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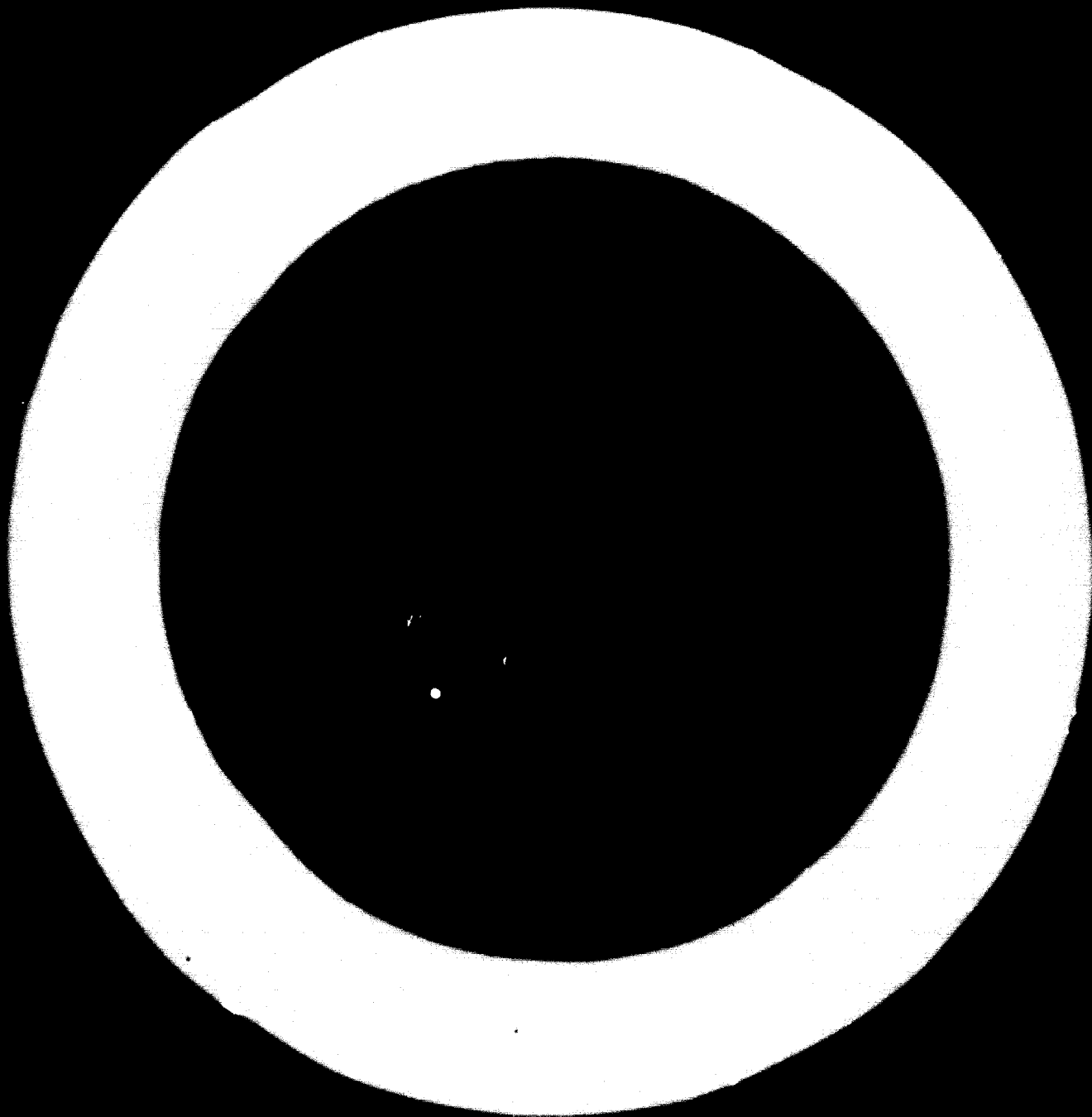
Vienna, 24 May - 2 June 1972

Agenda item 8

ADMINISTRATIVE ACTIVITIES AND ORGANIZATIONAL MATTERS OF UNIDO IN 1971

REPORT BY THE EXECUTIVE DIRECTOR

id.72-836



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LEGAL LIAISON

IMPLEMENTATION OF THE HEADQUARTERS AGREEMENT

1. In accordance with the provisions of Article 1¹ of the Supplemental Agreement on Social Security, an exchange of notes between the Austrian Foreign Minister and the Executive Director of UNIDO took place on 2 November 1971. This exchange of notes brought the Supplemental Agreement into force 60 days thereafter, namely on 1 January 1972.
2. The joint UNIDO/IAEA negotiations with the competent Austrian authorities on the draft Supplemental Commissary Agreement were successfully concluded on 4 November 1971, and it is expected that this Supplemental Agreement will be signed in the near future.
3. UNIDO has transmitted its comments to the Austrian Federal Ministry of Foreign Affairs on a revised version of the draft Supplemental Agreement on the Temporary Headquarters, and it is expected that these negotiations will soon be concluded.

OTHER LEGAL ACTIVITIES

4. The assistance rendered to the Technical Equipment Procurement and Contracting Office (TEPCO) in the preparation of contracts has constituted one of the main activities of the Legal Liaison Office. This was the result of an increase in the number and complexity of contracts, a trend that is expected to continue in 1972. The Legal Liaison Office is called upon to examine each contract and, in certain instances, to participate in the contract negotiations. The Office also is consulted when legal problems arise in the implementation of these contracts. The Legal Liaison Office participated in the drafting of, and the negotiations on, a number of agreements and arrangements concluded by UNIDO with Governments and agencies.
5. The Legal Liaison Office is represented on, and has continued to give legal advice to, various administrative committees and panels of the organization. The legal assistance rendered to the Committee on Contracts has increased with the workload of this Committee. Legal advice was also given on a number of other matters in which UNIDO and its staff were involved. In addition, legal assistance was provided to the Executive Secretary of the Special International Conference of UNIDO before and during the Conference and to the Secretary of the Industrial Development Board. Assistance was also provided in the preparation of other meetings sponsored by UNIDO, particularly in regard to the arrangements with host Governments.

