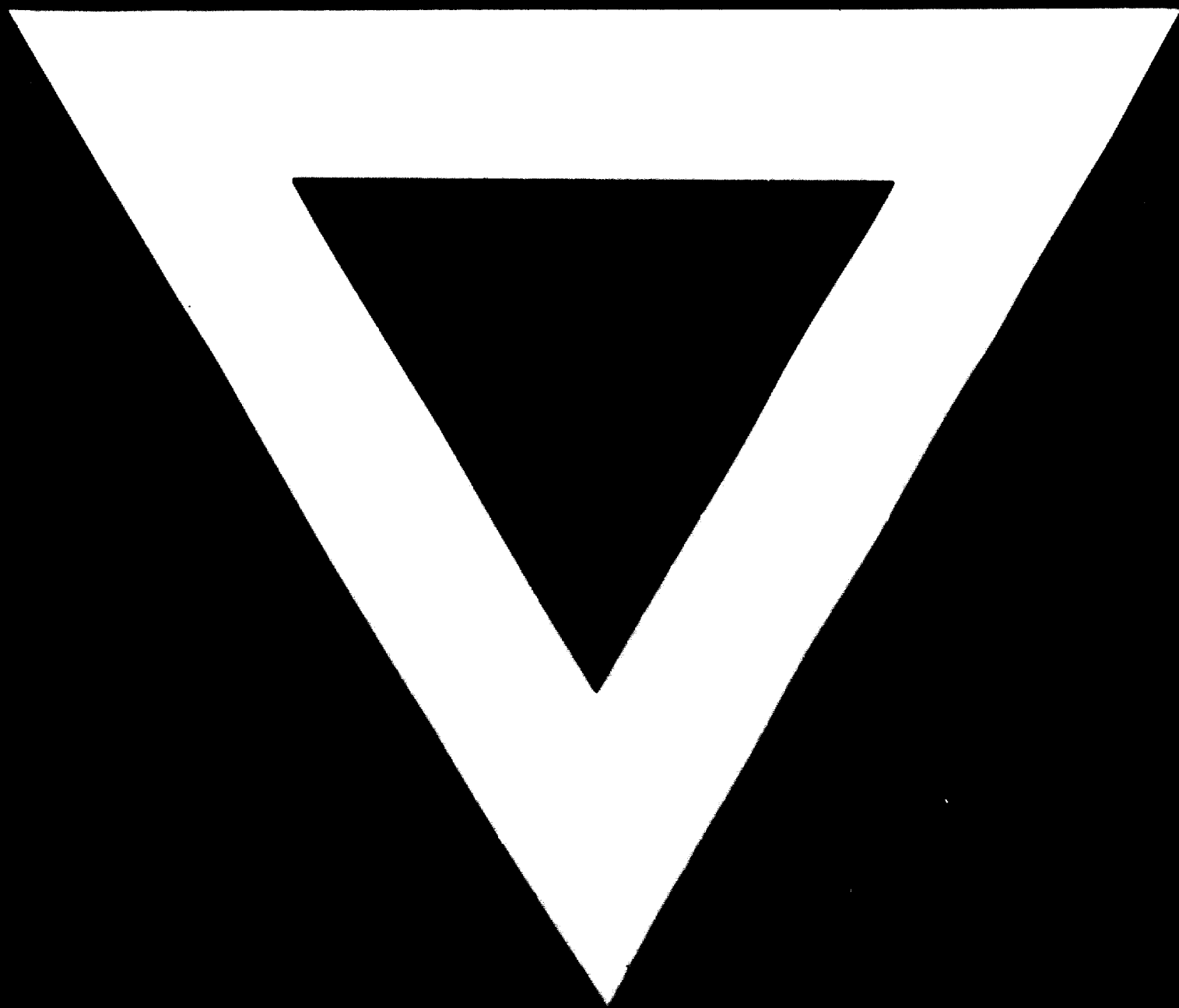


INDUSTRIAL SERVICES AND INSTITUTIONS DIVISION



**OFFICE OF ADMINISTRATION,
CONFERENCE AND GENERAL SERVICES**





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