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CONTENTS

Message from the Director-General	v
CHAPTER I: UNIDO AT WORK.....	1
A. UNIDO as a global forum.....	1
B. Cooperating for development.....	4
C. Making a difference	7
CHAPTER II: INVESTMENT PROMOTION AND INSTITUTIONAL CAPACITY-BUILDING.....	15
CHAPTER III: SECTORAL SUPPORT AND ENVIRONMENTAL SUSTAINABILITY	21
CHAPTER IV: THE REGIONAL DIMENSION.....	27
A. Africa and least developed countries.....	27
B. Arab countries.....	31
C. Asia and the Pacific.....	33
D. Europe and NIS.....	36
E. Latin America and the Caribbean.....	38
F. Field representation	40
CHAPTER V: PERFORMANCE MANAGEMENT	43
A. Financial resources	45
B. Innovation and learning.....	48
C. Internal processes	50
D. Customers.....	53

CONTENTS (continued)

APPENDICES	57
A. Operational statistics.....	58
B. Project approvals under voluntary contributions.....	70
C. Status of integrated programmes	72
D. Technical assistance to the least developed countries	74
E. Regular programme of technical cooperation.....	80
F. Geographical distribution of experts	82
G. Training activities	84
H. Agreements concluded.....	98
I. Country promotion presentations.....	101
J. Purchase orders placed and contracts awarded.....	103
K. UNIDO field representation.....	104
L. Personnel-related information.....	106
M. Expert group meetings, symposia, seminars, workshops, courses and other meetings	108
N. Selected publications and other products.....	114
ABBREVIATIONS.....	119

Message from the Director-General

As this Annual Report covers the last year of my first term of office as Director-General, it will not be out of place for me to look back briefly over the past four years. But before doing so, I must stress how gratifying it was for me that UNIDO's performance in the years 1998-2001 was given concrete endorsement by my re-election for a second term of office. This was a vote in favour of continuity and as such it was not only a tribute to all UNIDO staff but also to our partnership with the Member States, whose continued support to the Organization and constructive involvement in the transformation process has been indispensable to its success. I consider it a privilege to work together with our partners in a common cause in the new millennium, at the head of an organization so well equipped for its part in the United Nations drive to alleviate poverty the world over.

Two key concepts help me sum up what has been achieved over the past four years—change and stability. UNIDO owes its present vantage position to the fruitful balance struck between these apparent opposites over the last four years. Change and stability have gone hand in hand.

When I took office at the end of 1997, change was clearly the order of the day, with discontent among Member States being related to three main topics—financial performance, programmatic focus, and the general question of whether there was any good reason for having a multilateral organization in the field of industrial development at all.

The first step towards putting UNIDO back on a healthy financial footing was a structural reorganization entailing extensive and painful staff reduction, which was financed out of UNIDO's regular budget without any extra influx of capital. For the rest, sound and transparent management and an effective use of resources were all that were required. In 1999 we were already able to offer our staff three-year contracts once again. The Working Capital Fund was replenished in 1998 and we now have an operational budget reserve of \$2.7 million. Radical change had led to a swift restoration of stability.

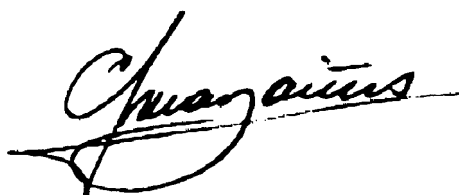
The most significant change in respect of programmatic activities was the introduction of the demand-driven integrated programmes, tailored to the demands of our partner countries and given extra focus by being based on the UNIDO service modules. Technical cooperation delivery has maintained overall stability; the drop in 2000 was more than made good in 2001, when delivery rose above previous levels to \$84.9 million. UNIDO has thus maintained stability through a period of change, and our new focus and integration has boosted the confidence of the Member States.

The doubts which were in the air back in 1998 as to whether UNIDO really had a valid *raison d'être* at all have disappeared like the snows of yesteryear, not least because of the recognition that, under the process of globalization, development is not primarily

driven by capital accumulation, but by productivity growth. Now that this is generally accepted, there is no longer any doubt about how well UNIDO is cut out to play a critical role in the fight against poverty and marginalization.

Recognition of UNIDO's achievement and potential has come in a number of forms. I was very honoured to be appointed to the chair of the United Nations Administrative Committee on Coordination's High-Level Committee on Programmes by United Nations Secretary-General Kofi Annan, but this too was as much a tribute to UNIDO as to myself. The value of cooperation within the United Nations system as a catalyst for poverty alleviation has now been given full recognition and is a constant UNIDO priority.

The year 2001 was a turning point, but not only because it saw the end of one term of office and the beginning of another. The 1998-2001 achievement was to maintain stability while effecting radical change, but we have no inclination to rest on the laurels we won for our internal reform. Once this was done, new priorities topped our agenda. The priority for 2002-2005 is to use our newly-won stability to implement our robust and coherent portfolio of technical cooperation programmes to the full. There have already been some first fruits, which will give us encouragement as we embark on new endeavours. For the road ahead is a long one, and it will not be easy going. But by deepening our partnerships with the Member States and raising our performance levels by capitalizing on our recent achievements, we will surely be able to rise to the challenges the future will bring.

A handwritten signature in black ink, reading "Magariños", with a long horizontal stroke extending to the right.

Carlos Magariños
Director-General



UNIDO at work

Following on the heels of the transformation measures of the previous three years, 2001 was a significant year for UNIDO. It was the year in which the Organization, as a result of successful transformation in line with the Business Plan, could boast a large measure of stability. On that basis, the Organization was able to engage itself fully in renewed programmatic activities based on the integrated programme approach, with encouraging results reflected in an upturn both in new project approvals and in technical cooperation delivery.

Against the background of transformation planning, review and the first cautious steps of implementation, it was the events and activities of 2001 that motivated Member States to adopt important decisions by the General Conference at the end of the year. By re-appointing the incumbent Director-General for a second term, the Conference demonstrated its desire for continuity, while giving him a mandate to improve and strengthen the Organization further. It was a year of significant events and it was one in which a number of important lessons were learned, the most important of these being that the most effective means of reducing poverty in our global world are growth and productivity, central to both of which is, without doubt, industrialization.

The General Conference resolution on the medium-term programme framework, 2002-2005, places heavy emphasis on technical cooperation, but at the same time confirms the importance of UNIDO's global forum function. The two are seen as different sides of one coin, with technical cooperation experience and data feeding the constant debate and planning that takes place in the global forum, and the global forum in its turn playing a critical role in improving the quality of UNIDO assistance by giving us all a better understanding of industry's contribution to poverty alleviation and how to link national economies to the global economy.

A. UNIDO as a global forum

On the basis of the programmes called for by the Business Plan, UNIDO undertakes a wide range of activities to support and promote industrial development. These activities, many of which go beyond the confines of specific technical cooperation projects, include initiatives to promote the understanding of the industrial development process and disseminate through specialized meetings and publications the lessons learned about a variety of industry-related issues. In the course of these activities, UNIDO promotes partnerships and supports global industrial cooperation between countries at all levels of development. In doing so, it facilitates the spread of industrial information, knowledge, technology and investment.

Through major meetings, partnerships and publications, UNIDO presents to the international community the major issues of industrial development, particularly its relevance to broader economic and social development, and identifies areas for developing countries and economies in transition to focus on in their pursuit of economic reform. Global forum activities strengthen the Organization in its agenda-setting, knowledge-sharing, partnership-promoting role. Properly done, they build UNIDO's image.

Together with the Organization's more specific thematic meetings, regional forums, and research partnerships and publications, industrial development forums are an essential part of its reoriented global forum function. They permit the continuous reflection and debate needed to keep UNIDO well-positioned in the international development community and provide an analytical foundation for its technical cooperation interventions. As such, the forums should be seen as part of the wider UNIDO effort to deliver the global public goods that our clients require for the stimulation and guidance of sustainable industrial development.

The Industrial Development Forum "Fighting marginalization through sustainable industrial development: Challenges and opportunities in a globalizing world", hosted by UNIDO on 5 December within the framework of its General Conference, was the culmination of global forum activities in the year. This Forum was part of an ongoing UNIDO endeavour to engage in constructive discussion on topical issues of fundamental relevance to industrial development within a continuously evolving global context. Two groups of issues were addressed, the first group being technology, investment and trade, and the second, environment and quality.

In addressing the role of investment, technology and trade in promoting industrial and economic development in a globalizing world, the participants concluded that technology and liberalization were the prime forces driving globalization. Development agencies in general, and UNIDO in particular, have a critical role to play in providing developing countries with the public goods required to initiate a path of productivity-driven, equitable, clean growth. Focused, integrated assistance in all the interrelated fields of technology, investment and trade, including environmentally sound technology, are effective and efficient means of supporting development.

Discussion of the second group of issues focused on global norms and standards in the context of development, and it was agreed that developing countries should be enabled to participate more fully in international trade agreements and environmental conventions. The discussion also highlighted the critical role of development agencies, and UNIDO in particular, in guiding productivity-based growth in the developing world and promoting "workable" globalization.

Given its comparative advantage in the international community, it was agreed that UNIDO should intensify its efforts to help developing countries and economies in transition to implement multilateral environmental agreements such as the Montreal Protocol, the Stockholm Convention on POPs, the Kyoto Protocol, and the Cartagena Protocol on Biological Diversity. UNIDO should also support the efforts of countries to conform to trade rules (in particular complying with technical barriers to trade (TBT) agreements and sanitary and phytosanitary (SPS) standards). All these factors will raise capacities for accessing markets.

The Forum also concluded that UNIDO's strategies should be differentiated to ensure that development objectives can be achieved according to prevailing conditions in individual groups of developing countries and the Organization's activities to strengthen industrial capacities should strongly reflect environmental protection issues and concerns.

Strategic research is a vital component in UNIDO's work. It provides a strong analytical foundation for technical cooperation and thus improves programmatic activities and enhances common understanding on the contribution of industry to poverty alleviation and on the way in which national economies are linked with one another and with the global economy.

In 2001, a cross-organizational team finalized an agenda setting out the main lines along which the Organization's strategic research activities should be conducted. The team took a wide range of factors into account including the specific concerns of LDCs and other marginalized countries and regions, the need for public goods, and the necessity of a holistic perspective which combines economic, social and environmental aspects. The agenda includes themes relating to technology transfer, SMEs, the contribution of industry to poverty alleviation, and the enhancement of capacities for market access. This agenda will be revised in the course of time to take account of developments in international research and experience gained in technical cooperation.

UNIDO continued to develop its partnership with the University of Oxford under the agreement with the University's Centre for the Study of African Economies (CSAE). In 2001, this collaboration resulted in the preparation of working papers on manufacturing in three countries, as reported in greater detail in chapter IV.A of this report.

At the end of the year, funds received from DANIDA to implement new research partnerships beginning in 2002 amounted to approximately \$600,000. The partnerships funded will be grouped under a programme entitled "Combating marginalization and poverty through industrial development". The topics they cover include public goods, poverty alleviation, technological development, SMEs and social capital, and they place strong emphasis on direct implications and relevance for technical cooperation.

UNIDO's involvement in the **Third United Nations Conference on the Least Developed Countries** (LDC III) constitutes an important example of the synergies between global forum and technical cooperation activities. The basis for this global forum event was provided in part by expertise in technical cooperation, which was able to pinpoint the special problems and needs of LDCs in the sphere of industrialization. Conversely, in the follow-up process to LDC III, global forum activities are now being transformed into technical cooperation activities to benefit LDCs.

UNIDO's strategy at the Conference was to emphasize first and foremost the centrality of the manufacturing sector and secondly the importance of relations between agriculture and industry for economic growth, integration into the global economy and poverty alleviation. In pursuing this strategy, UNIDO followed a dual approach, not only highlighting the link between enhanced productive capacities and market access, but also emphasizing the crucial role of energy in alleviating poverty in LDCs. Two billion people in the world—one third of the world's population—do not have access to electricity and modern energy. The Programme of Action produced by the Conference reinstated the crucial role of productive capacity on the international development agenda.

UNIDO launched a portfolio of special initiatives, so-called deliverables, focusing on energy and on market access. The deliverables will contribute to the implementation of the Brussels Declaration and the Programme of Action for LDCs and have already been successfully followed up. In the area of energy, renewable energy projects promoting solar, wind and biomass energy in rural areas have been formulated for five countries, and the multifunctional platform programme is being developed in villages of several LDCs in direct cooperation with UNDP. Furthermore, with a financial contribution from the Austrian Government, UNIDO and UNCTAD planned a conference for 2002 on

efficient hydrocarbon pricing and procurement, and the management of oil price volatility in LDCs.

The year brought an expansion of UNIDO activities in the **technology foresight** initiative, now in its third year. In Latin America and the Caribbean, where Peru joined the programme in 2001, it continued dynamically with the formation of national teams in a number of countries to develop the initiative at the national level in the fields of biotechnology and energy. A knowledge repository has been built up for the region through the project's information portal.

In cooperation with Hungary, the programme was extended to Central and Eastern Europe and the Newly Independent States. A major event was the regional conference on technology foresight at Budapest, convened as a follow-up to the initiative launched in 2000. Addressing the conference, the Director-General emphasized the critical importance of technology foresight in the light of the recognition that economic growth is not just a result of the accumulation of productive factors but also of technical change. The meeting provided basic knowledge on methodologies and on the application of technology foresight tools in strategic decision-making for technological development, with particular reference to the UNIDO initiative for the region, which has a particular relevance in view of the challenges presented by accession to the European Union.

B. Cooperating for development

The success of UNIDO's transformation and revitalization has given the Organization a new identity, opening up many new channels of activity and opportunities for cooperation. UNIDO is now in a better position to promote its role and visibility, to share its positive experience of reform with others in the United Nations family and to make a distinctive and constructive contribution to the task of working towards the Millennium Development Goals.

Quite apart from drawing attention to its own achievements and potential, UNIDO has continued to make a special contribution to debate and planning in the international development forums by emphasizing the importance of productivity and industrial development for sustained growth and poverty alleviation. In so doing UNIDO fully exploited contacts with a range of international partners and has intensified its participation in the most important events in the year's international calendar.

In addition to LDC III, major events in which UNIDO actively participated included:

- ❑ Substantive session of ECOSOC;
- ❑ High-level Segment of ECOSOC on Africa;
- ❑ Tenth meeting of the Intergovernmental Follow-up and Coordination Committee on Economic Cooperation among Developing Countries in Tehran;
- ❑ Fifty-sixth session of the United Nations General Assembly;
- ❑ Preparatory process for the forthcoming International Conference on Financing for Development and the World Summit on Sustainable Development.

The quality of the UNIDO contribution on the conference front has led to a fuller and wider appreciation of the value and key role of industrial development for poverty alleviation, and of UNIDO's role as its promoter. This has been reflected in the final documents of all these international events. New UNIDO initiatives, including those on

trade facilitation, technology and energy for sustainable development, have been endorsed and the visibility of UNIDO increased. UNIDO's standpoint has also contributed to an important policy shift in the international community from relief assistance to development assistance with proper emphasis on productivity factors.

Parallel to its involvement in major international events, UNIDO has also continued to cooperate with the Bretton Woods institutions and United Nations organizations on a concerted response to the Millennium Development Goals. UNIDO has been drawing on its fund of experience to make its cooperation more focused, coordinated and result-oriented. Concentrating on the areas of its comparative advantage, it favours a pragmatic approach, only taking practical steps on the sound basis of concrete experience. This process is already bearing fruit, notably in UNIDO's enhanced cooperation with UNCTAD, ITC, WTO and ESCWA on trade facilitation, with the Organization providing much-needed support to developing countries in the field of standardization and quality control. Cooperation with UNEP resulted in further enlargement of the Cleaner Production Centres network.

To provide a better contribution to and influence policy formulation and decision-making in the process of United Nations development operations, UNIDO has considered the possibility of cooperating with the United Nations Development Group and late in the year applied for membership in the Group. To improve inter-agency cooperation at the country level, UNIDO made an input to the UNDAF process through its integrated programme approach.

UNIDO was invited by the World Bank and IMF to participate in the International Conference on Poverty Reduction Strategies. Given the key contribution of industry to poverty alleviation and sustained growth, UNIDO's involvement in poverty reduction strategy papers (PRSPs)—emphasizing the role of productivity—could in principle be a positive contribution. Taking into consideration the flexible approach to PRSP content, there should be considerable scope for the incorporation of integrated programmes as elements of relevant PRSPs.

In preparation for the International Conference on Financing for Development, UNIDO positioned itself with initiatives in the area of trade facilitation and venture capital. For the World Summit on Sustainable Development, UNIDO participated in 2001 in national and regional-level preparations to ensure the recognition of the importance of industry for sustainable development. In the course of 2002, when the global intergovernmental negotiations start, UNIDO will promote initiatives in the area of technology transfer needs assessment, energy and solid waste.

The common ground shared by the **European Commission** and UNIDO development objectives, and the fact that both organizations receive largely similar policy guidance from their member States, has led to an increase in opportunities for EC-UNIDO cooperation. The EC sees UNIDO's mandate and expertise as being highly relevant to the task of combating poverty by eliminating supply side constraints and by making enterprises more competitive and environmentally sustainable.

On 31 May 2001, the EU Development Council made an important policy decision when it requested the EC to strengthen and systematize programmatic partnerships with the United Nations. In its turn, the European Commission developed an extensive policy paper defining the principles for increased cooperation with the United Nations and is at present in the process of identifying organizations and thematic areas for future programmatic and funding partnerships. In line with the inter-agency policy of its reform programme, UNIDO has intensified dialogue and exchange of information with the European Commission. The Director-General discussed cooperation with the highest echelons of the EC and the two organizations have increased programmatic

dialogue, both between their headquarters, and in the field in the context of the integrated programmes. While the EC's final decision regarding the extent of future partnership is still pending, the areas in which UNIDO-EC cooperation will be most fruitful have already been identified and agreed upon. These relate to enabling developing countries to participate in international trade (standards, quality, accreditation, metrology and certification), with particular attention to institutional capacity-building and regional integration; environment and energy; and investment and technology promotion.

One of the most significant events was the launch of the first UNIDO programme to be funded by the European Commission. This programme, with estimated funding of €12.5 million, will strengthen capacities in quality and standardization in the countries of the West African Economic and Monetary Union (UEMOA), seven of which are LDCs. The programme, which is described in greater detail in part C below, will be implemented in cooperation with ITC.