PERSONNEL MATTERS

SECRETARIAT STAFFING

6. The comparative staffing situation of UNIDO on 15 November 1969, 15 November 1970,^{1/} and 31 December 1971 is given in table 1 below.

^{1/} Dates used in the previous reports; ID/B/70 (for 1969) and ID/B/85 (for 1970).

Table 1
Comparative Staffing Situation, 1969 to 1971

	<u>1969</u> <u>15 November</u>	<u>1970</u> <u>15 November</u>	<u>1971</u> <u>31 December</u>
P-5 and above	63	70	77
P-1 through P-4	190	222	226
Field Service Officers	11	9	9
General Service Staff	386	454	475
Manual Workers	<u>84</u>	<u>102</u>	<u>103</u>
Total	<u>734</u>	<u>857</u>	<u>890</u>

The above figures include the interregional advisers and special technical advisers attached to UNIDO headquarters. They do not include short-term staff or the nineteen Industrial Development Field Advisers.

PROFESSIONAL RECRUITMENT: UNIDO SECRETARIAT

7. On 31 December 1971, there were 29 professional vacancies against an authorized Manning table of 358 professional posts. Five of the vacancies were language posts in Conference Services, not subject to geographical distribution. Of the 329 posts filled, 303 were long-term appointments (one year or more) and 26 were short-term appointments (less than one year). Candidates for four of the 29 vacancies had accepted offers of appointment and were preparing to report for duty. Six of the remaining 25 vacancies were in the final stages of recruitment and candidates were under consideration for most of the others.

8. An analysis of the geographical distribution of the professional staff of UNIDO on 31 December 1971 is given in the annex.

CONSULTANTS PROGRAMME

9. Under the Consultants Programme, 244 Special Service Agreements were concluded and administered with outside experts (consultants) in the course of 1971 at a total cost of \$304,450 against an allocation of \$320,000 for the whole year. For the preparation of technical papers and studies required for the implementation of the UNIDO work programme, 121 Agreements were issued (21 of these involved travel in the developing countries); 22 Agreements were awarded for technical consultations at UNIDO headquarters; and 101 Agreements covered both the preparation of technical papers and the participation of the authors in UNIDO expert group meetings and workshops.

PROJECT RECRUITMENT

10. On 15 November 1971, in agreement with United Nations Headquarters, UNIDO assumed responsibility for the recruitment of experts to new OPAS^{2/} posts in the industrial sector and, as of 1 December 1971, for the Regional Industrial Development Advisers. These were the last two types

^{2/} OPAS: Operational Assistance.

of appointment handed over to UNIDO by the Technical Assistance Recruitment Service (TARS), Office of Personnel at United Nations Headquarters. UNIDO is now responsible for the recruitment and appointment of all its project personnel.

11. In the course of 1971, a further substantial increase in project recruitment activities was achieved. A total of 443 experts was appointed during 1971 (428 by UNIDO and 15 by TARS, New York) compared to 341 appointments in 1970 and 246 in 1969. Thus the monthly rate of appointments rose from an average of 20 in 1969 to 28 in 1970 and 37 in 1971. At the end of 1971, nearly 400 UNIDO experts of 45 nationalities were on duty in 23 countries of the world. During 1971, Personnel Services effected 327 extensions of appointments of experts, as compared with 229 in 1970 and 138 in 1969.

12. A steady increase was also recorded in the number of new job descriptions published and circulated. A total of 723 new job descriptions was issued in 1971 compared with 549 in 1970 and 460 during 1969.

13. The number of potential candidates for field assignments on the computerized roster rose from 6,000 at the end of 1970 to about 10,000 at the end of 1971.

PERSONNEL ADMINISTRATION

14. Salaries for General Service and Manual Worker categories of staff in Vienna were revised as from 1 January 1971 after a joint review of salary and cost-of-living indices by IAEA and UNIDO. In the second half of 1971, a full-scale local salary survey was conducted by a joint IAEA/UNIDO Administration/Staff Council Working Group to determine whether the salaries were in line with the best prevailing local conditions of employment. The findings and proposals of the Working Group were then referred to the respective Joint Advisory Committees of the two organizations. The resulting recommendations have been submitted by UNIDO to the United Nations Controller and by IAEA to its Board of Governors for approval.

15. As a result of the establishment by the General Assembly of a Special Committee to review the United Nations salary system, UNIDO was required to furnish statistical data and comments to both the Consultative Committee for Administrative Questions (CCAQ) and the Office of Personnel, United Nations Headquarters. A UNIDO observer was attached to the United Nations representatives at the Special CCAQ Session held in Vienna in 1971 during the period of the meeting of the International Civil Service Advisory Board (ICSAB).

16. Of the three periodical cost-of-living surveys conducted in Vienna in 1971, two involved information on housing expenditure by UNIDO staff members in the professional category; the rate of response to these surveys has continued to be high. As a result of increases in prices and two currency revaluations in 1971, higher post adjustment classes were put into effect as of 1 May and 1 October.

17. A joint UNIDO/IAEA Administration/Staff Council Working Group examined the medical insurance coverage of the staff and invited tenders from a number of companies. After a review of the tenders it was decided to continue with the present insurer. Early in 1971, the processing

of medical claims was computerized to permit a detailed evaluation of the effect of any proposed changes in benefits. A new Group Medical Insurance Policy for project personnel of the United Nations and UNIDO came into effect on 1 June 1971.

18. The revised Administrative Rules for the Joint Staff Pension Fund (JSPF) came into effect on 1 January 1971, necessitating extensive changes in UNIDO forms and procedures. The UNIDO JSPF Liaison Officer participated in a meeting in Geneva at which the new rules were explained to the Pension Fund secretaries of the organizations in the United Nations system.

