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UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

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# ANNUAL REPORT OF UNIDO 1993

Industrial Development Board  
Twelfth session, 1994

Programme and Budget Committee  
Tenth session, 1994

IDB.12/2  
PBC.10/2

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## EXPLANATORY NOTE

The Annual Report, 1993, was prepared on the basis of the format of the corresponding programme and budgets, in compliance with General Conference resolution GC.4/Res.2, which requested the Director-General "to fully incorporate in future annual reports the programme performance report according to Board decision IDB.7/Dec.11". Thus, the annual report provides, parallel to the description of the activities carried out in 1993, the significant performance indicators and the comparison of outputs implemented against outputs planned for the biennium 1992-1993 as described in the programme and budgets, 1992-1993 (GC.4/42), adopted by the General Conference at its fourth session. Cross-references to paragraphs in the programme and budgets are indicated in square brackets. For those activities that remained the same as in 1992, to avoid repetition of descriptions, reference is made to the relevant parts of the Annual Report, 1992.

At its fifth session, the General Conference, in decision GC.5/Dec.9, invited the Director-General to present the information contained in future annual reports of UNIDO as succinctly as possible. Efforts to comply with that decision have not yielded the desired results since, in completing the programme performance report for the biennium 1992-1993, the present document should be read in conjunction with the Annual Report, 1992, and should thus follow its presentation. Following the recent streamlining of UNIDO's priorities and the corresponding programme and budgets, it should be possible to introduce a new, more concise presentation for the annual reports in the coming biennium.

## ABBREVIATIONS

ACCT	Agency for Cultural and Technical Cooperation	CIS	Commonwealth of Independent States
ADC	Andean Development Corporation	CMIS	Contract Management Information System
AIDMO	Arab Industrial Development and Mining Organization	COLCIENCIAS	Fondo Colombiano de Investigaciones Cientificas y Proyectos Especiales
ALADI	Latin American Integration Association	COLCYT	Latin American Commission on Science and Technology
AOS	administrative and operational services	COMFAR	UNIDO Computer Model for Feasibility Analysis and Reporting
ARCT	African Regional Centre for Technology	COSERA	Consultative Group on Solar Energy Research and Application
ASEAN	Association of South-East Asian Nations	DANIDA	Danish International Development Agency
ASTRO	International Association of Trading Associations for a Developing World (formerly International Association of State Trading Organizations in Developing Countries)	DIPP	Databank for Investment Promotion Programmes
BOT	build-operate-transfer	ECA	Economic Commission for Africa
CAD	computer-aided design	ECDC	economic cooperation among developing countries
CAM	computer-aided manufacturing	ECOWAS	Economic Community of West African States
CAMI	Conference of African Ministers of Industry	EPZ	export processing zone
CARIBANK	Caribbean Development Bank	ESCAP	Economic and Social Commission for Asia and the Pacific
CFC	chlorofluorocarbons	ESCWA	Economic and Social Commission for Western Asia
CIM	computer-integrated manufacturing		



ABBREVIATIONS (continued)

ESID	ecologically sustainable industrial development	IUPAC	International Union of Pure and Applied Chemistry
FOSIDEC	Fund for Solidarity and Economic Development of the West African Economic Community	JPO	UNIDO Junior Professional Officer
GCC	Gulf Cooperation Council	LAS	League of Arab States
GOIC	Gulf Organization for Industrial Consulting	LDC	least developed country
GTZ	German Agency for Technical Cooperation	LES	Licensing Executives Society
Habitat	United Nations Centre for Human Settlements	LFA/OOPP	logical framework approach/objectives-oriented project planning methods
IAEA	International Atomic Energy Agency	MERCOSUR	Common Market of the South
ICA	International Cooperative Alliance	NAFTA	North American Free Trade Agreement
ICGEB	International Centre for Genetic Engineering and Biotechnology	NGO	non-governmental organization
IOB	Inter-American Development Bank	NIS	New Independent States of the former Soviet Union
INDDA	Industrial Development Decade for Africa	OAU	Organization of African Unity
IDF	Industrial Development Fund	OECD	Organisation for Economic Cooperation and Development
IE/PAC	Industry and Environment Programme Activity Centre of UNEP	OECS	Organization of Eastern Caribbean States
IFDC	International Fertilizer Development Center	PCM	project cycle management
IGO	intergovernmental organization	PPER	project performance evaluation report
IIC	Inter-American Investment Corporation	PPRC	Programme and Project Review Committee
ILAFA	Latin American Iron and Steel Institute	PROSPIN	Project Profile Screening and Pre-appraisal Information System
INFOTERRA	International Environmental Information System	PTA	Preferential Trade Area for Eastern and Southern African States
INRES	information referral system	R and D	research and development
INTIB	Industrial and Technological Information Bank	RP	Regular Programme of Technical Cooperation
IPC	International Pepper Community	RENAPAP	Regional Network for Pesticides for Asia and the Pacific
IPF	indicative planning figure	SELA	Latin American Economic System
IPS	Investment Promotion Service	SIS	Special Industrial Services programme
ISO	International Organization for Standardization	SMI	small- and medium-scale industries
ITC	International Trade Centre UNCTAD/GATT	SME	small and medium enterprises
		STAS	short-term advisory services

ABBREVIATIONS (continued)

TCDC	technical cooperation among developing countries	UNDP	United Nations Development Programme
TIES	Technological Information Exchange System	UNEP	United Nations Environment Programme
TSS-1	technical support services at the programme level	UNESCO	United Nations Educational, Scientific and Cultural Organization
TSS-2	technical support services at the project level	UNHCR	United Nations High Commissioner for Refugees
UCD	UNIDO Country Director	UNOV	United Nations Office at Vienna
UNCED	United Nations Conference on Environment and Development	VIC	Vienna International Centre
UNDCP	United Nations International Drug Control Programme	WHO	World Health Organization

## PREFACE

The present Annual Report covers a period of marked change. A change that was not restricted to the global economy alone, affecting the roles of Governments, enterprises and industrial institutions alike, but one that entailed a series of major changes within the Organization itself.

The need for change was clearly signalled: technical cooperation delivery in the traditional sense continued to decline, while the Organization's financial basis narrowed perceptibly. Managerial and procedural shortcomings grew increasingly apparent, all of which added to the Organization's diminished profile and dwindling impact. The message was clear for all to read.

UNIDO rose to the challenge. Building on advice offered by Member States and drawing on the known strengths of the Organization, it proved possible to meet the demand for a new revitalized UNIDO. In a situation not unfamiliar to many developing countries, the Organization had to carry through major structural adjustments at a time of extreme resource constraints and unpredictable future financial inflows.

A staff reduction of the order of 10 per cent and the corresponding reconfiguration of the organizational structure, with the abolition of a complete intermediate layer of management, have provided a sharper substantive focus, yielded a leaner hierarchical structure and established the basis for the provision of quality services in response to determined demand. The future will show whether the new team spirit will prevail, complemented as it is by decentralized responsibility and accountability, as well as improved coordination and communication both at Headquarters and in the field.

Success will derive from true partnership. This will not merely be a partnership as reflected in political and financial support for the Organization, but a genuine global industrial partnership in which the developing countries can take up their rightful places and develop their own sustainable competitive capabilities in fields where they enjoy dynamic comparative advantages.

Just as the changes within the Organization call for new forms of cooperation, the changes within the international industrial development process will demand an equally broad range of new relationships. UNIDO stands ready to contribute to the global industrial partnership essential to our common future.

Mauricio de Maria y Campos  
Director-General

## CHAPTER I. POLICY ISSUES

1. The major event of the year was the determination of a future policy framework for UNIDO and a matching reconfiguration of the organizational structure. The development of a new structure and the readjustment of the programme of work and budgets for the coming biennium derived from a general understanding between the Organization and the legislative bodies on the need for reform in the light of the most recent global economic, industrial and technological developments.

2. Given the shift in most developing countries towards export-oriented, competition-driven policies, with a general emphasis on privatization and private sector development, the demand for UNIDO services has changed significantly. Whereas in the past UNIDO responded to government requests that were largely focused on public sector, inward-looking and planning concerns, the demand for UNIDO services is now shifting towards development requirements in the private sector. The emphasis now lies on advisory and technical services for the creation of an "enabling environment" conducive to private sector development and the mobilization of investment and other resources, as well as on technical cooperation and institutional support to enhance the competitiveness of key industrial subsectors in developing countries.

3. In the ultimate analysis, the demand for UNIDO services is determined by the recipient countries: developing countries and, within the availability of additional resources, economies in transition. In providing services, UNIDO should thus ensure that all its programmes and projects respond to effective demand. At the same time donor countries, although they do not determine demand, do have legitimate expectations in terms of the quality, cost-effectiveness, efficiency and sustainability of the Organization's services. UNIDO must thus ensure that the interests of all Member States are fully reflected in its activities.

4. At the same time, the United Nations system is also undergoing a process of restructuring. Mandates are being reconsidered, while priorities and structures are being reviewed in a number of distinct, yet closely interrelated areas. These include reforming the system of governance, improving coordination within the United Nations system, restructuring the United Nations Secretariat and enhancing the effectiveness and efficiency of the system's operational activities that themselves have undergone extensive change.

5. The demand pattern and the reorientation and prioritization within the medium-term plan that were subject to informal consultations among Member States led to

the determination of five interlinked development objectives that constitute the broad context in which the Organization will operate in future: industrial and technological growth and competitiveness; development of human resources for industry; equitable development through industrial development; environmentally sustainable industrial development; and international cooperation in industrial investment and technology. The restructured Organization also took account of the comparative strengths of UNIDO so that it can assume its rightful role in the industrial community as:

(a) The central coordinating body within the United Nations system in the field of industrial development;

(b) A focal point for industrial technology;

(c) An honest broker for industrial cooperation;

(d) A centre of excellence on industrial development issues;

(e) A global source of industrial information.

6. The programme of work to be implemented by the restructured Organization reflects the essentiality of developing country strategies and programmes that strike a balance between a country's industrial development requirements on the one hand and the Organization's capabilities and capacities on the other. The programme maintains the four basic subsectoral pillars of the Organization (agro-based, chemical, metallurgical and engineering industries including electronics), focuses on environment and energy and accords greater prominence to its field representation. Improved field representation will contribute to an improvement in the Organization's ability to respond swiftly to emerging demand and deliver its services accordingly. Investment and technology promotion activities have become more closely integrated, while fund mobilization activities have been grouped in one Division and structured according to target groups, each of which require a distinctly different approach. These closer links with contributors will be matched by the greater weight attached to enhanced appraisal and project management mechanisms and by improvements in evaluation and auditing functions: the ultimate objective being to ensure the quality and impact of services delivered.

7. The restructuring of UNIDO entailed three primary tasks: (a) a reassessment and redefinition of the key functions needed for a sharper focus of the Organization's services and substantive capabilities; (b) the build-up of an organizational structure

## Chapter I

reflecting both the substantive focus and the need for a lean, less hierarchical organization; and (c) an effective, quality-determined delivery of services in response to identified demand. Restructuring UNIDO to meet projected demand in an effective and efficient manner thus not only means changes in the organizational structure and the programme of work, but it will also entail the continuous reform of administrative and management procedures over time.

8. The restructured programme and budgets reflect the basic principles underlying the proposed new organizational structure. These are as follows:

(a) Reorientation of functions according to changing demands and priorities;

(b) Effective integration and co-ordination of various functions and activi-

ties currently dispersed throughout the Organization;

(c) Design of a limited number of units constituting a critical mass of specialized expertise that can carry out clearly defined and focused activities;

(d) Establishment of building up teams to design and deliver packages of services;

(e) Structural flexibility permitting adaptation to changing circumstances and a swift response to emerging demands;

(f) Maximum efficiency in the allocation and use of staff resources, inter alia, by reducing administrative, coordinative and senior management (Deputy Directors-General) staff and minimizing the intermediate layers of supervision.

## CHAPTER II. POLICY-MAKING ORGANS AND GENERAL MANAGEMENT (100; 200)

### A. POLICY-MAKING ORGANS (100)

1. The General Conference (programme 110) held its fifth regular session at Yaoundé (Cameroon) from 6 to 10 December. The regular session of the Conference was preceded in 1993 by the eleventh session of the Industrial Development Board (programme 120) which took place in June-July, October and November. The ninth regular as well as first additional sessions of the Programme and Budget Committee (programme 130) were held in April, June and November.

2. Following the resignation of Mr. Domingo L. Siazon, Jr. from the post of Director-General, the year saw also the holding of the fifth special session of the Board in January as well as the resumed tenth session of the Board and the first special session of the Conference in March, which led to the appointment of Mr. Mauricio de Maria y Campos as the new Director-General of UNIDO. Thus, an unprecedented total number of 10 regular, resumed and special sessions of policy-making organs were held in 1993. Table 1 below shows the number of sessions of policy-making organs held during the biennium 1992-1993, as compared to those programmed. [1.6; 1.11; 1.16]

3. The discussions at the regular sessions of the policy-making organs focused in particular on the policies of the Organization, more specifically the future policy framework for UNIDO and its reformed organizational and staff structure. They culminated in the adoption by the General Conference of resolution GC.5/Res.18 approving the proposals of the Director-General on the subject as contained in document GC.5/23 and decision GC.5/Dec.18 approving the

programme and budgets for the biennium 1994-1995, prepared on the basis of those proposals. The Conference also adopted the Yaoundé Declaration in which Member States announced the firm commitment to renewing their political and financial support to the revitalized UNIDO.

4. Among the resolutions and decisions adopted by the Economic and Social Council of interest to UNIDO were in particular those related to operational activities for development (resolution 1993/7), the Second Industrial Development Decade for Africa (IDDA) (resolutions 1993/62 and 1993/65), the United Nations System-Wide Action Plan on Drug Abuse Control (resolution 1993/43) and science and technology for development (resolutions 1993/69 to 1993/75 and decisions 1993/320 to 1993/322). Decisions with particular significance for UNIDO adopted by the Governing Council of the United Nations Development Programme included decisions 93/6 on the sectoral support programme (see chap. III, para. 44) and 93/25 on national execution and agency support costs.

5. Many of the resolutions adopted by the General Assembly at its forty-eighth session are of relevance to the work of UNIDO, in particular 48/166 and 48/214 on agendas for development, 48/179 on science and technology for development, 48/171 on the least developed countries, 48/172 on economic and technical cooperation among developing countries, 48/180 on entrepreneurship and privatization, 48/209 on operational activities for development, 48/108 and 48/109 on integration of women in development, 48/112 on international action to combat drug abuse and illicit production and trafficking, 48/222 on unified conference services at Vienna, as well as decision 48/456 on the Second IDDA.

Table 1  
Sessions of policy-making organs  
(1992-1993)

	Sessions planned		Sessions held	
	Number	Working days	Number	Working days
General Conference	1	5	2	6
Industrial Development Board	3	15	5	18.5
Programme and Budget Committee	2	10	3	11
Total	6	30	10	35.5

## B. GENERAL MANAGEMENT (200)

6. As in 1992, the general management of the Organization was carried out by the six subprogrammes mentioned below devoted to executive direction and management (programme 210).

### Office of the Director-General (subprogramme 211)

7. The new Director-General assumed office on 1 April 1993 following the resignation of the previous incumbent. In providing policy direction to the programmes and subprogrammes of UNIDO, the Director-General, with the assistance of his immediate staff, took up the discharge of functions entrusted to him. His major concern was to develop the main elements of a framework for re-orienting and prioritizing the services of UNIDO, on the basis of which he could initiate a reform process culminating in a new organizational structure, improved management and efficient operational procedures. Inputs to the reform and restructuring process were obtained from the Director-General's participation in the system-wide coordinating bodies and the informal consultations among Member States on the relative priorities within the medium-term plan (see chapter I). The Director-General's adjusted budget proposals (GC.5/14/Rev.1 and Corr.1) approved by the General Conference at Yaoundé reflect the new structure and organizational priorities. In these and other matters, the Director-General was assisted throughout the year by the Executive Management Committee. [2.11]

### Executive Staff Coordination (subprogramme 212)

8. The Executive Management Committee is served by the staff attached to Executive Staff Coordination, which acts as its secretariat. The post of Executive Staff Coordinator also experienced a change in office in the first half of the year. In addition to coordinating the activities of the Internal Audit, Legal Service and Evaluation subprogrammes, the new incumbent contributed actively to the reform process, focusing on those issues that bore on cross-organizational problems and putting forward proposals for their solution. Given the focus on organizational reform and the tight schedule it imposed, it proved necessary to discontinue the meetings of the Special Advisory Group. It is, however, planned to revive the concept, albeit with a new approach, in the coming year. [2.22; 2.23]

### Internal Audit (subprogramme 213)

9. Throughout the year, the Internal Audit continued its efforts to improve the quality of its work and its functional effectiveness. It responded to senior management's

concerns by adopting a performance (value-for-money) audit approach that focuses on those areas bearing Organization-wide implications and entailing high risks. Special attention was paid to improving accountability and transparency throughout the Organization, particularly with respect to technical cooperation activities. This shift in focus meant the discontinuation of the annual financial audits related to the Catering Service, Garage Operation and Staff Welfare Fund. The continued lack of staff resources precluded any audits being undertaken in the field, where the majority of UNIDO projects are implemented. [2.30]

10. In the course of the 1992-1993 biennium, the Internal Audit issued 12 audit reports: four financial audits, five investigation reports and three performance audits (two on the electronic data-processing systems development and one on the IDDA programme). Over the same period 44 audit observations were issued, the contents of which were reflected in the final audit reports. Audit recommendations were followed up to ensure that agreed actions were implemented. [2.30; 2.31]

11. In addition to being represented as an observer on several committees, thus providing the unit with insight into major issues and enabling it to provide impartial advice on a timely basis, the Internal Audit participated in the Task Force on the Rationalization of Expenditures and Cost Reduction. Contacts were maintained throughout the year with internal audit services of other agencies and development banks to learn from their experience, and a consultant was engaged to advise on strengthening internal audit functions, particularly performance audits. [2.30; 2.31]

### Legal Service (subprogramme 214)

12. In lending legal support to the Organization's organs and programmes the Legal Service continued to provide comprehensive legal services throughout the year to the Director-General, the policy-making organs and units of the Secretariat and helped to avoid conflicting positions and unauthorized commitments of a legal, financial or policy nature, while maintaining and defending the legal claims and interests of the Organization. As regards international agreements between UNIDO and Member States, the Legal Service continued the negotiation of a definitive headquarters agreement with the Government of Austria and of standard basic cooperation agreements with Governments eligible to receive assistance from UNIDO. The Legal Service also reviewed and cleared the texts of relationship agreements, memoranda of understanding and working arrangements on cooperation with Governments, intergovernmental, governmental and non-governmental organizations (see appendix I). Throughout the year it reviewed and cleared trust fund agreements - including the necessary legal

arrangements with the Governments of the recipient countries - and discharged its function of depositary for the international agreements of UNIDO. [2.39; 2.42]

13. In the field of procurement of equipment and services, the Legal Service advised organizational units on contractual clauses and assisted in the negotiation of formulations that deviated from model texts. It also advised on questions of copyright, establishing and clearing agreements with external publishers on the printing and distribution of UNIDO publications, and on licensing agreements for software systems developed by the Organization. Representatives of the Legal Service also provided advice to and participated in the meetings of the Committee on Contracts, the Property Survey Board and the Publications Board. In activities related to the International Centre for Genetic Engineering and Biotechnology (ICGEB), the Service offered guidance on the prosecution of patent applications and on the negotiation of technology transfers in exchange for royalties and other income. It undertook legal preparatory work for the eventual establishment of ICGEB as an independent institution. Negotiations continued to be held with the host country on the legal framework for the establishment of the international centre for science and high technology. 1/ [2.41]

14. Advice and assistance were provided on matters related to the implementation and further development of internal rules, such as the financial and staff regulations and rules. The Service represented the Organization before the International Labour Organisation Administrative Tribunal in two cases. In matters relating to the implementation of the current headquarters agreement, the Service continued to liaise with the Protocol Section of the Austrian Ministry for Foreign Affairs and intervened with local authorities, when appropriate, on matters pertaining to privileges, immunities and obligations. [2.40; 2.42]

#### Evaluation (subprogramme 215)

15. As an objective and independent mechanism of accountability, the subprogramme contributed throughout the year to ensuring that the objectives of the Organization were met and the efficiency, effectiveness and relevance of the Organization's activities were enhanced. The number of evaluations undertaken during the biennium 1992-1993 is given in table 2 below. [2.52; 2.53]

16. Whereas the number of in-depth technical cooperation evaluations increased from 24 carried out in 1992 to 32 during 1993, the number of project performance evaluation reports (PPER) received was affected by the general decline in technical cooperation delivery, showing a drop

to 121 PPERs as compared with 171 in 1992. Four ex-post evaluations of UNIDO projects financed by Germany were also completed. Together with the conclusions of a cluster evaluation of 40 projects financed from the same source, the findings contributed to a revision of the cooperation policy and strategy between UNIDO and Germany. An analysis of the manner in which in-depth project evaluations were carried out in 1992 revealed that 96 per cent of the evaluation reports ranged from "excellent" to "acceptable", as against 85 per cent in 1991. [2.51; 2.53]

17. Concerning the quality of the projects, a review made in mid-1993 of the results of the evaluations carried out in 1992 revealed dramatic declines in project effectiveness and efficiency. Project effectiveness slumped from 63 per cent to 36 per cent, while efficiency fell from 69 to 32 per cent. This decline was confirmed by the 1992 PPER analysis which showed that only 41 per cent of the projects were found to be effective, as against 52 per cent the previous year. Furthermore, according to the same PPERs, a total of 53 per cent of the projects accomplished less than the foreseen objectives as against 40 per cent in 1991 (see table 3 below). [2.51; 2.54]

18. The reasons for such results may lie in the fact that many of the projects evaluated were designed before the policy shift towards private-sector development and a market economy took hold in many developing countries. This shift entails a new perception of the relevance and sustainability of many of these government-oriented projects, which in turn affects performance ratings. In fact, the evaluation findings are being increasingly used to advise Governments on possible realignments in the present environment of change. The evaluations also provided overwhelming evidence of project design inadequacies: many of the projects evaluated were found to have been designed and implemented without involving the end-user; project outputs and activities failed to distinguish between direct support or institution-building functions; and the service module approach was not used when designing institution-building projects. In addition, the counterparts selected were often inappropriate and the institutional setting inadequate, while little or no consideration was given to sustainability during the project design stage. In the light of these findings, the evaluation staff supported the Programme and Project Appraisal Section in developing an improved approach to the management of developer cooperation as a basis for developing quality service proposals (see chap. III, para. 2). This was being propagated through project design and evaluation workshops utilizing project cycle management and objectives-oriented project planning methodologies. [2.51; 2.54]

19. Concerning headquarters-based programmes, the evaluation of the activities of UNIDO in industrial human resource development was completed in the course of the

1/ IOB.11/10, chap. IV, para. 87.



Table 2  
Significant performance indicators: Evaluation  
(Subprogramme 215)

Outputs	Planned	Achieved
	1992-1993	1992-1993
In-depth evaluations of technical cooperation projects [2.53]	70	56
In-depth evaluations of headquarters programmes [2.52]	3 <u>a/</u>	3 <u>b/</u>
Training workshops on project design and evaluations [3.41]	12	8 <u>c/</u>
Analysis of in-depth evaluations carried out [2.51]	2	2
Project performance evaluation reports received	- <u>d/</u>	292
Report on evaluation activities to the Board [2.54]	2	2

a/ Includes one in-depth evaluation on industrial human resource development carried over from 1991 (see IDB.11/10, chap. II, para. 28).

b/ Programme evaluations completed on investment promotion, economic and technical cooperation among developing countries and human resource development. The ongoing evaluations on development and transfer of technology and special trust funds will be completed in 1994.

c/ Carried out jointly with the Programme and Project Appraisal Section.

d/ No quantitative target set in the programme and budgets, 1992-1993.

Table 3  
Qualitative analysis of UNIDO technical cooperation  
(Based on project evaluations carried out in 1991 and 1992)

Achievement	In-depth evaluation results <u>a/</u>				Internal evaluation results			
	(1) Outputs produced (efficiency)		(2) Objectives achieved (effectiveness)		(3) <u>b/</u> Objectives achieved (effectiveness)		(4) <u>c/</u> Objectives achieved (effectiveness)	
	(Percentage of all projects evaluated)							
	1992	1991	1992	1991	1992	1991	1992	1991
Expectations exceeded	0	3	0	3	2	2	0	6
Expectations met	8	36	16	33	39	50	41	52
Expectations nearly met	24	30	20	27	n.a.	n.a.	n.a.	n.a.
Less than planned	52	21	56	21	53	40	50	21
Considerable problems	8	3	4	9	0	1	0	0
Inconclusive	8	6	4	6	6	8	5	9

a/ Based on 33 in-depth evaluations in 1991 and 24 in 1992.

b/ Based on 238 internal evaluations in 1991 and 155 in 1992.

c/ Based on 25 internal evaluations of projects that underwent in-depth evaluations. This column has been prepared for purposes of comparison with column (2).

year. Based on the findings of that evaluation, the Board urged the Director-General to adopt an integrated approach around three themes: industrial employment and manpower development, science and technology and social issues. 2/ Work also started on two new evaluations: special trust fund projects and development and transfer of technology. In the first, a representative sample of projects was evaluated, including projects financed by Denmark, Japan and Nigeria, and in the second, a framework was developed for assessing the relevance and significance of the Organization's mandates, programmes and activities in that field. Both evaluations will be completed during 1994, provided funds are available to complement staff work. The need for permanent arrangements to finance the evaluation of headquarters programmes was addressed in document GC.5/19 submitted to the General Conference at its fifth session. [2.52]

Strategy, Policy and Planning Office  
(subprogramme 215)

20. The Strategy, Policy and Planning Office was deeply involved in the preparation of the programme and budgets for the 1994-1995 biennium. It assisted in the finalization of the initial proposals and briefed Member States on their programmatic content prior to the ninth session of the Programme and Budget Committee. The Office also contributed to the subsequent revision of those proposals presented to the Board at its eleventh session. With the Head of the Office chairing the Task Force on Priorities and Structural Reform of UNIDO

set up by the Director-General in June, the Office was intimately involved in the elaboration of the new structure for the Organization that, in turn, determined the reconfiguration of the programme and budgets for the 1994-1995 biennium. Following the endorsement by the Board at its resumed eleventh session of the restructuring proposals put forward by the Director-General, the Office contributed to the readjustment of the budget proposals for submission to the Programme and Budget Committee and the Board in November prior to their consideration by the General Conference at its fifth session. [2.62; 2.63; 2.65; 2.67]

21. As part of the Organization's endeavours to maintain consistency within the system-wide decision-making processes, the Strategy, Policy and Planning Office contributed to the preparation of briefs for use by the representatives of UNIDO at meetings of the Administrative Committee on Coordination and its subsidiary bodies. As in previous years, it also contributed to the analysis of reports prepared by the Joint Inspection Unit on matters of relevance to UNIDO, in particular the reports on the decentralization of organizations within the United Nations system. It also coordinated the Organization's replies to initial queries from the Inspectors conducting studies on sharing common premises and services in the field and on accountability and oversight processes in the United Nations system. [2.66]

22. The Office continued to work on the monitoring and reporting of programme performance in keeping with the output and activities described in the programme and budget as reflected in tables used throughout the annual report for 1992 and its appendix J. [2.64]

2/ IOB.11/Dec.3, para. (e).

## CHAPTER III. PROGRAMME AND PROJECT DEVELOPMENT (300)

1. Until the end of the biennium 1992-1993, the composition and functions of the Department for Programme and Project Development and the Office of the Deputy Director-General (programme 310) remained as described in the Annual Report, 1992. 1/

Programme and Project Appraisal  
(subprogramme 322)

2. The activities to improve the quality of technical cooperation initiated in 1992 2/ were pursued with the considerable support of the Quality Assurance Unit of the German Agency for Technical Cooperation (GTZ). Work was based on the recognition at UNIDO that, to ensure that the established quality criteria are met, the quality appraisal function must prevail from the very outset of project development and that it must be the responsibility of the project planners and their supervisors. The first half of the year was devoted to methodology: the project cycle management (PCM) and the logical framework analysis/objectives-oriented project planning (LFA/OOPP). 3/ A paper entitled "The improved management of development cooperation by UNIDO: A proposal for discussion" (PPD.257(SPEC.)) was discussed in June with the United Nations Development Programme (UNDP) in view of its relation to UNDP's programme approach and the corresponding programme support document; it was agreed that the UNIDO and UNDP approaches were virtually the same.

3. Following the adoption by the Board of decision IDB.11/Dec.8 (July 1992), attention focused on the application of PCM/OOPP as a tool for use in quality management. Since, in accordance with the UNIDO Constitution, the industrialization process must be seen as an instrument for social and economic development and the role of UNIDO is to support that process by promoting and accelerating it, UNIDO should be seen as a service organization for the benefit of developing countries. With these basic principles in mind, the following main elements of a quality management system were drafted: (a) the steps of the service identification and formulation process, and the corresponding flow chart indicating tentative management responsibilities; (b) the quality standards derived from the Constitution of UNIDO, decisions of the policy-making organs and the medium-term plan; (c) a set of questions guiding quality management in the identification

and formulation process leading to a UNIDO service proposal; (d) the principles of PCM/OOPP as a main tool to be used in the quality management process. The details of the UNIDO quality management system will be outlined in a quality manual. These activities on the quality of technical cooperation and on the required quality management system were discussed with the major donors to the Industrial Development Fund (IDF) at informal meetings in February and November respectively. Later, the General Conference of UNIDO at its fifth session adopted resolutions requesting the Director-General to establish the quality management system and stressing that all UNIDO programmes and projects should be consistent with the quality concepts described in Board decision IDB.9/Dec.7 (GC.5/Res.1, paras. 2 and 3). [3.39; 3.40]

4. A video on the OOPP methodology was prepared for use by UNIDO staff and any other interested parties and "An introduction to OOPP" was issued (PPD.268(SPEC.)). Training in OOPP was initiated for UNIDO staff through four workshops for 40 headquarters staff members and one for 17 Junior Professional Officers (JPOs). Four OOPP training workshops were conducted for 30 staff members of the United Nations International Drug Control Programme (UNDCP), and for 25 of their field advisers and programme officers in Africa and Latin America, through special workshops held at Bogota, Colombia, and Nairobi, Kenya. A similar workshop was held at Niamey, Niger, for 14 government officials from 12 West African countries. In addition, training in PCM/OOPP was carried out for two groups of JPOs and, jointly with GTZ, for 13 government officials at Jakarta, Indonesia, as a first step to transferring that methodology to that country. [3.41]

5. There was a considerable increase in the number of cases (112) where project planners requested advice on project formulation. Worthy of note was the application of OOPP to the formulation of specific technical cooperation projects through appraisal workshops in the field. These were organized and moderated on four occasions: in Guinea, India, Kenya and, jointly with GTZ, in the Lao People's Democratic Republic. Experience in the use of OOPP and metaplan moderation techniques has also resulted in the provision of such techniques to workshops/meetings convened under other subprogrammes. The guidelines for environmental appraisal 4/ were expanded

1/ IDB.11/10, chap. III, paras. 1-2.

2/ Ibid., paras. 3-5.

3/ IDB.11/11, para. 26.

4/ IDB.9/10, chap. V, para. 7.

by the addition of the pulp and paper sector; however, these guidelines have not yet become operational. [3.40; 3.42; 3.43]

6. Time to carry out the above activities was made available partly because the number of programmes and projects developed at UNIDO decreased and partly because projects below \$50,000 (37 per cent of total) were no longer appraised since the exercise is not cost-effective. Thus, in 1993, 336 complete project documents were submitted for appraisal. Of those, 34 per cent met, as submitted, established quality criteria in terms of relevance, cost-effectiveness and sustainability; 50 per cent required various degrees of reformulation in order to meet those criteria; and 16 per cent

were cases of divergent views between appraisal and project planners. In 89 per cent of the latter cases, the results of appraisal were endorsed subsequently by the Programme and Project Review Committee. [3.38]

7. In summary, in 1993 there was a marked orientation towards the development of the methodology endorsed by the policy-making organs and towards the provision of guidance to staff at the project formulation phase, while moving deliberately away from an appraisal control function. In the future, the quality management system should ensure that the quality of technical cooperation is effectively exercised by managers and project planners.

Table 1

Significant performance indicators: Programme and Project Appraisal  
(Subprogramme 322)

	Planned	Achieved		
	1992-1993	1992	1993	Total
<u>Appraisal</u>				
Advice on project proposals/ appraisal memoranda [3.38]	1,000	59 372	112 336	171 708
Appraisal workshops [3.38]	a/	3 b/	4	7
<u>OOPP design methodology</u>				
Internal reports on IDf-financed technical cooperation [3.39]	4	2	2	4
Updated project design reference file [3.40]	1			c/
Expert group meeting on design and appraisal criteria [3.40]	1			d/
<u>Training</u>				
Workshops/briefing sessions on OOPP and/or PCM/OOPP methodologies [3.41]				
(i) UNIDO staff	4	1	4	5
(ii) JPOs	8	4	3	7
(iii) UCDS	a/	1	-	1
(iv) UNOCP	-	-	4	4
Government and industry representatives briefed on OOPP and/or PCM/OOPP methodologies [3.42]	15	58	27	85

a/ Amount not specified in programme and budgets, 1992-1993.

b/ IDB.11/10, chap. III, para. 5 (e).

c/ Will take the form of a quality manual for UNIDO technical cooperation.

d/ Postponed owing to lack of resources.

**A. SPECIAL MEASURES AND ACTIVITIES**  
(Programme 321)

8. Since its restructuring in July 1992, 5/ the programme continued to carry out the responsibilities assigned to it in Director-General's Bulletin UNIDO/DG/8.156, under the overall responsibility of the Office of the Director (subprogramme 325). [3.77]

Environment Coordination  
(subprogramme 324)

9. The Environment Coordination Unit made steady progress in achieving the objectives set out in the programme and budgets and in following up the recommendations of the UNIDO Conference on Ecologically Sustainable Industrial Development and Agenda 21 of the Earth Summit. It continued to support environment-related activities throughout the house, in particular as secretariat to the Task Force on Environment and in supporting the task force subgroups on capacity-building and publications. Activities of the Unit featured close collaboration with other organizational units in the preparation of guidelines and manuals to ensure that energy and environmental considerations are integrated into all UNIDO projects and programmes. Nine guidelines were contributed to the pollution prevention and abatement guideline series being compiled under the leadership of the World Bank, which will eventually cover 50 to 60 industrial sectors. Work also continued with the Industry and Environment Programme and Activity Centre of the United Nations Environment Programme (UNEP) on a manual covering monitoring industrial discharges. The Unit organized three in-depth environmental training courses (on cleaner production in the agro-based and chemical process industries and on economic policy and environmental management) and 10 in-house environmental awareness seminars and contributed substantively to the Environmental Awareness Bulletin. It also prepared a self-instruction training course on ecologically sustainable industrial development and a guide on industrial safety (risk management) (PPD/R.61) for the use of UNIDO staff, Governments and industry. The Unit also contributed to the preparation of a comprehensive and representative set of fact sheets and the compilation of a set of success stories for the media featuring work by UNIDO on cleaner production. [3.63; 3.64; 3.65; 3.66; 3.67]

10. An environmental analysis of all projects approved in 1992 was undertaken to determine the extent to which UNIDO projects followed the request of the Industrial Development Board (IOB.10/Dec.13) concerning the incorporation of an environmental dimension into all UNIDO activities. The analysis revealed that 34 per cent by

number and 41 per cent by dollar value of the projects were either environment projects or had an environmental dimension. Environment projects included an inter-regional project, in which two Egyptian cement plants and three Mexican sugar mills took part, to demonstrate the feasibility of cleaner production. Project activities in Egypt were concluded by a Cairo seminar in which the participating cement plants reported a total reduced dust emission in excess of 180 tons per day achieved through improved maintenance and operation. In Mexico, where the sugar industry is faced with drastically increased fees for water and waste water discharges, water conservation measures have been introduced at the participating mills and the results will be evaluated during the next production period. [3.63]

11. Advisory services were provided on the formulation of national environmental and energy policies with UNDP funds for technical support services at the programme level (ISS-1), with the Unit having either a lead role - e.g. to assist the Ministry of Environment and Forests in India to design a cleaner production programme appropriate for small and medium enterprises, and the Pakistan Ministry of Industries to design a waste minimization programme - or a complementary role, e.g. an investigation of the environmental impacts of the aluminium industry in Latin America and the Caribbean and a study on industrial pollution control in Thailand. [3.68]

12. The Unit continued to spearhead the joint UNIDO/UNEP programme to establish national cleaner production centres. 6/ The centres will play a catalytic role in the promotion of cleaner production by providing technical information and advice, stimulating demonstrations of cleaner production techniques and technologies, and training industry and government professionals. At the close of the year, applications to participate in the programme had been received from 39 institutions in 25 developing countries. Six of those institutions will be chosen to participate in the first phase of the programme, which will begin in June 1994 with a training workshop. The Unit also initiated an effort to secure funds for an industrial pollution study at Ho Chi Minh City, Viet Nam, and contributed to the development of a technical co-operation project on cleaner production for Sri Lanka. [3.65]

13. With regard to efforts to harmonize UNIDO environment activities with other United Nations entities, the Unit participated in two meetings on Capacity 21 of UNDP, followed closely the deliberations of the Inter-agency Committee for Sustainable Development - the United Nations body responsible for coordinating the system-wide response to Agenda 21 - and contributed to briefings on the subject. [3.66]

5/ IOB.11/10, chap. III, paras. 10-12.

6/ Ibid., para. 19.

Economic Cooperation among Developing Countries

(subprogramme 336)

14. Responding to the changing economic and political environment, the Secretariat continued its support of economic and technical cooperation among developing countries (ECDC/TCDC). In that regard, programmes and activities for promoting cooperation among business enterprises of the South were given special attention in 1993. The results achieved through ECDC/TCDC promotional activities were encouraging, as evidenced by the many preliminary cooperation agreements concluded among industrial enterprises and research and development institutions. [3.155; 3.160]

15. The year saw the development and implementation of some 30 promotional projects, e.g.: between China and Viet Nam in the machine tool industry, with the visit of a high-level mission from India to those two countries to explore possible ways for cooperation with host institutions in coal mine planning and design, coal briquette production, water-coal slurry mixtures, equipment for coal handling and washery extract and general research and development. A workshop was held at Rio de Janeiro, Brazil, to demonstrate the country's achievements and experience in computer applications for the textile and apparel industry. Experts from selected Latin American countries and other developing countries also attended the workshop where a number of preliminary cooperation agreements were signed in the areas of training and software development, as well as in the industrial application of advanced technologies. As a result of reorientation and readjustment in ECDC activities, the solidarity meeting planned to be held in Uganda did not take place. [3.158; 3.160]

16. In the telecommunication industries, preparatory activities were started for a rolling exhibition of telecommunication equipment and technologies in selected Eastern and Southern African countries with the aim of demonstrating the reliability and appropriateness of the equipment in Africa and exploring the possibility of local manufacturing through joint ventures. The project was being implemented in collaboration with the Telecommunication Equipment Manufacturers Association in India. In Asia, a workshop for representatives of telecommunications software and equipment industries from that region, held at Beijing, China, featured bilateral discussions under ECDC/TCDC arrangements; 40 working agreements were signed involving potential joint ventures, expert services, transfer of technology, equipment delivery and training. [3.157; 3.158]

17. Realizing the importance of the petrochemical industry sector in the economic development of the countries in west Asia and north Africa, an expert group meeting on patents, licensing and know-how in the petrochemical industries was held at Manama, Bahrain, in November, to provide a forum for

exchanging views and experiences concerning acquisition of know-how and licensing in that sector. Five technical workshops/expert group meetings, which served as useful tools for improving communications and strengthening cooperation among industrial enterprises, were also held in the following areas: industrial processing of medicinal plants (Panajachel, Guatemala); research and development of mineral resources (Hyderabad, India); direct reduction process of iron ore (Cairo, Egypt); processing of lead and zinc sulphide ores (Guangzhou, China); and cooperation in small- and medium-scale industries (Manama, Bahrain). At the meeting held in Guatemala, 23 experts from the Latin American and the Caribbean region and five resource experts from Asia shared experiences. Some 30 preliminary cooperation agreements were concluded during that meeting. [3.157]

18. Special attention to the promotion of ECDC/TCDC was also given through self-financed trust fund projects, by which more than 500 experts were recruited from Egypt, Hungary, India, Poland, Romania and the Syrian Arab Republic to provide technical assistance to cement plants and petrochemical plants in Egypt, the Libyan Arab Jamahiriya and Nigeria. Under the arrangements, nine cement industry training workshops were held in Egypt, India and Turkey with a total of some 80 participants from developing countries, and a Polish expert in steel rolling provided services for two months to improve the performance of a rolling mill in Sri Lanka. Similarly, two consultants from the Republic of Korea studied the investment environment and assessed four project proposals in the synthetic fibre industry in China. [3.155; 3.158]

19. As a result of structural reform, the TCDC/INRES (information referral system) database was reassigned to the Industrial and Technological Information Bank (INTIB) of the Industrial Information Section as a logical extension of the work of INTIB in support of South-South cooperation. The system was upgraded and data was transferred to UNDP to be included in the central master database at the TCDC/INRES headquarters in New York. The database was also made available through a local area network, thus increasing its accessibility to users. Also during the year, an inventory on industrial capabilities in Saudi Arabia was completed. [3.157]

Integration of Women in Industrial Development

(subprogramme 352)

20. Implementation of the programme and plan of action for the integration of women 1990-1995 continued, 7/ featuring activities to mainstream women within UNIDO technical cooperation, study and research activities

7/ Ibid., paras. 30-37.

as well as projects specifically targeting women. As in the previous year, 8/ women-in-development experts were attached to country programming missions (Burundi, Mozambique, Niger and Sierra Leone) and to programming missions for the development of the small- and medium-scale industrial sector (Cameroon, Ghana and Zambia) to ensure that women are targeted in recommendations and follow-up. Increasing attention was devoted to gender issues through in-depth evaluation exercises: gender experts participated in the in-depth evaluation of UNIDO activities in the field of industrial human resource development and in an ex-post evaluation of a project for the Leather Technology Centre at Shanghai, China, and an evaluation was carried out of three country case studies on human resources in industrial development that focused on the current and prospective contribution of women in Nepal, Sri Lanka and Zimbabwe. Gender consideration was also incorporated in the objectives-oriented project planning (OOPP) methodology through the participation of the Integration of Women in Industrial Development Unit in training organized for headquarters staff on that methodology. [3.255; 3.256; 3.257]

21. As a result of the placement of an expert on women in development in the Regional and Country Studies Branch, the methodology for reviewing industrial employment in the industrial development review series was revised to embrace broader issues concerning human resource development and to include gender-specific data and information. A study was also finalized on the changing techno-economic environment in the textile and clothing industry in Asia and the implications for the role of women in that sector. A global typology study was completed that examines trends and patterns of women's participation and contribution in the manufacturing sector of the respective countries, the major socio-economic determinants of their participation and, within the context of regional groupings, the anticipated direction of their future involvement. [3.257; 3.258]

22. The promotion of women in decision-making continued through a workshop, attended by 26 participants from 11 countries, on women's participation in industrial policy and decision-making in Asia and the Pacific, held at Kathmandu in cooperation with the Nepalese affiliation of the International Federation of Business and Professional Women. In the area of training, emphasis was on strengthening the entrepreneurial capabilities of women. The UNIDO training programme for women entrepreneurs in the food-processing industry 9/ continued to be disseminated, e.g.: in Malaysia at two workshops on training of trainers, one organized for the Malaysian Entrepreneurship Development Centre and the

Malaysian Agricultural Research and Development Institute, coupled with gender-sensitization workshops for the two organizations, and the other for the Sabah Women's Affairs Unit. The introduction of that programme in Malawi and Viet Nam was under consideration. A preparatory assistance project to formulate a programme for technical and managerial skills development for women in the garment-making industry was initiated in Indonesia, Malaysia, the Philippines and Thailand. A project proposal was prepared to introduce a women-in-development component and thus improve women's technical and entrepreneurial capability in the national leather development scheme in India, while, as part of the regional African leather rehabilitation programme, a three-month technical training programme in leather products was held for two African women entrepreneurs at the Central Leather Research Institute at Madras, India. [3.258; 3.260]

23. Projects geared to the development and transfer of appropriate technologies for rural women continued to be implemented in the area of food processing with the introduction of energy saving and environmentally sound technology, e.g.: fruit and vegetable drying in Senegal using solar energy; gari processing in Nigeria; development and dissemination of appropriate cereal processing equipment for rural women in sub-Saharan Africa; and the production of shea-butter and salt in Guinea. Support was also given to individual women's production groups. An example is a project of assistance to Jua Kali (informal sector) women in Kenya in textiles and related products. Based on the success of that project and with the same approach, a thematic programme on "women entrepreneurs for industrial growth" was designed for application to different subsectors. A mission was also undertaken to the United Republic of Tanzania to assess the needs required to replicate the Jua Kali project also in textiles and related products. [3.261; 3.262]

24. The database on women in industry was strengthened further and at present contains information notes on women in industry for 102 developing countries. Upon request, the information is distributed to Governments and non-governmental organizations (NGOs). [3.257; 3.263]

25. Cooperation and coordination with the United Nations system was ensured throughout 1993 through active participation in the Ad hoc Inter-agency Meeting on Women and in meetings organized by other United Nations organizations and intergovernmental organizations (IGOs), such as the Economic Commission for Africa and the Preferential Trade Area for Eastern and Southern African States. In cooperation with the United Nations Fund for Population Activities, a project formulation mission was undertaken to Sudan from which an integrated women-in-development project was developed that covers 23 villages in the Shendi area. In addition to upgrading women's productive activities and strengthening their marketing capabilities, literacy training and health-

8/ Ibid., para. 31.

9/ Ibid., para. 33.

care programmes are also included in the project. Cooperation with non-governmental organizations was expanded in various regions. [3.263; 3.264]

26. During the reporting period, the services provided under the subprogramme were positively received as evidenced by the increasing number of requests from recipient countries for those services and by the marked interest of donors, who continued to provide a strong financial support to the implementation of the programme.

#### Integrated Programme Support (subprogramme 323)

27. In view of the United Nations-wide developments of the programme approach methodology, the scope of the activities of the Integrated Programme Support Unit was modified early in the biennium to be more responsive to specific developing country needs and harmonize with other United Nations organizations. The subprogramme continued to provide methodological support to other units in UNIDO in relation to the programme approach <sup>10/</sup> and to cooperate with UNDP on the development of system-wide guidelines. Considerable work was carried out on the two integrated programme concepts that were initiated in 1992. <sup>11/</sup> Working documents prepared for both the Africa regional programme on local production of medical inputs and the wooden furniture industrial system for selected countries in Africa, Asia and Latin America and the Caribbean were approved by the Programme and Project Review Committee for further development. With regard to the programme in Africa, informal consultations were initiated with the World Health Organization, considerable data and background information were collected and funding was obtained at the TSS-1 level for HIV/AIDS-related preparatory and analysis work. As regards the wooden furniture integrated programme, six countries with high potential were selected and initial missions were undertaken to four of them to assess conditions and the interest of Governments and enterprises. In cooperation with the relevant units, two thematic programme concepts were developed: on women entrepreneurs for growth (see para. 23 above) and on biomass energy generation. It is expected that the two will result in a series of projects drawing on common experience and expertise. Consultations began on the development of two further thematic programme concepts. [3.51; 3.52; 3.54]

28. Under funding from the Industrial Development Decade for Africa (IODA), work

initiated during the previous biennium on a typology of agricultural machinery in Africa resulted in country groupings as well as an outline of development strategies for each group of countries. <sup>12/</sup> That work will be used as a basis for the development of integrated programmes in interested countries in the next biennium. Contributions were made to two TSS-1 financed studies: one on food security for Ethiopia, and another related to the impact of changes in South Africa. Various initiatives undertaken during the year may lead to integrated or thematic programmes, including agro-industries in Asian least developed countries (LDCs) and Central America, and grain milling and sugar rehabilitation in Africa. The feasibility studies project for a previously developed programme for the fisheries sector in Ghana <sup>13/</sup> was approved by UNDP and its implementation started. Software aimed at simulating subsector development was introduced in Jamaica, and local staff was trained in its use. The software will be applied by national staff to three subsectors, and is expected to lead to the development of at least one integrated programme in 1994. <sup>14/</sup> [3.52; 3.53]

29. Many organizations and potential donors have so far responded well to these innovative approaches and expressed definite interest in participating and funding the development and implementation of the programmes. With this comprehensive programme approach to the subsectors concerned, it is expected that higher quality and impact can be achieved in the work of the Organization.

#### **B. AREA PROGRAMMES** (Programme 330)

30. The Area Programmes Division main activities continued as in 1992 <sup>15/</sup> under the overall management of the Office of the Director (subprogramme 337). In addition to the unprecedented delay in the UNDP country programming process for the fifth cycle (1992-1996) and the slow start of the successor arrangements for support costs, <sup>15/</sup> programme development was aggravated by a global reduction of the UNDP indicative planning figure (IPF) resources by 25 per cent. Consequently, in 1993 project approvals from IPF, cost-sharing, cash counterpart and special measures amounted to \$9.3 million (1992: \$9.6 million). Chapter VIII, part A, and table 3A of the statistical annex provide additional details of project approvals under all sources of funds. The highlights of programme and project development in the individual

<sup>12/</sup> Ibid., para. 39.

<sup>13/</sup> Ibid.; IOB.9/10, chap. II, para. 45.

<sup>14/</sup> IOB.11/10, chap. III, para. 42.

<sup>15/</sup> Ibid., para. 43.

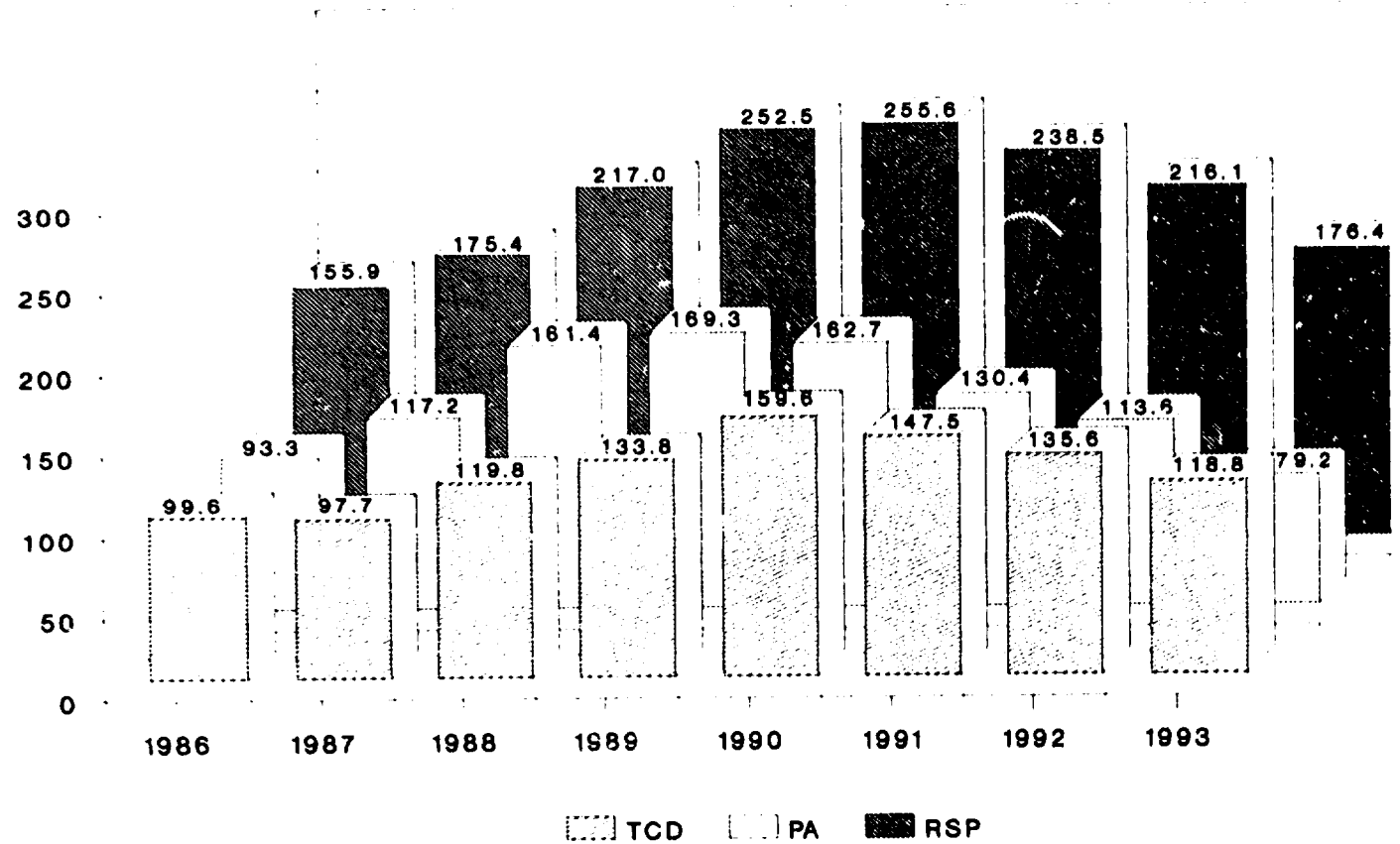
<sup>10/</sup> Ibid., para. 38.

<sup>11/</sup> Ibid., para. 40.



## Technical cooperation delivery (TCD), project approvals (PA), and residual stock of projects (RSP)

(In millions of US dollars)



regions are described in the following paragraphs under the respective subprogramme, while significant performance indicators of each area programme are provided in table 4 below and in appendix J.

31. The UNDP Governing Council at its thirty-ninth session originally approved 59 TSS-1 proposals with a global ceiling of \$4.9 million for implementation by UNIDO in the biennium. During the biennium, 56 TSS-1 projects were implemented at a value of \$3.2 million.

32. During the year, 150 country programme reviews and five regional programme reviews were undertaken. For all areas and all sources of funds a total of 1,369 project ideas and concepts were identified, i.e. 2,285 for the biennium (3,000 projects forecast for the biennium), and 380 projects were further developed and formulated for appraisal and approval, i.e. 787 for the biennium (1,250 projects forecast for the biennium). [3.171; 3.172; 3.173; 3.174]

33. A great majority of Area Programmes officers participated in the training workshops on logical framework approach/objective-oriented project planning (LFA/OOPP) conducted in 1993. LFA/OOPP methods were subsequently applied in several instances to ensure project design quality. The quality of future UNIDO services is expected to be enhanced also through the proposed new orientation of field representation (cf. document IDB.11/7).

#### Industrial Development Decade for Africa Programme 620)

34. As the first year following the approval of the programme for the Second Industrial Development Decade for Africa (IDDA) by the United Nations General Assembly in resolution 47/177, 1993 was particularly significant for the programme. The year witnessed intensified efforts to launch the implementation of the national and subregional programmes in close cooperation with the Economic Commission for Africa and the Organization of African Unity. Close attention was paid to ensuring high-quality delivery, the removal of structural deficiencies impeding industrial sector transformation, and the creation of necessary conditions for sustainable self-reliant industrialization. Special efforts were made to ensure the full participation of local agents of production and distribution and to search for projects that would ensure a multiplier effect. [6.15 (i), (ii); 6.15 (b)]

35. The technical cooperation component of the programme was allotted \$4.50 million for the year. Of the amount programmed for 1993, as of 31 December \$4.02 million had been delivered. Country projects focused on the pressing needs within respective national priorities for the Second IDDA. Highest priority was accorded to agricultural machinery, investment promotion, engineering, food processing, textiles,

chemicals (in particular pharmaceuticals), management and rehabilitation, and human resource development. Regional project emphasis was on agro-industries (particularly leather and food), transfer of technology, feasibility studies, energy and environment, and human resource development. Steps were taken to mobilize financial resources by using IDDA funds as seed money. Nearly \$900,000 worth of projects were implemented under co-financing arrangements with the Agency for Cultural and Technical Cooperation and UNDP. As in other years, projects in favour of LDCs accounted for the bulk of activities in the region (see also paras. 40 to 43 below). Services to African LDCs included most of the supplementary activities provided under short-term technical advisory services (STAS), for which the allocation totalled \$984,900 for the year. Implementation in 1993 was actually \$1,358,193, which included carry-over from 1992. [6.15 (ii), (iii)]

36. As reported in document GC.5/25, the adoption of the Mauritius Declaration on Africa's accelerated industrial recovery and development in the context of the Second IDDA (1993-2002) and beyond was a particularly significant result emanating from the Conference of African Ministers of Industry (CAMI) at its eleventh meeting, held from 31 May to 3 June at Port Louis, Mauritius. Reflecting the emphasis accorded entrepreneurship and private sector development, special efforts were made to ensure the participation of the private sector at that meeting as well as in the meetings held to adopt concrete strategic implementation plans for the execution of the respective subregional programmes. [6.15 (i)(a), (b)]

37. Investment promotion activities within the framework of the Decade included the Investment Forum for Central African States held at Yaoundé, Cameroon, in November. The Preferential Trade Area for Eastern and Southern African States (PTA) investment promotion forum, originally planned for November at Lusaka, Zambia, was postponed until January 1994. Activities for Africa Industrialization Day (20 November) and Decade-related activities in connection with the fifth session of the General Conference are described in chapter VI paragraphs 17 to 18.

38. Under the supplementary activity component, \$1,862,100 (excluding STAS) were allocated for 1993. Delivery totalled \$2,301,563 (which included carry-over from 1992) for the year and covered activities related to mobilization of financial resources, investment promotion, support for technology acquisition and negotiation, human resources development with emphasis on local entrepreneurship and integration of women in industrial development. As a possible input to the development of national programmes for the domestic manufacture of spare parts, a meeting was held in December at Cairo, Egypt, on the subject. A further meeting on maintenance management planned for Cotonou, Benin, had to be postponed owing to lack of staff resources. [6.15 (i)(a), (d)]

39. With the aim of adopting strategic implementation plans for the subregions, meetings were held for West Africa at Abidjan, Côte d'Ivoire; for Central Africa at Libreville, Gabon; for North Africa at Tunis, Tunisia; and for Eastern and Southern Africa at Addis Ababa, Ethiopia. Using UNIDO expertise, inputs were provided to the development of implementation plans for national programmes in respect of over 20 countries, mostly in conjunction with those meetings. [6.15 (i)(a), (c)]

Least Developed Countries  
(subprogramme 337)

40. UNIDO assistance to the least developed countries continued to focus on follow-up activities related to the implementation of the Paris Declaration and the Programme of Action for the Least Developed Countries for the 1990s, as well as the implementation and follow-up of programmes and projects approved in accordance with the priority sectors set out in the UNIDO Industrial Action Programme for Least Developed Countries (PI/114). Operational activities for LDCs typifying the follow-up activities to the priority areas are described in document GC.5/17. As in previous years, the work of the LDC Coordinator was characterized by a high degree of collaboration with other organizational units. That cooperation took place in respect of activities for LDCs within the framework of special programmes, as inputs to meetings, workshops and symposia, and in policy documents and reports. Based on studies carried out for the 1991 workshop on the industrialization of the LDCs, the Industrial Action Plan and the Industrial Action Programme for the Least Developed Countries, a report was published in January entitled "Industry in the Least Developed Countries - Structure and Development". Development of an LDC information system was postponed owing to the lack of resources. [3.174]

41. Development of "seed" programmes continued to be an important initiative of UNIDO for LDCs. <sup>16/</sup> As a follow-up to the "seed" programme for the promotion of traditional textiles in West Africa, <sup>17/</sup> a second phase - building and upgrading of national capacity in traditional textile and entrepreneurship development - was formulated and submitted for financing. Meanwhile, a feasibility study for the establishment and operation of a national tissuthèque in West African LDCs was undertaken. The outcome will be published in the form of a self-help guidebook aimed to assist the respective Governments in the creation of their own national tissuthèque.

42. New approvals generated for LDCs amounted to \$8.4 million (1992:

\$14.46 million), representing 67 projects, while net approvals amounted to \$7.4 million (1992: \$15.73 million). Delivery reached a level of \$20.0 million (1992: \$23.73 million). UNIDO Headquarters missions to LDCs included TSS-1 missions to Burundi on development of micro-enterprises; to the Comoros on the evaluation of the industrial sector with emphasis on small and medium industry; to Ethiopia on capacity-building in human resource development and on economic and technological change in the public and private sector; and to Sudan on the development of small-scale enterprises and industry. Programming missions were sent to Ethiopia and Haiti, while formulation missions were fielded to Lao People's Democratic Republic and Niger. A review mission was sent to Bangladesh, while a preparatory mission to Yemen dealt with the industrial rehabilitation of seven industrial enterprises and private sector development. [3.174]

43. Consequent to the success of the 1991 ministerial-level symposium on the industrialization of LDCs, a second symposium, "Financing the Industrial Action Programme - a challenge for the 1990s", was held at Yaoundé, Cameroon, parallel to the fifth session of the General Conference. [3.174]

Field Representation and Coordination  
(subprogramme 321)

44. As a follow-up to Board decision IDB.10/Dec.11 <sup>18/</sup> on the UNIDO Country Director (UCD) programme, the UNDP Governing Council, in its decision 93/6, authorized an amount of up to \$10.2 million for 1992 and 1993 from the \$19 million earmarked for the UCD programme in the fifth programme cycle (1992-1996), and decided to review the matter in 1994, while underlining that the reallocation would lead to a reduction of yearly allocations for the last three years of the cycle. The financial situation of the UCD programme was further reviewed by the Programme and Budget Committee and the Board. In its decision IDB.11/Dec.29, the Board endorsed the Committee's request that the Director-General continue negotiations with UNDP to increase resources to maintain the present level of UCD offices, called upon Member States to provide resources and invited countries hosting UCD offices to participate in the financing of local costs.

45. In 1993 it was possible to maintain 38 UCD posts: 14 in Africa, 2 in Arab States, 9 in Asia and the Pacific, 2 in Europe, and 11 in Latin America and the Caribbean. Although no additional voluntary contributions to the programme were received in 1993, and IPF financing was linked to only one post, the 38 UCD posts could be maintained through the

<sup>16/</sup> Ibid., paras. 57-58.