In 2001 UNIDO began its participation in the initiative known as the **Nordic Partnership**. The partnership is currently developing an entirely new business model which is oriented towards the promotion of global sustainability, and which will be presented at the World Summit on Sustainable Development (WSSD). The initiative was founded by the World Wide Fund for Nature in the four Nordic countries and the Danish strategic forum House of Mandag Morgen, and sponsors include the Nordic Council of Ministers and 16 major Nordic companies. The objective is to determine how business can undertake global responsibility—socially, environmentally and financially—and thereby contribute to such orientations in development central to recent UNIDO initiatives as the “triple bottom line” and the transfer of environmentally sound technology.

UNIDO's unique global expertise in furthering sustainable industrial development has led to its being invited to play an active role in developing and advocating the new business model at the Nordic Partnership Conference in Copenhagen, in April 2002, and to collaborate in presenting the Nordic Partnership Business Model for Sustainable Development at WSSD in September 2002.

South-South cooperation is not only a crucially important tool for strengthening the economic independence of developing countries and achieving their development goals, but is also one of the means of ensuring their equitable and effective participation in the emerging global economic order.

The globalization of recent years has brought about an acute awareness of the contribution which industrial development makes to the creation of productive employment, the stimulation of economic growth and the eradication of poverty. UNIDO takes up the globalization challenge directly by promoting sustainable industrial development and by enhancing policy coherence and cooperation with multilateral development institutions. Cooperation between UNIDO and the Group of 77 is an important tool in this regard.

In that context, UNIDO actively participated in the tenth meeting of the Intergovernmental Follow-up and Coordination Committee on Economic Cooperation among Developing Countries, held at Tehran in August, which was the most important Group of 77 event of the year, also playing a significant role in the further coordination of common activities aimed at enhancing South-South cooperation. UNIDO's contribution featured a paper entitled “Knowledge and technological innovation in industrial development for the advancement of the South”, which was prepared and circulated as an official conference document.

The net result of participation in the conference was to boost UNIDO cooperation with the Group of 77. The crucial importance of industrial development for poverty alleviation and UNIDO's role in this respect were properly reflected in the final documents of the meeting. The Committee strongly supported the key role UNIDO plays in promoting sustainable industrial development in developing countries through its integrated programme approach and other activities.

In 2001 UNIDO took a number of initiatives in its **public relations** work aimed at improving its international image. To that end a new uniform corporate design has been introduced for UNIDO's promotional material and publications. Constantly concerned to make information on UNIDO clear and accessible, the Organization upgraded its UNIDOSCOPE Weekly News website to make it more attractive and user-friendly, and produced a promotional video for distribution to the media. The UNIDO public website has come into its own as a link with the general public. The site recorded an increased number of visits, with the number of hits rising to 5.9 million from 4.3 million in 2000. Some 1,600 documents are currently available on line.

In May, UNIDO was represented with a promotional stand at LDC III. This resulted in the formulation of a number of renewable energy project proposals, which are currently being researched.

An interesting and informative exhibition on the integrated programmes was mounted to coincide with the General Conference and Industrial Development Forum in December, thus bringing a central element in current UNIDO policy to the attention of participants. In order to maximize global media coverage of the General Conference and the Industrial Development Forum, UNIDO invited selected journalists from the various fields in which the Organization is active. The journalists received both general and region-specific briefings and had direct access to the Director-General during the General Conference. This initiative resulted in very positive media coverage throughout the world for UNIDO and its activities.

Further highlights in the year included the publication of two books by the Director-General and staff members. The first, *Reforming the UN System—UNIDO's Need-Driven Model*, includes contributions by Professor Sanjaya Lall, Professor John Degenbol-Martinussen, Mr. Rubens Ricupero of UNCTAD, and a number of permanent representatives and UNIDO staff. It discusses the arguments for and against multilateral development cooperation, with particular attention to international industrial development during the post-cold war era. Furthermore, it documents how UNIDO's successful transformation has enabled it to contribute all the more effectively to the global supply of international public goods within its mandate. The Director-General spoke at the presentation of the book in September at the UNIDO/CSAE conference in Oxford and at the internationally respected Royal Institute of International Affairs in London. This was followed by a further UNIDO publication, *Gearing up for a New Development Agenda*, also by the Director-General, supported by a number of UNIDO staff.

C. Making a difference

Since the initiation of the first integrated programmes in 1998, confidence has grown within the Organization and among Member States that the integrated approach provides the most effective framework in which to work for poverty alleviation through industrial development. The year demonstrated once again that providing integrated technical cooperation tailored to the real needs of the country concerned, and planned

and executed in collaboration with that partner country in coordination with the work of other organizations, is the right path to follow. This is why integrated programmes are not just technical cooperation, but genuine technical partnerships.

The year saw an intensification of UNIDO's commitment to and involvement in integrated technical cooperation. Greater emphasis was placed on the quality of implementation of both integrated programmes (IPs) and stand-alone projects, with efforts to ensure their sustainability, cost-effectiveness and maximum impact. A critical reassessment initiated for IPs paved the way for a dynamic refocusing and adjustment process to correspond to developments in client countries and to take account of donor priorities. A number of principal criteria for UNIDO's operations were thus reinforced—namely that they are to be demand-driven, client-oriented and planned in the light of constant evaluation of experience in the field.

An important structural change aimed at streamlining the implementation of the IPs, namely the slimming down of the service modules from sixteen to eight, to become effective in 2002. This will facilitate further improvements in programmatic synergy, higher levels of teamwork and more effective outputs. As ever, these service modules represent UNIDO's core competencies and form the building blocks for designing integrated services. Like the sixteen modules used until the end of 2001, the new eight modules are aspects of the three "E's" that are the Organization's chosen means of working for poverty eradication through industrial development: Competitive Economy, Productive Employment and Sound Environment.

At the end of 2001, there were 44 approved integrated programmes (not including the country service frameworks for China and India), with a total value of \$257.1 million, of which \$81.3 million had been mobilized, in addition to "stand-alone" projects. In line with the priorities set by the Millennium Declaration and the Business Plan, UNIDO has paid special attention to the needs of Africa and LDCs. Africa accounted for 39.5 per cent of the countries covered by integrated programmes, of which 75 per cent are in sub-Saharan Africa. The year also saw the initiation of the first regional integrated programme, which focuses on agro-industries in Benin, Burkina Faso, Guinea, Niger, Senegal and Togo. One further regional integrated programme is in preparation for Latin America, with a special focus on trade facilitation.

The remaining pages of this chapter present a selection of stories. They all show UNIDO in action during the year, making a real difference to the lives of people in our partner countries.

Market access is central to the fight against poverty in developing countries. However, gaining access to export markets can be a major challenge for developing countries and transition economies as they face considerable difficulty in conforming to requirements imposed in the form of ever-more stringent quality, safety, health and environmental standards and technical regulations. This issue is a complex one, and developing countries have thus far been unable to elicit coordinated international support in their efforts to surmount the obstacles.

Building on its strength in this area and in line with international priorities, UNIDO continued to promote its trade facilitation initiative entitled "Enabling LDCs to participate in international trade". Activities include the three-year programme, funded by the European Union, covering the core requirements of the eight UEMOA member countries. UNIDO is awarding the UEMOA initiative high priority, and it will be considered the test case for showing the quality and relevance of its services. There have been consultations on a similar programme for the Southern African Development Community countries, which has evoked a positive response from the EU. A programme was also drawn up for the Central American subregion in close cooperation with ITC.

In Central America, the programme will focus on the identification of conformity problems faced by three agro-industrial subsectors in export markets, on strengthening the national and regional quality support infrastructure in areas such as testing, certification and accreditation, and on building institutional capacity to assist enterprises with the adoption of international product and process standards as well as technical regulations. Furthermore, the programme will build capacity in the region to comply with or to contest WTO agreements, in particular the technical barriers to trade and sanitary and phytosanitary agreements.

The significance of UNIDO activities in the field can be well illustrated by UNIDO's work on a safety assurance system for the fishing industry around Lake Victoria in Kenya, Uganda and the United Republic of Tanzania. This work had already started in 1999 when the EU imposed a ban on Nile perch as a result of a shipment of contaminated fish. The ban reduced exports by 50 per cent and half a million people suffered partial or total loss of income. The lifting of the EU ban testified to UNIDO's success in establishing a satisfactory organizational and regulatory framework for the industry, including a reliable fish inspection and quality control system. Further activities have led to Lake Victoria fish fully regaining its EU market share and expanding to new markets, such as the United States of America.

UNIDO continues its special emphasis on support programmes aimed at the promotion of **small and medium enterprises** (SMEs) in all developing regions. Both in the public and private sector UNIDO works to strengthen capacities for the development and implementation of effective SME policies, setting up consultative mechanisms and supporting SME advocacy units in Government.

UNIDO works on several fronts to stimulate and promote SME development, establishing business advisory centres, encouraging private sector partnerships and promoting networking among SMEs. One fruitful tool in this respect has been UNIDO's global cluster development programme, which has, for instance, started to bear fruit in Tunisia, where the natural scepticism of firms towards inter-firm cooperation is gradually being overcome and, in emulation of the success of SME clusters in Italy, enterprise networks are becoming a feature of a number of sectors of Tunisian industry. For example, guided by UNIDO, eight leading private car components companies joined hands in 2000 to create a consortium, with a view to promoting their products on the European market. Their activities in 2001—including joint appearances, trade fairs and the setting up of a common website—resulted in their breaking into important car parts distribution networks in Europe. This is only the beginning of a process which they embarked upon as a result of the UNIDO initiative.

Women's entrepreneurship development remained a high priority for UNIDO in 2001. This component in UNIDO's integrated programme for Morocco had considerable impact in the fields of traditional weaving and olive oil production. Sixty-nine women weavers received training in marketing, one cooperative doubled its income, with all the enterprises involved improving their performance and 10 of them embarking on a new growth phase. In the olive oil sector, a heavy campaign undertaken after the last harvest resulted in women being trained in olive oil making with the help of mobile training equipment. Ten new enterprises have been created and one association was significantly strengthened. All this was achieved in less than one year, along with a strengthening of local support institutions through trainer training and the encouragement of networking.

UNIDO has long recognized the importance of providing Governments and institutions with **statistical and information tools** for decision and debate. The Organization made a notable contribution to this process in 2001 by bringing out the IRMSready database system on CD, already in use in the IPs for Ethiopia and Jordan. Designed for use by

government planners, factory managers or country information specialists, this piece of networking software is a reliable and focused information tool for policy purposes, which is a cornerstone to success in today's competitive environment, with the added advantage that the system can publish data on the World Wide Web via the IRMS web server.

The global economy has become knowledge- and technology-driven, but while innovation and rapid technological changes provided the basis for prosperity and growth in industrialized countries, many developing countries and countries with economies in transition are at risk of marginalization by being trapped in a technology divide and an investment gap. **Investment and technology promotion** is an indispensable UNIDO service for the economic transformation these countries require to achieve sustainable economic growth and to eradicate poverty.

An important initiative in this field was the launch of the UNIDO-Africa Investment Promotion Network. The network is intended to address some of the problems faced by investment promotion agencies (IPAs) in Africa, and is comprised of IPAs from sub-Saharan countries with ongoing integrated programmes, UNIDO Investment and Technology Promotion Offices (ITPOs) and an advisory panel from the private sector. The Network is a working group that explores practical, low-cost schemes to improve the effectiveness of its member agencies in mobilizing domestic and foreign investment. It also functions as a resource group of IPAs who have been working with UNIDO and can provide guidance in the design of UNIDO's country-level programmes. It is also a permanent platform for training, capacity-building and continuous linkage to UNIDO's worldwide network of ITPOs.

The **ITPOs** have played an important role in UNIDO's success in investment promotion. In 2001, ITPO Tokyo celebrated its twentieth anniversary. Over the years the Office has contributed to the realization of 53 projects in developing countries, with investments totalling some \$350 million. The promotional work of the Tokyo ITPO bore fruit in 2001 in investments of \$1 million in China on a project for production of solar traffic markers and \$4.5 million for the construction of a tantalite-processing plant in Nigeria.

In the framework of its longest-standing integrated programme, UNIDO cooperated with the Government of Burkina Faso on a major investment forum "Invest in Burkina Faso 2001" from 12 to 14 June in Ouagadougou. The main objective was to promote individual meetings between businessmen from Burkina Faso and foreign investors, and to discuss specific investment projects. In all, 261 companies and institutions participated and with the help of the specialized UNIDO computer program SHARE, 123 local entrepreneurs held over 600 business meetings with 111 foreign companies (39 from France, 20 from Canada, 10 from Morocco and 8 from Belgium) and

27 representatives of investment support organizations attending. The forum resulted in the expression of interest by 21 potential investors, and follow-up to the Forum is now under way in collaboration with the ITPO in Paris.

UNIDO **international technology centres** (at present there are 10) are considered a unique tool to promote international collaboration, transfer and diffuse new technologies and innovations, thereby bridging the technology divide and encouraging industrial investment. As UNIDO is the only United Nations agency with this tool to enhance North-South and South-South technology flows and perform global forum functions and technology support services, ITCs have become a UNIDO trademark. Contributing to its unique character, this effective "technological arm" is supported by a number of tools and methodologies for technology transfer, acquisition and management, and is integrated with the work programmes of ITPOs.

In 2001, the International Centre for Advancement of Manufacturing Technology (Bangalore, India) started to implement a project aiming at technology upgrading for the foundry industries in Agra. The transfer of a new technology (at a cost of \$150,000) and its application at 100 foundries will secure employment for 10,000 people, thus providing work with an investment of only \$15 per job.

The International Centre of Medicine Biotechnology (ICMB, Moscow, Russian Federation), in cooperation with the Beijing Free Economic Zone and City Administration, promoted a modern medical diagnostic centre to be established in Beijing and mobilized the \$35 million investment required. Moreover, ICMB is finalizing a package of technology transfer agreements worth \$7 million between India and the Russian Federation.

In Belarus, the National Centre for Technology Transfer facilitated the transfer of new technologies to Shandong Province of China. Fourteen agreements were signed by partners towards creating new enterprises in China to commercialize R&D results from Belarus, and more than 100 research projects were selected for further consideration. Similar technology partnership programmes were initiated with two other Chinese provinces.

The reinstatement of productive capacity as a key agent of poverty alleviation in the LDC III Programme of Action is confirmation of the priority which the UNIDO Business Plan gave to the upgrading of **agro-industries** and related technical skills. Agro-industrial products greatly contribute to meeting basic human needs and to sustaining livelihoods. At present, only a small proportion of produce is actually processed and there is great post-harvest waste due to lack of storage facilities and infrastructure, and poor knowledge even of the basic techniques for conversion and manufacturing.

In the **leather sector**, UNIDO provides advisory services to promote environmentally friendly processes and technologies for the tanning of hides and skins and for the application of improved processes and technology for the production of high-quality leather goods. The Regional Africa Leather and Footwear Industry Scheme—a well-established UNIDO success—continues its work with training and common production facilities in Kenya and Uganda. Similar facilities were established in Ethiopia and the United Republic of Tanzania in 2001, which will create employment through training, not only in leather goods and footwear production, but also in entrepreneurial skills. The integrated programme for Eritrea, which was approved in 2000, is aiming at a comprehensive rehabilitation of the country's leather-based industries. The industry is now linked to the Eastern and Southern Africa Leather Industries Association, a training programme is under way, and particular support has been directed at exporting companies.

UNIDO also helps enterprises in the leather industry to keep to the international environmental standards which are required of them if their products are to be commercially acceptable. In 2001, UNIDO implemented a UNDP-financed project to provide the town of Kasur, Pakistan, with a comprehensive effluent treatment plant, without which some 200 tanneries in the area would have faced closure. The tannery cluster in Ambur, Tamil Nadu, India, was threatened with the same fate, until UNIDO's timely intervention to rehabilitate and upgrade the waste disposal saved Ambur's leather industry from extinction.

Four implementing agencies are involved in assisting the Executive Committee of the **Montreal Protocol** to phase out ozone-depleting substances (ODSs), namely UNEP, UNDP, UNIDO and the World Bank. UNIDO is heavily committed to assisting with phase-out projects involving aerosols, foam, halons, refrigeration, solvents and tobacco fluffing, and is the leading United Nations agency assisting Article 5 countries to phase

out the widely-used agro-industrial fumigant methyl bromide. June 2001 saw the launch of the UNEP/UNIDO website Methyl Bromide Alternatives Projects: MAP to a Healthy Harvest, which provides information on past and current projects, and above all on the alternatives to ODSs for those striving to adopt more environmentally sustainable development. UNIDO also works to strengthen the capabilities of ozone authorities in the countries concerned, and raises awareness through demonstrations, seminars and workshops.

UNIDO also works in close cooperation with UNEP, UNDP and the World Bank to ensure full exchange of information, sensible division of labour, standardization of procedures, and coordinated contacts with donor countries, particularly in the joint formulation and implementation of projects.

UNIDO's work on all these fronts in Turkey over the last five years bore fruit in 2001 when the Organization was given responsibility for a country-wide methyl bromide phase-out project endorsed by the Turkish Government and approved by the Executive Committee of the Multilateral Fund.

UNIDO was involved in the foam sector in Venezuela, working for the elimination of CFC-11. In this particular project, UNIDO provided direct technical assistance to Amerio Industrial S. A., a company producing insulation elements, particularly panels for freezers and cooled transportation. UNIDO first provided a thorough technical assessment of how to adapt the company production line to bring it up to the standards of the Montreal Protocol. The chosen technique was to replace CFC-11 by introducing HCFC-141-B in panel production. The company accepted the techniques and new equipment proposed by UNIDO, thereby setting an example for a whole industrial area.

The operational details for reducing greenhouse gas (GHG) emissions under the 1997 **Kyoto Protocol** were agreed at Marrakech, Morocco, in November 2001. UNIDO has been taking an active role in assisting the signatories to mobilize and strengthen national capacities for participating in the implementation of the Climate Change Convention and the Protocol through the Kyoto Protocol Mechanism, particularly the Clean Development Mechanism (CDM) and Joint Implementation (JI). In particular, UNIDO carried out capacity-building projects in Africa and Asia addressing the assessment of technological opportunities to reduce GHGs and capacity-building needs in industry. UNIDO's so-called "baseline studies" help project developers ensure that CDM and JI projects deliver real, measurable and long-term GHG emissions reduction.

UNIDO is focusing more of its subsectoral assistance on reducing industrial **energy** intensity and thus of GHG emissions. UNIDO supports the Centre for Development of the Glass Industry in Ferozabad, which with 70 per cent of total production is the hub of glass manufacture in India. As a first step towards implementing both energy efficiency and energy-saving measures, UNIDO designed a process control software for maintaining optimum furnace temperature. In the two units where it has been implemented, fuel use has been reduced by 18 per cent and energy efficiency increased by 22 per cent. Quite apart from the reduction in GHG emissions, complementary advice from the Centre will lead to improvements in quality which will enable the industry to extend their product range to include lighting equipment and vacuum flasks, thus enhancing competitiveness. UNIDO is seeking help from local government authorities to enable the 400-odd glass manufacturers to switch from coal and oil to natural gas and implement similar process control software for energy savings and efficiency.