19. With the coming into force of the agreement with the Austrian Government on social security, arrangements were concluded with the Vienna Medical Insurance Office to collect premiums and handle registration on behalf of all branches of the Austrian social security administration. The UNIDO staff was provided with counsel on available benefits.

20. A UNIDO Staff Welfare Board was established in November 1971 to administer funds for the general welfare of UNIDO staff members. In December 1971, a Joint Housing Committee was established to advise the Director, Division of Administration, Conference and General Services on all matters concerning housing for the staff.

21. The modern language training programme, initiated in January 1970, has continued to grow in size and improve in quality. Additional audio-visual material in Russian and English has been procured, and audio-visual classes in those languages will be offered for the first time in January 1972. In the first semester of 1971, 361 students were enrolled in 28 classes. In the second semester, beginning in September, enrolment increased to 438 students in 31 classes. More than one third of the total staff of UNIDO is engaged in language training; of these staff members more than 90 per cent are enrolled in the off-duty programme. In addition to the two full-time staff members assigned to the Language Training Unit, 13 part-time instructors are utilized. In order to make the language training more valuable to the organization, the Language Training Unit prepared and issued a special book containing texts of UNIDO and United Nations material for use in the upper level French classes.

22. During 1971, a number of activities were carried out under the staff development programme: the Administrative Management Section arranged for outside training of 14 staff members in various phases of electronic data processing; the Industrial Technology Division organized a series of orientation lectures conducted by its Section Chiefs; the Industrial Services and Institutions Division was able to obtain the services of a senior ILO visual-aids expert to present two seminars to UNIDO staff; Conference Services and Personnel Services jointly organized an orientation course for new secretarial staff; and arrangements were completed with the Canadian Institute of Chartered Accountants to use their video-tape course in "Computer Concepts" for training UNIDO staff.

23. There was continuing close co-ordination with the Division of Personnel of IAEA. The two organizations established joint staff/management working groups on four projects: welfare facilities for the Permanent Headquarters in the Donaupark; the local salary survey; the medical insurance review; and the selection of a new Chief Medical Officer. Numerous discussions, formal and informal, were held throughout the year on matters of mutual interest.

FINANCIAL MATTERS

24. There was a substantial increase in the workload of Financial Services in 1971. The increase is illustrated by a comparison of selected workload indicators in table 2 below.

Table 2

Financial Services - percentage increase in workload

<u>Selected indicators</u>	<u>Percentage increase in 1971 compared to 1970</u>
Disbursement vouchers	6
Receipt vouchers	6
Journal vouchers	7
Invoices processed	9
Checks, transfer orders and payment instructions	32
Payroll input documents (hq.)	20
Payroll input documents (experts)	57
Field inter-office accounting vouchers	20

25. These indicators reflect the general trend of increases in workload resulting from the expansion of the organization's activities, the number of field projects, the number of experts appointed, the complexity of project financing and contracting arrangements and novel forms of assistance.

26. As in previous years, the increased workload has been absorbed with a minimum of addition to the staff; this has been possible by continuously improving methods, increasing the utilization of computer facilities and streamlining structural and operational arrangements. The recommendations in the 1969 management audit report of the Board of Auditors and in the 1970 manpower survey of the Administrative Management Services were kept under constant consideration as the main guidelines for improvement.

27. The major restructuring of Financial Services was concluded in 1971 along the lines proposed in the reports of both the Board of Auditors and the Administrative Management Services. The principal features of the changes were the transfer to Personnel Services of certain functions pertaining to personnel administration and the realignment of responsibilities within Financial Services on a functional basis rather than, as was previously the case, on the basis of the sources of financing. The changes are intended to result in better definition of responsibilities and functional specialization which, in turn, should result in a smoother and more effective flow of work. The rearrangement of functions will also allow for greater stress to be placed on financial control of programme implementation and the provision to management of improved financial information and analysis. The reallocation of personnel functions was accompanied by the transfer of ten staff members from Financial Services to Personnel Services.

28. The new structure of Financial Services consists of:

- Office of the Chief, Financial Services
- Accounts Section
- Budget Section
- Financial Implementation Management Section
- Payments Section
- Treasury

BUDGETARY DEVELOPMENTS

29. The initial budget estimates for 1972, which were submitted to the fifth session of the Industrial Development Board^{3/} and later to the twenty-sixth session of the General Assembly, were based on the cost level of the 1971 activities so as not to prejudge the decisions of the Board on the work programme and the recommendations that might be put forward by the Special International Conference of UNIDO held in June 1971. During the course of the twenty-sixth session of the General Assembly, the following additions to the initial estimates were approved: \$350,000 for the appointment, on a short-term basis, as and when required, of additional staff to carry out the expanded programme of activities approved by the fifth session of the Industrial Development Board; \$250,000 for the implementation of General Assembly decisions concerning the recommendations of the Special International Conference of UNIDO; \$855,000 for increased costs arising from the revaluation of the Austrian schilling; and \$10,000 for expanded training and career development programmes. The total appropriation for the financial year 1972 amounted to \$14,419,000.

30. UNIDO co-operated with the Office of the Controller in the preparation of a model for the United Nations budget, presented on a programme basis, and in the preparation of medium-term budget and programme forecasts. These matters were to have been considered by the General Assembly during its twenty-sixth session, but were postponed to the following session.

ELECTRONIC DATA PROCESSING

31. Improvements were made in the computerized payroll for headquarters personnel. In mid-1971, two new major computer applications became operational: the payroll for field personnel and the manning table control. Additional applications will be developed in 1972 leading to an integrated system of accounting, reporting and management information.

CONVERSION TO NEW UNDP PROCEDURES

32. The reorganization of UNDP and its new programme, accounting and reporting procedures, have imposed a considerable burden on all executing agencies. All sectors in Financial Services have been affected by the demands of the conversion process which is expected to continue well into 1972. A positive by-product of the conversion process has been the need to analyse systems and procedures, a process that will lead to improvements in methods of operation.

^{3/} Document ID/B/84.