<sup>17/</sup> Ibid., para. 58.

<sup>18/</sup> Ibid., para. 65.

combination of the functions of the regional advisers with those of the UCDS, thus utilizing four regular budget posts formerly earmarked for staff outposted to regional economic commissions. [3.25]

46. One subregional meeting of UCDS took place in conjunction with the UNIDC/Latin American Economic System meeting at Caracas, Venezuela, in October. For want of the requisite extrabudgetary funds, the regional meetings foreseen for Africa and Asia and the Pacific could not be held. Visits to Vienna were coordinated by the Field Representation and Coordination Unit for 24 UNDP Resident Representatives, 30 UCDS and 100 Junior Professional Officers (JPOs). [3.22; 3.23; 3.24]

47. At the end of 1993, UNIDO had 50 JPOs assigned as assistants to UCDS or working

for UNIDO within UNDP field offices, compared with 57 at the beginning of the year. Twenty-five JPOs completed their assignments during the year. The policy of some donor Governments specifying target countries for placing JPOs prevented UNIDO from placing JPOs in all required countries. Staff cuts in UNDP field offices have in some cases increased the non-UNIDO related work for UNIDO JPOs, to the detriment of the non-routine UNIDO work. [3.25]

48. Two JPO training meetings were held in Vienna, attended by 13 JPOs in March and five in September. The JPO training programmes were modified to strengthen the focus on the self-financed and third-party-financed trust fund programme and on contacts with the private sector in the developing countries. [3.22; 3.24]

Table 2  
Distribution of UCD established posts in 1992 and 1993  
(By region and source of funds)

Source of funds	Regions					Total
	Africa	Arab States a/	Asia/Pacific	Europe + NIS	Latin America/Caribbean	
<u>UNDP</u>						
1992	11	1	8 b/	-	7	26
1993	9	1	6 b/	1	6	22
<u>Operational budget</u>						
1992	6	1	2	-	2	10
1993	5	1	2	-	3	10
<u>Voluntary contributions</u>						
1992	1	-	-	1	1	3
1993	-	-	-	-	1	1
<u>Other sources c/</u>						
1992	-	-	-	-	-	-
1993	2	-	1	1	1	5

a/ Included under Africa and therefore not figuring in the total.

b/ One additional post funded on a part-time basis is not included in the present table.

c/ In 1993, 4 regular budget posts allocated to the regional economic commissions were transferred to the UCD programme and 1 additional post was financed from IPF funds (Uzbekistan).

Table 3  
JPOs financed 1972-1992 and in 1993

Donor Government	1972-		
	1991	1992	1993
Austria	1	3	3
Belgium	62	6	8
Denmark	32	8	11
Finland	16	7	6
France	2	0	1
Germany	76	15	14
Italy	19	0	0
Japan	15	2	1
Netherlands	91	13	20
Norway	14	5	6
Sweden	31	3	3
Switzerland	10	2	3
<b>TOTAL</b>	<b>369</b>	<b>64 a/</b>	<b>76 b/</b>

a/ The figure of 64 JPOs for 1992 includes 39 who were on board in 1991. A total of 25 JPOs were recruited in 1992.

b/ The figure of 76 JPOs for 1993 includes 55 who were on board in 1992. A total of 21 JPOs were recruited in 1993.

#### Africa (subprogramme 331)

49. With the proclamation of the Second IDDA and the adoption of the programme for the Decade and the Industrial Action Programme for the Least Developed Countries by the United Nations General Assembly, industry was seen by many African countries as the main area where diversification could have a meaningful impact on their economies. The industrial sector was, however, unable to attract any meaningful amount of financing for industrial investment projects. Significant for the region was the convening of the fifth session of the General Conference at Yaoundé, Cameroon - one of the most important global forums on industrial development to have ever taken place in Africa.

50. Technical cooperation funds for the region were significantly reduced as a result of the difficulties in mobilizing financial resources, especially from UNDP. Thus, in 1993, of the 103 projects approved for a total amount of \$12 million, only 6 were financed from UNDP sources for a total amount of only \$1.7 million. In the past, over 70 per cent of UNIDO-executed projects in Africa were funded from UNDP sources. Net approvals from all sources amounted to \$11.9 million (1992: \$26.8 million), of which \$2.6 million was from IPF (1992: \$2.9 million); \$3.2 million from the Regular Programme of Technical Cooperation, including IDDA (1992: \$4.0 million); \$1.3 million from IDP (1992: \$11.0 million); \$1.2 million from trust funds (1992: \$5.4 million); and \$3.6 million from other sources (1992: \$3.5 million). [3.91]

51. The above notwithstanding, UNIDO continued to actively participate in the formulation of country programmes and related subprogrammes approved for financing from UNDP resources. Eleven industrial sector review and programming missions were fielded to Cameroon, Guinea, Madagascar, Niger, Nigeria, Sierra Leone, United Republic of Tanzania and the West Africa subregion, with a view to formulating programmes and projects including investment projects for possible financing from various sources of funds. [3.90]

52. The priority accorded the private sector in 1992, as well as the emphasis on certain types of projects, <sup>19/</sup> continued to apply to country-level activities in the region throughout the biennium. Sectoral focus at the subregional level continued to correspond to sectors identified by subregional organizations in Africa. <sup>20/</sup> In addition to activities carried out in respect of industrial sectors as emphasized in the programme and budgets for the period, UNIDO intensified its technical cooperation with African countries in the areas of industrial restructuring and privatization. In that regard cooperation with development financing institutions, such as the African Development Bank, was also strengthened. [3.91; 3.92]

53. UNIDO also implemented 27 TSS-1 projects in the region, including a study on the impact of changes in the Republic of South Africa on the Eastern and Southern Africa subregion. The study focused, inter alia, on new mechanisms for linking industrial systems across the subregion, the transfer of technology and human resource development. In the latter area, UNIDO also developed two programmes for post-apartheid South Africa: on regional collaboration in the area of human resource development, and on developing managerial and entrepreneurial skills with emphasis on women in the agro/food-processing industry. [3.92; 3.93]

#### Arab Countries (subprogramme 332)

54. The Arab region has been the subject of major policy changes resulting from the fundamental changes taking place in the world in the political, economic and other spheres. Furthermore, events peculiar to the region presented both opportunities and challenges for the development of industry. <sup>21/</sup> Despite the remarkable progress achieved in overcoming many problems of the post-Gulf war, there were still several countries suffering from the consequences of that crisis. Arab regional cooperation made some progress, particularly at the bilateral level and in the Gulf subregion. In the

<sup>19/</sup> Ibid., para. 76.

<sup>20/</sup> Ibid., para. 77.

<sup>21/</sup> Ibid., para. 82.

development of industry emphasis was placed on human resource development, transfer and acquisition of technology, agro-industries (food security), privatization and industrial investment, environment protection and energy conservation, and regional industrial cooperation. In the region the UNIDO programme of technical cooperation made good progress in 1993 compared with the previous year. On the other hand, despite the fact that UNDP country programmes of most of the Arab States were approved, the TSS-1 and TSS-2 activities in the region fell short of expectations, thus depriving UNIDO of a more effective and bigger role in accelerating and expanding the industrial development of the region.

55. Special efforts were made to secure World Bank financing for major projects in Morocco and Sudan dealing mainly with structural reforms, privatization and investment. The cooperation between UNIDO and the Arab regional organizations under the Special Programme for Industrial Development in the Arab Countries achieved good results in planning for a number of regional projects and brought forward the possibility of cost-sharing those projects among the Arab regional collaborating organizations (i.e. the League of Arab States, the Arab Industrial Development and Mining Organization (AIDMO) and the Economic and Social Commission for Western Asia (ESCWA)). Assistance was provided to AIDMO in convening the forthcoming meeting of Arab Ministers of Industry, scheduled for June 1994 at Rabat, Morocco, with the aim of elaborating policy decisions for future industrial development in the region in view of current world changes. Although new prospects for regional industrial cooperation have opened up in connection with the achievements of the peace process in the Middle East, aimed at responding to the needs of the Palestinian territories, the development and expansion of the UNIDO programme of technical cooperation in the Arab region will depend to a large extent on the mobilization of financial resources from that region. [3.103; 3.107; 3.108]

56. Against this background, the level of new project approvals totalled more than double those of the previous year. Net approvals from all sources of funds amounted to \$17.0 million (1992: \$9.2 million), of which \$3.8 million were from IPF (1992: \$0.3 million); \$0.4 million from the Regular Programme of Technical Cooperation (1992: \$0.4 million); \$0.3 million from IDP (1992: \$0.6 million); \$10.3 million from trust funds (1992: \$7.3 million); \$1.6 million from the Multilateral Fund of the Montreal Protocol (no approvals in 1992); and \$0.6 million from other sources (1992: \$0.6 million). [3.104; 3.105]

#### Asia and the Pacific (subprogramme 333)

57. The rapid rise of national execution in the region limited the use of UNIDO services in the development of IPF-financed

programmes and projects. During 1993, UNIDO was called upon to help in the formulation of 6 programmes and/or projects, with TSS-2 as the principal project preparation facility. In addition, arrangements were made in 12 ongoing projects to secure TSS-2 financing facilitating UNIDO assistance to UNDP in technical issues relating to implementation, monitoring and evaluation. Likewise, an amount of approximately \$12.3 million involving 15 projects was subcontracted to UNIDO for the recruitment of expertise, provision of equipment and placement of trainees. Twenty upstream studies, financed under TSS-1 and intended largely to help Governments in policy-making, were carried out in 12 countries while 15 TSS-1 studies were under preparation at the close of the year. [3.116; 3.117]

58. In sum, a total of \$12.3 million, mostly under national execution, was approved under IPF resources, and \$1.8 million under TSS-1 and TSS-2. Under the UNDP-financed Special Industrial Services (SIS) programme, 15 projects were approved with a total value of \$0.9 million involving 11 countries. The Regular Programme of Technical Cooperation was also used in large measure to finance inter-country activities mainly in support of the Special Programme for the Industrial Development of Asia and the Pacific. A total of 13 projects valued at \$0.2 million were given the green light during the year; total approvals for the biennium 1992-1993 amounted to \$1.1 million. [3.117]

59. While national demands for UNIDO services differed, it was discernible that issues relating to environment and sustainable development were increasingly coming to the fore. During the course of the year 28 environment-related projects were approved. Investment was another area of concentration, as evidenced by ongoing as well as new or follow-up projects in China, India, Sri Lanka and Viet Nam.

60. Assistance to LDCs continued to be among the principal concerns, with activities gradually moving from industry-specific interventions to up-front activities for strengthening strategic management capabilities. Attempts were made to formulate a strategic framework for industrial development in Bangladesh, Bhutan, Cambodia and Nepal, identifying key areas with growth potential with a view to providing assistance in the prioritization and formulation of concrete proposals. This approach would hopefully provide a basis for, among others, a dynamic dialogue among development partners and for donor coordination. [3.117; 3.118]

61. The integrated and up-front approach was particularly applied in the Special Programme for the Industrial Development of Asia and the Pacific. Its limited resources were concentrated on the review of development opportunities in two major industrial subsectors in the LDCs of the region: agro-related metalworking industries and agro- and food-processing industries. Advisory

services in the former were initiated in Bangladesh, Bhutan, Cambodia, Myanmar and Western Samoa to link those countries with the established sources of technology through the Regional Network of Agricultural Machinery. Constraints affecting the growth of food-processing industries were analysed for each LDC in the region, resulting in a continuing dialogue on the priorities and possibilities for technical cooperation. [3.119; 3.120]

Europe, Mediterranean, Global and Interregional  
(subprogramme 334)

(a) Europe, Mediterranean  
(including the New Independent States of the former Soviet Union (NIS))

62. In 1993, the programme under this heading covered 25 countries, all of which are recipients of UNDP/UNIDO assistance. While new approvals during the year were \$4.3 million (1992: \$4.2 million), the declining availability of IPF funds and the trend towards national execution resulted in a decreasing number of official requests for assistance. Net approvals amounted to \$4.1 million (1992: \$4.5 million), of which \$1.2 million were from IPF (1992: \$1.0 million); \$0.4 million from the Regular Programme of Technical Cooperation (1992: \$0.2 million); \$1.3 million from IDf (1992: \$0.7 million); \$1.0 million from trust funds (1992: \$1.3 million); and \$0.2 million from other sources (1992: \$1.3 million). [3.132; 3.133]

63. Continuing the trend established in 1989, requests emanating from the countries of the region continued to be within the framework of facilitating the transition process that began at that time, primarily in the areas described in the Annual Report, 1992. 22/

64. An increasingly greater role is played in the region by projects funded from non-IPF sources. In addition to projects approved under SIS, IDf and the Regular Programme, important projects were funded from trust funds for Bulgaria, Hungary, Kazakhstan, Poland and Slovakia. Under TSS-1 an industrial development review was prepared for Lithuania, and a project on mineral and metallurgical sector assessment approved for Albania, while four projects were approved under IPF for Albania, the Czech Republic and Uzbekistan. For this demand-driven programme a more active approach on funds mobilization is required with bilateral and multilateral donors, as exemplified by assistance already received from several donor Governments and institutions. [3.132; 3.133]

(b) Global and Interregional

65. Activities carried out during the year placed special emphasis on measures to

22/ Ibid., para. 96.

improve the quality and to ensure the successful conclusion of programmes. In recognition of the emphasis on quality, donor interest continued to be high, despite an overall decline in the availability of resources. That decrease notwithstanding, interregional and global programmes were also maintained at a satisfactory level in terms of volume.

66. Net approvals for global and interregional projects amounted to \$15.7 million (1992: \$39.8 million). Of this amount \$12.5 million was from IDf (1992: \$11.6 million); \$2.4 million from trust funds (1992: \$27.5 million); and \$1.9 million from the Regular Programme of Technical Cooperation (1992: \$1.2 million). [3.132; 3.133]

67. Major activities included fact-finding and promotional missions financed by the Government of Turkey for the establishment of an international centre for hydrogen energy; preparatory activities for the establishment of national cleaner production centres, with financial assistance from the Netherlands for assessment of national institutes; and several large-scale programmes and projects in co-operation with the Japanese private sector related to privatization, investment project development and promotion. [3.131; 3.132; 3.133; 3.134]

68. Among major global issues addressed by UNIDO during the year, environment played a prominent role. Related activities included assistance in environmental management and technology, training and meetings. Technology transfer mechanisms were implemented with considerable success, and requests from several Asian and Latin American countries to host Technart (technology market) fairs at their own expense reflected the success of earlier Technarts. Training activities were carried out in a wide variety of areas, including production management, market-oriented quality development systems, spare parts design and manufacture, and environmental management.

Latin America and the Caribbean  
(subprogramme 335)

69. Within the context of support to the initiatives of the Latin American and Caribbean countries in industrial restructuring, UNIDO is assisting in the establishment of industrial policies to develop a new vision for the industrial sector in the region. Other areas of UNIDO programme development include human resource development, industrial and entrepreneurial organization, technology, restructuring of financial and training institutions, and subregional and regional cooperation. [3.147]

70. Net approvals amounted to \$11.8 million (1992: \$12.0 million), of which \$0.6 million were from IPF (1992: \$0.1 million); \$0.6 million from the Regular Programme of Technical Cooperation (1992: \$0.6 million);

\$3.8 million from IDB (1992: \$3.7 million); \$3.4 million from trust funds (1992: \$1.8 million); \$1.3 million from UNDCP (1992: \$4.0 million); and \$2.1 million from other sources (1992: \$1.8 million). The main source of funding for Central America was IPF, followed by trust funds for the Common Market of the South (MERCOSUR), UNDCP and IPF for the Caribbean region. [3.143; 3.144]

71. Special attention was placed on such key areas as: industrial restructuring and diagnosis (Brazil, Ecuador, Honduras, Nicaragua, Trinidad and Tobago, Uruguay); training (Argentina, Brazil, Guatemala, Guyana, Mexico); cleaner production technologies (Bolivia, Brazil, Cuba, Venezuela); drug abuse control (Brazil, Ecuador, Jamaica); engineering industries (Mexico); textiles and garments (Argentina); production of medicines (Cuba); and nutrition (Colombia). Special efforts were made to support the smaller subregions: Central America in industrial restructuring, training of women, handicrafts and agro-industry; and the Caribbean in industrial restructuring. [3.143; 3.144]

72. Support through TSS-1 was provided in the development of a programme for the ecologically sustainable development of the aluminium industry and in the design of a strategy for environmental quality management for three selected member States of the Treaty for Amazonian Cooperation (Bolivia, Ecuador and Peru). Quality control using non-destructive techniques was facilitated through TSS-2. [3.143; 3.144]

73. The Regional Cooperation Programme for the Industrial Recovery of Latin America and the Caribbean accomplished the following objectives:

(a) Under the programme on biotechnology, special assistance was offered to both the public and private sector for the industrial application of research outputs and assimilation of techniques and experiences achieved in industrialized countries. Institutions from 13 countries cooperated on the development of industrial biotechnology. Seven workshops were held with the participation of specialists from the region;

(b) The agro-industries programme commenced with a subregional programme for Central America to promote the identification, development and promotion of fruit- and vegetable-processing industries. Detailed studies were conducted in each of the countries concerned with the participation of the respective counterparts and enterprises, and specific project proposals elaborated with the aim of increasing productivity, competitiveness and export potential. A second subregional programme supporting the fisheries industry in the Caribbean was also elaborated, to be launched in 1994;

(c) The Regional Programme for Industrial Modernization of the Capital Goods Sector in Latin America completed a techno-economic study to define specific areas of action with the participating research and development institutions. National experts completed diagnostic analyses of pilot enterprises in preparation for a mission of international experts in quality control, strategic management, industrial design and low-cost automation. Training seminars for entrepreneurs were conducted in France, Italy and Japan in the respective areas of quality, product design and productivity. Various software packages were developed and were in the process of being pre-tested with the pilot enterprises to determine their effectiveness in production planning and quality monitoring;

(d) Cooperation in informatics and microelectronics entered a new phase in 1993, emphasizing software production and trade (by facilitating intercompany cooperation, analysing export strategies, organizing specific training activities, examining experiences of "incubators" for software, and addressing legal, financial and economic issues relevant to the software industry), and the diffusion of informatics to small and medium enterprises;

(e) By the end of 1993, 30 exchanges were actively providing services in 13 countries under the industrial subcontracting programme.<sup>23/</sup> In February, the fourth meeting of the Regional Coordinating Committee took place at Sao Paulo, Brazil, culminating in the establishment of the Latin American Association of Subcontracting Exchanges. In May, a regional training seminar was conducted at Queretaro, Mexico, and two subcontracting exhibitions were held at Monterrey, Mexico, and Quito, Ecuador. Other activities within the framework of the project included a survey on the legal, tax and customs problems involved in international subcontracting operations; guidelines and model contracts for the establishment of subcontracting agreements; and an analysis of the legislative measures and incentives to encourage international subcontracting operations;

(f) The investment promotion programme in the Andean region was concluded in mid-year with the distribution to all participating offices of complete software packages and the entire portfolio of projects identified under the programme. Negotiations were ongoing in other subregions to design similar programmes. [3.147]

23/ Ibid., para. 109.



Table 4

Significant performance indicators: Area programmes  
(Programme 330)

	Planned	Achieved		Total
	1992-1993	1992	1993	
<u>Africa (subprogramme 331)</u>				
Programme reviews [3.90]	86	43	43	86
Identification and management of project ideas and concepts [3.91]	900	248	346	594
Further development and formulation of projects for appraisal and approval [3.92]	350	105	104	209
Formulation and promotion of integrated programmes in selected industrial branches [3.93]	6	3	3	6
Elaboration of subregional industrial master plans [3.94]	3	1	2	3
Formulation of industrial technology plans and manpower development programmes [3.94]	8	6	2	8
<u>Arab Countries (subprogramme 332)</u>				
Programme reviews [3.103]	38	19	19	38
Identification and management of project ideas and concepts [3.104]	400	85	190	275
Further development and formulation of projects for appraisal and approval [3.105]	140	30	41	71
Reports on the Special Programme for Industrial Development in the Arab Countries [3.107]	a/	1	1	2
Reports on technical assistance to Palestinian people [3.108]	a/	1	1	2
<u>Asia and the Pacific (subprogramme 333)</u>				
Programme reviews [3.116]	72	36	36	72
Identification and management of project ideas and concepts [3.117]	800	198	357	555
Further development and formulation of projects for appraisal and approval [3.118]	300	91	79	170
Reports on the Special Programme for Industrial Development in Asia and the Pacific [3.120]	a/	1	1	2
<u>Europe, Mediterranean, Global and Interregional (subprogramme 334)</u>				
Programme reviews [3.131]	20	10	10	20
Identification and management of project ideas and concepts [3.132]	500	253	273	526
Europe and the Mediterranean	(150)	(141)	(153)	(294)
Global and Interregional	(350)	(112)	(120)	(232)
Further development and formulation of projects for appraisal and approval [3.133]	330	117	95	212

Table 4 (continued)

	Planned	Achieved		
	1992-1993	1992	1993	Total
<u>Latin America and the Caribbean</u> (subprogramme 335)				
Programme reviews [3.143]	84	42	42	84
Identification and management of project ideas and concepts [3.144]	400	132	203	335
Further development and formulation of projects for appraisal and approval [3.145]	130	64	61	125
Development of specific regional cooperation programmes/projects for Regional Cooperation Programme for the Industrial Recovery of Latin America and the Caribbean [3.147]	10	-	15	15
<u>Office of the Director</u> (subprogramme 337)				
In-depth study on industrialization of the least developed countries [3.174]	1	-	1	1
Workshops/mini-shows focusing on least developed countries [3.174]	a/	3	5	8

a/ Amount not specified in programme and budgets, 1992-1993.

### C. INDUSTRIAL POLICY AND PERSPECTIVES (Programme 340)

74. The activities of the programme centred on studies, data services and research related to the processes of industrialization and the formulation of industrial policies from the global, regional, sectoral and production points of view and aimed at serving policy makers and managers by providing short- or long-term perspectives of industrial development. Activities in direct support of technical cooperation included: the preparation of country briefs and data inputs for programming missions and technical cooperation project formulation; improving data preparation and statistical control in developing countries; and the provision of policy advice for industrial review and planning. The work of the programme was carried out by the subprogrammes mentioned below under the guidance and supervision of the Office of the Director (subprogramme 344).

### Global Issues and Policy Analysis (subprogramme 341)

75. Major emphasis continued to be placed on the analysis and formulation of the UNIDO perspective on global industrialization, in particular the publication of Industry and Development: Global Report 1993/94 (ID/388), which contains assessments of the rapidly changing and uncertain world industrial economy. The Report was presented for the first time to an international press conference, at London. It was subsequently made available to Member States immediately before the convening of the fifth session of the General Conference in December. An executive summary was also prepared for the General Conference (GC.5/20). In general, the Report was favourably received and was cited by the media and in various documents prepared by international organizations and research institutions. Other policy-oriented documents prepared for the legislative bodies of UNIDO included reports on: the external debt and industrial development

and on mobilization of financial resources for industrial development (GC.5/6/Add.1); new concepts and approaches for cooperation in industrial development in conformity with Article 2 (c) of the Constitution (IDB.11/13); evaluation of the objectives and functions of UNIDO in view of recent changes and developments in the world (GC.5/7); and international economic change and the industrial development of developing countries (GC.5/15). [3.186; 3.187]

76. Two issues of the journal Industry and Development were prepared. Issue No. 32 appeared in April and contained papers on: factors limiting the industrial diversification efforts of Qatar; import shortages and the inflationary impact of devaluation in developing countries; the constraint upon economic development in Saudi Arabia posed by managerial inefficiency in small manufacturing business; privatization in the United Republic of Tanzania; and promotion of small- and medium-scale industry with imported labour in the States of the Persian Gulf. Issue No. 33 appeared in June and contained papers on: structural change and economic development in Egypt; industrial strategies and policies in the context of restructuring economies; development strategy for sub-Saharan countries; dualism and production linkages in manufacturing industry in Indonesia; methodological complexities in relating firm or plant size to economic efficiency; and a review of the re-emphasis on small enterprises. The two further journals forecast for 1993 could not be published for lack of funds. [3.186; 3.187]

Regional and Country Studies  
(subprogramme 342)

77. Analysis of the future demand for UNIDO services in the geographical regions was carried out in the context of restructuring of the Organization. To this end, the Regional and Country Studies Branch was instrumental in reviewing the major emerging trends and issues of industrial development and their implications for UNIDO in each of the five regions. The Branch also prepared a survey and two issue papers on trends, policies and prospects for private sector development and privatization in developing countries. Other activities were financed largely through extrabudgetary resources, including TSS-1. [3.196; 3.198]

78. Two documents were issued on industrial automation: one summarizing its main characteristics and their strategic implications (PPD.270(SPEC.)); and the other containing the analysis of industrial automation priorities at the country and industrial branch level with special emphasis on Africa (PPD.269(SPEC.)). The latter also contained generic programmes of technical cooperation, outlining actions in the fields of institution building, direct support to manufacturing firms, and direct support to sectoral and public

organizations. A further document dealing with automation choices, especially at the enterprise level, was prepared for publication. [3.201 (i)]

79. In Africa, the Branch participated in a meeting of the business and donor communities and international and non-governmental organizations to review the draft treaty establishing the Common Market for Eastern and Southern Africa held at Lusaka, Zambia. A paper was prepared on the challenge of African industrialization and the UNIDO response for the eleventh Conference of African Ministers of Industry, held in Mauritius, which formed the basis for a document subsequently submitted to the fifth session of the General Conference (GC.5/18). Another paper, on financing the Industrial Action Programme of the LDCs, was prepared for the Second Ministerial Symposium on the Industrialization of the LDCs held concurrently with the General Conference. A workshop on industrial management and a survey on human resource development were undertaken in the United Republic of Tanzania. Reports were issued on marketing of agro-industrial products (Burundi) and on economic diversification and export promotion (Botswana). Projects funded by TSS-1 included studies on: agriculture and livestock resource-based development in Ethiopia; the promotion of small and medium industries in the Comoros; the impact of changes in South Africa on industrial development in the southern and eastern regions; and enhanced intra-African private sector industrial development prepared for the Economic Community of West African States. [3.196; 3.197 (ii), (iii); 3.201]

80. For the Arab region a study was prepared that concentrated on restructuring and privatization through outsourcing of industry-related services. Within the framework of TSS-1, a report on human resource development in Saudi Arabia was completed and a similar project initiated for Algeria. A report on the industrial information network of Maghreb countries and an extensive study on prospects of industrial cooperation between Egypt and Saudi Arabia were prepared. UNIDO also contributed to the formulation of technical cooperation projects for Lebanon and Palestine on social and economic reintegration of migrant returnees. [3.196; 3.197 (iii); 3.198]

81. For Asia and the Pacific, conceptual papers were finalized on small and medium enterprises and rapid industrial growth and on industrial competition and competitiveness, and a report was issued on the increasing role of the private sector in Asian industrial development. Contributions were made to the action plan for immediate rehabilitation drawn up by UNDP for Afghanistan and to a seminar on industrial development strategies in Indonesia, held at Berlin, Germany. A TSS-1 financed tariff restructuring review of Fiji was published and studies were finalized on subcontracting linkages between small-,

medium- and large-scale industries (Malaysia) and on industrial pollution control (Thailand), while a mission was undertaken to north-east Asia to promote regional cooperation in industry in the Tumen River economic development area. Work was initiated on the 1993-1994 TSS-1 activities with substantive inputs provided in the fields of rural industrialization (Bangladesh), promotion of micro, small and medium enterprises (India, Pakistan), industrial competitiveness (Thailand), economic and industrial cooperation (north-east Asia) and industrial development potential (Western Samoa). Industrial development reviews were prepared for Indonesia (Industrial growth and diversification), Lao People's Democratic Republic (Industrial transition) and Mongolia (Restructuring for a market economy). [3.196; 3.197 (i); 3.198; 3.201 (i), (ii)]

82. For Central and Eastern Europe and the New Independent States of the former Soviet Union (NIS) substantive contributions were provided in preparation for the Second Pan-European Ministerial Conference on the Environment in Eastern Europe, held at Lucerne, Switzerland, as well as to the Conference itself and to a subsequent meeting on the implementation of an environmental action programme for Eastern Europe. An international restructuring programme for industry in NIS was presented to the Inaugural Meeting of the International Committee for Economic Reform and Cooperation of the Newly Independent States held at Kiev, Ukraine, in June. Analytical inputs on the investment climate in Central and Eastern Europe were also provided at a meeting of the G-24 Investment Working Group held at Brussels, Belgium. Large-scale projects were elaborated for regional development in Hungary and Poland, privatization of industry in Romania and industrial restructuring and rehabilitation at Kaliningrad, Russian Federation, while assistance programmes were outlined for Latvia and Lithuania. In Belarus an industrial survey was being carried out as part of the efforts to mitigate the consequences of the Chernobyl accident. Industrial development reviews were issued for Hungary (Progressing for a market economy) and Lithuania (Industrial reorientation). [3.196; 3.197 (i); 3.199; 3.201]

83. In the Latin America and Caribbean region, activities focused on a variety of national, subregional and regional industrial analyses, policy advice and project formulation initiatives. The outputs of a project for industrial modernization in Central America were presented and discussed during a joint UNIDO/UNDP mission to the subregion. Specific analyses of industrial restructuring, competition, investment incentives and manpower policies in the MERCOSUR countries (Argentina, Brazil, Paraguay, Uruguay) were undertaken within the TSS-1 framework. Other activities included: an industrial sector analysis and assistance to the World Bank in a preliminary appraisal of technological development in Argentina; an industrial

restructuring project formulation mission in Colombia; a programme on the implementation of flexible specialization in Jamaica; industrial policy advice to Trinidad and Tobago; and an industrial development review of Mexico (The promise of NAFTA). An overview of the new orientation for UNIDO technical cooperation was prepared for a joint UNIDO/Latin American Economic System meeting. [3.196; 3.197 (i), (ii); 3.201]

#### Industrial Statistics and Sectoral Surveys (subprogramme 343)

84. Maintenance, improvements and extensions in the UNIDO database were an important part of the statistical components under this heading. Programmes for data dissemination have expanded as the demand for industrial statistics has grown. UNIDO's "Handbook of Industrial Statistics" was completed and was made available through a commercial publisher. Other publications issued in 1993 were: African Industry in Figures 1993 (ID/391), ASEAN Industry in Figures 1993 (PPD/251) and An Inventory of Industrial Statistics: UNIDO Database, 1993 (PPD/236). During the year a total of 73 machine-readable copies of the UNIDO database were sold to external users or exchanged with other international institutions. The United Nations Statistical Commission and subsidiary bodies recommended a new division of labour in several areas of international statistics, including industry and planning. As a result, whereas UNIDO previously dealt with matters such as data verification, storage and dissemination, it will in the future assume partial responsibility for data collection, an activity heretofore carried out by the United Nations, New York. The new arrangements will take effect in 1994 with UNIDO and the Organisation for Economic Cooperation and Development sharing collection responsibilities. [3.211; 3.212]

85. With regard to sectoral surveys, a world-wide survey of the leather and leather products industries was completed for distribution by a commercial publisher, while preparation was initiated of a publication on statistical quality control and enterprise-level statistics that is scheduled for completion in 1994, also for distribution by a commercial firm. Technical cooperation activities of the subprogramme focused on data collection, data processing and the compilation and analysis of enterprise-level data for statistical quality control. Nine projects were completed dealing with sectoral analysis and advice, statistical quality control and data collection and processing; seven additional projects were initiated and 13 others were prepared for implementation. Support for these projects was secured from a variety of sources, including the Ford Foundation and the UK Know-How Fund. [3.211; 3.213; 3.214]

Table 5  
Significant performance indicators: Industrial  
Policy and Perspectives  
 (Programme 340)

	Planned	Achieved		
	1992-1993	1992 a/	1993	Total
<u>Global Issues and Policy Analysis (341)</u>				
Global Report [3.186]	2	1	1	2
Annual reports on industrial restructuring [3.186]	2	1	1	2
Special studies on industrial policies and strategies	b/	2 c/	1	3
Analytical reports to assist in process of policy formulation [3.186]	b/	5	3	8
Journal <u>Industry and Development</u> [3.186]	8	2	2	4
Meetings to assess economic and industrial prospects [3.188, annex H]	2 d/	-	-	-
Meetings to assess current perspectives of industrial development in developed and developing countries [3.188, annex H]	2	1	1	2
Preparatory meeting, International Committee for the Tenth International Conference on Input-Output Techniques [3.188]	1 d/	-	-	-
<u>Regional and Country Studies (342)</u>				
Industrial development reviews [3.197 (i)]	16 e/	6	6	12
Country technical assistance framework studies [3.197 (ii)]	6	2	4	6
Analyses of industrial development structures and trends in selected subregions and regions [3.197 (iii)]	3	4	12	16
Support services under TSS-1 [3.198]	b/	3	12	15
Rehabilitation studies in manufacturing industry in Africa [3.199]	4 d/	1	-	1
Project profiles in rehabilitation studies [3.200]	20 d/	1	-	1
Regional meeting to present surveys and project profiles [3.200]	1 d/	-	-	-
Consolidated essay to present overview of industrial rehabilitation issue [3.200]	1 d/	-	-	-
Analytical studies on specific policy issues [3.201 (i)]	6	14	8	22
Policy advisory studies [3.201 (ii)]	4 d/	2	-	2
Country analysis on human resource development [3.201]	1	-	1	1
Country analyses on current and emerging skill requirements [3.201]	2 d/	-	-	-
Analysis of skill requirements [3.201]	3	2	1	3

Table 5 (continued)

	Planned	Achieved		Total
	1992-1993	1992 <u>a/</u>	1993	
<b>Industrial Statistics and Sectoral Surveys (343)</b>				
Copies of UNIDO statistical database sold or exchanged [3.212]	<u>b/</u>	84	73	157
Handbook of Industrial Statistics 1992 [3.212]	1	1	-	1
African Industry in Figures [3.212]	1	-	1	1
ASEAN Industry in Figures [3.312]	1	-	1	1
Inventory of UNIDO database [3.212]	<u>b/</u>	1	1	2
Sectoral surveys [3.213]	2	1	1	2
Manual on statistical process control/ continuous improvement in manufacturing [3.214]	1	-	<u>g/</u>	-
Country-level sectoral surveys [3.214]	<u>b/</u>	-	1	1
Meeting on industrial statistics in ASEAN countries	<u>f/</u>	1	-	1

a/ Includes studies completed in 1992 for issuance in 1993.

b/ Amount not specified in the programme and budgets, 1992-1993.

c/ Published in the Global Report.

d/ Number of reviews published lower than planned owing to a revised, more comprehensive and in-depth analysis and format.

e/ Not fully implemented owing to lack of funds.

f/ Additional output.

g/ Under preparation.

#### D. INDUSTRIAL COOPERATION AND FUNDS MOBILIZATION (Programme 350)

86. Despite staff resource constraints, during the biennium vigorous efforts were undertaken by the Industrial Cooperation and Funds Mobilization Division to achieve increases in the international flow of financial and technical resources required for restructuring and revitalizing industry in the developing countries as well as in the economies in transition of Central and Eastern Europe and NIS. With the shrinking of traditional resource bases, e.g. UNDP funds, endeavours were made to obtain

additional resources from donor Governments, non-governmental organizations, industrial associations, financial institutions and public and private enterprises, through an active marketing of the Organization's technical capabilities and through increasing the awareness and confidence of the donors. As far as the Industrial Development Fund (IDF) is concerned, a decrease in the contributions of some major donors was counterbalanced by the addition of new donors.

87. Under the overall guidance of the Office of the Director (subprogramme 354), a number of activities have opened up possibilities for more extensive industrial

cooperation through UNIDO services. Thus, regular informative, consultative and review meetings held with IDF donor Governments proved useful tools of communication and understanding among the different parties on major IDF-related technical cooperation programme areas. Similarly, visits to Headquarters were organized for business delegations from Argentina, Canada, China, Colombia, India, Mexico and the United Kingdom of Great Britain and Northern Ireland, and from a number of countries from Central and Eastern Europe and NIS. Major innovative projects developed and undertaken include those in Nigeria on small- and medium-scale enterprise development and on management and procurement services utilizing World Bank credit lines with a judicious use of IDDA funds as seed money; assessment of viability and assistance in setting up financing packages for cement and sugar plants, also in Nigeria; in-depth technical expert advice to cement industries in Algeria, Colombia and Ecuador; development of trust fund projects with Mexican development financing institutions; a pre-feasibility study on a power plant in India, for which cooperation and financing are sought from a number of multinational companies and financing institutions; and a study on construction of a natural gas pipeline in the Middle East for major markets in the Far East and Western Europe - a project that has regional and interregional dimensions. [3.285; 3.286]

Industrial Development Fund Mobilization and Funds Management  
(subprogramme 353) 24/

(a) Special Industrial Services programme

88. The services provided under this programme included problem identification, problem solving and policy advice. Requests from recipient Governments focused on provision of high-level advice at the policy level to facilitate the decision-making process, e.g.: advice provided to Thailand on the preparation of a strategy to establish business incubator facilities; to Viet Nam for the building of export processing zones; and to Brazil for relocation of polluting industries from Sao Paulo. A large share of the projects implemented under the programme were also for troubleshooting at the plant level, e.g. assistance in: improving the information and management system of a paper plant in Madagascar; restarting a ceramics plant in Mali; technology selection for smokeless coal briquettes in India; and streamlining the processing technology of a herbal pharmaceutical plant in Turkey. Details of the funds available under the programme and the geographical distribution of approvals are provided in chapter VIII, paragraph 14.

(b) Regular Programme of Technical Cooperation

89. The biennium 1992-1993 witnessed a transition of the programming of the Regular Programme of Technical Cooperation <sup>25/</sup> that had theretofore covered a limited number of categories of activities, towards a more flexible utilization to support all medium-term plan priorities. In particular, the Regular Programme was used as seed money to secure further extrabudgetary resources along the lines of the programming criteria for the general-convertible segment of the Industrial Development Fund, as described in document GC.4/28, chapter IV. This included: up-front activities such as the preparation of a UNIDO manual on technology transfer negotiations and the development of build-operate-transfer (BOT) operations; and preparatory assistance projects in the form of joint preparatory missions with donor countries, e.g.: to Uganda for a project to train women entrepreneurs manufacturing textiles and related products and to the United Republic of Tanzania for a similar project as well as a small-scale food-processing project; in all three cases the prospective donor countries funded their own participation. This type of complementary utilization of the Regular Programme with other sources of funds to mobilize further project financing is an example of the usefulness of applying flexibility in programming scarce resources. The Regular Programme was also used to provide expertise in the areas of environmentally friendly technologies and cleaner production techniques, e.g. the training of trainers in environmental auditing in India, a workshop on regional cooperation in ecologically sustainable industrial development in the Maghreb region and the regional programme on environmental management and cleaner production for the Latin American iron and steel industry. Continued emphasis was given to promoting cooperation between developing countries and to human resource development. The special problems of LDCs were also awarded high priority, e.g. the development of agro-industries in LDCs of Asia and the Pacific and the Second Ministerial Symposium on the Industrialization of the Least Developed Countries, held in conjunction with the fifth session of the General Conference, as well as numerous regional, interregional and individual country projects benefiting LDCs. For details on the funds available under the Regular Programme of Technical Cooperation, see chapter VIII, paragraphs 2 to 5.

(c) Industrial Development Fund

90. During 1993, the Secretariat concentrated its IDF fund mobilization efforts on: quality enhancement of UNIDO projects and programmes; utilization of special-purpose contributions in a complementary manner and in major programme areas; and

24/ Ibid., para. 126.

<sup>25/</sup> Ibid., para. 128; chap. VIII, paras. 2-4.

diversification of donor funding through the identification of new and potential sources of financing. To enhance project and programme quality, as in the case of the Regular Programme, the general convertible segment of the Fund was utilized for preparatory assistance projects and up-front activities, following medium-term plan priorities. Preparatory assistance projects were approved for Honduras, Nicaragua and Viet Nam for modernization of the industrial sector and the development of small- and medium-scale enterprises. Up-front environment activities were undertaken through an interregional project for pollution control in the tanning industry, and in a project for the Maghreb region and countries of the Black Sea. Advisory services were provided to the Islamic Republic of Iran on the integration of women in industrial activities and approval was given for carrying out a preparatory study for the establishment of a regional centre for software development for the Arab States. Austria and Italy donated funds to the general convertible segment of IDF and Germany increased its umbrella contribution to the Fund for preparatory assistance purposes, thus enabling wider application of the objectives-oriented project planning methodology, e.g. in India for the development of a large-scale lignite fuel utilization project. Following the preparatory phase, funding for that project could be ensured. [3.273; 3.275; 3.276]

91. The complementary utilization of available funds continued to be promoted, particularly through co-financing mechanisms among donor countries to IDF. That mechanism enabled the launching of a programme for the establishment of national cleaner production centres through funding by Denmark and the Netherlands; negotiations were in progress with Austria, Denmark, the Netherlands and Switzerland to start operations on a major environmental programme to deal with tannery effluents in South-East Asia. Within that programme, national projects for China and India have already been approved under contributions from Germany and Switzerland. Similarly, contributions from Austria, Germany and Switzerland were approved for the second phase of the regional leather and footwear industry scheme in Africa <sup>26/</sup> and negotiations were under way with other donors to ensure full financing of that major set of activities in 1994.

92. The informal consultative group of major donors <sup>27/</sup> held two meetings during 1993 in an effort to address the major IDF-related technical cooperation programme areas of the Organization and facilitate exchange of information between the Secretariat and the major donors, as well as among the donors themselves. This useful tool of communication and under-

standing among the various parties led to continued support to IDF through a more integrated and coordinated approach.

93. The emphasis on the integrated approach is illustrated by a number of examples. Thus, after completion of a major project in China on plastics recycling, financed by Belgium, this donor was considering providing financial support to a large integrated programme aimed at assisting the wooden furniture industrial system in several developing countries, as well as a project aimed at fostering the local production of chlorofluorocarbon recovery and recycling equipment in Asian countries. France continued to provide its support to projects aimed at promoting foreign investment in developing countries with particular attention being paid to agro-industries, building materials and environment and health-related industries through the provision of expertise and training facilities. Saudi Arabia concretized its interest in fostering co-operation among the Arab States through the financing of a regional project on small-scale industries. Japan continued to support projects designed to mobilize financial resources for industrial development as well as promoting regional co-operation in standardization and quality control. The continuous process of negotiations with donor Governments has resulted in a concentration of IDF resources in the fields of environment, small- and medium-scale enterprises and integration of women in industry. This trend could further facilitate the coordination of the programming and fund mobilization efforts of the Secretariat on major priority areas of the medium-term plan, thus enhancing the effectiveness of technical cooperation. Two specific examples are the special-purpose contributions of China and India, which focus on the priority areas of economic and technical cooperation between developing countries, development and transfer of technology and promotion of small- and medium-scale industries. [3.273; 3.274; 3.275; 3.276]

94. A decrease in the funding of some major IDF donors was observed in 1993. Through the Secretariat's efforts to identify new sources of financing, as well as to enhance the quality of project design, it was possible to counterbalance the reduction of traditional pledges through new and additional contributions and thus enable the Organization to continue providing technical cooperation under IDF at funding levels achieved in previous years (see chap. VIII, paras. 16-19). [3.275]

95. The catalytic role of IDF as seed money was confirmed through a series of projects financed by Norway and Sweden aimed at reducing ozone depletion that enabled the Secretariat to prove its expertise in that field and validated its claim to become a partner of UNDP, the United Nations Environment Programme (UNEP) and the World Bank as the fourth implementing agency of the Montreal Protocol. In 1993, the

<sup>26/</sup> IDB.11/10, chap. III, para. 132.

<sup>27/</sup> Ibid., para. 136.



Executive Committee of the Multilateral Fund under the Montreal Protocol approved \$2.8 million for UNIDO-implemented projects and programmes for Brazil, China, Egypt, India, Islamic Republic of Iran, Jordan and the Syrian Arab Republic. Similarly, other donors such as the Netherlands have provided additional contributions for the interregional programme on national cleaner production centres (see para. 91 above) and an agro-industries project in Viet Nam. The Netherlands and Switzerland have also broadened the focus of their assistance by approving industrial rehabilitation projects for Hungary through additional contributions earmarked specifically for Central and Eastern European countries.

96. The Secretariat also endeavoured to link IDF financing with other agencies and organizations of the United Nations system. Examples were a project on rehabilitation of agro-industries in the Chapare region of Bolivia approved by the United Nations International Drug Control Programme and contacts established with the United Nations High Commissioner for Refugees (UNHCR) to participate in emergency relief assistance under the coordination of UNHCR and the Department of Humanitarian Affairs, United Nations Office at Geneva. UNIDO supported

UNHCR efforts in Croatia through a project for timber frame buildings for emergency shelter that was implemented through a special-purpose contribution from Italy. [3.276]

Industrial Cooperation and Management Services  
(subprogramme 351)

97. Through self-financed and third-party-financed trust fund schemes UNIDO continued to promote industrial cooperation in its widest sense and to provide technical cooperation and management services to industrial projects in developing countries. During the biennium, Governments of industrialized countries and developing countries, development finance institutions, industrial enterprises and associations in the developed as well as developing countries all made increasing use of those schemes as they became more widely known. Thus funds that would not normally have flowed through UNIDO became available for technical cooperation and related services in the developing countries. The schemes attracted a significant volume of additional funds, thereby helping UNIDO towards achievement of its medium-term plan objectives. While information on the value of

Table 6

Significant performance indicators: Industrial Development  
Fund Mobilization and Funds Management  
(Subprogramme 353)

	Achieved a/		
	1992	1993	Total
Preparation of IDF programmes and plans for PBC and IOB	1	1	2
Project proposals reviewed and assessed for financing from UNIDO-administered funds	424	407	831
Project Review Committee and related meetings	45	79	124
Projects submitted and approved for financing by special-purpose donors	81	87	168
Requests for project budget revisions reviewed and processed	414	651	1,065
Cooperation agreements reviewed	5	6	11
Meetings of joint committees	3	3	6
Meetings of informal consultative group of major IDF donors	2	2	4
Memorandum of understanding	-	2	2

a/ Amount not specified in the programme and budgets, 1992-1993.

projects approved and implemented during 1993 is provided in chapter VIII, paragraphs 20 to 21, the following paragraphs summarize the major activities and trends of the subprogramme.

98. Among the major Government donors of third-party-financed trust fund projects were Denmark, France, Japan, the Republic of Korea and the United Kingdom of Great Britain and Northern Ireland. The projects financed by the Danish International Development Agency (DANIDA) covered fact-finding and diagnostic missions and feasibility studies carried out jointly with Danish experts and consulting companies. The studies dealt with cost reduction and environmental impact for breweries in China, wind-generated electricity in the Philippines, dairy production feasibility in Gambia and a prefeasibility study on a power plant in India. Notable examples of Japanese trust fund activities were a project to support village entrepreneurs and rural development in Zambia, a training workshop in the United Republic of Tanzania on application of Japanese management techniques to Tanzanian manufacturing industry, a training programme for small industries in Palestine and a feasibility study for transfer of Japanese technology to Zambia on mosquito coil production. Trust fund contributions from the UK Know-How Fund helped Hungary and Poland to manage their transition towards a market economy. Some eight projects were completed in Hungary dealing with transfer of United Kingdom know-how and updating of technical capability in key sectors such as engineering, technical information, metallurgy, food and pharmaceuticals. A nationwide quality assurance programme was also started: an in-depth evaluation conducted by British and Hungarian authorities together with UNIDO revealed very satisfactory results, which led to additional contributions from the United Kingdom. In Poland nine pilot restructuring projects were completed at various enterprises and the activities were favourably evaluated by the UK Know-How Fund authorities and the Government of Poland. [3.239; 3.240; 3.242]

99. Public sector companies in the developing countries were the major recipients of UNIDO enterprise-level support services under self-financed trust fund schemes. Recipients included cement factories in Ecuador, Egypt, Gabon, Libyan Arab Jamahiriya and Nigeria; steel plants in the Democratic People's Republic of Korea and Sri Lanka; a diesel engine plant in the Russian Federation; and an electronics manufacturer in the Republic of Korea concerning contract research in ultrasonic technology. Developing country Governments sought and paid for UNIDO services for a number of institution-building projects in their countries. These included Argentina for an investment promotion centre and advisory assistance for implementation of legislation on the automotive industry, and Oman for an industrial master plan and its implementation. [3.239; 3.242; 3.245]

100. Seeking to link technical cooperation to industrial investment, UNIDO played a greater role in the planning and implementation of industrial projects financed or to be financed by development financing institutions, including the World Bank. Many of those projects were concerned with industrial restructuring (Peru, Poland), privatization (Poland, Sudan) and valuation of state-owned enterprises (Ecuador). In some cases, UNIDO was asked to provide preparatory assistance to a particular sector, for example small and medium enterprises in Nigeria, to help the Government utilize an outstanding World Bank loan for the sector. In others, UNIDO had to assist the borrower with project management and procurement services, such as in Colombia for the establishment of a management information system under a World Bank loan. An increasing number of companies or associations in industrialized countries were willing to finance joint activities with UNIDO to promote industrial investments and joint ventures in developing countries. Among those were the Engineering Consulting Firms Association of Japan for a project in the steel industry in Thailand; the Confederation of Danish Industries for their participation in the UNIDO Beijing Centre; the Japan International Development Organization Limited for development of ginseng products in Brazil; a pharmaceutical company in the United States of America for a study in the Russian Federation on transformation of the pharmaceutical industry to a market-oriented system; and a Japanese engineering company for a study on construction of a natural gas pipeline network in the Middle East for supplying major markets in the Far East (Japan, Republic of Korea, Thailand) and Western Europe. [3.239; 3.240; 3.242; 3.243; 3.245]

101. Thus, during the biennium, the trust fund schemes brought UNIDO closer to sources of expertise and technology in the industrialized countries and to industrial enterprises needing UNIDO services in the developing countries, and enabled the Organization to play an effective role as an impartial intermediary and provider of services for many important industrial projects in the developing countries.

#### Industrial Enterprises and Non-governmental Organizations (subprogramme 351)

102. New forms of cooperation based on partnerships with industrial enterprises and non-governmental organizations (NGOs) were further promoted in order to attract their available resources for incorporation into UNIDO projects and activities. These included mobilization of experts for UNIDO field projects and for participation in meetings organized by UNIDO in specific sectors of industry, sharing of industrial and technological information, and joint project planning, design and implementation. The trust fund scheme of UNIDO was also promoted with individual and groups of enterprises and NGOs visiting

UNIDO. Specific projects promoted by the Industrial Enterprises and Non-Governmental Organizations Section included a regional project in Central America for the local manufacture and application of the atmospheric controlled refrigeration system for the safe transport of fresh non-traditional agricultural export products, designed in close cooperation with the Food Research and Technology Centre of Costa Rica; and the preparation of terms of reference for a feasibility study for the establishment of a major teleport project in Panama, in cooperation with the World Teleport Association. [3.242]

103. Cooperation with NGOs such as specialized training institutes and associations of retired executives enabled UNIDO to respond to requests for assistance from small-scale industries and cooperatives from developing countries. Projects of that nature included: a training course on biogas technology for the treatment of urban waste water, hosted by the China Biogas Society, which was provided for four technicians from the Democratic People's Republic of Korea; a training/study visit to Germany organized for six participants from Viet Nam in the field of maintenance and operation of medical equipment; expert services to a Malagasy enterprise employing 60 persons, mainly women, in the field of weaving/cloth making to improve pattern designs and overall quality for export. In the field of industrial cooperatives, the Section continued to work closely with the International Cooperative Alliance Regional Office for Central America and the Caribbean in their efforts to provide a framework for the restructuring of cooperatives in the Latin American region. To this end, expert services were provided to selected industrial cooperatives in Costa Rica, Ecuador

and Panama in the field of restructuring/enterprise modernization to assist them to build up their industrial competitiveness vis-à-vis the international marketplace. These and other similar projects implemented by the Section were financed from a special-purpose contribution to IDB. [3.241]

104. To accommodate the growing needs of developing countries for assistance in arranging offset programmes with investment and trade, discussions were held with the International Association of Trading Organizations for a Developing World (ASTRO) to formulate a long-term programme of cooperation between ASTRO and UNIDO, and a consultant was recruited to investigate the practices and main requirements of the developing countries in that area. The Section was instrumental in encouraging individual and groups of enterprises and NGOs to cooperate with UNIDO and with counterparts from developing countries and Central and Eastern Europe. For example, some 200 individual meetings were organized during a visit to UNIDO of a group of 30 companies and organizations from the United Kingdom of Great Britain and Northern Ireland. [3.241]

105. Memoranda of Understanding were signed between UNIDO and NGOs seeking to establish close links with UNIDO and willing to contribute on a regular basis to the work of the Organization. During 1993, agreements were signed with the International Fertilizer Development Center and ASTRO. At its eleventh session, the Industrial Development Board granted consultative status to three international NGOs (decision IDB.11/Dec.36), bringing to 100 the number of NGOs having consultative status with UNIDO.

## CHAPTER IV. INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY (400)

1. The promotional activities of this major programme continued to be organized and undertaken as described in the Annual Report, 1992, with the Office of the Deputy Director-General (programme 410) being responsible for the overall management and direction of those activities (sub-programme 411). [4.18]

### A. INDUSTRIAL INVESTMENT (Programme 420)

2. The Office of the Director (sub-programme 425) continued to be responsible for the overall programme formulation, co-ordination and management of the activities of the Industrial Investment Division, 1/ in particular the mobilization of investment resources, and the supervision of the sectoral and subsectoral programmes. Concerning the mobilization of financial resources, the number of successfully concluded projects in 1993 was 171 amounting to \$954.4 million. The total value of technical cooperation activities implemented amounted to \$19.6 million (see tables 5 and 6 of the statistical annex). Identification missions led to 12 new project proposals on industrial cooperation in Asia, Eastern Europe and Latin America, currently under negotiation. The sectoral approach 2/ was maintained particularly in interregional technical cooperation activities. Thus, in the agro-food and wood sectors, the publications "How to start agro-food industries" and "How to start wood industries" were issued in English, French and Spanish, while work was intensified on the identification, preparation and promotion of industrial projects. In the electronics sector, a survey of the French technological offer was prepared and contact was established with some 150 French companies. Programmes for the identification, preparation and promotion of industrial investment were implemented for China in the housing/building materials and equipment sector and for Viet Nam in the rice-processing sector. The integrated approach and networking developments of the industrial investment programme were reviewed at the ninth industrial investment programme meeting held in Vienna in October. The aim was to develop integrated programmes of technical cooperation designed to attract foreign investment resources, including advice on policy and legislation, improvements in the investment infrastructure, the strengthening of investment promotion agencies and related institutional mechanisms. [4.97; 4.100; 4.102; 4.104]

1/ IOB.11/10, chap. IV, paras. 3-5.

2/ Ibid., para. 7.

### (a) Industrial Investment Programmes

#### Africa (subprogramme 421)

3. In the African region the promotion of 21 investment projects was successfully concluded, amounting to \$22.3 million. These activities included: advice to Governments to improve the environment for local and foreign industrial investments; updating of investment-related legislation; strengthening of the institutional infrastructure leading to private sector development; and direct support in the identification, formulation, screening and promotion of investment projects. [4.44; 4.47]

4. Three investment technical cooperation programmes, in Kenya, Uganda and the United Republic of Tanzania, all financed by the United Nations Development Programme (UNDP), were completed. Four new programmes became operational: two in Madagascar to promote investment in the tourism industry and to prepare for a national investment promotion forum scheduled for April 1994; and two in Zambia, with financing from UNDP and contributions of the Irish and Norwegian Governments, to assist in the revision of business-related laws and to establish an investment promotion agency. Under funds administered by UNIDO, two other national programmes were launched: in Cameroon, the second phase of a resource mobilization programme in the building materials sector; and in Ethiopia, assistance to the newly created investment office, which is expected to lead to the development of an integrated industrial investment programme. Several programmes were launched at the subregional level under the Industrial Development Decade for Africa (IDDA) programme: the Preferential Trade Area for Eastern and Southern African States (PTA) investment promotion forum to be held at Lusaka, Zambia, in January 1994, for which 176 investment projects were identified using national expertise; a forum for Central African States, held at Yaoundé, Cameroon, in November, with the collaboration of the Commission of the European Communities and its Centre for the Development of Industry; and assistance - with co-financing from the Agency for Cultural and Technical Co-operation - in the creation/rehabilitation of small and medium enterprises/industries in Guinea, Guinea-Bissau and Mali through extensive training both in the field and at the Investment Promotion Service (IPS) offices at Milan and in Paris. Also, a delegates' programme at the IPS office in Paris included delegates from selected African countries using a contribution by the Government of France. [4.44; 4.45; 4.47; 4.48]

5. In the field of human resource development, training seminars were conducted on

investment promotion, the use and application of the Project Profile Screening and Pre-appraisal Information System (PROPSPIN) and the UNIDO Computer Model for Feasibility Analysis and Reporting (COMFAR) in Benin. Participants from the West African Economic Community and its Fund for Solidarity and Economic Development as well as from Niger and Togo were also trained in the use of PROPSPIN. Country presentation tours were organized for the United Republic of Tanzania in Japan and for Uganda in the United Kingdom of Great Britain and Northern Ireland and the Benelux countries. In Ethiopia and Zimbabwe draft guarantee scheme agreements involving national development and commercial banks were prepared in favour of small-scale entrepreneurs with limited collateral and thus no access to financial resources. Data banks based on the DIPP (Databank for Investment Promotion Programmes) software system were installed and personnel trained in investment promotion agencies in Guinea, Guinea-Bissau, Mali, Mozambique and Zambia. [4.44; 4.45; 4.47; 4.48]

6. Operational links with national investment promotion agencies were continued as a follow-up to the Round Table of African Investment Promotion Centres held at Bulawayo, Zimbabwe, in September 1992. 3/ All investment promotion agencies in the PTA subregion were mobilized and actively participated in the preparations for the forthcoming PTA investment forum. All such national agencies will be incorporated in the World Investment Network Service (WINS) (see para. 20 below) which is being further developed through the introduction of an electronic mail system. [4.49]

#### Asia and the Pacific (subprogramme 422)

7. In the Asia and Pacific region 62 investment projects were successfully concluded, amounting to \$239.6 million. The quality of UNIDO's work in the region can be gauged in concrete terms from the increasing volume of integrated technical cooperation programmes, the continued request for the organization of investment forums, and the large number of transactions concluded on investment projects which have been screened and promoted according to well-established criteria and investments. All these constitute a clear indication of the credibility of UNIDO's programmes and the confidence of partners in the region in the delivery of expected outcomes. [4.57; 4.60]

8. Within the framework of programme mandates and the integrated approach to investment promotion, activities were undertaken to facilitate the inflow of

capital resources to those areas of the region that have experienced difficulties in attracting inward investment. Thus, integrated programmes were intensified in Nepal, Sri Lanka and Viet Nam, several new programmes were launched in north-east and south-west China, India, the Maldives and Mongolia. A pipeline portfolio of technical cooperation projects was also prepared for Indonesia, Pakistan, Philippines, Thailand and the South Pacific (Fiji and Papua New Guinea) in cooperation with Australia's Trade and Investment Promotion Service. Investment diagnostics and requirements in the Democratic People's Republic of Korea and north-east China (Jilin Province) were addressed through a TSS-1 (technical support services at the programme level) mission, while a joint mission with the World Bank/Foreign Investment Advisory Service resulted in the approval of \$1.4 million by UNDP for a reformulated and expanded project in Sri Lanka - the first government-executed project with World Bank/UNIDO cooperation. [4.57; 4.59]

9. As a result of previous promotion activities in north-west China, 4/ Nepal 5/ and Viet Nam, 6/ several investment licences were issued and investment projects started to become operational with high investment values. For the third time, the Viet Nam programme was extended and the project budget increased accordingly with plans for an investment forum at Hanoi in late 1994 or early 1995. At the investment forum held at Yingkou, China, a high number of industrial partnerships were brokered: 170 letters of intent estimated at \$475 million and preliminary negotiations led to the signing of 125 investment contracts with an estimated value of some \$270 million. In connection with the International Trade Fair for Waste Water and Waste Disposal, IFAT '93, held in May at Munich, Germany, UNIDO prepared an investment programme for 60 representatives of enterprises from China, Hong Kong, Indonesia, Malaysia, Pakistan, Philippines, the Republic of Korea, Singapore, Thailand and Viet Nam. The entrepreneurs had a unique opportunity to discuss with other industrialists project-related requirements and cooperation possibilities in the environmental technology sector; many successful individual meetings took place, and plant visits were arranged for participants. [4.57; 4.58]

#### Latin America and the Caribbean (subprogramme 423)

10. In the Latin America and Caribbean region the promotion of 39 projects was successfully concluded, amounting to \$204.2 million. Some 200 investment projects were identified and formulated in selected

3/ Ibid., para. 9.

4/ Ibid., para. 14.

5/ Ibid., para. 15.