A further example of UNIDO working for environmentally sustainable energy use comes from China, where industrial motor systems account for more than 50 per cent of overall electricity use. UNIDO's China motor system energy conservation project,

funded by the United Nations Foundation (“Turner Fund”) with co-funding from the United States of America Department of Energy, will improve equipment design, optimize system integration with the aim of enabling 50 per cent of electric motor systems to make an average 20 per cent energy savings. If this is achieved in the course of the 10-year planned period, then Chinese enterprises will save more than \$4 billion annually and carbon emissions will decline by more than 25 MMT annually. Steps are already being taken to train a network of system optimization experts throughout China, who will assist factories to implement motor system improvement.

Among UNIDO’s technical cooperation tools for **waste management** are two software packages, one for the treatment of tannery effluents, and another specifically designed for municipalities seeking to identify the best way to deal with the waste they collect.

The latter software package has been put to good use in China, in which UNIDO and the Chinese Ministry of Construction are collaborating on a municipal solid waste management (MSWM) programme in five selected municipalities. The programme has significant knock-on elements in the form of a longer-term national strategy for MSWM, and training documents and workshops. The programme’s priorities include the minimization of waste, the maximization both of environmentally sound recycling for reuse, and likewise of treatment and disposal. The programme is backed up by a strong commitment on the part of the Chinese Government, reflected in legislation, the inclusion of waste management elements in the China Agenda, and China’s active participation in the negotiating process of the POPs convention.

The adoption of the Stockholm Convention on POPs in May 2001 presented UNIDO with yet another major challenge in the environment field, to which it responded rapidly with strong support of the Global Environment Facility (GEF). The GEF, created by the World Bank in 1991 and restructured following the Earth Summit in 1992, is a financial mechanism which assists developing countries in meeting the demands of the environment-related international conventions, such as the Stockholm Convention. UNIDO is a GEF executing agency with expanded opportunities, with POPs as its priority area. The GEF has approved 15 projects in this area for UNIDO execution—more than for all the other agencies combined—and execution was initiated in the course of the year.



Investment promotion and institutional capacity-building

In 2001, the Investment Promotion and Institutional Capacity-building Division oriented its activities to contribute to the goal of poverty reduction. The chief thrust of this effort came in the form of strengthening the capacity of industries in developing countries and economies in transition to become the beneficiaries of globalization.

Implementation increased over the previous year as the Division's activities became more closely involved in the integrated programmes. More crucial, however, was the increase in the quality of the Division's technical cooperation delivery. By leveraging limited human and financial resources through closer integration of activities and focusing on programmes with the greatest impact potential, the Division added value to its services.

For example, the functions of the former Quality, Standardization and Metrology Branch were merged with those of the Investment and Technology Promotion Branch to provide a comprehensive package of services designed to give project sponsors and investors a competitive niche in international markets. Such activities were backed up by the Division's research and statistical endeavours, which added value in the planning and execution of technical cooperation projects. Substantial leverage was gained through the multiplier effect of networking the Division's expertise via its investment promotion services, international technology centres, subcontracting and partnership exchanges, SME clusters and other affiliated bodies.

UNIDO Exchange

The Organization's business and knowledge network—UNIDO Exchange—has established a specialized community embracing more than a thousand selected public and private participants from more than 120 developed and developing countries. Its registered members interact drawing on the network's main databases, which currently provide more than 2,000 screened and validated investment projects, technology offers, requests and offers for cooperation, mainly in agro-industry and cleaner production.

Industrial policies and research

In 2001, UNIDO implemented a range of technical cooperation and research activities with an accent on strengthening capabilities of and cooperation among public and private stakeholders in industrial development for formulation and implementation of industrial strategies and policies.

The draft manuscript of the first issue in the new series of UNIDO Industrial Development Reports, *Competing Through Innovation and Learning*, was reviewed in depth by two expert group meetings. Participants commended the manuscript in general and the UNIDO scoreboard of industrial performance and capabilities in particular as a unique approach to information and analysis for policy makers and the business community. Networking with leading research institutions strengthened the Organization's global forum activities in regard to the rapidly changing facets of industrial dynamism (see box, chap. IV.A).

Activities in Africa focused largely on strengthening public-private consultative mechanisms and national and local capacities for formulation and implementation of industrial strategies and policies. Private sector round tables were prepared for Togo (financed by UNDP) and within the integrated programme for Côte d'Ivoire. A new industrial policy for Rwanda, completed under UNDP financing for submission to parliament, has already generated a government request for UNIDO involvement in its implementation.

In the Arab region, activities in Egypt, Saudi Arabia and the Syrian Arab Republic focused on assistance in formulation of a long-term industrial vision and policy response to new challenges and opportunities. Assistance to Sudan will enhance its system of industrial governance. In Eastern and Central Europe, priority was accorded to the formulation of policies to strengthen industrial support systems and enhance regional competitiveness.

A productive year for Orissa with DFID

In late 2000, the government of the eastern Indian state of Orissa invited UNIDO to comment upon the industrial policy it was about to issue, and to consider extending further assistance in its implementation. UNIDO proposed a three-phase approach, staging a socio-economic analysis of manufacturing growth prospects, followed by a participatory exercise during which stakeholders would shape a common development vision, and finally the ensuing long-term engagement to support the execution of the policy, once enacted and released.

Phases I and II were implemented by mid-2001, under a project jointly funded and executed with the United Kingdom's Department for International Development (DFID) and UNDP. After internal review, Industrial Policy Resolution 2001 was approved by the state government on 27 November, and local authorities immediately solicited UNIDO's services under phase III. By the end of the year, UNIDO and DFID, in permanent contact with the local government, had elaborated terms of reference featuring a seamless cooperation between the technical teams of the two institutions. A joint programming mission is scheduled for early 2002 and DFID has set aside up to \$8 million for the resulting technical cooperation.

A vigorous expansion of activities in Asia in the previous year guaranteed progress in 2001 at all stages of the programme cycle. Projects came on stream in Nepal (preparation of a long-term industrial development perspective plan), India (industrial policy resolution for the state of Orissa—see box) and Thailand (tracking manufacturing performance: towards an early warning system of the real economy). Funding was secured from Luxembourg for the integrated programme for the Lao People's Democratic Republic, and financial assistance was pledged by Japan's Overseas Development Corporation for an agro-industry development strategy along the West-East Corridor in South-East Asia.

Assistance was rendered within the policy modules of integrated programmes in Latin America. In a UNDP-funded project for Nicaragua, industrial policy advisory services were channelled directly to the private sector when the Chamber of Industries was helped to formulate an industrial policy statement for submission to the Government. The statement outlined local entrepreneurs' vision of a conducive policy environment for industrial development. This marked a new departure for UNIDO, which has traditionally worked mainly with Governments in policy formulation, and also underlined the encouraging degree of public-private partnership now existing in Nicaragua.

Private sector development

Operational support continued to strengthen the role of the private sector in economic and industrial development, with emphasis on promotion of SMEs. Support was provided to strengthen the capacity of the public and private sector in formulating and implementing national and regional policies, strategies and programmes to promote SME development. For example, assistance was provided to the Government of Viet Nam in designing policy-making and coordination institutions and their operational programmes in support of private sector SMEs. As a result, the establishment of two key institutional elements within the SME support structure was announced through the Government Decree on Support for Development of Small and Medium Enterprises in November.

Rural development and women's entrepreneurship development were promoted with the primary goal of poverty reduction and employment creation. The achievements of the rural development programme in Mozambique generated new donor interest and funds for extending activities to more provinces; a new project in Kenya addresses constraints faced by women entrepreneurs in the food-processing sector through targeted skill enhancement programmes and the training of trainers. The positive echo from the introduction of a rural micro-enterprise development scheme based on the concept of multi-purpose village workshops in Ghana encouraged steps to apply the approach in other countries.

The UNIDO approach of supporting SME networking and clustering, previously applied mainly in Central America and Asia, with the hub of activities in India, was initiated in Africa with ongoing activities in Morocco, Senegal, Tunisia and Zimbabwe. The year also saw intensified contacts with the global business community to develop joint programmes in support of SMEs.

Joint activities initiated with UNCTAD in entrepreneurship and enterprise development focus on Ethiopia and Morocco, where both UNCTAD and UNIDO have ongoing programmes.

Enhanced emphasis was placed on analytical and research work, complementing technical cooperation. A study was conducted on the various modalities and related challenges of integrating SMEs into global value chains with particular attention on the implications for United Nations business partnerships. Also, action-oriented research was launched on the concept of corporate social responsibility, which is increasingly impacting on SMEs in developing countries, above all in the context of export-oriented manufacturing. Finally, a survey initiated on the concept of entrepreneurship development policies will explore the broader dimensions of developing enterprise culture and stakeholder environment and generate examples of good practice.

Technical support and equity funding for SMEs

A major problem for SMEs the world over is the lack of finance in general and of equity in particular. While in developed economies specialized finance organizations provide private equity to promising enterprises—often combined with management support—such organizations are rarely found in developing countries. In Africa some funds operate aimed at larger investments in such sectors as telecommunications, tourism and mining, but for industrial SMEs such options are not available.

The innovative approach developed by UNIDO consists of close cooperation between UNIDO and private sector equity funds. In this partnership the private sector fund manager raises the investment resources, selects the investments and provides post-investment support for areas like financial management and strategic planning. UNIDO will mobilize and operate a grant funded technical support facility which will be used to finance sectoral opportunity studies, as well as training and part of the cost of consultancy support for entrepreneurs in which the fund invests or may invest.

This new approach will contribute to bridging the traditional gap between financial services and business development services provided to SMEs. As an initial milestone, UNIDO has concluded cooperation agreements with African Capital Alliance and the Lagos Business School to launch this new scheme on a pilot basis in Nigeria, with the aim of expanding it to other African countries.

Quality, technology and investment

A highlight of investment promotion activities was the development and launching of sustainable subregional investment and technology promotion networks. The inauguration of the UNIDO-Africa Investment Promotion Agency Network represents an important step in the region (see chapter IV.A). Other examples of fuller utilization of resources and capacities in ITPOs include building up an investment and technology promotion network in Arab Mediterranean countries and increased cooperation between ITPOs and field offices. The enhanced role of ITPOs in UNIDO investment and technology promotion programmes and improvement of their performance resulted in the creation of two new offices, in Shanghai (China) and Recife (Brazil).

Technology foresight was a major focus in 2001. In Latin America, support was provided to national sectoral studies in Brazil, Chile, Mexico, Uruguay and Venezuela, while continuity was given to regional institutional and expertise networking. Several other Latin American countries have requested inclusion in the regional initiative. This year also saw the launching of the regional technology foresight initiative for Central and Eastern Europe and Newly Independent States (NIS), in cooperation with the

Government of Hungary, which was a major step towards awareness-building and creation of foresight culture in the region.

The programme for the promotion of industrial subcontracting and supply chain management strengthened its activities through the establishment of national networks for subcontracting and partnership exchanges (SPXs) in Colombia, India, Lebanon, Mauritius, Senegal and Sri Lanka, increasing the UNIDO SPX network to 55 and more than 100 associate members.

International Technology Centres and cooperating networks were strengthened by the opening of the Shenzhen International Technology Promotion Centre and Shanghai Information Technology Promotion Centre (China). The National Centre for Technology Transfer was established in Belarus to consolidate the national framework for technology promotion and transfer. Two joint meetings of the directors/heads of International Technology Centres and ITPOs were held in Bangalore (India) and Shenzhen (China), aimed at developing synergies between their programmes and enhancing their catalytic role in investment and technology promotion and transfer.

In the framework of ongoing cooperation with other relevant multilateral organizations, UNIDO took a major step to assist developing and transition economies to take advantage of the new global trade environment through domestic capacity-building for market access at firm, sectoral and institutional levels. In this context, UNIDO signed a cooperation agreement with ITC to blend its expertise in productive capacity-building with ITC's tools and services for export. ITC and UNIDO have already begun work on a large-scale regional programme for trade facilitation in Central America to tackle specific technical barriers to trade in production areas with critical export potential. In Africa, the programme under implementation with UEMOA, funded by the European Union, covers the core requirements of the eight UEMOA member countries, and similar regional programmes are being developed with ECOWAS and SADC. In Asia, programmes are being developed in the Mekong Delta countries and South Asian LDCs to strengthen their standards, metrology, testing, conformity assessment, quality and productivity capacities to enable them to reap the benefits of globalization.

UNIDO launched an innovative high-technology regional programme on e-productivity and quality improvement for Central and Eastern Europe and NIS. As a first step, a regional forum was held to elaborate a technical cooperation programme—mainly focusing on business-to-business applications—to improve industrial productivity levels and quality. The programme is expected to lead to the creation of a regional structure for industrial quality and productivity, with emphasis on application of web-based technologies.

A two-year restructuring project to assist the Albanian Government in developing capacities for state enterprise restructuring and privatized and private enterprises' competitiveness was successfully completed. This \$1 million project, funded by UNDP, assisted the restructuring of 18 enterprises. The project also trained 10 national consultants in restructuring consultancy skills, based on UNIDO methodologies and tools.

Statistics and information networks

As the unique source of statistical information on industry worldwide, the Branch disseminated its statistical databases on industry, in CD-ROM and other electronic formats, to some 300 direct clients consisting of international public agencies,

government agencies, academe, private firms and individual researchers and consultants. Selected statistics and indicators that were derived from those databases and nowcasted MVA (see box) were included in UNIDO's commercial publication, *International Yearbook of Industrial Statistics*, as well as in its research publications and on the UNIDO website.

The Branch conducted broad-based empirical economic research resulting in the publication of two new series of papers launched in 2001. *SIN Working Papers* present, in full technical detail, findings on growth, structure and location of industry, as well as on trade and finance. *SIN Discussion Papers* raise key issues surrounding industry and development in non-technical fashion. Both series are intended to inform the discussion on industrial development from the viewpoint of economic analysis.

With the role of information crucial for industrial development, particularly for SMEs, the Branch focused on awareness and building capacity for national information networking activities. Information networking activities in support of public and private sector information needs have been included in almost all integrated programmes. Whenever possible, these activities were linked with other outputs of the programmes to ensure synergies with the information requirements of other components. Initiatives were undertaken to extend information networking activities to include awareness and training in information and communication technologies as well as e-business.

The greater use of the Internet to disseminate information worldwide resulted in an increased number of visits to UNIDO's public website. The number of hits rose from 4.3 million in 2000 to 5.9 million in 2001, with an average of some 490,000 hits monthly. Currently there are 1,600 UNIDO documents available on the website.

Data nowcasting

In addition to data collection from national sources and estimation and adjustment for international comparability of data, UNIDO has introduced "data nowcasting". To fill existing data gaps, including time lags in data, it developed a complete data projection system for manufacturing value added of individual manufacturing branches for cross-country aggregation purposes.



Sectoral support and environmental sustainability

In the year under review the main activities of the Sectoral Support and Environmental Sustainability Division concentrated on two major areas of work:

- ❑ Formulation and implementation of integrated programmes and country service frameworks;
- ❑ Increased cooperation with other United Nations organizations, as well as international protocols, conventions and funds, particularly within the framework of environmental protection, including energy.

Both agro-industry and environment-related components occupied a major place in integrated programmes and country service frameworks, while energy-related components appeared to a lesser extent. The main activities related to the upgrading of technical skills in agro-industries, environmental policies, cleaner production, pollution control and waste management, and were developed fully within the UNIDO integrated approach in cooperation with other parts of the house.

Activities related to cooperation with other organizations increased at a noticeable pace, particularly due to the finalization of agreements between UNIDO and the Global Environment Facility (GEF), but also to the further enlargement of the Cleaner Production Centres Network carried out in cooperation with UNEP. As far as GEF is concerned, a number of milestones were set throughout the year, among which were the cooperation agreements signed in July granting UNIDO the status of executing agency with expanded opportunities.

Immediately following its participation in the Stockholm Conference on POPs in May, UNIDO started a number of enabling activities projects related to the development of national implementation plans. This new source of funding became active when, for these projects and others related to energy, GEF funds were deposited with UNIDO.

Promotional activities were also carried out at a continuous pace through UNIDO's participation in the GEF Council sessions (in May and December), an exchange of visits between the two Secretariats, briefings to Permanent Missions and a second workshop for UNIDO Field Representatives and GEF Focal Points in Latin America.

Finally, UNIDO's success in solid waste management contributed to the decision of the Environmental Management Group to nominate UNIDO as the lead agency for its Solid Waste Issue Management Group. Based on this decision, UNIDO became the United Nations organization leading this activity at the global level.

Sectoral support

Technical cooperation in the **food sector** aimed at building capacities and capabilities at different levels, mainly through technology upgrading (post-harvest losses reduction and value added) and safety/quality assurance (Burkina Faso, Cuba, Ethiopia, Guinea, Mali, Senegal, Uganda and United Republic of Tanzania). The year saw the restoration of thousands of jobs and millions of dollars in lost foreign income resulting from the establishment of reliable and internationally recognized fish safety and quality assurance systems, which brought about the lifting of European Union import bans.

Prosperity returns to Ambur

A good example of the potential benefits of UNIDO assistance is demonstrated by the effluent treatment plant at Ambur, Tamil Nadu, India. Built at a cost of \$1.3 million, the plant was commissioned in 1996 to treat 2,200 cubic metres of waste water discharged by a cluster of 49 tanneries, but could not comply with environmental regulations. This meant closure of the entire tannery cluster and immediate loss of 4,000 jobs and a further 30,000 jobs in downstream processing. Seventy per cent of those affected were women. With urgent assistance from UNIDO, the fully rehabilitated and upgraded plant was inaugurated in 2001. To quote the Chairman of the plant at its inauguration, "UNIDO's timely intervention has indeed saved the tanneries of Ambur from imminent closure. We owe to them our jobs and continued prosperity of this town."

Leather industries benefited in a variety of ways. Within the Regional Africa Leather and Footwear Industry Scheme—well established as a sustained UNIDO success story—the training and common production facilities in Kenya and Uganda were strengthened, and assistance was provided in the establishment of a new training institute in Ethiopia and two units in the United Republic of Tanzania. Since its establishment in 1994, the Training and Production Centre for the Shoe Industry at Thika, Kenya, has conducted training programmes for 550 participants. An estimated 500 trainees have been able to establish themselves in the informal sector, employing an average of two persons each. Thus, the project has created employment for an additional 1,000 individuals. Building on that success, the Training Common Facility Centre was established at Kampala, Uganda. Since its inception in 1997, the Kampala Centre has held 21 courses in shoe-making and leather goods. All 179 persons trained have become successful entrepreneurs and have improved their incomes by 30-40 per cent. Similar achievements are expected from the facilities established in Ethiopia and the United Republic of Tanzania in 2001.