CONFERENCE SERVICES

As a result of decisions by the General Assembly, the United Nations Secretariat directed in 1972 to cut the volume of documentation by a percentage comparable to that achieved by UNIDO, which had already reduced the volume of the documentation for the Industrial Development Board in 1971, will pursue its efforts to further improve the quality and limit the volume of its own documentation in order to achieve this goal.

34. The difficulties connected with the recruitment of permanent language staff still persist. In line with recommendations of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), certain changes in procedures will be effected in order to improve the output of conference services, although the output in 1971 compares favourably on a per capita basis with that of most other similar groups.

35. The situation in the Editorial Section has further improved, and it has been possible to reduce the backlog and to shorten somewhat the time lag between the submission of manuscripts for editing and the date of submission for reproduction or printing.

36. Under the arrangements with IAEA for joint production of documents, the envisaged maximum of 30 million page units for UNIDO was nearly reached in 1970. In 1971, there was a considerable curtailment, however, owing to IAEA's commitments to the Fourth International Conference on the Peaceful Uses of Atomic Energy. It was necessary therefore to expand the capacity of the common IAEA/UNIDO reproduction facility by the purchase of equipment and the provision of additional manpower and supplies in order to deal with the heavy reproduction workload arising mainly from the meetings programme, the Special International Conference of UNIDO and the technical assistance recruitment service. Printing for the United Nations sales publications programme was carried out substantially as planned.

37. The Conference Unit was active in organizing and servicing meetings at UNIDO headquarters, in particular the Special International Conference of UNIDO, and meetings held away from headquarters, especially the meetings in Singapore and Abidjan, which were held to promote industrial projects.

38. Co-operation with the United Nations Office in Geneva and the Austrian authorities was most satisfactory; the common interpretation service with IAEA continued to operate smoothly and contributed to the success of both the Special International Conference of UNIDO and the Fourth International Conference on the Peaceful Uses of Atomic Energy in Geneva.

GENERAL SERVICES

39. The General Services office provides services with respect to travel, transportation and accommodation; communication and archives; building management; security and safety; and commercial management. Operations in 1971 were carried out without major problems.

40. In order to economize on cable costs, UNIDO introduced a new method of communication called a UNIDOGRAM. A UNIDOGRAM resembles a cable in form and is written in telegraphic language; but it is dispatched by air mail, thereby reducing costs.

41. The catering facility in the hostel building continues to serve staff and participants in the various United Nations meetings held in Vienna. In early January 1972, an additional catering facility was opened in the Felderhaus to provide catering services for personnel assigned to that area.

42. The workload of the various services increased substantially during the year; however, it has been possible to absorb much of this increase within the present manning table.

TECHNICAL EQUIPMENT PROCUREMENT AND CONTRACTING

43. The volume of activities in 1971 continued its upward trend as indicated by the comparative statistics shown in table 3 below. The United States dollar equivalent value of new orders, contracts and amendments increased by approximately 45 per cent over 1970 to an amount of nearly \$5.5 million. The increase in value as compared with 1969 amounted to approximately 170 per cent. The average value of individual orders and contracts continued to increase, amounting to approximately \$2,460 per purchase order and \$32,480 per contract in 1971, as compared with \$2,080 and \$23,520, respectively, in 1970. Requisitions for new goods and services received and processed during 1971 amounted to over \$7.5 million.

44. Orders and contracts continued to be placed on the widest possible geographical basis. In 1971, transactions involved nearly 400 vendors and consulting organizations in 33 countries. Orders and contracts placed by TEPCO have been financed by all UNIDO sources of funds, i.e., Regular Budget, Special Fund, Technical Assistance, Special Industrial Services, Government Counterpart Contributions, Funds-in-Trust and in 1971, to an increasing extent, the voluntary contributions to the UNIDO General Trust Fund. In 1971, the UNIDO General Trust Fund was utilized to finance 10 contracts for services to a value of approximately \$438,000 and 39 purchase orders for equipment exceeding \$315,000. Payment arrangements negotiated by TEPCO are designed for efficient currency utilization, both with respect to UNDP and UNIDO resources.

Table 3
Comparative statistics for TEPCO operations, 1969 to 1971

<u>Operations</u>	<u>1969</u>		<u>1970</u>		<u>1971</u>	
	<u>Number</u>	<u>Approx. value (in '000 \$)</u>	<u>Number</u>	<u>Approx. value (in '000 \$)</u>	<u>Number</u>	<u>Approx. value (in '000 \$)</u>
Purchase orders and amendments	382	482.7	548	1,139.6	616	1,515.4
Contracts and amendments	26	1,516.0	111	2,610.5	120	3,897.5
Requisitions processed	360	2,834.1	620	5,449.2	701	7,555.2
Project inventories		1,330.0		1,650.0		2,777.0

45. In addition to entering into orders and contracts, the Technical Equipment Procurement and Contracting Office (TEPCO) is responsible for their administration up to the actual delivery of goods and services at the project site. In terms of project implementation, or technical assistance deliveries, the value of goods and services delivered in 1971 is estimated at nearly

30 per cent of total UNIDO technical assistance deliveries, as compared with approximately 20 per cent in 1970. Comparative figures, given in table 4 below, indicate the increasing level of aid delivered in the form of equipment and subcontract services.

Table 4
Comparative statistics for TEPCO, 1969 to 1971
(equipment and contractual services delivered, relative to total UNIDO technical assistance)

	1969		1970		1971	
	value (in '000 \$)	% of total deliveries	value (in '000 \$)	% of total deliveries	value (in '000 \$)	% of total deliveries ^{a/}
Equipment	485.0	5.4	783.8	6.2	1,700.0	10.0
Subcontracts	643.4	7.1	1,941.4	15.3	2,922.0	17.2
Total	1,128.4	12.5	2,725.2	21.5	4,622.0	27.2

a/ Percentage computed on an estimated value of total deliveries of \$17 million.

46. In support of the UNIDO campaign for the improvement of maintenance and repair facilities in the developing countries, TEPCO executed additional orders for equipment and subcontracted a number of preliminary studies.