6/ IOB.9/10, chap. III, para. 40.

countries in the region and subsequently promoted abroad. In addition to the traditional entrepreneurial investment forums, the countries of the region are becoming increasingly interested in UNIDO's assistance in attracting foreign resources through investment programmes. [4.70; 4.73]

11. Ongoing technical cooperation investment programmes 7/ were continued in Antigua and Barbuda, Argentina, Aruba, Bolivia, Ecuador, Jamaica, Mexico, Nicaragua, Uruguay and Venezuela. Discussions in Bolivia focused on the implementation of a long-term investment programme to assist the Investment Promotion Agency of Santa Cruz. Additional requests for initiation of investment programmes were received from Brazil, Colombia and Paraguay, while assistance was provided to the investment promotion centre in Uruguay for its enlargement and the definition of its future activities and a request for financing was submitted to the Inter-American Development Bank. Cooperation between the south of Brazil and Uruguay was undertaken through the identification of business opportunities and a presentation of the Uruguayan opportunities at Sao Paulo, Brazil. An integrated programme focusing on training was designed for Mexico for possible implementation in 1994. Two multisectoral investment meetings were held at Buenos Aires, Argentina, and Kingston, Jamaica, both in November. Pending UNDP approval for implementation by UNIDO and other United Nations agencies of a jointly designed programme for Nicaragua, at the request of the Government, a bridging programme was initiated to design and establish an investment promotion centre. Preliminary contacts were established with the Caribbean Development Bank, the Secretariat of the Organization of Eastern Caribbean States (OECS) and the UNDP office in Barbados to develop a regional programme for the OECS countries. A UNIDO-Andean Development Corporation regional programme for the Andean Group of countries, 8/ which includes projects and data banks, was finalized and its results passed on to the countries of the region. A data bank was also established in Argentina. Activities were undertaken in the framework of the joint programme with the Latin American Association of Development Financing Institutions, while discussions were re-established with the Central American Bank for Economic Integration for a possible investment programme for the countries of the subregion. [4.70; 4.72]

12. The agro-industry programme between France and Ecuador 9/ was extended through the enlargement of the French contribution. Preparatory work undertaken in 1992 for a joint programme between Puerto Rico, UNIDO and eastern Caribbean States was

implemented. A mining investment meeting held in 1992 at Buenos Aires, Argentina, between companies from Argentina and the United States of America was followed up by a meeting at Denver, USA, and several projects identified there are under final negotiation. Specific missions were undertaken to identify investment projects in the Dominican Republic and Trinidad and Tobago for presentation at an international trade fair, BORITECH, at Milan, Italy, in June 1994. A total of 22 presentations from seven countries of the region were held in Europe, USA and Asia. [4.71; 4.73]

13. Nine workshops on the formulation and evaluation of investment projects using the PROSPIN software were held in several provinces of Argentina. Two of them were attended exclusively by women entrepreneurs. Some of the projects formulated as a follow-up to those workshops were promoted at the investment meeting held at Buenos Aires in November. Several other workshops were held in selected countries in the region. Eight delegates from Argentina, Brazil, Chile, Ecuador, Mexico and Peru were placed in various IPS offices, while a UNIDO staff member was seconded to the Inter-American Investment Corporation (IIC) at Washington, D.C., to bridge UNIDO technical cooperation and investment cooperation activities with IIC and Inter-American Development Bank financing capabilities. [4.74]

#### Arab Countries, Europe and the Mediterranean Region

(including the New Independent States of the former Soviet Union (NIS))  
(subprogramme 424)

14. In the Arab countries, Europe and the Mediterranean region (including NIS) the promotion of 49 investment projects was concluded, amounting to \$488.3 million. There was considerable demand from Central and Eastern Europe and the NIS for UNIDO cooperation in the formulation and promotion of investment projects. Following the organization of a workshop in Dubai (see para. 18 below), UNIDO was also approached by several Arab regional organizations for assistance in the formulation of technical cooperation projects to generate investments. [4.85; 4.88]

15. A workshop on country and investment project promotion was held in Dubai in November with more than 100 participants from 17 Arab countries to discuss roles, functions, structure and work methods of investment promotion agencies in the region. International experts and representatives from non-Arab organizations also participated. On that occasion the World Bank's Foreign Investment Advisory Service (FIAS) and Multilateral Investment Guarantee Agency (MIGA) were invited to present their perspective on the promotion of foreign direct investment. As a follow-up, requests for UNIDO assistance in investment promotion were received from the Inter-Arab Investment Guarantee Corporation, one of the co-organizers of the event, and

7/ IOB.11/10, chap. IV, para. 16.

8/ Ibid., para. 19.

9/ Ibid., para. 16.

from the General Union of Chambers of Commerce, Industry and Agriculture for Arab Countries. The Gulf Organization for Industrial Consulting requested further assistance in preparing a second series of plant profiles for potential national investors in the Gulf region and in pursuing business negotiations between foreign and Gulf investors. In Bahrain the establishment of an IPS office was under final negotiation with the Ministry of Finance and the Ministry of Industry. The Government was also assisted in the preparation of an investors' guide. Financing from UNDP was approved for a one-year programme in Sudan to strengthen the capacity of the Investment Public Corporation (IPC) at Khartoum - an integrated programme encompassing policy advice, institution building and enterprise-level assistance. A training programme for IPC staff members was designed and started. [4.85; 4.86; 4.90]

16. In the Mediterranean region, a programme was under implementation with funds from the Government of France to establish business links between enterprises in Algeria, Morocco and Tunisia, and small- and medium-scale firms in southern France. Within the framework of two ongoing UNDP-financed technical cooperation projects in Algeria, an Algerian delegate was placed at the IPS office in Paris. As a result of a project implemented in cooperation with FIAS and the United Nations Transnational Corporations and Management Division, an investors' guide for Algeria was prepared and the establishment of an investment promotion agency in Algeria is foreseen. Through the initiative of the IPS office at Cologne, Germany, and the placement there of a Moroccan delegate, a technical co-operation programme was being formulated for Morocco; in connection with ongoing FIAS activities, the Government also requested UNIDO assistance in the organization of an investment forum. In the course of implementing a UNDP programme in Turkey, information materials were prepared on the latest investment regulations. An agreement and project document were finalized for the setting up of an IPS office in Turkey, which is expected to be launched in early 1994. [4.85; 4.86; 4.89]

17. In Central and Eastern Europe, efforts concentrated on mobilizing self-financing or third-party trust funds. In the field of metallurgy, 83 pollution control investment opportunities from Bulgaria, the Czech Republic, Hungary, Poland, Romania and Slovakia were presented during the Conference of Pollution Control and Abatement Enterprises, held at Budapest, Hungary, in March, with the Air & Waste Management Association; in response to the keen interest shown by foreign potential partners, IPS offices were actively following up negotiations between national investors and foreign potential partners. Under a trust fund programme financed by the Government of France, some 50 investment opportunities from the Czech Republic,

Hungary, Poland, Romania and Slovakia were promoted. In the Czech Republic, UNDP financing was approved for a two-year programme: more than 40 investment opportunities were already identified and placement of four Czech delegates at IPS offices was initiated. The Government of the Russian Federation was assisted in mobilizing participants in a conference at Irkutsk, in October, to discuss investment in Siberia; a follow-up forum in Vienna is foreseen. The Black Sea Economic Cooperation Council, covering 11 countries of the region, requested UNIDO assistance in strengthening regional capabilities in the identification and promotion of investment projects and in establishing a regional investment promotion network. The preparatory phase of a training programme for investment promotion executives in Kyrgyzstan was undertaken and the first draft of an investors' guide was prepared. A UNIDO-United Kingdom programme referred to as the UNIDO-UK Investment Promotion Initiative was launched in February 1993 for an initial period of three years; based at UNIDO Headquarters and composed of one expert and a secretary, the project constitutes a focal point for promoting investment opportunities in Central and Eastern Europe and selected developing countries with United Kingdom investors. Within the project a database on United Kingdom investors was established, 40 investment opportunities were promoted with individual United Kingdom companies and 12 missions were organized to initiate contacts between investors in the United Kingdom and national investors in the target countries. A similar project with an initial duration of one year was prepared for the Walloon region of Belgium and was expected to be functioning in early 1994. Interest in this type of cooperation was also expressed by Italy, and a project was under negotiation. [4.85; 4.86; 4.87; 4.88; 4.89]

18. During the preparation of the Dubai workshop (see para. 14 above), investment promotion agencies and/or relevant government officers were identified by UNIDO in 20 Arab countries. Also in that context, UNIDO prepared a study on current investment promotion activities in four selected Arab countries as well as guidelines for investment promotion agencies, the latter to be published as a UNIDO manual. Representatives of Arab countries at the workshop discussed the establishment of operational links with the Inter-Arab Investment Guarantee Corporation (Kuwait) and financing organizations of the World Bank group. In Central and Eastern Europe, studies were prepared to analyse the specific needs for environmental protection in the industrial sector of five countries. [4.90]

(b) Investment Promotion Network  
(part of subprogramme 425)

19. Efforts continued to strengthen the network of IPS offices. A memorandum of understanding was signed to establish a focal point for the network in Australia.

The project for the IPS office in Vienna, Austria, was extended for a further three years, while negotiations were undertaken to extend the projects for the offices at Cologne, Germany, and Seoul, Republic of Korea. Discussions with the authorities in Bahrain and Portugal regarding the setting up of offices neared finalization. Other possible partners in the network are the Islamic Republic of Iran, Spain and Turkey. In order to optimize coordination within the network, the eighth and ninth investment promotion programme meetings were convened respectively at Gotemba, Japan, and in Vienna. A central theme of the ninth meeting was the strengthening of the links between the IPS offices and investment promotion agencies in developing countries and the establishment of a global network. [4.98; 4.103]

20. A concept was developed for the UNIDO World Investment Network Service (WINS) as a global electronic network between investment promotion agencies in developing countries, UNIDO Headquarters and IPS offices through which project proposals from entrepreneurs in developing countries could be offered to potential partners in developed and other developing countries in a cost-effective way. The concept envisages an integrated package of services for the business community in developing countries, incorporating not only investment promotion-related services, but other UNIDO programmes as well. Information on suitable technologies would be available to investment promotion agencies through the interconnection with the Industrial and Technological Information Bank (INTIS) referral system (see para. 45 below), and ad hoc advisory and technical services could be offered to entrepreneurs for pre-investment studies, technology testing, procurement of equipment, etc., linking the network with services provided under the trust fund scheme. [4.101]

21. As in previous years, the IPS delegates' programme proved an effective means of promoting investment opportunities from developing countries. The number of participants in the delegates' programme in 1993 is reflected in table 1. The programme continued to be funded from a variety of sources including developed and developing countries as well as UNDP. The private sector was also taking an increasing interest in financing the programme. [4.99]

(c) Feasibility Studies  
(subprogramme 541)

22. Technical cooperation delivery under the heading Feasibility Studies amounted to \$8.3 million - \$15.9 million for the biennium. Eight interregional/global, 10 intercountry and 60 country projects in 40 countries were under implementation throughout the year. The Industrial Development Fund (IDF) continued to be the major source of financing, followed by UNDP, trust funds and the UNIDO Regular Programme of Technical Cooperation. The

exceptionally high output of the sub-programme is based on the continuous development and improvement of methodologies, standards and tools related to preinvestment services. The substantive content of technical cooperation programmes was expanded, for example with a module on assets valuation and privatization concepts. [5.182]

23. Environment and energy considerations continued to receive special attention in all pre-investment analyses in general. Particular emphasis was placed on cooperating with selected African countries (Egypt, Kenya and Nigeria) to carry out techno-economic appraisals of investment projects to phase out the use of ozone-depleting substances in their refrigeration industry. Activities in the fields of preparation and evaluation of feasibility studies for industrial investment were expanded and geared to a larger extent towards investment decision-making, including rehabilitation, restructuring, privatization and environmental assessment. Thus the methodological aspect of feasibility studies was increasingly translated into industrial financing. The largest feasibility study ever conducted by UNIDO was finalized, applying the expanded methodology that includes site selection, sensitivity analysis and environmental assessment. It related to a multi-billion dollar project for the erection of a second-generation integrated steel mill at Cilegon, West Java, Indonesia; the project was under serious consideration by the authorities who have expressed their intention to invite the private sector to participate in the venture. [5.179]

24. Similarly, the training programme in the field of project preparation, appraisal and financing was reinforced to include investment-related topics such as contract negotiations, project financing, privatization and joint ventures. A total of 22 training programmes were carried out for 500 participants from all regions. Requests for training became more specific and, as a result, training became better geared to the needs of counterparts. Cooperation with the Entrepreneurship Development Institute of India at Ahmedabad - which in 1993 was host institution for two interregional seminars with a total of 50 participants - led to the development of an additional joint training programme to promote women's entrepreneurship. Within the Industrial Action Programme for Least Developed Countries, three regional training activities were carried out, one in Thailand for the Asian region and two in the United Republic of Tanzania for English- and French-speaking African least developed countries. The annual seminar at the Warsaw School of Economics and Statistics was designed exclusively for participants from Central and Eastern European countries and the former Soviet Union, with Poland sharing its experience in transition to a market economy. The new Computer Model for Feasibility Analysis and Reporting, COMFAR III, was presented to the participants of the ninth



Table 1  
Significant performance indicators: Industrial Investment  
 (Programme 420)

	Planned <sup>a/</sup>		Achieved	
	1992-1993	1992	1993	Total
<b>Technical cooperation programmes</b>				
Africa	10	6	4	10
Arab countries, Europe and Mediterranean + NIS	10	2	10	12
Asia and the Pacific	10	13	12	25
Latin America and the Caribbean	10	8	12	20
<b>Investors' guides</b>				
Africa	4	1	5	6
Arab countries, Europe and Mediterranean + NIS	4	1	3	4
Asia and the Pacific	3	1	3	4
Latin America and the Caribbean	0	-	2	2
<b>Investment opportunities identified and formulated for promotion</b>				
Africa	400	144	353	497
Arab countries, Europe and Mediterranean + NIS	250	220	123	343
Asia and the Pacific	400	416	338	754
Latin America and the Caribbean	380	180	219	399
<b>Investment projects whose promotion was concluded</b>				
Africa	80	41 (\$150.2) <sup>b/</sup>	21 (\$ 22.3) <sup>b/</sup>	62 (\$ 172.5) <sup>b/</sup>
Arab countries, Europe and Mediterranean + NIS	50	41 (\$672.1)	49 (\$488.3)	90 (\$1,160.4)
Asia and the Pacific	60	60 (\$473.1)	62 (\$239.6)	122 (\$ 712.7)
Latin America and the Caribbean	50	52 (\$178.8)	39 (\$204.2)	91 (\$ 383.0)
<b>Investment forums</b>				
Africa	4	2	1	3
Arab countries, Europe and Mediterranean + NIS	4	2	2	4
Asia and the Pacific	2	2	2	4
Latin America and the Caribbean	2 <sup>c/</sup>	-	2	2

Table 1 (continued)

	Planned <sup>a/</sup>		Achieved	
	1992-1993	1992	1993	Total
Country presentations for: <sup>d/</sup>				
Africa	6 tours	15	15	30
Arab countries, Europe and Mediterranean + NIS	6 tours	24	16	40
Asia and the Pacific	6 tours	55	65	120
Latin America and the Caribbean	<sup>c/</sup>	22	22	44
Participants in IPS delegates' programme from:				
Africa	20	6	4	10
Arab countries, Europe and Mediterranean + NIS	10	7	7	14
Asia and the Pacific	40	9	18	27
Latin America and the Caribbean	15	4	8	12
Feasibility Studies (subprogramme 541)				
Project approvals	110	32	27	59
Project completions	100	33	43	76

<sup>a/</sup> Source: Programme and budgets, 1992-1993 (GC.4/42).

<sup>b/</sup> Dollar figures are in millions, with corrections to the 1992 figures.

<sup>c/</sup> Quantified in programme and budgets, 1992-1993 (GC.4/42) as 15-20 promotional events.

<sup>d/</sup> See also table 2.

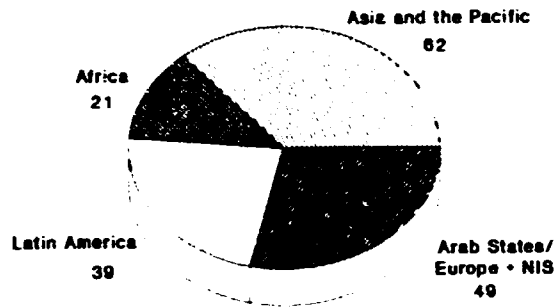
Table 2  
Country promotion presentations organized  
by UNIDO in 1993

Country/territory promoted	Venue	Number of presentations
Algeria	France (5)	5
Argentina	France (1)	1
Brazil	France (3)	3
Cameroon	Italy (1)	1
China	Austria (1), France (4), Germany (7), Japan (1), Republic of Korea (3), Spain (12)	28
Czech Republic	France (3), Italy (1)	4
Dominican Republic	Italy (1)	1
Ecuador	France (2)	2
Ethiopia	Italy (1)	1
Hungary	Switzerland (1)	1
India	France (3), Germany (1), Switzerland (1)	5
Indonesia	Germany (1)	1
Jamaica	Austria (1), France (1), Germany (1), Italy (2)	5
Kenya	France (3)	3
Lao People's Democratic Republic	Germany (1)	1
Madagascar	France (7)	7
Malaysia	Germany (1), Italy (1)	2
Mexico	France (5)	5
Mongolia	Germany (1), Japan (4)	5
Namibia	Italy (1)	1
Palestine	Italy (1)	1
Peru	Japan (4)	4
Philippines	Japan (5)	5
Poland	Switzerland (1)	1
Russian Federation	France (1), Italy (1)	2
Sri Lanka	Japan (2)	2
Thailand	Japan (3), Germany (2)	5
Trinidad and Tobago	Italy (1)	1
Turkey	Japan (2)	2
Uganda	Netherlands (1)	1
United Republic of Tanzania	Japan (1)	1
Viet Nam	France (8), Italy (1), Germany (2)	11

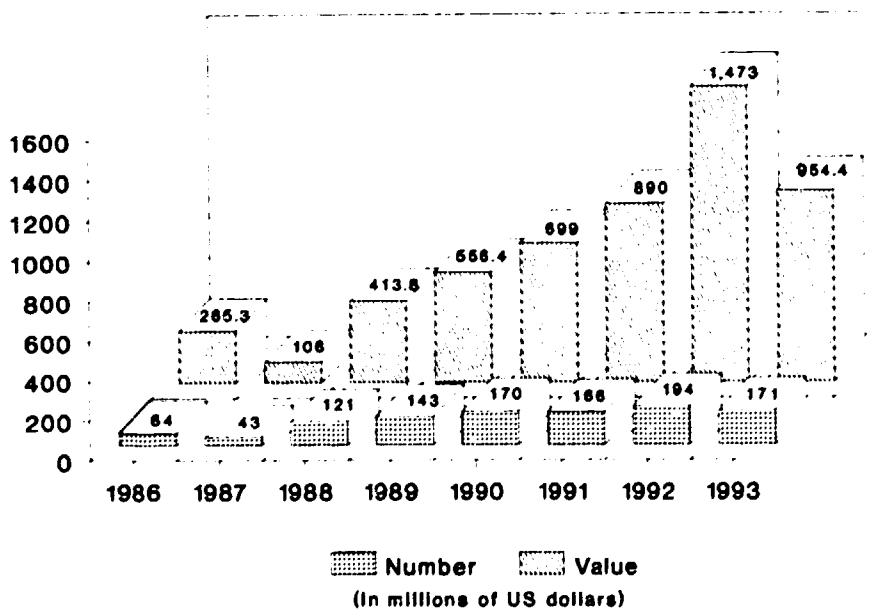
118

Total: 32 countries/territories promoted at 118 presentations held in 9 countries.

### Number of investment projects concluded in 1993, by region



### Investment projects concluded, 1986-1993



industrial investment programme meeting. Similar computer applications to pre-investment studies, such as PROSPIN and the Databank for Investment Promotion Programmes (DIPP) were reviewed with a view to their integration into the methodology and appraisal work of feasibility studies. [5.181]

25. Assistance in strengthening institutions whose primary objective is the preparation and appraisal of investment projects was increasingly geared to promotion of the private sector through chambers of commerce. In Togo the promotion of medium- and small-scale enterprises was the key issue of several investment studies carried out within the framework of a large-scale project. [5.180]

#### B. SYSTEM OF CONSULTATIONS (Programme 430)

26. The System of Consultations continued to provide the major actors involved in the industrialization process of given sectors with the possibility to exchange experience, analyse development trends and recommend policies for accelerating growth of key sectors. As in the previous year, an attempt was made to identify ways and means by which investment and technical cooperation could be furthered in those sectors with the aim of accelerating the industrialization of developing countries through the establishment of mutually beneficial economic and industrial relationships with developed countries. The activities of the System of Consultations were carried out under the overall guidance of the Office of the Director (subprogramme 435) as described in the Annual Report, 1992. <sup>10/</sup> [4.165; 4.166]

27. In connection with Consultations held in 1993, three documents were prepared that relate to world trends in the respective subsectors. These were: Factors having a bearing on the industrial utilization of medicinal plants for the production of plant-based medicines (ID/WG.530/1(SPEC.)); National strategies for the development of downstream petrochemical industries in the developing countries (ID/WG.533/3(SPEC.)); and Environment protection in the downstream petrochemical industries (ID/WG.533/4(SPEC.)).

#### Light Industries (subprogramme 431)

28. The crucial situation of the development of the fisheries industry of the islands of the Western Indian Ocean region was the subject of a workshop held at Antananarivo, Madagascar, in June. At the workshop problems related to quality control and standardization, packaging and freezing

technologies were analysed. Recommendations emanating from the workshop related to an appropriate quality control system and the identification of training possibilities. The latest technologies in the fish processing industry were the subject of the International Conference on Processing of Sea Products, held in Moscow, Russian Federation, in October. UNIDO sponsored the participation of four fishery specialists from Asia who learned about smoking techniques, packaging technology, fish meal processing and the requirements for fish processing for the European Market. At the Conference, UNIDO was requested to develop a cooperation programme for interregional projects involving Asian partners. To respond to the needs of developing countries for upgrading the quality of their fisheries products for export markets and to provide them with clear guidelines for improving national inspection services, a study was undertaken on inspection and quality assurance of fishery products exported from developing countries (IPCT.173(SPEC.)). The study would enable the exporting countries to upgrade the quality of their fish products, increase their acceptability and thus have better trade relations with major fish-importing markets such as Canada, the European Single Market, Japan and the United States of America. [4.118; 4.121]

29. Given the direct impact of the animal feed industry on food self-sufficiency in Africa, the role of this subsector in the agro-industrial development of the region, including the promotion of small- and medium-scale industries, was examined at the Regional Consultation on Animal Feed and Related Industries in Africa, held in Vienna in October. <sup>11/</sup> It was attended by 54 representatives from 36 countries and eight international organizations. At the Consultation it was recommended, inter alia, that: priority be given to utilizing to the maximum extent possible local raw materials and agro-industrial by-products and residues, a practice that would help in many cases to solve significant environmental problems; with the assistance of international organizations, a regional network be established for Africa to enhance the flow of information on all aspects of animal feed production; and UNIDO provide assistance in the choice of appropriate technologies and equipment and in identifying suitable projects and possible sources of financing. [4.119; 4.121]

30. The environmental aspect of the leather industry was a main concern of the eleventh session of the Leather and Leather Products Industry Panel, held at Nairobi, Kenya, in December. Other topics discussed were investment promotion, integration of women in the leather and leather products industry and the technical cooperation programme of UNIDO in the leather sector including the comprehensive programme being undertaken

<sup>10/</sup> Ibid., paras. 34-36.

<sup>11/</sup> For the report on the Consultation, see document ID/393.

for the South-East Asia subregion. The Panel also provided recommendations for the issues to be discussed during the regional Consultation on the leather and leather products industry in Asia and the Pacific, scheduled for 1995. [4.120; 4.121]

31. Activities related to follow-up of previous Consultations included a study on timber recycling in the construction industry in Latin America as well as a workshop on new packaging technologies dealing with packaging of fruit and vegetables. The workshop was convened at Campinas, Brazil, and was organized in cooperation with the Centro de Tecnologia de Embalagem de Alimentos (CETEA); it was attended by 30 experts and entrepreneurs from 12 Latin American countries.

#### Heavy Industries (subprogramme 432)

32. The First Consultation on the Construction Industry, which was co-sponsored by the United Nations Centre for Human Settlements (Habitat) and held at Tunis, Tunisia, in May, 12/ was attended by 175 participants from 41 countries. Stress was placed on the vital importance of the construction industry in the socio-economic development process in developing countries, and the need was recognized for establishing national mechanisms to facilitate interaction among main actors in the sector, such as professionals, contractors, suppliers and manufacturers of building materials. The Consultation recommended, *inter alia*, that policy guidelines be set up by Governments to ensure integration of maintenance and rehabilitation of building and infrastructure into cost analyses, estimates and contracting procedures for new projects; that sustainable development in the industry be achieved through capacity building in the area of natural resources management; and that regional cooperation be a factor in all aspects of the construction industry. A study prepared by Habitat for the Consultation (ID/WG.528/7) dealt with the issues of quality in the subsector. [4.130; 4.133]

33. In December, a regional expert group meeting on software technology and cooperation initiatives was held at Curitiba, Brazil, in cooperation with the Latin American Integration Association (ALADI), the Latin American Network of Technological Information, the Latin American Commission on Science and Technology (COLCYT) and the International Centre for Software Technology. The issues covered included: demand for and supply of quality management and standards (ISO 9000); technology monitoring and information exchange; technology incubators and their role in innovation; and establishment of national and regional software developers' associations. [4.132; 4.133]

34. The best available technologies applicable in the iron and steel industry for minimizing solid waste (dust and sludge) were analysed at a series of expert group meetings and workshops held in Argentina, Malaysia, the Republic of Korea and Venezuela. At those meetings, which were held in conjunction with the environmental committees (established by UNIDO initiatives) of the Latin American Iron and Steel Institute and the South-East Asia Iron and Steel Institute, strong recommendations emerged for an exchange of expertise and information on technologies and the designing of training programmes. [4.133]

#### Process Industries (subprogramme 433)

35. The need for a systematic and integrated approach to the development of the medicinal and aromatic plant-based subsector was stressed at the Regional Consultation on the Industrial Utilization of Medicinal and Aromatic plants in Asia and the Pacific, held in Vienna in July. 13/ It was co-sponsored by the World Health Organization (WHO) and attended by 75 participants from 32 countries and eight international organizations. The range of measures recommended by the Consultation related to: the formulation of national policies enabling the development of the subsector; the role of industry in introducing modern production processes and quality management systems; research and development; and the involvement of international organizations - especially WHO and UNIDO - in strengthening the infrastructure, in particular as far as human resource development, introduction of new technologies and establishment of information and research and development centres are concerned. It was also recommended that a panel of experts be established to act as an advisory body for UNIDO activities in the subsector, and that the next regional Consultation on the sector should be held in Africa. [4.144; 4.145]

36. Following the Regional Consultation on the Petrochemical Industry in the Arab Countries (June 1992), a detailed plan of action was agreed upon by the Advisory Committee on Petrochemicals, in which specific measures were identified to be taken by designated departments/divisions of UNIDO. The Global Preparatory Meeting for the Consultation on Downstream Petrochemical Industries in the Developing Countries was held at Vadodara, India, in February. At that meeting, which was hosted by the Indian Petrochemicals Corporation, Limited, issues were identified for submission to the Consultation on Downstream Petrochemical Industries in the Developing Countries, held at Teheran, Islamic Republic of Iran.

12/ For the report on the Consultation, see document ID/389.

13/ For the report on the Consultation, see document ID/390.

in November. <sup>14/</sup> The Consultation, which was hosted by the Iranian Ministry of Industry, was attended by 50 representatives from 33 countries and eight international organizations, in addition to the 350 participants from the host country. The issues covered dealt mainly with manufacturing and application technologies associated with downstream petrochemical products and their marketing strategies. The Consultation recommended, *inter alia*, that: UNIDO should continue its efforts to expand the petrochemical database; developing countries' capabilities for carrying out quality control and value analysis should be increased; the linkages should be expanded between upstream and downstream industries; and the petrochemical industry should adopt the best prevailing practices with regard to environmental protection and matters related to safety in the workplace. [4.146; 4.147]

37. Four key technical chapters of the UNIDO Fertilizer Manual were revised and submitted to the Publications Board as potential sales monographs. <sup>15/</sup> [4.148]

Common Topics  
(subprogramme 434)

38. With regard to human resource development, emphasis was placed on the area of maintenance. At a workshop on the improvement in the performance of industrial plants for participants from English-speaking African countries held at Kampala, Uganda, in November, the target group, policy makers and engineers, discussed the role of maintenance as a management function to be applied in raising the output and efficiency of factories. The manual on management of maintenance was near completion and will be issued as a sales publication in English and French in 1994. [4.155; 4.158]

39. Small-scale industries and micro enterprises are enjoying high priority in the development efforts of almost all countries. The sector has, however, been affected by structural adjustment programmes undertaken by a number of countries and declining Government involvement in industrial activities. To identify mechanisms to overcome these effects and to introduce new technological solutions, expert group meetings were held at Tegucigalpa, Honduras, in July, for Latin American countries and at Nairobi, Kenya, in December, for English-speaking African countries. [4.156; 4.158]

40. Keeping in mind that rehabilitation and privatization of industries is often undertaken without due regard to socio-economic conditions, a workshop was held at Dar-es-Salaam, United Republic of Tanzania,

in September, aimed at providing the least developed countries with methodologies, concepts and tools for solving problems of economic efficiency, evaluation and controls that arise during the privatization of state-owned enterprises. Measures to improve the competitiveness of the sugar cane industry in Africa were discussed at a workshop convened at Port Louis, Mauritius, in December, when agreement was reached on a programme of action for the sugar cane processing industry in the region. [4.157; 4.158]

**C. INDUSTRIAL TECHNOLOGY DEVELOPMENT  
AND PROMOTION**  
(Programmes 440 and 450)

41. Among the activities initiated in 1992 by the Office of the Director of the Technology Development and Promotion Division <sup>16/</sup> (combined subprogrammes 444 and 455), the inputs were completed for the development of a new UNIDO programme on revitalization of industrial technology research institutes <sup>17/</sup> in cooperation with the International Development Research Centre of Canada and the Third World Academy of Sciences at Trieste, Italy. In that context, guidelines on the revitalization of industrial technology research institutes were finalized. A first practical outcome of this work was a technical cooperation project between the Institute of Scientific and Technological Research, Bangkok, Thailand, and the Instituto de Investigaciones Tecnológicas, Santiago, Chile, in the commercialization of research and development (R and D) work, and in the development of policies and strategies for applied research. A report was completed on new trends and their implications in locating corporate R and D by transnational corporations in developing and East European countries, and studies were undertaken on management of technological change within an industrial operation, comparing the approaches used by transnationals and national companies in developing countries. Also, a study was begun on trends in East-West-South technology flows. Another study reviewed issues relating to policies suitable for African countries with a view to proposing, within the programme for the Industrial Development Decade for Africa, a programme on science and technology to expand and deepen the science and technology efforts in African countries, to restructure and revitalize their industrial technology research institutions, and to relate science and technology to promotion of foreign investment and the development of the private sector. [4.215; 4.272]

42. Encouraged by a major donor, a project concept was prepared for a global programme

<sup>14/</sup> The report on the Consultation is under preparation.

<sup>15/</sup> IOB.11/10, chap. IV, para. 52.

<sup>16/</sup> Ibid., paras. 61-63.

<sup>17/</sup> Ibid., para. 62.

Table 3  
Significant performance indicators:  
System of Consultations  
 (Programme 430)

	Planned	Achieved		
	1992-1993	1992	1993	Total
<b>CONSULTATIONS <u>a/</u></b>				
Animal feed, Africa (431) [4.119]	1	-	1	1
Capital goods, Latin America/Caribbean (432) [4.131]	1	1	-	1
Construction (432) [4.130]	1	-	1	1
Petrochemicals, downstream (433) [4.147]	1	-	1	1
Medicinal and aromatic plants, Asia (433) [4.145]	1	-	1	1
Petrochemicals, Arab countries (433)	<u>b/</u>	1	-	1
<b>REGIONAL, INTERREGIONAL, GLOBAL AND OTHER MEETINGS</b>				
Leather (431) [4.120]	1	-	1	1
Wood (431) [4.120]	1	-	-	-
Food packaging (431) [4.118, annex H]	2 <u>c/</u>	-	1	1
Sugar cane processing (431) [4.120]	1	-	1	1
Animal feed (431) [4.119, annex H]	1	1	-	1
Fisheries (431) [4.118]	<u>d/</u>	1	2	3
Construction (432) [4.130, annex H]	3	2	1	3
Capital goods (432) [4.131]	1	1	-	1
Electronics (432) [4.132, annex H]	1	-	1	1
Medicinal and aromatic plants (433) [4.145, annex H]	2	2	-	2
Petrochemicals (433) [4.147, annex H]	2	-	1	1
Fertilizers and pesticides (433) [4.148, annex H]	1	-	<u>e/</u>	-
Human resource development (434) [4.155]	1	-	1	1
Small- and medium-scale enterprises (434) [4.156]	3	1	2	3
Industrial rehabilitation (434) [4.157]	1	-	1	1
<b>STUDIES/MANUALS/REPORTS</b>				
Wood (431) [4.118]	3	-	1	1
Animal feed (431) [4.119]	4	3	1	4
Construction (432) [4.130]	2	2	-	2
Capital goods (432) [4.131]	2	2	-	2
Electronics (432) [4.132]	<u>d/</u>	-	4	4
Medicinal plants (433) [4.145]	1	1	-	1
Petrochemicals (433) [4.146]	3	3	-	3
Fertilizers and pesticides (433) [4.148]	1	-	1	1
World trends (435) [4.166(i)]	<u>d/</u>	-	-	-
Technical assistance and projects (435) [4.166(ii)]	1	-	1	1
Progress in consultation process (435) [4.166(iii)]	2	1	1	2
Implementation of policy recommendations (435) [4.166(iv)]	<u>d/</u>	-	-	-

a/ Including the preparation of studies for their substantive servicing, which are not shown separately in the present table.

b/ Postponed from biennium 1990-1991 (IOB.8/22, para. 4).

c/ Not fully implemented owing to lack of funds.

d/ Number not specified in the programme and budgets, 1992-1993.

e/ Postponed to 1994.



to define the parameters of sustainable technological development and demonstrate the feasibility of changing the technological paradigm to cope with future technological needs. A project was approved for the establishment of a network of institutions and organizations for monitoring and assessing selected technologies. [4.272]

(a) Industrial and Technological Information

Industrial and Technological Information  
(subprogramme 441)

43. The focus of the activities of the Industrial and Technological Information Bank (INTIB) continued as in 1992. <sup>18/</sup> Thus the Fund for Solidarity and Economic Development of the West African Economic Community (FOSIDEC), at Ouagadougou, Burkina Faso, became in October the subregional focal point to serve the seven West African member countries, while projects were under discussion for the establishment of an industrial technology and market information network in Sri Lanka and for the development of information infrastructures to boost the emerging market economy in Hungary. In order to handle inquiries more efficiently and effectively, a computerized international referral system was established consisting of national directories of specialized sources of industrial and technological information: six directories were completed, three were in production and 15 were under negotiation. The system should lead to a large increase in exchanges of technological and industrial information between developed and developing countries. A second TECHMART (technology market) <sup>19/</sup> held in India in November jointly with the National Small Industries Corporation Ltd., India, and in cooperation with the United Kingdom of Great Britain and Northern Ireland Technology Exchange, was so successful that the Indian Government proposed to make it an annual event. Preparations were under way for TECHMARTS to be held in 1994 in Brazil, Mexico and Viet Nam as well as in Zambia for the countries of the Preferential Trade Area for Eastern and Southern African States (PTA). Software for the petrochemical database was completed, evaluated and presented at the Consultation on Downstream Petrochemical Industries in the Developing Countries (see para. 36 above). It will be made available to Member States. [4.179; 4.180; 4.181]

44. The Energy and Environment Information System (EEIS) pilot activity <sup>20/</sup> was completed with five detailed country surveys for Ecuador, Hungary, Peru, Thailand and

Zimbabwe and the holding of a workshop in Hungary at which the terms of reference of EEIS were signed. The EEIS philosophy on the Referral Database on Energy and the Environment (REED) software was adopted in Mozambique as part of a strategy for environmentally sustainable industrial development. Over 60 queries were handled by INTIB during the pilot phase of the environment-friendly and energy-efficient technology transfer clearing-house, set up by the United States Environmental Protection Agency <sup>20/</sup> that was completed by the middle of the year. Cooperation in exchange of information continued with the International Environmental Information System (INFOTERRA) and the Industry and Environmental Programme Activity Centre (IEPAC) of the United Nations Environment Programme (UNEP). <sup>20/</sup> [4.179; 4.180]

45. On-the-job training and training workshops were organized for countries participating in the INTIB network. A Training Programme on Information Resource Management for Managers from 10 companies specializing in food was held at Seoul, Republic of Korea, in cooperation with the Korean Institute of Industry and Technology Information, which also became an INTIB national focal point. The programme is being expanded to cover other sectors of industry. A workshop on the state of the art of information technology was held at New Delhi, India, in cooperation with the National Informatics Centre. In addition to the monthly production and distribution of the Environment Awareness Bulletin, INTIB produced three special issues of the Energy and Environment Series and four issues of INTIBNet, <sup>21/</sup> as well as numerous fully searchable diskette versions of the Industrial Development Abstracts. At its fifth meeting, the INTIB Advisory Group called on INTIB to: strengthen the national and regional focal points; complete the International Referral System as soon as possible; devote more resources to TECHMART activities; promote information as a strategic resource; support the technology monitoring function; and promote the establishment of information companies. [4.180; 4.181; 4.182; 4.183]

Industrial Technology Monitors  
(subprogramme 451)

46. The publication of the three major Monitors (Genetic Engineering and Biotechnology, Microelectronics and New Materials) continued along the same lines and with the same financial limitations as in 1992. A number of surveys of selected topics were published while work continued on the preparation of manuscripts for the

<sup>18/</sup> Ibid., para. 65.

<sup>19/</sup> IOB.9/10, chap. III, para. 24; IOB.11/10, chap. IV, para. 67.

<sup>20/</sup> IOB.11/10, chap. IV, para. 66.

<sup>21/</sup> Ibid., para. 66.

Technology Trends series and on the promotion of a biennial survey on the impact of selected new technologies on the global and industrial technological market as well as the regional and subregional promotion of monitoring mechanisms and capabilities. The UNIDO Newsletter continued to appear in six languages, although with the same limitations as in the past. <sup>22/</sup> [4.226; 4.227; 4.228; 4.229; 4.230; 4.231]

47. Monitoring of follow-up to the Vienna Programme of Action on Science and Technology for Development 1979, as well as participation in the Administrative Committee on Coordination Task Force on Science and Technology for Development, continued during the year. The UNIDO Secretariat was assigned the function of lead agency in the United Nations system for the preparation of a report on biotechnology and intellectual property, and of task manager for coordinating efforts and inputs of United Nations agencies on the theme of biotechnology. In that context, an introductory issue of Agenda 21 Biotechnology Watch was produced as a tool for coordination of follow-up to the United Nations Conference on Environment and Development. [4.231]

#### (b) Technology Promotion

##### Appropriate Technologies (subprogramme 443)

48. Within the area of technology management and technological capabilities including technology support services, a meeting with the participation of 19 high-level experts provided valuable information on the current state of technology management and indications on the direction UNIDO's programme should take in that area. Other activities included: preparations for a group training programme on technology management, to be held in 1994; a case-study on technology management for competitiveness in Malaysia; and the promotion of a new technology-based enterprise following the study of an incubator <sup>23/</sup> in Ecuador. The promotion of industrialization through standardization and quality control continued in the Asia and Pacific region <sup>24/</sup> with two seminars: one held at Jakarta, Indonesia, which was attended by representatives of other countries of the Association of South-East Asian Nations (ASEAN) and some 200 businessmen and professionals; and the second of the twin seminars on promotion and adequate application of quality systems and ISO 9000 <sup>23/</sup> held at Manila, Philippines, also attended by representatives of ASEAN countries and some 160 local businessmen and experts. A

promotional video on the application of statistical methods in quality management activities, produced as part of that project, will be used in other developing countries. An expert group meeting on the financing of technology in Latin America held at Lima, Peru, resulted in a set of recommendations for the provision of more effective modalities for the financing of technology and technological development; furthermore, a guide to sources of financing for technology in Latin America was finalized for printing. Work progressed on the project at the Fondo Colombiano de Investigaciones Cientificas y Proyectos Especiales (COLCIENCIAS) in Colombia <sup>23/</sup> and a similar project was prepared for Guatemala. The final project proposal for the establishment of a technology extension service for the member countries of the Organization of Eastern Caribbean States and Belize <sup>23/</sup> was submitted to UNDP for consideration. Under the IDDA short-term advisory services, ways and means of strengthening technological capabilities were examined in Uganda, and the African Regional Centre for Technology was assisted in a programme for the development and improvement of food technologies in African countries. [4.205; 4.206]

49. Under the area of identification, development, promotion and commercialization of technologies suitable for conditions in developing countries, programmes for the rational use of energy-saving technologies <sup>24/</sup> were carried out for the pulp and paper and glass industries in the Philippines and Thailand and yielded the publication of further manuals on energy conservation. Similar programmes for the cement and ceramic industries started in Bangladesh and Sri Lanka. A programme for evaluation and promotion of successful and feasible technologies for gari processing was completed in cooperation with the Agency for Cultural and Technical Cooperation (ACCT). Activities relating to the identification of technologies developed in a developing country and which are suitable for other developing countries continued: in China, 20 technologies were identified and ready for promotion, while in Brazil and India national consultants were being selected for a similar activity. A project for the promotion of simple, appropriate technologies was under way in Guinea. [4.207; 4.208]

##### Informatics (subprogramme 452)

50. Within the programme for promotion of software production and applications in informatics and microelectronics in Latin America and the Caribbean, <sup>25/</sup> the second

<sup>22/</sup> Ibid., para. 70.

<sup>23/</sup> Ibid., para. 74.

<sup>24/</sup> Ibid., para. 76.

<sup>25/</sup> Ibid., para. 79.

phase of the regional programme on cooperation concentrated on strengthening the software industry in the region and diffusing informatics technology to small and medium industrial enterprises. Activities included sectoral studies, pilot projects with selected firms and training courses for managers on the introduction of informatics and related organizational changes. In addition, the regional project has several satellite projects under implementation. These include provision of services (software, consultants, equipment) for the implementation of a large-scale project for the establishment of a management information system for Colombia, financed by the World Bank, and a project to upgrade skills of software producers in Trinidad and Tobago. A project to assist in the establishment of a software application programme for promoting computer applications for small- and medium-scale industries in Africa was started with the identification of enterprises whose effectiveness could be increased by computer applications. As a result, requests for assistance in the establishment or improvement of computer applications were received from Ghana, Kenya and Senegal. [4.239]

51. At the request of Egypt and Saudi Arabia, two projects for regional cooperation were prepared with the Economic and Social Commission for Western Asia: one for preparatory assistance in integrated circuit design and upgrading the qualifications of specialists in that field; the second on production and industrial applications of software. At a meeting of the Consultative Group on Informatics Technology for Development held in November, the requirements for software production for export were discussed. [4.238; 4.241]

52. Concerning the telecommunications industry, a large-scale project for the assessment of capacities and capabilities for the manufacture of telecommunications equipment in Africa was under implementation with the cooperation of the International Telecommunication Union and regional and subregional intergovernmental organizations in Africa. Consultations were held with the Government of India on implementation of a roving demonstration of telecommunications equipment and technologies in Africa. <sup>26/</sup> A workshop on technological integration of the telecommunications industry in Latin America and the Caribbean was held at Caracas, Venezuela, in cooperation with the Latin American Economic System (SELA). On that occasion, a study on the design, tropicalization and manufacturing of telecommunications equipment and a directory of telecommunications equipment manufacturers in the region were promoted. In cooperation with the Government of Brazil, a second international seminar on new technologies and telecommunication services was held at Foz du Iguacu, Brazil. In Asia and the Pacific a workshop

of representatives of telecommunications software and equipment industries was held at Beijing, China, in cooperation with the Beijing University of Posts and Telecommunications and the Asia-Pacific Telecommunity, which featured bilateral discussions on technology transfer, joint ventures, expert service, training and information exchange. As a follow-up to the workshop held in 1992, <sup>27/</sup> two international telecommunications experts were recruited for assignments in Bangladesh, Nepal and Pakistan. [4.238; 4.240]

#### Biotechnology and Genetic Engineering (subprogramme 453)

53. By the end of the year the International Centre for Genetic Engineering and Biotechnology (ICGEB) was on the verge of achieving autonomy. In the meantime, ICGEB projects continued to be implemented with increasing benefits to its member countries. A total of 13 training courses and workshops were organized at ICGEB and its affiliated centres to provide training to over 250 trainees from about 30 countries. The number of affiliated centres for ICGEB stood at 20. The commercialization of some of the processes developed at ICGEB was pursued. The Centre continued to participate actively in the training and discussion of policy issues relating to biosafety. [4.249]

54. A series of activities to promote international biotechnology networks, undertaken in response to Agenda 21, included the launching of the Biosafety Information Network and Advisory Service (BINAS) and the Mushroom Biotechnology and Bioconversion Network (MUSHNET) and the preparation for the Lactic Acid Bacteria Network (LABNET). In conjunction with the UNIDO-sponsored African regional symposium on food fermentation technology and with the aim of strengthening the networks in Africa, working groups on LABNET, MUSHNET and cassava bio-processing were held in Senegal in collaboration with the African Agency for Biotechnology and the African Regional Center for Technology. To strengthen regional capacity, 35 African biotechnologists participated in a regional training workshop on modern genetic-engineering techniques that was organized in collaboration with the University of Zimbabwe. [4.250]

55. New initiatives to promote commercialization of biotechnology were undertaken: with the Biofocus Foundation and the Swaminathan Foundation in eco-biotechnology aiming at rural development and employment; with Hungary and the Russian Federation in the conservation of sturgeon fish genetic resources to sustain caviar and related industries; and by conducting a review of issues related to the intellectual property rights in biotechnology. A meeting was also held on the potential commercialization of biotechnology for biodiversity prospecting

<sup>26/</sup> Ibid., para. 78.

<sup>27/</sup> Ibid., para. 77.

at the country level, and the potential commercialization of salmonella diagnostic technology developed by the University of Zimbabwe was reviewed for future promotion. New partnerships were developed with: the Senior Advisory Group on Biotechnology on industrial biotechnology policy; the World Bank on the holding of a marine biotechnology workshop in Asia in cooperation with the Thai National Center for Genetic Engineering and Biotechnology and the Network of Aquaculture Centers in Asia; and with non-governmental organizations on appropriate biotechnology. [4.251]

56. Considerable progress was achieved in the area of biosafety in addressing the environmental concerns related to the handling and release of genetically modified organisms. In addition to the launching of BINAS (see para. 54 above) where a number of computerized databases are in place, two BINAS Steering Committee meetings were held and expertise was provided to UNEP for its inputs to the Intergovernmental Negotiating Committee Conference on Biological Diversity. In collaboration with ICGEB, BINAS offers a comprehensive range of training activities in biosafety, as well as advisory services aimed at helping developing countries set up biotechnology regulations and oversight mechanisms. The International Biotechnology Forum, representing major biotechnology companies, established a working relationship with BINAS, while regional meetings and training workshops held in the Russian Federation and the ASEAN region resulted in the creation of BINAS information nodes in the countries concerned. A biosafety manual was produced for publication in 1994. Technical support was provided to the Interim Secretariat of the Convention on Biological Diversity in areas related to biosafety and the environmentally sound management of biotechnology. A series of Agenda 21 Biotechnology Monitor information notes was initiated as part of the ongoing Genetic Engineering and Biotechnology Monitor and in response to the new role of UNIDO as the task manager for biotechnology under Agenda 21 (see para. 47 above). The promotion of bioremediation technology continued in Algeria, Indonesia, Kuwait, Thailand and Trinidad and Tobago. [4.252]

#### New Technologies (subprogramme 454)

57. An agreement on the institutional arrangements for the international centre for science and high technology (ICS), was signed by the Italian Government and UNIDO. Training and scientific research activities of ICS were given more focus and the linkages to the industrial sector and UNIDO activities were highlighted. To provide advice on the development of a long-term programme for ICS a high-level scientific advisory meeting was held at Trieste, Italy, in November. [4.259]

58. In the area of marine industrial technology, an international workshop on

industrial technology for the development of non-living marine resources held in India 28/ was followed up by an expert group meeting held in Indonesia on networking arrangements for promotion and development of ocean energy in the Indian Ocean region. These two activities identified new and renewable energy sources as an important issue for the follow-up to the United Nations Conference on Environment and Development (UNCED) on sustainable development of small islands. Preparations started for a comprehensive study on the identification and analysis of future marine market and technology needs for developing countries. In the field of integrated ocean and coastal management, close cooperation was established with the staff of the ICS project and the International Ocean Institute. Coordination was developed with UNEP, UNDP and the World Bank concerning sustainable development of coastal areas, including exclusive economic zones - a high priority of UNCED. In cooperation with the staff of the ICS project, activities were undertaken to promote North-South cooperation in the development of skills and technical systems for integrated coastal area management in the Mediterranean region. In the Caribbean region, discussions continued on the financial, structural and operational modalities of the proposed regional centre for marine industrial technology. [4.259; 4.263]

59. In the area of new materials, a study prepared on the critical importance of advanced materials in the industrial restructuring of developing economies reviews the experience of Japan and five newly industrialized countries in South-East Asia. Contributions were made to four issues of the Monitor on Advances in Materials Technology (see para. 46 above). Negotiations continued regarding the establishment of an international materials assessment and applications centre and an international centre on materials evaluation technology. 29/ A feasibility study was under preparation on the establishment of an Arab centre for multidisciplinary materials research that could provide the framework for a joint work programme between Arab States for the use of their human and financial resources with regard to industrial development. Within the IDDA programme, short-term advisory services were provided to Egypt on the establishment of a centre of excellence in the area of new materials with special reference to solar energy application, and to Ghana in the area of materials science and research. Also within the IDDA programme, a sub-regional workshop on new materials and their impact on the economy of the countries of the Economic Community of West African States laid down the basis for the networking of materials technology centres in Africa. A workshop to discuss the establishment of a network of materials

28/ Ibid., para. 86.

29/ Ibid., para. 88.

technology centres in Latin America was under preparation and will be convened in Argentina. For Arab States, the Secretariat implemented a regional workshop on sensors and an international symposium on the dispersion of strengthened materials. [4.260; 4.261]

60. Methods continued to be explored with regard to promoting the use of advanced techniques in manufacture. Thus, under funding from the IDOA programme a series of shoe manufacturing technology seminars were carried out in five countries of East Africa. A follow-up project for on-the-job management training, implemented initially in Kenya, covered the full range of skills necessary to effectively manage a shoe company, including cost control, total quality management, production planning, marketing and design. The concept was also being adapted to the food-processing sector. [4.264]

61. The hydrogen energy technology component of the new technologies programme continued to develop, with the implementation of the preparatory phase of a feasibility study financed by the Government of Turkey on the establishment of an international centre for hydrogen energy technology, which included visits to a variety of institutions and Governments in the developed and developing world. Response for the concept has been very supportive. A report on the preparatory phase outlining plans for the implementation of the international centre will be presented to a meeting of experts in early 1994. Concerning solar energy promotion, activities followed the objectives proposed by the Consultative Group on Solar Energy Research and Application. <sup>30/</sup> Through a trust fund from the Government of the State of Western Australia to finance an international programme for the establishment of centres of solar energy, UNIDO assisted in establishing such a centre at Perth. Consultations were also held with the Government of Morocco on strengthening and assisting local institutes for the establishment of a regional centre. For that purpose, a project will be implemented with the aim of defining at the regional level which solar energy applications have the most beneficial impact for the national/regional energy strategy. In addition, a report on a global network of centres for the application of solar energy (CASE) was prepared. A proposal was formulated for the internationalization of the Hangzhou Centre of the Regional Network for Small Hydropower Asia/Pacific. <sup>31/</sup> [4.265]

62. Promotional and preparatory work is undertaken for the UNIDO programme on application of spin-offs from high and new technologies and for two proposals for international cooperation in research,

development and application of composite and superconductive materials. These elements of an overall subprogramme in the area of new technologies will respond to the growing demand of developing countries in that particular area, provide the framework for cooperative programmes between developing countries and facilitate the link between them and developed countries. [4.262; 4.265]

(c) Technology Policy, Acquisition and Negotiation  
(subprogramme 442)

63. The year saw an overwhelming demand for the UNIDO capability-building programme in technology transfer contracting and negotiation. The capability of UNIDO to deliver this type of service in a professional and systematic way was made possible to a large extent with the product-service package, Manual on Technology Transfer Negotiations. <sup>32/</sup> The Manual, which consolidates in an innovative way the comprehensive knowledge and experience of UNIDO in the training of technology transfer negotiators, enabled the Secretariat to organize its capacity-building activities with more focus and in assisting institutions in developing countries to conduct their own training programmes on the basis of UNIDO methodologies and standards. The finalization of the Manual was carried out during the year by a UNIDO-LES (Licensing Executives Society) committee, which assessed the material in terms of its substantive content and its manner of presentation, thus giving the Manual and the UNIDO capability-building programme in technology transfer negotiation broad international acceptance. In response to requests received, workshops and seminars on technology transfer contracting and negotiation were conducted in Cameroon, Congo, Guinea, India, Jordan, Kenya, Morocco and Senegal (twice). In general, these workshops were geared to the training not only of negotiators but of potential trainers of negotiators, in line with the objective of creating national and regional self-sufficiency in the conduct of training courses and in advisory capacities. [4.192; 4.195; 4.196]

64. The year also saw the evolution of a definitive programme on build-operate-transfer (BOT) <sup>32/</sup> consisting of: the establishment of guidelines and standard procedures for the negotiation and implementation of BOT arrangements; the availability of an advisory task force that can service requests for assistance in connection with specific BOT projects; and technical cooperation at the enterprise, national or regional levels for capacity building and policy advice related to the implementation of the BOT scheme. The draft

<sup>30/</sup> Ibid., para. 91.

<sup>31/</sup> Ibid., para. 90.

<sup>32/</sup> Ibid., para. 94.

guidelines for the development, negotiation and contracting of BOT projects were in the process of finalization and consultations took place with the Commission of the European Communities for possible joint preparation of special supplements to the guidelines to make them usable by a wider range of utilizers. Advisory assistance was extended to the Governments of Mali, Mauritania and Senegal in assessing the feasibility of a BOT strategy for the establishment of a hydroelectricity scheme for the Senegal River basin, while promotional work towards the possible adoption of a BOT strategy was undertaken for Africa and for Latin America on the occasion of meetings held in those regions. Development of the expert system on contract drafting and negotiation <sup>32/</sup> was pursued with the preparation of detailed documentation on its concept and framework, which should lead to the development and elaboration of a draft contract generator system and a complementary negotiation support system. [4.193; 4.194]

65. To promote regional and international cooperative efforts in the field of technology acquisition and transfer, two meetings were organized during the year: an experts' meeting held in Vienna that provided a forum for generating awareness and exchanging views on emerging trends and developments in the field of technology transfer

and their implications, particularly for developing countries, as well as in establishing links with relevant international organizations and research institutes; and a regional meeting of African institutions involved in technology transfer and development convened at Rabat, Morocco, under the African Technological Information Exchange System (TIES) programme. The networking established through these meetings provides a rich and valuable source of information and expertise. The African-TIES programme has also paved the way for projects aimed at the creation of national advisory and consultancy capabilities as in the case of Guinea and Senegal. A number of studies and guidelines prepared on technology transfer and negotiation trends included: a study on the acquisition and transfer of environmentally sound technologies for developing countries; an analysis of prospects and new dimensions of international transfer of technology; two country surveys on trends in technology transfer policy and effects on technological capacity-building; the monograph series on rules and practices governing technology transfer in Brazil; and a technology transfer manual for research institutes in developing countries. The TIES Newsletter and TIES Watch continued to deliver information world-wide on technology-related events and developments. [4.192; 4.193]

Table 4

Significant performance indicators: Development and promotion of industrial technology  
(Programmes 440 and 450)

	Planned	Achieved		Total
	1992-1993	1992	1993	
<b>A. <u>Studies/Publications</u></b>				
<b><u>Industrial and Technological Information</u> (441)</b>				
Industrial Development Abstracts <u>a/</u>	8	4	4	8
Sectoral dossiers	10-15	-	15	15
Directories	<u>b/</u>	5	-	5
Guides to information sources	<u>b/</u>	1	-	1
INTIBNET (quarterly newsletter)	8	4	4	8
INECA Journal (quarterly newsletter) (now called Energy and Environment Series)	8	3	5	8
News releases	<u>b/</u>	8	12	20
<b><u>Industrial Technology Monitors</u> (451)</b>				
Monitors, quarterly	32	13	19	32
UNIDO Newsletter	24	12	12	24
Technology Trends series	<u>b/</u>	-	3	3
Biennial survey on impact of new technology	1	-	1	1
Studies on endogenous capability building and other subjects within purview of ACC Task Force on Science and Technology for Development and the Vienna Programme of Action on Science and Technology for Development	<u>b/</u>	1	1	2
<b><u>Appropriate Technologies</u> <u>[previously Basic Technologies]</u> (443)</b>				
Guidelines for technology management in small-scale industries	1	-	1	1
Country case studies:				
(a) Innovation policy and management of technological change (countries to be selected)	2	-	2	2
(b) Technology policy (Ethiopia and Jamaica; see also 455 below)	2 <u>c/</u>	1	-	1
(c) Proposals for R and D cooperation in selected subject areas between developed and developing countries	1 <u>d/</u>	-	-	-
(d) Technology management and competitiveness (Malaysia)	1	-	1	1
(e) Promoting new technology-based enterprises: industrial incubator in Ecuador	1	-	1	1
Studies on promotion of locally developed technologies (China, Brazil and India)	3	-	3	3

Table 4 (continued)

	Planned	Achieved		
	1992-1993	1992	1993	Total
<u>Informatics (452)</u>				
Publications on software production and computer/microelectronics applications in developing countries	b/	1	2	3
Documents focusing on the creation of subregional networks for the design, tropicalization and manufacture of selected items of telecommunications equipment (for meeting in Latin America)	b/	-	1	1
<u>Biotechnology and Genetic Engineering (453)</u>				
Proposals for cooperation in bio-informatics and culture collection in Asia, Africa and the Middle East	b/	2	-	2
Studies/proposals for the industrial application of research results, including research-industry cooperation and enterprise-level cooperation	b/	1	-	1
Studies on marine biotechnology and equipment for monitoring the marine environment (originally under subprogramme 454)	b/	-	1	1
<u>New Technologies (454)</u>				
Country and regional reports for two regional workshops to establish networking arrangements and identify areas for cooperative programmes in selected new materials	b/	4	16	20
Proposals, based on experts' reports, for international cooperation in research, development and application of composite materials and superconductive materials	2 d/	-	-	-
Preparatory studies on establishment and operation of two regional centres for marine industrial technology	b/	1	-	1
Joint technology development programmes for above regional centres	2	1	1	2
Studies on advanced manufacturing technology	b/	3	1	4
<u>Technology Policy, Acquisition and Negotiation (442)</u>				
Guidelines/studies on technology transfer and negotiation trends and new forms of technology business:				
(i) World-wide trends and issues, especially related to new and emerging technologies	1	1	-	1
(ii) Practices and trends in negotiating technology transfer agreements in field of environmentally sound technologies	1	-	1	1
(iii) BOT contracts as alternative to technology transfer	1	-	1	1
(iv) Practices and trends in negotiation and export of technologies from developing countries	1	-	3	3



Table 4 (continued)

	Planned	Achieved		
	1992-1993	1992	1993	Total
TIES Newsletter (quarterly)	8 <u>d</u> /	3	3	6
TIES Watch Information Notes	<u>b</u> /	12	6	18
Regulatory rules and practices governing technology transfer in developing countries (monographs)	4 <u>d</u> /	1	1	2
UNIDO course on technology transfer negotiations (manual)	1	-	1	1
<u>Office of the Director (455)</u>				
Country case study: Technology policy - Pakistan (originally under subprogramme 443)	1 <u>c</u> /	1	-	1
<b>B. <u>Expert group and other meetings</u></b>				
<u>Industrial and Technological Information (441)</u>				
TECHMARTS (technology markets)	2	2	1	3
Training of trainers for network operations and database use	<u>b</u> /	1	-	1
Workshop on state-of-the-art information technology including Indian experience	<u>b</u> /	-	1	1
Training programme on information resources management in food enterprises	<u>b</u> /	-	1	1
Fifth meeting of the Advisory Group of INTIB	1	-	1	1
<u>Appropriate Technologies [previously Basic Technologies] (443)</u>				
Seminars/workshops related to key issues of industrial technology management	<u>b</u> /	1	1	2
<u>Informatics (452)</u>				
Preparatory technical meeting and technological cooperation conference on the telecommunications industry in Latin American region	1	-	1	1
International seminar on new technologies and telecommunications services	<u>b</u> /	-	1	1
Regional seminar-cum-training workshop comprising "informatics incubators", promoting services related to informatics and information industries and the application of microprocessor control in such areas as energy conservation	1	-	1	1
Consultative Group on Informatics Technology for Development	1	-	1	1
<u>Biotechnology and Genetic Engineering (453)</u>				
Participation in two meetings of the UNIDO/WHO/UNEP/FAO working group promoting a global code of conduct for the release of genetically engineered micro-organisms and plant materials	2	1	1	2
Regional meeting on biosafety guidelines and code of conduct	1	-	2	2

Table 4 (continued)

	Planned	Achieved		
	1992-1993	1992	1993	Total
<u>New Technologies (454)</u>				
Regional workshops to establish networking arrangements and identify areas for cooperative programmes in selected new materials	2 <u>e/</u>	1	1	2
Regional meetings on establishment and operation of two regional centres for marine industrial technology	2	-	2	2
Meeting of Consultative Group on Solar Energy Research and Application (OB)	1	1	-	1
<u>Technology Policy, Acquisition and Negotiation (442)</u>				
Selected heads of technology transfer offices (TIES meeting)	1 <u>f/</u>	-	1	1
Expert group meeting on acquisition and negotiation of new and emerging technologies, and new forms of technology business	1 <u>f/</u>	-	-	-
Human resources development on technology acquisition and negotiation (seminars/workshops)	<u>b/</u>	2	9	11

a/ Available in diskette form only.

b/ Not specified in the programme and budgets, 1992-1993.

c/ Originally two studies on technology policy (Ethiopia and Jamaica) planned under subprogramme 443. Eventually, one study on Jamaica performed under subprogramme 443 and one on Pakistan under subprogramme 455.

d/ Not implemented owing to lack of funds/staff.

e/ One funded from the programme for the Industrial Development Decade for Africa and one from the Industrial Development Fund special pool for Latin America.

f/ The two meetings were merged for budgetary and substantive reasons. However, six meetings were organized by the Section from extrabudgetary resources as follows:

- 1 regional African-TIES meeting;
- 2 experts meetings on BOT;
- 2 experts meetings on the manual on technology transfer negotiations;
- 1 meeting on the expert system on technology transfer contracting.