Kasur, Pakistan, is a town whose livelihood—including export earnings—depends on some 200 tanneries in the surrounding area. Their effluents had been discharged into three large lakes, resulting in significant pollution. A UNDP-financed project implemented by UNIDO resulted in a common effluent treatment plant of 13,000 m³/day capacity that went into operation during the year. The system includes a complete sewage network, solid waste disposal site and a chrome recovery unit to recycle this heavy metal. Now fully in compliance with international environmental

standards, the plant is operated by workers who were in part trained at similar facilities in India, including the UNIDO-built plant at Tamil Nadu (see box).

In Guatemala, UNIDO assisted the Association of **Apparel and Textile** Entrepreneurs in the establishment of a department for sector-specific CAD/CAM applications. Through extension services to the industry, this became self-sustainable during the year. An integral part of this activity was the initiation of South-South cooperation, with similar support centres in Argentina and Brazil.

In the **wood sector**, activities focused on the worldwide promotion of bamboo as a fast-growing, environmentally sound and economically viable raw material for products ranging from handicrafts to industrially produced floorboards. Various workshops were conducted to propagate material and a pilot facility for industrial production is planned in India. UNIDO prepared feasibility and marketing studies for Ghana, which has begun the promotion of the use of bamboo as an alternative to dwindling timber resources.

During the year, UNIDO formulated a new concept to develop the **agricultural machinery** industrial system in Africa. It is based on an integrated approach and coordinates all development efforts for the agro-machinery subsector, particularly for the local manufacturing of basic tools and machinery. An explicit part of the concept aims at strengthening rural technologies and increasing agricultural production and rural incomes through linkage with sustainable markets. The concept is now being applied through development in two sub-Saharan LDCs (Eritrea and Ethiopia).

Environmental sustainability

In 2001, the Multilateral Fund of the **Montreal Protocol** approved for UNIDO 115 projects at a net value of \$27.4 million to eliminate 3,547 ozone depletion potential (ODP) tonnes in 35 countries. By the end of 2001, UNIDO accumulated a Montreal Protocol portfolio of 778 projects in 66 countries at a net value of \$251 million, to phase out 32,000 ODP tonnes, of which 20,000 have already been eliminated. The sectors covered by these projects are aerosols, foam, fumigants, halons, refrigeration and solvents.

In the field of fumigants, UNIDO has maintained its leading international role in the elimination of the use of methyl bromide. At the end of 2001, UNIDO had 37 projects in 27 countries in soil fumigation and treatment of commodities. Over one third of these projects address the needs of Africa.

ODS phase-out with a bonus

UNIDO services contributed to a notable conversion of Maurice Al-Deek Co., a medium-scale commercial refrigeration enterprise in Jordan to an ozone-friendly manufacturer. Through upgrading the "hot chamber" facility, the company was assisted in standardizing the testing of refrigeration equipment with a special software that provides measurable parameters.

After a successful conversion, the company was not only able to address the phase-out, but also to substantially increase its production rate and the number of models manufactured, which enabled the company to be more competitive. Moreover, the counterpart investment in trained personnel and in testing facilities enabled the enterprise to function as a training centre, offering its expertise to technicians of other institutions.

UNIDO started to formulate and implement sectoral phase-out projects, e.g. a phase-out strategy for the tobacco sector and also in the extruded polyethylene and polystyrene foam sector in China. Phase-out projects in the production sector are under discussion in the Democratic People's Republic of Korea, Romania and Mexico.

UNIDO is assisting many SMEs in various developing countries through umbrella projects. Training, institutional strengthening and equipment are provided in 14 countries to improve the technical level and environmental impact of the refrigeration service sector. Apart from the environmental benefits, enterprise competitiveness is also enhanced through the installation of up-to-date technologies and equipment. The quality of products and workers' safety are substantially improved upon finalization of the ODS phase-out projects.

The culmination of a successful year for the **energy programme** was the organization by UNIDO of the Energy Session of LDC III as the lead United Nations agency. The Conference recognized that UNIDO was well placed to take the leading role in concerted efforts to redress the current unfavourable energy situation and to take the lead in energy in rural areas and enhancing energy efficiency.

Having gained the status of GEF executing agency with expanded opportunities, UNIDO formulated and obtained approval for project proposals in Cuba and Zambia. Project formulations are well advanced for Bhutan, Bosnia and Herzegovina, Ecuador, Ethiopia, Gambia, India, Malawi, Mali, Mozambique, Myanmar, Romania, Rwanda and Sudan.

The implementation phase of the large-scale project in China aiming at removing the barriers to improving energy efficiency in town and village enterprises (TVEs) was launched. Four sectors, key to rural economies, have been selected: foundries, cement, coking and brick making. The main elements of the approach are building a sustainable barrier removal framework and providing direct support to TVEs and local governments.

UNIDO's energy programme has been developing projects for financing from the United Nations Foundation (Turner Fund). The project on China motor system energy conservation was funded by the Foundation with co-financing from the United States of America Department of Energy. The project will develop training materials, analysis tools and standards needed to optimize motor system efficiency and will put a local network in place.

The long-term cooperation between UNIDO and the Government of China on small hydro-power in developing countries was recognized by the establishment of the UNIDO International Centre on Small Hydropower in Hangzhou, China. Within the Centre, a second project was also approved for United Nations Foundation financing.

Another activity funded by a Foundation planning grant was to undertake stocktaking of experience through consultations in China with key stakeholders to facilitate the preparation of a project proposal for the introduction of cogeneration technology. This project will implement a cross-cutting, market-oriented approach to the removal of selected barriers to cogeneration. Together, the planning grant and the full project will provide a comprehensive analysis of the specific challenges facing industrial cogeneration in China.

Within the context of the United Nations **Framework Convention on Climate Change**, UNIDO expanded its global forum and operational activities. Based on the experience gained in Africa, a new programme on capacity-building for the Clean Development Mechanism (CDM) in the ASEAN countries was launched. The UNIDO approach was

successfully piloted in six countries in Africa between 1999 and 2001 and led to the development of a 200-strong network of future industry and CDM experts, some of whom are already acting as experts in neighbouring countries. Other results include the formulation of a large-scale regional capacity-building programme and a preliminary portfolio of industrial CDM projects. Several additional African countries have since indicated their interest in UNIDO assistance on industry and the CDM. For two of these—together with the five ASEAN countries—the first stage of work was completed in 2001.

In 2001, the **National Cleaner Production Centres (NCPCs)** programme continued to expand its operations and projects related to several new Centres and national cleaner production programmes (Cuba, Republic of Korea, Sri Lanka and Uganda) were approved and initiated, bringing to 22 the total number of Centres established since 1994.

POPs—A rapid UNIDO response

One of few international organizations with immediately relevant experience and expertise, UNIDO is ideally suited to respond to the needs of the Stockholm Convention on POPs, adopted in May, which obliges the parties to eliminate or reduce the release of POPs into the environment. Against that background, GEF approved 15 projects in this area for UNIDO execution—more than for other agencies combined. Moreover, only UNIDO was able to initiate execution in 2001.

During the year, UNIDO was asked to be a member of the GEF Inter-Agency Task Force on POPs. Subsequently, the UNDP/UNIDO preparatory phase of a global project on non-combustion technologies for destroying POPs was approved (\$300,000), and its implementation started in the Philippines and Slovakia.

In May, the GEF Council granted UNIDO the status of executing agency with expanded opportunities. This allows UNIDO to submit proposals on POPs enabling activities to prepare National Implementation Plans. Accordingly, in the second half of the year, 14 enabling activities projects were approved, for Algeria, Armenia, China, Croatia, Czech Republic, Ghana, Hungary, Indonesia, the Former Yugoslav Republic of Macedonia, Nigeria, Poland, Romania, Togo and the United Republic of Tanzania, with a budget of over \$7 million.

Support continued in the area of **waste management**. In addition to the ongoing project on municipal solid waste management in China and activities undertaken at subregional levels in Africa, other individual projects were initiated. Voluntary contributions from the Czech Republic and Norway permitted the implementation of an additional component in the integrated programme of the United Republic of Tanzania. UNIDO has documented the Moroccan experience on composting organic waste in small and rural communities. The case study was based on an NGO approach, emphasizing social factors. Similar studies are underway in Guinea and Mozambique to produce a series of Africa-wide waste management practices.

In the area of **international waters**, activity focused on three projects:

- ❑ *Reduction of mercury emissions to international waters*: Upon endorsement by the GEF operational focal points, the GEF Council approved this global project in December. The GEF project budget portion covering the incremental costs will be around \$7 million.

- ❑ *Sustainable management of marine and coastal resources of the Humboldt Current Large Marine Ecosystem*: In December, the GEF Council approved the Project Development Facility grant for Chile and Peru to enhance national and regional efforts to move towards sustainable integrated management of the Humboldt Current Large Marine Ecosystem.
- ❑ *Transfer of environmentally sound technologies—Danube River basin*: In early 2001, this UNDP/UNIDO project started its implementation in partnership with five Danubian countries (Bulgaria, Croatia, Hungary, Romania and Slovakia) aiming to build capacity in existing cleaner production institutions.

The joint UNIDO/OECD **biosafety** information resources and databases were adopted as a model system for the Biosafety Clearinghouse Mechanism of the Convention on Biological Diversity. At the request of GEF and UNEP, UNIDO is actively assisting in the biosafety capacity-building programme intended for the implementation of the Cartagena Protocol on Biosafety. UNIDO established a Regional Latin American Consultative Group focusing on key issues affecting biotechnology policy in the region, such as biosafety, trade and intellectual property.

UNIDO continues to support efforts that aim to incorporate environmental considerations into industrial policies and programmes. The major effort in 2001 was a continuation of the capacity-building and advisory services for the State Planning and Development Committee in China on how to ensure the implementation of environmental considerations in the recently completed tenth five-year plan. Significant work focused on the environmental implications of China's accession to WTO and of growth in the building materials subsector. UNIDO tested an innovative approach ("Triple Bottom Line") for enhancing national capacity in four countries (India, Pakistan, Sri Lanka and Thailand) to advise nationally-owned, medium-sized exporting enterprises on how to respond to global supply chain demands for improved corporate social and environmental responsibility. This approach illustrated significant synergies between environmental and social improvements and promises to be a useful service that NCPCs can offer small and medium-sized enterprises.

As part of its participation in the preparatory process for the World Summit on Sustainable Development, UNIDO supported the preparation by national experts of national overviews in 18 countries about the contribution of industry to sustainable development as affected by industrial and environmental policy regimes and institutional support for the utilization of environmentally sound technologies.

IV

The regional dimension

In geographical terms, the work of UNIDO is carried out in five target regions, notwithstanding the global and interregional character of numerous activities. The present chapter provides highlights of UNIDO activities in all five regions, and a brief overview of developments in field representation. Technical cooperation in all regions covers both integrated programmes and “stand-alone” projects. Most global forum events are designed to benefit an entire region, and are also covered in this chapter.

A. Africa and least developed countries

The year 2001 witnessed new efforts of the international community and the African countries themselves to develop a new vision of and approaches to the challenges of development. Following the adoption of the Millennium Declaration, the Third United Nations Conference on the Least Developed Countries and the High-level ECOSOC Segment on Africa were major events in the United Nations system to streamline and refocus its assistance to developing countries in general and to Africa in particular. From their own side, African countries adopted the New Partnership for Africa's Development (NEPAD), which is a pledge of African leaders to eradicate poverty and to place their countries on a path of sustainable development and active participation in the world economy.

Integrated programmes

Reflecting the continued commitment to the industrial development efforts of the continent, 14 integrated programmes were under implementation in sub-Saharan Africa (Burkina Faso, Côte d'Ivoire, Eritrea, Ethiopia, Ghana, Guinea, Madagascar, Mali, Mozambique, Nigeria, Rwanda, Senegal, Uganda and United Republic of Tanzania) with a combined planning figure of \$101.5 million. Underlining the importance accorded to the region, sub-Saharan African countries account for 31 per cent of UNIDO integrated programmes.

UNIDO launched its first regional integrated programme for Africa, covering initially Benin, Burkina Faso, Guinea, Niger, Senegal and Togo. Targeting agro-industries in West Africa, the programme will upgrade capabilities of civil society organizations that provide service to micro- and small industries—particularly in rural areas—in selected agro-industrial subsectors. Two other programmes (Cameroon and Kenya) entered the final preparatory phase.

The new process for continuous improvement of programme implementation features an ongoing dialogue with beneficiaries. For instance, following the initial success of the

integrated programme for Guinea, it was agreed that future priorities would include a number of aspects ranging from quality improvement and rural entrepreneurship development to a round table for funds mobilization. By enhancing programme impact, the approach improves client satisfaction. A tangible sign of this support during 2001 was in Nigeria, where a trust fund agreement allocated \$5.5 million from the Government to finance the implementation of the UNIDO Country Service Framework for that country.

Within the programmes for Mozambique and Uganda, and to build on the success of other National Cleaner Production Centres (NCPCs), new centres were established in both countries.

Regional and subregional programmes

In line with its emphasis on regional development issues, UNIDO signed an agreement with the West African Monetary and Economic Union (UEMOA) on the regional programme supporting the establishment of an accreditation, standardization and quality promotion system in UEMOA countries. UNIDO will implement €8.2 million of the total budget of €12.5 million, financed by the European Union. Similar programmes are presently under formulation for the countries of ECOWAS and SADC.

An important event was the inauguration of the UNIDO-Africa Investment Promotion Agency (IPA) Network. The Network functions as a resource group to provide guidance on the design of UNIDO's country and regional-level programmes. It also provides a permanent platform for regularized training and continuous linkages between IPAs and UNIDO Investment and Technology Promotion Offices (ITPOs). The Network acts as a global forum, with the objective of developing low-cost promotion strategies. Surveys are carried out in member countries to generate investor perception indicators and forward-looking indexes that shed light on future investment flows.

Established in 2000, the UNIDO Regional Industrial Development Centre (RIDC) in Lagos, Nigeria, supported efforts in the subregion in various ways. The Centre assisted in the preparation of a meeting of ECOWAS experts on industrial development in West Africa convened at Abuja in February. As part of its interregional activities, RIDC convened an ECOWAS-MERCOSUR cooperation meeting in May. It also initiated an industrial cooperation dialogue between Nigeria and Malaysia. Two memorandums of understanding facilitated by RIDC were signed: the UNIDO-Africa Capital Alliance Partnership for SME Development and the UNIDO-Lagos Business School Partnership for SME Development in Nigeria.

Other regional and interregional initiatives featured various industrial sectors. A proposal for the promotion of seed and grain treatment technologies and development of environmentally friendly seed protectants suitable for rural African farmers aims to improve food production and storage by minimizing environmental contamination risks. Another programme is designed to enhance the capacity to support the transfer of energy-efficient industrial technologies under the Climate Convention and Kyoto Protocol in COMESA. A regional programme on technology management for sub-Saharan Africa will strengthen national innovation systems in eight African countries.

With a view to expanding its development cooperation in Southern Africa and to involving South Africa in this scheme, UNIDO undertook its first technical appraisal mission in November to come up with the country's needs assessment and to plan its technical assistance activities in the subregion. Among follow-up requests received was one for the establishment of an NCPC, implementation of the Stockholm Convention on POPs and support to waste management in high-density areas.

Inter-agency cooperation

Underlining the importance of UNIDO involvement in system-wide cooperation and to present UNIDO's strategic vision of development for the region, UNIDO actively participated in LDC III and in the ECOSOC High-level Segment on Sustainable Development of Africa and related events. UNIDO's constructive involvement resulted in recognition of the key role of productivity and industry for sustainable growth and poverty alleviation in the region. Synergy and coordination with other partners were strengthened.

UNIDO continued its efforts to refocus and adjust its activities to the new realities of development cooperation and to integrate its assistance within the framework of United Nations programmes in Africa. Thus, the Organization participated actively in the Third Annual Regional Consultations of United Nations Agencies Working in Africa (October, Addis Ababa), where it came up with its views on meeting the challenges of the continent's development and the UNIDO response thereto within the NEPAD framework. UNIDO also contributed to the African Economic Integration Conference—The Pivotal Role of the Private Sector (November, Accra), which served as a global forum event to boost private sector growth.

Research collaboration with Oxford: Focus on Africa

Complying with the new reality of disseminating recent knowledge by universities, exploited by institutions and commercialized by dynamic industries, cooperation with the University of Oxford was in the vanguard of UNIDO's new policy accent on networking with relevant institutions. Research in 2001 under the collaboration agreement with the University's Centre for the Study of African Economies (CSAE), included working papers on investment-, export- and productivity-related issues based on in-depth surveys of manufacturing in Ghana, Kenya and Tanzania. A discussion paper on the performance of African enterprises was also prepared for the Business Sector Roundtable at the LDC III Conference in Brussels.

In March, CSAE conducted a training workshop on collection and analysis of African firm data, for 16 civil servants from five African countries as well as two UNIDO staff members. The workshop coincided with the CSAE annual conference, on development policy in Africa: public and private perspectives, where UNIDO delivered a keynote speech on industrial development and action-oriented research and networking.

Trainees from Nigeria used their newly acquired skills in data collection and compilation for conducting a survey of 300 manufacturing firms in the country, as national zonal supervisors training other members of the survey team, who acted as enumerators and data-entry clerks. The survey was completed, with a high degree of accuracy, based on the training at Oxford.

A joint UNIDO/CSAE international conference, on new industrial realities and firm behaviour in Africa, was held at Oxford. Bringing together analysts, policy makers and development practitioners, the meeting debated research findings based on firm-level work in the manufacturing sector.

A policy-level highlight of the UNIDO biennial cycle is the Conference of African Ministers of Industry (CAMI), which is organized jointly with ECA and OAU and meets prior to sessions of the UNIDO General Conference. The fifteenth CAMI, and its

subsidiary organ, the Intergovernmental Committee of Experts of the Whole on Industrialization in Africa, met at Yaoundé, in October. The Conference called upon the African States to implement sound macroeconomic policies and sectoral programmes in order to encourage competitiveness and good governance; to continue in the course of 2002 to establish Industrial Partnership Councils as a platform for dialogue and cooperation between Governments and the private sector and to formulate under their auspices national long- and medium-term industrial development visions. In addition, it was decided to strengthen the CAMI programme of activities through a series of highly focused industrial development programmes. Acknowledging UNIDO's key role in the industrialization of Africa, CAMI-15 requested the Organization to continue to assign high priority to African countries in the formulation and timely implementation of integrated programmes; to assist in stepping up inter-African cooperation; and to step up the organization of high-level work visits and study missions to rapidly industrializing African countries in order to implement tripartite initiatives. CAMI also mandated the executive heads of ECA, OAU and UNIDO, in cooperation with other agencies, to vigorously pursue the relevant objectives set in NEPAD.