HEADQUARTERS PLANNING AND ADMINISTRATIVE MANAGEMENT ACTIVITIES

TEMPORARY HEADQUARTERS

47. The Government of Austria and the City of Vienna provided an additional 366.58 m² in the Rathaus (Townhall) for archives and storage of documents in March 1971 and two extensions to the Hostel (parts C and C-1) an increase of 1,342.07 m² in the net usable space. The acquisition of parts C and C-1 permitted a relocation of certain activities that has improved functional relationships and made additional space available for the use of the substantive divisions.

48. Other significant developments during 1971 include the enlargement of the 7th floor conference room in the Felderhaus, the relocation of the documents distribution facilities from the Hofburg to the Felderhaus to improve functional relationships, and the expansion and relocation of the reproduction facilities in the Hofburg to accommodate additional equipment and to improve physical working conditions.

49. In 1971, the fifth session of the Industrial Development Board was informed of UNIDO's request to the Austrian Government for additional temporary premises, forecast to be required during the period before the permanent headquarters is ready for occupancy (possibly by mid-1976).^{4/} These requirements are in addition to the 2,375.30 m² of net usable space in the remodelled building at Ebendorferstrasse No.4 which should be available to UNIDO in the near future.

^{4/} Document ID/B/85, paras. 76-78.

50. In addition to this new space, the Austrian authorities have indicated that the construction of another prefabricated building on the Lerchenfelderstrasse site is planned (Prefab D); the expansion and relocation of the Commissary and the provision of additional storage space in the Hofburg may take place in 1972.

51. The total net usable space presently available for use by UNIDO in the various temporary premises is shown in table 5 below.

Table 5
Total usable space - 1971
(in net square metres)

	<u>Office space</u>	<u>Special- use and services areas</u>	<u>Total usable space</u>
Felderhaus	3,730.30	1,632.25	5,362.55
Hostel	3,430.06	2,422.11	5,852.17
Annex A	1,597.55	535.27	2,132.82
Annex B	1,381.12	240.52	1,621.64
Annex C	1,399.25	685.35	2,084.60
Hofburg	-	1,386.25	1,386.25
Rathaus	-	1,008.58	1,008.58
Commissary	-	<u>547.36</u>	<u>547.36</u>
Total	<u>11,538.28</u>	<u>8,457.69</u>	<u>19,995.97</u>

52. Appreciation is expressed to the Austrian authorities for their co-operation in improving and expanding the temporary headquarters.

PERMANENT HEADQUARTERS

53. Background information on the selection by the Austrian Government of the Staber (Austrian design for the permanent headquarters of UNIDO and IAEA was presented to the Industrial Development Board at its fifth session in the report on Administrative Activities and Organizational Matters of UNIDO in 1970.^{5/}

54. In early 1971, the Government requested UNIDO to provide the Austrian authorities with a projection of space requirements for 1971, 1977, 1981 and 1986. In presenting his estimates, the Executive Director informed the Government that they represented the best possible information available at the time, taking into account projected increases in the volume of technical assistance projects to be undertaken by UNIDO in the future.

55. The Federal Ministry of Foreign Affairs informed the Executive Director in May 1971 that the Austrian Federal Government, in consultation with the City of Vienna, had reached a final decision concerning the magnitude of the planning of UNIDO's permanent headquarters and would provide accommodations for a total of 2,266 persons. In addition, provision would be made for 125 persons (affiliate and commercial groups such as a bank, travel agencies and press) who would

^{5/} Document ID/B/85, paras. 79-93.

to be accommodated in the common service areas to be shared jointly with IAEA. This offer was based on the Government's assessment of the growth of UNIDO personnel requirements. At the next session of the Board, the representative of Austria informed the Board members of this offer and reiterated that it was based on the estimates of the Austrian authorities (IN/HRK.100). The Federal Minister of Foreign Affairs, in an address to the General Assembly at its twenty-seventh session, stated:

"The Austrian Government and the City of Vienna will provide at their own expense office accommodations for a total of 4,500 persons (UNIDO and IAEA) by 1981. With the completion of the construction project in the above-mentioned size - which represents approximately a doubling of the original Austrian offer - the Austrian Government considers its obligations towards the United Nations in this respect as fulfilled."

56. In May 1971, the Republic of Austria and the City of Vienna announced the establishment of the Internationale Amtssitz- und Konferenzzentrum Wien Aktiengesellschaft (IAKW), a joint-stock company responsible for the planning, construction and eventual realization of this project. Shortly thereafter, UNIDO and IAEA, in consultation with IAKW, reviewed revised lists of their respective office space requirements and related special-use areas and the joint requirements for common services and conference facilities, based on the 1981 occupancy figures established and approved by the Government. In the case of UNIDO, the requirements were based on accommodations for 2,266 persons, of which approximately 85 per cent would be located in the office buildings and the remainder in the autonomous conference and common service areas. The maximum planned occupancy for both organizations is some 4,700 persons, excluding delegates and other participants in small meetings, seminars, workshops etc.

57. In September 1971, regularly scheduled meetings and ad hoc sessions commenced with IAKW, Architect Staber and the various consulting groups engaged by the Austrian authorities for the purpose of clarifying the space and functional requirements of both organizations. In addition, the UNIDO/IAEA planners met frequently to co-ordinate their joint requirements for the conference areas and common services areas. During the same period, the representatives of the planning groups met separately with the architect to complete various extensive preliminary questionnaires concerning the technical requirements. This information was required as the basis for the architect's preliminary re-design, which is expected to be available in January-February 1972.

58. In late October 1971, and after extensive negotiations with IAEA and IAKW, agreement was reached on the final detailed space programme, as follows:

(a) UNIDO office accommodation and special-use areas (in its separate administrative buildings)	31,818 m ² net
(b) Common UNIDO/IAEA area	
Autonomous conference area	11,530 m ² net
Common services areas	37,547 m ² net
Vehicle parking area - provision for	3,050 vehicles (minimum)

59. The above space programme relates to net usable space for planning purposes only and may vary somewhat depending on the final re-design by the architect. In any event, the programme presented in the re-design will be subject to further examination and approval by the organizations and IAKW.