## CHAPTER V. INDUSTRIAL OPERATIONS (500)

1. The main thrust of this major programme remained the delivery of technical services at all stages of the technical cooperation project cycle, with emphasis on the priority areas and common elements of the medium-term plan, 1990-1995 and the application of environment-friendly technologies. 1/ The largest portion of technical cooperation activities continued to be financed from United Nations Development Programme (UNDP) resources (indicative planning figure (IPF), Special Industrial Services (SIS) programme, Special Programme Resources and Special Measures). However, as a result of the UNDP successor arrangements, the total expenditure from UNDP resources decreased from \$57.4 million in 1992 to \$41 million in 1993 and the share within the overall implementation decreased from 42.3 per cent to 34.5 per cent. Overall expenditure on technical cooperation activities decreased from \$135.6 million in 1992 to \$118.8 million in 1993. In addition to traditional project backstopping, staff of the programme spent 35.7 work-months on technical support services at the programme level (TSS-1) and 36.2 work-months on technical support services at the project level (TSS-2).
2. The total of 1,713 projects implemented or under implementation in 1993 included 201 valued at \$1 million or more, 582 valued between \$150,000 and \$1 million and 930 valued at less than \$150,000. Although overall project expenditure decreased, the number of projects remained rather stable (1,745 in 1992 versus 1,713 in 1993). Table 8 of the statistical annex shows the overall technical cooperation expenditure by geographical area, source of funds and project component. In all the regions there was a lower level of implementation as a result of the decrease of funds made available from UNDP.
3. The value of project delivery by UNIDO in Africa (including \$12.1 million for African Arab States) amounted to \$40.7 million. There was a decrease of \$5.8 million or 12.5 per cent (a decrease of \$0.5 million or 4 per cent for African Arab States) over the corresponding figure for 1992.
4. The value of projects implemented in the Arab States amounted to \$15.4 million (including the African Arab States). This constituted a decrease of \$0.3 million or 1.9 per cent as compared to the figures for 1992.
5. The value of projects executed in Asia and the Pacific amounted to \$31.2 million, a decrease of \$7.5 million or 19.4 per cent as compared to 1992.
6. The value of technical cooperation delivery to Europe (including NIS) amounted to \$3.9 million, a decrease of \$1.4 million or 26.4 per cent as compared to the figures for 1992. The lower level of implementation was also attributable to a decrease of third party trust funds.
7. The value of projects executed in Latin America and the Caribbean amounted to \$10.9 million, a decrease of \$0.6 million or 5.2 per cent as compared to the figures for 1992, despite a considerable increase in self-financed trust funds (from \$0.5 million to \$1.6 million).
8. The implementation of global and interregional projects and programmes decreased from \$30.5 million in 1992 to \$28.8 million in 1993. The trend to an increase in the overall share of this type of projects in the technical cooperation delivery of UNIDO continued with the percentage rising from 22.5 in 1992 to 24.2 in 1993.
9. The number of technical cooperation projects implemented or under implementation in 1993 and the regional distribution of technical cooperation delivery, by field of activity, are shown in tables 1 and 2 below. A further breakdown of the number of projects in progress and completed in 1993, by programme and subprogramme, is shown in table 3. As explained in the Annual Report, 1992, 2/ the implementation of projects mentioned under specific headings may cut across organizational lines to include the economic and technical expertise of not only the entire Department of Industrial Operations, but of UNIDO as a whole.
10. Within the Department of Industrial Operations, the Office of the Deputy Director-General (programme 510) was responsible for the overall direction and management of the major programme (subprogramme 514), while continuing to supervise subprogrammes 511, 512 and 513. 3/ [5.38]

2/ Ibid., para. 10.

3/ Ibid., paras. 11-12.

1/ IDB.11/10. chap. V, para. 1.

Interregional Advisers  
(subprogramme 511)

11. Five interregional advisers 4/ provided advice in five specific fields (agro-based industries; petrochemicals and organic and inorganic chemical processes; pharmaceutical industries; ozone protection; and rehabilitation). The advisers were assigned to Branches in the Department of Industrial Operations according to each Branch's area of concentration. Their activities included troubleshooting at the enterprise level, design and formulation of complex industrial projects, as well as advice on equipment specifications and on technology options for solving specific industrial problems.

Integrated Projects and Central Monitoring  
(subprogrammes 512 and 513)

12. Owing to its reduced staffing level, the Integrated Projects and Central Monitoring Section 5/ concentrated its efforts on providing support for the overall management of the Department. Within this framework the Section coordinated the preparation of the Department's budget submission; prepared, collected, analysed, and disseminated data on the implementation of the technical cooperation programmes and projects; and organized meetings at departmental level with representatives of Governments, non-governmental organizations (NGOs), the private sector, UNDP and UNIDO field offices. It also assisted in the coordination and reporting of activities carried out by the Department under TSS-1, TSS-2 and the Second IDDA.

**A. INDUSTRIAL OPERATIONS TECHNOLOGY**  
(Programme 520)

13. The Industrial Operations Technology Division continued the responsibility for this programme 6/ under the guidance of the Office of the Director (subprogramme 525), which, in an environment of global change, sought to identify new areas for technical cooperation and developed new programmes in response to changing demands. Activities focused particularly on aspects relevant to sustainable industrial development, with special emphasis on the implementation of the Montreal Protocol. In that respect, the active involvement of the subprogramme is expected to generate an increasing volume of projects for UNIDO execution in the coming years as the Organization is increasingly perceived as a competent partner for the implementation of plant-level provisions of the Protocol. Total approvals for the years 1992 and 1993 by the Executive Committee of

the Multilateral Fund for the Implementation of the Montreal Protocol amounted to \$6.9 million for UNIDO. The Office of the Director coordinated the implementation of the approved 1993 work programme under the Montreal Protocol and, through active participation in the work of the UNIDO Task Force on Environment and Development, the formulation of the UNIDO response to Agenda 21. It also participated in the preparation of related background papers for the panel on ecologically sustainable industrial development held in conjunction with the fifth session of the General Conference. [5.105]

14. International programmes on chemical safety and toxic waste management were also promoted by the Office of the Director, and those efforts resulted in UNIDO becoming a member of the International Programme on Chemical Safety (see para. 38 below). The subprogramme represented UNIDO at key international environment forums, including the United Nations Environment Programme (UNEP) Governing Council at Nairobi and the Economic and Social Commission for Asia and the Pacific (ESCAP) meeting on environment and sustainable development at Bangkok. The Office actively participated in the launching of the UNDP regional programme on farmer-centred agricultural resource management (FARM), an integrated programme promoting sustainable agricultural development at the community level, for which UNIDO is implementing the pesticides component. [5.105]

15. In its capacity as energy coordinator of UNIDO, the Office of the Director was responsible for UNIDO inputs to an inter-agency project on the assessment and management of health and environmental risks of energy and other complex industrial systems. The project aims at bringing together expertise in health, the environment, industry and energy, which are vital for effective risk management. A paper reflecting the UNIDO energy programme and activities was prepared for the Fifth International Energy Conference, "ENERGEX 93", at Seoul, Republic of Korea, in October. [5.105]

Industrial Technologies Support  
(subprogramme 525)

16. Following the designation of UNIDO as an implementing agency of the Multilateral Fund for the Implementation of the Montreal Protocol, the Industrial Technologies Support Unit 7/ assumed a major role in the preparation of the work programme to be presented to the Executive Committee of the Fund. The initial work programme amounted to \$500,000, covering preparatory activities in Brazil, China, Egypt, Islamic Republic

4/ Ibid., para. 13.

5/ Ibid., paras. 14-15.

6/ Ibid., para. 17.

7/ Ibid., para. 21.

Table 1

Number of technical cooperation projects under implementation in 1993 by region,  
by field of activity and size of project a/

		Size of project						Subtotal	Total
		(i).....<\$150,000	(ii) \$150,000 - \$1,000,000	(iii).....>\$1,000,000	Latin America				
		Africa	Arab States b/	Asia and the Pacific	Europe + NIS	and Caribbean	Global and interregional		
Agro-based Industries	(i)	26	5	11	7	27	6	0	
			(3)					79	
	(ii)	29	6	16	3	10	2		
			(4)					62	
	(iii)	8	2	13	0	3	0		
			(2)					24	165
Chemical Industries	(i)	25	11	29	14	27	20		
			(5)					121	
	(ii)	29	12	48	8	5	8		
			(9)					101	
	(iii)	18	13	37	0	1	2		
			(13)					58	280
Metallurgical Industries	(i)	10	2	14	8	8	5		
			(2)					45	
	(ii)	1	0	16	1	2	1		
			(0)					21	
	(iii)	4	3	9	0	2	0		
			(3)					15	81
Engineering Industries	(i)	17	8	23	11	9	6		
			(4)					70	
	(ii)	21	3	33	8	4	0		
			(3)					66	
	(iii)	7	2	17	0	1	0		
			(1)					26	162
Industrial Strategies and Policies	(i)	16	4	7	3	3	7		
			(2)					38	
	(ii)	19	7	7	1	2	0		
			(1)					35	
	(iii)	5	0	1	0	0	0		
			(0)					6	79

Table I (continued)

Size of project  
 (i).....<\$150,000  
 (ii) \$150,000 - \$1,000,000  
 (iii).....>\$1,000,000

		Latin America						Subtotal	Total
		Africa	Arab States b/	Asia and the Pacific	Europe + NIS	and Caribbean	Global and interregional		
Institutional Infrastructure	(i)	25	10	12	11	25	8		
			(4)					87	
	(ii)	41	16	23	3	16	7		
			(11)					95	
	(iii)	13	5	5	1	4	2		
			(1)					29	211
Industrial Management/ Rehabilitation	(i)	13	4	2	13	1	0		
			(3)					30	
	(ii)	7	4	5	5	2	0		
			(3)					20	
	(iii)	6	0	4	1	2	0		
			(0)					13	63
Industrial Human Resource Development	(i)	18	3	7	5	2	55		
			(0)					90	
	(ii)	5	3	1	2	1	4		
			(2)					14	
	(iii)	0	0	0	0	0	0		
			(0)					0	104
Other c/	(i)	83	28	69	25	47	124		
			(6)					370	
	(ii)	42	10	32	6	20	65		
			(7)					168	
	(iii)	3	3	2	0	1	22		
			(1)					30	568
Total number of technical cooperation projects under implementation in 1993	(i)	233	75	174	97	149	231		
			(29)					930	
	(ii)	194	61	181	37	62	87		
			(40)					582	
	(iii)	64	28	88	2	14	26		
			(21)					201	1,713

a/ Not including technical support services at programme (TSS-1) and project (TSS-2) level.

b/ Figures in parentheses relate to African Arab States and are already included under Africa.

c/ See statistical annex, table 6, for breakdown.

Table 2

Regional distribution of technical cooperation expenditure in 1993, by field of activity

(Percentage)

	Africa	Arab States a/	Asia and the Pacific	Europe + NIS	Latin America and Caribbean	Global and interregional	Total
Agro-based Industries	30.1	3.0 (2.0)	38.7	6.9	19.1	4.2	100
Chemical Industries	56.9	43.4 (43.0)	29.5	3.9	3.7	5.6	100
Metallurgical Industries	27.1	4.9 (4.9)	59.6	2.4	5.7	5.2	100
Engineering Industries	34.3	3.3 (3.0)	60.8	1.5	3.0	0.1	100
Industrial Strategies and Policies	68.0	11.9 (0.3)	15.0	0.3	3.2	1.9	100
Institutional Infrastructure	44.8	9.8 (4.4)	22.1	4.1	21.0	2.6	100
Industrial Management and Rehabilitation	58.1	4.0 (3.0)	13.9	13.2	13.8	0.0	100
Industrial Human Resource Development	35.6	16.8 (0.8)	8.0	2.9	0.9	36.6	100
Other b/	14.9	4.8 (1.5)	13.1	1.8	8.0	58.9	100
Total	34.2	13.0 (10.1)	26.2	3.3	9.2	24.2	100

a/ Figures in parentheses relate to African Arab States and are already included under Africa.

b/ See statistical annex, table 6, for breakdown.

Table 3

Number of technical cooperation projects by programme/subprogramme a/ b/

Programme/subprogramme	(1)				(2) Projects approved in 1993 d/	(3) Projects completed in 1993
	Projects in progress at 31.12.1993					
	Intercountry	Interregional/ global	Country	c/		
<b>Industrial Operations Technology</b>						
521 Agro-based Industries	25	5	72	(39)	45	60
522 Chemical Industries	19	15	146	(47)	65	106
523 Metallurgical Industries	6	1	40	(26)	13	27
524 Engineering Industries	13	2	86	(35)	25	46
Total 520 (IO/T)	63	23	344	(76)	148	239
<b>Industrial Institutions and Services</b>						
531 Industrial Strategies and Policies	8	0	35	(34)	12	33
532 Institutional Infrastructure	15	12	107	(66)	44	79
533 Industrial Management and Rehabilitation	4	0	37	(20)	16	24
Total 530 (IO/IIS)	27	12	179	(87)	72	136
<b>Industrial Operations Support</b>						
542 Industrial Human Resource Development	8	8	11	(13)	36	49
543 Project Personnel Recruitment and Administration	0	0	0	(0)	0	1
Total 540 (IO/OS)	8	8	11	(13)	36	50
Total 500 D I O	98	43	534	(110)	256	425

a/ Not including technical support services at programme (TSS-1) and project (TSS-2) level.

b/ For multifund projects, each project number (each fund source) is counted as a separate project.

c/ Numbers in parentheses indicate the number of countries with country projects in progress.

d/ All the projects included in column (2) are not necessarily reflected in column (1), particularly in the case of approvals made late in the year.



Table 4

Significant performance indicators: Industrial Operations a/  
(Programme 500)

Subprogramme	Projects in progress		New project approvals		Project completions	
	Programmed b/ (1.01.92)	Achieved c/ (31.12.93)	Programmed b/ (1992-1993)	Approved (1992-1993)	Programmed b/ (1992-1993)	Completed (1992-1993)
521 Agro-based Industries	149 d/	102 d/	107 d/	97	90 d/	97
522 Chemical Industries	247	258	163	133	127	187
523 Metallurgical Industries	100	85	50	38	55	70
524 Engineering Industries	173	149	62	56	78	97
531 Industrial Strategies and Policies	45	79	35	33	30	52
532 Institutional Infrastructure	e/	178	e/	83	e/	119
533 Industrial Management and Rehabilitation	102 f/	74 f/	78 f/	28	68 f/	34
542 Industrial Human Resource Development	18	<u>68</u>	5	<u>92</u>	10	<u>110</u>
Total		993		560		766
<u>Appointments</u>						
		<u>Programmed 1992-1993</u>	<u>Implemented 1992-1993</u>			
543 Project Personnel Recruitment and Administration		4,600-5,000 g/ 300-350 h/	4,711 g/ 143 h/			

a/ Not including technical support services at programme (TSS-1) and project (TSS-2) level.

b/ Source: Programme and budgets, 1992-1993 (GC 4/42).

c/ Source: Annual Report, 1991, chap. II, table 6.

d/ Does not include projects related to wood processing, which were transferred from subprogramme 533 in July 1992.

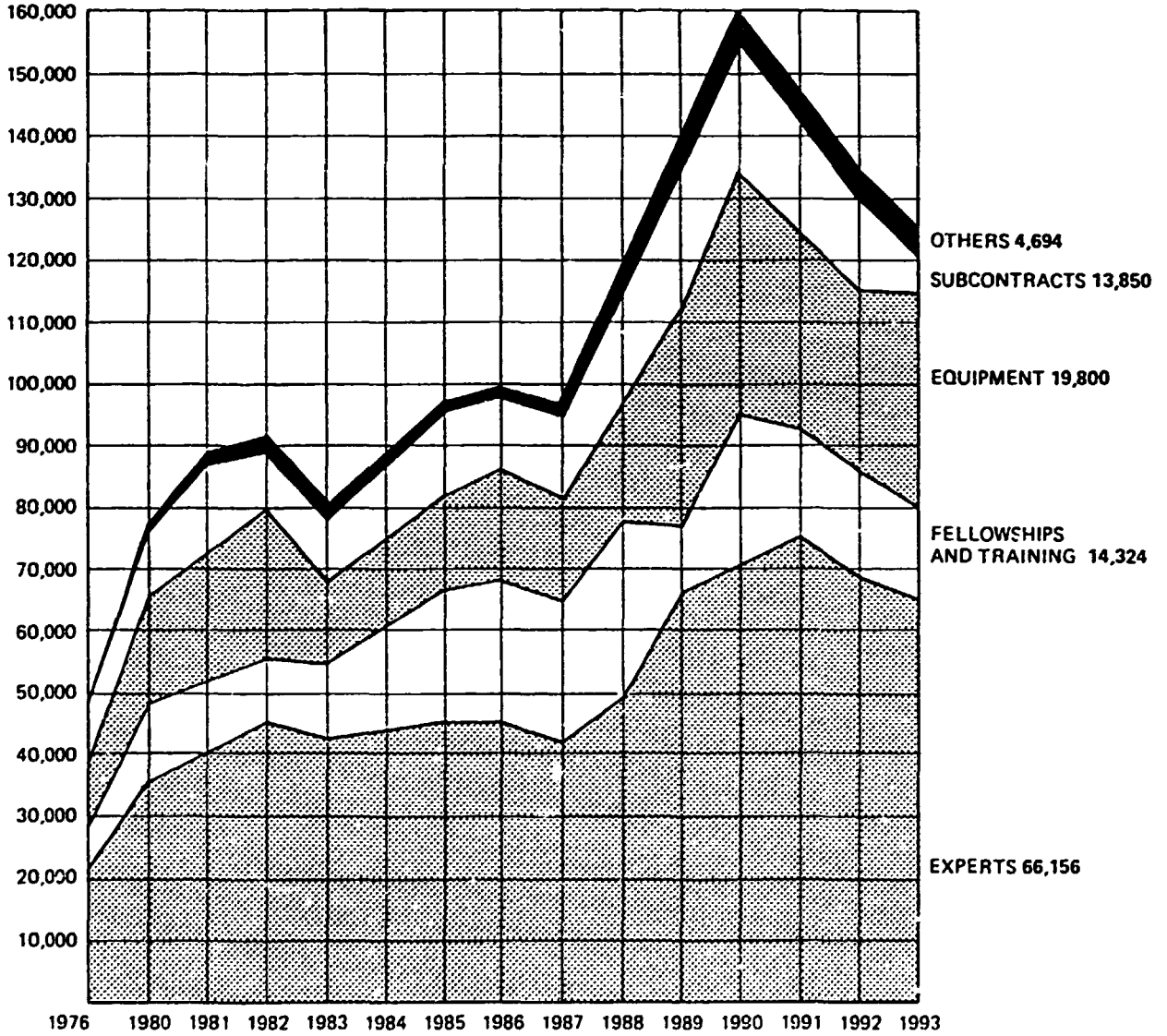
e/ Some 260-300 projects were foreseen to be under delivery during the biennium (i.e. projects in progress at the start of the biennium and new projects approved during the biennium) (cf. GC 4/42, para. 5.136).

f/ Includes projects related to wood processing, which were transferred to subprogramme 521 in July 1992.

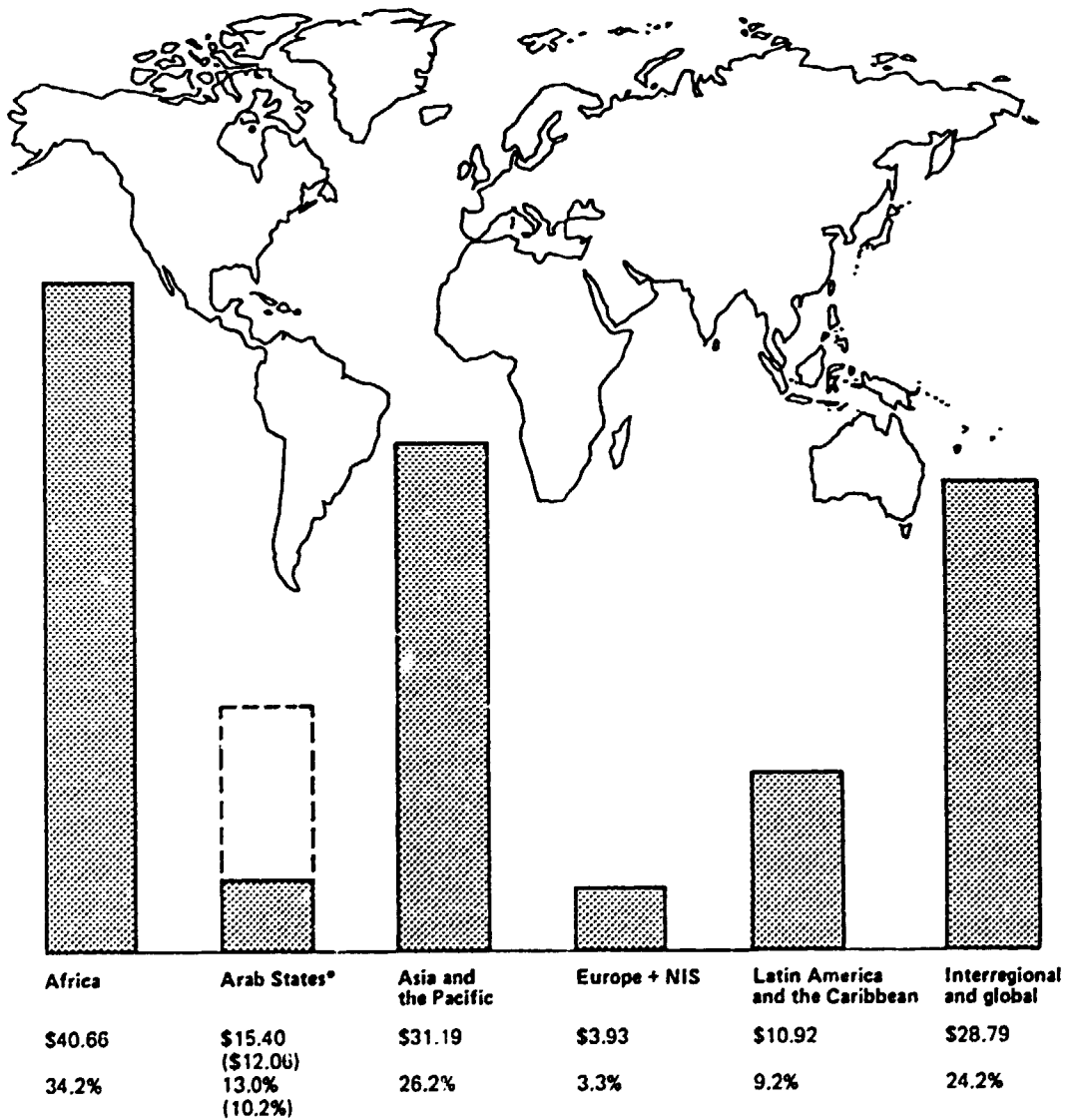
g/ Number of experts.

h/ Number of local project support staff.

**TECHNICAL COOPERATION PROJECT EXPENDITURES  
BY PROJECT COMPONENT, 1976-1993**  
(In thousands of US dollars)

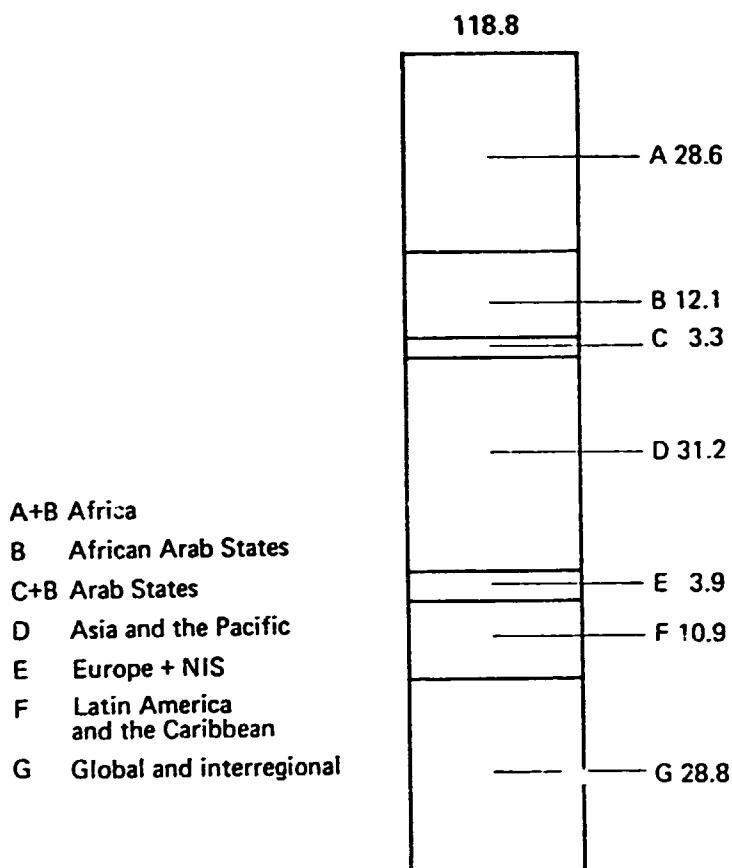


**TECHNICAL COOPERATION DELIVERED BY UNIDO IN 1993**  
 (By geographical area, in millions of US dollars and percentages)

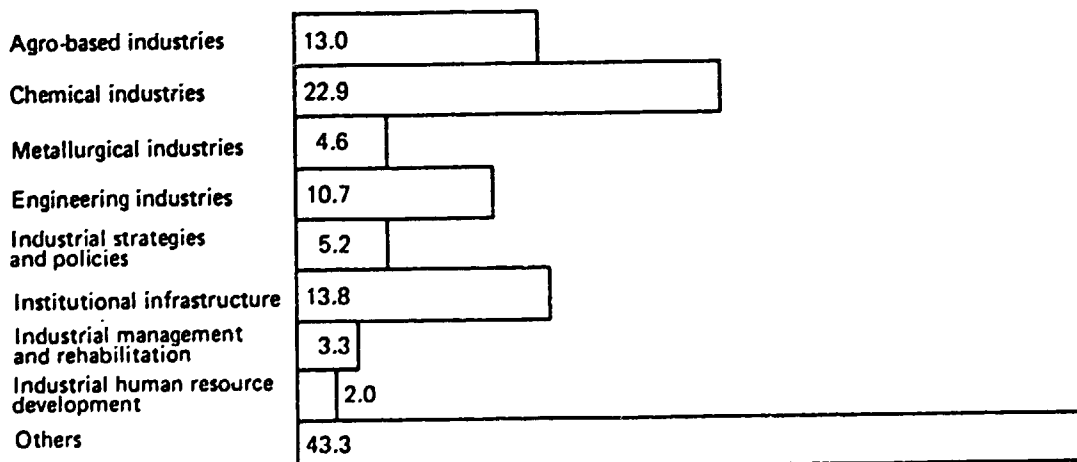


\*Broken lines and figures in parentheses give an indication of the African Arab States that are also included under the column "Africa".

**TECHNICAL COOPERATION DELIVERED BY UNIDO IN 1993**  
(In millions of US dollars)



**DISTRIBUTION OF TECHNICAL COOPERATION ACTIVITIES IN 1993**  
(In millions of US dollars)



# AFRICA

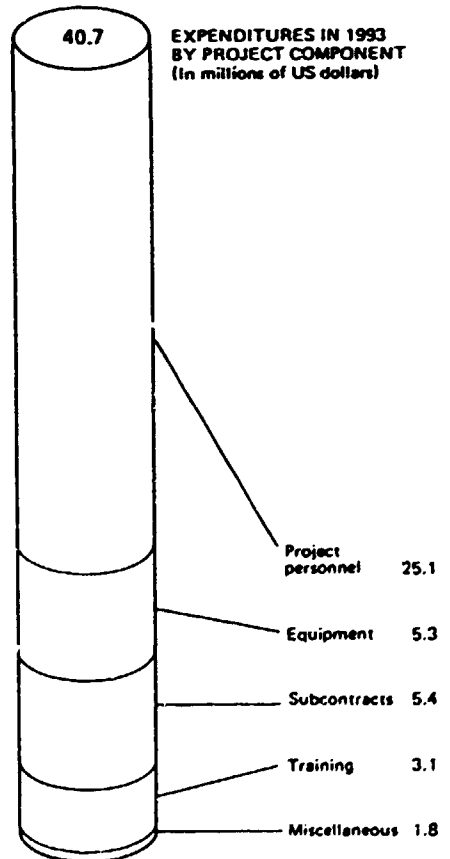
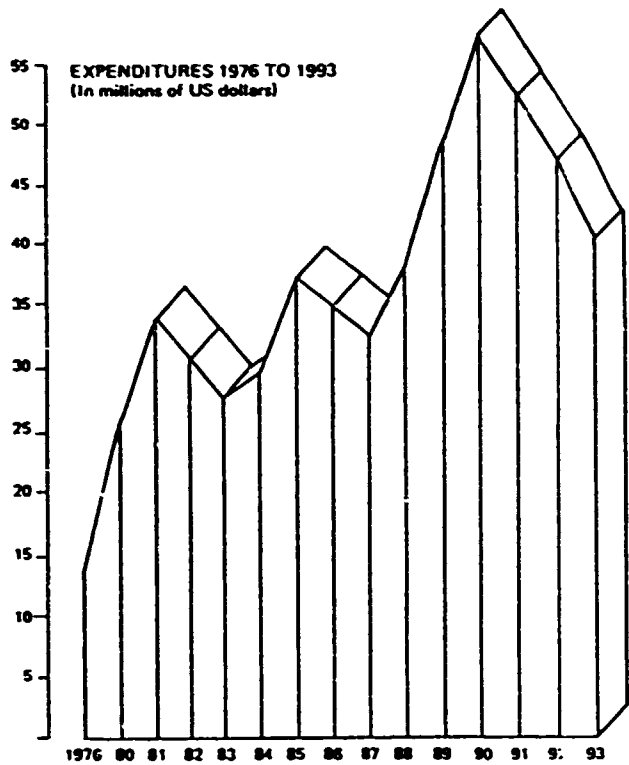
## FIELD REPRESENTATION

### UNIDO Country Directors

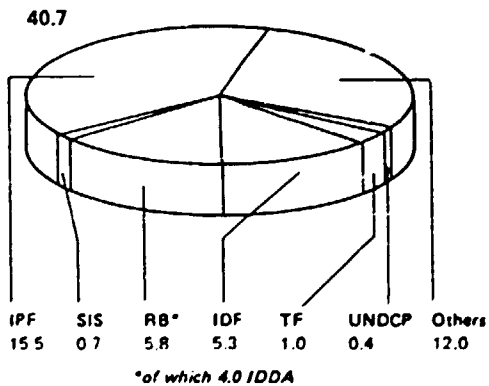
- Algeria
- Côte d'Ivoire
- Cameroon
- Ethiopia
- Ghana
- Guinea
- Kenya
- Madagascar
- Mozambique
- Nigeria
- Senegal
- Sudan
- Uganda
- United Republic of Tanzania
- Zambia
- Zimbabwe

### Junior Professional Officers

- |            |                             |
|------------|-----------------------------|
| Angola     | Mauritius                   |
| Benin      | Mozambique                  |
| Botswana   | Namibia                     |
| Burundi    | Nigeria                     |
| Cameroon   | Rwanda                      |
| Cape Verde | Sao Tome and Principe       |
| Ethiopia   | Senegal                     |
| Ghana      | Sierra Leone                |
| Guinea     | Togo                        |
| Kenya      | United Republic of Tanzania |
| Madagascar | Uganda                      |
| Malawi     | Zambia                      |
| Mali       | Zimbabwe                    |



**EXPENDITURES IN 1993 BY SOURCE OF FUNDS**  
(In millions of US dollars)



# ARAB STATES

## FIELD REPRESENTATION

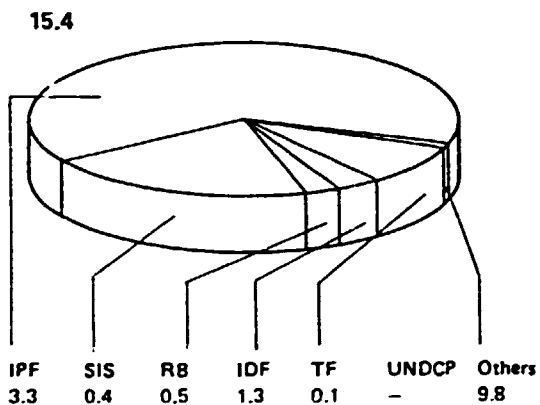
### UNIDO Country Directors

Algeria  
Sudan

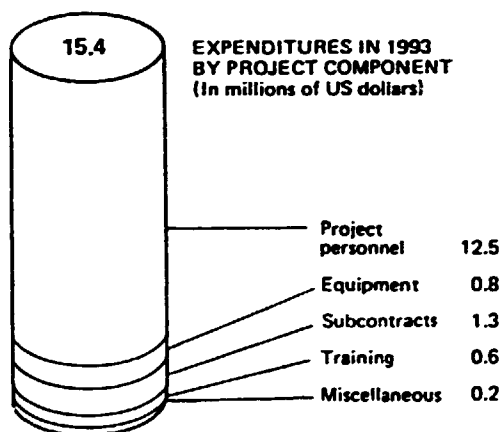
### Junior Professional Officers

Algeria  
Bahrain  
Morocco

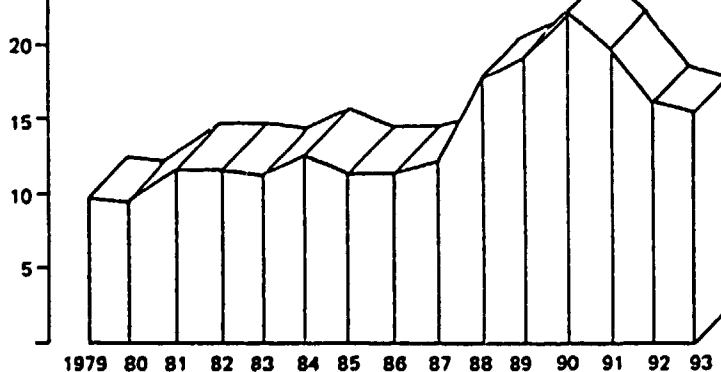
**EXPENDITURES IN 1993 BY SOURCE OF FUNDS**  
(In millions of US dollars)



**EXPENDITURES IN 1993 BY PROJECT COMPONENT**  
(In millions of US dollars)



**EXPENDITURES 1979\* TO 1993**  
(In millions of US dollars)



\*For previous years, expenditures related to Arab States were reported partly under Africa and partly under Europe and Western Asia.

# ASIA AND THE PACIFIC

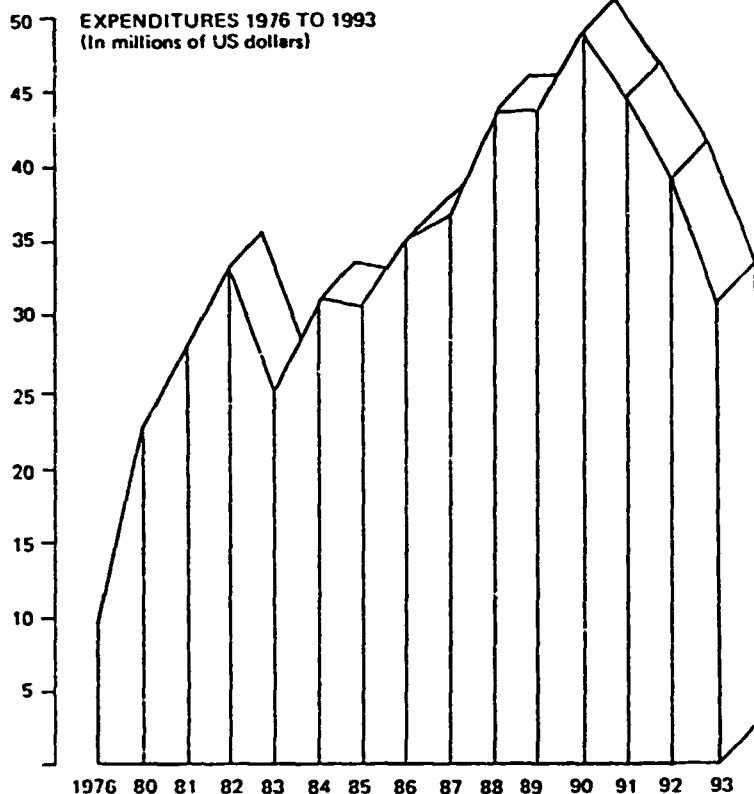
## FIELD REPRESENTATION

### UNIDO Country Directors

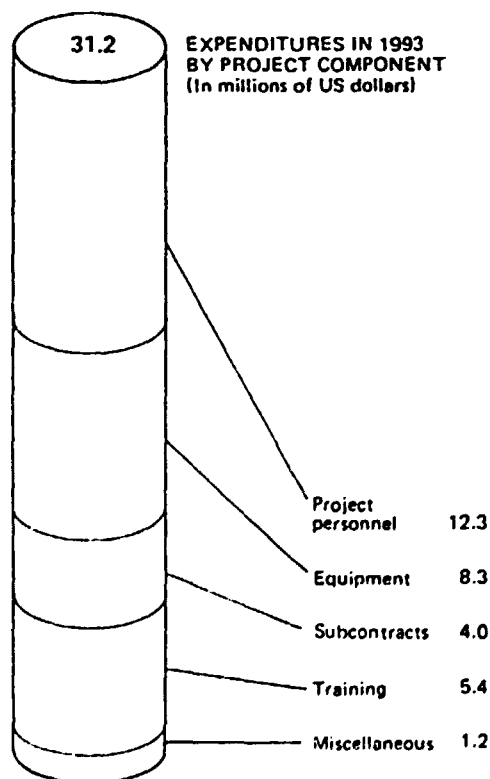
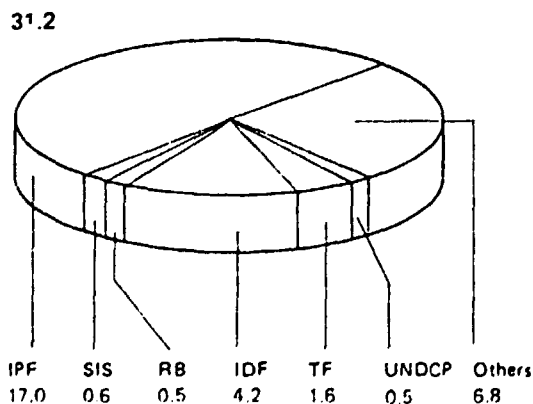
- Bangladesh
- China
- India
- Indonesia
- Pakistan
- Philippines
- Sri Lanka
- Thailand
- Viet Nam

### Junior Professional Officers

- Bangladesh
- China
- Fiji
- India
- Indonesia
- Malaysia
- Pakistan
- Papua New Guinea
- Philippines
- Republic of Korea
- Samoa
- Sri Lanka
- Thailand
- Viet Nam



**EXPENDITURES IN 1993 BY SOURCE OF FUNDS**  
(In millions of US dollars)



# EUROPE + NIS

## FIELD REPRESENTATION

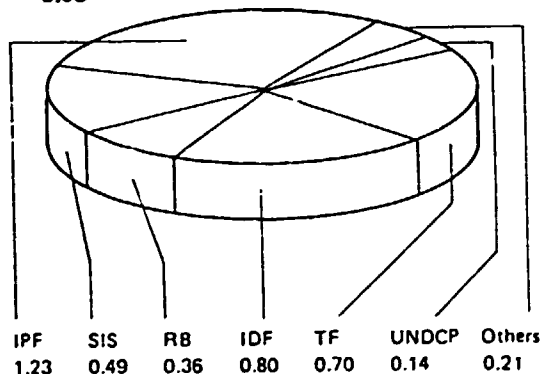
**UNIDO Country Director**

Turkey

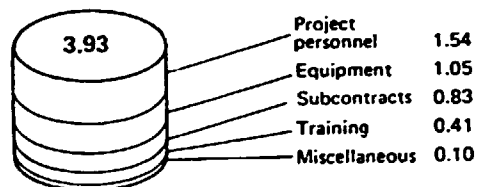
**Senior Adviser — Industrial sector**

Uzbekistan

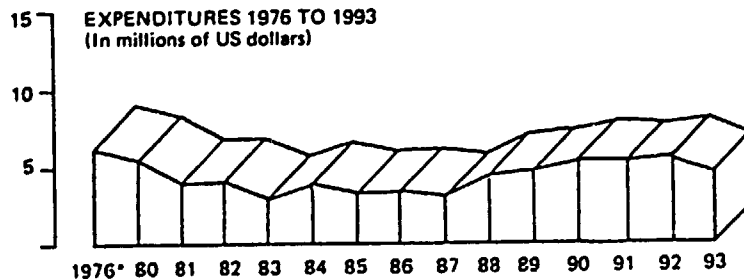
**EXPENDITURES IN 1993 BY SOURCE OF FUNDS**  
(In millions of US dollars)  
**3.93**



**EXPENDITURES IN 1993 BY PROJECT COMPONENT**  
(In millions of US dollars)



**EXPENDITURES 1976 TO 1993**  
(In millions of US dollars)



\*The figure for 1976 combines Europe and Western Asia and includes 12 countries which, since 1979, are listed under Arab States.



# LATIN AMERICA AND THE CARIBBEAN

## FIELD REPRESENTATION

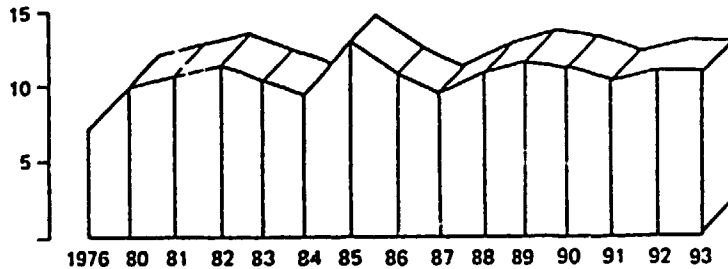
### UNIDO Country Directors

Argentina  
 Barbados  
 Bolivia  
 Brazil  
 Chile  
 Colombia  
 Ecuador  
 Honduras  
 Jamaica  
 Mexico  
 Peru

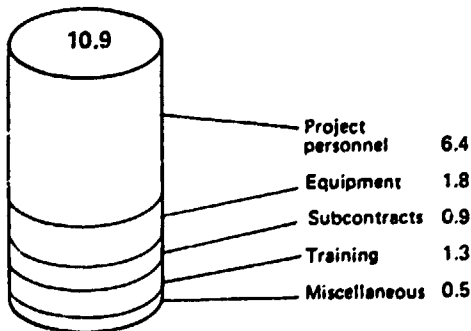
### Junior Professional Officers

Argentina  
 Bolivia  
 Colombia  
 Costa Rica  
 Cuba  
 Ecuador  
 El Salvador  
 Guatemala  
 Guyana  
 Jamaica  
 Mexico  
 Nicaragua  
 Trinidad and Tobago

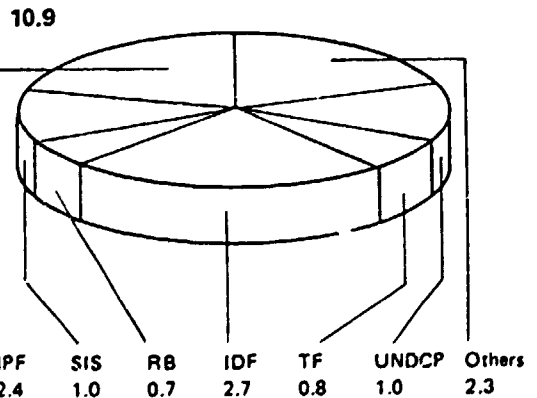
EXPENDITURES 1976 TO 1993  
 (In millions of US dollars)



EXPENDITURES IN 1993  
 BY PROJECT COMPONENT  
 (In millions of US dollars)



EXPENDITURES IN 1993 BY SOURCE OF FUNDS  
 (In millions of US dollars)



of Iran and Syrian Arab Republic. As a result of preparatory work undertaken in those countries as well as new government requests, the work programme was amended, which brought its total amount to \$900,000 and added preparatory works in India and Jordan. In addition, projects were approved for Egypt and the Syrian Arab Republic with a combined total budget of \$500,000. The projects aim at establishing national institutional mechanisms within the respective organizational structures to coordinate and promote national and international efforts for the protection of the ozone layer and for facilitating action aimed at an optimal phase-out of ozone-depleting substances.

17. Following the successful completion of the preparatory phase for the project on hazardous waste management based on environmentally sound technology with special reference to the tanneries sector in the Syrian Arab Republic, 8/ a sectoral approach to hazardous waste management was developed. As a first step, a number of technical co-operation projects were under development in several countries, including Brazil, Czech Republic, Egypt, Hungary, Mexico, Romania, Venezuela and Yemen.

18. One area that received particular attention was energy production and energy efficiency, a field attracting wide networking support that enables the identification of a vast range of expertise and technology for cleaner energy production and use. An example of a UNIDO initiative was the project on clean and low-waste technologies in energy production carried out with UNEP, the Ministry of the Environment of Finland and the United Nations Department of Economic and Social Development. Through the project, regional programmes were initiated to identify opportunities and obstacles for the introduction of cleaner technologies in energy production and waste reduction in Arab States, Asia, Eastern Europe and Latin America. Project concepts developed during the year included the identification, in cooperation with UNEP and the International Institute for Applied Systems Analysis, of appropriate strategies and policies to reduce emissions of greenhouse gases in the countries of Central and Eastern Europe. As the result of co-operation with the University of Twente in the Netherlands, a project proposal was being developed for the establishment of a centre for environmentally sound technologies of energy production in developing countries.

#### Agro-based Industries (subprogramme 521)

19. Technical cooperation expenditures under the heading of agro-based industries amounted to \$13 million. Some 14 per cent

of the total implementation was financed from UNDP resources, a considerably lower percentage of INDP-financed projects than in most other subprogrammes. A total of 165 projects were implemented or were under implementation. [5.58]

20. In 1993 agro-industry projects focused on: the introduction of cleaner technologies and pollution abatement covering the food, leather and textile subsectors; the development and/or adaptation of suitable technologies for small- and medium-scale industries, thus helping to create employment for the rural poor (with special emphasis on the employment of women); rehabilitation of existing industries through improved technology, management methods, better trained personnel and quality control at all levels; and special short technical courses for agro-based industry technicians. Large-scale programmes continued to be implemented and developed in the leather and footwear industry (see paras. 25-27 below). Innovative activities included the emergency shelter programme in Croatia (see para. 22 below) and cooperation with the United Nations International Drug Control Programme to assist food-processing industries as an alternative to coca-growing (see para. 24 below).

21. While agro-based industries was the only subprogramme in major programme 500 showing growth from 1992 in project implementation, implementation figures reflect considerable disparity for the subsectors within the Branch both for the year and the biennium. In the food-processing sector, difficulties were experienced in identifying donors for the African sugar industry development programme with its estimated cost of \$18 million. 9/ In the same sector, modernization and rehabilitation activities foreseen for Latin America could be initiated only late in the year. Concerning animal-based food-processing industries, activities in the fish-processing sector proceeded as foreseen, while in the meat sector they were less intense. Activities in both the wood-processing and textile industries were along the lines foreseen, while those in the leather sector exceeded the forecast. [5.53; 5.54; 5.55; 5.56; 5.154]

22. In the wood-processing industries sector, 10/ activities continued in the establishment of a furniture industry technology centre in Malaysia, while projects were completed in Yemen to assist a large carpentry workshop, in Cuba (predominantly involving women) in the use of guanaquique and in Guyana to provide comprehensive technical and policy advice. The first phase of the project to develop wooden handicrafts in the continent of Africa was completed in two countries (Zambia and Botswana) of the four countries targeted. The results

9/ Ibid., para. 31.

10/ Ibid., para. 29.

8/ Ibid., para. 23.

of processing surveys and model feasibility studies carried out within the global rubberwood development programme in co-operation with the International Trade Centre UNCTAD/GATT (ITC) were presented to some 350 participants at an ITC investment forum in Malaysia. The Italian-funded emergency shelter project in Croatia 10/ was supplemented by additional funds from the Regular Programme of Technical Cooperation to enable the completion of a 600 m<sup>2</sup> demonstration school/shelter building. This project drew attention to the great potential role that UNIDO could play in post-emergency assistance within the continuum from relief to development, as increasingly recognized by the United Nations Department of Humanitarian Affairs and other United Nations bodies. New projects began in Mexico (furniture quality improvement and export) and Colombia (introduction of the UNIDO wooden bridge system). A technical training course on wood industries production management was held in Slovenia. A preliminary mission was undertaken in Sri Lanka to develop an integrated programme approach for development of the wooden furniture sector. This was part of a project with the Integrated Programme Support Unit (subprogramme 323) covering also Ecuador, Ghana and Nicaragua. [5.154; 5.155]

23. One of the highlights in the textile and garment subsector was a workshop on computer applications in the textile and apparel industry at Serviço Nacional de Aprendizagem Industrial/Centro de Tecnologia da Indústria Química e Têxtil (SENAI/CETIQT) 11/ at Rio de Janeiro, Brazil, in July, jointly organized and co-financed with CETIQT. Consultants from globally recognized textile and garment educational institutions and training centres presented lectures to participants from neighbouring countries (Argentina, Colombia, Mexico, Paraguay, Peru, Venezuela) and also from Thailand. A simultaneous exhibition was dedicated to computer applications in the textile and apparel industry. Leading equipment manufacturers from all over the world demonstrated their equipment in "hands-on" sessions to the 1,500 participants. As a follow-up to a previous successful project, and with UNDP financing, 11/ assistance was provided to the Institute for Garment Technology in the Democratic People's Republic of Korea in strengthening the national garment industry. The assistance to the Kenya Textile Training Institute 11/ continued to be one of the successful UNIDO projects in Africa. The Jua Kali women trained through the project are successfully producing textiles and related products with improved design and quality. Increased profitability of their businesses was achieved through continued monitoring and improvement of entrepre-

neurial skills through training sessions; their products were exhibited and sold throughout the year in Kenya, Uganda and the United Republic of Tanzania. [5.55]

24. In the food-processing industry, the demand for assistance to the sugar industry continued to grow and key inputs were provided to Argentina in the production of sugar derivatives, as well as to Pakistan where a diagnosis of 11 sugar mills was successfully completed. This included processing, energy management, distillation and environmental aspects. Advice on environmental aspects of the sugar industry was also given to the Government of Belize. Environmental aspects were also addressed in the development of new technologies for effluent treatment in the fish industry (Chile) and for the conversion of citrus waste into energy (Belize). The development of rural micro-industries continued in Senegal, and the concept was further extended to Burkina Faso, Guinea and Mali, while a team of experts was fielded to Madagascar to start up a rehabilitated peanut oil factory. A project was finalized for the application of total quality management to the Hungarian frozen food industry. Chemical and microbiological technical advice was given to the Turkish authorities to improve the quality of locally produced pistachios. The programme for least developed countries in the Asia and Pacific region 12/ resulted in country papers that are expected to generate technical co-operation projects. A project aimed at developing the processed food programme in Jamaica continued to increase technological know-how, improve quality control and introduce effective management. In the fish industry subsector, activities at the regional level aimed at increasing the capabilities of African technicians in technological know-how and quality control, and in Viet Nam at strengthening quality control facilities and upgrading institutional-level capabilities. A techno-economic study was implemented for Senegal to define a range of high value-added products. As part of the UNIDO contribution to the System-Wide Action Plan on Drug Abuse Control, a large programme was launched in the Chapare region of Bolivia, for diagnosis and restructuring of seven agro-industrial plants built to provide alternatives to farmers in a coca-growing area. [5.53; 5.54]

25. The large-scale improvement scheme for hides and skins, leather and leather products in the African region, 13/ and the seven associated country projects were nearing completion. The scheme achieved improved quality of hides and skins, upgraded some 30 enterprises through technical advice, provided substantial equipment under the rehabilitation scheme,

12/ Ibid., para. 32.

13/ IDB.9/10, chap. II, para. 69; IDB.11/10, chap. V, para. 33.

11/ Ibid., para. 30.

trained personnel and assisted institutions. It also instigated the creation of industry associations and revolving fund operations for the self-sustainment of the industry. In Kenya, for example, a new training and production centre for the shoe industry was under construction from those funds, managed by the new footwear industry association. The second phase of the programme, covering a regional Africa leather and footwear industry scheme, started operations with the funds pledged to date and will focus on finished products and their marketing. As a first step, seven African companies presented their products with encouraging results at the International Footwear Fair held at Düsseldorf, Germany, in September. The women-in-development expert of the leather industry programme in Africa <sup>14/</sup> continued efforts to promote women's economic status and integration in wider development plans and processes, in line with government policies for increasing women's role in production. To counter the lack of technical skills of female workers, training courses were held for 25 African women at the Leather Institute of Zimbabwe <sup>15/</sup> and three women were trained at the Central Leather Research Institute at Madras, India. Furthermore, two women were sponsored to attend a seminar on industrial human resource development for entrepreneurs in Vienna in October. [5.56; 5.57]

26. Emphasis continued to be placed on environmental aspects within the Africa leather programme. <sup>15/</sup> Complete engineering drawings and plant designs were made for a large tannery effluent treatment plant in Ethiopia and for a secondary treatment plant in Kenya, and four other tanneries received complete plant designs, including hardware and software specifications and cost estimates for tannery effluent treatment plants. A study was under preparation on the conversion of solid waste in saleable by-products. Efforts were made to mobilize funding for the realization of the large-scale environment programme for South-East Asia. <sup>16/</sup> In India progress had been made on the establishment of a common effluent treatment plant for a cluster of small- and medium-scale tanneries, together with a sewage system for industrial and domestic waste water. Simultaneously a joint chrome recycling plant was being set up and low waste processing methods were introduced. A treatment unit for a traditional vegetable tannery was under construction and one common and one individual treatment plant were upgraded. The design of a sewage system and a common effluent treatment plant, including proposals for cleaner technology, was under preparation for a cluster of tanneries at Bogota, Colombia. [5.56]

<sup>14/</sup> IDB.11/10, chap. V, para. 34.

<sup>15/</sup> IDB.9/10, chap. II, para. 69.

<sup>16/</sup> IDB.11/10, chap. V, para. 35.

27. For the large-scale leather sector programme in India <sup>17/</sup> a substantial part of the inputs in respect of international expert services, subcontracts and equipment were delivered. Four institutions were supplied with new equipment (including computer-aided design (CAD)) for training. Some 28 Indian specialists received training in France, Hungary and the United Kingdom. One institution in France and one in the United Kingdom were contracted to transfer their training systems to India. A large-scale foot measurement survey was launched using high-tech equipment, and the local private footwear and leather goods industry was assisted in product development, component manufacturing and technology upgrading. The use of CAD/computer-aided manufacturing (CAM) technology continued to be promoted. Two new footwear CAD centres were established in India and one existing centre began to service the local industry under the guidance of a UNIDO expert. A technologist from Myanmar received training in CAD methods for mould design, and the operations of three CAD centres in Zimbabwe (two of them in private factories) were enhanced and the knowledge of CAD system operators upgraded. [5.56; 5.57]

#### Chemical Industries (subprogramme 522)

28. Technical cooperation expenditures under the heading of chemical industries amounted to \$22.9 million, with some 27 per cent financed from UNDP resources. A total of 280 projects were implemented or were under implementation. [5.71]

29. Although traditional technical cooperation from UNDP-funded projects declined considerably during the biennium, the subprogramme gained momentum towards the end of the biennium in participation in national industrial development programmes: in six government-executed projects (dealing with environment and energy) UNIDO was selected as cooperating agency entrusted with project management, training programmes, procurement of equipment and subcontracts. Technical support services were provided for all of those projects. The subprogramme also participated in technical support services at the programme level (TSS-1) activities in food security, energy management, natural gas exploitation, exploitation of mineral deposits, environment studies and cleaner production technologies. [5.69; 5.71]

30. Reducing the environmental impact of industrial operations remained central to the activities of the subprogramme. The transfer of cleaner production technologies, recycling technologies, treatment of industrial waste and the dissemination of

<sup>17/</sup> Ibid., para. 36.

those technologies through international and regional meetings constituted a major part of the work. Following the designation of UNIDO as one of the implementing agencies of the Montreal Protocol, projects were initiated in Brazil and Egypt in the phase-out of chlorofluorocarbons (CFCs) in polymer foam manufacturing, and similar projects were under development in other countries. Safety in the production and use of man-made chemicals was another area of focus culminating in the issuance of integrated international safety guidelines for pesticide formulation in developing countries. During the biennium a shift could be recognized in the nature of technical cooperation that reflected new emerging demands. For example, the recent trend in projects in some subsectors was for new product development and technology transfer to the private sector, both at the institutional and enterprise level (pharmaceuticals, medicinal plants, essential oils, ceramics), promotion of joint ventures, promotion of manufacturers' associations, commercialization of final products (biotechnology, building materials), and high-level policy advice on transition in different types of intellectual property rights. [5.69]

31. Activities in the cement, lime and concrete building materials industries (in Egypt, Libyan Arab Jamahiriya and Nigeria) continued to focus on upgrading capacity utilization in large-scale cement plants, with emphasis on more efficient operational and maintenance practices through self-financed direct support technical cooperation projects. Assistance in mechanical maintenance was also provided to the cement industry in Sudan. Promotion of the small-scale lime industry was revived in the second half of the year with a specific request from Gambia. Human resource development formed an integral and important part of technical cooperation activities in the subsector, with specific training programmes designed to suit the needs of technical staff, allied research institutes and policy makers. Technical inputs were provided to various units of UNIDO, e.g. in the development of a project for the expansion of a cement factory in northern Nigeria, and in a seminar organized with the Suez Cement Company at Cairo, Egypt, to discuss cleaner production in the cement industry. [5.69; 5.70]

32. In the petroleum refining and petrochemical industries, advisory and direct technical cooperation focused on technology development, processes, energy and environment optimization. In China and Viet Nam, advice was provided on natural gas exploration, utilization and market development as an integral part of the national programme of techno-economic development. Assistance in the establishment of a research and development centre for petroleum refining and petrochemicals in Pakistan was complemented by support in a prefeasibility study for a joint Islamic Republic of Iran/Pakistan refinery. Manpower assistance was provided to a petrochemical complex in the Libyan Arab Jamahiriya together with the

setting up of training facilities. Several projects related to technology and product development using locally available raw materials were completed in Viet Nam. 18/ A demonstration project in plastics recycling was completed in China, and at a related international workshop great interest in the technology transfer was expressed by participants from a number of developing countries. At a follow-up workshop to discuss results and achievements of the prosthetic systems project in China, 18/ a proposal was made to create a regional centre of prosthetics and orthotics to serve Afghanistan, Cambodia, the Islamic Republic of Iran, Lao People's Democratic Republic, Mongolia, Thailand and Viet Nam. Provision of assistance was continued in quality improvement of surfactants in China, establishment of plastics development centres in Nigeria and Pakistan, and organization of workshops on lubricating oil waste recycling at national and regional levels. 18/ Preparatory assistance for implementation of the Montreal Protocol was provided to Brazil and Egypt for phasing out CFCs in the manufacture of polymer foams. Implementation of the first UNIDO industrial investment project in this field is progressing in Egypt. [5.69]

33. In the fertilizer sector, the activity initiated in China jointly with the Agro-based Industries Branch in 1992 for the safe development of agrochemicals, including fertilizers - an activity reflecting the programme approach - 19/ commenced implementation. Work also started on the third edition of the Fertilizer Manual in collaboration with the International Fertilizer Development Center. [5.69]

34. The emphasis of the programme on industrial utilization of medicinal and aromatic plants was on new product development and technology transfer to private industry. In Viet Nam, an autonomous commercial enterprise was strengthened with infrastructural facilities for technology development and quality assessment and, as a result, was able to recapture its reputation in the world market so as to increase essential oil exports to pre-war amounts. Fanaferol, one of the medicaments of a successful UNIDO project in Madagascar, was released to the local market. With financing from the SIS programme, high-level advisory services were provided to the Food Quality and Technology Centre in Viet Nam for upgrading the quality of herbal teas for export and to Cemil Senel company in Turkey for streamlining the processing of a herbal pharmaceutical. At the Pemba distillery farm in the United Republic of Tanzania techniques in organic farming of aromatic plants were introduced in the production of essential oils required for aroma therapy. One aim of the project is the use of organic farming methods for

18/ Ibid., para. 41.