South-South cooperation

To a significant extent, activities in the region featured South-South cooperation relating to industrial human resource development and capacity-building. Through Tokyo International Conference on African Development (TICAD), collaboration with China, and UNIDO-India partnerships, a number of study tours and group training programmes were arranged. A project for an Asia-Africa investment promotion centre under implementation for seven recipient countries (Côte d'Ivoire, Ghana, Mozambique, Senegal, Uganda, United Republic of Tanzania and Zimbabwe) will improve the transfer of investment and technology from Asian to African countries. To share its successful experience in structural transformation and industrialization, Malaysia cooperated in organizing a study tour for Nigerian senior officials and private sector representatives.

Least developed countries

Least developed countries remain at the core of the geographical, sectoral and thematic priorities of UNIDO, in line with the Business Plan. To coordinate effectively and enhance UNIDO activities in support of LDCs, relevant adjustments in the organizational structure were made and a post of Coordinator for LDCs established. System-wide events in 2001—in particular LDC III—encouraged to a considerable extent UNIDO activities in support of LDCs during the year.

Owing to UNIDO's effective involvement, LDC III was the first United Nations conference in many years to establish the issue of productive capacities as one of the priorities for LDCs to curb their marginalization, fight poverty, participate successfully in world trade and benefit from the globalization process.

UNIDO played the leading role in the Thematic Session on Energy and launched a portfolio of special initiatives called "deliverables" to contribute to the implementation of the eight priority "commitments" spelled out in the new Programme of Action adopted by the Conference for the decade 2001-2010.

As a follow-up to the Conference, UNIDO pursued various initiatives to implement the Brussels Declaration and new Programme of Action. First, in line with commitment 4 of the latter (building productive capacities), a programme on enabling LDCs to participate in international trade was launched, aimed at facilitating LDC trade participation and export competitiveness through the upgrading of quality and

accreditation infrastructure, in particular food, textile and leather products. The European Union agreed to finance a regional programme for UEMOA countries (seven of eight are LDCs). With support from Germany, a programme is under development for seven members of ECOWAS, including five LDCs (Cape Verde, Gambia, Guinea, Liberia and Sierra Leone). Similarly, a programme is under development to strengthen the standards, metrology, testing, conformity assessment, and quality and productivity capacities of the Mekong Delta countries and South Asian LDCs to enable them to reap the benefits of globalization.

Dynamic follow-up also applied to energy. Renewable energy projects promoting solar, wind and biomass in rural areas were formulated for four LDCs (Bhutan, Gambia, Ethiopia and Zambia), with GEF financing for Zambia. UNIDO has been also active in the further development and expansion of the “multi-functional platform” programme. Initiated in Mali in 1995, the programme has successfully applied simple technology and energy services to fight rural poverty and to empower women. In partnership with UNDP, the programme was expanded in 2001 through a regional programme benefiting other West African LDCs (Burkina Faso, Guinea and Senegal). A workshop at Bamako in December, organized jointly with UNDP, confirmed the validity and success of the programme based on the know-how and national expertise developed, and the keen interest of both African countries and donor countries.

During the year, LDCs were a focus of UNIDO programmatic activities. An overview of the integrated programmes shows that 13 were under implementation in LDCs at the close of the year:

- ❑ Africa: Burkina Faso, Eritrea, Ethiopia, Guinea, Madagascar, Mali, Mozambique, Rwanda, Senegal, Uganda and United Republic of Tanzania;
- ❑ Arab countries: Sudan and Yemen;
- ❑ Asia and the Pacific: Lao People’s Democratic Republic and Nepal.

The total value of integrated programmes under implementation for LDCs amounted to \$81.7 million, of which 46 per cent had been mobilized. UNIDO delivery to LDCs in 2001 amounted to \$8.5 million, of a total of \$84.9 million, or 10 per cent. Country-specific delivery and approval information for LDCs is provided in appendix D to the present report.

Visible progress has been recorded in a number of LDC integrated programmes, which were among the earliest initiated. These include Burkina Faso, Ethiopia, Guinea, the United Republic of Tanzania and Uganda, for which funds have been mobilized for at least half the total budget and appreciably more in some cases (appendix C). In quality terms, a number of LDC integrated programmes were enhanced in the context of the refocusing and adjustment exercise initiated during the year.

B. Arab countries

UNIDO support to the Arab countries continued to be primarily in the context of integrated programmes. The 10 programmes approved to date combine budgets totalling some \$69 million, of which \$18.6 million has been mobilized, representing a significant increase from the \$14.4 million secured one year earlier. An additional three programmes are awaiting approval (Djibouti, Libyan Arab Jamahiriya and Syrian Arab Republic) while one (Oman) is still in the pipeline. The remaining four countries in the region (Bahrain, Kuwait, Qatar and United Arab Emirates) will be serviced on the basis of “stand-alone” projects.

For Yemen—one of the four LDCs in the region—the integrated programme focuses on poverty alleviation, job creation and industrial governance. Implementation commenced in 1999 and has been actively pursued, considering in particular the country's aspiration to join WTO. Owing to the scarcity of funds it is essential to select for implementation those components with the maximum projected impact. In 2001, implementation of the support programme for industrial capacity-building in Yemen, funded by UNDP, was completed and its results will represent an important input to the poverty reduction strategy paper of the Government. Moreover, UNDP approved an additional \$77,000 for follow-up activities.

With a focus on SMEs and agro-industries, the main objective of the programme for Sudan is to strengthen industrial competitiveness and overall sustainability. Fund-raising activities carried out jointly with the Government resulted in the preparation of a project document (\$4.6 million) for the investment and technology promotion component, which was submitted by the Government to the Islamic Development Bank for possible financing. In 2002, funds mobilization activities will include a donor conference, promotional events and fund-raising missions in cooperation with the Government.

Djibouti, another LDC, was the subject of a \$3 million programme formulated in 2001. Approved by the Government, the programme aims to boost job creation and support the development of an industrial strategy. A funds mobilization plan is under preparation to facilitate early implementation.

The programme for Jordan focuses on two components: improving competitiveness in the food industry and supporting a conducive business environment. A number of projects have been initiated with the funding so far secured. In addition to UNIDO seed money the Government of Italy contributed approximately \$1 million for the establishment of an investment promotion unit within the Jordanian Investment Board. Following the Director-General's visit to Jordan in mid-March, the Government requested that coverage be broadened to include poverty alleviation through employment generation in rural areas. In response, a project is already under implementation utilizing UNIDO seed money.

The programme (\$2.8 million) for the Syrian Arab Republic was endorsed by the Government in late 2001 with the principal objective to improve the competitiveness of industrial products to facilitate their integration in the global value chain. This will be based on a clearly defined industrial development vision and strategy, with the textile and leather subsectors as pilot areas.

Significant modifications were introduced in the integrated programme for Saudi Arabia, following a high-level government visit to UNIDO Headquarters and a subsequent UNIDO mission to the country. An updated project document was submitted to the Government in the fourth quarter aiming to strengthen private sector involvement for industrial competitiveness and diversification within the framework of market liberalization and forthcoming WTO membership. An industrial strategy, based on the expansion of technology-based industrial activities, will be formulated as a joint private/public sector undertaking.

Among all the UNIDO integrated programmes, the brightest overall funding prospects apply to the \$7.5 million Tunisian programme, which is expected to be fully financed, mainly through a contribution provided by Italy. By strengthening technology centres and other industrial support services, the programme will upgrade the industrial sector at large. Considerable success has already been recorded in strengthening the national capacities of technical support centres (food, textile and leather industries) and has contributed to the upgrading of no fewer than 70 enterprises.

Implementation of the integrated programme for Palestine proceeded smoothly for the first eight months of the year but was significantly affected by later events. The overall implementation plan was revised to take into account the situation in the field. Nevertheless, support to Palestinian industry continued mainly through national experts and focused on capacity-building and training activities for upgrading quality, productivity and safety.

Implementation of the country service framework for Egypt is now under way with funding of more than \$3 million obtained. Various Egyptian government agencies and ministries have contributed funds, as have UNIDO and the Governments of Italy, Switzerland and the United Kingdom. Three components are either completely funded or are expected to be so shortly, while others—including energy and environment, industrial information and industrial competitiveness—require substantial additional funding.

A programming mission was fielded to the Libyan Arab Jamahiriya in early 2001 for the preparation of a draft integrated programme, focusing on industrial reorganization and strengthening competitiveness. As requested by the Government, an outline was submitted in April and it is expected that UNIDO will be requested to finalize the programme.

Among regional-level initiatives, a Joint UNIDO/ESCWA Communiqué was signed in September aiming at the establishment of a regional accreditation scheme and market access facilitation. Contacts were maintained with regional organizations, such as the League of Arab States (LAS), the Arab Industrial Development and Mining Organization (AIDMO) and the Gulf Organization for Industrial Consulting (GOIC). The Director-General agreed to formulate a regional programme of industrial cooperation with AIDMO, for the benefit of all Arab States.

In May, UNIDO convened the Global Forum on Management of Technology, with focus on the Arab region, attended by more than 200 experts from all continents. The Forum resulted in various conclusions and recommendations aiming, inter alia, at fostering cooperation between developed and developing countries in areas related to technological capability, R&D, financing, and enhancing the role of UNIDO in technology management through training, national and regional seminars and other types of awareness-raising programmes.

C. Asia and the Pacific

Activities undertaken in 2001 built to a large extent on seeds sown in the previous year and were primarily aimed at facilitating the implementation of the various components of integrated programmes in the region, developing additional integrated programmes and country service frameworks and supporting and formulating stand-alone projects in other countries. In addition to the six integrated programmes in the region (Islamic Republic of Iran, Lao People's Democratic Republic, Nepal, Pakistan, Sri Lanka and Thailand), country service frameworks for China and India were developed and endorsed by the authorities in those countries.

Special priority in the region was again accorded to the least developed countries. Based on the preparatory phase, described in the *Annual Report 2000*, funding of \$500,000 was secured from Luxembourg for the Lao integrated programme to implement its major component.

Building on initial steps in 2000 to secure SPPD funds from UNDP for the Nepal programme, implementation of the industrial policy subcomponent was well under

way. Based on a UNIDO expert visit to the country to discuss the cleaner production component, and in particular the establishment of a National Cleaner Production Centre, a detailed project document was developed. Within the SME development module, a project was elaborated for capacity-building for women's entrepreneurship development and is now under consideration by potential donors.

Poverty alleviation and improved income distribution are the main thrust of the envisaged programme for Cambodia, to be achieved by promoting industrialization and building capacity in agro-related industries. To that effect a mission fielded in October led to a concrete proposal in support of the SME sector, now under consideration by the Government. The funding of this SME strategy document to the amount of some \$150,000 is expected to be secured from UNDP through an SPPD project. UNIDO has also earmarked regular budget funds representing one third of that amount as seed money.

With funds mobilized exceeding \$4 million for the programme for Sri Lanka, implementation proceeded apace. Adding to the considerable advancement in the previous year, an intervention for developing the Master Plan for Industrialization and Investment Promotion was successfully concluded, including a UNIDO contribution of sectoral studies covering leather and apparel industries. Capacity-building related to metrology, testing and accreditation reached an advanced stage, as did the launch of a Subcontracting and Partnership Exchange. Fuelled by this progress, prospects for additional funding in 2002 appear encouraging.

Implementation of the country service framework for environmentally sustainable industrial development in the Islamic Republic of Iran started in earnest. The main focus is to increase the share of the non-oil sector and foster the sustainable development of competitive industries, create employment, generate income and thus contribute to the alleviation of social hardship. Financed through a trust fund with the recipient, programme activities started by assisting the Organization of Investment in adapting the investment code for the requirements of modern capital markets. Likewise, a strategy document for the promotion of the SME sector was initiated, together with the launching of the main agro-component on date processing.

In Pakistan, progress in the integrated programme was notably in the cleaner production and environmental management components. A preparatory assistance project for a cleaner production centre for the oil refining industry, facilitated by STS funding, was completed. The major achievements, however, were recorded in the establishment of an industrial information network based on a needs assessment exercise. The network will be fully operational and managed by commercial counterparts in 2002. The second milestone concerns SME cluster development in the textile, leather, light engineering and precious stone industries, where collaborative arrangements were concluded between enterprises to increase their competitiveness.

The country service framework for India integrates a wide range of UNIDO programmes and stand-alone projects in the country. Signed in December, the framework includes four major components: strengthening SME competitiveness through technology-led interventions; foreign investment promotion; energy and environment; and promoting industrial growth in less developed areas. Assistance to SME and private sector development through a cluster programme promoting subcontracting and partnership is one of the most important areas of UNIDO cooperation with India.

Examples of industrial sectors in India to benefit from UNIDO support are leather, bamboo and cleaner production. Footwear and bamboo artisans, craftspersons and

micro-entrepreneurs in four states receive UNIDO assistance to improve quality, productivity and marketing linkages between local producers and domestic wholesalers. In support of India's strong commitment to promoting cleaner production, the National Cleaner Production Centre is setting up a regional centre in Calcutta that will become the fourth regional cleaner production centre in India established with UNIDO's technical inputs.

In December, the country service framework was signed between the Government of China and UNIDO featuring the strategic direction and areas of focus for all programmes of cooperation with China from 2001 to 2005. During this period, it is projected that the total project delivery will amount to \$80 million, for which a large portion has already been mobilized. The framework also contains an integrated programme for the province of Shaanxi, which is one of the priority provinces under the Western Development Initiative of China. It is hoped that the outcome of the Shaanxi programme could be emulated for other provinces in that region.

China has benefited significantly from Montreal Protocol projects, which in recent years have accounted for more than 80 per cent of UNIDO technical delivery in the country. Efforts to diversify funding sources—and thereby ensure sustainability of project delivery—have achieved commendable results. For example, in partnership with UNDP, an \$8 million Global Environment Facility project on energy conservation and greenhouse gas emissions reduction in Chinese town and village enterprises was implemented. Another non-Montreal Protocol project implemented during the year is the China motor system energy conservation programme, budgeted at \$1.5 million (UNIDO's portion) and funded by the United Nations Foundation ("Turner Fund").

For both Indonesia and Viet Nam, efforts were initiated to formulate comprehensive packages of technical services in the form of a country service framework and an integrated programme, respectively. A memorandum of understanding was signed with the Government of Mongolia with a view to reactivating technical cooperation. The focus is on building government capacity in the formulation of industrial policy, enhancement of the competitiveness of selected industrial subsectors, strengthening capacities for sustainable industrial development and environment and energy management.

The year also featured a number of missions to the region by the Director-General. Apart from strengthening bilateral cooperation between the Organization at the highest level, his official missions to Indonesia, the Islamic Republic of Iran and the Republic of Korea also served specific purposes. In the Islamic Republic of Iran, the Director-General attended the tenth meeting of the Intergovernmental Follow-up and Coordination Committee of Economic Cooperation among Developing Countries. This important gathering highlighted the crucial importance of industrial development for poverty alleviation and the central role of UNIDO. In the Republic of Korea, the Director-General delivered a keynote speech at the opening ceremony of the annual meeting of NCPC directors and provided a vision for future joint efforts. In a brief visit to Jakarta, bilateral ties were consolidated with the largest ASEAN country by initiating a country service framework.

Within the context of quality assessment of the integrated programmes, the regional strategy attempted to refocus existing programmes, particularly the earlier ones such as Thailand's, to adjust to new needs of recipient countries and donor interests. Likewise, pipeline projects were targeted for conversion into ongoing projects by mobilizing additional funds.

D. Europe and NIS

Based on the success experienced in the previous year, UNIDO continued the efforts launched aimed at strengthening the ongoing dialogue with countries of the region on important issues in industrial and technological development, as well as at creating new forms of regional cooperation. Thus the year saw the initiation, in cooperation with the Government of Hungary, of the regional technology foresight programme for Central and Eastern Europe and the Newly Independent States (CEE/NIS). The activities comprised a regional conference on technology foresight, an expert group meeting and a training seminar. Focused mainly on awareness-building, the conference was a follow-up to the new initiative launched by the Director-General in the previous year. The expert group meeting discussed the UNIDO programme on technology foresight for the region, and the training seminar provided basic knowledge on available technology foresight methodologies, the application of technology foresight tools in strategic decision-making for technological development, as well as modalities of implementation of the programme. The seminar further strengthened the capacity of focal points and experts in the region to establish the basis for networking of experts and institutions.

The technology foresight programme is the response to the needs in the CEE and NIS countries for a mid- and long-term development vision of the region as well as for bringing a more technology-oriented focus into the relevant national and regional knowledge-based institutions. The programme will be instrumental in providing assistance to economies in transition for more sustainable and innovative development aiming at fostering economical, environmental and social benefits at national and regional levels.

The year also saw concrete follow-up to the 2000 initiative of the Director-General on quality and productivity, with the commencement of a regional programme on industrial e-productivity and quality, launched jointly with the Government of Poland at a regional forum in Warsaw. As they move through the tough process of transition to a market economy, industries in the countries of Central and Eastern Europe and the Newly Independent States are challenged to improve productivity and quality levels and to upgrade their management culture.

To address this problem and to assist the countries in transition in the process of accession to the European Union and integration into the global market, UNIDO has developed a regional programme to improve the level of industrial productivity and quality. The Warsaw Forum aimed at building awareness and mobilizing political, technical and financial support for the proposed UNIDO programme, which is expected to lead to the establishment of a regional structure for industrial quality and productivity emphasizing the application of Web-based technologies.

Parallel to its global forum activities, UNIDO continued to develop and support the implementation of technical cooperation programmes and projects and to promote cooperation among the countries of the region. Activities continued under the eight ongoing integrated programmes, including those for the different regions of the Russian Federation. In the Uzbek programme UNIDO was particularly active in the area of small business and entrepreneurship promotion, and in the Armenian programme work continued on developing a new component (related to Lake Sevan) and on funds mobilization for the programme in general. In the case of the Russian Federation, a major effort was made to prioritize and focus the components of the programme so as to maximize their impact, as part of the preparation of a new Country Service Framework for 2002-2005.

Among the countries that benefited during the year from UNIDO projects to facilitate early action on the implementation of the Stockholm Convention on POPs are the Czech Republic, Hungary and Poland. Enabling activities in these countries will strengthen national capacities and enhance knowledge and understanding among decision makers, managers, industry and the public at large, enabling the formulation of national implementation plans. The achievement of this objective will assist the countries to be in a better position to meet the obligation of the Convention and to manage the elimination of POPs.