60. In respect of the final design of the project, no significant changes in the illustrations shown in the report to the fifth session of the Industrial Development Board (ID/B/85, pp.24-25) are anticipated. It is expected that UNIDO's office buildings will comprise two contiguous towers, one approximately 92 metres high and the other 72 metres high. These towers will have direct access to the autonomous conference and common services areas as well as to the entrance of the IAEA office towers. The height of the common services and conference buildings is still to be determined, but the buildings will be equally convenient to the office towers of both user organizations.

61. A two-storey prefabricated building was constructed in October 1971 near the site of the permanent headquarters and is now occupied by the various architectural and engineering groups involved in the project. Space has been allocated for the UNIDO/IAEA technical staff and consultants.

62. Subject to any unforeseen delays in the final planning schedule, excavation is planned to commence in late 1972. A tentative set of target completion dates has been prepared by IAKW and, upon further verification, is expected to be released during 1972.

ADMINISTRATIVE MANAGEMENT ACTIVITIES

Review of Management and Manpower Utilization

63. The main recommendations made in the Review of Management and Manpower Utilization by the United Nations Administrative Management Service have been implemented, and a detailed status report has been submitted to the Under-Secretary-General for Administration and Management. A total of 108 recommendations was made, approximately 72 of which were fully implemented and 17 partly implemented by the end of 1971. The remaining 19 recommendations were referred back to the Administrative Management Service at Headquarters as the responsibility for their implementation rested elsewhere or because the recommendations were no longer appropriate in the light of new developments.

64. In line with certain general recommendations in the report of the Administrative Management Service, assistance was provided to various units in UNIDO to resolve minor organizational and functional problems and to improve work methods and procedures. For example, a provisional security manual has been reviewed and edited and is now in the final stages of preparation, and in consultation with Personnel Services and Financial Services, revised procedures for the preparation and processing of Special Service Agreements have been formulated and adopted.

Electronic data processing

65. The activities of UNIDO in this field are growing rapidly. Consideration will soon have to be given to new communication techniques using computer-based systems of information storage and retrieval for management purposes. However, no new major systems will be designed before a thorough investigation is undertaken and the financial implications are reviewed. Every effort will be made to avoid duplication of effort and to use the experience and systems of other organizations.
66. Various feasibility studies were undertaken in 1971, prior to the approval of requests for new computer applications. These studies, which include detailed reviews of the procedures and general work flow, do not necessarily lead to mechanization but tend to improve operations through clarification of the objectives and simplification and streamlining of procedures. Related activities undertaken during 1971 included the preparation of a manual of administrative codes for computer applications and assistance to the electronic data processing staff training programmes and supervision of the implementation of electronic data processing systems.
67. UNIDO will continue to rely on the IAEA facilities to meet its requirements. The present contractual arrangements are satisfactory and economical for both organizations. The following statement in "The Agency's Budget for 1972",¹ which was presented to the recent IAEA General Conference, is relevant and outlines in some detail the current arrangement in force of the joint computer services:
- "Computer services
- "7. In an effort to avoid the problems which have arisen in Geneva with regard to duplication of computer services within the United Nations family of organizations, the senior officials responsible for management in the Agency and UNIDO have agreed to the joint utilization of one computer at Vienna. For practical reasons, it has been agreed that all UNIDO systems analysis and programming work will be handled by staff members of UNIDO. To avoid duplication of supervisory and programming work however, it has been agreed that the UNIDO programming staff will work closely with, and - when in the Agency's Computer Section - will be under the supervision and direction of, the Agency staff. Both organizations agree on the joint utilization of staff in order to cope with peak work-loads in the programming required for the administrative and accounting work in either organization.
- "8. Charges for computer services are paid by UNIDO on the basis of monthly billings by the Agency. Electronic data processing time is charged for on the basis of a fixed rate per machine hour plus a charge for the operator and general software programmer. Expenditures for magnetic tapes and discs are reimbursed on the basis of actual costs. Data preparation is charged for on the basis of a fixed rate per key punched card. The payments for machine time are subject to an adjustment of the final account in accordance with the number of hours of machine time used by each organization and the total costs incurred. Although no additional manpower has been employed by the Agency exclusively for the purpose of coping with the work-load of UNIDO, the reimbursement from UNIDO for services rendered adds up to a substantial amount of income which enables both organizations to enjoy the benefits resulting from the use of a computer with a higher level of capability, at a minimum cost to Member States."
68. In addition to these arrangements with IAEA, UNIDO is co-ordinating its computer activities with the International Computing Centre at Headquarters, the International Labour

Organisation (ILO), the Inter-Organization Board (IOB) and the newly established International Computing Centre (ICC) in Geneva. A summary of the co-ordination activities during 1971 is given below:

(a) International Computing Centre - Headquarters

UNIDO has held periodic consultations with this Centre and has received constructive advice and assistance from it. There has been an exchange of visits by senior officials to co-ordinate the future computer programme of UNIDO and to reach agreement on the use of Headquarters systems wherever applicable.

(b) International Labour Organisation (ILO)

The ILO regularly provides UNIDO with services in respect of storage and retrieval of document references on the basis of the Integrated Scientific Information System (ISIS). Abstracts are prepared in Vienna and forwarded to the ILO for processing.

(c) Inter-Organization Board (IOB) and the International Computing Centre (ICC) - Geneva

A feasibility study was undertaken on the possibility of linking UNIDO to the ICC/Geneva, taking into account the present technology of communications between Vienna and Geneva and the type of work processed in Vienna. It was concluded that such a link would not be economically feasible at this time. However, UNIDO intends, in close consultation and co-operation with IOB, to keep this matter under active review with the ICC/Geneva.

Common service arrangements with IAEA

69. In accordance with the arrangements concluded between UNIDO and IAEA in 1967, separate agreements are now in force between the two organizations covering medical services, printing and reproduction services, computer services, procurement and general services, interpretation services and microfiche services. These agreements are reviewed periodically and amended in accordance with changing conditions and workloads.