19/ Ibid., para. 42.

high-value crops that could represent alternatives to growers of narcotic plants, thereby contributing to the System-Wide Action Plan on Drug Abuse Control. Additionally, a training programme for participants from 10 developing countries was conducted in Turkey on detection methods and analysis of narcotic drugs and psychotropic substances (see para. 85 below). In recognition of its comparative advantages in the sector, UNIDO was selected as the cooperating agency for a nationally-executed project on the development of Nigerian medicinal and aromatic plants for industrial utilization. Facilities developed by UNIDO at the National Centre for Pharmaceutical Research and Applications in Madagascar were extended for a regional training course on quality control of essential oils for participants from four member countries of the Indian Ocean Commission. Promotion of UNIDO activities in the subsector and enhancement of know-how were achieved at two expert group meetings held for participants from 18 Latin American countries and 14 West African countries respectively. Preparatory assistance missions to identify technical cooperation needs were undertaken to Africa (Guinea, Mano River Union, Mozambique, Sierra Leone and Swaziland) with short-term advisory services (STAS) funds of the Industrial Development Decade for Africa programme as well as to Costa Rica and Mongolia with Industrial Development Fund financing. [5.69; 5.70]

35. In the area of pharmaceuticals, the main activities were related to the creation and/or strengthening of local production of essential drugs of internationally accepted quality. As a new activity financed from SIS funds, high-level policy advice was given to Hungary with specific reference to the development of product protection in industrial subsectors within the framework of the transition from a process patent system to a product patent system. In the area of biotechnology, particular attention was given to industrial enzymes and antibiotics. UNIDO technical cooperation enabled the WUXI Enzyme Factory in China <sup>20/</sup> to establish a joint venture with an enterprise from the United States of America. Within the biotechnology programme for Latin America and the Caribbean region <sup>20/</sup> the development of several product prototypes was concluded and special advice provided to four enterprises from Colombia, Cuba and Mexico on the establishment of a consortium for commercialization of the jointly achieved developments; also within the programme seven workshops covering industrial aspects of biotechnology were conducted with the participation of 13 international specialists. In Cape Verde, assistance was provided to a recently privatized enterprise for the modernization of production facilities for essential pharmaceutical formulation. A prefeasibility study was completed on local manufacture of contraceptives in

Bangladesh, while pilot facilities were successfully completed for the production of penicillin at the Guang Zhou pharmaceutical factory in China and of enzymes and hormones in Viet Nam. <sup>20/</sup> The Pharmaceutical Technology Service Centre in Thailand became a centre of excellence, received acceptance by the Thai Food and Drug Administration and achieved financial sustainability. Within the framework of the System-Wide Action Plan on Drug Abuse Control, the project in Thailand offers potential in that the expertise provided may strengthen the capability of the Centre to control the content and quality of pharmaceuticals containing psychotropic substances. In Romania, technical cooperation was provided to facilitate privatization of a specific enterprise, and in Albania high-level advisory services were provided for modernization of the pharmaceutical industry. [5.69; 5.70]

36. In the pulp and paper industries, emphasis was placed on introducing methods for effluent control and waste reduction. A pilot plant for the production of kraft lignin from black liquor using ceramic membrane ultra-filtration technology was established in Myanmar. In China, implementation commenced of a project funded by Germany on the use of environment-friendly oxygen pulping and bleaching of non-wood raw materials to promote the replacement of chlorine. A project in Egypt was under implementation for the recovery and utilization of straw black liquor that causes serious pollution in the Mediterranean. In Bulgaria, technology was provided for waste paper treatment and de-inking. [5.69]

37. In the area of energy and biotechnology projects continued to aim at reducing the environmental impact of industrial activities. Attempts were made to deal with those activities in a more focused and programmatic manner, so as to more effectively utilize available resources and to enhance the possibility of obtaining donor funds. In the energy sector, emphasis continued to be on renewable energy (with focus on biomass energy) and coal utilization. <sup>21/</sup> A comprehensive programme prepared for Africa for biomass energy utilization, within which a number of specific projects were developed, was given priority because of the possible long-term benefits resulting from the reduction of both deforestation and atmospheric levels of carbon dioxide. The programme on industrial scale biogas from both industrial and municipal solid wastes was continued and strengthened. <sup>21/</sup> At the end of the year, a pilot plant for the treatment of industrial waste was fully functional in China, and final design was completed and construction began of a similar plant treating food-processing waste in Zimbabwe. A study was initiated on the potential for large-scale utilization of biogas in three selected North African countries. In the area of

<sup>20/</sup> Ibid., para. 44.

<sup>21/</sup> Ibid., para. 46.

coal, projects continued to concentrate on reducing the environmental impact of coal usage, through more effective pre-treatment of coals and more efficient design of coal utilization equipment. <sup>21/</sup> In the area of environment, the main focus was on the promotion of cleaner industrial production. A project considered key to the programme was initiated in Sri Lanka to assist selected factories in improving efficiency and reducing wastes. The project will also help government environmental control authorities to improve their capability in managing industrial pollution. A number of similar activities with Governments and private enterprises were initiated in other countries. Other activities included the manufacture of activated carbon, bioreactor design, biotechnology chemical production, hazardous waste management, surveying and monitoring industrial waste discharges, cooking stoves and waste water treatment. In the area of water and industry, the preparation of a comprehensive programme was initiated with the aim of consolidating activities within UNIDO and with other agencies. [5.69]

38. Taking into account the great concern over the effects of man-made chemicals on the environment, UNIDO placed greater emphasis on safety in the development and use of pesticides. With the support of Finland, integrated international safety guidelines were issued for pesticide formulation in developing countries which, together with the Food and Agriculture Organization of the United Nations (FAO) code of conduct on distribution and use of pesticides, cover the entire spectrum of safety during production and use of pesticides. A pesticide safety card was prepared for persons working with toxic carbamate and organophosphorus compounds. In order to promote safer technology in pesticide application, assistance was being provided with the support of Germany to four African least developed countries (Malawi, Rwanda, United Republic of Tanzania, Zambia) in seed dressing technology - one of the most effective crop protection methods. The third phase of the Regional Network on Pesticides for Asia and the Pacific (RENAP) <sup>22/</sup> was successfully completed and as an exceptional case UNDP approved the fourth phase to be linked to a broad UNDP programme on FARM, which is further linked to a project supported by France on pesticide data collection. In an effort to promote safety and cleaner production in small- and medium- scale chemical industries, an international workshop on safety in chemical production was held at Yokohama, Japan. Organized with the International Union of Pure and Applied Chemistry (IUPAC), the workshop presented Japanese safety methods to participants and unanimously supported a UNIDO proposal to establish a global

network for safety in chemical production. One output of the workshop was the establishment of a IUPAC/UNIDO/UNESCO fellowship scheme for training in chemical production safety. In order to join an expanded International Programme on Chemical Safety, UNIDO participated in an inter-agency meeting (Geneva, December) convened as a follow-up to the Earth Summit. Assistance was provided to Croatia in organizing an international conference on the effects of war on the environment, which resulted in a number of recommendations to assist the region to deal with extensive war-inflicted pollution. [5.69: 5.70]

39. In the building materials sector a project was successfully completed in Madagascar where cooperation continued with small-scale enterprises manufacturing fired clay products, stabilized soil blocks, fibre cement roofing tiles and lime. <sup>23/</sup> Support was provided to the association of those enterprises, "Club Qualimat", established under a previous UNIDO project, to allow it to foster further self-sustained growth by providing a range of information and training services to its members and operating a self-imposed but strict quality assurance scheme in cooperation with the extension service unit of the Ministry of Industry. An example of efficient and cost-effective channelling of services to private sector micro enterprises is the pottery project in Bolivia, <sup>23/</sup> which was extended to 1994. Some 50 family potteries in the village of Huayculi are now cooperating within their own association through which they have access to a wide range of training courses (e.g. in enterprise management, accounting, marketing and technological know-how) and to cooperative facilities for raw material preparation, firing of finished products and joint marketing mechanisms, including export and participation in fairs. An evaluation carried out by the Government of Germany, which is financing the project, has recommended that the activities be extended to other villages in the vicinity in which Huayculi plays a leading role as the pilot centre. [5.69]

40. Project activities in the development of prototypes of advanced ceramic materials at the Marmara Research Centre in Turkey demonstrated a growing demand in that country, <sup>24/</sup> and interest in investing in that area was shown by small-scale enterprises and a leading manufacturer of advanced ceramics and composites. Through the project the Centre assisted private companies in establishing specific manufacturing facilities. In the same field, UNIDO established the Ceramic Technological Institute at Bangalore, India, which is equipped with state-of-the-art process equipment and trained manpower. The project, which continues to receive expertise from international specialists, has

22/ Ibid., para. 47.

23/ Ibid., para. 49.

24/ Ibid., para. 50.

initiated 70 research projects, of which 30 have been completed and introduced to user industries through publications and seminars. In Ethiopia, UNIDO installed a new marble processing factory financed by the Government of Italy. 24/ The achievements of the project were recognized in Ethiopia as a milestone in establishing a domestic marble industry, and demonstrated the possibility of women's integration into the industry, not only by training female machine operators but through a female production manager. In September, products of the new factory were promoted at the Verona International Marble Fair in Italy with great success, as expressed by the number of buyers indicating strong interest in placing orders from Ethiopia. [5.69; 5.70]

#### Metallurgical Industries (subprogramme 523)

41. In 1993, technical cooperation expenditures under the heading of metallurgical industries amounted to \$4.6 million. Some 65 per cent of the total implementation was financed from UNDP resources. A total of 81 projects were implemented or were under implementation. [5.84]

42. Both technical assistance delivery and programme development were substantively influenced by the process of adjustment to the recession and restructuring of the metallurgical industries, with corresponding changes in the requirements of developing countries. The trend towards sustainable capacity-building and strengthening of new and existing institutions and human resource development continued. Environmental as well as social aspects of energy conservation became integral parts of the programme. Raw materials utilization, metallic mineral mining and beneficiation needs emerged more clearly as an indispensable link to primary metals processing.

43. Advisory services were rendered to the Governments of Namibia in establishing a new, cost-effective industry based on the availability of domestic ferro-silicon raw materials and Sierra Leone for the improvement of natural resource development. A workshop on mineral beneficiation at Prague, Czech Republic, reviewed current needs and priorities of the mineral mining and processing sector in developing countries and addressed the future trends of the industry. Support was provided to two workshops on technical cooperation among developing countries devoted to mineral beneficiation, one in the field of research and development of mineral resources organized with the National Mineral Development Centre, Hyderabad, India; and the other on the processing of lead and zinc sulphide ores for selected developing countries organized with the Guangzhou Research Institute of Non-ferrous Metals in China. Also in China, high-level advice was given to the Guizhou alumina plant to combat pollution problems resulting from red mud, the residue of bauxite

processing, 25/ while a report was completed on the industrial recovery of valuable by-products such as scandium and yttrium from Jamaican red mud. Projects were implemented in Thailand and Venezuela dealing with the safe disposal of toxic residues produced during metallurgical operations to avoid the contamination of drinking water. Environmental and self-sustainability considerations were strengthened in the ongoing large-scale project establishing the Jawaharlal Nehru Aluminium Research Development and Design Centre, Nagpur, India. 26/ A report finalized on the introduction of aluminium condenser production created preconditions for the introduction of new technologies. The application of a newly-developed technology for processing titanium raw materials was the subject of a UNIDO-sponsored seminar held at Zaporozhye, Ukraine. An environmental study in response to the Montreal Protocol was prepared including a systemized reference manual on alternatives for reduction of ozone depletion in electro-plating industries. [5.82; 5.83]

44. Environment management and cleaner production in the iron and steel sector were addressed at the regional level through programmes in Africa, South-East Asia, Eastern Europe and Latin America and the Caribbean. A computer-aided production system that had an impact on the private sector was established in the Algerian iron and steel industries and local raw materials needed for refractories production were successfully tested. In Ghana, a programme was formulated for upgrading the level of expertise for refractory materials fabrication. In India computer-based maintenance and plant condition monitoring were initiated for five major plants of the Steel Authority, while technical monitoring and support services were provided to a government-executed project for the establishment of a surface analytical facility. Assistance to the Ceylon Steel Corporation in Sri Lanka aimed at improving the performance of the existing rolling mill by increasing capacity utilization and reducing the rejection rate. A workshop on enterprise-level restructuring and application of management techniques in the steel industry in conditions of transition to market economy (Moscow, Russian Federation, May) drew up recommendations for the Committee on Metallurgy of the Russian Federation on such topics as privatization, marketing, retraining and business planning. A workshop on advanced materials for Latin American and Caribbean countries held at Cordoba, Argentina, assessed the research and development work by institutions in the region on the development of magnetic materials, advanced coatings and metal matrix composites and formulated a regional programme on the use of new materials technologies. [5.82; 5.83]

25/ Ibid., para. 55.

26/ Ibid., para. 54.



45. In the foundry and metal transformation sector, projects in Colombia, Indonesia and Sri Lanka focused on private sector foundries and provided technical and administrative assistance and investment advice. In Nepal, Pakistan and Viet Nam, technical cooperation was aimed at the sustainable development of the foundry and forge industry. On environmental issues, support was given to an Economic Commission for Europe workshop on foundry production and ecology held at Minsk, Belarus, with possible outreach to other countries in the region, while in India, a proposal was developed for assistance to the foundry industry in adjusting processes to conform to recent environmental legislation designed to limit pollution damage to the Taj Mahal. A paper was prepared on the practical application of casting technologies in near-net-shape production and heat treatment of spares and machine parts. [5.82; 5.83]

#### Engineering Industries (subprogramme 524)

46. Technical cooperation expenditures in 1993 under this heading amounted to \$10.7 million. Approximately 71 per cent of the total implementation was financed from UNDP resources, while special trust fund arrangements and resources from the Industrial Development Fund represented a decrease of nearly 50 per cent as compared with the previous year. A total of 162 projects were implemented or were under implementation. [5.96]

47. The areas of concentration of the activities of the subprogramme continued to be as described in the Annual Report, 1992. 27/ In the field of agricultural machinery and implements, a large-scale project initiated in Uganda under the United Nations Capital Development Fund aims at revitalizing the economy and enhancing employment opportunities through the provision of agricultural tools, implements and farm equipment to be manufactured by national skilled engineers and technicians using locally available raw materials, workshop equipment and machine tools. In Nigeria, assistance was provided in introducing farm mechanization policies and in the formulation of a project document on agricultural mechanization. In sub-Saharan Africa, technical cooperation continued in the development, improvement, adaptation and testing of post-harvest processing and food-processing equipment with the aim of alleviating women's daily work. 28/ In Burkina Faso assistance upgraded national technicians' maintenance skills in the field of agricultural tools, implements and farm machinery. In Asia, activities to promote and develop agro-related small-scale metalworking industries continued and an exchange between sources of technology and

manufacturing enterprises was carried out. A project was launched in Romania to introduce techniques for small flour mills applying appropriate production technology from Ukraine. Technical assistance was rendered to Cuba in the design and manufacture of polarimeters for food analysis. [5.93; 5.95]

48. In the area of metalworking and the machine tools industry, major achievements included large-scale technical cooperation for the Engineering Design and Tool Centre in Ethiopia to coordinate national mould and die design and development. 29/ Promotional activities for Ethiopian hand-made tools, household cutlery and spare parts products were organized through video spots, brochures, promotional tours and seminars for countries of the Preferential Trade Area for Eastern and Southern African States. A project establishing the Engineering Development and Service Centre in Kenya was operationally completed, and work was initiated to propose a second phase designed to develop commercial and financial self-sufficiency for the Centre. Also in Kenya, work continued on the planning and construction of workshop and office buildings for Jua Kali training. Enhancement of capacity of *Entreprise Nationale d'Engineering Mécanique*, Algeria, for formulation of studies in the field of tool design and production successfully reached its goals. Two of the projects with China Machine Tool Industry 29/ were completed, while implementation continued in computer numerical control development, and in the foundry machinery industry. A project was completed with the Sewing Machine Development Centre in Ludhiana, India, to improve quality and services to small-scale units, to increase production and accelerate the growth of the industry to effectively meet internal market needs and export requirements. New projects included the establishment of the Metals and Plastics Industries Services and Training Centre at Goa, India, to train small-scale and cottage industry manpower, and the establishment of the Machine Tool Design and Development Centre in Indonesia, for which extensive training of managers and trainers was carried out in the Czech Republic and Singapore. Technological advancement of a Pakistani machine tool factory resulted in the enhancement of several functions crucial to factory operation. [5.93; 5.95]

49. With regard to maintenance and repair, continuing activities included industrial maintenance and spare parts manufacture in Algeria and Madagascar, while a similar project in Angola was successfully completed. 30/ The objectives-oriented project planning (OOPP) methodology workshop held in Guinea (see chap. III, para. 5) will enhance the preparation of a project for a

27/ Ibid., paras. 60-62.

28/ Ibid., para. 65.

29/ Ibid., para. 63.

30/ Ibid., para. 64.

repair, maintenance and spare parts production centre. Guidelines were elaborated for the repair and maintenance of textile production equipment in Mali. Assistance continued in upgrading manpower capabilities in repair and maintenance to ensure adequate storage capacity of frozen seafood for the National Union of Viet Nam Fishery Producers and Export-Import Corporation. An expert group meeting on design, development, repair and maintenance of instrumentation was convened at Mexico City in September. Upon request, the meeting focused particularly on the environmental monitoring and controlling equipment and instruments and, not as envisaged for the biennium, on the subject of tropicalization of sensitive heavy industrial equipment and research/development instruments. [5.93; 5.94; 5.95]

50. In the field of transportation, a railway transport development awareness workshop was conducted at Fribourg, Switzerland, for selected African countries. The application of computers in railway wagon design and testing was introduced to a rolling stock enterprise in Egypt. Assistance continued to be provided to Zimbabwe in the design, development and manufacturing of low-cost rural transportation equipment through transfer and application of appropriate technology, in particular for the local production of trailers, oxcarts and wheelbarrows. Following the successful endurance testing of the locally manufactured locomotive diesel engine in China, <sup>31/</sup> the engine prototype may now serve as a basis for a new generation of more powerful diesel engines to be utilized in Chinese locomotive production. Assistance in the application of tensiometry for stress analysis in the construction of bus bodies continued to be delivered to Cuba. [5.93; 5.95]

51. In the area of environment protection and energy generation and conservation, completed projects included: the energy audits in Kenya; <sup>32/</sup> technology transfer arrangements for alternative energy sources in Madagascar; <sup>32/</sup> and technical cooperation in the design, development and manufacture of pollution monitoring and control equipment in Bulgaria. Preparatory assistance was undertaken in China, Egypt, the Islamic Republic of Iran, Jordan and the Syrian Arab Republic to formulate large-scale projects for the conversion of domestic refrigerators to phase out CFCs, to recover and recycle ozone-depleting substance (ODS) refrigerants and to minimize and eliminate ODS solvents in electronics industries. A project was launched for Indonesia on the utilization of wind power for electrical energy generation with the aim of transferring technology for the design, development and adaptation of wind generators for local serial production. Implementation continued of the establishment of an Asia and Pacific regional network

on control of motor vehicle emissions, and workshops were conducted to formulate uniform guidelines. Financed under the Multilateral Fund for the Implementation of the Montreal Protocol, technical cooperation was carried out with China, India and Viet Nam in industrial waste minimization and treatment, transfer and application of cleaner technologies, with efforts focusing on refrigeration and air conditioning, and electronic and precision cleaning solvents using non-CFC products. An expert group meeting on the application of solar energy for electricity generation for domestic and commercial use was held at Denpasar, Indonesia, in July. [5.93; 5.94; 5.95]

52. In the electrical and electronic equipment sector, assistance to the Beijing Household Electrical Appliances Research Institute built up its institutional capacity to national certification standards. In India technical cooperation with a design and prototyping centre continued with training and related activities. Another project in India provided expertise and manpower training in precision mechanical design for producing moulds and dies for the electronics industry. Preparatory assistance was initiated in the reverse engineering system for the Instituto de Investigaciones Eléctricas in Mexico. To develop process control systems based on microprocessors and personal computers for specific industries (telecommunications, railways, iron and steel and water treatment), technical cooperation was initiated in India to establish six engineering centres to implement microprocessor industrial applications. Work continued to upgrade transformer and battery production in the Democratic People's Republic of Korea. An expert group meeting was jointly convened with the Economic and Social Commission for Western Asia at Amman, Jordan, on automation and microprocessor controls. [5.93; 5.94; 5.95]

53. Transfer of technology in industrial computer applications and information networks was started at Bangalore, India, to facilitate the utilization of computer-aided design and manufacturing and computer-integrated manufacturing. Another computer application project continued to be delivered to the Technical University of Sri Lanka to enhance its provision of technical services to local industry in developing new metalworking products. Technical cooperation continued with the Scientific and Technical Research Council of Turkey aiming at obtaining a transfer of space science technology, including remote sensing and communication, with implications for electronic as well as environmental monitoring capabilities. [5.93; 5.95]

54. In the area of packaging, cooperation continued with the International Packaging Information Center at Beijing, China. <sup>33/</sup>

<sup>31/</sup> Ibid., para. 68.

<sup>32/</sup> Ibid., para. 69.

<sup>33/</sup> Ibid., para. 70.

Preparatory assistance in packaging techniques and environmental impact was carried out in Thailand to formulate a further action plan for that country, and the establishment of a Packaging Technology Development Centre in Viet Nam was completed. In Mexico, studies continued on handling and recycling of used packages from municipal solid waste, while the project was completed in Poland with complementary study tours on packaging technology of pharmaceutical and medical supplies for selected participants. 33/ [5.93; 5.95]

## B. INDUSTRIAL INSTITUTIONS AND SERVICES (Programme 530)

55. The Industrial Institutions and Services Division further consolidated its integrated programme approach in addressing the varied and increasingly sophisticated needs of developing countries, by providing a comprehensive and integrated package of services through the mutually supportive and interdependent subprogrammes described below.

56. Operational activities focused on designing strategic approaches to industrialization; setting up networks of industrial support institutions; assisting in the management of enterprises; improving entrepreneurial capabilities; promoting industrial partnerships; supporting privatization endeavours; and engaging in pilot projects and demonstration work related to industrial rehabilitation. Technical cooperation activities, which were developed in an integrated manner, were implemented at the policy, institutional and enterprise levels.

57. The Office of the Director (sub-programme 534) ensured the efficient management of technical cooperation activities of the programme through the provision of necessary guidance for overcoming operational problems and achieving maximum results in both quantitative and qualitative terms. The Office continued to act as focal point for inter-agency activities in rural development and in-house activities for small and medium industries and private sector development. 34/

### Industrial Strategies and Policies (subprogramme 531)

58. Technical cooperation expenditures under the heading of Industrial Strategies and Policies amounted to \$5.2 million. Some 69 per cent of the total implementation was financed from UNDP resources. A total of 79 projects were implemented or were under implementation. [5.122]

59. The focus of technical cooperation work was on direct advice for industrial strategy and policy formulation and to an increasing degree on capacity-building. Human resource development remained central, but other types of capacities, such as networking for strengthened competitiveness, institutions and decision support systems, became increasingly important. Projects relating to strategic management of industrial development focused on upgrading industrial competitiveness and productivity levels on the basis of sectoral strategies designed by the private sector in cooperation with Governments. Demand-driven and flexible support programmes were designed and organized in cooperation with technical and financial institutions. The approach is now used by UNDP to design and organize integrated programmes to upgrade competitiveness and productivity and to promote small-scale industries in several countries. The role of UNIDO is to assist in organizing that approach and to provide technical expertise when needed. Eleven projects in that field were continued (Algeria, Benin, Burkina Faso, Cameroon, Cape Verde, Guinea, Niger (two projects), Philippines, Senegal, Togo). A regional executive training programme on strategic management of industrial development was organized in Vienna within the framework of the Second IDDA. [5.120; 5.121; 5.123]

60. Based on the practical experience gained in the formulation and implementation of industrial strategies and policies, a number of substantive contributions were made to UNIDO policy papers or studies, relating, for example, to sustainable development, capacity-building, restructuring and privatization, international competitiveness and IDDA. Furthermore, in response to the restructuring of UNIDO technical cooperation, marked by a dwindling portfolio of UNDP-financed projects, increased emphasis was placed on rendering services within the framework of TSS-1. Activities under TSS-1 amounting to 13.7 work-months were implemented in Ethiopia, Ghana, India, Madagascar, Mozambique, Nigeria, Zimbabwe and in Arab countries, and results have been utilized by Governments and UNDP for the elaboration of programmes for industrial development. The approach aimed at achieving close cooperation between public and private sector development, and at including environmental considerations in industrial strategy and policy formulation. [5.120; 5.121]

61. Work was completed on UNIDO's contribution to a multi-agency, multi-sector project of assistance to the Economic Community of West African States for strengthening economic cooperation and integration among West African countries with a broad framework of an open market economy where private business plans are motivated by individual gains. The aim was thus to steer decision-making towards a more efficient use of sub-regional resources, thereby strengthening the competitive position of selected manufactures in the region. The outcome of

34/ Ibid., para. 72.

the project and of a similar exercise in Central Africa provided the substantive basis for IDDA subregional programmes in Central and West Africa. [5.120; 5.121]

62. Increasing emphasis was given to enhancing productive performance in such countries as Jordan, Nepal and Qatar through capacity-building in the ministries of industry and industrial institutions for the assessment of performance and competitiveness of industrial production. Workshops were conducted in these countries to strengthen staff capability in applying the latest methodologies to analyse industrial development and to formulate strategies to achieve sustainability in the development of the industrial sector. [5.120; 5.123]

63. A number of projects were executed promoting ecologically sustainable industrial development (ESID) strategies and policies, including: training of trainers in environmental auditing concepts and techniques for Indian industries; preparatory assistance for the formulation and implementation of integrated industrial and environmental policies in Madagascar and Mozambique which concentrated on institutional, policy and technical requirements as well as implementation mechanisms; and capacity-building for effective and integrated industrial and environmental management in Morocco and Nepal. In addition, a number of studies on the requirements for ESID were undertaken in Algeria, India, Morocco and Tunisia. Three regional training programmes on ESID basics were designed and approved for implementation in 1994. [5.120]

64. The application of decision support systems in the strategic planning process of developing countries presents a powerful platform to integrate linkages and organizational aspects of business development with industrial competitiveness scenarios. Furthermore, it facilitates the measuring of performance against the leaders in a specific industrial activity in the sub-sectors under analysis. A project with the main objective to provide decision makers with a support tool for formulating and implementing competitiveness strategies was elaborated and approved for implementation in 1994 as a cooperative venture with research institutions in India and Mexico. Industrial information systems, which have a positive impact on the capacities of the ministries of industry and other institutions to create an enabling environment for the industrial development, were established in Bhutan, Nepal and Qatar. [5.120; 5.121; 5.123]

65. Despite difficulties in mobilizing the required financial resources, work continued in Eastern Europe and countries of the former Soviet Union. A group training programme was conducted with the Feasibility Studies Branch on industrial restructuring, enterprise management and investment appraisal, at Tirana, Albania: a total of 25 Albanian staff members of various ministries and public enterprises were

trained in the application of relevant market policies and instruments and a major project was initiated to assist the Government in the restructuring of industry-related ministries and government institutions. A project was prepared to assist Georgia to overcome the transitional crisis; however, implementation was postponed to 1994 owing to the current difficult situation in the country. [5.120; 5.121; 5.123]

#### Institutional Infrastructure (subprogramme 532)

66. Technical cooperation expenditures under the heading of institutional infrastructure amounted to \$13.8 million. Some 71 per cent of the total implementation was financed from UNDP resources. A total of 211 projects were implemented or were under implementation. [5.136]

67. The integrated programme approach was further consolidated that allowed for multi-disciplinary and mutually complementary inputs from respective programme elements. Technical cooperation activities addressed priority needs of the recipient countries at policy, institution and enterprise levels and concentrated on two main areas: small- and medium-scale industries (SMIs); and institutional support for industrial development.

68. Programme development work for SMIs aimed at focusing on priority activities within the broad framework of the medium-term plan and translating that framework into appropriate strategies and operational programmes. As part of the process of prioritization, organization-wide SMI activities were reviewed and interdepartmental consultations held that formed the basis of the UNIDO programme for SMIs, which was approved by the General Conference in its resolution GC.5/Res.5. <sup>35/</sup> An important step in the process was the expert group meeting on SMIs held in August, at which 33 experts adopted recommendations that might have a far-reaching impact on the future of small and medium enterprise (SME) activities. The meeting endorsed the UNIDO approach to SME development at the policy, enterprise and institution levels, with the primary focus on the latter. It acknowledged the new UNIDO orientation towards working more closely with the private sector and concluded that UNIDO was well placed to play an intermediary role between Government, institutions and enterprises. <sup>36/</sup> As a follow-up to the meeting, the inter-departmental working group <sup>37/</sup> elaborated an action programme for operationalization

<sup>35/</sup> IOB.11/14.

<sup>36/</sup> See document GC.5/CRP.3 for additional information.

<sup>37/</sup> IOB.11/14, para. 19.

of a demand-oriented SME programme and its time-frame. [5.132]

69. Significant contributions were made to major global development themes pursued by the United Nations system. Thus poverty alleviation and rural industrial development programmes were implemented, providing an integrated package of technical, advisory and consultancy services to small and micro enterprises in Micronesia, Mozambique, Solomon Islands, Sudan and Zambia. Programmes for setting up revolving fund schemes with a complete extension services package were also taken up in Guinea, Guinea Bissau and Uganda. A handbook was issued on poverty alleviation and rural small-scale industries for rural development practitioners in developing countries. <sup>38/</sup> Issues relating to inter-sectoral linkages and their impact on rural poverty alleviation were discussed at an inter-agency working group on industrial contribution to rural development convened by UNIDO at Washington, D.C., United States of America. [5.132; 5.137]

70. Work continued on strengthening private sector development agencies and/or privatization agencies. A successful example in Romania involved activities (comprising the integrated range of policy development, institutional support and entrepreneurship for decentralization), which provide a framework for donor contributions. Discussions at the UNIDO-sponsored International Forum on Privatization and Investment in Central and East European Countries held at Prague, Czech Republic, in October, dealt with first experiences of the Czech Republic with mass privatization. A report under preparation to examine the parameters crucial in the Czech context was expected to be instrumental as a model for other countries. [5.132; 5.135]

71. A handbook on export processing zones (EPZs) was prepared to serve as a technical cooperation tool in responding to basic issues and queries on EPZ development, management and promotion raised by countries considering establishing EPZs or similar facilities to attract foreign investment for export manufacturing. The handbook will also assist existing EPZs to evaluate their performance by providing them with information on other zones and a critical analysis of main issues in EPZ operation and promotion. [5.137]

72. In respect of institutional support for industrial development, the programme for the promotion of industrial subcontracting and partnership continued to survey and design standard instruments, such as subcontracting nomenclatures, computer programs for database management, operational manuals, legal guidelines and model contracts. <sup>39/</sup> Licence agreements for the

computer program were signed with some 40 subcontracting and partnership exchanges in 20 developing countries (one in Africa, four in the Arab region, two in Europe and 13 in Latin America). At the regional level, four programmes for the development of regional subcontracting systems and networks were implemented: two each in the Arab region and in Latin America covering 5 and 13 countries, respectively. As in previous years <sup>39/</sup> UNIDO played a key role in annual regional subcontracting fairs such as SAMEST (Salon Méditerranéen de la Sous-traitance) at Tunis, Tunisia, and SUBCONTRATA LATINO AMERICANA at Monterrey, Mexico, and at Quito, Ecuador. An expert group meeting on chambers of commerce and industry held in Vienna adopted a set of recommendations and conclusions that constitute effective guidelines on the role of UNIDO in support of chambers of commerce and industry. The concept for an industrial subcontracting manual was reformulated with a focus on subcontracting exchanges and the publication of the manual was rescheduled for the coming biennium. Technical cooperation continued in establishing the Chamber of Commerce, Industry and Agriculture of Guinea and the National Federation of Chambers of Commerce and Industry in Nepal. <sup>40/</sup> [5.134; 5.137]

73. Within the framework of the regional programme for modernization of the capital goods sector in Latin America (see also chap. III.B, para. 73(c)), entrepreneurs of 93 enterprises from the 10 participating countries received assistance for the introduction of advanced concepts in quality and strategic management, productivity, low-cost automation, marketing and industrial operations. Modern software tool-kits for evaluation of plant potential, production, operation and financial management were developed and implemented to support the required technical assistance and to measure the performance of the enterprises. Application of the programme approach has resulted in requests to design similar projects for different industrial sectors in other regions. [5.123; 5.134]

74. In quality control and metrology, government and local institutions were assisted in the development or upgrading of metrology infrastructure to ensure the necessary support for industry to achieve higher standards of quality. In the field of standardization, substantial efforts were made in the harmonization and application of the International Organization for Standardization (ISO) 9000 quality system standards for SMEs; studies were carried out for the establishment of regional centres for ISO 9000 certification in selected regions in cooperation with similar centres in industrialized countries. New computer tools were being developed to create a full benchmarking system for total quality

<sup>38/</sup> IDB.11/10, chap. V, para. 95.

<sup>39/</sup> Ibid., para. 97.

<sup>40/</sup> Ibid., para. 98.

management, which will complement conventional technical cooperation through training and direct consultation with plant-level enterprises. New concepts were developed to support enterprises to achieve global competitiveness through business strategies on markets, product/services improvement, productivity and quality, helping them to become "world class" manufacturing companies. [5.132; 5.134]

75. In an increasingly competitive economic environment, the need to shorten the interval between new ideas and new products becomes a prerequisite of growth and sustainability. Consequently, the conventional role of industrial research and service institutions, as well as their structure and performance, was reconsidered and recommendations for substantial reform of such institutions were provided to the Czech Republic, Hungary, Malawi, Philippines, Russian Federation, Syrian Arab Republic and the Arab region. Innovative approaches to commercially oriented research (Czech Republic, Malawi, Syrian Arab Republic), to the conversion of military research and development (Russian Federation) and technology information services (Arab region, Hungary, Philippines) were elaborated and implemented. A technical manual on industrial subcontracting and partnership exchanges foreseen in the biennium was not produced owing to the lack of financial resources. [5.134; 5.135]

#### Industrial Management and Rehabilitation (subprogramme 533)

76. Technical cooperation expenditures under this heading amounted to \$3.3 million, with some 58 per cent of total implementation financed from UNDP resources. A total of 63 projects were implemented or under implementation. [5.156]

77. The management and rehabilitation programme reflected the actual realities faced by many enterprises in developing countries. Particular emphasis was placed on the transfer of knowledge and technical know-how in the form of training, seminars and workshops, as well as through restructuring projects that emphasized the importance of business planning, cost management and quality assurance.

78. The rehabilitation programme recognized the importance of a vigorous industrial sector as the primary engine for economic growth. In addition to change-of-ownership activities (for example in Ethiopia, Guyana and Poland), assistance continued for enterprise restructuring. The pilot project initiated in 1992 funded by the United Kingdom Know-How Fund 41/ had assisted 15 Polish enterprises by the end of 1993. With activities on enterprise

diagnostics, strategic restructuring plans and assistance in their implementation, the programme is considered a model for other economies in transition. Pre-diagnostic studies including strategic recommendations at the subsectoral level were carried out as a follow-up to the 1992 survey of textile mills in Viet Nam. 42/ Support was also provided to restructuring activities carried out by other parts of the Organization. A meeting of Maghreb Arab Union Countries on industrial restructuring also took place at Tunis, Tunisia, in November. [5.151]

79. The management programme continued to stress the importance of management systems and techniques as a critical tool for productivity improvement, with projects including in-factory training and management technology transfer. Notable examples are in Gabon and the United Republic of Tanzania. An expert group meeting on cost accounting in Africa, organized with the African Council of Accounting, took place in December at Yaoundé, Cameroon. An important large-scale project completed in the Philippines successfully established energy management and consultancy services and a fuel and appliances testing laboratory that was the first of its kind in the region. A number of new project requests emerging from the energy conservation project in Europe 43/ were received from Arab countries and from the Southern African Development Community. [5.151]

80. A major objective was also to develop consultancy capabilities in restructuring, modernization and performance improvement of manufacturing industries, and to develop through focused training skilled manpower for all key functions and activities in a manufacturing environment. A seminar on development of industrial consultancy in Africa was organized with the Federation of African Consultants and held at Arusha, United Republic of Tanzania, in September. [5.151]

81. The plan to adapt and introduce to other potential projects in Asia the methodologies in plant turnaround, developed on improved engineering, administration, production technology and cost management in Indonesia, could not be implemented as no similar projects materialized in the region. The preparation of a manual on industrial project management, the updating of a manual on industrial consultancy, as well as two expert group meetings - one on developing an approach to help institutions in developing countries negotiate with consultants and contractors for projects and the other to help in identifying an accepted methodology for diagnoses of enterprises proposed for rehabilitation to determine the potential viability - were not implemented owing to lack of financial resources. [5.152; 5.153]

41/ Ibid., para. 104.

42/ Ibid., para. 103.

43/ Ibid., para. 105.

**C. INDUSTRIAL OPERATIONS SUPPORT**  
(Programme 540)

82. The Industrial Operations Support Division continued its provision of operational and logistical complementarity, <sup>44/</sup> despite constraints imposed by shortage of staff, particularly in the Office of the Director (subprogramme 544). Activities coordinated by the Director both within the Division and within the Organization increasingly called for high quality and more sophisticated input. <sup>45/</sup> The need for enhancing the competitiveness of industrial products indicated to developing countries the necessity to improve their human resource development policies and strategies in order to ensure the provision of the necessary manpower supply, in terms of both quantity and quality.

83. In addition to representing UNIDO at a number of ministerial and high-level international conferences, the Director of the programme maintained close links with sister organizations in the United Nations system, in particular the International Labour Organisation and the United Nations Educational, Scientific and Cultural Organization; such cooperation has strengthened markedly since the introduction of the UNDP successor arrangements, with joint disciplinary missions within the framework of TSS-1 for the preparation of integrated human resource development programmes. [5.216]

Industrial Human Resource Development  
(subprogramme 542)

84. Expenditure for fellowship and other training components in all technical co-operation projects implemented by UNIDO amounted to \$14.3 million in comparison with \$16.4 million in 1992. Of that total, \$9.7 million was spent on fellowships and study tours and \$4.6 million on group training activities and meetings. Technical cooperation expenditure under the heading of training that received substantive back-stopping from the Industrial Human Resource Development Branch amounted to \$2 million. Some 3 per cent of that implementation was financed from UNDP resources. A total of 104 projects were implemented or were under implementation. A detailed breakdown of group training programmes, fellowships and study tours is given in appendix H. [5.193]

85. The work of the subprogramme during the year shows the importance accorded to certain areas by client countries and by the policy-making organs. For example, in line with the emphasis placed by the General Conference on the needs for managerial training and development of human resources in the areas of advanced technologies,

44/ Ibid., para. 107.

45/ Ibid., para. 108.

quality control and productivity techniques, a successful programme in Japan for developing countries on quality improvement in industrial products was repeated. In cooperation with the Government of Hungary, group training programmes were conducted for African countries on the management of market-oriented quality development systems at the enterprise level and on quality control management in the food industry. A software development pilot project for computer-based training material in planned maintenance systems was implemented in Jordan, thus strengthening the potential of that country to provide regional training. Within the framework of the System-Wide Action Plan on Drug Abuse Control, a training programme on the small-scale industrial utilization of medicinal and aromatic plants was conducted at the Medicinal Plants Research Centre in Turkey for participants from 12 developing countries in September 1993. The course covered agro-industrial aspects from cultivation and processing of medicinal and aromatic plants to the finished products so as to enable participants to initiate alternative development activities. Participants were also trained in detection and estimation of narcotics and psychotropic substances, thus enhancing their ability to assist law enforcement bodies in drug detection and estimation. [5.191; 5.194]

86. In the area of environment and energy, following a workshop on energy auditing in Ethiopia, similar workshops were organized in Uganda and the United Republic of Tanzania in cooperation with the United Nations Fund for Science and Technology for Development and with a contribution from the Organization of the Petroleum Exporting Countries. The workshops aimed at strengthening the technical capabilities and skills of engineers on energy efficiency in industry, enabling them to carry out energy audits. A training course manual based on identified needs was issued for trainee guidance in energy auditing exercises. Diagnostic instruments were provided to counterpart institutions and used for practical audits in selected factories, with an envisaged follow-up for the development of an energy programme aimed at establishing local capacities, expertise and consultancy within existing institutions. A UNIDO/UNEP training course on environmental management for industrial managers and engineers was successfully organized in cooperation with the Eastern and Southern Africa Management Institute at Arusha, United Republic of Tanzania. In line with the recommendations of Agenda 21 and in cooperation with the French Government, a regional seminar on clean technology in the dairy and sugar industry was held in Paris for senior engineers and industrial specialists from nine Asian countries. [5.192; 5.194]

87. Continued attention was paid to the formulation of policies and strategies for industrial human resource development. During the course of the biennium, the methodology for enhancing training activities was kept under review to ensure the

effectiveness of the programme by identification and clarification of training needs, identification of the target groups, determination of training objectives, design of curricula, selection of training techniques, preparation of teaching material. Thus, under IDDA financing, experts were assigned to Namibia and Swaziland to make recommendations on national policies, strategies and plans of action for development of integrated training systems, capacities and capabilities for industrial human resource development to enhance productivity and generate employment. Training needs assessment was carried out in six African countries (Congo, Côte d'Ivoire, Mali, Mauritania, Niger and Senegal), based on which an integrated programme for training of trainers and the production of training materials in the field of packaging of food industry will be developed in cooperation with the host institution (Institut Marocain d'Essais et de Conseils) at Casablanca, Morocco. [5.191; 5.192; 5.194]

88. An integrated programme was organized in cooperation with Campus International, Canada, to train a team of trainers from Mauritania in small-scale enterprises. Participation in the International Symposium for Engineering and Education in Germany provided a good opportunity to present the UNIDO approach to industrial human resource development and the challenges facing industry and engineering education in developing countries. Based on the excellent results of the assessed impact of the 1985 and 1986 programmes for Palestinian small-scale industry entrepreneurs from Gaza Strip and West Bank as well as on the newly-established training needs for upgrading skills and for transfer of technology and further expansion of their enterprises, 14 Palestinians were trained at UNIDO Headquarters and given the opportunity to establish business contacts in Austria and Italy. [5.192; 5.194]

89. In order to enhance the integration of women in industrial development, financing was secured for three training programmes for women entrepreneurs in the food-processing industry in Central America, Gambia and United Republic of Tanzania and preparatory assessments were in progress. After a steady increase in the representation of women in fellowships and study tours over a period of approximately ten years, the percentage appeared to have stabilized during the biennium (15 per cent in 1993 and 16 per cent in 1992). [5.194; 5.195]

#### Project Personnel Recruitment and Administrative Service (subprogramme 543)

90. The Project Personnel Recruitment and Administrative Service continued to recruit and administer all international and national project personnel required in connection with the implementation of UNIDO

technical cooperation projects. In carrying out its mandate, the Service cooperated closely with all UNIDO project managing units and maintained close links with the most important sources of recruitment, e.g. national recruitment services, universities, public and private consulting firms and institutions, Governments, UNDP Resident Representatives etc. Particular attention was paid to ensuring the highest level of expertise and, at the same time, to achieving universality, objectivity and equity in the employment of project staff. The transfer of knowledge, know-how and skills through experts and consultants continued to be the most important element of UNIDO technical cooperation projects in 1993. Notwithstanding a decrease in funds available for technical cooperation activities, the Service did not experience any decrease in the demand for the recruitment of experts. [5.203]

91. In 1993 the Service appointed 2,388 experts (1992: 2,323). A total of 262 or 14 per cent of all international experts and consultants were appointed under regular contracts including 11 associate experts (1992: 37) financed by five Member States. A total of 1,582 consultants were recruited as experts on mission under Special Service Agreements for short-term assignments (1992: 1,521). In the year under review, the number of appointed national professional project personnel reached an all-time high of 544, or 23 per cent of the total number of experts' appointments (1992: 440 or 19 per cent). In addition, the Service recruited 63 local General Service support staff for field projects (1992: 80). [5.203; 5.204; 5.205]

92. Appointments and extensions of contracts totalled \$66.2 million or 55.68 per cent of total technical cooperation implementation (\$69.3 million or 57.7 per cent in 1992). Expressed in work-months, expert services reached 11,624 (1992: 13,235). The average duration of assignments was 2.2 work-months, as compared with 2.5 work-months in 1992. [5.205; 5.206]

93. Special efforts were made to recruit project personnel from as broad a range of nationalities and geographic regions as possible. In accordance with the recommendations of the UNIDO policy-making organs, particular attention was paid to the recruitment of women and candidates from developing countries. Table 1 of appendix D provides details of nationality of experts recruited. A total of 1,200 experts from developing countries were appointed, including 544 national experts who represent 45.3 per cent of all experts appointed by this Service. The share of female experts recruited in 1993 was 8.7 per cent, as compared with 8.3 per cent in 1992. [5.205]

94. One of the most important sources of candidates for technical cooperation projects is the computerized roster of individual experts. In 1993, special efforts



were made to upgrade and expand the database so that it could better respond to the changing priorities of recipient countries. This has led, *inter alia*, to the addition of new experts in such fields as energy, environment and biotechnology. At the end of the year, the roster contained data on 11,291 individuals representing 136 countries (4,024 from developing countries) allowing a further increase in the options UNIDO can offer to developing countries in terms of skills and experience. [5.203; 5.207]

95. A total of 2,629 international experts (1992: 2,676), 745 national experts (1992: 611) and 329 local support staff (1992: 347) benefited from the Service's administrative support in line with the terms of their contracts covered by either regular appointments (experts on mission), service agreements (national experts) or reimbursable loan agreements. Briefing, guidance and counselling were given on all administrative matters related to entitlements, working conditions, health insurance and pension entitlements. [5.203]

**Table 5**  
**Distribution of experts by regional groups of countries**  
 (1 January to 31 December 1993)

	Number of experts					
	UNIDO roster <u>a/</u>	Percentage of roster <u>a/</u>	Submitted to Government	Selected by Government <u>b/</u>	Appointed <u>c/</u>	Percentage of appoint- ments
Developing countries <u>d/</u>	4,024	35.64	178	903	842	35
List B countries <u>e/</u>	5,782	51.21	536	1,257	1,187	50
List D countries <u>f/</u>	1,347	11.93	230	329	326 <u>g/</u>	14
Countries not included in any list of Annex I to the UNIDO Constitution	138	1.22	8	32	33	1
<b>Total</b>	<b>11,291</b>	<b>100.00</b>	<b>952</b>	<b>2,521</b>	<b>2,388</b>	<b>100</b>

a/ As of 31 December 1993, excluding roster candidates for Secretariat posts only (2,159).

b/ Including government nominees and national professional personnel.

c/ Including appointment of 544 national professional experts.

d/ States in lists A and C of annex I to the UNIDO Constitution plus Albania, Cyprus, Greece, Malta, Portugal, Romania and Turkey.

e/ States in list B of annex I to the UNIDO Constitution, excluding Cyprus, Greece, Malta, Portugal and Turkey.

f/ States in list D of annex I to the UNIDO Constitution, excluding Albania and Romania.

g/ Including 130 appointments of experts from Poland, Hungary, Czech Republic and Slovakia for large-scale trust fund projects.

Table 6  
Significant performance indicators: Project Personnel  
Recruitment and Administration  
 (subprogramme 543)

	<u>Number of individuals</u>			<u>Work-months c/</u>			<u>Implementation value (million \$)</u>		
	1992	1993	Total	1992	1993	Total	1992	1993	Total
Appointments [5.205]									
(a) International experts and consultants	1,883	1,844	3,727	10,527.6	8,893.7	19,421.3	65.86	62.30	128.16
(b) National experts	440	544	984	2,707.8	2,731.2	5,439.0	3.40	3.85	7.25
Total	2,323	2,388	4,711 a/	13,235.4	11,624.9	24,860.3 d/	69.26	66.15	135.41 g/
Extensions	1,657	1,456	3,113 b/	included in above			included in above		
Administration of servicing experts, consultants and support staff									
(a) International experts and consultants	2,676	2,629	5,305						
(b) National experts	611	745	1,356	see above			see above		
(c) Local support staff	347	329	676						
Total	3,634	3,703	7,337						

a/ Total number of appointments under (a) and (b) planned for 1992-1993: 4,600-5,000. (Achievement in 1992 and 1993: 4,711 or 94.2 per cent).

b/ Total number of extensions under (a) and (b) planned for 1992-1993: 2,400-2,700. (Achievement in 1992 and 1993: 3,113 or 111.5 per cent).

c/ Work-month figures combine appointments and extensions.

d/ Total number of work-months planned for the biennium combining both appointments and extensions: 18,400-20,000 representing an implementation value of \$110 to \$120 million. [5.206] (Achievement in 1992 and 1993: 24,860.3 or 124.3 per cent for work-months and \$135.41 million or 112.8 per cent in financial terms).

## CHAPTER VI. EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES (700)

1. Until the end of the biennium, the Office of the Deputy Director-General (programme 710) continued to ensure co-ordination and management of the various components within the major programme concerned with general relations with Governments, United Nations and other international organizations, with public information as well as with language and documentation support for the activities of UNIDO.

### A. EXTERNAL RELATIONS (Programme 720)

2. The overall management of the activities of the programme continued to be ensured by the Office of the Director (subprogramme 725), as reported in the Annual Report, 1992. <sup>1/</sup> [7.54]

#### External Liaison and Protocol (subprogramme 721)

3. The activities described in paragraphs 3, 4 and 6, chapter VI, of the Annual Report, 1992, continued to be carried out by the External Liaison and Protocol Section. The subprogramme furthermore coordinated invitations for UNIDO attendance and substantive inputs to meetings organized in the United Nations system as well as by other organizations. During the year, a large number of high-level delegations, including one Head of State, Ministers and Deputy Ministers of Governments as well as Executive Heads of intergovernmental organizations visited UNIDO Headquarters. A total of 25 Permanent Representatives presented their credentials. The Director-General undertook six official visits to Member States. [7.19; 7.20; 7.54]

4. Seven States - Azerbaijan, the Czech Republic, Kyrgyzstan, the Republic of Moldova, Slovakia, Tajikistan and the former Yugoslav Republic of Macedonia - became Members of UNIDO, thus bringing the membership of UNIDO before the end of 1993 to a total of 166 Member States. At the end of the year 127 Member States were maintaining Permanent Missions to UNIDO of which 84 were located in Vienna, 20 at Geneva, 17 at Bonn, three at Brussels, and one each at Bern, Paris and Rome.

5. Concerning cooperation with intergovernmental organizations (IGOs) other than those of the United Nations system, relationship agreements were signed with the European Community and the International Pepper Community, thus bringing to 29 the total number of agreements concluded with such organizations since UNIDO became a

specialized agency. A Directory of Intergovernmental Organizations was issued in April that provides brief background information on IGOs cooperating with UNIDO either through the conclusion of a relationship agreement with UNIDO or on the basis of rule 79 of the United Nations Economic and Social Council. [7.19]

6. Cooperation with the United Nations Volunteers programme led to the assignment of seven United Nations volunteers to UNIDO-executed projects in 1993, a reduction from previous years. A total of 35 volunteers were working in 24 UNIDO-executed projects during the year. [7.54]

#### Secretariat of Policy-making Organs (subprogramme 722)

7. During the biennium, the sessions of the policy-making organs (see chap. II) accounted for a total of 35.5 working days (20.5 of which in 1993). The Secretariat of Policy-making Organs organized and provided services to those sessions. A total of 4,864 manuscript pages of documentation (3,044 of which in 1993) was prepared/processed in connection with those sessions. Efforts to reduce the volume of documentation resulted in a decrease in manuscript pages of approximately 20 per cent in comparison with the last two bienniums. This was achieved, for example, by integrating into the annual report and its update progress reports that previously appeared as separate documents. The Secretariat continued to ensure follow-up action to decisions of policy-making organs and to liaise with Governments and Permanent Missions on all related questions. Despite the heavy workload resulting from resumed and special sessions and from the reorientation in UNIDO's priorities, it proved possible to issue nearly all documentation within the stipulated deadlines. Furthermore, with the assistance of Member States, careful planning enabled the Secretariat to achieve economies in the actual number of days of some of the sessions during the biennium. [7.27]

#### UNIDO Office at New York (subprogramme 723)

8. The UNIDO Office at New York continued to serve as the principal channel of communication between UNIDO and United Nations Headquarters and as the focal point for industrial development inquiries from North America. It continued to have regular contacts with Permanent Missions with emphasis on those 40 missions accredited to UNIDO but with no representation in either Geneva or Vienna as well as with those Member States of the United Nations that are not members of UNIDO to encourage them to join the

<sup>1/</sup> IDB.11/10, chap. VI, para. 2.

Organization. In those efforts the Office was able, within existing resources, to increase interest in and understanding of UNIDO, its programmes, activities and services, particularly with respect to industrial development technology transfer and investment promotion. A number of requests for briefings and information were generated, in particular on the fifth session of the General Conference and the restructuring of the UNIDO Secretariat. [7.34]

9. As in the past, the Office represented and/or assisted in representing UNIDO at some 175 intergovernmental and inter-agency meetings and prepared regular and analytical reports on those meetings. Inter-agency coordination and monitoring of developments focused on sustainable development, the financing of development activities, reform and restructuring of the United Nations and developments in the field of operational activities. Coordination with the United Nations included regular and daily contacts with the Secretariat, the General Assembly Main Committees, and the Economic and Social Council, as well as with funds and programmes of interest to UNIDO. In particular, the Office continued its intensive monitoring and follow-up of the activities of the United Nations Development Programme (UNDP), especially as regards the organizational changes in the Office of Project Services and transition policies introduced by the new Administrator. The Office also provided administrative and substantive support for some 40 UNIDO missions, both from Headquarters and the field. [7.34]

10. Regular contacts continued to be maintained with the multilateral development finance institutions that have their headquarters at Washington, D.C., and with United States Government agencies and departments, Congress, trade associations, non-governmental organizations (NGOs) and the business community. It also served as the focal point for UNIDO information for North and South America, providing documentation and responding to inquiries from Permanent Missions, private sector, NGOs, specialized agencies, United Nations Secretariat and academic institutions. Staff members participated in a number of seminars and programmes at which UNIDO could be promoted while, during the year, more than 4,200 inquiries about UNIDO were processed. In consultation with UNIDO Headquarters, the Office continued to develop areas of resource mobilization with emphasis on: identification of opportunities for cooperation with multilateral financial institutions; UNDP-funded projects; promotion of close working relationships with the business community, foundations and trade associations, consulting groups and academic institutions that might be interested in partnership with UNIDO. [7.34]

#### UNIDO Office at Geneva (subprogramme 724)

11. During the year, the UNIDO Office at Geneva covered some 70 meetings. Owing to

continued limited staff resources a strict selection of the meetings to be covered had to be exercised with the aim of concentrating on those of particular interest to UNIDO. The most important among those meetings was the 1993 session of the Economic and Social Council, held in July.

12. Special efforts were made to keep representatives of Member States at Geneva informed of important events that occurred during the year in the Organization. Frequent meetings were held to brief Permanent Representatives individually or in groups. Frequent information flow also continued with Geneva-based United Nations organizations and NGOs. Briefing sessions were also held to keep them informed of developments at UNIDO and hear their suggestions on possible cooperation. As in the past, the Office also provided information on UNIDO activities to the public at large. [7.43; 7.44; 7.45; 7.46]

#### **B. LANGUAGES AND DOCUMENTATION** (Programme 730)

13. While conference servicing continued on a joint basis with the United Nations under the administrative and financial arrangements in force since 1986 <sup>2/</sup> negotiations were pursued on the establishment of a unified conference service under the administration of the United Nations Office at Vienna (UNOV). Services were provided as described in the Annual Report, 1992 and tables 1 and 2 below. The Languages and Documentation Division under the supervision of the Office of the Director (subprogramme 734) continued to implement measures aimed at the more efficient use of resources. <sup>2/</sup> [7.66; 7.73; 7.81; 7.88]

#### Translation (subprogramme 731)

14. Staffing problems persisted because difficulties still prevailed in finding suitable candidates to fill posts in the English, French and Spanish translation sections. By the end of 1993, there were 15 vacancies in the Professional category and seven in the General Service category in the Translation Service. [7.66]

#### Editorial Control and Publications (subprogramme 732)

15. The Editorial Control and Publications Section continued to provide editorial, typesetting, reproduction, distribution and other related services to UNIDO and UNOV, as shown in table 1. [7.73]

<sup>2/</sup> IDB.3/10, chap. VII, paras. 30-31.

<sup>3/</sup> IDB.11/10, chap. VI, paras. 23-24.

Table 1  
Significant performance indicators: Languages and Documentation  
 (Programme 730)

		Total	Share (Percentage)	
			UNIDO	United Nations
Translation services (1,000 words) [7.66]	1992	16,201 <u>a/</u>	34.3	65.7
	1993	22,555 <u>b/</u>	33.3	66.7
Editing services (1,000 words) [7.73]	1992	3,697.7	46.8	53.2
	1993	4,730.7	31.0	69.0
Editorial assistance at meetings (days) [7.73]	1992	74	-	100.0
	1993	103	-	100.0
Preparation of camera-ready pages [7.73]	1992	8,705	37.7	62.3
	1993	9,052	41.4	58.6
Jobs processed [7.81]	1992	13,698	48.2	51.8
	1993	15,667	47.2	52.8
Documents/publications circulated (number of documents)	1992	4.2 million	53.7	46.3
	1993	4.4 million	49.9	50.1

a/ Includes 3,264,000 words for the policy-making organs of UNIDO.

b/ Includes 7,895,400 words for the policy-making organs of UNIDO.

Table 2  
Interpretation services and number of meetings serviced by UNOV

		Total	Share		
			UNIDO	United Nations (per cent)	IAEA
Interpretation services (in work days)	1992	3,744 <u>a/</u>	17.9	55.6	26.5
	1993	5,126 <u>b/</u>	19.9	58.1	22.0
Conferences/meetings (No. of half-day meetings)	1992	1,661 <u>c/</u>	56.9	43.1	
	1993	2,063 <u>d/</u>	59.7	40.3	

a/ Includes 554 interpreter days for the policy-making organs of UNIDO.

b/ Includes 741 interpreter days for the policy-making organs of UNIDO.

c/ Comprises 945 UNIDO meetings and 716 United Nations meetings, both with and without interpretation.

d/ Comprises 1,232 UNIDO meetings and 831 United Nations meetings, both with and without interpretation.

Documents Control  
(subprogramme 733)

16. The Documents Control Unit, which co-ordinates the processing of all jobs requiring translation, editing, artwork, presentation, typesetting and printing from UNIDO and the United Nations, handled 15,667 jobs in 1993, 47.2 per cent of which were from UNIDO. The forecast of documentation services required, which is prepared by the Unit, is an essential tool for recruiting and planning the work of the Division in an efficient and cost-effective manner. During 1993, a major exercise was introduced to analyse, improve and monitor the forecasting system. The exercise showed an increase in the number of jobs forecast as well as greater liaison with submitting offices. An analysis of the results of the exercise will be carried out in early 1994. [7.81]

**C. PUBLIC RELATIONS AND INFORMATION**  
(Programme 740)

17. Refocusing UNIDO's image in anticipation of the reform of the Organization constituted the main thrust of the Section's activities in 1993. Dwindling staff, however, dictated that public information resources had to be used selectively by concentrating on key events. Foremost among these was the fifth session of the General Conference in December. In preparation, a comprehensive press kit was issued that included an illustrated booklet "Initiatives for industry", a revised version of the information flyer "UNIDO = Industrial development", a profile fact sheet on UNIDO and other background material. At the Conference, more than 100 journalists, broadcasters and photographers were accredited for which media facilities and a press centre were made available. Such services were also provided for the Second Ministerial Symposium on the Industrialization of the Least Developed Countries, which was held concurrently at Yaoundé. [7.99]

18. Africa Industrialization Day (20 November) was another major focus of the Section's efforts. An edition of the journal Industry Africa, a poster and a film were produced highlighting the event's 1993 theme of engineering and transfer of technology. [7.98]

19. On the occasion of the presentation of the Global Report 1993/94 (ID/388) the Director-General gave a lecture at the London School of Economics that was used as a platform for publicizing the Report as well as UNIDO activities in general. Three issues of the newsletter UNIDO Update were published in English, French and Spanish, including a special issue for the General Conference. Major events and activities of the Organization were highlighted by some 90 press releases, features and information notes that were distributed internationally. Assistance was also provided for preparation and production of promotional materials related to other UNIDO activities, e.g. a comprehensive information kit on environmental activities. In cooperation with the Vienna International Centre's Visitors Service, 38 briefings were given on UNIDO to special-interest groups visiting Headquarters. The Section continued to provide a daily in-house newsclipping service on articles of relevance to the work of UNIDO. [7.98; 7.99]

20. Audio-visual services continued to cover the work of both UNIDO and the Vienna-based United Nations organizations. Some 100 radio interviews and features were produced, while more than 4,000 photographs were distributed and 12 exhibitions mounted. Two feature films, "Engineering and transfer of technology" and "Cameroon - A road to new industrial upswing", in English and French, a two-part training film, "The objectives-oriented project planning methodology" and a video spot, "Responding to demand", announcing the General Conference were all produced during the year. [7.98; 7.99]

## CHAPTER VII. ADMINISTRATION (800)

1. Until the end of the biennium, the Office of the Deputy Director-General (programme 810) continued to carry out the functions related to subprogrammes 811 and 812 as described in the Annual Report, 1992. 1/ [8.14; 8.21; 8.22]

#### A. PERSONNEL SERVICES (Programme 820)

2. Throughout the biennium, the work of Personnel Services 2/ was marked by the effects of the financial situation on the Organization and the necessity to counteract its consequences on staff capacity and programme delivery. The severe cash flow problems and a significant decrease in overhead earnings compelled the Organization to maintain a high vacancy factor throughout the period and culminated in a staff reduction programme carried out in 1993 to balance the operational budget. In line with the main priority of the Office of the Director (subprogramme 825), 3/ the human resource database was further improved to provide a basis for the maximum assignment of skills available to priority programmes of the Organization and the identification of training needs in an effort to minimize the filling of vacancies through external recruitment. Negotiations and preparations continued for the take-over by the United Nations Office at Vienna (UNOV) of the administration of the joint United Nations/UNIDO Language and Documentation Service. [8.14; 8.65]

3. Tables 1, 2 and 3 below provide data on the composition of the UNIDO Secretariat as at 31 December 1993 with comparable data for previous years, while table 4 gives the significant performance indicators for the full range of Personnel Services activities during the biennium. The number of staff from developing countries serving on senior level posts subject to geographical distribution was 38, or 24.9 per cent (1992: 37, or 31.5 per cent). The number of women in such posts was 8, or 7.1 per cent (1992: 10, or 8.1 per cent). In total they represented 24.2 per cent of all Professional staff subject to geographical distribution (1992: 24.4 per cent).

#### Recruitment (subprogramme 821)

4. Restrictive measures introduced to deal with the financial difficulties of the

1/ IDB.11/10, chap. VII, paras. 1-2.

2/ Ibid., paras. 2-4.

3/ Ibid., para. 3.