Following the spills of hazardous chemicals from mines in Romania that poisoned rivers in Hungary, Romania and Ukraine in the catchment area of the Tisza River, UNIDO initiated a project to tackle the underlying causes of water pollution in the Tisza River Basin. Work will focus on two demonstration industrial sites within the Tisza River Basin and a risk assessment carried out. A manual on emergency preparedness will be published for use at other industrial sites.

Activities also continued during 2001 in all five countries (Bulgaria, Croatia, Hungary, Romania and Slovakia) participating in the UNIDO project designed to transfer environmentally sustainable technology to the countries of the Danube River Basin. These projects are part of a wide range of UNIDO initiatives in the area of “international waters” in the region, a number of which are receiving GEF funding.

The highlight of UNIDO cooperation with the Russian Federation was the participation by the Director-General in the round-table meeting of the Russian business community and United Nations agencies held in Moscow to discuss the United Nations Global Compact. Discussions continued on the possibility of organizing a global forum-type event on technology foresight in the country, as well as on possible expanded cooperation in the area of POPs, environmental protection and waste management.

UNIDO has provided preparatory assistance to develop a project in Ukraine that will strengthen the capacity of support institutions in food-processing industries in Trans-Carpathia. Designed to upgrade food processing for valued-added production and to introduce clean technology principles and food safety assurance systems, the project will contribute to increased competitiveness in the local food industry. In the same field, preparations were made for an international workshop, to be hosted by Turkey, to share its experience in developing agro-industries. More generally, approval was received for an interregional project, partly financed by Turkey, supporting the ongoing agro-industry components in 10 UNIDO integrated programmes.

Preparatory assistance missions of UNIDO staff specialized in cleaner production and industrial energy efficiency explored the possibility of developing further cooperation in these areas in Azerbaijan. Approval was also obtained for a regional programme (funded by Turkey) on SME development covering Azerbaijan, Kyrgyzstan and Uzbekistan. The year also saw an appreciable strengthening of the cooperation between UNIDO and the Black Sea Economic Council (BSEC). Key events included the ministerial meeting, attended by the Director-General, held at Moscow in April, and the presentation by UNIDO staff of a proposal for the establishment of a network of investment and technology promotion offices in the BSEC countries in September.

Cooperation within the international programme to mitigate the consequences of the Chernobyl catastrophe took place within the context of the inter-agency task force meetings organized by the United Nations Office for the Coordination of Humanitarian Affairs. UNIDO shared the concern of the inter-agency Task Force that the Chernobyl programme is at a critical juncture, mainly due to the inability to generate the financial support of donors for various programmes and projects, including those associated with economic rehabilitation, which could possibly be implemented by UNIDO.

The Organization continued its intensified dialogue with the donor community, and funding was obtained from the Czech Republic for further work in the area of cleaner production in the former Yugoslav Republic of Macedonia. The Czech Republic also continued its support for efforts in Ukraine aimed at ODS phase-out. This was the partial reflection of the major priority of encouraging the expansion of the role of emerging donors from within the region, particularly for the funding of programmes and projects of neighbouring countries. In addition to activities already mentioned, Poland, the Russian Federation and Slovakia continued to fund investment and technology promotion offices in Warsaw, Moscow and Bratislava, respectively; and Turkey continued to co-finance the activities of the UNIDO Centre for Regional Cooperation in Ankara.

During the year, two large countries in the region committed themselves to paying off their arrears on their assessed contributions to the UNIDO regular budget in the years to come, with the first instalments in both cases paid in 2001. Discussions also continued with several other countries of the region targeted at reducing the level of the arrears on their assessed contributions.

The year also saw the Director-General accept membership on the International Business Advisory Board of the Budapest University for Economic Sciences and Public Administration. The Board consists of distinguished executives of international organizations and advises the University on its education and research programme to meet the needs of the society. As a further initiative to strengthen cooperation with universities and the research community, UNIDO also invited a visiting professor from the Moscow State University to hold a research chair at UNIDO.

E. Latin America and the Caribbean

This section highlights progress in the integrated programmes and the technology foresight initiative that characterized activities in Latin America and the Caribbean in 2001. These were complemented by a number of other significant activities, some of a subregional character.

In Cuba, the integrated programme to support the national strategy on industrial competitiveness realized considerable progress. Activities in the agro-industry component, which had been active since the programme's 1999 inception, have already generated catalytic effects in a broader range of enterprises. In 2001, a National Cleaner Production Network was established as part of the integrated programme and the worldwide UNIDO/UNEP NCP programme. Achievements in quality and certification included national accreditation for an institution in food safety support for food-processing units. Activities started in the wood-processing sector, the concept of an innovative management development approach was introduced and the design of a national information network was completed. Progress was also made in investment promotion, with the enhancement of national capacities and the initiation of an international investment campaign.

Following the signing of a trust fund agreement at the end of 2000, the integrated programme for Honduras on competitive industrial development for sustainable income generation started implementation. The agreement matched government funds with those of UNIDO allocated for the programme. Activities in 2001 were addressed to supporting national efforts for the development of selected SMEs, particularly food-processing units, to increase their capabilities in competitiveness and systematic growth. Progress was made in investment promotion by sourcing business partners, placing Honduran delegates in overseas ITPOs and enhancing capacity-building at the

national level. In the field of environment, stakeholders in Central America endorsed the initiative to include the Gulf of Fonseca in a GEF project proposal that will focus on the sustainable management of marine and coastal resources of the Pacific Central American Coastal Large Marine Ecosystem.

With co-financing from the respective Governments, the ongoing integrated programmes for Colombia and Guatemala proceeded apace. A programme for Ecuador that was developed and presented to the Government at the end of the year concentrates on assistance to the new council of competitiveness. UNIDO services will focus on the formulation of industrial competitiveness policies. Other dominant areas of cooperation are continuous improvement of quality and international competitiveness. In Guatemala, implementation is in line with the approved work plan. Based on the success of the programme's first centre for support services to MSMEs in the Petén region, a new UNIDO centre was opened in Quetzaltenango. Throughout the reporting period both implementation and funds mobilization for Colombia developed dynamically and successfully, while future progress in the Guatemala programme largely depends on new opportunities for additional external funding.

Following a visit of the Director-General to Bolivia in July, the integrated programme for that country was formally endorsed. Activities continued in all programme components. The cleaner production, waste management and pollution control technology component was completed with a textile environmental management strategy by mid-year. In accreditation and certification, two publications were distributed on quality management of laboratories to support the process of accreditation of laboratories in calibration and testing. Laboratory accreditation workshops were organized in Tarija and Potosí, with 60 participants. An industrial information network was established at the Chamber of Industry in Cochabamba and is now fully functional.

Following a request from Nicaragua for the preparation of an integrated programme, the Minister of Development, Industry and Trade visited Headquarters in March to discuss the terms of reference. The programme will seek to reduce poverty through sustainable industrial development by helping Nicaraguan industry face the challenges of an opening economy. Programme formulation is nearly completed, including a field mission to Nicaragua, and the draft programme will be ready for submission to the UNIDO management in early 2002. Also in Nicaragua, the Austrian authorities approved substantial funding for the second phase of the Nicaraguan Cleaner Production Centre, which has become a relevant source of information and assistance in the area of environmentally sustainable production.

At the regional level, the technology foresight initiative launched with the International Centre for Science and High Technology (ICS) in Trieste, Italy, continued dynamically. National teams formed in several countries were assisted by international UNIDO experts to develop the initiative at the national level, inter alia, in the field of biotechnology and energy. The information portal of the project has become a knowledge repository on technology foresight for the region as a whole. Peru joined the programme in 2001 and Ecuador may follow. UNIDO presented the work and achievements in Spain during the meeting of the Spanish technology foresight programme.

An important new regional trade facilitation initiative was launched with the formal commitment of six Central American countries in a joint resolution signed by their Vice-Presidents in February. Featuring capacity-building for market access, the initiative involves Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama. The programme aims at enabling those countries to sort out technical barriers to trade faced by their agro-industrial exports in third markets by agreeing on a joint capacity-building

policy. With modules including agro-industries, quality and productivity, linkages to the ongoing integrated programmes in Central America are being established both at the design and implementation stages.

A regional biotechnology meeting for Latin America was held at Montevideo in March. As a direct follow-up, the Regional Consultative Group of Biotechnology for Latin America was established and first met at Montevideo in December. As coordinator of the Consultative Group, UNIDO will assist the experts of the region in this field, with emphasis on the application of biotechnology in agro-industries.

The 2000 revitalization of the relationship with ECLAC led to concrete and encouraging results. Recommendations of UNIDO experts focused primarily on the need for companies in the footwear sector to develop export markets, specialize their production and operate more efficiently. They also highlighted the need for improved technical support institutions, the role of trade associations in providing export promotion services and a “best practice” technology advisory service for their members. As an immediate impact, several companies strengthened their manufacturing operations and design capacities as a basis to improve plant and export performance. In Argentina, the Footwear Industry Training Centre upgraded its team of technical staff to provide production, organization and design services. Several other initiatives in Argentina, also with support of public authorities, have started to improve the export potential of the national footwear industry. The UNIDO/ECLAC technical cooperation behind the project could serve as an example for similar cooperative initiatives within the context of UNDAF. Moreover, this regional project has already had a spin-off in Mexico where, at the request of local authorities and the private sector in the shoe manufacturing area of León, a similar project is developing for the modernization and enhanced export orientation of the footwear industry sector.

A GEF-funded preparatory project development activity was approved for Chile and Peru. This will facilitate the formulation of a full project, funded by GEF and co-financed by the Governments of the two countries, for the integrated management of the Humboldt Current Large Marine Ecosystem.

At the end of the year, Italy approved a large-scale regional project covering three Central American countries (El Salvador, Nicaragua and Panama) and the Dominican Republic to expand and consolidate the subcontracting and partnership exchange (SPX) network in Latin America and the Caribbean, thereby incorporating for the first time a Caribbean country in the region-wide network of over 30 subcontracting exchanges thus far established through UNIDO projects.

F. Field representation

In the field representation programme, 2001 was a year of stabilization. In response to a request of the Industrial Development Board, an in-depth analysis of the current situation of field offices and their contribution to technical cooperation delivery was carried out early in the year, employing a survey technique for gathering data. Questionnaires were sent to UNIDO Representatives, Headquarters staff (integrated programme team leaders, project managers and Field Operations Officers), United Nations Resident Coordinators and local counterparts. The rate of response was good.

The study highlighted that the role of the UNIDO field offices was basically that of providing support to team leaders and project managers in the formulation and delivery of integrated programmes. Only rarely were field offices the driving force in technical cooperation development. This situation reflects the way technical cooperation delivery

had been structured and managed, featuring the perception that compilation of programmes and projects was considered the prerogative of project managers. However, the survey also revealed a growing interest for a more dynamic field representation. In countries with no field representation, team leaders felt strongly the need for a field office that would help them identify the main programme components and local partners. Similarly, local counterparts also expressed a desire for more proactive field offices.

These findings were presented to the Industrial Development Board in June. While noting that effective decentralization remained incomplete, Members agreed that further decentralization of functions to the field was to be pursued cautiously. Stabilization of the current field structure and improvements in coordination between Headquarters and the field were to be given priority.

As of 31 December 2001, UNIDO maintained 18 country and 10 regional offices.¹ In addition, there were four focal points. Appendix K provides a country-specific breakdown of UNIDO staff in the field. During the course of the year, three new UNIDO Representatives were appointed to duty stations where the post had been vacant.

¹ Of ten regional offices, only nine are de facto regional offices. According to the information note on field representation (location of regional offices), which was distributed to Permanent Missions on 12 July 1999, Côte d'Ivoire was recommended as the location of one of the regional offices in Africa. However, the agreement for its establishment has not been finalized to date.

V

Performance management

UNIDO is justifiably proud of the performance improvements introduced over the last four years. The Organization embarked upon the process of raising standards in 1998 with a radical reorganization of the administration, which saw a reduction in the number of divisions from six to three, and an associated reduction of staff numbers. This was difficult but necessary to achieve financial stability. The process continued in 1999 when fundamental changes were made to the programmatic focus of the technical cooperation portfolio in which the services provided by UNIDO were clearly defined into new services. The latter process also saw the introduction of teams responsible for identifying, formulating and implementing UNIDO's new services in this integrated and needs-based fashion and the phasing out of more than 1,000 small projects.

The year 2000 was a period of consolidation, which saw the bedding in of the organizational and management arrangements necessary to support the radical changes of the previous two years. That year also saw the regular use by the Secretariat of the organization-wide performance indicators first developed the previous year and the launch of UNIDO's total quality management initiative in which a number of key internal processes were reviewed leading to further efficiency improvements, such as the streamlining of systems relating to the appointment of short-term consultants and travel arrangements of UNIDO staff on business.

Towards the end of 2000, UNIDO committed to improve performance further through the introduction of clearer lines of management and financial delegation and the removal of superfluous bureaucratic processes (but not at the cost of control). The need to develop and maintain modern internal systems within the bounds of affordability was clearly identified with this task. Above all, it was recognized that UNIDO needed to rationalize the initiatives of the previous years and consolidate them into stronger corporate-wide management systems that could more effectively contribute to UNIDO oversight and accountability and provide a more visible link between UNIDO activity and achievement of the internationally agreed development targets. Thus the agenda for change in 2001 was set.

Continuing the tradition in 2001—A Balanced Scorecard for UNIDO

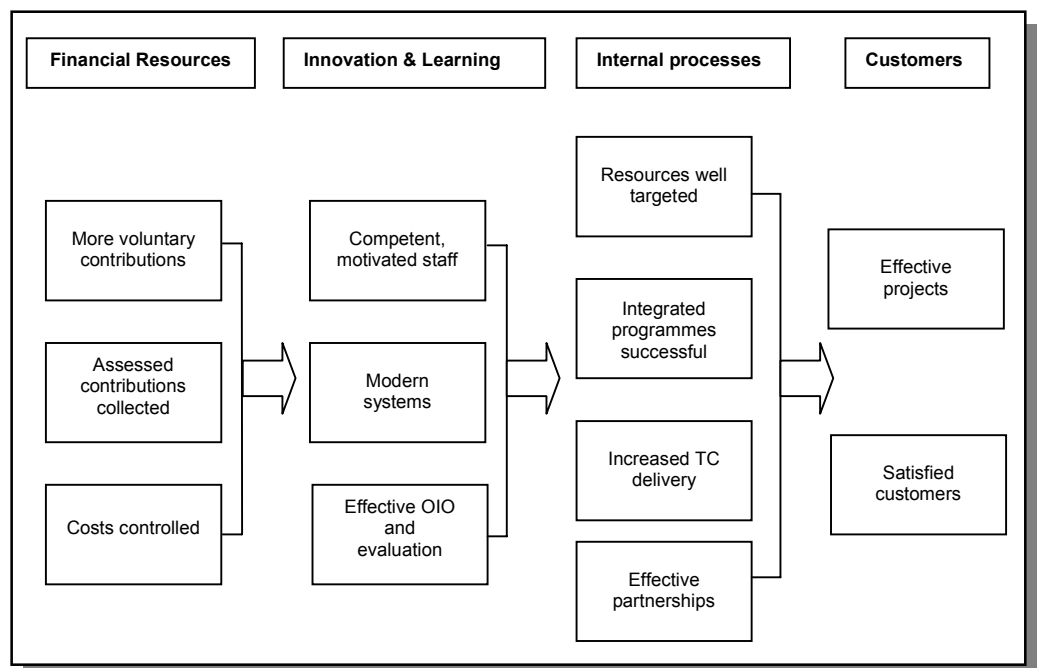
UNIDO has looked to the best in the private and public sector in considering how to translate the strategic objectives in the Business Plan into a coherent set of performance measures and to track and measure performance using existing reporting instruments. Accordingly, UNIDO recently embarked upon the next stage of its journey to raise

standards by implementing a prototype Balanced Scorecard. This type of approach is used with notable success by many respected organizations in both the public and private sectors including UNDP, IFAD and the World Bank.

The Scorecard is said to be balanced because it integrates four interdependent sets of measures associated with respective strategies: customer measures tell where the Organization stands in the eyes of its customers in its efforts to achieve its goals; internal process measures examine the staff actions that contributed to the situation; innovation and learning measures indicate whether the Organization can continue to improve; and financial measures tell whether the Organization has a winning strategy.

Cause-effect relations are assumed among the strategies and measures. For example, an improvement in financial resources would allow improvements in innovation and learning, which would accelerate improvement in internal processes. All these would contribute to the enhancement of customer satisfaction. This in turn should lead to further improvements in the financial position. The Balanced Scorecard also minimizes information overload by forcing managers to focus on critical measures. Because they cascade from the top of the Organization to the bottom, the importance of these measures soon become well known and understood. It is therefore a highly effective means of communicating corporate strategy, building the necessary consensus and ensuring the effective implementation of strategy.

Figure 1. Prototype UNIDO Balanced Scorecard



There is no template for a Balanced Scorecard and developing one for UNIDO will be an iterative process. The prototype Scorecard (shown above in simplified format) has been developed within a relatively short period of time and makes use, to a large extent, of those relevant performance indicators and measures first developed by UNIDO in 1998 and refined during 1999 and 2001. The indicators, kept below 20 in number, are used in this chapter as the basis for discussing performance in UNIDO’s main areas of activity. The Scorecard will be further developed in the light of experience and taking account of the ongoing UNIDO exercise, that is designing and updating indicators for the integrated programmes. Details of the latter exercise are provided below in the section on internal processes.

A. Financial resources

Increase in technical cooperation approvals

During 2001, net project and programme approvals from all sources of funds amounted to \$85.6 million as compared with \$76.9 million in 2000 (figure 2). This was the highest level of approvals since 1997 and demonstrates the continuing consolidation of UNIDO's funds mobilization process and the overall portfolio at a level consistent with an increasing volume of delivery (figure 11).

Funds mobilization

Net financial resources mobilized in 2001 amounted to \$96.1 million. The items not reflected in the figure for technical

cooperation approvals comprise a balance of \$10.9 million in respect of agreements signed in 2001 for future instalments. A reduction of \$0.4 million should also be made to reflect movements in "resources available but not yet allocated".

Funding through the Industrial Development Fund (IDF) recovered from the \$11.3 million of 2000 to reach \$21.6 million, well above the average for the last four years. Funding through the trust fund mechanism reached \$15.6 million, the highest since 1996. In addition, \$1.8 million was mobilized as "self-financed trust funds".