70. The existing arrangements have proven quite effective and it is the intention of UNIDO to continue using IAEA facilities until such time as joint services are established in the permanent headquarters in the Donaupark.

NEW YORK LIAISON OFFICE

71. In accordance with the responsibilities assigned to it, the New York Liaison Office carried out an increasing volume of work in 1971. The activities undertaken reflected the growing requirements of UNIDO's expanding programme and ranged from policy questions of concern to UNIDO, dealt with by the competent organs of the United Nations, to specific projects in different areas of industrial development. The liaison and co-ordination work covered: intergovernmental and inter-secretariat activities; co-operation with different units of the United Nations and UNDP on matters related to the substantive and operational programmes of UNIDO; participation on behalf of UNIDO in technical meetings, conferences and consultations held in North America on questions of industry and technology; development of co-operation with the World Bank group.

the Inter-American Development Bank and the Organization of American States. Also included in the work of the Liaison Office were the organization and implementation of specific projects as determined by the requirements of the programme of work of UNIDO, and the setting up of co-operative action with industrial and research organizations to meet specific needs of UNIDO projects.

72. During 1971, the Liaison Office has contributed to the organization and implementation of a number of training programmes and related activities. Likewise it assisted in obtaining the participation of recognized international specialists at technical meetings and seminars organized by UNIDO for different sectors of industry. Participation by prospective investors at the regional industrial investment promotion meetings, organized by UNIDO for Africa and Asia in 1971, was another important concern of the New York Office.

73. The UNIDO Documentation Centre, maintained at United Nations Headquarters by the Liaison Office, is the major source of supply of UNIDO documents and technical publications to the Permanent Delegations of Member States to the United Nations. UNIDO documents have also been made available to specialists, industrial organizations and government officials and agencies from different countries interested in the problems of industrial development.

74. In the area of public information, the Director and staff of the New York Liaison Office have spoken on the activities of UNIDO to various groups visiting the United Nations Headquarters, to participants of training programmes and at meetings organized by outside institutions.

75. The New York Liaison Office was instrumental in negotiating an agreement between UNIDO and the Inter-American Development Bank providing for co-ordination and co-operation in Latin America. Under the terms of this agreement, the Inter-American Development Bank may request the co-operation of UNIDO on an ad hoc basis in carrying out various activities with particular reference to: industrial projects in the member countries of both organizations; the execution of technical assistance programmes related to such projects; the training of technical personnel and the holding of seminars and courses in fields of industrial development; and studies on industrial development.

76. The agreement provides for regular exchange of information between the two organizations and for closer co-operation in carrying out their respective activities. A number of specific projects are currently under discussion with a view to their joint implementation by the two organizations.

77. During the year, co-operation between UNIDO and the International Bank for Reconstruction and Development (IBRD) included close contacts with the World Bank's Industrial Projects Department, mutual briefing of field staff, the holding of periodic review and consultation meetings at the staff level for purposes of co-ordinations, and mutual review of current operations and future programmes. Liaison was also maintained with the International Finance Corporation and the Economic Development Institute of the World Bank. In a number of cases mutual exchange of information on specific studies and projects took place to facilitate the respective field

operations. UNIDO documents and training materials were provided to the Economic Development Institute for use in its training programmes in project evaluation and industrial programming for trainees from developing countries.

78. UNIDO has been invited to attend the annual review meetings organized by the Organization of American States for each of its member countries. It is expected that this will result in improved co-ordination of operational programmes at the country level.

ANNEX
GEOGRAPHICAL DISTRIBUTION
OF THE PROFESSIONAL STAFF OF UNIDO

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 on the composition of the Secretariat. Interested delegations are referred to the most recent report (A/8483) 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 widely representative geographical distribution within the UNIDO secretariat. Throughout 1971, UNIDO, in conjunction with the Office of Personnel, has searched for qualified candidates from under-represented Members States in order to attain the widest possible geographical distribution.
4. As of 31 December 1971, 249 of the 303 staff members serving with UNIDO on appointments of one year or more were occupying posts subject to the principles of geographical distribution. A total of 73 nationalities are represented in the secretariat, as outlined below.

<u>AFRICA</u>	<u>Number</u>
Burundi (1 P-2)	1
Cameroon (1 P-2, 1 P-1)	2
Dahomey (1 P-3)	1
Egypt (1 USG, 1 D-1, 3 P-5, 2 P-4)	7
Gambia (1 P-3)	1
Ghana (1 P-4)	1
Ivory Coast (1 P-3)	1
Libyan Arab Republic (1 P-2)	1
Mali (1 D-1)	1
Mauritius (1 P-3, 1 P-1)	2
Morocco (1 P-3)	1
Nigeria (1 P-4)	1
Senegal (1 P-5)	1
Somalia (1 P-2)	1
Sudan (1 P-4)	1
Tunisia (2 P-4)	2
Uganda (1 P-4)	1
Total	<u>26</u>

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

<u>ASIA AND THE FAR EAST</u>	<u>Number</u>
Australia (1 D-1, 2 P-5, 1 P-3, 1 P-2)	5
China (2 P-4)	2
India (1 D-1, 2 P-5, 1 P-3)	4
Indonesia (1 P-5)	1
Japan (2 P-5, 4 P-4, 1 P-3, 1 P-2)	8
Khmer Republic (1 P-2)	1
Nepal (1 P-3)	1
New Zealand (1 P-4)	1
Pakistan (1 D-1)	1
Philippines (1 P-2)	1
Total	<u>35</u>

<u>EUROPE (Eastern)</u>	
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-2)	3
Hungary (1 D-1, 1 P-4, 1 P-3)	3
Poland (5 P-4)	5
Romania (2 P-4)	2
Ukrainian Soviet Socialist Republic (1 P-3)	1
Union of Soviet Socialist Republics (1 D-2, 8 P-4, 5 P-3)	14
Yugoslavia (1 D-1, 1 P-5, 2 P-4, 1 P-1)	5
Total	<u>37</u>