Organization led to a significant decrease in recruitment. Priority was accorded to recruitment of highly specialized staff who were essential for the implementation of the Organization's programmes and who could not be made available by reassignment from within the Organization. The number of Professional staff recruited on regular appointments for posts subject to geographical distribution numbered 14, of whom two (14.3 per cent) were women and five (35.7 per cent) were from developing countries. The roster of external candidates continued to be updated (see table 4). Of the 2,037 candidates (1992: 2,870) on the roster, 56.2 per cent were from developing countries (1992: 57.1 per cent). Table 4 also provides statistical information on the applications received during the year, external vacancy announcements issued, staff recruited, short-term and consultant contracts and contracts issued to individual contractors. [8.37]

#### Personnel Administration (subprogramme 822)

5. The difficulties brought about by the financial situation set a particular challenge in responding to the changing requirements of the Organization. The increased need to match shrinking resources to new priority demands called for better skills identification and prompt staff redeployment. Concurrently, the subprogramme was charged with carrying out a comprehensive staff reduction programme involving some 120 staff members. The fair application of coherent personnel policies, combined with intensive staff counselling, proved effective in maintaining harmonious staff/management relations during the reduction programme. As of 31 December 1993, the total number of staff holding regular appointments of one year or more was 1,238, a decrease from 1,343 on 31 December 1992 and 1,386 at the beginning of the biennium. A total of 31 UNIDO Country Directors (UCDs) (40 in 1991 and 1992), together with their local staff, were administered by the subprogramme. Administrative services were also provided to staff members released by UNIDO for peace-keeping missions (45 during the biennium). [8.44]

6. Requests by the UNIDO governing bodies concerning career development, training, performance appraisal (GC.4/Res.29) and the advancement of women in the Secretariat (IDB.7/Dec.22 and GC.4/Dec.24) were given attention throughout the period. Following the staff reduction programme, opportunities will be given to the remaining staff to be placed in posts where their qualifications and experience will be better utilized, with the aim of benefiting the Organization as well as enhancing



possibilities for career development. Participation continued in the work of the United Nations common system on conditions of work of staff, including performance management, recognition of merit and training. In 1993, UNIDO hosted the seventy-ninth session of the Consultative Committee on Administrative Questions and the thirty-eighth session of the International Civil Service Commission. [8.44]

7. The upward trend of previous years in the representation of women in posts subject to geographical distribution continued until July, when the target of 25 per cent set for the end of 1993 was exceeded (25.3 per cent). The trend, however, suffered a setback in the second part of the year through the significant slow-down in recruitment. By 31 December their representation in posts subject to geographical distribution reached 24.2 per cent - slightly below the target. It is expected that this slow-down is of a temporary nature and will be rectified in the near future through forthcoming retirements of male Professionals and through targeted recruitment of women for posts that will need to be filled for priority programmes. Similarly, women's representation at the senior levels, which was affected in the staff reduction programme mainly through voluntary separations, is expected to improve through promotion of women to higher level posts. [8.44]

#### Social Security (subprogramme 823)

8. Advice and administrative services continued to be given on all pension and insurance matters, compensation claims and staff welfare. The staff reduction exercise entailed extra efforts to assist staff members with social security information as well as other information relevant to separation from service. Within the framework of the negotiations on the new headquarters agreement with the Republic of Austria, steps were taken to assess the viability of a transfer agreement between the United Nations Joint Staff Pension Fund and the Republic of Austria. Representatives of the UNIDO Staff Pension Committee participated actively in the discussions of the special session of the Pension Board on the comprehensive review of the pensionable remuneration of staff in the General Service and other related categories. A detailed evaluation was carried out of the experience over the last three years with the group medical insurance policy prior to recommending renewal of the contract with the insurer for the year 1994. A pre-retirement seminar was held in November for staff approaching retirement age and the Vienna International Centre (VIC) Working Group on Wellness continued to provide lunch-time lectures on healthy living. [8.51]

#### Staff Development and Training (subprogrammes 811 and 824)

9. The systematic approach to staff development that began in 1988 continued to be applied, despite budgetary constraints, with continued emphasis on the upgrading of technical and managerial skills. In that context, a comprehensive UNIDO Staff Training Handbook was published to help staff select appropriate training programmes and schedule training activities according to departmental priorities. Courses and workshops offered within the management development programme were adapted to help management and staff face the demands of a changing workplace. A programme on leadership styles and effective management was designed to assist managers in appropriately guiding the Organization and maintaining morale, integrity and motivation at a time of organizational and global change. Increased emphasis was also given to cross-cultural team building in an effort to meet one of the principles underlying the proposed new organizational structure, i.e. the effective integration and coordination of various functions and activities currently dispersed throughout the Organization. A pilot open seminar was held on meeting the challenge of change to assist staff members and their families during the period of personnel redeployment and reduction. During the year, staff members also participated in individual programmes outside UNIDO. Figures on staff training are contained in table 4. [8.14]

10. Language training was provided in the six official languages of the United Nations and in German and was also available to the staff of the Vienna-based United Nations organizations, the Permanent Missions accredited to them and adult dependants. A total of 96 classes were held in 1993, attended by 579 persons in the spring semester and 528 in the autumn semester. In addition, four post-proficiency classes were held in English and French, one on office communication skills in French, one language maintenance workshop in Russian and two in Spanish. Language proficiency examinations were administered for 254 candidates. During the year, 66 university graduates, a significant increase over previous years, were accepted for the UNIDO ad hoc internship programme. 4/ [8.58]

#### **B. FINANCIAL SERVICES** (Programme 830)

11. The work of the Financial Services Division was guided, supervised and coordinated by the Office of the Director (subprogramme 835). The Division continued to act as the focal point for the External Auditor and provided financial support services to the United Nations Office at Vienna (U:OV). [8.106]

4/ Ibid., para. 20.

Table 1  
Composition of the UNIDO Secretariat

Category	As at 31 December 1992 <u>a/</u>		As at 31 December 1993 <u>b/</u>	
	Male	Female	Male	Female
P-5 and above	133)	10)	123)	8)
P-1 to P-4	200) 333	94) 104	187) 310	87) 95
General Service	290	609	274	553
Language teachers	<u>2</u>	<u>5</u>	<u>2</u>	<u>4</u>
Subtotal	625	718	586	652
<b>TOTAL</b>	1,343		1,238	

a/ Figures include 11 interregional and special technical advisers attached to UNIDO Headquarters but not short-term staff or UNIDO Country Directors (with the exception of nine staff members serving in the latter capacity).

b/ Figures include 12 interregional and special technical advisers attached to UNIDO Headquarters and nine staff members serving in the capacity of UNIDO Country Directors. Excluded are 15 staff holding fixed-term contracts under one year, of whom seven are staff employed under the short-term advisory services (STAS) programme.

Table 2 (a)  
Composition of Professional staff, by gender, 1991-1993  
(Number)

Grade	Male			Female			Total		
	1991	1992	1993	1991	1992	1993	1991	1992	1993
DDG	5	5	4	0	0	0	5	5	4
D-2	5	4	6	1	1	1	6	5	7
D-1	33	30	26	1	0	0	34	30	26
P-5	109	94	87	5	9	7	114	103	94
P-4	124	117	107	35	39	38	159	156	145
P-3	66	61	62	30	32	28	96	93	90
P-2/1	26	22	18	24	23	21	50	45	39
<b>TOTAL</b>	<b>368</b>	<b>333</b>	<b>310</b>	<b>96</b>	<b>104</b>	<b>95</b>	<b>464</b>	<b>437</b>	<b>405</b>
<b>Per cent</b>	<b>79.3</b>	<b>76.2</b>	<b>76.5</b>	<b>20.7</b>	<b>23.8</b>	<b>23.5</b>	<b>100</b>	<b>100</b>	<b>100</b>

Table 2 (b)  
Composition of Professional staff, by gender,  
1991-1993  
 (Percentage)

Grade	Male			Female		
	1991	1992	1993	1991	1992	1993
DDG	100	100	100	0	0	0
D-2	83	80	96	17	20	14
D-1	97	100	100	3	0	0
P-5	96	91	93	4	9	7
P-4	78	75	74	22	25	26
P-3	69	66	69	31	34	31
P-2/1	52	49	46	48	51	54

Table 3 (a)  
Composition of Professional staff subject to geographical distribution,  
by gender, 1991-1993  
 (Number)

Grade	Male			Female			Total		
	1991	1992	1993	1991	1992	1993	1991	1992	1993
DDG	5	5	4	0	0	0	5	5	4
D-2	5	4	6	1	1	1	6	5	7
D-1	27	25	21	1	0	0	28	25	21
P-5	85	79	74	5	9	7	90	88	81
P-4	106	98	94	31	33	32	137	131	126
P-3	45	46	45	22	27	24	67	73	69
P-2/1	15	13	16	19	17	19	34	30	35
TOTAL	288	270	260	79	87	83	367	357	343
Per cent	78.5	75.6	75.8	21.5	24.4	24.2	100	100	100

Table 3 (b)  
Composition of Professional staff subject to geographical distribution,  
by gender, 1991-1993  
 (Percentage)

Grade	Male			Female		
	1991	1992	1993	1991	1992	1993
DDG	100	100	100	0	0	0
D-2	83	80	86	17	20	14
D-1	96	100	100	4	0	0
P-5	94	90	91	6	10	9
P-4	77	75	75	23	25	25
P-3	67	63	65	33	37	35
P-2/1	44	43	46	56	57	54

**Table 4**  
**Significant performance indicators: Personnel Services**  
 (Subprogramme 820)

Activities	1992	Female	Male	1993	Female	Male
<b>Applications received and responded to</b>						
Professional	4,913	990	3,923	2,830	423	2,407
General Service	1,507			926		
Total number of Professional candidates rostered	2,870	609	2,261	2,037	466	1,571
From developing countries	1,640	322	1,318	1,145	241	904
<b>Vacancy announcements</b>						
Professional	25			16		
General Service	36			12		
<b>Staff recruited</b>						
Professional	47	16 <sup>a/</sup>	31	14	2	12
UNIDO Country Directors	5	0	5	4	0	4
General Service	22 <sup>b/</sup>			7		
<b>Short-term contracts issued</b>						
Conference service staff	593			628		
Secretariat staff	139 <sup>c/</sup>			181 <sup>d/</sup>		
<b>Consultant contracts issued</b>						
Individual contractors	140			326		
<b>Staff administered</b>						
Headquarters	1,343			1,238		
UCDs, and UNIDO staff in field offices <sup>e/</sup>	40			31		
Support staff in the field	76			82		
Language training enrolment of which UNIDO	1,335			1,107		
	579			486		
Participants in UNIDO internship programme	42			66		
<b>Staff training</b>						
General knowledge updating	n.a.			87		
Computer-assisted learning	92			104		
Management development	123			78		
Managerial assistance	24			n.a.		
External training	26			37		
Computer skills	503			544		

<sup>a/</sup> Includes two females who advanced from the General Service to the Professional category.

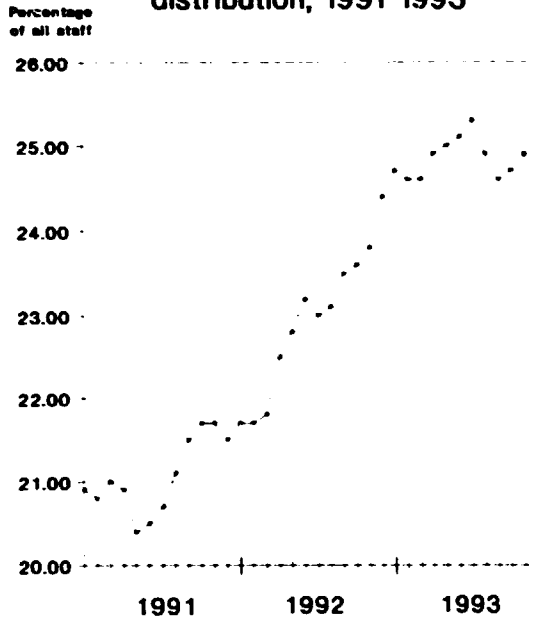
<sup>b/</sup> Includes two transfers from United Nations Office at Vienna and one recruitment for EPL/REL/NYK.

<sup>c/</sup> Includes 30 short-term advisory services staff.

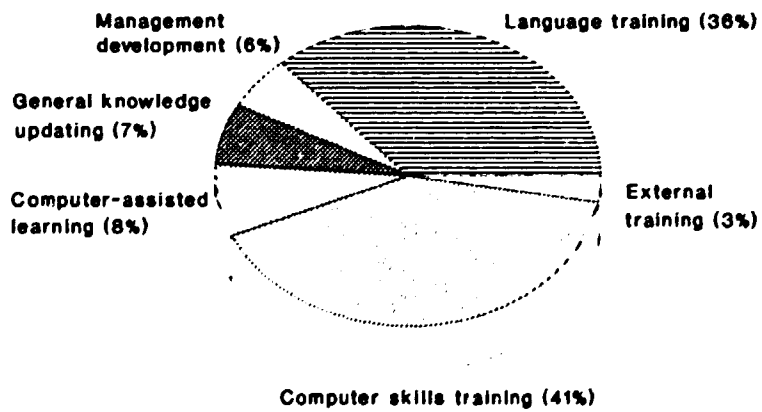
<sup>d/</sup> Includes 64 short-term advisory services staff.

<sup>e/</sup> Other than project personnel.

### Female Professional staff subject to geographical distribution, 1991-1993



### Staff Development and Training, 1993



12. During 1993, the Division was faced with a number of difficult challenges related to the financial situation of the Organization, the approval of the 1994-1995 programme and budgets and the change in financial management and reporting requirements for technical cooperation activities. The deepening financial crisis under the operational budget, caused by falling technical cooperation delivery and income, had to be arrested in 1993. The implementation of the plan of action begun in 1992 to balance the operational budget was intensified during 1993 with a staff reduction programme (see para. 5 above and para. 14 below). As mentioned in paragraph 13 below, the advance draft of the proposed programme and budgets for 1994-1995 issued in December 1992 was the subject of a number of separate revisions and adjustments for submission to the policy-making organs in the course of the year. The changes in the modalities for technical cooperation delivery, particularly in respect of United Nations Development Programme (UNDP)-funded activities, called for alterations to the financial recording and reporting systems. In spite of the reduced level of technical cooperation delivery, the increased complexity of the modalities for implementation and reporting placed additional demands on the financial support services required. Financial Services was subject to staff reductions in the light of the prevailing budget and financial situation. [8.106]

#### Budget

(subprogramme 831)

13. The work of the Budget Section was devoted mainly to the preparation of revised proposals and adjustments for the 1994-1995 programme and budgets and to the financial implementation and control of both regular and operational budgets of the Organization for 1992-1993. Notwithstanding that a first draft of the programme and budgets for 1994-1995 was provided to Member States before the end of 1992, the process of approval by the policy-making organs proved to be problematic and protracted owing to several factors outside the control of the Secretariat, such as the impact on the programme and budget and assessments of the withdrawal of one Member State from UNIDO and the need to review the estimates of technical cooperation delivery and income, which formed the basis of the operational budget estimates. Although a revised budget was prepared and subsequently approved by the Board in July, further revisions and adjustments were required to reflect the changes in the organizational and staff structure of UNIDO that were endorsed by the Board in October. The extensive adjustments made to the previously approved programme and budgets were prepared under very tight time constraints to allow Member States sufficient time to review the proposals before approval by the General Conference in December. Budget briefing meetings and

written responses to requests for clarification on budgetary questions were also provided to Member States in the course of the year.

14. The uncertain financial situation under the regular budget continued to have a negative impact on the implementation of the programme and budget during 1993. Higher-than-budgeted vacancy rates were maintained and hold-backs of appropriations were made for non-staff items of expenditure. The financial situation of the operational budget was kept under constant review during 1993. Monthly management reports were prepared and a working group was established to review and revise estimates for technical cooperation delivery. Following the submission to the policy-making organs of a report (IDB.11/6 and Add.1) on the financial situation of the operational budget and a plan of action designed to achieve stabilization in the operational budget by the end of 1993, measures were taken to cut costs and reduce staffing levels in the operational budget, which, by the end of 1993, largely succeeded in reducing expenditures to sustainable levels. A number of documents were also prepared for consideration of the policy-making organs, including, *inter alia*, documents on the financial situation, expenditure on electronic data-processing, the interim financial performance report for the 1992-1993 biennium and the split currency system. The Budget Section was also closely involved in the financial arrangements for the fifth session of the General Conference at Yaoundé, Cameroon, and in the ongoing discussions on the proposed introduction of a unified conference service in Vienna under the management of the United Nations. The Section also coordinated the organization-wide responses to the work measurement studies for UNDP technical cooperation activities. Ongoing activities included the issuance of programme allotment documents for the regular and operational budgets and for United Nations accounts, control of allotments, financial management of the UCD programme, apportionment of costs for Conference Services, certification and administration of staffing tables, preparation of financial reports for the Task Force on the Industrial Development Decade for Africa and preparing responses to the observations of both the External and Internal Auditors. [8.76]

#### Financial Management of Technical Cooperation

(subprogramme 832)

15. The activities of the subprogramme consisting of the financial implementation and control of the technical cooperation programme, reporting and analysis of technical cooperation delivery, including related systems and procedures, are reflected in table 5. At the end of 1993, 2,357 projects were under financial implementation of which 1,224 were substantively operational. [8.83]

Table 5

Significant performance indicators: Financial Management of Technical Cooperation  
(Subprogramme 832)

Activities	1990	1991	1992	1993
Projects in database (year end)	2,518	2,542	2,380	2,357
Percentage of which non-UNDP (IPF) projects	48%	53%	68%	72%
Group training programmes/workshops implemented	111	129	107	111
Travel authorizations implemented	2,652	2,748	2,968	4,209
Recruitment actions implemented	4,505	4,423	4,904	3,213
Purchase orders implemented	3,240	3,129	2,629	2,696
Fellowships/study tour actions implemented	2,335	2,002	2,130	1,751
Number of mandatory revisions prepared for UNDP projects	952	930	668	694
Number of "Letters of Authorization" raised for field offices for UNDP-funded projects	424	428	297	433

Table 6

Significant performance indicators: Accounts and Payments  
(Subprogramme 833)

Number	1991	1992	1993	1992-1993 increase (decrease) %
Accounts transactions	350,182	375,200	416,747	11.07
Incoming invoices processed:				
Suppliers	22,633	23,417	21,752	(7.11)
Training	10,465	11,333	12,286	8.41
Travel claims paid	11,282	10,364	11,192	7.99
Travel advances paid	2,949	2,323	2,318	(0.22)
Inter-office voucher transactions recorded	42,067	70,916	55,601	(21.60)
Outgoing invoices issued	905	774	493	(36.30)
Donor reports prepared	5,819	6,408	7,847	22.45
Imprest accounts maintained	17	25	32	28.00
Payroll documents processed	14,731	17,373	21,901	26.07
Special services agreement payments paid	4,117	3,829	3,716	(2.95)
Manual actions undertaken	10,534	15,281	23,009	50.57

Accounts and Payments  
(subprogramme 833)

16. The computerization of several payment and accounting systems was finalized and implemented. In particular, computerized systems for the short-term payroll, the payroll for experts financed through reimbursable loans and for Industrial Development Fund reporting were completed. Major improvements to the Headquarters payroll programme were also introduced during 1993. Analysis and review of all reporting requirements continued as in the previous year. <sup>5/</sup> Account and payment services continued to be maintained for UNIDO, UNOV <sup>6/</sup> and other organizations. While the total number of transactions

processed increased by 7.4 per cent, staff resources were reduced as a result of the overall staff reduction programme and due to the fact that, from 1 January 1994, UNOV will no longer require the services hitherto provided under the subprogramme. [8.90]

Treasury  
(subprogramme 834)

17. The subprogramme continued to provide cash management services <sup>7/</sup> while making efforts to ensure that regular budget assessed contributions were received on time to meet the monthly cash flow requirements of the Organization. The Working

<sup>5/</sup> Ibid., para. 25.

<sup>6/</sup> Ibid., para. 26.

<sup>7/</sup> Ibid., para. 27.

Capital Fund was replenished to its authorized level in 1993. In addition, all other sources of funds of the Organization, including the Industrial Development Fund and trust funds, were properly managed, secured and invested. UNIDO's Investment Committee met four times during 1993 to review bank credit analysis controls and the short-term investments made during the year in line with UNIDO's portfolio needs. Up to 31 December, 367 short-term investments had been placed with 24 authorized banks in 10 countries. With few exceptions, time deposits in any one bank did not exceed \$10 million in order to maximize the security of funds. As of 31 December, UNIDO had some \$113.9 million invested in time deposits. A total of 16.5 per cent of that amount was invested in Austrian banks. At year end, some 62 per cent of the portfolio was invested in United States dollars, 24 per cent in Italian lire, 9 per cent in Austrian schillings and the remainder in other major currencies. Some 70 bank accounts were managed and operated worldwide during the year. [8.99]

### C. GENERAL SERVICES (Programme 840)

18. Under the overall supervision of the Office of the Director (subprogramme 845), the programme continued to provide direct administrative and operational support to the implementation of the Organization's technical and industrial cooperation activities. [8.152]

#### Purchase (subprogramme 841)

19. Equipment and supplies totalling \$26.6 million were purchased for technical cooperation projects. Detailed comparative figures for these and other activities are given in table 7. In addition, the Purchase Section acquired equipment, supplies and materials for the operation, maintenance and repair of the Vienna International Centre (VIC) complex to a total value of \$6.8 million in 1,635 individual orders. Of this total, 1,533 orders for \$5.7 million (1992: 1,055 orders for \$2.8 million) were for UNIDO and cost-shared procurement, with the balance of 102 orders for \$1.08 million (1992: 297 orders for \$1.24 million) for other United Nations offices at the VIC. The roster of vendors was updated and further developed: 268 companies were contacted of which 205 responded and provided updated information. 8/ [8.117; 8.118]

#### Contracts (subprogramme 842)

20. In 1993, the Section awarded 239 new contracts for technical cooperation projects

to a total value of \$12.8 million. Detailed comparative figures are given in table 7. For UNIDO Headquarters and UNOV, 275 contracts were awarded to a total value of \$12.3 million. The reduction as compared with 1992 was due mainly to a lower number of projects approved following the transition to the UNOP successor arrangements. The Contract Management Information System (CHIS) 9/ enhanced the quality and timeliness of processing requisitions and contracts. In the process of updating the UNIDO roster of consulting companies, some 3,500 questionnaires were sent soliciting information; as a result, the data on nearly 800 companies was updated. [8.126]

#### Buildings Management (subprogramme 843)

21. Activities in the subprogramme continued to reflect high standards in buildings operation and engineering combined with sustained efforts to realize economies. A reduction in utility consumption was achieved through improvements in operating procedures and exploitation of new technologies. Efforts to minimize refuse generation and disposal costs were enhanced and recycling possibilities investigated. The programme under the Common Fund for Major Repairs and Replacements was completed with the buildings renovation of decaying concrete, replacement of a main heat exchanger and repair of seven elevators. The City of Vienna started construction of a by-pass road, east and north of the VIC, requiring adjustment and coordination work within the VIC; the work is expected to be completed by mid-1994. A building previously used as an Austrian police station was renovated and put into use as building "J", adding 617 m<sup>2</sup> of office space and 876 m<sup>2</sup> of land to the VIC complex. A modern telephone system was installed, tested and made operational for the United Nations offices in Vienna, thus enabling a connection to the world-wide United Nations communications network. [8.135; 8.136]

#### Other General Services (subprogramme 844)

22. The non-expendable property records of UNIDO now cover 12,495 discrete items with a value of \$19.2 million, while the expendable property records total of 12,028 identified items with a total value of \$5 million, and the records of in-house held property purchased from project funds totalled 263 items amounting to \$0.4 million. A total of 675 requests for furniture and/or equipment were received and processed. Work was completed on 1,238 work orders that involved 7,928 movements of furniture/equipment. Recording and control of property of the United Nations offices at the VIC involved records for 4,037 non-expendable and special items totalling \$4.8 million, 5,327 expendable

8/ Ibid., para. 31.

9/ Ibid., para. 32.



items totalling \$1.4 million and 670 items held in-house (even though purchased from project funds) totalling \$1.1 million. A total of 438 requests for furniture and/or equipment were received from the United Nations offices at the VIC. By the end of the year, 825 work orders and 4,950 movements of furniture and/or equipment were completed. Records were kept of 477 items of non-expendable and/or special property with a value of \$894,866 assigned to offices of UCDs and Junior Professional Officers.

23. There were a total of 317 cases reported to the Property Survey Board of which 40 originated at Headquarters, 9 from UCD offices and 68 from technical cooperation projects. A total of 780 technical cooperation project inventories were maintained and 145 transfer of title documents amounting to \$27.3 million were finalized. A total of 27 service contracts were arranged for UNIDO and 19 for UNOV. Repairs completed, excluding those of computer equipment, were 3,750 for UNIDO and 1,120 for UNOV. The recorded value of catering items was \$5.3 million. A total of 3,444 consignments were received and 182 consignments were dispatched by the central receiving area. [8.145]

24. Centralized registry services continued to be provided to UNIDO and the United Nations Centre for Social Development and Humanitarian Affairs by processing, routing, filing and following up on all incoming, outgoing and internal communications on substantive matters. The centralized registry system and files enabled the provision of reliable and fast service to the two organizations. Archive services were provided as in 1992. 10/ UNIDO accessions amounted to 381 linear metres (1992: 229), while 196 linear metres (1992: 147.5) were disposed of. United Nations accessions represented 19.5 linear metres (1992: 38.5) while disposals totalled 23 linear metres (1992: 24.5). [8.145]

25. Over 8,970 travel authorizations were processed, representing a ticket value of approximately \$10.6 million including inter-office voucher charges. In that connection, 2,360 visas were obtained for travel of staff members. A total of 1,556 shipments of equipment, household goods, personal effects and documents were arranged for UNIDO and UNOV and insurance coverage was arranged for 2,227 shipments

of equipment; 51 insurance claims were filed with the insurance broker, of which 51 were settled. [8.145]

#### D. MANAGEMENT INFORMATION SERVICES (Programme 850)

26. The activities of the Management Information Services <sup>11/</sup> were carried out in 1993 according to a work plan endorsed by the Information Technology Steering Committee <sup>12/</sup> and approved by the Deputy Director-General, Department of Administration. Owing to resource constraints, the majority of the available human resources were dedicated to ongoing activities that centred on: maintenance and upgrading of existing information systems and subsystems; running a help centre to support the work of end-users by troubleshooting and installing or moving end-user equipment; and operating the mainframe computer and network. New computer applications components were implemented for technical cooperation support (phase I of a requisition-purchase order system and an experts recruitment query system) and for administration (Headquarters personnel action system, short-term payroll, phase I of on-line accounting). [8.163: 8.164; 8.165; 8.166; 8.167]

27. An information systems portfolio was published to describe the computer applications used at UNIDO Headquarters and to provide potential users with an inventory of available systems and points of contact. In addition, an information systems security policy was prepared as well as procedures to control and implement user requests and to manage development projects in line with the new information systems development methodology. <sup>13/</sup>

28. In line with technology trends and in preparation for the task of implementing distributed computing, as recommended by the Information Technology Steering Committee, key staff received basic training in the principles of client/server architecture and distributed processing. An internal study was conducted that will eventually lead to selecting a pilot application for implementation in a client/server environment. Another major activity was the preparation of bidding specifications and evaluation of proposals for a new contract for facilities management of the computer mainframe, to become effective early in 1994. [8.159; 8.163]

<sup>11/</sup> Ibid., para. 40.

<sup>12/</sup> IOB.9/12, annex I, para. 3.

<sup>13/</sup> IOB.11/10, chap. VII, para. 41.

<sup>10/</sup> Ibid., para. 38.

**Table 7**  
**Significant performance indicators: General Services**  
**(Programme 840)**

Activities	1992				1993			
	No.	%	Value (Thousands of US\$)	%	No.	%	Value (Thousands of US\$)	%
<b><u>Purchase orders placed (841)</u></b>								
Technical cooperation (all funds) whereof	2,183		27.3		2,314		26.6	
(a) Developing countries	536	(24.6)	5.1	(18.7)	775	(33.0)	5.0	(19.0)
(b) Underutilized major donor countries	155	(7.1)	2.1	(7.7)	106	(4.6)	0.7	(2.6)
Headquarters and others	1,342		4.0		1,635		6.8	
<b><u>Contracts awarded (842)</u></b>								
Technical cooperation (all funds) whereof	209		15.5		239		12.8	
(a) Developing countries	82	(39.2)	4.1	(25.2)	131	(54.8)	5.4	(42.18)
(b) Underutilized major donor countries	9	(4.3)	0.7	(4.5)	7	(2.9)	0.27	(2.1)
Headquarters and others	239		10.4		275		12.3	
<b><u>Buildings Management (843)</u></b>								
Cables laid by contractor			129 km				72 km	
Carpets laid			17,688 sq.m				10,500 sq.m	
Cables laid by in-house staff			21 km				18 km	
Cable trays placed			100 m				120 m	
Walls moved			265				272	
Staff relocated			415				427	
Electricity costs			AS 23,941,000 ( 20,650 MWh)				AS 25,102,000 ( 20,870 MWh)	
Heating costs			AS 15,465,000 ( 28,415 MWh)				AS 14,877,000 ( 33,383 MWh)	
Cooling costs			AS 15,899,000 ( 8,032 MWh)				AS 15,849,000 ( 7,178 MWh)	
Water costs			AS 3,344,000 (181,850 cu.m)				AS 4,184,000 (187,713 cu.m)	
Fluorescent light tubes replaced			24,000				5,760	
<b><u>Travel, transportation, shipment and insurance items processed (844)</u></b>								
			<u>No.</u>				<u>No.</u>	
Travel authorizations processed			11,153				8,972	
Cables/telexes processed			2,764				1,928	
Total visas secured			2,211				2,360	
Austrian visas			518				577	
International visas			1,693				1,783	
Shipments arranged/insured			2,412				3,783	
Total value of tickets issued (in US dollars)			12,038,770 a/				10,581,000	

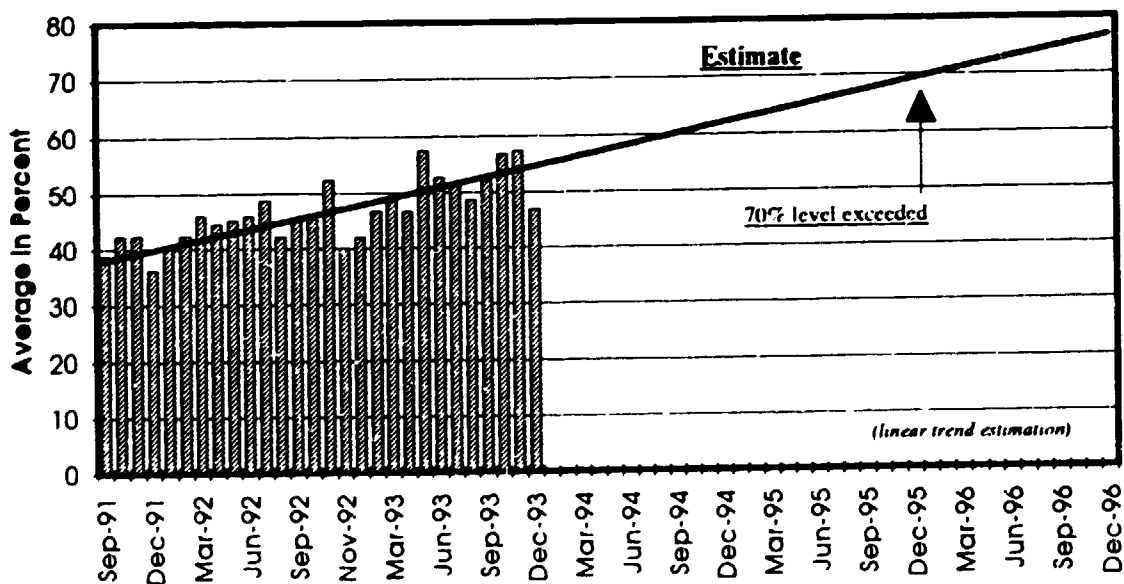
a/ Corrected figure.

Table 8

Significant performance indicators: Management Information Services  
(Programme 850)

Activities	1989	1990	1991	1992	1993
Programmes maintained	1,110	1,523	2,058	2,454	2,613
Programmes written	265	413	445	510	250
Databases	36	52	56	66	79
Data entry (million key strokes)	19.5	15.3	12.4	14.6	12.0
Printed lines (million)	155	193	261	278	170
Workstations installed	226	139	25	15	113
Printers installed	187	131	25	10	119
Number of help centre service calls					2,207
Number of equipment repair calls					642
Number of equipment moves					567
Mainframe utilization (percentage)		30	37	45	52

**UNIDO Mainframe Server Utilization**  
**Monthly Average Sep. 1991 - Dec.1993.**  
**Estimation Until Dec. 1996**



## CHAPTER VIII. SOURCES OF FUNDS

## A. REGULAR BUDGET

1. Details on the constitutional mandates related to the regular budget, its components and the appropriation approved by the General Conference for the biennium 1992-1993 are provided in the Annual Report of UNIDO, 1992. 1/

2. For the Regular Programme of Technical Cooperation (programme 610) - including the Industrial Development Decade for Africa (IDDA) - the sum of \$10,755,700 appropriated by the General Conference for the biennium 1992-1993 at an exchange rate of \$1 = AS 12.90 was adjusted in 1993 in accordance with Annex II.B of the Constitution to \$12,149,800 at an exchange rate of \$1 = AS 11.26 following the adjustment formula shown in resolution GC.4/Res.27. 2/ This comprised \$4,580,100 for the technical cooperation component of the IDDA and \$7,569,700 for the other components. In order to ensure full implementation of the funds available by the end of the biennium, a policy of over-programming was followed in 1993. The distribution of the Regular Programme allocation by components and the corresponding delivery during the biennium are shown in appendix C. In view of the reorientation of the Regular Programme presented in the programme and budgets, 1994-1995, a new component - seed money for medium-term plan priorities - was added in 1993. Resources were reallocated to this category to be used primarily for preparatory activities and preparatory assistance projects aimed at generating additional financial resources for technical cooperation projects to implement activities in the medium-term plan priority areas. Besides the specific allocations mentioned in appendix C, close attention was given to equitable geographic distribution in programming the available resources under the Regular Programme.

3. Concerning the separate allocation for the Second Industrial Development Decade for Africa approved by the General Conference in the regular budget 1992-1993, 3/ the sum was also adjusted in accordance with the

adjustment formula shown in GC.4/Res.27 to \$10,142,700 at an exchange rate of \$1 = AS 11.26. Of that sum, \$4,580,100 was earmarked for the technical cooperation component of the Decade (programme 610) and \$5,562,600 for the supplementary activities component (programme 620). Concerning technical cooperation, at the end of 1993, a total of \$4,562,323 had been implemented, representing an implementation rate of 99.6 per cent. For the supplementary activities, the amount budgeted for the biennium was fully programmed with implementation at the end of 1993 reaching \$4,756,369 or 85.5 per cent.

4. During 1993, the delayed payment or non-payment by Member States of assessed contributions continued to cause cash flow difficulties for the Organization. As of 31 December, total unpaid contributions for 1993 represented 42 per cent of the 1993 assessment as against 40 per cent for 1992. As a result of cash flow difficulties and in line with the financial plan of action introduced to ensure that expenditures were kept within available resources (see chap. VII, para. 14), the holdback of part of the 1992-1993 appropriations was maintained. The practice of restricted recruitment was continued and disbursements were held at levels which permitted the retention of cash balances sufficient to meet the unliquidated obligations for the 1992-1993 biennium. Expenditures for 1992-1993, which included staff costs related to the staff reduction exercise, were kept below the 1992-1993 appropriation levels.

5. In order to strengthen the statutory cash resource base of the Organization, the General Conference at its fifth session decided to approve the temporary suspension of financial regulations 4.2(b) and 4.2(c) with respect to the 1990-1991 biennium to allow the non-budgetary (temporary) allocation of the unutilized balances of appropriations of \$8,746,822. In the same decision (GC.5/Dec.14), the Conference took note of the revised appropriations for 1992-1993 arising from the changes introduced to the structure of the UNIDO Secretariat in July 1992 as presented in document IDB.11/6, chapter IV.

## B. OPERATIONAL BUDGET

1/ IDB.11/10, chap. VIII, paras. 1-2.

2/ The United Nations operational rates of exchange varied in 1993 from \$1 = AS 11.10 to \$1 = AS 12.10. The average exchange rate for the year was \$1 = AS 11.58 and for the biennium 1992-1993 \$1 = AS 11.26.

3/ IDB.11/10, chap. VIII, para. 4.

6. The two distinct components of the operational budget and related mandates are described in the Annual Report, 1992. 4/

4/ Ibid., paras. 7-8.

(a) Operational budget - Support expenditures

7. As explained in the Annual Report, 1992, 5/ to offset the negative impact of income shortfalls the allotments issued for 1992 under the operational budget were 17 per cent lower than the estimates approved by the General Conference for the biennium 1992-1993 (\$49,234,900 for the biennium at the exchange rate of \$1 = AS 12.90). In 1993, the Organization continued to experience a decline in technical cooperation activities, with consequent reduced levels of support cost income available in the operational budget. The financial resource base of the operational budget was further weakened as expenditures exceeded income throughout the year. At the request of the Industrial Development Board (IOB.10/Dec.5), a financial plan of action for 1993 was prepared with options for balancing the operational budget at the latest by the end of 1993. The plan of action called for a reduction in non-staff expenditures and an adjustment of staffing levels to levels sustainable within anticipated cash resources. Strict cost control measures were introduced including the cancellation of budgetary allocations for travel, consultants and the electronic data-processing non-staff costs. Staff numbers in the operational budget declined from 291 at the end of 1992 (68 Professional and 223 General Service) to 167 at the end of 1993 (41 Professional and 126 General Service). The vacancy rate for Professional-level posts stood at 56.0 per cent under the operational budget as of 31 December 1993. The rate for General Service was 31.6 per cent at the same date.

8. Expenditures incurred in 1993 amounted to \$17.4 million, while 1993 income from technical cooperation activities and other income amounted to \$14.7 million. The deficit arising from the excess of expenditure over income was financed from reserves carried over from prior financial periods. The reserve balance at 31 December 1993 was \$1.7 million.

9. With respect to the proposed paragraphs (d) and (e) of financial regulation 4.1 concerning the authority to incur obligations and to make payments in excess of budgetary limitations, the General Conference took note of the report submitted by the External Auditor to the Programme and Budget Committee (PBC.8/14), in particular his conclusion that the actual implementation of any new operational budget expenditure flexibility system should best be postponed until the evolving new situation in respect of the UNDP successor arrangements could be assessed more accurately in all its aspects. The Conference decided to delete the proposed two paragraphs and

requested the Director-General to keep the matter under review.

(b) Financing of technical cooperation activities

10. The value of net approvals of projects under the sources of financing listed below amounted to \$79.2 million in 1993 of which \$56.9 million represents non-United Nations Development Programme (UNDP) funded activities (1992: \$113.6 million of which \$90.5 million non-UNDP funded activities).

UNDP indicative planning figure and cost sharing\*

11. In 1993, the second year of the fifth programming cycle (1992-1996) the net approvals reached \$18.7 million (1992: \$20.3 million) of which \$9.3 million (1992: \$9.6 million) was allocated to UNIDO as executing agency. The delivery in 1993 which, including nationally executed projects, reached \$45.8 million (1992: \$60.6 million), continued to reflect the consequences of the slow-down in the UNDP programming process as well as the difficult start of the successor cost arrangements. Details on the geographical distribution of project approvals under the indicative planning figure (IPF) are provided in chapter III, paragraphs 50, 56, 58 and 62, while the statistical annex, tables 4 to 8, provides details on project expenditure in 1993.

Technical support services at the programme level (TSS-1)

12. The facility for technical support services at the programme level (TSS-1) resources was briefly outlined in the Annual Report, 1992, 6/ In the first biennium (1992-1993) 61 TSS-1 activities were approved by UNDP with a total budget of \$4.7 million, which consisted of 116 work-months of headquarters staff, 63.2 work-months of international consultants and 223.2 work-months of national consultants. In line with the intention of the TSS-1 facility to draw on staff resources in rendering services in the upstream level of the programme and project cycle, staff participation in the activities represented about 65 per cent, whereas consultants accounted only for 35 per cent of the international work-months allotted for the biennium. At the end of 1993, these activities were in different stages of implementation, the delivery of the TSS-1 activities for the first biennium totalling 94.5 work-months of headquarters staff contribution and 51.4 work-months of international staff. Delivery in terms of regions

\* Including government counterpart cash contributions and special measures.

5/ Ibid., para. 11.

6/ Ibid., para. 17.

for the biennium was: Africa 45 per cent, Asia and Pacific 39 per cent, Arab countries 5 per cent, Latin America and the Caribbean 8 per cent and Europe 3 per cent. Table 9 of the statistical annex provides details on TSS-1 expenditures in the biennium 1992-1993. As to the nature of the activities, TSS-1 resources were mainly used for sectoral and subsectoral studies and surveys as well as for the formulation of sectoral programmes, policies and strategies related to industrial fields.

#### Technical support services at the project level (TSS-2)

13. Under the UNDP successor arrangements for agency support costs, technical support by UNIDO staff to UNDP IPF-funded projects and programmes is organized and financed separately from the project itself. These services which are directly related to the actual needs of a project were covered, under the previous system, by the 13 per cent support cost reimbursement. The demand for these services and consequent income are now less predictable. In 1993, a total of 44.2 work-months were actually delivered directly or requested from UNDP field offices. This was far below the expected and intended level of demand and could negatively affect the technical quality of projects. Problems related to the under-utilization of the service are being experienced by all of the five agencies concerned (see para. 26 below).

#### Special Industrial Services programme

14. During 1993, UNIDO approved 58 new projects for \$3.5 million, while endeavouring to maintain an equitable geographical distribution of resources as shown in the table below. During the current UNDP

programming cycle, 1992-1996, 94 projects have been approved for a total of \$5.8 million with a geographical distribution as follows: Africa (including African Arab States) 26 per cent, Latin America and Caribbean 31 per cent, Asia and the Pacific (including West Asia Arab States) 27 per cent and Europe 15 per cent.

15. Based on the evaluation of the Special Industrial Services programme undertaken in 1991, <sup>7/</sup> the guidelines were applied to allow more flexibility and to focus on priorities such as environment, energy and selection and acquisition of new technologies. The proposals made by UNIDO <sup>8/</sup> as a result of the evaluation of the programme are being re-examined in the light of the changing role of UNIDO and will be submitted before the end of the cycle in 1996 for a possible adjustment of the UNDP guidelines applied since 1988.

#### Industrial Development Fund

16. The Industrial Development Fund (IDF) was the largest source of technical cooperation funds in terms of approvals. Its importance was thus confirmed as a predictable source of financing for technical cooperation, especially in view of the substantial decrease of UNDP financing as a consequence of the successor arrangements. The positive upward trend in IDF has been maintained (as reflected by the increase of 11 per cent in the pledges over 1992). In a year of financial difficulties for donor

<sup>7/</sup> IOB.9/10, chap. V, para. 15; chap. VIII, para. 6.

<sup>8/</sup> IOB.11/10, chap. III, para. 127.

#### Value of new approvals in 1993 for the SIS programme by area

Area	Number of projects	Value of approvals (In thousands of US dollars)	Percentage of total value
Africa	15	1,064	30.1
(incl. African Arab States)	(3)	(136)	(3.9)
Arab States			
African Arab States	3	136	3.9
West Asia Arab States	2	119	3.4
Latin America and the Caribbean	15	1,006	28.4
Asia and the Pacific	15	905	25.6
Europe	11	445	12.6
<b>Total</b>	<b>58</b>	<b>3,539</b>	<b>100.0</b>

countries and pressing demands on scarce resources for international aid, the Secretariat has been particularly successful in meeting the targets set at the beginning of the year.

17. In 1993 IDf received \$34.2 million in conditional and firm pledges compared with \$30.3 million in 1992. These resources were programmed in close co-operation with recipient and donor countries and resulted in net project approvals of \$29.9 million (1992: \$32.1 million). The difference between the pledge figure and project approvals is owing to an additional contribution in December 1993 from the Montreal Protocol Fund of \$4.5 million, which was not programmed within the year. Net project approvals include project budget revisions and exclude agency overhead costs. The value of project budgets newly approved and ongoing in 1993 under IDf amounted to \$163.3 million (17.6 per cent of UNIDO total technical cooperation during the year), while expenditures under IDf amounted to \$27.3 million (23 per cent of total expenditures). Tables 1 to 4 in appendix G provide details on Industrial Development Fund pledges, the status of the Fund and its use in 1993 by region and programme component, while the following paragraphs as well as chapter III give details concerning the management of the Fund.

18. The funds available for programming under the general-purpose convertible segment (UC) <sup>9/</sup> decreased by 14 per cent as compared with 1992. Twenty-two projects were approved during 1993 for a total of \$960,190. All projects addressed at least one priority area of the medium-term plan and focused mainly on preparatory assistance and up-front activities. Of the 22 projects approved, four projects were of a global nature, two had interregional coverage and two had a regional scope. The funds of the UC component were programmed in a complementary manner with the Regular Programme for Technical Cooperation and a contribution provided by the Government of Germany for preparatory assistance purposes. The average size of the projects approved during 1993 was \$44,000 - an increase over the \$42,000 in 1992.

19. The total value of projects approved under the special-purpose and general-purpose non-convertible segment of IDf was \$1,523,282. Projects financed under these segments were concentrated in the areas of economic cooperation among developing countries, human resource development, small- and medium-scale industries and development and transfer of technology. There were indications that some countries that had made non-convertible contributions to IDf would be providing convertible contributions in the near future.

20. Concerning the special-purpose convertible segment, an amount of \$31.5 million

in conditional and firm pledges was received in 1993, an increase of 15 per cent over 1992 (\$27.4 million). In the present financial crisis, this additional financial support will be of key importance in accomplishing the reform process of UNIDO, enabling the identified priority programmes to be translated into operational activities. The Multilateral Fund for the Implementation of the Montreal Protocol contributed \$2.5 million at the beginning of 1993. This amount was programmed for technical cooperation activities carried out at the individual industrial plant level for the phasing out of ozone depleting substances. A further contribution of \$4.5 million was received at the end of the year. The United Nations International Drug Control Programme also contributed an amount of \$2.5 million towards agro-industrial development in Bolivia, and additional funds were expected for 1994. The two aforementioned increased contributions indicate that there is potential for complementary activities within the United Nations system and that the technical and specialized expertise available through UNIDO is substantial. Special-purpose convertible contributions in 1993 were provided especially for activities in development and transfer of technology, environment and energy, investment promotion, small- and medium-scale industries and the integration of women in industrial development.

#### Trust funds and self-financing arrangements

21. The value of net approvals/revisions in 1993 under special trust fund schemes was \$19.2 million (24.2 per cent of UNIDO total), while expenditure on technical cooperation activities was \$29.7 million (25 per cent of UNIDO total expenditure). The corresponding figures for 1992 were \$45.5 million (40 per cent) for project budgets newly approved and revised, and \$34.7 million (26 per cent) for project expenditures.

22. The statistical annex, tables 4 to 8, provides details on project expenditure under trust fund schemes, while details on the types of projects financed under trust funds and self-financing arrangements are provided in chapter III, paragraphs 97 to 101.

#### Regular Programme of Technical Cooperation (Programme 610)

23. As explained in paragraphs 2 and 3 above, in addition to the above-mentioned activities financed from the operational budget, a number of technical cooperation activities are financed from the regular budget under the Regular Programme of Technical Cooperation, which also includes the technical cooperation component of the allocation for IDOA.

<sup>9/</sup> Ibid., chap. VIII, para. 22.

## C. PROGRAMME SUPPORT COSTS

24. The new UNDP arrangement for programme support costs <sup>10/</sup> reimbursement had its first full year of operation in 1993. Because of this, as explained in the Annual Report, 1992 <sup>11/</sup> it is no longer possible or valid to calculate support costs and reimbursements as a percentage of projects delivery for UNDP IPF-financed activities. For the year 1993 there were four separate components of UNDP main programme financed activities: (a) projects being implemented under the old system; (b) TSS-1 funded activities; (c) technical support provided to projects, TSS-2; and (d) administrative and operational support services to projects (AOS).

25. Delivery under the previous UNDP support cost arrangements amounted to \$38,391,030, generating an income of \$5,074,226. Activities under TSS-1 largely carried out by UNIDO staff generated a net income of \$1,123,450. Under TSS-2 a total of 44.2 work-months was delivered, generating an income of \$419,900 and under ACS the Organization earned \$735,030.

<sup>10/</sup> IDB.9/10, chap. VIII, paras. 30-37; IDB.11/10, chap. VIII, para. 30.

<sup>11/</sup> IDB.11/10, chap. VIII, paras. 32-34.

26. The volume of services and amounts reimbursed for TSS-2 and AOS was considerably less than expected. For AOS this was due to: (a) rapidly falling UNDP IPF resources (for the 1992-1996 period some \$3,000 million is expected to be available, compared with \$4,500 million forecast in 1991); (b) a rapid increase in national execution and implementation (from some 15 per cent in the period 1987-1991 to some 40 per cent for new approvals under the new arrangements); and (c) a rapid increase in project activities channelled to the UNDP Office for Project Services (more than 20 per cent of new approvals). For TSS-2 the new system is still not well understood and frequent misunderstandings in field offices are apparent. The matter is being taken up in the inter-agency Task Force on Support Costs.

27. Under the new arrangements, an update will be completed in early 1994 of the cost measurement study carried out in 1991/1992. This will serve to update cost figures and related reimbursement levels. In addition, an external evaluation on the functioning of the new system is scheduled for the first half of 1994. UNIDO will actively contribute to both exercises directly and through the inter-agency Task Force, which UNIDO is now chairing.

28. For the technical cooperation activities not funded by the UNDP core programme, the system of reimbursement of programme support costs remains unchanged. The reimbursement of support costs from these activities amounted to \$6,535,196.



## STATISTICAL ANNEX

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Table 1. Expenditures, 1972 to 1993

(In millions of US dollars)

	1972-1976	1977-1981	1982-1986	1987	1988	1989	1990	1991	1992	1993
Technical cooperation programmes	141.8	334.4	451.2	97.7	119.8	133.8	159.6	147.5	135.6	118.8
United Nations regular programme/ UNIDO regular budget	8.7	15.2	23.6	2.1	2.5	6.3	4.5	5.8	2.4	9.7
UNDP/IPF and cash counterpart	98.7	229.9	291.3	66.5	74.0	76.8	88.7	75.3	55.6	38.0
UNDP/SIS	14.3	17.2	14.4	2.8	3.0	3.0	5.2	1.0	1.8	3.0
UNDP/special programme resources and special measures	3.1	5.3	3.1	0.3	0.0	0.2	0.4	b/		
UNDP-administered trust funds	0.0	3.4	12.9	1.1	1.0	2.3	1.7	(0.2)	1.5	0.1
Other trust funds	6.2	17.9	34.7	6.1	14.2	16.5	25.7	31.2	34.8	29.7
UNIDF/IDF	10.8	41.9	63.4	16.6	19.8	23.0	27.9	27.7	29.3	27.3
United Nations International Drug Control Programme (UNDCP)	0.0	0.0	2.2	0.6	2.8	1.2	2.2	2.6	4.4	2.0
Non-UNIDO funds	0.0	3.6	5.6	1.6	2.5	4.5	3.3	4.1	5.8	8.9
Headquarters	100.5	202.4	258.2	76.1	71.7	97.7	95.9	106.8	103.8	112.5
Regular budget	85.2	160.7	199.8	60.7	56.9	82.1	76.3	85.1	81.4	95.1
Overheads	15.3	41.7	58.4	15.4	14.8	15.6	19.6	21.7	22.4	17.4
Total expenditure	242.3	536.8	709.4	173.8	191.5	231.5	255.5	254.3	239.4	231.3

a/ Includes regular programme and Industrial Development Decade for Africa (see appendix C).

b/ Special measures expenditure included in UNDP/IPF and cash counterpart.

Table 2. Technical cooperation programmes: project budget approvals and expenditures, 1972 to 1993

(In millions of US dollars)

	1972-1976	1977-1981	1982-1986	1987 a/	1988	1989	1990	1991	1992	1993
<b>A. All sources of funds</b>										
1. Residual value of projects brought forward	37.4	72.8	136.4	155.9	175.4	217.0	252.5	255.6	238.5	216.1
2. Value of project budgets approved in the year (net)	177.2	398.0	470.6	117.2	161.4	169.3	162.7	130.4	113.6	79.2
3. Total of approved projects under implementation	214.6	470.8	607.0	273.1	336.8	386.3	415.2	386.0	352.1	295.3
4. Expenditures in the year	141.8	334.4	451.1	97.7	119.8	133.8	159.6	147.5	135.6	118.8
5. Residual value of projects carried forward	72.8	136.4	155.9	175.4	217.0	252.5	255.6	238.5	216.1	176.4
<b>B. United Nations regular programme b/ /UNIDO regular budget</b>										
1. Residual value of projects brought forward	0.0	0.0	0.0	1.2	0.0	4.6	0.0	3.8	0.0	4.8
2. Value of project budgets approved in the year (net)	8.7	15.2	24.8	0.9	7.1	1.7	8.3	2.9	7.3	6.6
3. Total of approved projects under implementation	8.7	15.2	24.8	2.1	7.1	6.3	8.3	6.7	7.3	11.5
4. Expenditures in the year	8.7	15.2	23.6	2.1	2.5	6.3	4.5	5.8	2.5	9.7
5. Residual value of projects carried forward	0.0	0.0	1.2	0.0	4.6	0.0	3.8	0.0	4.8	0.0
<b>C. UNDP/IPF, cash counterpart and special measures</b>										
1. Residual value of projects brought forward	29.7	59.8	105.8	99.3	116.0	151.5	153.3	146.0	118.7	73.1
2. Value of project budgets approved in the year (net)	128.8	275.9	284.8	83.2	109.5	78.6	81.4	48.0	9.6	9.3
3. Total of approved projects under implementation	158.5	335.7	390.6	182.5	225.5	230.1	234.7	194.0	128.3	82.4
4. Expenditures in the year	98.7	229.9	291.3	66.5	74.0	76.8	88.7	75.3	55.6	38.0
5. Residual value of projects carried forward	59.8	105.8	99.3	116.0	151.5	153.3	146.0	118.7	73.1	44.4
<b>D. UNDP/SIS c/</b>										
1. Residual value of projects brought forward	5.3	5.8	2.8	3.1	2.1	2.5	4.7	4.8	2.7	2.8
2. Value of project budgets approved in the year (net)	14.8	14.2	14.7	1.8	3.4	5.2	5.3	(1.1)	1.9	3.4
3. Total of approved projects under implementation	20.1	20.0	17.5	4.9	5.5	7.7	10.0	3.7	4.6	6.2
4. Expenditures in the year	14.3	17.2	14.4	2.8	3.0	3.0	5.2	1.0	1.8	3.0
5. Residual value of projects carried forward	5.8	2.8	3.1	2.1	2.5	4.7	4.8	2.7	2.8	3.2
<b>E. UNDP/special programme resources and special measures</b>										
1. Residual value of projects brought forward	0.0	1.7	0.9	0.3	0.0	0.0	0.5	d/	d/	d/
2. Value of project budgets approved in the year (net)	4.8	4.5	2.5	0.0	0.0	0.7	0.3			
3. Total of approved projects under implementation	4.8	6.2	3.4	0.3	0.0	0.7	0.8			
4. Expenditures in the year	3.1	5.3	3.1	0.3	0.0	0.2	0.5			
5. Residual value of projects carried forward	1.7	0.9	0.3	0.0	0.0	0.5	0.3			
<b>F. UNDP-administered trust funds e/</b>										
1. Residual value of projects brought forward	0.0	0.0	4.7	1.5	0.1	0.1	0.6	0.2	1.0	1.1
2. Value of project budgets approved in the year (net)	0.0	8.1	9.7	(0.1)	1.0	2.8	1.3	0.6	1.4	(0.0)
3. Total of approved projects under implementation	0.0	8.1	14.2	1.4	1.1	2.9	1.9	0.8	2.4	1.1
4. Expenditures in the year	0.0	3.4	12.9	1.3	1.0	2.3	1.7	(0.2)	1.5	0.1
5. Residual value of projects carried forward	0.0	4.7	1.5	0.1	0.1	0.6	0.2	0	1.1	0.9

Table 2 (continued)

	1972-1976	1977-1981	1982-1986	1987 a/	1988	1989	1990	1991	1992	1993
<b>G. Other trust funds f/</b>										
1. Residual value of projects brought forward	0.4	1.3	5.7	28.7	26.4	24.0	48.8	50.3	59.1	70.3
2. Value of project budgets approved in the year (net)	7.1	22.3	57.7	3.7	11.8	41.3	27.2	40.6	45.5	19.2
3. Total of approved projects under implementation	7.5	23.6	63.4	32.3	38.2	65.3	76.0	90.9	104.6	89.5
4. Expenditures in the year	6.2	17.9	34.7	6.0	14.2	16.5	25.7	31.2	34.7	29.7
5. Residual value of projects carried forward	1.3	5.7	28.7	26.4	24.0	48.8	50.3	59.1	70.3	59.8
<b>H. UNIDF/IDF g/</b>										
1. Residual value of projects brought forward	2.0	4.2	14.6	17.6	22.3	28.9	37.6	40.5	40.3	43.0
2. Value of project budgets approved in the year (net)	13.0	52.3	66.4	21.3	26.4	31.7	30.8	27.4	32.1	29.9
3. Total of approved projects under implementation	15.0	56.5	81.0	38.9	48.7	60.6	68.4	67.9	72.4	72.9
4. Expenditures in the year	10.8	41.9	63.4	16.6	19.8	23.0	27.9	27.7	29.3	27.3
5. Residual value of projects carried forward	4.2	14.6	17.6	22.3	28.9	37.6	40.5	40.3	43.0	45.6
<b>I. UNDCP</b>										
1. Residual value of projects brought forward	0.0	0.0	0.0	0.3	0.1	0.9	1.4	1.4	2.2	3.8
2. Value of project budgets approved in the year (net)	0.0	0.0	2.5	0.4	3.6	1.7	2.2	3.4	6.0	1.3
3. Total of approved projects under implementation	0.0	0.0	2.5	0.7	3.7	2.6	3.6	4.8	8.2	5.0
4. Expenditures in the year	0.0	0.0	2.2	0.6	2.8	1.2	2.2	2.6	4.4	2.0
5. Residual value of projects carried forward	0.0	0.0	0.3	0.1	0.9	1.4	1.4	2.2	3.8	3.0
<b>J. Non-UNIDO funds h/</b>										
1. Residual value of projects brought forward	0.0	0.0	1.9	4.0	8.4	4.5	5.6	8.2	13.5	17.2
2. Value of project budgets approved in the year (net)	0.0	5.5	7.6	6.0	(1.4)	5.6	5.8	8.5	9.8	9.5
3. Total of approved projects under implementation	0.0	5.5	9.5	10.0	7.0	10.1	11.4	16.7	23.3	26.7
4. Expenditures in the year	0.0	3.6	5.5	1.6	2.5	4.5	3.2	4.1	5.8	8.9
5. Residual value of projects carried forward	0.0	1.9	4.0	8.4	4.5	5.6	8.2	13.5	17.2	17.8

a/ Some of the 1987 figures differ slightly from those reflected in document IDB.4/10 owing to minor accounting adjustments.

b/ Excludes the value of projects approved but not implemented within the year (prior to 1978) or within the biennium (after 1977) as appropriate.

c/ Includes SIS trust funds prior to 1973.

d/ Included in UNDP/IPF, cash counterpart and special measures.

e/ Includes United Nations Trust Fund for Sudan-Sahelian Activities, United Nations Financing System for Science and Technology for Development, UNDP trust fund for projects financed by the United Nations Development Fund for Women, United Nations Capital Development Fund, and third-party trust funds.

f/ Includes special-purpose trust funds financed by recipient or third parties, government cash counterpart contributions paid to UNIDO, United Nations Population Fund and projects financed from World Bank loans.

g/ Includes UNIDO General Trust Fund.

h/ Includes projects executed by other agencies for which UNIDO is the associated or cooperating agency.

Table 3A. Technical cooperation activities: projects approved in 1992 and 1993, by source of funds

Source of funds	New projects approved			Existing projects revised			Total net value of approvals/revisions (\$000)
	Number of projects	Value of projects (\$000)	Average value of projects (\$000)	Number of projects	Value of revisions (\$000)	Average value of revisions (\$000)	
<b>1992</b>							
UNIDO regular budget	158	7,280	46	0	0	0	7,280
UNDP/IPF and cash counterpart	40	10,812	270	615	(1,184)	(2)	9,628
UNDP/SIS	36	2,148	60	102	(246)	(2)	1,902
UNDP-administered trust funds	2	2,120	1,060	42	(679)	(16)	1,441
Other trust funds	79	8,835	112	222	36,666	165	45,501
IDF	175	25,994	149	339	6,098	18	32,092
UNDCP	30	6,573	219	17	(602)	(35)	5,971
Non-UNIDO funds	<u>39</u>	<u>11,603</u>	<u>298</u>	<u>54</u>	<u>(1,773)</u>	<u>(33)</u>	<u>9,830</u>
TOTAL	559	75,365	135	1,391	38,280	28	113,645
<b>1993</b>							
UNIDO regular budget	132	7,507	57	130	(920)	(7)	6,587
UNDP/IPF and cash counterpart	24	8,271	345	522	1,026	2	9,297
UNDP/SIS	58	3,540	61	78	(141)	(2)	3,399
UNDP-administered trust funds	0	0	)	26	(26)	(1)	(26)
Other trust funds	48	8,181	170	269	10,979	41	19,160
IDF	114	25,726	226	367	4,205	11	29,931
UNDCP	22	2,930	133	25	(1,590)	(64)	1,340
Non-UNIDO funds	33	15,784	478	66	(6,310)	(96)	9,474
TOTAL	431	71,939	167	1,483	7,223	5	79,162

**Table 3B. Technical cooperation activities: comparison of the value of projects  
as at 31 December 1992 and 31 December 1993, by source of funds**

Source of funds	Number of projects		Total value of projects (\$000)		Average value of projects (\$000)	
	1992	1993	1992	1993	1992	1993
UNIDO regular budget	158	301	7,282	13,869	46	46
UNDP/IPF and cash counterpart	769	673	524,116	477,709	682	710
UNDP/SIS	147	169	9,236	10,599	63	63
UNDP/special programme resources and special measures	a/		a/		a/	
UNDP-administered trust funds	52	36	4,509	6,938	87	193
Other trust funds	391	363	194,751	200,531	498	552
IDF	665	605	153,879	163,317	231	270
UNDCP	72	76	13,885	12,109	193	159
Non-UNIDO funds	<u>126</u>	<u>134</u>	<u>37,421</u>	<u>43,485</u>	<u>297</u>	<u>325</u>
<b>TOTAL</b>	<b>2,380</b>	<b>2,357</b>	<b>945,079</b>	<b>928,557</b>	<b>397</b>	<b>394</b>

The following is a breakdown by status of projects:	Number of projects		Total value of projects (\$000)	
	1992	1993	1992	1993
New and ongoing	1,473	1,224	724,869	629,908
Operationally completed	295	358	61,538	83,941
Financially completed	<u>612</u>	<u>775</u>	<u>158,672</u>	<u>214,708</u>
<b>TOTAL</b>	<b>2,380</b>	<b>2,357</b>	<b>945,079</b>	<b>928,557</b>

a/ Special measures expenditure included in UNDP/IPF and cash counterpart.