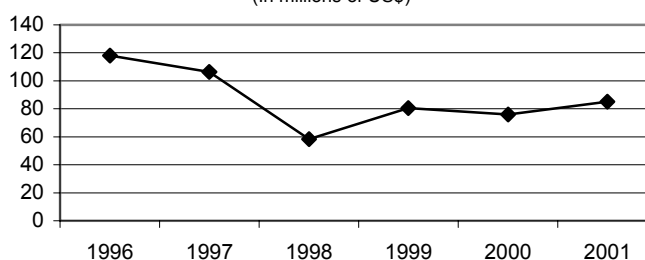
Overall the level of voluntary contributions by Governments is gradually increasing. In 2001 the first-ever larger contribution was received from Luxembourg, which provided \$500,000 for the integrated programme for the Lao People's Democratic Republic. Major governmental donors included Austria, Denmark, Greece, Italy, Japan, Norway, Spain, Switzerland, and the United Kingdom, each of which contributed more than \$1 million.

Net approvals from UNDP core funds, already reduced in recent years to very low levels, dropped last year to virtually zero. The only funds received from UNDP itself in 2001 are small-scale allocations for a total of \$1.8 million from the STS and SPPD facilities (not included in the above approval numbers). Also two GEF-funded projects amounting to \$8.8 million were channelled through UNDP as "UNDP trust funds". In view of its financial situation, no rapid recovery in the funding from UNDP itself can be expected.

Net approvals under the Multilateral Fund for the Montreal Protocol amounted to \$30.1 million, around the average of recent years. Annual net approvals levels have stabilized at this high level, enabling UNIDO to maintain the annual delivery under this source of funds at approximately the same level.

During 2001, UNIDO continued to develop a good working relationship with GEF and achieved a breakthrough in terms of obtaining direct access to GEF funding as "executing agency with expanded opportunities". In May 2001 the Stockholm Convention on POPs was adopted for which GEF was, on an interim basis, made

Figure 2. Technical cooperation approvals, 1996-2001
(In millions of US\$)



the principal financial mechanism. Following the signature of a memorandum of understanding between UNIDO and GEF as well as a financial procedures agreement in July, the first projects in the areas of POPs and climate change were submitted, approved and made operational before the end of 2001. It is anticipated that this good cooperation will continue and the volume of operations increase in 2002.

An agreement was signed in December 2001 with the Government of Nigeria, under which a self-financed trust fund was established. The agreement covers a contribution for a total of \$5 million towards the cost of the Nigeria country service framework. This is the largest contribution made by a partner country for its programme, demonstrating the confidence the Government places in the cooperation. Other such contributions to the respective integrated programmes were received from Colombia, Honduras and Bashkortostan, while the Republic of Korea has provided funds for the establishment of a National Cleaner Production Centre in that country.

In 2001 four separate approvals for a total value of almost \$1.9 million were obtained from the United Nations Fund for International Partnerships (the "Turner Fund") in the areas of energy and the Clean Development Mechanism related to the Kyoto Protocol. It is expected that further approvals will be realized in coming years.

Funding from the European Commission was obtained in 2000 for a project with UEMOA in the area of strengthening the quality and conformity assessment capacities of the member countries. In 2001 the legal arrangements were finalized for the project after which the first funds were received, and the project has started implementation. The total volume of UNIDO implementation under this project amounts to €8.2 million. Based on this model UNIDO developed a general initiative "Enabling LDCs to participate in international trade" which was presented during LDC III. Contacts with the European Commission on this initiative as well as on specific large-scale projects in this area have continued and intensified. The European Commission is currently studying the mandates, strengths and activities of the various United Nations organizations with a view to identifying a limited number of strategic partners with whom they will work on specific subjects. This may lead to decisions in 2002. Inclusion in this select group can be expected to lead to increased cooperation and funding.

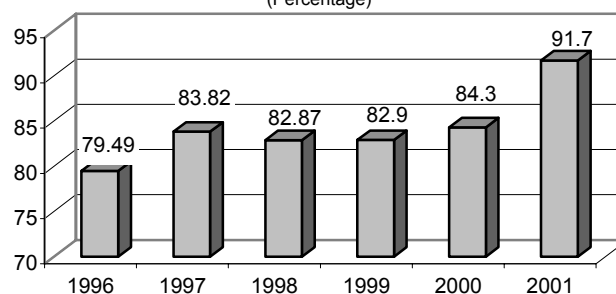
Funding mobilized for the integrated programmes during 2001 in terms of authority issued amounted to \$20.8 million, comparable with \$23.7 million in both previous years. The difference between 2000 and 2001 is due to the volume of approvals from the unutilized balances in 2000. Including future payments under agreements signed in 2001, as well as a small increase in funds available but not yet allocated, the amount mobilized in the year amounted to \$24.1 million. This was lower than in 2000 but comparable with 1999. At the end of 2001, the total amount mobilized for the 44 integrated programmes amounted to \$88.2 million. In addition, contributions to various integrated programmes with a value of more than \$15 million are in an advanced stage of negotiations. Virtually all of these will be finalized in 2002.

Improved collection rate of assessed contributions

Prudent cash management and the effective use of resources will continue to be very important factors but it is equally important that any serious shortfall in income as experienced in previous years be addressed and kept in check. The latter can have serious implications for the delivery of technical cooperation.

Figure 3 shows that during 2001 there was a marked improvement in the collection rate of assessed contributions to 91.7 per cent. This alleviates in large measure the financial pressures caused in the previous year when the collection was below 85 per cent.

Figure 3. Collection rate of assessed contributions on 31 December
(Percentage)



Controlling administrative costs

It is vital that UNIDO maintain the sound financial position that has been gained over the past four years. UNIDO's recently modernized system of strict budgetary controls within the framework of delegations of authority and accountability provide the necessary controls and early warnings to ensure that cash and resource targets are met. This includes the monthly integrated financial performance reports comparing plans and actual performance.

As can be seen in figure 4, the Organization has continued to downsize in terms of staff numbers. However, while this has posed an inevitable challenge, it has not been at the cost of project delivery. As can be seen from figure 5, there was a marked improvement in technical cooperation delivery last year by 24 per cent over 2000. This continues the upward trend over the last three bienniums (annual fluctuations being due to the biennial cycle). Evidence gathered in 2001 has also shown that the quality of output has improved over the period (see figure 14).

Figure 4. Average number of staff, 1996-2001

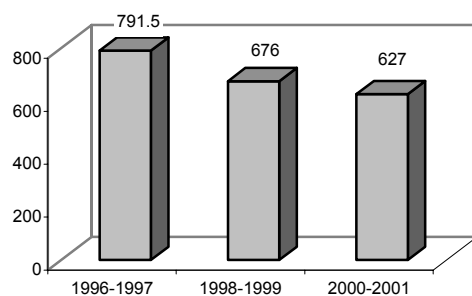
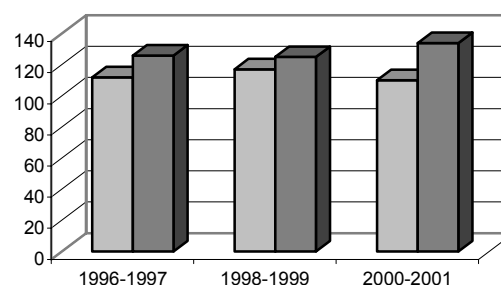


Figure 5. Delivery per staff member, 1996-2001
(In thousands of US\$)



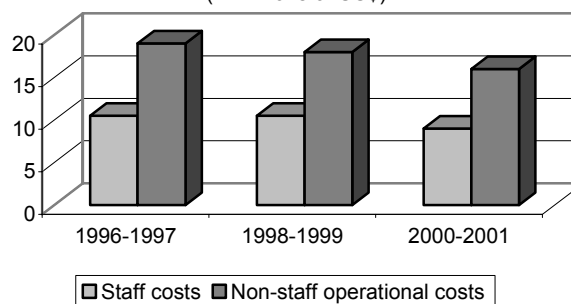
Reduced information technology costs

The replacement of the old mainframe systems, which are no longer cost-effective, with modern client/server systems is a key feature of UNIDO's information technology (IT) and knowledge management strategy. The latter cost less to maintain and operate and provide greater flexibility and access to information. One immediate impact of this strategy will be a phased saving in the costs of mainframe computer services, which will be partially offset by the costs of running the client/server systems. By 2003, the annual saving is expected to be in the region of \$0.5 million, or 25 per cent of the non-staff budget of UNIDO's Information Technology and Knowledge Management Section.

Efficient buildings management

Buildings management services (operation, repair and maintenance of the VIC) represents UNIDO's largest Major Programme in gross terms, accounting for approximately 24 per cent of the regular budget in 2000-2001. It is particularly important that such costs are kept under control and that value for money can be demonstrated. As figure 6 demonstrates, the costs of buildings management services have been reduced for the fourth consecutive year. This was a result of ongoing efforts to restructure, streamline processes and improve management and coordination. Achievements in 2001 included reductions in elevator maintenance and electricity costs per annum by \$0.4 million and \$0.5 million respectively. The disposal of unutilized space to other agencies also realized \$500,000 for UNIDO. The savings have enabled UNIDO to minimize the impact of budgetary cuts on the substantive programmes. While there is a limit to the potential economies in this direction without detriment to the building and working environment, some additional improvements are expected. It should be added that, on top of significant cost reduction, the buildings management service level has notably increased.

Figure 6. Buildings management budget, 1996-2001
(In millions of US\$)



B. Innovation and learning

Competent and motivated staff—the role of human resource management

UNIDO's greatest asset is its motivated and competent staff. It is important that this asset not be taken for granted. It must be maintained and staff developed if the Organization is to meet the challenging targets set by its agenda. Human resource management plays the central role in this task. During 2001, a new three-phase Human Resource Management Framework was developed with the following aims:

- ❑ Improved levels of objectivity and transparency;
- ❑ An organizational culture that is results-based and rewards teamwork;
- ❑ The promotion of productivity, effectiveness and continuous learning;
- ❑ High levels of performance and managerial excellence.

The first phase of the Framework, implemented during 2001, focused on providing employment stability and ensuring the recruitment and retention of well-qualified staff on a wide geographical basis. It introduced new guidelines for the engagement of staff covering recruitment, selection and placement, including the introduction of appointments of limited duration for tasks that are clearly finite in time and nature.

The second phase of the Framework will be implemented in 2002 and will focus on career growth. It will include a new performance appraisal system that recognizes both

individual and team contributions, and new promotion mechanisms, including greater use of competition through vacancy announcement and horizontal growth recognition. The third phase will include the development and application of individual, managerial and organizational competencies and strengthening of managerial capacity.

The importance of continuous learning

Continuous learning is a priority area for UNIDO. As shown in figure 7, there has been a general upward trend in training in the last four years. Formal learning per staff member is expected to increase further during the next biennium to an average of 21 hours per year (more than double the 10-hour average in 1998).

Figure 7A. Internal training, 1998-2001

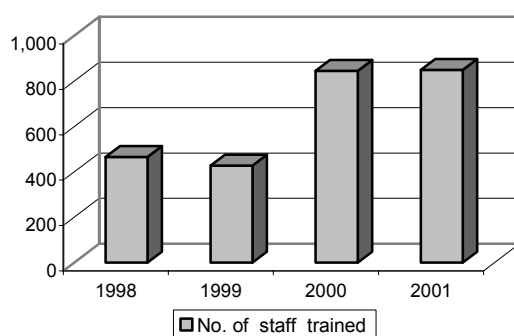
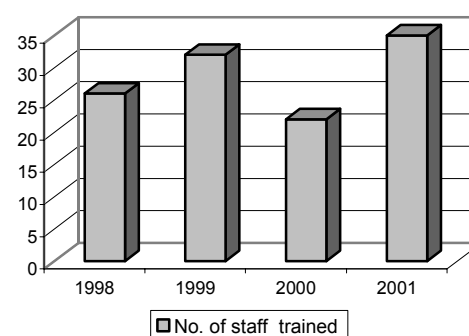


Figure 7B. External training, 1998-2001



Modern information technology systems

Information technology systems and knowledge management underpin much of the work of the Organization. If the goal of continued improvement is to be achieved, it is important that UNIDO maintain existing systems in good order and invest prudently in the future. The Organization must take full advantage of new technology in the development of internal systems and procedures in order to achieve further efficiency improvements and provide better information on which to base decisions. The latest innovations in communications must be employed as a means of consulting with UNIDO's partners and promoting transparency. It is important that staff be fully competent in the use of such systems and actively involved in their implementation.

As mentioned above, UNIDO's strategy is to replace old mainframe systems with modern client/server systems. In addition to reducing costs, client/server systems will provide UNIDO with an opportunity to innovate by improving processes and procedures through the use of available technology. At the beginning of 2001, UNIDO attained a milestone in this strategy by implementing a client/server financial management control system for budgeting, accounting and the provision of management information. This was a major achievement given the ambitious time and budget constraints that were set for the project, both of which were met. When the system is fully rolled out in 2002, it will immediately give improved quality and access to information to staff and managers. It has also provided the prerequisite foundation for the replacement of UNIDO's other mainframe systems, which should be completed by the end of 2003. A further \$1.3 million has been earmarked for this strategy, which will be financed from efficiency savings, including savings in mainframe services.

Effective internal oversight and evaluation

In addition to the regulatory side of its work, the Office of Internal Oversight and Evaluation continued to play an important role in improving performance by sharing

the lessons learned that have been gained through its various reviews. In the area of audit and inspection, a number of audit reports and observations were issued to assess and strengthen internal control systems of the Organization. Several investigations were also conducted to ensure compliance with rules and regulations. The Office also followed up the control points identified in 2000 and applied modern audit management software to help communicate and track results of its reviews.

At the beginning of September, a separate office was established for evaluation functions in order to facilitate planned improvements to the evaluation of the integrated programmes including the opportunity to get closer to field operations. The separate units will, however, continue to collaborate closely in future reviews where appropriate.

Some of the results of evaluations undertaken in 2001 are reported below under "internal processes" (see figure 13). The Programme Appraisal and Evaluation Unit shared evaluation experience during a number of internal continuous improvement reviews undertaken during the course of the year, including the development of performance indicators. The lessons learned during 2001 will be taken into account in the future formulation and implementation of programmes. Key lessons from 2001 include:

- ❑ Demonstration projects and practical work at plant level are the most effective ways of transferring new technologies;
- ❑ Entrepreneurial selection criteria help ensure ownership and commitment to SME projects;
- ❑ Contribution to costs also helps ensure commitment to SME projects;
- ❑ The willingness of Governments to pursue environmental objectives, to support the application of preventive approaches, to facilitate access to private finance and technical education are preconditions for successful cleaner production projects;
- ❑ Complex technological projects, such as cleaner production development, require long lead times, typically three years;
- ❑ Projects must be designed and implemented based on a participatory approach.

C. Internal processes

A number of important steps were taken during 2001 to improve internal processes in order to demonstrate more clearly UNIDO's promise to deliver improved services. These are discussed below under the headings included in the prototype Balanced Scorecard. Indicators will be improved and supported by others during the course of 2002, including a number of refined indicators relating specifically to integrated programme delivery.

Well-targeted resources

There will be a time lag of one or two years before the measures taken by UNIDO to focus delivery on the least developed countries are felt. For example the number of integrated programmes designed for least developed countries in 2001 was 13, an increase of 2 from 2000. The results of this change should be evident in future annual reports.

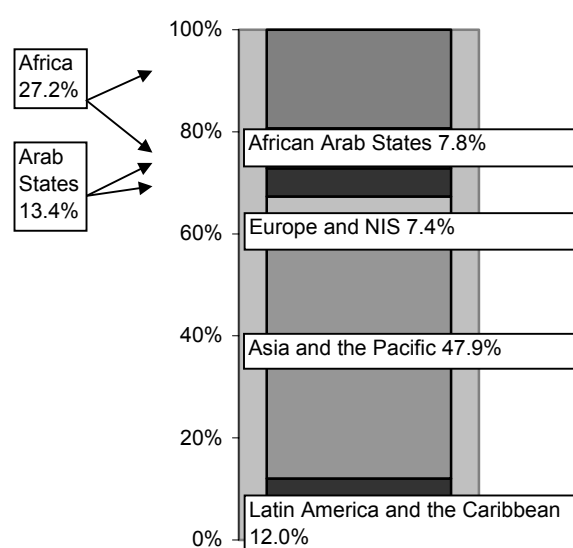
The analysis of technical cooperation delivery in 2001 in accordance with Business Plan priorities shows a similar picture as in the previous four years. The combined share of

environmentally sustainable industrial development and international protocols continued to dominate (39 per cent), followed by promotion of investment and related technology (19 per cent), environmentally sustainable industrial strategies and technologies (17 per cent), agro-industries (8 per cent), and industrial capacity-building (7 per cent).

The analysis of UNIDO technical cooperation delivery in accordance with the World Bank classification system shows that the pattern remained the same as in 2000: one third was directed towards low-income economies, and two thirds to middle income economies.

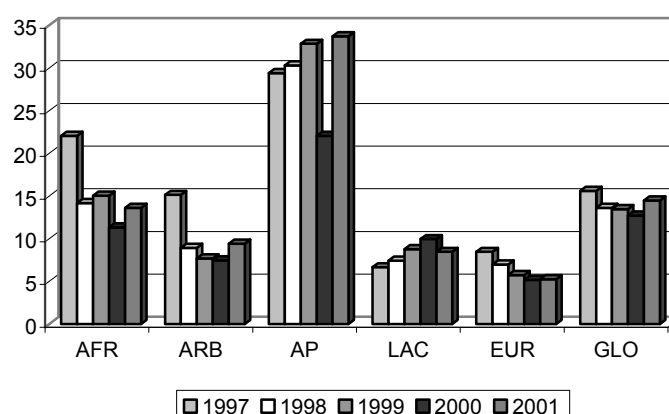
As can be seen in figure 8, the Asia and Pacific region continued to have the highest share of technical cooperation (47 per cent, mainly due to the high volume of Montreal Protocol projects). Africa continued to be the second largest beneficiary of UNIDO services, with a share of 27 per cent, including 19 per cent for sub-Saharan countries. The shares of Latin America and the Caribbean and of Europe and NIS decreased to 12 per cent and 7 per cent respectively. Figure 9 shows delivery by region from 1997 to 2001.

Figure 8. Technical cooperation expenditure by region, 2001 (excluding global/interregional projects)



The pattern of project components remained largely unchanged in 2001 compared with the previous four years. However, while the share of the project personnel component decreased from 40 per cent the previous year to 36 per cent in 2001, all other components showed a slight increase in 2001.