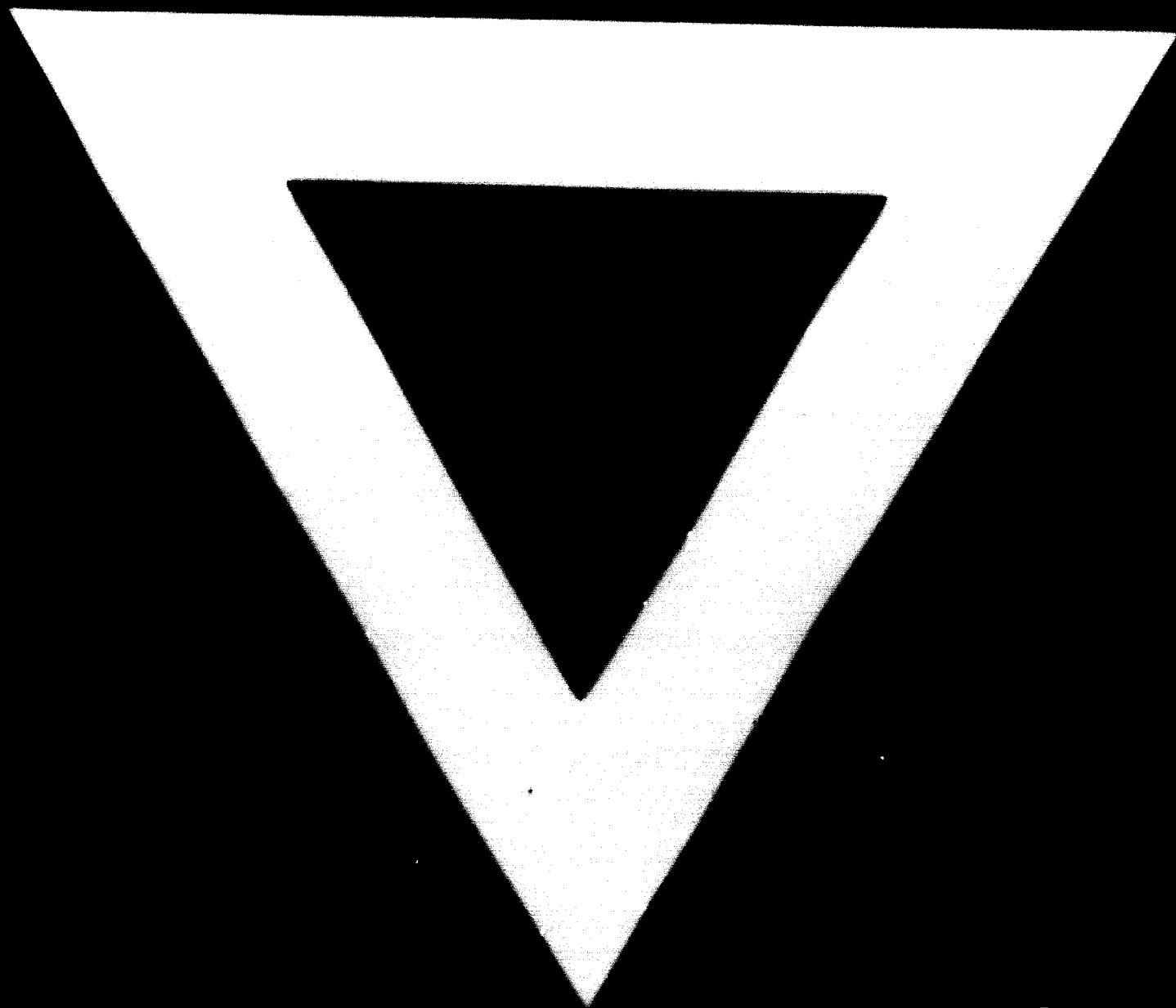
<u>EUROPE (Western)</u>	
Austria (1 D-1, 2 P-4, 4 P-3, 1 P-1)	8
Belgium (1 P-5, 2 P-2)	3
Denmark (1 P-4, 1 P-3, 1 P-2)	3
Finland (1 P-4, 1 P-1)	2
France (1 D-2, 3 D-1, 2 P-4, 1 P-3, 2 P-2)	9
Greece (1 P-5)	1
Iceland (2 P-2)	2
Ireland (1 P-5, 1 P-4, 1 P-3)	3
Italy (2 P-4, 2 P-3)	4
Luxembourg (1 P-5)	1
Netherlands (2 P-4, 1 P-2)	3
Norway (1 P-5, 1 P-4, 1 P-3, 1 P-2)	4
Portugal (1 P-3, 2 P-2)	3
Spain (1 P-3, 1 P-1)	2
Sweden (3 P-5, 1 P-3, 3 P-2)	7
United Kingdom of Great Britain and Northern Ireland (1 D-1, 1 P-5, 6 P-4, 4 P-3)	12
Total	<u>67</u>

<u>LATIN AMERICA</u>	<u>Number</u>
Argentina (1 D-1, 1 P-3)	2
Bolivia (1 P-2)	1
Brazil (1 D-1, 1 P-5, 1 P-4, 1 P-3)	4
Colombia (1 D-2)	1
El Salvador (2 P-4)	2
Mexico (1 P-5, 1 P-4, 1 P-3)	3
Panama (1 P-2)	<u>1</u>
Total	14

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

<u>NORTH AMERICA AND THE CARIBBEAN</u>	
Canada (1 D-1, 1 P-5, 1 P-3, 2 P-2, 1 P-1)	6
Jamaica (1 P-2)	1
United States of America (2 D-2, 2 D-1, 9 P-5, 15 P-4, 12 P-3, 5 P-2, 1 P-1)	<u>46</u>
Total	53

<u>NON-MEMBER STATES</u>	
Federal Republic of Germany (1 D-1, 1 P-5, 5 P-4, 5 P-3, 1 P-2)	13
Republic of Korea (1 P-3)	1
Switzerland (1 D-1, 1 P-4)	<u>2</u>
Total	16



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