Table 4. Expenditure on technical cooperation activities in 1992 and 1993, by source of funds and project component

Source of funds	Project personnel		Subcontracts \$000	Fellowships & training \$000	Equipment \$000	Miscellaneous expenses \$000	Total \$000
	Number of experts' work-months <sup>a</sup>	\$000					
<b>1992</b>							
UNIDO regular budget	66.4	952	186	996	73	251	2,459
UNDP/IPF and cash counterpart and special measures	3,532.0	25,683	6,648	7,335	13,806	2,121	55,594
UNDP/SIS	75.1	1,004	350	213	165	74	1,806
UNDP-administered trust funds	11.6	136	1,405	(93)	0	85	1,533
Self-financed trust funds	5,775.3	10,894	266	113	2,148	90	13,512
Third party-financed trust funds	930.7	6,844	1,039	546	487	152	9,068
Other trust funds	701.2	5,823	1,339	1,772	2,826	432	12,192
IDF	1,862.2	14,792	4,489	4,912	3,774	1,355	29,322
UNDCP	6.8	71	104	71	4,115	7	4,369
Non-UNIDO funds	<u>273.1</u>	<u>3,063</u>	<u>822</u>	<u>491</u>	<u>1,290</u>	<u>112</u>	<u>5,777</u>
<b>TOTAL</b>	<b>13,234.4</b>	<b>69,262</b>	<b>16,648</b>	<b>16,356</b>	<b>28,684</b>	<b>4,680</b>	<b>135,632</b>
<b>1993</b>							
UNIDO regular budget	569.5	5,406	538	2,232	1,094	401	9,671
UNDP/IPF and cash counterpart and special measures	2,491.1	19,045	5,194	4,954	6,443	2,376	38,012
UNDP/SIS	153.7	1,852	462	418	226	73	3,032
UNDP-administered trust funds	1.9	49	41	(85)	108	21	134
Self-financed trust funds	4,691.8	10,585	342	128	766	199	12,021
Third party-financed trust funds	870.5	6,140	700	577	276	(59)	7,633
Other trust funds	716.7	5,162	1,400	1,283	2,000	219	10,064
IDF	1,832.8	15,411	4,051	3,216	3,298	1,312	27,288
UNDCP	12.6	151	0	50	1,828	11	2,040
Non-UNIDO funds	<u>284.3</u>	<u>2,356</u>	<u>1,123</u>	<u>1,551</u>	<u>3,760</u>	<u>140</u>	<u>8,930</u>
<b>TOTAL</b>	<b>11,624.9</b>	<b>66,156</b>	<b>13,851</b>	<b>14,324</b>	<b>19,800</b>	<b>4,694</b>	<b>118,825</b>
<sup>a/</sup> Categories are as follows:		<u>Work-months</u>					
	International experts and consultants	8,893.7					
	Operational assistance experts						
	National experts	<u>2,731.2</u>					
	<b>TOTAL</b>	<b>11,624.9</b>					

Table 5. Expenditure on technical cooperation activities in 1993, by source of funds and Department/programme component

(In thousands of US dollars)

Department/programme component	Regular budget	UNDP/IPF and cash counterpart	SIS	Trust funds				IDF	UNDCP	Non-UNIDO funds	Total
				UNDP-administered	Self-financed	Third-party financed	Other				
Executive Direction and Management	1	0	0	0	0	137	0	40	0	0	179
Programme and Project Development	1,007	181	12	0	171	2,658	179	1,116	0	179	5,503
<b>Industrial Promotion, Consultations and Technology</b>											
Industrial Investment	1,469	3,600	103	0	829	1,816	253	10,555	0	989	19,614
System of Consultations	157	0	0	0	0	0	0	80	0	0	237
Technology Development and Promotion	<u>1,425</u>	<u>318</u>	<u>56</u>	<u>0</u>	<u>0</u>	<u>63</u>	<u>9,417</u>	<u>3,361</u>	<u>0</u>	<u>21</u>	<u>14,681</u>
Subtotal	3,051	3,918	158	0	829	1,880	9,690	13,996	0	1,010	34,532
<b>Industrial Operations</b>											
Agro-based Industries	1,597	1,852	590	0	771	579	0	4,237	0	3,394	13,021
Chemical Industries	1,136	6,108	1,059	64	9,655	281	10	3,469	0	1,102	22,883
Metallurgical Industries	351	2,999	263	64	336	44	0	435	0	131	4,623
Engineering Industries	522	7,564	378	0	0	565	0	574	0	1,116	10,720
Industrial Strategies and Policies	510	3,539	229	0	127	89	0	254	0	411	5,159
Institutional Infrastructure	275	9,853	341	10	74	941	206	1,872	0	249	13,820
Industrial Management and Rehabilitation	421	1,931	0	0	58	388	(21)	217	0	311	3,304
Industrial Human Resource Development	<u>684</u>	<u>68</u>	<u>0</u>	<u>(2)</u>	<u>(0)</u>	<u>166</u>	<u>0</u>	<u>1,065</u>	<u>0</u>	<u>0</u>	<u>1,989</u>
Subtotal	5,496	33,913	2,861	134	11,021	3,053	196	12,122	0	6,714	75,510
<b>External Relations, Public Information, Language and Documentation Services</b>											
	53	0	0	0	0	0	0	0	0	0	53
<b>Other</b>	<u>63</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(96)</u>	<u>0</u>	<u>13</u>	<u>2,040</u>	<u>1,027</u>	<u>3,049</u>
<b>TOTAL</b>	9,671	38,012	3,032	134	12,021	7,633	10,064	27,288	2,040	8,930	118,825



Table 6. Expenditure on technical cooperation activities in 1993, by Department/programme component and geographical area

(In thousands of US dollars)

Department/programme component	Africa a/	Arab States b/	Asia and the Pacific	Europe + NIS	Latin American and Caribbean	Global and Interregional	Total
Executive Direction and Management	0	0	0	0	0	179	179
Programme and Project Development	851	50	0	1,050	424	410	5,503
Industrial Promotion, Consultations and Technology							
Industrial Investment	3,931	1,895	(594)	2,665	218	1,283	10,216
System of Consultations	0	18	0	41	0	178	237
Technology Development and Promotion	<u>1,243</u>	<u>43</u>	<u>1</u>	<u>442</u>	<u>0</u>	<u>709</u>	<u>14,681</u>
Subtotal	5,174	1,956	(592)	3,147	218	1,993	34,532
Industrial Operations							
Agro-based Industries	3,923	391	(263)	5,044	894	2,480	553
Chemical Industries	13,029	9,935	(9,854)	6,738	891	854	1,290
Metallurgical Industries	1,251	228	(228)	2,753	112	266	241
Engineering Industries	3,682	354	(317)	6,518	158	317	8
Industrial Strategies and Policies	3,507	616	(17)	771	15	167	99
Institutional Infrastructure	6,193	1,349	(611)	3,055	574	2,891	369
Industrial Management and Rehabilitation	1,921	133	(101)	459	436	455	0
Industrial Human Resource Development	<u>706</u>	<u>334</u>	<u>(16)</u>	<u>158</u>	<u>57</u>	<u>17</u>	<u>725</u>
Subtotal	34,212	13,338	(11,406)	25,496	3,138	7,447	3,284
External Relations, Public Information, Language and Documentation Services	53	0	0	0	0	0	53
Other	<u>374</u>	<u>65</u>	<u>(65)</u>	<u>1,493</u>	<u>146</u>	<u>1,067</u>	<u>(31)</u>
TOTAL	40,663	15,408	(12,063)	31,185	3,927	10,917	28,788

a Includes figures related to country projects in African Arab States.

b Figures in parentheses relate to country projects in African Arab States only and are deducted from the column "Total" since they are already included under "Africa".

Table 7. Expenditure on technical cooperation activities, by geographical area, 1983 to 1993

(In thousands of US dollars)

Area	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
<b>Africa</b>											
Country projects a/	25,683	25,300	31,431	31,674	29,102	34,042	40,802	47,849	46,252	39,734	33,921
Regional projects	<u>1,773</u>	<u>4,713</u>	<u>5,791</u>	<u>4,069</u>	<u>3,468</u>	<u>4,389</u>	<u>8,323</u>	<u>7,832</u>	<u>6,171</u>	<u>6,792</u>	<u>6,742</u>
Subtotal	27,456	30,013	37,222	35,743	32,570	38,431	49,125	55,681	52,423	46,526	40,663
<b>Arab States</b>											
Country projects	11,274	11,807	11,448	11,153	11,934	17,714	19,107	21,071	18,869	15,119	14,768
Regional projects	593	1,104	532	731	616	299	172	527	437	579	640
Country projects (African Arab States) b/	<u>(7,030)</u>	<u>(8,806)</u>	<u>(9,123)</u>	<u>(8,505)</u>	<u>(9,560)</u>	<u>(12,753)</u>	<u>(13,725)</u>	<u>(14,824)</u>	<u>(15,347)</u>	<u>(12,581)</u>	<u>(12,063)</u>
Subtotal	4,837	4,105	2,857	3,379	2,990	5,260	5,554	6,774	3,959	3,117	3,346
<b>Asia and the Pacific</b>											
Country projects	23,599	29,795	29,313	35,419	36,620	41,974	41,506	46,621	40,540	35,516	28,142
Regional projects	<u>1,062</u>	<u>1,437</u>	<u>1,088</u>	<u>1,654</u>	<u>1,311</u>	<u>1,953</u>	<u>2,099</u>	<u>2,763</u>	<u>3,717</u>	<u>3,179</u>	<u>3,043</u>
Subtotal	24,661	31,232	30,401	37,073	37,931	43,927	43,605	49,384	44,257	38,695	31,185
<b>Europe + NIS</b>											
Country projects	2,513	3,609	3,047	3,022	2,307	3,845	3,776	4,837	4,321	5,172	3,758
Regional projects	<u>248</u>	<u>49</u>	<u>39</u>	<u>208</u>	<u>318</u>	<u>432</u>	<u>515</u>	<u>399</u>	<u>592</u>	<u>152</u>	<u>169</u>
Subtotal	2,761	3,658	3,086	3,230	2,625	4,277	4,291	5,236	4,912	5,324	3,927
<b>Latin America and the Caribbean</b>											
Country projects	9,168	7,987	11,082	9,402	8,463	9,653	11,029	9,356	7,212	8,997	8,300
Regional projects	<u>877</u>	<u>1,013</u>	<u>936</u>	<u>1,148</u>	<u>839</u>	<u>1,137</u>	<u>1,046</u>	<u>1,847</u>	<u>2,619</u>	<u>2,460</u>	<u>2,616</u>
Subtotal	10,045	9,000	12,018	10,550	9,302	10,790	12,075	11,203	9,831	11,457	10,917
<b>Global and interregional projects</b>	<u>8,759</u>	<u>9,183</u>	<u>8,884</u>	<u>9,625</u>	<u>12,308</u>	<u>17,095</u>	<u>19,132</u>	<u>31,280</u>	<u>32,103</u>	<u>30,513</u>	<u>28,788</u>
<b>TOTAL</b>	78,019	87,191	94,468	99,600	97,726	119,780	133,782	159,558	147,485	135,632	118,825

a/ Includes African Arab States.

b/ Figures deducted since already included under "Africa".

Table 8. Technical cooperation activities: project expenditure in 1993, by geographical area

(In thousands of US dollars)

	Africa a/		Arab States		Asia and the Pacific		Europe + NIS		Latin America and Caribbean		Global and interregional		Total		
A. By source of funds															
		%		%	b/	%		%		%		%			
UNIDO regular budget															
RP	1,777	4.4	424	2.8	(120)	1.0	511	1.6	360	9.2	743	6.8	1,962	6.8	5,658
IDDA	4,014	9.9	31	0.2	(31)	0.3	0	0.0	0	0.0	0	0.0	0	0.0	4,014
UNDP/IPF, cash counterpart and special measures	15,461	38.0	3,300	21.4	(1,325)	11.0	16,959	54.4	1,231	31.3	2,387	21.9	0	0.0	38,012
UNDP/SIS	748	1.8	416	2.7	(206)	1.7	592	1.9	487	12.4	995	9.1	0	0.0	3,032
UNDP-administered trust funds	151	0.4	0	0.0	0	0.0	77	0.2	10	0.2	0	0.0	(104)	(0.4)	134
Self-financed trust funds	9,835	24.2	9,382	60.9	(9,175)	76.1	227	0.7	201	5.1	1,551	14.2	0	0.0	12,021
Third party-financed trust funds	1,014	2.5	145	0.9	(2)	0.0	1,620	5.2	694	17.7	774	7.1	3,388	11.8	7,633
Other trust funds	185	0.5	206	1.3	(206)	1.7	0	0.0	0	0.0	372	3.4	9,507	33.0	10,064
IDF	5,276	13.0	1,251	8.1	(929)	7.7	4,237	13.6	798	20.3	2,692	24.7	13,962	48.5	27,288
UNDCP	374	0.9	65	0.4	(65)	0.5	453	1.5	146	3.7	1,067	9.8	0	0.0	2,040
Non-UNIDO funds	<u>1,829</u>	4.5	<u>187</u>	1.2	<u>(4)</u>	0.0	<u>6,509</u>	20.9	<u>1</u>	0.0	<u>335</u>	3.1	<u>73</u>	0.3	<u>8,930</u>
<b>TOTAL</b>	<b>40,663</b>		<b>15,408</b>		<b>(12,063)</b>		<b>31,185</b>		<b>3,927</b>		<b>10,917</b>		<b>28,788</b>		<b>118,825</b>
B. By project component															
		%		%		%		%		%		%			
Project personnel	25,050	61.6	12,473	80.9	(9,973)	82.7	12,296	39.4	1,541	39.2	6,363	58.3	18,407	63.9	66,156
Subcontracts	5,409	13.3	1,253	8.1	(955)	7.9	3,960	12.7	836	21.3	968	8.9	2,378	8.3	13,850
Fellowships and training	3,057	7.5	604	3.9	(292)	2.4	5,440	17.4	410	10.4	1,286	11.8	3,820	13.3	14,324
Equipment	5,345	13.1	833	5.4	(672)	5.6	8,306	26.6	1,049	26.7	1,819	16.7	3,120	10.8	19,800
Miscellaneous	<u>1,803</u>	4.4	<u>246</u>	1.6	<u>(171)</u>	1.4	<u>1,183</u>	3.8	<u>90</u>	2.3	<u>480</u>	4.4	<u>1,062</u>	3.7	<u>4,694</u>
<b>TOTAL</b>	<b>40,663</b>		<b>15,408</b>		<b>(12,063)</b>		<b>31,185</b>		<b>3,927</b>		<b>10,917</b>		<b>28,788</b>		<b>118,825</b>

a/ Includes figures related to country projects in African Arab States.

b/ Figures in parentheses in this column relate to country projects in African Arab States only and are deducted from the column "Total" since they are already included under "Africa".

Table 9: Technical support services at the programme level (TSS 1) in 1992 and 1993,  
by geographical area

	Number of activities under implementation		Work-months allotted		Work-months provided				Total work-months	
	1992	1993	1992	1993	Headquarters staff		International staff		1992	1993
					1992	1993	1992	1993		
Africa										
Country a	15	25	38.4	52.0	12.4	25.9	10.8	7.7		
Regional	<u>1</u>	<u>2</u>	<u>7.0</u>	<u>11.6</u>	<u>1.0</u>	<u>2.7</u>	<u>0.9</u>	<u>3.4</u>		
Subtotal	16	27	45.4	63.6	13.4	28.6	11.7	11.1	25.1	39.7
Arab States										
Country	2	4	2.1	1.8	2.1	1.5	0.0	0.0		
Regional	0	2	0.0	4.5	0.0	4.5	0.0	0.0		
Country (African Arab States) b/	0	(1)	0.0	(1.0)	0.0	(0.7)	0.0	0.0		
Subtotal	2	5	2.1	5.3	2.1	5.3	0.0	0.0	2.1	5.3
Asia and the Pacific										
Country	6	18	24.5	47.5	7.0	22.2	8.5	12.9		
Regional	<u>0</u>	<u>2</u>	<u>0.0</u>	<u>6.8</u>	<u>0.0</u>	<u>5.3</u>	<u>0.0</u>	<u>1.5</u>		
Subtotal	6	20	24.5	54.3	7.0	27.5	8.5	14.4	15.5	41.9
Europe + NIS										
Country	0	0	0.0	0.0	0.0	0.0	0.0	0.0		
Regional	<u>1</u>	<u>1</u>	<u>4.0</u>	<u>0.7</u>	<u>2.3</u>	<u>0.7</u>	<u>1.0</u>	<u>0.0</u>		
Subtotal	1	1	4.0	0.7	2.3	0.7	1.0	0.0	3.3	0.7
Latin America and the Caribbean										
Country	0	0	0.0	0.0	0.0	0.0	0.0	0.0		
Regional	<u>1</u>	<u>3</u>	<u>4.0</u>	<u>15.4</u>	<u>1.5</u>	<u>6.1</u>	<u>0.5</u>	<u>4.0</u>		
Subtotal	1	3	4.0	15.4	1.5	6.1	0.5	4.0	2.0	10.1
TOTAL	26	56	80.0	139.3	26.3	68.2	21.7	29.5	48.0	97.7

a/ Includes African Arab States.

b/ Figures deducted since already included under "Africa".

Table 10. Expenditure of regular and operational budgets in 1993,  
by programme and object of expenditure. a/

(In thousands of US dollars)

	Staff costs	Consultants	Expert group meetings	Other	Total
100 Policy-making Organs	94	0	0	1,110	1,204
210 Executive Direction and Management	3,236	125	4	168	3,533
<u>Programme and Project Development</u>					
310 Office of the Deputy Director-General	1,342	73	0	1,300	2,715
320 Special Measures and Activities	1,781	56	0	103	1,940
330 Area Programmes	9,290	23	0	610	9,923
340 Industrial Policy and Perspectives	5,846	319	21	227	6,413
350 Industrial Cooperation/Funds Mobilization	<u>2,627</u>	<u>3</u>	<u>0</u>	<u>51</u>	<u>2,681</u>
	20,886	474	21	2,291	23,672
<u>Industrial Promotion, Consultations and Technology</u>					
410 Office of the Deputy Director-General	505	0	0	418	923
420 Industrial Investment	4,089	114	0	87	4,290
430 System of Consultations	2,801	146	113	196	3,256
440 Technology Development and Promotion	<u>4,797</u>	<u>382</u>	<u>141</u>	<u>268</u>	<u>5,588</u>
	12,192	642	254	969	14,057
<u>Industrial Operations</u>					
510 Office of the Deputy Director-General	2,005	0	0	1,504	3,509
520 Industrial Operations Technology	9,180	97	68	116	9,461
530 Industrial Strategies and Policies	5,081	50	40	62	5,233
540 Industrial Operations Support	<u>7,023</u>	<u>0</u>	<u>0</u>	<u>73</u>	<u>7,096</u>
	23,289	147	108	1,755	25,299
620 Industrial Development Decade for Africa	1,316	1,099	487	532	3,434
<u>External Relations, Public Information, Language and Documentation Services</u>					
710 Office of the Deputy Director-General	638	0	0	517	1,155
720 External Relations	2,345	0	0	257	2,602
730 Languages and Documentation	6,632	0	0	227	6,859
740 Public Relations and Information	<u>1,054</u>	<u>0</u>	<u>0</u>	<u>136</u>	<u>1,190</u>
	10,669	0	0	1,137	11,806
<u>Administration</u>					
810 Office of the Deputy Director-General	764	0	0	3,018	3,782
820 Personnel Services	3,653	0	0	546	4,199
830 Financial Services	5,500	0	0	8	5,508
840 General Services	7,109	0	0	7,225	14,334
850 Management Information Services	<u>2,083</u>	<u>0</u>	<u>0</u>	<u>1,068</u>	<u>3,151</u>
	19,109	0	0	11,865	30,974
900 Miscellaneous income	0	0	0	(1,546)	(1,546)
<b>TOTAL</b>	<b>90,791</b>	<b>2,487</b>	<b>874</b>	<b>18,281</b>	<b>112,433</b>

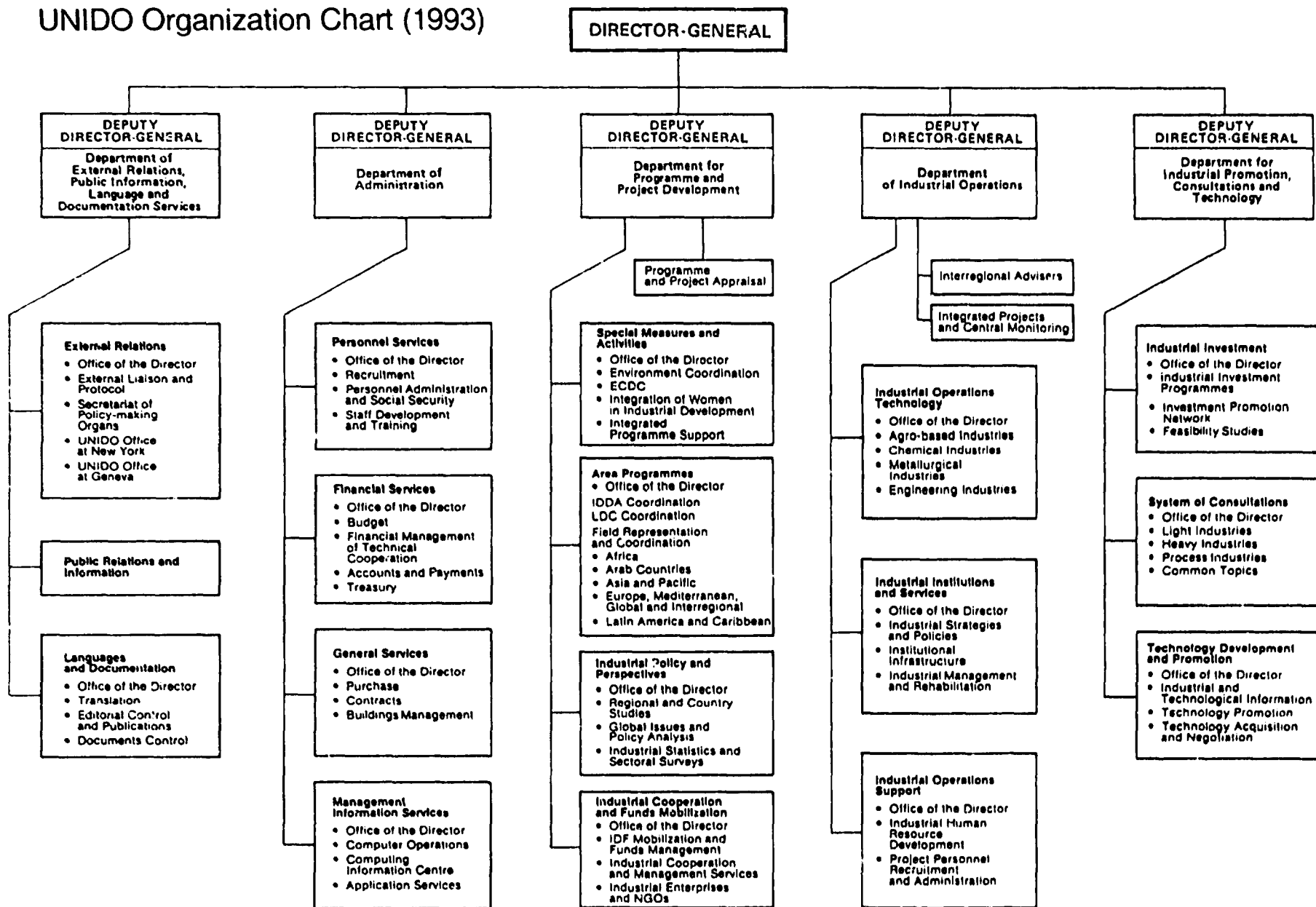
a/ Net of cost reimbursement income. Excludes Regular Programme of Technical Cooperation (programme 610).

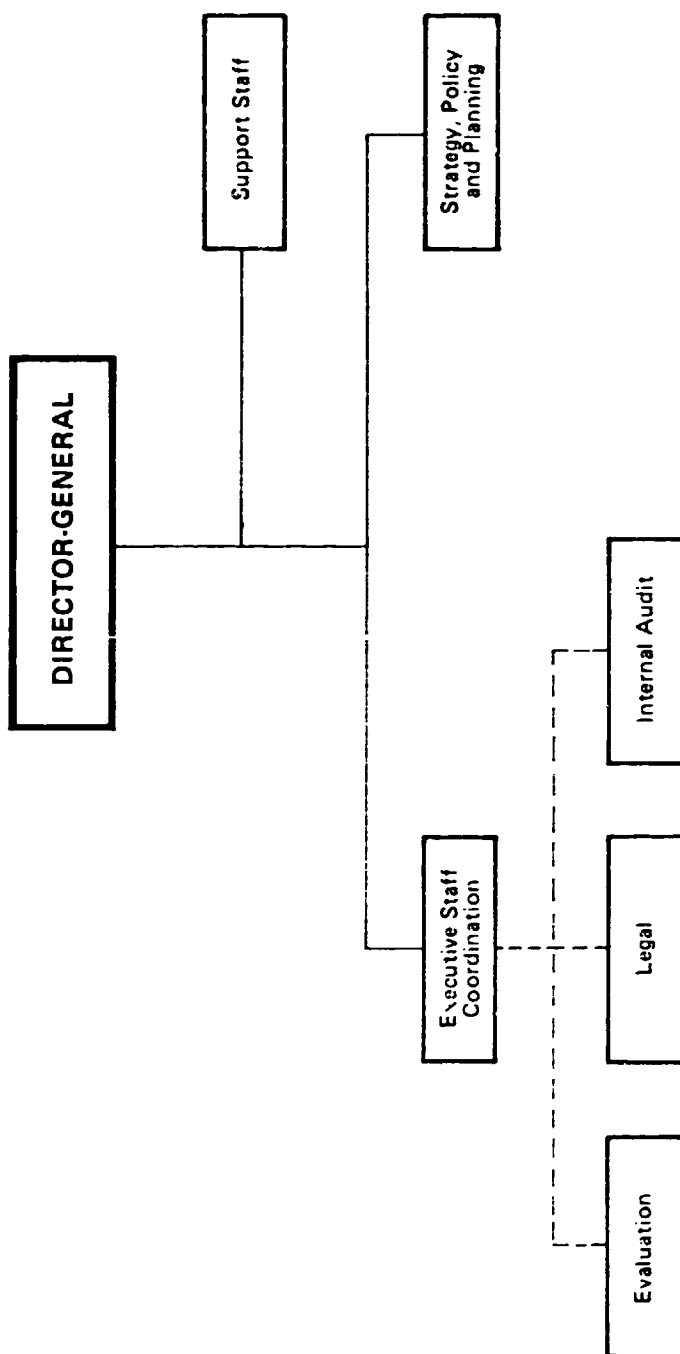
## APPENDICES

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## UNIDO Organization Chart (1993)







## APPENDIX B

EXPERT GROUP MEETINGS, SYMPOSIA, SEMINARS, WORKSHOPS, COURSES AND  
OTHER MEETINGS OF A NON-TRAINING CHARACTER HELD DURING 1993 <sup>a</sup>

Date		Place
<b>DEPARTMENT OF EXTERNAL RELATIONS, PUBLIC INFORMATION, LANGUAGE AND DOCUMENTATION SERVICES</b>		
22 January	Industrial Development Board, fifth special session	Vienna Austria
29 March	Industrial Development Board, resumed tenth session	Vienna Austria
30 March	General Conference, first special session	Vienna Austria
26-30 April	Programme and Budget Committee, ninth session	Vienna Austria
28 June	Programme and Budget Committee, resumed ninth session	Vienna Austria
28 June - 2 July	Industrial Development Board, eleventh session	Vienna Austria
28-29 October	Industrial Development Board, resumed eleventh session	Vienna Austria
22 November	Programme and Budget Committee, first additional session	Vienna Austria
22 November	Industrial Development Board, resumed eleventh session	Vienna Austria
6-10 December	General Conference, fifth session	Yaoundé Cameroon
<b>DEPARTMENT FOR PROGRAMME AND PROJECT DEVELOPMENT</b>		
<u>Special Measures and Activities Division</u>		
28-29 March	Seminar on cleaner production in the cement industry	Cairo Egypt
29 March - 1 April	Workshop on women's participation in industrial policy and decision-making in Asia and the Pacific	Kathmandu Nepal
11-17 July	Expert group meeting on industrial utilization of medicinal plants	Panajachel Guatemala
11-18 October	Expert group meeting on cooperation among selected developing countries in research and development of mineral resources	Hyderabad India
1-5 November	Workshop for the development of cooperation and technological exchanges in direct reduction process of iron ore between selected Arab countries	Cairo Egypt
15-18 November	Meeting on cooperation in patents, licensing and know-how of the petrochemical industries between selected developing countries from the Middle East and North Africa	Manama Bahrain
13-18 December	Workshop on mineral processing of lead and zinc sulphide ores for selected developing countries	Guangzhou China

<sup>a</sup> Includes meetings sponsored jointly with other organizations.

Date		Place
<u>Area Programmes Division</u>		
26-30 April	Regional workshop on identification, design, appraisal and evaluation of projects for French-speaking least developed countries	Niamey Niger
3-7 May	Subregional follow-up meeting on the promotion of industrial cooperation in West Africa within the framework of the Industrial Development Decade for Africa	Abidjan Côte d'Ivoire
24-29 May	Meeting of the Intergovernmental Committee of Experts of the Whole on Industrialization in Africa	Port Louis Mauritius
31 May - 3 June	Eleventh meeting of the Conference of African Ministers of Industry	Port Louis Mauritius
14-18 June	First subregional follow-up meeting on implementation of the subregional programme for the Second IDDA, for West Africa	Abidjan Côte d'Ivoire
21-24 September	Workshop on privatization policy, strategy and practice in the context of least developed countries in Africa	Dar-es-Salaam United Republic of Tanzania
4-8 October	First subregional follow-up meeting on the implementation of the subregional programme for the Second IDDA, for Central Africa	Libreville Gabon
6-8 October	Regional consultation and coordination meeting on Latin America and Caribbean industrial development in the 1990s	Caracas Venezuela
1-5 November	First subregional follow-up meeting on the implementation of the subregional programme for the Second IDDA, for North Africa	Tunis Tunisia
3-10 December	Second ministerial symposium on the industrialization of the least developed countries	Yaoundé Cameroon
16-19 December	First subregional follow-up meeting on the implementation of the subregional programme for the Second IDDA, for Eastern and Southern Africa	Addis Ababa Ethiopia
<u>Industrial Policy and Perspectives Division</u>		
25-27 January	Workshop on industrial management and training	Dar-es-Salaam United Republic of Tanzania
<b>DEPARTMENT OF INDUSTRIAL OPERATIONS</b>		
<u>Industrial Operations Technology Division</u>		
12-15 January	Workshop on pharmacological techniques for study of natural products	Eskisehir Turkey
15-17 April	International conference on the effects of war on the environment	Zagreb Croatia
24-28 May	Workshop on restructuring and application of management techniques at steel enterprise level in transition towards market economy conditions	Moscow Russian Federation
24-28 May	Seminar on foundry production and ecology	Minsk Belarus
31 May - 4 June	Second workshop on safety in chemical production	Yokohama Japan
8-10 June	Expert group meeting on type approval procedures for new vehicles	Jakarta Indonesia

Date		Place
28 June - 2 July	Promotional seminar on Akwai spare parts and hand tools products	Addis Ababa Ethiopia
12-17 July	Expert group meeting on the application of solar energy for electricity generation for domestic and commercial use	Denpasar Indonesia
26-29 July	Workshop on computer applications in the textile and apparel industry	Rio de Janeiro Brazil
20-25 September	Workshop on pesticide application technology	Serdang Selangor Malaysia
27-30 September	Expert group meeting on the design, development, repair and maintenance of instrumentation	Mexico City Mexico
11-22 October	Workshop on the scaling-up processes for the production of recombinant proteins	Cuernavaca Mexico
11-22 October	Workshop on maintenance and plant inspection in petroleum refineries	Vienna Austria
1-4 November	Workshop on regional production and commercialization of antibiotics by fermentation	Havana Cuba
1-5 November	Expert group meeting on industrial utilization of medicinal and aromatic plants	Abuja Nigeria
9-12 November	Regional workshop on production, quality and application development of artificial limbs	Fuzhou China
15-17 November	Joint UNIDO/ESCWA expert group meeting on automation and microprocessor controls	Amman Jordan
13-20 December	Regional workshop on advanced materials for Latin American and Caribbean countries	Córdoba Argentina
<u>Industrial Institutions and Services Division</u>		
1-5 February	Fourth session of the Regional Coordinating Committee for the Development of Subcontracting in Latin America	Sao Paulo Brazil
22-27 February	Privatization workshop	Tashkent Uzbekistan
16-17 June	Third meeting of the Steering Committee of the Arab Subcontracting Network	Algiers Algeria
5-7 July	Expert group meeting on chambers of commerce and industry	Vienna Austria
23-25 August	Expert group meeting on small and medium industries	Vienna Austria
20-24 September	Regional seminar on industrial consultancy and engineering	Arusha United Republic of Tanzania
12-14 October	International forum on privatization and investment in Central and East European countries	Prague Czech Republic
29-30 November	Meeting on industrial restructuring and complementarity among the member countries of the Arab Maghreb Union - the case of the textile industries	Tunis Tunisia
13-17 December	Expert group meeting on cost accounting and adoption of a manual on cost accounting for industrial enterprises in Africa	Yaoundé Cameroon

Date	DEPARTMENT FOR INDUSTRIAL PROMOTION, CONSULTATIONS AND TECHNOLOGY	Place
	<u>System of Consultations Division</u>	
18-19 January	Second meeting of the South-East Asia Iron and Steel Institute Environmental Working Committee on the Iron and Steel Industry	Pohang Republic of Korea
10-11 February	Regional preparatory meeting for the first Consultation on the construction industry	Damascus Syrian Arab Republic
23-25 February	Global preparatory meeting for the Consultation on downstream petrochemical industries in the developing countries	Vadodara India
3-7 May	First Consultation on the Construction Industry	Tunis Tunisia
8-11 June	Expert group meeting on fisheries industries in the Western Indian Ocean islands	Antananarivo Madagascar
15-18 June	Regional meeting on minimization and reuse of iron and steel waste	Puerto Ordaz Venezuela
5-8 July	Regional Consultation on the industrial Utilization of Medicinal and Aromatic Plants in Asia and the Pacific	Vienna Austria
26-28 July	Expert group meeting on industrial restructuring with special focus on small- and medium-scale industries in Central America and Belize	Tegucigalpa Honduras
6-7 September	Workshop on dust and slag treatment	Kuala Lumpur Malaysia
21-24 September	Workshop on privatization policy, strategy and practice in the context of the least developed countries in Africa	Dar-es-Salaam United Republic of Tanzania
5-8 October	Regional Consultation on Animal Feed and Related Industries in Africa	Vienna Austria
25-28 October	Meeting of Joint UNIDO/ILAFSA Committee on Environmental Issues in the Iron and Steel Industry	Buenos Aires Argentina
28-29 October	International conference on processing of sea products	Moscow Russian Federation
7-11 November	Consultation on Downstream Petrochemical Industries in Developing Countries	Teheran Islamic Republic of Iran
17-19 November	Workshop on maintenance management in the industrial sector	Kampala Uganda
29 November - 3 December	Eleventh session of the Leather and Leather Products Industry Panel	Nairobi Kenya
6-10 December	Expert group meeting on software technology and cooperative initiatives in Latin America	Curitiba Brazil
7-10 December	Workshop on measures to improve the competitiveness of the sugar-cane processing industry in Africa	Port Louis Mauritius
9-11 December	Workshop on new packaging technologies	Campinas Brazil
13-16 December	Workshop on the impact of structural adjustment policies on the small-scale enterprise sector in English-speaking African countries	Nairobi Kenya

Date		Place
13-16 December	Workshop to minimize air pollution in the iron and steel industry	Buenos Aires Argentina
<u>Technology Development and Promotion Division</u>		
26-28 January	Seminar on achieving competitive quality through standardization and implementing quality system	Jakarta Indonesia
1 February - 2 March	Seminars on leather product and footwear manufacturing (Addis Ababa, Ethiopia; Nairobi, Kenya; Khartoum, Sudan; Lusaka, Zambia; Bulawayo, Zimbabwe)	Africa
3-5 March	Expert group meeting on financing of technology in Latin America	Lima Peru
3-4 June	Meeting of experts on guidelines for the development, negotiation and contracting of build-operate-transfer (BOT) projects	Vienna Austria
21-23 June	Workshop on technological integration of the telecommunications industry in Latin America and the Caribbean	Caracas Venezuela
23-25 June	Meeting of the Joint UNIDO-LES Committee on the Manual on Technology Transfer Negotiations	Vienna Austria
1-3 September	High-level experts meeting on technology management	Vienna Austria
22-26 September	Workshop for Asia and Pacific region representatives from the telecommunications software and equipment industries	Beijing China
23-25 September	Fifth African TIES meeting	Rabat Morocco
27-30 September	Workshop on marine industrial technology for the development of non-living marine resources	Madras India
28-30 September	Seminar on promotion and needs assessment on standardization and quality control	Manila Philippines
11-14 October	Experts meeting on technology transfer trends	Vienna Austria
18-19 October	Expert group meeting on science and technology centres of excellence	Vienna Austria
20 October	Meeting on policy issues in the promotion, transfer and commercialization of biotechnology	Vienna Austria
22-23 October	Biosafety workshop for executives in the ASEAN countries	Vienna Austria
26-28 October	International seminar on new technologies and telecommunication services	Foz do Iguacu Brazil
27-29 October	Consultation with experts on the current developments and trends in biodiversity prospecting	Vienna Austria
14-23 November	TECHMARÍ India '93	New Delhi India
16-19 November	Subregional workshop on new materials and their impact on the economy of the ECOWAS subregion	Abuja Nigeria
16-20 November	Conference on marine biotechnology in the Asian Pacific region	Bangkok Thailand
22-24 November	Meeting of the Consultative Group on Informatics Technology for Development	Vienna Austria
7-10 December	Second meeting of experts of guidelines for build-operate-transfer (BOT) arrangements	Vienna Austria

Date		Place
13-15 December	Second meeting of the Joint UNIDO-LES Committee on the Manual on Technology Transfer Negotiations	Vienna Austria
13-16 December	African regional symposium on food fermentation technology	Dakar Senegal
13-16 December	Expert group meeting on ocean energy	Jakarta Indonesia
13-17 December	Regional workshop on industrial software applications for small- and medium-sized enterprises	Dakar Senegal
20-22 December	Expert group meeting on the benefits of high technology spin-offs for developing countries	Vienna Austria
<u>Industrial Investment Division</u>		
1-27 March	Seminar on MEPS in the garment sector	Kingston Jamaica
15-17 March	Conference on pollution control and abatement enterprises	Budapest Hungary
26 April - 1 June	Workshops on financial analysis, negotiation techniques, acquisition and transfer of technology (conducted in Hanoi, Da Nang and Ho Chi Minh City)	Viet Nam
7-9 May	Industrial cooperation meeting on environmental technology between selected Asian countries and Germany	Wildbad Kreuth Germany
11-15 May	Environmental technology meetings for selected Asian countries (during IFAI 93)	Munich
28-29 June 17, 20 August	National investment promotion seminars (convened in Moshi, Mwanza and Bukoba)	United Republic of Tanzania
2-6 August	UNIDO/PTA seminar on technical cooperation and mobilization of investment resources for the cement industry	Kigali Rwanda
17-20 August	Workshop on joint venture negotiation and technology transfer	Nairobi Kenya
20-23 September	Workshop for dissemination of opportunity studies for small- and medium-scale agro-industries in the Mekong area	Ubonrathani Thailand
12-14 October	Yingkou international investment and business forum	Yingkou China
25-28 October	Workshop on negotiating joint venture agreements	Kingston Jamaica
1-3 November	Workshop on country and investment project promotion in the Arab countries	Dubai United Arab Emirates
8-10 November	Multisectoral investment promotion meeting	Buenos Aires Argentina
8-18 November	Workshop on financial analysis and project screening	Male Maldives
15-17 November	Jamaica investment promotion meeting	Kingston Jamaica

## APPENDIX C

TECHNICAL COOPERATION - REGULAR BUDGET ALLOCATIONS AND  
DELIVERIES FOR THE BIENNIUM 1992-1993

(In thousands of US dollars)

Component	Allocation for the biennium a/ 1992-1993	Deliveries		
		1992	1993	1992-1993
Cooperation among developing countries	1,021.9	419.7	733.5	1,153.2
Seed money for medium-term plan priorities b/	-	-	513.0	513.0
Consultations with Governments	242.2	40.2	49.3	89.5
Special needs of the least developed countries	<u>2,414.7</u>	<u>372.1</u>	<u>1,508.5</u>	<u>1,880.6</u>
Subtotal	3,678.8	832.0	2,804.3	3,636.3
Industrial Development Decade for Africa	4,580.1	578.6	4,013.7	4,562.3
Special programmes for:				
Arab Countries	181.7	32.8	24.5	57.3
Asia and the Pacific	181.7	139.1	(0.3)	138.8
Latin America and the Caribbean	<u>181.7</u>	<u>28.2</u>	<u>30.3</u>	<u>58.5</u>
Subtotal	545.1	200.1	54.5	254.6
Training:				
Individual fellowships	764.5	173.7	233.0	406.7
Group training	1,945.4	571.5	1,893.3	2,464.8
Establishment and strengthening of training facilities in developing countries	<u>635.9</u>	<u>136.4</u>	<u>672.6</u>	<u>809.0</u>
Subtotal	3,345.8	881.6	2,798.9	3,680.5
TOTAL	12,149.8	2,462.3	9,671.5	12,133.8

a/ Amount of the allocation was adjusted at the biennial average rate of exchange of US\$1 = AS 11.26 in accordance with Annex II.B of the Constitution.

b/ In view of the reorientation of the Regular Programme of Technical Cooperation planned for the 1994-1995 biennium, resources were reallocated to include a new category, Seed money for medium-term plan priorities, to be used primarily for preparatory activities and preparatory assistance projects.

## APPENDIX D

GEOGRAPHICAL DISTRIBUTION OF EXPERTS  
(Listed in descending order)

Table 1

Country/area/ territory	Number of appointments	Country/area/ territory	Number of appointments
United Kingdom	220	Mozambique	7
France	216	Nicaragua	7
Poland	168	Uganda	7
United States of America	148	Bangladesh	6
India	118	New Zealand	6
Hungary	80	Romania	6
Germany	74	Tunisia	6
Japan	73	Uruguay	6
Italy	72	Yugoslavia	6
Netherlands	56	Bulgaria	5
Austria	52	Haiti	5
Canada	52	Nepal	5
Denmark	50	Republic of Korea	5
Kenya	43	Turkey	5
Argentina	39	Cyprus	4
Australia	33	Honduras	4
Finland	30	Sudan	4
Senegal	28	Syrian Arab Republic	4
Brazil	27	Zimbabwe	4
Croatia	27	Benin	3
Russian Federation	27	Côte d'Ivoire	3
Czech Republic	25	Gambia	3
Belgium	24	Indonesia	3
China	24	Jordan	3
Philippines	24	Malaysia	3
Mexico	23	Bhutan	2
Sweden	22	Burundi	2
Bolivia	21	Chad	2
Spain	21	Congo	2
Cameroon	20	Democratic People's Republic of Korea	2
Egypt	19	Equatorial Guinea	2
Peru	17	Gabon	2
Nigeria	16	Guatemala	2
Norway	16	Iran (Islamic Republic of)	2
Chile	15	Malawi	2
Colombia	15	Slovenia	2
Sri Lanka	15	South Africa	2
Viet Nam	15	Togo	2
Zambia	15	Trinidad and Tobago	2
Algeria	14	Uzbekistan	2
Burkina Faso	14	Zaire	2
Ethiopia	14	Antigua and Barbuda	1
Morocco	14	Azerbaijan	1
Slovakia	13	Bosnia and Herzegovina	1
Switzerland	13	Comoros	1
Madagascar	12	El Salvador	1
Thailand	12	Guinea-Bissau	1
United Republic of Tanzania	12	Guyana	1
Cuba	10	Hong Kong	1
Ghana	10	Iraq	1
Niger	10	Israel	1
Venezuela	10	Lebanon	1
Cape Verde	9	Lesotho	1
Ireland	9	Luxembourg	1
Pakistan	9	Mauritania	1
Belarus	8	Mauritius	1
Jamaica	8	Panama	1
Mali	8	Saudi Arabia	1
Portugal	8	Sierra Leone	1
Costa Rica	7		
Ecuador	7		
Guinea	7		
		Total (121 countries)	2,388



Table 2

Cumulative list of appointments of experts, 1986-1993

Country/area/ territory	Number of appointments	Country/area/ territory	Number of appointments
United Kingdom	1,701	Nepal	51
Poland	1,642	Pakistan	51
France	1,503	Togo	50
United States of America	1,183	Morocco	48
Germany	840	Nicaragua	48
India	792	Tunisia	47
Hungary	733	Guinea	46
Italy	666	Uganda	46
Austria	447	New Zealand	45
Belgium	332	Bangladesh	42
Czech Republic	331	Malaysia	41
Netherlands	319	Madagascar	40
Canada	300	Sudan	40
Japan	286	Croatia	37
Denmark	256	Ethiopia	37
Brazil	252	Indonesia	37
Peru	248	Burkina Faso	34
Russian Federation	245	Ghana	33
Argentina	223	Israel	33
Yugoslavia	219	United Republic of Tanzania	33
Philippines	208	Uruguay	33
Egypt	206	Viet Nam	32
Spain	197	Jordan	30
Mexico	195	Niger	30
Sweden	190	Sierra Leone	30
Romania	174	Zaire	30
Australia	173	Zimbabwe	30
Colombia	158	Guatemala	29
Finland	150	Iran (Islamic Republic of)	29
Chile	136	Jamaica	26
Venezuela	127	Guyana	25
Cameroon	120	Somalia	25
Ireland	120	Haiti	24
Nigeria	115	Malawi	24
Norway	111	Cuba	23
Portugal	108	Iraq	23
Kenya	104	Honduras	21
Sri Lanka	91	Mozambique	19
Ecuador	90	Rwanda	18
Algeria	89	Syrian Arab Republic	18
Switzerland	88	Mali	17
Senegal	84	El Salvador	16
China	79	Lebanon	16
Republic of Korea	79	Slovakia	13
Bulgaria	77	Benin	12
Bolivia	76	Cape Verde	12
Turkey	70	Botswana	11
Zambia	65	Mauritius	11
Costa Rica	61	Paraguay	10
Côte d'Ivoire	55	Trinidad and Tobago	10
Thailand	55	Belarus	9

Table 2 (continued)

Country/area/ territory	Number of appointments	Country/area/ territory	Number of appointments
Cyprus	9	Libyan Arab Jamahiriya	3
Greece	9	Luxembourg	3
Sao Tome and Principe	9	Slovenia	3
Democratic People's Republic of Korea	7	Yemen	3
Fiji	7	Antigua and Barbuda	2
Afghanistan	6	Armenia	2
Burundi	6	Cambodia	2
Panama	6	Comoros	2
Saudi Arabia	6	Equatorial Guinea	2
Stateless	6	Liberia	2
Angola	5	Myanmar	2
Chad	5	Namibia	2
Congo	5	Papua New Guinea	2
Mauritania	5	Solomon Islands	2
Singapore	5	South Africa	2
Djibouti	4	Uzbekistan	2
Lesotho	4	Azerbaijan	1
Palestine	4	Central African Republic	1
Swaziland	4	Guinea-Bissau	1
Barbados	3	Hong Kong	1
Bhutan	3	Iceland	1
Bosnia and Herzegovina	3	Lithuania	1
Dominican Republic	3	Montserrat	1
Gabon	3	Tonga	1
Gambia	3	Total (152 countries)	17,838

## APPENDIX E

## MAJOR PUBLICATIONS ISSUED IN 1993

A. Major studies, reports and series publications

SYMBOL	TITLE	LANGUAGE
ID/SER.M/32 a/	Industry and development No. 32	E
ID/SER.M/33 a/	Industry and development No. 33	E
ID/SER.O/13 a/	Issues in the commercialization of biotechnology	E
ID/SER.O/14 a/	Software industry. Current trends and implications for developing countries	E
ID/372 a/	Manual for the preparation of industrial feasibility studies	A
ID/381(SPEC.)	Directory of intergovernmental organizations	E
ID/384/Rev.1(SPEC.)	Industry in the least developed countries. Structure and development	E F
ID/385 (ID/WG.526/7)	Regional Consultation on the Restructuring of the Capital Goods Industry in Latin America and the Caribbean. Caracas, Venezuela, 9-12 November 1992. Report	E F S
ID/386	Sales publications and software of UNIDO 1993	E
ID/388 a/	Industry and development. Global report 1993/94	E F
ID/389 (ID/WG.528/9)	First Consultation on the Construction Industry. Tunis, Tunisia, 3-7 May 1993. Report	E
ID/390 (ID/WG.530/3)	Regional Consultation on the Industrial Utilization of Medicinal and Aromatic Plants in Asia and the Pacific. Vienna, Austria, 5-8 July 1993. Report	E F

a/ Sales publication.

B. Co-publications\*

TITLE (ISBN NUMBER)	PUBLISHER/DISTRIBUTOR	LANGUAGE
Getting the Right Fit: A Study on the World's Leather and Leather Products Industry (0-95221-390-7)	Shoe Trades Publishing Ltd., UK	E
Hungary: Progressing Towards A Market Economy (0-631-18525-9)	Basil Blackwell Ltd., UK	E
Indonesia: Industrial Growth and Diversification (0-85058-746-8)	Economist Intelligence Unit, UK	E
Mexico: The Promise of NAFTA (0-85058-783-2)	Economist Intelligence Unit, UK	E

\* These publications can only be ordered from the publisher, not from UNIDO.

Table I

## Delivery, by country and source of funds a/

(In US dollars)

Region/country	Regular budget	UNDP/IPF b/	SIS	Trust funds	IDF c/	Other sources d/	Total
<b>Africa</b>							
Benin	42,048	312,649	0	0	0	0	354,697
Botswana	5,443	0	0	748	(2,671)	0	3,520
Burkina Faso	216,578	700,188	0	0	0	0	916,766
Burundi	29,114	76,923	0	0	0	0	106,037
Cape Verde	236,994	211,781	0	0	0	0	448,775
Central African Republic	0	0	0	0	0	14,159	14,159
Chad	0	7,572	0	(2,137)	0	11,097	16,532
Comoros	0	0	0	0	0	63,931	63,931
Equatorial Guinea	28,678	17,750	0	0	0	0	46,428
Ethiopia	122,997	986,783	2,748	0	324,417	0	1,436,945
Gambia	77,002	(1,696)	0	0	0	0	75,306
Guinea	66,247	875,154	0	0	0	0	941,401
Guinea-Bissau	0	417,142	0	41,334	0	0	458,476
Lesotho	0	46,233	0	(4,197)	0	0	42,036
Liberia	0	0	0	0	0	0	0
Madagascar	271,984	927,277	155,261	89,502	79,642	59,100	1,582,766
Malawi	17,391	181,189	0	71,712	73,243	162,437	505,972
Mali	4,683	61,205	60,654	0	5,200	304,310	436,052
Mauritania	71,819	237,395	0	0	233	8,259	317,706
Mozambique	157,805	630,650	(500)	(4,916)	206,236	0	989,275
Niger	19,011	526,616	45,420	0	693	2,031	593,771
Rwanda	87,775	22,820	0	0	(536)	0	110,059
Sao Tome and Principe	0	16,715	57,898	0	0	0	74,613
Sierra Leone	64,707	50,829	74,408	0	0	0	189,944
Togo	0	620,180	22,826	67,289	0	8,625	718,920
Uganda	22,391	1,168,772	0	0	65,558	46,659	1,303,380
United Republic of Tanzania	23,478	1,611,867	0	30,092	292,046	49,080	2,006,563
Zaire	0	652,606	1,100	0	0	(17,930)	635,776
Zambia	(525)	7,656	0	147,431	117,683	409,663	681,908
<b>Subtotal</b>	<b>1,565,620</b>	<b>10,366,256</b>	<b>419,815</b>	<b>436,858</b>	<b>1,161,744</b>	<b>1,121,421</b>	<b>15,071,714</b>
<b>Latin America and the Caribbean</b>							
Haiti	0	208,734	0	0	0	0	208,734

Table 1. (continued)

Region/country	Regular budget	UNDP/IPF b/	SIS	Trust funds	IDF c/	Other sources d/	Total
<b>Arab States</b>							
Djibouti	45,802	4,296	0	0	0	0	50,098
Somalia	0	69,972	0	0	0	0	69,972
Sudan	72,650	119,188	53,852	205,939	65,904	0	517,533
Yemen	0	<u>149,807</u>	0	<u>(1,749)</u>	0	0	<u>148,058</u>
Subtotal	118,452	343,263	53,852	204,190	65,904	0	785,661
<b>Asia and the Pacific</b>							
Afghanistan	0	(12,529)	0	0	0	9,107	(3,422)
Bangladesh	877	730,922	0	0	(156)	0	731,643
Bhutan	0	172,624	52,380	0	0	(1,726)	223,278
Cambodia	0	0	0	0	0	15,257	15,257
Kiribati	0	(6,975)	0	0	0	0	(6,975)
Lao People's Democratic Republic	0	0	0	0	0	0	0
Maldives	35,400	0	13,438	0	0	0	48,838
Myanmar	0	360,736	0	0	0	0	360,736
Nepal	33,035	996,225	0	0	0	162,545	1,191,805
Samoa	0	0	0	0	0	0	0
Solomon Islands	0	275,873	0	0	0	0	275,873
Tuvalu	0	(15,652)	0	0	0	0	(15,652)
Vanuatu	99	<u>36,859</u>	0	0	0	0	<u>36,958</u>
Subtotal	69,411	2,538,083	65,818	0	(156)	185,183	2,858,339
<b>Regional, interregional and global projects especially designed for LDCs</b>							
	799,030	0	0	0	291,079	0	1,090,109
<b>TOTAL</b>	<b>2,552,513</b>	<b>13,456,336</b>	<b>539,485</b>	<b>641,048</b>	<b>1,518,571</b>	<b>1,306,604</b>	<b>20,014,557</b>

a/ The table does not include regional, interregional and global projects or individual fellowships and group training programmes in which LDCs have been involved together with other developing countries; such activities are usually financed from non-least developed countries funds.

b/ Includes UNDP special measures.

c/ Excluding 13 per cent overhead costs.

d/ Includes projects executed by other agencies for which UNIDO is the associated or cooperating agency.

TABLE 2

## New project approvals, by country and source of funds a/

(In US dollars)

Region/country	Regular budget	UNDP/IPF b/	SIS	Trust funds	IDF c/	Other sources d/	Total
<b>Africa</b>							
Benin	48,000	0	49,812	0	0	0	97,812
Botswana	0	0	0	0	0	0	0
Burkina Faso	0	0	0	0	0	0	0
Burundi	25,400	0	0	0	0	0	25,400
Cape Verde	243,547	0	15,000	0	0	0	258,547
Central African Republic	0	0	0	0	0	20,760	20,760
Chad	0	0	0	0	0	16,000	16,000
Comoros	0	0	0	0	0	0	0
Equatorial Guinea	0	0	0	0	0	0	0
Ethiopia	72,170	0	0	0	393,982	0	466,152
Gambia	0	0	0	0	0	0	0
Guinea	0	0	0	0	0	0	0
Guinea-Bissau	0	0	0	0	0	624	624
Lesotho	0	0	0	0	0	0	0
Liberia	0	0	0	0	0	0	0
Madagascar	295,773	238,500	258,500	0	0	61,600	854,373
Malawi	18,000	0	0	0	0	600,133	618,133
Mali	105	0	126,000	0	0	1,255,970	1,382,075
Mauritania	84,200	0	0	0	0	11,850	96,050
Mozambique	21,318	0	0	0	0	0	21,318
Niger	0	0	82,500	0	0	0	82,500
Rwanda	99,367	0	0	0	0	0	99,367
Sao Tome and Principe	0	0	67,000	0	0	0	67,000
Sierra Leone	54,644	0	87,700	0	0	0	142,344
Togo	0	0	0	0	0	9,746	9,746
Uganda	26,112	0	0	0	0	109,175	135,287
United Republic of Tanzania	18,000	0	49,850	0	0	73,100	140,950
Zaire	0	0	0	0	0	0	0
Zambia	0	0	0	129,334	0	490,000	619,334
<b>Subtotal</b>	<b>1,006,636</b>	<b>238,500</b>	<b>736,362</b>	<b>129,334</b>	<b>393,982</b>	<b>2,648,958</b>	<b>5,153,772</b>
<b>Latin America and the Caribbean</b>							
Haiti	0	0	0	0	0	0	0

Table 2 (continued)

Region/country	Regular budget	UNDP/IPF b/	SIS	Trust funds	IDF c/	Other sources d/	Total
<b>Arab States</b>							
Djibouti	0	0	0	0	0	0	0
Somalia	0	0	0	0	0	0	0
Sudan	85,711	250,000	0	620,000	0	0	955,711
Yemen	0	0	0	0	0	0	0
Subtotal	85,711	250,000	0	620,000	0	0	955,711
<b>Asia and the Pacific</b>							
Afghanistan	0	0	0	0	0	12,600	12,600
Bangladesh	0	0	0	0	0	0	0
Bhutan	0	0	38,000	0	0	0	38,000
Cambodia	0	0	26,000	0	0	15,257	41,257
Kiribati	0	0	0	0	0	0	0
Lao People's Democratic Republic	0	0	0	0	0	0	0
Maldives	12,200	0	15,000	0	0	0	27,200
Myanmar	0	0	0	0	0	0	0
Nepal	20,000	0	26,000	0	591,000	829,000	1,466,000
Samoa	0	0	0	0	0	0	0
Solomon Islands	0	0	0	0	0	0	0
Tuvalu	0	0	0	0	0	0	0
Vanuatu	0	0	0	0	0	0	0
Subtotal	32,200	0	105,000	0	591,000	856,857	1,585,057
Regional, interregional and global projects especially designed for LDCs	727,745	0	0	0	0	0	727,745
<b>TOTAL</b>	<b>1,852,292</b>	<b>488,500</b>	<b>841,362</b>	<b>749,334</b>	<b>984,982</b>	<b>3,505,815</b>	<b>8,422,285</b>

a/ The table does not include regional, interregional and global projects or individual fellowships and group training programmes in which LDCs have been involved together with other developing countries; such activities are usually financed from non-least developed countries funds.

b/ Includes UNDP special measures.

c/ Excluding 13 per cent overhead costs.

d/ Includes projects executed by other agencies for which UNIDO is the associated or cooperating agency.

Table 3

Total project approvals (new projects, plus additional allocations to ongoing projects, minus cancellations), by country and source of funds, a/  
(In US dollars)

Region/country	Regular budget	UNDP/IPF b/	SIS	Trust funds	IDF c/	Other sources d/	Total
Africa							
Benin	48,000	(8,008)	49,812	0	0	(491)	29,313
Botswana	948	0	0	(4,994)	(12,412)	0	(16,458)
Burkina Faso	(21,911)	257,113	0	0	0	0	235,202
Burundi	(12,645)	(2,532)	0	0	0	0	(15,177)
Cape Verde	231,645	(43,112)	15,000	0	0	0	203,533
Central African Republic	0	0	0	0	0	20,760	20,760
Chad	0	207,821	0	32,704	0	(1,945)	238,580
Comoros	0	0	0	0	0	0	0
Equatorial Guinea	(2,559)	0	0	0	0	0	(2,559)
Ethiopia	47,346	346,269	(11,472)	0	393,982	(4,652)	771,476
Gambia	(85,855)	(15,900)	(200)	0	0	0	(101,955)
Guinea	(23,440)	(20,131)	0	0	0	0	(43,571)
Guinea Bissau	0	93,281	0	0	0	(1,331)	91,950
Lesotho	0	(18,517)	0	374	0	0	(18,143)
Liberia	0	0	0	0	0	0	0
Madagascar	295,773	128,501	258,500	0	7,500	61,600	751,874
Malawi	18,000	23,045	0	29,019	0	222,535	292,599
Mali	105	(24,320)	126,000	0	0	1,228,703	1,330,488
Mauritania	84,200	(123,040)	0	0	0	(71,650)	(110,490)
Mozambique	31,318	171,321	0	7,290	0	0	209,929
Niger	(30,000)	37,460	82,500	0	(1,565)	(38,734)	49,661
Rwanda	99,367	(13,326)	0	(2,170)	(228)	0	83,643
Sao Tome and Principe	0	(796)	67,000	0	0	0	66,204
Sierra Leone	51,988	(121,025)	87,700	0	0	0	18,663
Togo	(220,000)	(1,172,036)	0	91,351	0	9,746	(1,290,939)
Uganda	14,441	576,192	0	95,899	(5,504)	109,175	790,203
United Republic of Tanzania	12,379	354,494	49,850	8,111	0	67,059	491,893
Zaire	0	(90,982)	(11,895)	0	0	0	(102,877)
Zambia	0	26,050	0	129,334	3,777	485,180	644,341
Subtotal	539,103	567,822	712,795	386,918	385,550	2,085,955	4,678,143
Latin America and the Caribbean	0	58,231	0	0	0	0	58,231
Haiti							



Table 3 (continued)

Region/country	Regular budget	UNDP/IPF b/	SIS	Trust funds	IDF c/	Other sources d/	Total
<b>Arab States</b>							
Djibouti	(25,455)	(18,717)	0	0	0	0	(44,172)
Somalia	0	0	0	0	0	0	0
Sudan	85,661	250,000	0	944,728	0	0	1,280,389
Yemen	0	<u>85,671</u>	0	<u>9,821</u>	0	0	<u>95,492</u>
Subtotal	60,206	316,954	0	954,549	0	0	1,331,709
<b>Asia and the Pacific</b>							
Afghanistan	0	(936,687)	0	0	0	12,600	(924,087)
Bangladesh	(2,294)	170,619	0	1,750	(7,625)	(16,200)	146,250
Bhutan	0	0	30,422	0	0	0	30,422
Cambodia	0	0	26,000	0	0	(3,243)	22,757
Kiribati	0	(69,526)	0	0	0	0	(69,526)
Lao People's Democratic Republic	0	0	0	0	0	0	0
Maldives	12,200	0	15,000	0	0	0	27,200
Myanmar	0	23,817	0	(6,054)	0	(31,084)	(13,321)
Nepal	13,771	(18,815)	26,000	0	591,000	829,000	1,440,956
Samoa	0	0	0	0	0	0	0
Solomon Islands	0	46,472	(93,058)	0	0	0	(46,586)
Tuvalu	0	(17,430)	0	0	0	0	(17,430)
Vanuatu	<u>(5,736)</u>	0	0	0	0	0	<u>(5,736)</u>
Subtotal	17,941	(801,550)	4,364	(4,304)	583,375	791,073	590,899
Regional, interregional and global projects especially designed for LDCs	835,874	0	0	0	(50,324)	0	785,550
<b>TOTAL</b>	<b>1,453,124</b>	<b>141,457</b>	<b>717,159</b>	<b>1,337,163</b>	<b>918,601</b>	<b>2,877,028</b>	<b>7,444,532</b>

a/ The table does not include regional, interregional and global projects or individual fellowships and group training programmes in which LDCs have been involved together with other developing countries; such activities are usually financed from non-least developed countries funds.

b/ Includes UNDP special measures.

c/ Excluding 13 per cent overhead costs.

d/ Includes projects executed by other agencies for which UNIDO is the associated or cooperating agency.

INDUSTRIAL DEVELOPMENT FUND

Table 1

UNIDP/IDP statement of pledges and receipts, as at 31 December 1993

(In US dollars)

Country/organization	Unpaid balances/ advances by donors brought forward from UNIDP I.1.86	Adjust- ments to prior pledges	IDP firm pledges for				Collections in a/		Exchange adjustments	Unpaid balance	Advances by donors
			1986-1991	1992	1993	1994 and future years	1986-1992	1993			
<u>General-purpose convertible</u>											
Afghanistan	1,500	0	3,000	0	0	0	4,500	0	0	0	
Algeria	0	0	25,000	0	0	0	25,000	0	0	0	
Angola	10,000	0	20,000	0	0	0	30,000	0	0	0	
Argentina	0	150,000	0	0	0	0	149,990	0	10	0	
Austria	0	0	608,975	169,492	185,185	166,667	922,088	0	(25,102)	333,333	
Bahrain	5,000	0	0	0	0	0	5,000	0	0	0	
Bangladesh	0	0	15,308	2,420	2,420	2,420	15,248	2,447	33	4,840	
Barbados	0	0	20,000	0	0	0	20,000	0	0	0	
Bhutan	1,320	0	1,450	0	0	0	2,770	0	0	0	
Bolivia	2,000	0	17,313	0	0	0	14,313	0	0	5,000	
Brazil	15,000	0	15,000	0	0	0	30,000	0	0	0	
Burkina Faso	0	0	13,594	0	0	0	13,594	0	0	0	
Cameroon	0	0	2,985	0	0	0	0	0	(393)	3,378	
Chile	0	0	40,000	0	0	0	30,000	0	0	10,000	
Colombia	1,425	40	34,409	5,751	0	0	41,416	0	0	209	
Congo	11,426	0	0	0	0	0	3,400	0	76	7,950	
Costa Rica	8,080	0	20,000	0	0	0	27,635	0	0	445	
Cyprus	0	0	4,187	0	0	0	4,496	0	(309)	0	
Czechoslovakia	0	0	40,501	25,000	0	0	65,501	0	0	0	
Czech Republic	0	0	0	0	25,000	0	0	0	25,000	0	
Democratic People's Republic of Korea	0	0	0	32,558	33,019	0	0	32,558	611	0	
Dominica	0	0	3,852	0	0	0	3,840	0	12	0	
Ecuador	5,440	0	56,235	0	0	0	49,835	0	0	11,840	
Egypt	0	0	2,000	0	0	0	2,000	0	0	0	
Ethiopia	0	0	1,111	0	0	1,013	1,111	0	0	1,013	
Fiji	0	0	1,009	0	0	0	0	0	285	724	
Germany	0	0	18,736	0	0	0	18,736	0	0	0	
Ghana	0	0	5,000	0	0	0	0	0	0	5,000	
Greece	36,000	0	0	0	0	0	36,000	0	0	0	
Grenada	0	0	2,500	2,500	0	0	0	0	0	5,000	
Guatemala	0	0	32,422	0	0	0	5,000	0	7,092	20,330	
Guinea	0	(108,600)	0	0	0	0	(108,600)	0	0	0	
Guyana	723	509	3,458	3,750	0	0	4,000	0	658	3,782	
Haiti	0	0	5,000	0	0	0	5,000	0	0	0	
Honduras	0	0	15,000	0	0	0	14,371	0	629	0	
Hungary	0	0	65,352	24,865	22,864	0	81,391	21,764	9,932	0	
India	500,000	0	1,500,000	250,000	250,000	250,000	2,250,000	250,000	0	250,000	
Indonesia	0	0	50,000	0	10,000	10,000	50,000	10,000	0	10,000	
Iraq	161,291	0	0	0	0	0	0	0	0	161,291	
Italy	0	0	400,000	200,000	300,000	0	400,000	500,000	0	0	
Jamaica	4,000	0	8,000	0	0	0	12,000	0	0	0	
Kenya	10,000	0	30,722	1,263	1,009	0	10,348	0	24,085	8,561	
Kuwait	0	0	150,000	0	0	0	0	0	0	150,000	

APPENDIX G

Appendix G

Table 1 (continued)

Country/organization	Unpaid balances/ advances by donors brought forward from UNIDP 1 1 86	Adjust- ments to prior pledges	IDF firm pledges for				Collections in \$/		Exchange adjustments	Unpaid balance	Advances by donors
			1986-1991	1992	1993	1994 and future years	1986-1992	1993			
<u>General-purpose convertible (continued)</u>											
Lao People's Democratic Republic	1,500	0	1,500	0	0	0	1,500	0	0	1,500	0
Lesotho	0	1,308	6,211	0	0	0	7,360	0	159	0	0
Luxembourg	0	0	60,687	14,978	0	0	51,433	26,481	(2,249)	0	0
Madagascar	0	0	5,878	0	533	0	4,177	554	1,166	534	0
Malawi	0	0	7,166	0	0	0	5,097	0	1,083	986	0
Malaysia	450	0	120,000	20,000	20,000	20,000	130,450	20,000	0	40,000	0
Mali	2,611	0	0	0	0	0	0	0	(767)	3,378	0
Malta	0	0	800	0	0	0	400	0	0	400	0
Mauritius	0	0	5,458	1,000	0	0	5,786	0	120	552	0
Mexico	0	4,503	15,000	0	0	0	19,503	0	0	0	0
Mongolia	0	0	13,364	0	0	0	12,146	0	1,199	19	0
Morocco	5,038	5,010	5,000	0	0	0	13,421	0	1,627	0	0
Mozambique	4,925	0	5,063	0	0	0	5,563	0	4,425	0	0
Myanmar	0	0	6,040	0	0	0	5,998	0	42	0	0
Nepal	0	0	3,500	700	700	0	4,900	0	0	0	0
Netherlands	0	0	657,895	0	0	0	372,079	0	25,399	260,417	0
Nicaragua	0	0	0	2,350	0	0	2,350	0	0	0	0
Nigeria	50,000	0	0	0	0	0	0	0	0	50,000	0
Oman	12,000	0	12,000	0	0	0	12,000	0	0	12,000	0
Pakistan	0	0	48,933	0	0	0	48,933	0	0	0	0
Panama	0	0	6,000	0	0	0	2,000	0	0	4,000	0
Papua New Guinea	0	0	12,871	0	0	0	14,773	0	(1,902)	0	0
Paraguay	30,000	0	0	0	0	0	24,000	0	0	6,000	0
Peru	25,000	0	0	0	0	0	5,000	0	0	20,000	0
Philippines	6,006	0	20,000	0	4,356	0	25,432	4,930	0	0	0
Portugal	0	0	30,000	0	0	0	30,000	0	0	0	0
Republic of Korea	0	0	191,000	35,000	0	0	226,000	0	0	0	0
Romania	0	0	0	4,040	3,488	0	4,040	2,830	658	0	0
Rwanda	0	0	20,000	0	0	0	20,000	0	0	0	0
Saint Vincent and the Grenadines	0	0	1,500	0	0	0	1,500	0	0	0	0
Saudi Arabia	0	0	3,000,000	0	0	0	3,000,000	0	0	0	0
Senegal	29,113	0	4,000	0	0	0	20,900	12,213	0	0	0
Sierra Leone	94	3,184	5,891	0	0	0	9,167	0	2	0	0
Somalia	2,467	0	0	0	0	0	0	0	67	2,400	0
Sri Lanka	0	0	19,332	3,333	3,333	0	22,629	3,333	36	0	0
Sudan	102,712	0	0	0	0	0	35,180	0	0	67,532	0
Suriname	2,000	0	0	0	0	0	0	0	0	2,000	0
Swaziland	1,532	1,802	8,591	0	0	0	10,931	0	(179)	1,173	0
Synoa Arab Republic	0	5,372	11,781	788	788	0	17,941	788	0	0	0
Thailand	0	0	127,168	23,500	23,500	23,500	150,736	23,500	(68)	23,500	0
Togo	3,916	0	6,514	0	0	0	9,346	0	(606)	1,690	0
Trinidad and Tobago	0	8,375	50,329	0	0	0	60,379	0	(1,675)	0	0
Tunisia	0	0	113,961	0	0	0	111,274	0	2,687	0	0
Uganda	1,000	1,000	9,000	0	0	0	2,000	0	0	9,000	0
United Republic of Tanzania	0	0	4,154	283	0	0	3,516	0	895	26	0
Venezuela	0	0	11,467	0	0	0	11,467	0	0	0	0
Viet Nam	1,000	0	0	0	0	0	1,000	0	0	0	0
Yemen	0	0	8,400	2,000	2,000	2,000	4,007	0	(7)	10,400	0

Table J (continued)

Country/organization	Unpaid balances/ advances by donors brought forward from UNDP 1.1.86	Adjust- ments to prior pledges	IDP firm pledges for				Collections in a/		Exchange adjustments	Unpaid balance	Advances by donors
			1986-1991	1992	1993	1994 and future years	1986-1992	1993			
<u>General-purpose convertible (continued)</u>											
Zaire	3,000	0	113,000	0	0	0	0	0	0	116,000	0
Zambia	517	0	23,885	850	0	0	21,745	0	3,507	0	0
Zimbabwe	0	8,075	49,409	5,601	0	1,534	60,419	0	2,733	1,467	0
<u>Organizations</u>											
King Abdulaziz City for Science and Technology, Saudi Arabia	0	0	32,760	0	0	0	29,868	0	0	2,892	0
S O des Eaux Minerales de Vitel, France	0	0	3,108	0	0	0	3,108	0	0	0	0
Computech Engineering Services Inc., USA	0	0	30,000	0	0	0	30,000	0	0	0	0
Cooperation Council for the Arab States of the Gulf (OCC)	0	0	11,587	0	0	0	0	0	0	11,587	0
Condecruz, Bolivia	0	0	22,017	0	0	0	22,017	0	0	0	0
<b>Total</b>	<b>1,058,086</b>	<b>80,578</b>	<b>8,154,345</b>	<b>832,022</b>	<b>888,215</b>	<b>477,134</b>	<b>8,836,012</b>	<b>936,248</b>	<b>55,971</b>	<b>1,642,149</b>	<b>0</b>
<u>Special-purpose convertible</u>											
Australia	(68,815)	0	168,664	0	0	93,008	179,470	0	0	13,387	0
Austria	(121,788)	0	5,293,954	1,730,418	1,438,071	4,314,547	7,784,729	2,378,275	0	2,492,198	0
Belgium	(480,520)	0	3,608,944	1,244,284	764,644	384,612	4,332,036	1,147,724	0	42,204	0
Brazil	0	0	226,099	0	0	0	256,000	0	0	0	(29,901)
Bulgaria	0	0	3,333	0	0	0	3,333	0	0	0	0
China	(289,639)	0	1,321,018	196,921	702,165	133,048	2,328,571	400,000	0	0	(665,058)
Costa Rica	0	0	0	0	35,843	0	0	35,843	0	0	0
Côte d'Ivoire	108,765	0	0	0	0	0	0	0	0	108,765	0
Czech Republic	0	0	0	0	0	0	19,420	28,230	0	0	(47,650)
Democratic People's Republic of Korea	0	0	0	0	0	0	164,785	0	0	0	(164,785)
Denmark	0	0	2,426,741	269,851	968,374	2,234,637	3,293,425	333,385	0	2,272,793	0
Egypt	(190,893)	0	292,611	0	0	0	0	0	0	101,718	0
Finland	(259,801)	0	921,203	1,111,310	1,034,925	248,597	3,552,814	25,000	0	0	(521,580)
France	(817,302)	0	14,833,308	4,149,809	4,026,797	749,037	19,686,844	2,249,618	0	1,005,187	0
Germany	(1,807,841)	0	27,339,797	4,166,022	5,626,567	8,032,996	33,709,016	3,678,806	0	5,969,719	0
Greece	0	0	0	121,881	250,144	130,350	270,000	0	0	232,375	0
Hungary	5,597	0	(617)	0	0	0	4,980	0	0	0	0
India	79,685	0	492,168	170,947	643,846	635,351	2,050,000	250,000	0	0	(278,003)
Iran, Islamic Republic of	0	0	375,160	173	0	0	373,268	0	0	2,065	0
Italy	(597,640)	0	32,411,967	8,026,333	9,557,270	2,844,930	42,646,861	2,615,265	0	6,980,734	0
Japan	(662,483)	0	9,603,308	3,072,164	5,299,135	2,133,324	14,791,530	5,086,630	0	0	(432,712)
Malta	31,628	0	(31,628)	0	0	0	0	0	0	0	0
Netherlands	(292,528)	0	1,815,239	507,738	228,998	2,109,528	3,438,816	1,153,281	0	0	(223,122)
Norway	(282)	0	296,716	610,347	1,012,317	538,006	2,164,381	0	0	292,723	0
Poland	0	0	30,677	12,738	60,585	16,639	83,855	0	0	36,784	0
Portugal	0	0	0	0	479,260	0	173,866	0	0	305,394	0
Republic of Korea	0	0	957,056	318,025	450,668	0	1,506,346	337,840	0	0	(118,437)

Table 1 (continued)

Country/organization	Unpaid balances/ advances by donors brought forward from UNIDF 1.1.86	Adjust- ments to prior pledges	IDF firm pledges for				Collections in \$/		Exchange adjustments	Unpaid balance	Advances by donors
			1986-1991	1992	1993	1994 and future years	1986-1992	1993			
<u>Special-purpose convertible (continued)</u>											
Saudi Arabia	0	0	231,512	581,706	212,310	73,192	1,374,966	625,034	0	0	(901,280)
Slovakia	0	0	0	0	0	0	9,710	0	0	0	(9,710)
Spain	(38,245)	0	66,446	0	0	0	31,640	(1,283)	0	0	(2,156)
Sweden	72,067	0	1,125,815	192,532	131,523	0	1,218,394	0	0	303,543	0
Switzerland	(1,608,536)	0	8,189,153	2,081,813	2,809,492	4,617,378	10,650,155	2,231,514	0	3,207,631	0
Turkey	0	0	0	0	0	0	23,000	0	0	0	(23,000)
United Kingdom	(150,310)	0	6,027,944	916,794	16,803	0	6,786,160	0	0	25,071	0
Venezuela	0	0	0	202,514	0	0	193,714	0	0	8,800	0
Yemen	(2,474)	0	1,249	0	0	0	(1,225)	0	0	0	0
Yugoslavia	(1,041)	0	0	0	0	0	(1,041)	0	0	0	0
Multi-donor projects	0	0	15	(124,936)	1,451,843	2,453,169	0	0	0	3,780,091	0
<u>Organizations</u>											
Arab Industrial Develop- ment and Mining Organization	(19,877)	0	26,997	0	60,000	0	(20,000)	42,060	0	45,060	0
African Institute for High Technology, Training and Research, Kenya	1,253	0	(5,564)	0	0	0	(4,311)	0	0	0	0
Agence de coopération culturelle et technique (ACCT), Paris	0	0	0	0	123,900	7,350	131,250	0	0	0	0
Banque ouest-Africaine de développement (BOAD), Togo	0	0	2,800	0	0	0	2,800	0	0	0	0
Caritas, Austria	0	0	0	28,816	30	0	28,846	0	0	0	0
Chiyoda Corporation, Japan	0	0	99,598	0	0	0	99,598	0	0	0	0
Convention to Combat Desertification (INCD)	0	0	0	0	39,000	0	0	0	0	39,000	0
Corporación Andina de Fomento (CAF)	0	0	392,752	208,754	125,798	0	643,038	0	0	84,266	0
Egyptian Iron and Steel Company	(10,576)	0	5,863	0	0	0	(4,713)	0	0	0	0
Oaz de France, Paris	0	0	0	0	17,967	0	17,967	0	0	0	0
Inverni della Boffa, Italy	0	0	0	27,950	7,049	0	34,694	0	0	305	0
Kuwait Institute for Higher Technical Training and Research	(48,229)	0	74,665	0	0	0	0	0	0	26,436	0
Montreal Protocol Fund	0	0	0	0	1,535,872	791,509	0	6,899,617	0	0	(4,572,236)
S O des Eaux Minérales de Vitell, France	0	0	23,351	0	6,539	0	33,715	0	0	0	(3,825)
Nobel Chematur, Sweden	0	0	9,040	0	0	0	9,040	0	0	0	0
Apple Computer, USA	0	0	27,531	0	0	0	27,531	0	0	0	0
Saudi Consulting House, Saudi Arabia	0	0	11,412	0	0	0	11,412	0	0	0	0
United Nations International Drug Control Programme	0	0	0	0	1,195,041	1,349,600	0	1,195,000	0	1,349,641	0
<b>Total</b>	<b>(7,169,825)</b>	<b>0</b>	<b>118,696,297</b>	<b>29,824,904</b>	<b>40,312,776</b>	<b>33,890,808</b>	<b>164,112,686</b>	<b>30,711,839</b>	<b>0</b>	<b>28,725,890</b>	<b>(7,995,455)</b>

Table 1 (continued)

Country/organization	Unpaid balances/ advances by donors brought forward from UNIDF 1.1.86	Adjust- ments to prior pledges	IDF firm pledges for				Collections in a/		Exchange adjustments	Unpaid balance	Advances by donors
			1986-1991	1992	1993	1994 and future years	1986-1992	1993			
<u>Non-convertible</u>											
Bulgaria	(222,203)	0	404,181	0	7,521	0	445,491	10,401	0	0	(266,393)
China	(54,661)	0	407,099	39,024	50,974	0	692,460	0	0	0	(250,024)
Cuba	(219,864)	0	278,022	0	(3,813)	0	193,429	28,378	0	0	(167,462)
Czech Republic b/	(78)	0	1,923,228	232,894	328,732	0	2,277,802	318,492	0	0	(111,518)
Egypt	21,793	0	34,894	0	0	0	72,492	0	0	0	(15,805)
Hungary	(1,360)	0	746,799	146,559	110,994	0	1,087,881	197,505	0	0	(282,394)
India	(399,558)	0	608,144	575,043	1,811,564	688,793	3,535,671	515,563	0	0	(767,248)
Iran, Islamic Republic of	0	0	56,667	0	0	0	66,667	0	0	0	(10,000)
Mongolia	(15,925)	0	0	0	0	0	0	0	0	0	(15,925)
Pakistan	(98,888)	0	89,849	8,255	416	0	76,046	0	0	0	(76,414)
Poland	(26,495)	0	978,890	270,736	553,295	106,713	1,492,840	313,715	0	76,584	0
Romania	(2,471)	0	204,942	0	0	0	195,895	0	0	6,576	0
Russian Federation	(402,605)	0	5,031,709	(266,163)	40,705	0	5,342,774	0	0	0	(939,128)
Slovakia	0	0	0	0	0	0	0	29,425	0	0	(29,425)
Turkey	(2,258)	0	1,010,023	229,659	346,238	0	1,522,316	338,444	0	0	(277,098)
Yugoslavia	(57,228)	0	272,584	1,196	0	0	703,819	0	0	0	(487,267)
<u>Organizations</u>											
Egyptian Iron and Steel Company	(26,747)	0	(5,195)	0	0	0	0	0	0	0	(31,942)
<b>Total</b>	<b>(1,508,548)</b>	<b>0</b>	<b>12,041,836</b>	<b>1,237,203</b>	<b>3,246,626</b>	<b>795,506</b>	<b>17,705,583</b>	<b>1,751,923</b>	<b>0</b>	<b>83,160</b>	<b>(3,728,043)</b>
<b>Grand total</b>	<b>(7,620,287)</b>	<b>80,578</b>	<b>138,892,478</b>	<b>31,894,129</b>	<b>44,447,617</b>	<b>35,163,448</b>	<b>190,674,281</b>	<b>33,400,010</b>	<b>55,971</b>	<b>30,451,199</b>	<b>(11,723,498)</b>

a/ Negative amounts denote repayments to donors.

b/ Up to December 1992, former Czechoslovakia.

**Table 2**  
**Status of resources of the Industrial Development Fund as at 31 December 1993**  
(In thousands of US dollars)

	Convertible			Total
	General-purpose	Special-purpose	Non-convertible	
<b>Available for programming</b>				
Balance from UNIDF	4,562	0	0	4,562
Pledges, 1986 to 1993	10,432	211,326	22,332	244,090
Revaluation of pledge-	(56)	6,350	(6,764)	(470)
Interest income	4,724	0	0	4,724
Other income	84	0	0	84
<b>Total available</b>	<b>19,746</b>	<b>217,676</b>	<b>15,568</b>	<b>252,990</b>
<b>Approvals</b>				
<b>Projects</b>				
Expenditure, 1986 to 1993	12,919	156,863	15,234	185,016
Commitments, 1994 and future	47	4,860	426	5,333
Not yet implemented	1,265	37,412	1,662	40,339
<b>Subtotal</b>	<b>14,231</b>	<b>199,135</b>	<b>17,322</b>	<b>230,688</b>
<b>Support costs, 1986/1993</b>				
General-purpose convertible	1,666	0	0	1,666
Special-purpose convertible	57	18,278	0	18,335
Non-convertible a/	2,049	248	0	2,297
<b>Subtotal</b>	<b>3,772</b>	<b>18,526</b>	<b>0</b>	<b>22,298</b>
<b>Reserve for support costs, 1994 and future</b>				
General-purpose convertible	165	0	0	165
Special-purpose convertible	16	4,899	0	4,915
Non-convertible a/	135	0	0	135
<b>Subtotal</b>	<b>316</b>	<b>4,899</b>	<b>0</b>	<b>5,215</b>
<b>Total approvals</b>	<b>18,319</b>	<b>222,560</b>	<b>17,322</b>	<b>258,201</b>
<b>Programmable balance</b>	<b>1,427</b>	<b>(4,884)</b>	<b>(1,754)</b>	<b>(5,211)</b>
<b>Cash position</b>				
Balance from UNIDF	5,229	9,806	3,092	18,127
Contributions received	9,792	194,825	19,456	224,073
Interest and other income	4,808	17,834	(4,269)	18,373
<b>Subtotal</b>	<b>19,829</b>	<b>222,465</b>	<b>18,279</b>	<b>260,573</b>
Disbursements, 1986 to 1993 (including support costs)	17,165	161,790	17,471	196,426
<b>Cash balance</b>	<b>2,664</b>	<b>60,675</b>	<b>808</b>	<b>64,147</b>
<b>Unliquidated obligations, 1993 and prior</b>				
Commitments, 1994 and future	47	4,860	426	5,333
Reserve for support costs, 1994 and future	316	4,899	0	5,215
Residual value of projects	1,265	37,412	1,662	40,339
<b>Total commitments</b>	<b>1,917</b>	<b>53,933</b>	<b>3,719</b>	<b>59,569</b>
<b>Uncommitted cash balance</b>	<b>747</b> b/	<b>6,742</b>	<b>(2,911)</b>	<b>4,578</b>

a/ Support costs for projects financed from non-convertible currencies are normally charged to the general-purpose convertible segment. However, some donors have agreed that support costs on such projects financed by them should be charged to their convertible contributions.

b/ Against which has been established the operational reserve totalling \$0.550 million.

Table 3

Projects approved/revised under IDF, 1986-1993  
according to priority area, as at 31 December 1993

UNIDF/IDF priority area	Number of projects	Special-purpose convertible	General-purpose convertible	Special-purpose non-convertible	General-purpose non-convertible	Total (US dollars)	Percentage
		(In US dollars, excluding overheads)					
Special measures for the least developed, land-locked and island developing countries	110	6,829,025	118,795	48,354	(190,515)	6,805,659	3.2
Development and transfer of industrial technology and industrial information	427	58,744,175	2,852,163	1,520,684	682,378	63,799,400	30.4
Economic cooperation among developing countries	120	2,386,906	510,256	1,327,249	82,599	4,307,010	2.1
Training programmes and strengthening industrial training institutions in developing countries	557	19,571,136	1,185,399	5,462,718	6,774,287	32,993,540	15.7
Industrial institutional infrastructure	98	7,084,866	1,380,025	372,212	14,188	8,851,291	4.2
Industries processing local natural resources, including export-oriented industries	114	14,331,794	688,800	427,764	40,422	15,488,780	7.4
Industries satisfying basic needs and support to rural industries	62	4,087,155	594,504	150,654	58,984	4,891,297	2.3
Promotional activities	290	64,258,056	2,373,149	1,669,784	395,962	68,696,951	32.7
Other activities	84	2,731,203	1,106,163	203,030	1,285	4,041,681	1.9
<b>TOTAL</b>	<b>1,862</b>	<b>180,024,316</b>	<b>10,809,254</b>	<b>11,182,449</b>	<b>7,859,590</b>	<b>209,875,609</b>	<b>100.0</b>



**Table 4**  
**Net approvals/revisions in 1993 of projects financed under IDF**  
 (By region and programme component)

Region	US dollars	Percentage
Africa (excluding Arab States)	1,260,123	4.2
Arab States	1,892,471	6.3
Africa	1,349,421	4.5
West Asia	332,319	1.1
Regional	210,731	0.7
Asia and the Pacific	9,178,353	30.7
Europe + NIS	1,298,192	4.3
Latin America and the Caribbean	3,779,485	12.6
Global and interregional	12,522,679	41.8
TOTAL	29,931,303	100.0
<b><u>Programme component/priority area</u></b>		
Special measures for the least developed, land-locked and island developing countries	(52,117)	(0.2)
Development and transfer of industrial technology and industrial information	14,445,914	48.3
Economic cooperation among developing countries	725,782	2.4
Training programmes and strengthening industrial training institutions in developing countries	1,031,660	3.4
Industrial institutional infrastructure	1,257,754	4.2
Industries processing local natural resources, including export-oriented industries	658,578	2.2
Industries satisfying basic needs and support to rural industries	131,443	0.4
Promotional activities	9,432,441	31.5
Others	2,299,848	7.7
TOTAL	29,931,303	100.0

Note: Negative figures reflect downward revisions of existing projects during the year.

Table 4 (a)

General-purpose convertible projects  
(By region and programme component)

Region	US dollars	Percentage
Africa (excluding Arab States)	40,644	5.0
Arab States	8,860	1.1
Africa	(13,461)	(1.7)
West Asia	(3,861)	(0.5)
Regional	26,182	3.2
Asia and the Pacific	80,450	10.0
Europe + NIS	46,993	5.8
Latin America and the Caribbean	326,662	40.5
Global and interregional	302,651	37.5
TOTAL	806,260	100.0
<u>Programme component/priority area</u>		
Special measures for the least developed, land-locked and island developing countries	(4,907)	(0.6)
Development and transfer of industrial technology and industrial information	240,145	29.8
Economic cooperation among developing countries	26,604	3.3
Training programmes and strengthening industrial training institutions in developing countries	(14,550)	(1.8)
Industrial institutional infrastructure	129,709	16.1
Industries processing local natural resources, including export-oriented industries	(39,824)	(4.9)
Industries satisfying basic needs and support to rural industries	148,685	18.4
Promotional activities	164,834	20.4
Others	155,564	19.3
TOTAL	806,260	100.0

Note: Negative figures reflect downward revisions of existing projects during the year.

Table 4 (b)

Special-purpose convertible projects

(By region and programme component)

Region	US dollars	Percentage
Africa (excluding Arab States)	1,260,022	4.5
Arab States	1,883,633	6.8
Africa	1,362,904	4.9
West Asia	336,180	1.2
Regional	184,549	0.7
Asia and the Pacific	8,780,847	31.6
Europe + NIS	1,214,339	4.4
Latin America and the Caribbean	3,452,823	12.4
Global and interregional	11,156,519	40.2
<b>TOTAL</b>	<b>27,748,183</b>	<b>100.0</b>
<u>Programme component/priority area</u>		
Special measures for the least developed, land-locked and island developing countries	(6,627)	(0.0)
Development and transfer of industrial technology and industrial information	14,145,042	51.0
Economic cooperation among developing countries	415,652	1.5
Training programmes and strengthening industrial training institutions in developing countries	369,861	1.3
Industrial institutional infrastructure	1,008,045	3.6
Industries processing local natural resources, including export-oriented industries	631,621	2.3
Industries satisfying basic needs and support to rural industries	(17,242)	(0.1)
Promotional activities	9,084,983	32.7
Others	2,116,848	7.6
<b>TOTAL</b>	<b>27,748,183</b>	<b>100.0</b>

Note: Negative figures reflect downward revisions of existing projects during the year.

Table 4 (c)

Special-purpose and general-purpose non-convertible projects

(By region and programme component)

Region	US dollars	Percentage
Africa (excluding Arab States)	(40,543)	(2.9)
Arab States	(22)	(0.0)
Africa	(22)	(0.0)
West Asia	0	0.0
Regional	0	0.0
Asia and the Pacific	317,056	23.0
Europe + NIS	36,860	2.7
Latin America and the Caribbean	0	0.0
Global and interregional	1,063,509	77.2
<b>TOTAL</b>	<b>1,376,860</b>	<b>100.0</b>
<u>Programme component/priority area</u>		
Special measures for the least developed, land-locked and island developing countries	(40,583)	(2.9)
Development and transfer of industrial technology and industrial information	60,727	4.4
Economic cooperation among developing countries	283,526	20.6
Training programmes and strengthening industrial training institutions in developing countries	676,349	49.1
Industrial institutional infrastructure	120,000	8.7
Industries processing local natural resources, including export-oriented industries	66,781	4.9
Industries satisfying basic needs and support to rural industries	0	0.0
Promotional activities	182,624	13.3
Others	27,436	2.0
<b>TOTAL</b>	<b>1,376,860</b>	<b>100.0</b>

Note: Negative figures reflect downward revisions of existing projects during the year.

## TRAINING ACTIVITIES IN 1993

Table 1  
In-plant group training programmes in 1993 a/

Field of study	Type of programme				Host country	Number of participants			
	National	Regional	Inter-regional	All developing countries		of which			
						LDCs	Female	African participants b/	
Railway spare parts management	-	x	-	12	5	-	-		
Industrial investment	x	-	-	28	28	-	28		
Cassava processing	-	-	x	6	3	-	6		
Use of steel in metal constructions	-	x	-	15	-	-	15		
Dairy and sugar industry technology	-	x	-	15	4	2	-		
Project formulation, screening and pre-appraisal methodology	x	-	-	10	10	-	10		
Project formulation and joint venture negotiation	x	-	-	20	20	-	20		
Project formulation and joint venture negotiation	x	-	-	20	20	-	20		
Project formulation, screening and pre-appraisal methodology	x	-	-	5	5	-	5		
Quality control management in food industry	-	-	x	15	4	6	6		
Quality improvement	-	-	x	10	2	2	1		
Project formulation, screening and pre-appraisal methodology	x	-	-	10	10	-	10		
Project formulation and joint venture negotiation	x	-	-	20	20	-	20		
Spare parts design and manufacture	-	-	x	8	1	2	2		
Cement industry	-	-	x	10	5	1	6		
Sugar industry	-	-	x	10	4	-	6		
Fruit and vegetable processing	-	-	x	10	7	2	7		
Iron and steel industry	-	-	x	10	3	-	4		
Utilization of medicinal and aromatic plants in pharmaceutical industry	-	-	x	9	7	3	7		
Small-scale foundry industry	-	-	x	9	5	2	5		
Textile industry	-	-	x	10	5	2	6		
Titanium powder metallurgy	-	-	x	6	-	-	1		
Electric welding	-	-	x	14	4	-	5		
TOTAL				282	172	22	190		

a/ Not including training activities organized within the framework of UNIDO-executed field projects.

b/ Including participants from African Arab States.

Table 2 a/

## Other group training programmes in 1993

Field of study	Type of programme			Host country	Number of participants of which			
	National	Regional	Inter-regional		All developing countries	LDCs	Female	African participants b/
Industrial restructuring, enterprise management and investment appraisal	x	-	-	Albania	23	-	8	-
Industrial subcontracting	-	x	-	Algeria	15	-	1	13
Entrepreneurship development for small-scale industrial enterprises	x	-	-	Austria	14	-	-	-
Human resource development for managers	-	-	x	Austria	4	2	2	4
Strategic management of industrial development	-	x	-	Austria (UNIDO Headquarters)	39	10	3	39
Industrial investment project appraisal and COMFAR d/	x	-	-	Austria (UNIDO Headquarters)	11	-	-	11
Industrial investment project appraisal and COMFAR	x	-	-	Belarus	24	-	9	-
Application of COMFAR/PROSPIN computer software	x	-	-	Benin	28	27	3	27
Technology transfer negotiation and contracting	x	-	-	Cameroon	35	-	7	35
Biogas technology for urban waste water treatment	x	-	-	China	4	-	-	-
Mineral beneficiation	-	-	x	China	40	-	5	4
Technology transfer negotiation	x	-	-	Congo	35	-	7	35
Beneficiation in metallurgy	-	-	x	Czech Republic	13	-	-	3
Market economy and energy systems b/	x	-	-	Czech Republic	60	-	-	-
High quality steel production	-	-	x	Czech Republic	15	-	-	4
Mining and iron and steel metallurgy	x	-	-	Czech Republic	5	-	-	-
Power engineering management and maintenance	x	-	-	Czech Republic	2	-	-	-
Equipment for small printing offices	x	-	-	Czech Republic	8	-	-	-
Mineral beneficiation	x	-	-	Czech Republic	1	-	-	1
Waste treatment	-	x	-	Czech Republic	6	-	-	6
Manufacturing industry engineering, automation and maintenance	-	-	x	Czech Republic	12	-	-	1
Textile maintenance	-	x	-	Egypt	10	10	-	4
Cement and building materials b/	-	-	x	Egypt	21	1	-	19
Low- and non-waste technologies in energy production	-	-	x	Finland	12	-	-	3

Table 2 (continued)

Field of study	Type of programme			Host country	All developing countries	Number of participants of which		
	National	Regional	Inter-regional			LDCs	Female	African participants b/
Investment promotion methods	-	x	-	France	3	3	1	3
Sewing machine maintenance	-	x	-	Germany	4	2	-	4
Medical equipment maintenance and operation	x	-	-	Germany	6	-	-	-
Building materials	x	-	-	Germany	1	-	-	1
Technology transfer negotiation	x	-	-	Guinea	35	35	5	35
COMFAR in analysis of investment studies	x	-	-	Guinea	25	25	1	25
COMFAR	x	-	-	Guatemala	20	-	-	-
Industrial project preparation, appraisal and financing	x	-	-	Guyana	24	-	8	-
Cement and building materials c/	-	x	-	India	15	1	-	15
Cement and building materials	-	-	x	India	7	-	-	5
Environmental auditing (training of trainers)	x	-	-	India	22	-	2	-
Industrial project preparation and appraisal b/	-	-	x	India	48	20	17	20
COMFAR b/	x	-	-	India	28	-	5	-
Mineral beneficiation	-	-	x	India	60	-	11	6
Objectives-oriented project planning methodology	x	-	-	Indonesia	13	-	-	-
Investment promotion methods	-	x	-	Italy	3	3	1	3
Enterprise-level, market-oriented quality development	-	-	x	Hungary	10	6	4	10
Integration of science and technology in the development planning and management process	-	x	-	Jordan	45	-	5	4
Industrial project appraisal and implementation management	-	-	x	Jordan	17	-	-	-
Joint venture and technology transfer negotiation	x	-	-	Kenya	35	-	10	35
Energy conservation	x	-	-	Lithuania	20	-	5	-
Industrial quality of essential oils, spices and aromas	-	x	-	Madagascar	20	16	5	20
Industrial subcontracting	-	x	-	Mexico	30	-	11	-
Fish-processing technologies	-	x	-	Morocco	27	10	6	27
Technology transfer negotiation and contracting	x	-	-	Morocco	35	-	2	35
Objectives-oriented project planning methodology	-	x	-	Niger	14	14	-	14
Investment project appraisal and COMFAR	x	-	-	Pakistan	16	-	-	-

Table 2 (continued)

Field of study	Type of programme			Host country	Number of participants of which			
	National	Regional	Inter- regional		All developing countries	LDCs	Female	African participants b/
Investment project preparation, appraisal, promotion and implementation	-	x	-	Philippines	31	-	10	-
Industrial project preparation, appraisal and financing	-	x	-	Poland	20	2	7	-
Application of COMFAR for investment project preparation and public enterprise appraisal	x	-	-	Romania	21	-	8	-
Acquisition and transfer of technology	-	x	-	Senegal	35	-	8	35
Technology transfer (training of trainers)	x	-	-	Senegal	25	-	2	25
Preparation of bankable projects	x	-	-	Senegal	15	-	-	15
Production management in woodworking industries	-	-	x	Slovenia	17	5	0	8
COMFAR application to industrial project preparation and appraisal	-	x	-	Syrian Arab Republic	30	-	7	-
Support programme for industrial development in LDCs	-	-	x	Thailand	21	21	5	-
Industrial project preparation and evaluation d/	x	-	-	Thailand	26	-	12	-
Biotechnology/biosafety	-	x	-	Thailand	16	-	6	-
Energy conservation	x	-	-	Turkey	20	-	4	-
Cement and building materials b/	-	-	x	Turkey	23	-	-	16
Cement industry	-	-	x	Turkey	10	4	-	4
Environmental management	-	-	x	United Republic of Tanzania	25	19	2	25
Support programme for industrial development in LDCs b/	-	x	-	United Republic of Tanzania	38	38	12	38
Clinical engineering and bio-medical equipment maintenance	-	x	-	United States of America	10	-	-	-
Genetic engineering	-	x	-	Zimbabwe	26	2	6	26
Shoe design and pattern making	-	x	-	Zimbabwe	12	5	-	12
TOTAL					1,441	281	233	675

a/ Not including training activities organized within the framework of UNIDO-executed field projects.

b/ Two programmes carried out in 1993.

c/ Three programmes carried out in 1993.

d/ Self-financed.



Table 3

Number of fellowships and study tours started in 1993,  
by nationality/home area, country or territory

Nationality/home area, country or territory	Number of individuals placed									Total
	UNDP			Regular Programme			Other programmes			
	Male	Female	Total	Male	Female	Total	Male	Female	Total	
<b>AFRICA a/</b>										
Angola	0	0	0	0	0	0	1	0	1	1
Benin	2	0	2	0	0	0	0	0	0	2
Botswana	0	0	0	1	0	1	0	0	0	1
Burkina Faso	9	0	9	2	0	2	0	0	0	11
Burundi	0	0	0	2	0	2	0	0	0	2
Cameroon	0	0	0	1	0	1	1	0	1	2
Cape Verde	0	0	0	1	5	6	0	0	0	6
Chad	0	0	0	0	0	0	2	0	2	2
Comoros	0	0	0	1	1	2	0	0	0	2
Côte d'Ivoire	0	0	0	1	0	1	0	0	0	1
Ethiopia	6	0	6	4	0	4	5	1	6	16
Ghana	1	1	2	1	0	1	0	0	0	3
Guinea	4	0	4	0	0	0	0	0	0	4
Kenya	12	24	36	6	2	8	1	2	3	47
Madagascar	6	1	7	3	3	6	0	0	0	13
Malawi	0	0	0	1	0	1	2	3	5	6
Mali	0	0	0	1	0	1	0	0	0	1
Mauritius	0	0	0	5	0	5	0	0	0	5
Mozambique	3	0	3	0	0	0	0	0	0	3
Namibia	0	0	0	1	0	1	0	0	0	1
Niger	9	1	10	0	0	0	0	0	0	10
Nigeria	25	2	27	0	0	0	2	0	2	29
Senegal	0	0	0	3	0	3	2	0	2	5
Seychelles	0	0	0	2	0	2	0	0	0	2
Sierra Leone	0	0	0	1	0	1	0	0	0	1
Togo	4	0	4	1	0	1	0	0	0	5
Uganda	3	2	5	0	0	0	0	0	0	5
United Republic of Tanzania	24	3	27	1	2	3	3	2	5	35
Zaire	0	0	0	1	0	1	0	0	0	1
Zambia	0	0	0	1	0	1	2	1	3	4
Zimbabwe	0	0	0	4	1	5	2	1	3	8
<b>Total Africa</b>	<b>108</b>	<b>34</b>	<b>142</b>	<b>45</b>	<b>14</b>	<b>59</b>	<b>23</b>	<b>10</b>	<b>33</b>	<b>234</b>
<b>ARAB</b>										
Algeria	12	0	12	0	0	0	5	0	5	17
Djibouti	0	0	0	3	0	3	0	0	0	3
Egypt	5	0	5	0	0	0	5	0	5	10
Jordan	5	0	5	1	1	2	6	0	6	13
Libyan Arab Jamahiriya	0	0	0	0	0	0	5	0	5	5
Morocco	11	0	11	0	0	0	6	0	6	17
Palestine	0	0	0	0	0	0	13	0	13	13
Saudi Arabia	4	0	4	0	0	0	0	0	0	4
Sudan	0	0	0	2	0	2	12	0	12	14
Syrian Arab Republic	2	1	3	0	0	0	0	0	0	3
Tunisia	10	0	10	0	0	0	5	2	7	17
Yemen	5	0	5	0	0	0	0	0	0	5
<b>Total Arab</b>	<b>54</b>	<b>1</b>	<b>55</b>	<b>6</b>	<b>1</b>	<b>7</b>	<b>57</b>	<b>2</b>	<b>59</b>	<b>121</b>

Table 3 (continued)

Nationality/home area, country or territory	Number of individuals placed									Total
	UNDP			Regular Programme			Other programmes			
	Male	Female	Total	Male	Female	Total	Male	Female	Total	
<b>ASIA AND THE PACIFIC</b>										
Bangladesh	18	1	19	1	0	1	0	0	0	20
Bhutan	5	0	5	0	0	0	0	0	0	5
China	54	13	67	1	0	1	46	10	56	124
Democratic People's Republic of Korea	10	0	10	3	0	3	10	7	17	30
India	98	8	106	0	0	0	44	1	45	151
Indonesia	3	0	3	1	0	1	1	0	1	5
Iran (Islamic Republic of)	2	1	3	0	0	0	0	0	0	3
Malaysia	2	0	2	0	0	0	0	0	0	2
Mongolia	2	0	2	0	0	0	0	0	0	2
Myanmar	7	2	9	0	0	0	0	0	0	9
Nepal	22	5	27	6	0	6	0	0	0	33
Pakistan	8	0	8	0	0	0	1	2	3	11
Philippines	3	0	3	0	0	0	3	1	4	7
Solomon Islands	1	0	1	0	0	0	0	0	0	1
Sri Lanka	6	5	11	1	0	1	4	0	4	16
Thailand	9	4	13	0	2	2	4	1	5	20
Tonga	0	0	0	3	0	3	0	0	0	3
Viet Nam	55	3	58	0	0	0	17	5	22	80
<b>Total Asia and the Pacific</b>	<b>305</b>	<b>42</b>	<b>347</b>	<b>16</b>	<b>2</b>	<b>18</b>	<b>130</b>	<b>27</b>	<b>157</b>	<b>522</b>
<b>EUROPE + NIS</b>										
Armenia	0	0	0	0	0	0	0	1	1	1
Bulgaria	9	0	9	0	0	0	0	1	1	10
Croatia	0	0	0	0	0	0	1	0	1	1
Czech Republic	19	6	25	0	0	0	2	0	2	27
Hungary	2	1	3	0	0	0	10	5	15	18
Italy	0	0	0	0	0	0	1	0	1	1
Poland	3	1	4	2	0	2	4	0	4	10
Romania	8	6	14	0	0	0	0	0	0	14
Russian Federation	0	0	0	0	0	0	6	2	8	8
Turkey	8	1	9	0	0	0	2	1	3	12
<b>Total Europe + NIS</b>	<b>49</b>	<b>15</b>	<b>64</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>26</b>	<b>10</b>	<b>36</b>	<b>102</b>
<b>LATIN AMERICA AND THE CARIBBEAN</b>										
Argentina	3	0	3	0	0	0	15	3	18	21
Bolivia	1	1	2	0	0	0	11	0	11	13
Brazil	0	0	0	0	0	0	14	1	15	15
Chile	0	0	0	0	0	0	14	3	17	17
Colombia	0	0	0	0	0	0	13	3	16	16
Cuba	7	1	8	2	1	3	18	1	19	30
Ecuador	2	0	2	0	0	0	14	0	14	16
Guatemala	0	0	0	0	0	0	3	0	3	3
Jamaica	4	2	6	0	0	0	0	0	0	6
Mexico	4	0	4	3	0	3	10	1	11	18
Paraguay	0	0	0	0	0	0	4	0	4	4
Peru	0	0	0	0	0	0	12	2	14	14
Uruguay	0	0	0	0	0	0	5	0	5	5
Venezuela	0	0	0	0	0	0	14	5	19	19
<b>Total Latin America and the Caribbean</b>	<b>21</b>	<b>4</b>	<b>25</b>	<b>5</b>	<b>1</b>	<b>6</b>	<b>147</b>	<b>19</b>	<b>166</b>	<b>197</b>
<b>GRAND TOTAL</b>	<b>537</b>	<b>96</b>	<b>0</b>	<b>74</b>	<b>18</b>	<b>92</b>	<b>383</b>	<b>68</b>	<b>451</b>	<b>1,176 b/</b>

a/ African Arab States (Algeria, Djibouti, Egypt, Libyan Arab Jamahiriya, Morocco, Saudi Arabia, Sudan, Tunisia) included under "Arab".

b/ Including 182 females, 215 individuals from least developed countries, 317 individuals from African countries (including African Arab States).

Table 4

Fellowship and study tours started in 1993 by country,  
geographical area or territory of study a/ b/

Country/ geographical area/ territory of study	Number of individuals placed			Total
	UNDP	Regular Programme	Other programmes	
Algeria	13	0	0	13
Australia	16	0	0	16
Austria	31	0	19	50
Austria (UNIDO Headquarters)	55	0	31	86
Bangladesh	4	0	0	4
Belgium	11	1	6	18
Benin	2	0	0	2
Brazil	3	5	24	32
Bulgaria	10	0	2	12
Burkina Faso	4	0	0	4
Cameroon	3	0	0	3
Canada	7	3	0	10
Chile	3	0	0	3
China	27	6	16	49
Côte d'Ivoire	1	3	0	4
Cuba	5	0	0	5
Czech Republic	10	0	0	10
Denmark	2	0	13	15
Egypt	9	0	0	9
Fiji	1	3	0	4
Finland	2	0	11	13
France	47	6	82	135
Germany	55	8	44	107
Ghana	5	0	0	5
Greece	1	0	0	1
Hong Kong	24	0	6	30
Hungary	12	0	1	13
India	36	3	6	45
Indonesia	6	0	0	6
Ireland	3	13	0	16
Israel	1	0	0	1
Italy	29	1	94	124
Japan	27	0	39	66
Kenya	1	0	1	2
Kuwait	2	0	0	2
Madagascar	0	10	0	10
Malawi	0	2	0	2
Malaysia	6	0	2	8
Mauritius	0	5	0	5

Table 4 (continued)

Country/ geographical area/ territory of study	Number of individuals placed			Total
	UNDP	Regular Programme	Other programmes	
Myanmar	0	1	0	1
Netherlands	22	2	8	32
New Zealand	1	0	0	1
Philippines	18	0	0	18
Poland	14	0	1	15
Portugal	0	6	0	6
Republic of Korea	40	0	0	40
Russian Federation	0	4	10	14
Senegal	3	0	0	3
Singapore	15	0	18	33
Slovenia	3	0	0	3
South Africa	7	0	2	9
Spain	13	0	2	15
Sri Lanka	3	3	0	6
Sudan	0	2	0	2
Swaziland	6	0	0	6
Sweden	12	0	0	12
Switzerland	2	0	11	13
Thailand	29	9	0	38
Trinidad and Tobago	3	0	0	3
Tunisia	10	0	0	10
Turkey	9	0	0	9
Ukraine	6	0	5	11
United Arab Emirates	0	0	2	2
United Kingdom	121	3	46	170
United Republic of Tanzania	12	6	3	21
United States of America	93	3	27	123
Venezuela	0	0	3	3
Viet Nam	4	0	1	5
Zimbabwe	3	9	14	26
<b>TOTAL</b>	<b>923</b>	<b>117</b>	<b>550</b>	<b>1,590</b>

a/ Where a fellowship/study tour included more than one country/geographical area/territory, it is listed against each one concerned. Thus the totals in table 4 do not correspond to those in table 3.

b/ Of these placements 508 or 31 per cent are arranged in developing countries, thus contributing to technical cooperation among developing countries.

## APPENDIX I

## AGREEMENTS CONCLUDED BY UNIDO IN 1993

Agreements with StatesArgentina

Memorandum of intent between the United Nations Industrial Development Organization and the Government of the Argentine Republic regarding assistance to the Government in the automobile industry sector, signed on 9 August

Cooperation arrangement between the Government of the Argentine Republic and the United Nations Industrial Development Organization, signed on 6 December

Australia

Memorandum of understanding between the United Nations Industrial Development Organization and the Government of Australia on cooperation in the field of investment promotion, signed on 13 January

Austria

Exchange of letters between the Acting Director-General of UNIDO and the Permanent Representative of Austria to UNIDO for the continuation from 1 February 1993 to 31 January 1996 of the project concerning the UNIDO Service Office in Austria for the strengthening of industrial cooperation and the promotion of investment with developing countries, signed on 17 February and 25 March

Brazil

Note verbale between the Permanent Representative of the Government of the Federative Republic of Brazil and the Director-General of UNIDO extending for one year, commencing on 1 September 1993, the memorandum of understanding concluded between UNIDO and the Government of the Federative Republic of Brazil, done at Brasilia on 1 September 1987, dated 31 August

Gabon

Basic cooperation agreement between the United Nations Industrial Development Organization and the Government of the Republic of Gabon, signed on 30 March

India

Exchange of letters concluded between the Director-General of UNIDO and the Permanent Representative of India to UNIDO extending the provisions of the agreement on basic terms and conditions, its related exchange

of letters and trust fund agreement concluded on 25 March 1988 between India and UNIDO, to the activities to be carried out by Lupin Laboratories Limited of Bombay, India, signed on 18 November 1992 and 16 August 1993

Exchange of letters concluded between the Acting Director-General of UNIDO and the Government of India regarding the extension until 31 March 1994 of the basic terms and conditions governing UNIDO projects envisaged for the International Centre for Genetic Engineering and Biotechnology (ICGEB), its related exchange of letters and trust fund agreement, and of the revised related project, signed on 12 March and 20 July

Islamic Republic of Iran

Legal arrangement between the United Nations Industrial Development Organization and the Government of the Islamic Republic of Iran for the United Nations Industrial Development Organization's Consultation on Downstream Petrochemical Industries, signed on 15 October

Italy

Exchange of letters between the Director-General of UNIDO and the Permanent Representative of Italy to UNIDO extending the applicability from 1 July to 31 December 1993 of the agreement concluded on 29 June 1988 between UNIDO and the Government of Italy on basic terms and conditions governing the UNIDO project concerning the preparatory phase for the establishment of an International Centre for Science and High Technology and of the related revised project, signed on 28 May and 17 June

Agreement between the United Nations Industrial Development Organization and the Government of Italy concerning the institutional arrangements for the International Centre for Science and High Technology, signed on 9 November

Exchange of letters between the Director-General of UNIDO and the Permanent Representative of Italy to UNIDO on Article V of the agreement between UNIDO and the Government of Italy concerning the institutional arrangements for the International Centre for Science and High Technology, signed on 9 November

Nicaragua

Basic cooperation agreement between the United Nations Industrial Development Organization and the Government of Nicaragua, signed on 11 November

Joint communiqué between the President of the Republic of Nicaragua and the Director-General of UNIDO on the occasion of the visit to Austria of the President of the Republic of Nicaragua, signed on 11 November

#### Oman

Basic cooperation agreement between the United Nations Industrial Development Organization and the Government of the Sultanate of Oman, signed on 12 November and 18 December

#### Philippines

Basic cooperation agreement between the United Nations Industrial Development Organization and the Government of the Republic of the Philippines, signed on 26 February

#### Republic of Korea

Exchange of letters between the Permanent Representative of the Republic of Korea to UNIDO and the Director-General of UNIDO regarding the extension from 16 April until 31 December 1993 of the UNIDO service for promotion of industrial investment in developing countries, signed on 11 and 18 May

#### Russian Federation

Memorandum of cooperation in the field of industrial development between the Council of Ministers - Government of the Russian Federation and the United Nations Industrial Development Organization, signed on 8 July

#### United States of America

Tax reimbursement agreement between the Government of the United States of America and the United Nations Industrial Development Organization, signed on 26 March

#### Yemen

Basic cooperation agreement between the United Nations Industrial Development Organization and the Government of the Republic of Yemen, signed on 26 February

#### Agreements with the United Nations

#### United Nations

Agreement between the United Nations Industrial Development Organization and the United Nations on arrangements for the sale of UNIDO publications, signed on 22 January

#### United Nations International Drug Control Programme (UNDCP)

Agreement between the United Nations Industrial Development Organization and the United Nations International Drug Control Programme with regard to a special-purpose contribution to the Industrial Development Fund, signed on 12 October

Letter of agreement between the United Nations International Drug Control Programme and the United Nations Industrial Development Organization concerning the services to be provided by UNIDO for the implementation of UNDCP-funded drug control projects in 1993, signed on 26 March and 6 December

#### Agreements with intergovernmental organizations

#### European Community (EC)

Relationship agreement between the United Nations Industrial Development Organization and the European Community, signed on 16 October 1992 and 15 January 1993

#### International Pepper Community (IPC)

Relationship agreement between the United Nations Industrial Development Organization and the International Pepper Community, signed on 2 August and 17 September

#### Agreements with other institutions

#### International Association of Trading Organizations for a Developing World (ASTRO)

Memorandum of understanding between the United Nations Industrial Development Organization and the International Association of Trading Organizations for a Developing World, signed on 23 August

#### International Fertilizer Development Center (IFDC)

Memorandum of understanding between the United Nations Industrial Development Organization and the International Fertilizer Development Center, signed on 22 and 28 April

#### Research Area of Trieste

Exchange of letters between the Director-General of UNIDO and the President of the Research Area of Trieste regarding the extension until 31 December 1993 of the 1989 agreement and related rental agreement between UNIDO and the Research Area of Trieste with respect to the related project on pilot activities, signed on 28 May, 25 August and 13 September

OUTPUTS IMPLEMENTED AGAINST OUTPUTS PROGRAMMED FOR 1992-1993

Major programme 300: Programme and Project Development

Code	Output classification	Programmed 92-93 (1)	Implemented 1993 (2)	Implemented 92-93 (3)	Postponed (4)	Terminated (5)	Additional outputs (6)
1011	Expert group meetings	8	1	2	3	3	
1012	Regional/global preparatory meetings	1		1	1		1
1015	Fairs/exhibitions	1			1		
1016	Other meetings	12	11	17			5
1021	Workshops/seminars	32	30	45	6		19
1022	Internal training	52	28	50	4		2
1031	Data banks	6	5	6			
1032	New reports and manuals	19	12	22			3
1033	Updated reports and manuals	1				1	
1034	New internal guidelines	4	4	5			1
1036	Abstracts, periodicals and loose-leaf publications	11	14	18	1	4	12
1041	Country studies	29	11	20	9		
1042	Subsectoral studies/analyses	3	2	2	1		
1043	Other studies	28	30	54	3	2	31
1061	Projects identified	3,320	1,474	2,596	760		36
1062	Projects developed and formulated	1,390	497	982	458		50
1063	Projects approved	100	53	107			7
1064	Projects implemented	17	24	26			9
1068	Project appraisal memoranda/advice	1,000	507	879	121		
1069	Projects reviewed for UNIDO funding	1,750	1,145	2,064			314
1071	Cooperation systems development	1	1	1			
1501	Advisory services	7	56	63			56
1504	Integrated development programmes	30	14	24	6		
1505	Country programme reviews	300	150	300			
1506	Country special regional industrial plans/programmes	17	8	17	2		2
3001	Direction and management	4	4	4			
9001	Other	1			1		

Major programme 400: Industrial Promotion, Consultations and Technology

Code	Output classification	Programmed 92-93 (1)	Implemented 1993 (2)	Implemented 92-93 (3)	Postponed (4)	Terminated (5)	Additional outputs (6)
1011	Expert group meetings	21	12	16	3	2	
1012	Regional/global preparatory meetings	8	4	8			
1013	Consultations	5	4	6			1
1014	Investment forums	13	4	10	1	2	
1015	Fairs/exhibitions	5	4	7			2
1021	Workshops/seminars	58	25	56		2	
1023	Group training programmes (no. of participants)	560	630	806	20	41	307
1024	Fellowships, study tours or delegates programmes	135	65	113		25	3
1025	Country presentation tours (no. of countries of origin)*	24	26	48			24
1031	Data banks	11	17	19			8
1032	New reports and manuals	33	32	37	3	3	10
1036	Abstracts, periodicals and loose-leaf publications	112	53	104		8	
1041	Country studies	64	32	53	11		
1042	Subsectoral studies/analyses	178	99	153	22	3	
1043	Other studies	8	7	7	1		
1064	Projects implemented	43	77	87			44
1065	Projects completed	230	95	165	34	43	12
1066	Investment projects identified/screened/appraised	1,430	1,050	2,010			580
1067	Investment projects concluded	240	76	270	70		100
1501	Advisory services	6	7	7			1
1502	Technical cooperation in a particular subsector	3	4	4			1
1503	Technical cooperation in policy formulation	2		2			
3001	Direction and management	3		1	2		
9001	Other			1			1

\* Numbers indicated in the 1992 Annual Report have been revised.



## Major programme 500: Industrial Operations

Code	Output classification	Programmed 92-93 (1)	Implemented 1993 (2)	Implemented 92-93 (3)	Postponed (4)	Terminated (5)	Additional outputs (6)
1011	Expert group meetings	9	15	17		1	9
1021	Workshops/seminars			4			4
1023	Group training programmes	100	23	45		55	
1024	Fellowships, study tours or delegates programmes	4,000	1,590	3,649		351	
1032	New reports and manuals	6	2	5		3	2
1033	Updated reports and manuals	3	2	3			
1034	New internal guidelines	1	1	1			
1042	Subsectoral studies/analyses			2			2
1063	Projects approved	580	256	560		110	90
1065	Projects completed	538	424	765		34	261
1071	Computer systems developed		2	3			3
1501	Advisory services	4	4	5			1
1502	Technical cooperation in a particular subsector	20	21	21			1
1503	Technical cooperation in policy formulation	8	8	8			
2001	Support services	2	2	2			
3001	Direction and management	6	6	6			

## Note:

Column (2) Implemented if output was completed during the year in conformity with the description.

Column (4) Postponed if output (whether commenced or not) was rescheduled for the following biennium.

Column (6) Additional outputs are shown in those instances where they were required by virtue of a legislative decision or were added at the initiative of the Secretariat.

Columns (1)+(6) = (3)+(4)+(5).

Explanatory note

The above tables indicate the outputs delivered by the substantive departments (major programmes 300, 400 and 500) during the biennium 1992-1993, compared with the outputs programmed as contained in the approved programme and budgets (GC.4/42). Only quantifiable outputs have been included in the tables.

The outputs have been grouped according to the following categories which reflect the broad range of activities undertaken by the Organization.

<u>Code</u>	<u>Output Classification</u>
1011	Expert group meetings
1012	Regional/global preparatory meetings
1013	Consultations
1014	Investment forums
1015	Fairs/exhibitions
1016	Other meetings
1021	Workshops/seminars
1022	Internal training
1023	Group training programmes
1024	Fellowships, study tours or delegates programmes (number of participants)
1025	Country presentation tours (number of countries of origin)
1031	Data banks
1032	New reports and manuals
1033	Updated reports and manuals
1034	New internal guidelines
1035	Updated internal guidelines
1036	Abstracts, periodicals and loose-leaf publications
1041	Country studies
1042	Subsectoral studies/analyses
1043	Other studies
1061	Projects identified
1062	Projects developed and formulated
1063	Projects approved
1064	Projects implemented
1065	Projects completed
1066	Investment project identified/screened/appraised
1067	Investment projects concluded
1068	Project appraisal memoranda/advice
1069	Projects reviewed for UNIDO funding
1071	Computer systems developed
1501	Advisory services
1502	Technical cooperation in a particular subsector
1503	Technical cooperation in policy formulation
1504	Integrated development programmes
1505	Country programme reviews
1506	Country/special regional industrial plans/programmes
2001	Support services
3001	Direction and management
9001	Other

Outputs carried over from previous biennium(s) have been reported under the column "additional outputs". Outputs that were cited in the programme and budget documents without any quantification have been indicated as follows: (a) if no output was implemented in 1992-1993, the column "Programmed 92-93" shows at least one output; and (b) if an output or outputs was/were implemented during the biennium, the same number or an estimated total for the biennium is indicated under "Programmed 92-93".