Figure 9. Delivery by region, 1997-2001 (In thousands of US\$)

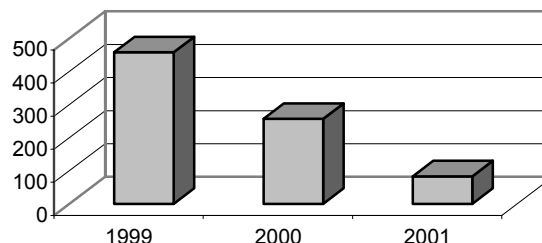


Success of the integrated approach

The integrated programme approach brings greater coherence, synergy and cooperation to the formulation and delivery of aid. During 2001, the process of change was virtually completed. Figure 10 shows that, of some 1,100 isolated projects ongoing at the end of 1997, all but some 50 projects remained at the end of 2001. The current project portfolio consists of 46 integrated programmes and 131 stand-alone projects.

During 2001, UNIDO reduced the number of service modules within the integrated programmes from 16 to 8 in order to facilitate further improvements in programmatic synergy, greater levels of teamworking and more effective outputs. The case for the creation of a new least developed countries group is also under consideration. The role of any such group would include improving the future focus of the portfolio towards LDCs, and sub-Saharan Africa in particular.

Figure 10. Reduction in "old regime" projects, 1999-2001

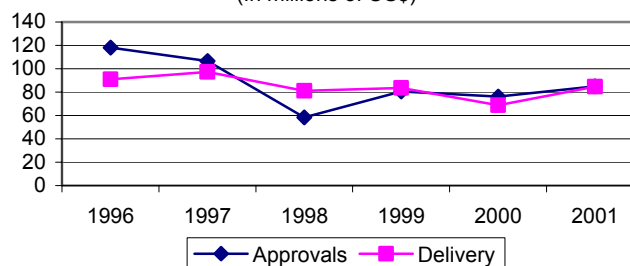


The coming year will see the development of means of tracking the objectives of integrated programmes more effectively. In taking forward this exercise a staged approach will be adopted. In the first instance, a range of simple output measures identified in 2001 will be implemented during the first part of 2002. The next stage will feature the development of the full range of tools that will help to improve performance, the first of which will be outcome indicators. Others will address issues such as added value and complementarity within the programme. The exercise is viewed within UNIDO as a process that will be continuously improved as we gain experience.

Increased technical cooperation delivery

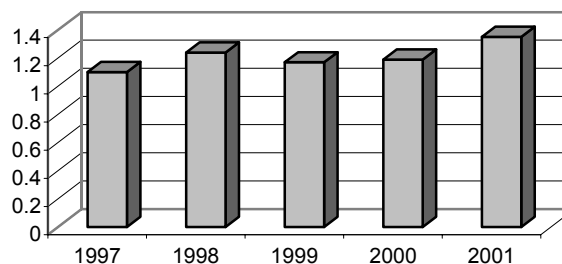
During 2001, the UNIDO technical cooperation delivery level of \$84.9 million was the highest since 1997 despite significant reductions in staff (see figure 4). The increased level largely related to Montreal Protocol (up \$5 million from 2000) and that portion of the Regular Programme and "unutilized balances"² used for technical cooperation (up \$6 million from 2000). Figure 11 incorporates both approval and delivery performance. This shows that approvals and delivery were in balance during 2001.

Figure 11. Technical cooperation approvals and delivery, 1996-2001
(In millions of US\$)



Another important indication of improved delivery capacity of UNIDO is shown in the upward trend of the so-called technical cooperation leverage ratio (figure 12). The ratio indicates the amount of technical cooperation services delivered for one dollar of regular and operational budget. In 2001, the ratio was 1:3, the highest figure since 1996.

Figure 12. Leverage ratio, 1997-2001
(TC vs. RB+OB)



² Funds arising from the application of resolution GC.8/Res.4.

Effective partnerships—quality vs. quantity

Partnership is an integral part of every UNIDO activity. Only by working together can the problem of poverty alleviation be tackled in an effective manner. Over the years, UNIDO has developed a number of bilateral partnerships by way of agreements, memoranda of understanding and joint communiqués with States, intergovernmental organizations and other entities. A number of new agreements were reached in 2001, details of which can be found in appendix H to this report. But there is equal concern that those partnerships work effectively; it is the quality of partnerships rather than the quantity that counts. For this reason, in 2001 a review of some key partnerships was undertaken with a view to improving their operation where necessary. Systematic reviews of this nature will continue in future years.

During 2001, the UNIDO field office network played an important role in promoting partnership with recipient Governments, counterparts and international development agencies under the framework of Common Country Assessment and UNDAF. In doing so, the newly established monthly reporting system for UNIDO Representatives facilitated identification of problems and opportunities in promoting partnership in the field, and significantly improved communication between Headquarters and the field.

D. Customers

Pending availability of improved outcome measures, figure 13 provides data on measurable results in terms of contributions to a competitive economy, sound environment and productive employment. It should be noted that these are only some of many quantifiable measures and that many developmental outcomes and impacts are difficult to measure. Quantitative measures have to be used along with qualitative assessment. To quote Albert Einstein: “Not everything that can be counted counts, and not everything that counts can be counted.”

Figure 13. Objective indicators

	1999	2000	2001
Competitive Economy	<ul style="list-style-type: none"> \$299 million investment generated 	<ul style="list-style-type: none"> \$221 million investment generated 	<ul style="list-style-type: none"> \$78.6 million in Africa 67 projects (39 for Africa, 47 for SMEs)
Sound Environment	<ul style="list-style-type: none"> 3,577 ODS tonnes eliminated (ozone-depleting substance) 	<ul style="list-style-type: none"> Nearly 4,000 ODS tonnes eliminated 	<ul style="list-style-type: none"> 2,480 ODS tonnes eliminated (as planned)
Productive Employment	<ul style="list-style-type: none"> 6,567 SMEs started 370 SMEs expanded business activities 3,069 women entrepreneurs assisted Some 4,200 jobs created through investment promotion 	<ul style="list-style-type: none"> 563 SMEs started 1,160 SMEs expanded business activities 1,191 women entrepreneurs assisted Some 5,000 jobs created through investment promotion 	<ul style="list-style-type: none"> 428 SMEs started 1,306 SMEs expanded business activities 1,207 women entrepreneurs assisted At least 2,732 jobs created through investment promotion (including 1,050 in Africa)

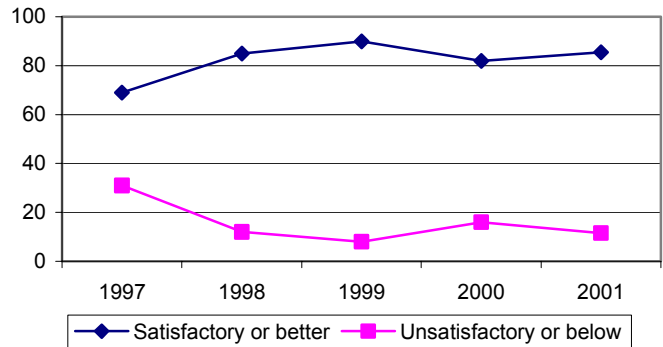
Upward trend of effective projects

UNIDO is judged on the quality of the services it provides and the projects it implements. Continuous monitoring of performance in this area ensures the maintenance of high quality services to which UNIDO's partners are accustomed. Figure 14 provides the results of projects evaluated during 2001 and a comparison with the previous years.

The results of the evaluations are encouraging. The effectiveness indicator, as measured by achievement or likelihood of achieving the project's purpose, increased in relation to the previous year by 3.5 per cent. Additionally, 84 per cent of the total 324 outputs evaluated in 2001

produced results that were satisfactory or better. This was a 5 per cent improvement over 2000. Rather less positive was performance in respect of meeting planned completion dates. Although 62 per cent of the evaluated projects were on time or with a small delay, 24 per cent of the projects evaluated were completed later than planned. This figure indicates that for one quarter of the evaluated projects the planning was too optimistic or overambitious regarding time frames. This issue will be addressed during the forthcoming year by implementing improved planning techniques.

Figure 14. Assessment of programme and project (effectiveness), 1997-2001 (Percentage)



Customer feedback—your opinions count

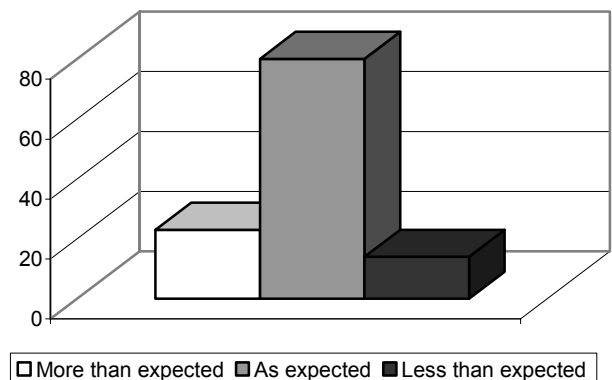
The opinion of UNIDO's customers is of paramount importance to the Organization. Feedback on how recipients and Member States view UNIDO policies and performance is vitally important to shaping the future and raising standards of performance. Opinions also inform on how successful the ongoing consultative efforts have been.

Endorsement by the General Conference in 2001 of the medium-term framework, 2002-2005, and the resulting resolution is perhaps the most important and encouraging indicator of how members view our performance and future role.

But feedback is systematically sought from all our customers on how they view our performance as part of our participative evaluation process.

A survey process designed in 2001 will improve the scope and quality of feedback and will ensure greater involvement of the regional bureaux. An analysis of the 53 responses received to date is shown in figure 15. Eighty-

Figure 15. Customer satisfaction rates, 1998-2001 (53 replies) (Percentage)



eight per cent reported that UNIDO services either exceeded or met the required standard. Specific points raised in responses are being analysed and will be fed into the project design process. As the number of responses is limited, a fuller survey will be conducted in 2002 to make a better assessment of customer satisfaction, with a view to further improving UNIDO services.

Appendices

CONTENTS

- A. Operational statistics
- B. Project approvals under voluntary contributions
- C. Status of integrated programmes
- D. Technical assistance to the least developed countries
- E. Regular programme of technical cooperation
- F. Geographical distribution of experts
- G. Training activities
- H. Agreements concluded
- I. Country promotion presentations
- J. Purchase orders placed and contracts awarded
- K. UNIDO field representation
- L. Personnel-related information
- M. Expert group meetings, symposia, seminars, workshops, courses and other meetings
- N. Selected publications and other products

APPENDIX A
OPERATIONAL STATISTICS

List of tables

1. Expenditure, 1998 to 2001
2. Technical cooperation programmes: project budget approvals and expenditure, 1998 to 2001
- 3A. Technical cooperation activities: project approvals in 2000 and 2001, by source of funds
- 3B. Technical cooperation activities: value of net project approvals in 2001, by region and source of funds
4. Expenditure on technical cooperation activities in 2000 and 2001, by source of funds and project component
5. Expenditure on technical cooperation activities in 2001, by service module and geographical area
6. Expenditure on technical cooperation activities, by geographical area, 1998 to 2001
7. Technical cooperation activities: project expenditure in 2001, by geographical area
8. Support services for policy and programme development and technical support services at the project level, 2000 and 2001
9. Regular and operational budget expenditure by programme and object of expenditure in 2001

Table 1
Expenditure, 1998 to 2001
(In millions of US dollars)

	1998	1999	2000	2001
Technical cooperation programmes	81.1	83.5	68.6	84.9
UNIDO regular budget ^a	1.6	5.8	1.4	5.9
UNDP core funds ^b	13.8	10.7	7.0	5.2
UNDP-administered trust funds	2.5	1.4	0.3	3.5
IDF	17.1	19.1	18.3	19.2
Montreal Protocol	33.3	35.3	27.1	31.9
Self-financed trust funds	2.7	1.5	2.2	1.5
Third party-financed trust funds	7.8	6.7	9.7	11.7
Other trust funds ^c	2.3	3.0	2.6	6.0
Headquarters	67.9	68.5	59.8	64.2
Regular budget	54.9	57.8	51.1	55.7
Programme support costs	13.0	10.7	8.7	8.5
TOTAL	149.0	152.0	128.4	149.1

^a Includes Regular Programme for Technical Cooperation and Industrial Development Decade for Africa.

^b Includes UNIDO-implemented nationally executed projects.

^c Includes UNDCP, COMFAR funds, projects financed from other United Nations agencies and funds, World Bank loans, Common Fund for Commodities, unutilized balances (arising from resolution GC.8/Res.4) and GEF.

Table 2
Technical cooperation programmes: project budget approvals and expenditure, 1998 to 2001
(In millions of US dollars)

	1998	1999	2000	2001	1998	1999	2000	2001	1998	1999	2000	2001
	<u>All sources of funds</u>				<u>UNIDO regular budget</u>				<u>UNDP core funds ^a</u>			
Residual value of projects brought forward	155.0	131.0	127.4	135.7	0.0	1.7	0.0	1.8	31.1	23.7	19.7	17.4
Value of project budgets approved in the year (net)	57.1	81.6	76.9	85.5	3.3	5.8	3.2	5.0	6.4	6.7	4.7	(0.3)
Total of approved projects under implementation	212.1	212.6	204.3	221.2	3.3	7.5	3.2	6.8	37.5	30.4	24.4	17.1
Expenditure	81.1	83.5	68.6	84.9	1.6	5.8	1.4	5.9	13.8	10.7	7.0	5.2
Residual value of projects carried forward	131.0	127.4	135.7	136.3	1.7	0.0 ^b	1.8	0.9	23.7	19.7	17.4	11.9
	<u>UNDP-administered trust funds ^c</u>				<u>IDF</u>				<u>Montreal Protocol</u>			
Residual value of projects brought forward	3.1	2.0	0.6	9.7	37.3	35.3	38.6	31.6	61.3	52.5	49.1	51.5
Value of project budgets approved in the year (net)	1.4	0.0	9.4	9.0	15.1	22.4	11.3	21.6	24.5	31.9	29.5	30.1
Total of approved projects under implementation	4.5	2.0	10.0	18.7	52.4	57.7	49.9	53.2	85.8	84.4	78.6	81.6
Expenditure	2.5	1.4	0.3	3.5	17.1	19.1	18.3	19.2	33.3	35.3	27.1	31.9
Residual value of projects carried forward	2.0	0.6	9.7	15.2	35.3	38.6	31.6	34.0	52.5	49.1	51.5	49.7
	<u>Self-financed trust funds</u>				<u>Third party-financed trust funds</u>				<u>Other trust funds ^d</u>			
Residual value of projects brought forward	3.6	2.2	3.7	3.1	13.0	9.2	13.0	15.8	5.6	4.4	2.7	4.8
Value of project budgets approved in the year (net)	1.3	3.0	1.6	1.8	4.0	10.5	12.5	10.8	1.1	1.3	4.7	7.5
Total of approved projects under implementation	4.9	5.2	5.3	4.9	17.0	19.7	25.5	26.6	6.7	5.7	7.4	12.3
Expenditure	2.7	1.5	2.2	1.5	7.8	6.7	9.7	11.7	2.3	3.0	2.6	6.0
Residual value of projects carried forward	2.2	3.7	3.1	3.4	9.2	13.0	15.8	14.9	4.4	2.7	4.8	6.3

^a Includes projects executed by other agencies for which UNIDO is the associated or cooperating agency, formerly reported under non-UNIDO funds. Figures for previous years corrected.

^b Excludes the value of projects approved but not implemented within the biennium.

^c Includes United Nations Trust Fund for Sudano-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.

^d Includes UNDCP, COMFAR funds, projects financed from other United Nations agencies and funds, World Bank loans, the Common Fund for Commodities, unutilized balances and GEF.

Table 3A
Technical cooperation activities: project approvals in 2000 and 2001, by source of funds

<i>Source of funds</i>	<i>New projects approved</i>			<i>Existing projects revised</i>			<i>Total net value of approvals/ revisions (\$000)</i>
	<i>Number of projects</i>	<i>Value of projects (\$000)</i>	<i>Average value of projects (\$000)</i>	<i>Number of projects</i>	<i>Value of revisions (\$000)</i>	<i>Average value of revisions (\$000)</i>	
2000							
UNIDO regular budget	65	3,201	49	0	0	0	3,201
UNDP core funds ^a	16	5,123	320	130	(475)	(4)	4,648
UNDP-administered trust funds	5	9,402	1,880	6	(3)	(1)	9,399
IDF	73	11,590	159	220	(294)	(1)	11,296
Montreal Protocol	91	31,155	342	364	(1,607)	(4)	29,548
Self-financed trust funds	5	432	86	31	1,179	38	1,611
Third party-financed trust funds	39	14,673	376	103	(2,184)	(21)	12,489
Other trust funds ^b	71	4,547	64	36	164	5	4,711
TOTAL	365	80,123	220	890	(3,220)	(4)	76,903
2001							
UNIDO regular budget	78	4,612	59	42	340	8	4,952
UNDP core funds ^a	7	874	125	96	(1,217)	(13)	(343)
UNDP-administered trust funds	6	2,662	444	12	6,380	532	9,042
IDF	92	15,894	173	193	5,702	30	21,596
Montreal Protocol	146	29,395	201	327	725	2	30,120
Self-financed trust funds	14	1,849	132	25	0	0	1,849
Third party-financed trust funds	26	4,649	179	95	6,174	65	10,823
Other trust funds ^b	36	7,058	196	61	488	8	7,546
TOTAL	405	66,993	165	851	18,592	22	85,585

^a Includes UNIDO-implemented nationally executed projects.

^b Includes UNDCP, COMFAR funds, projects financed from other United Nations agencies and funds, World Bank loans, the Common Fund for Commodities, unutilized balances and GEF.

Table 3B
Technical cooperation activities: value of net project approvals in 2001, by region and source of funds
(In thousands of US dollars)

<i>Source of funds</i>	<i>Africa (excluding African Arab States)^a</i>	<i>African Arab States</i>	<i>Asia and the Pacific (excluding Western Asian Arab States)</i>	<i>Western Asian Arab States</i>	<i>Arab regional</i>	<i>Europe and NIS</i>	<i>Latin America and Caribbean</i>	<i>Global and interregional</i>	<i>Total</i>
UNIDO regular budget	2,421	263	167	11	0	148	858	1,084	4,952
UNDP core funds ^a	(475)	(126)	392	29	14	(366)	189	0	(343)
UNDP-administered trust funds	(10)	0	7,913	0	0	900	0	239	9,042
IDF	3,498	1,089	7,417	151	(6)	1,087	2,218	6,142	21,596
Montreal Protocol	999	2,018	16,208	4,296	0	4,503	2,301	(205)	30,120
Self-financed trust funds	914	(56)	784	153	0	115	(175)	114	1,849
Third party-financed trust funds	1,901	1,636	1,956	448	0	548	0	4,334	10,823
Other trust funds ^b	2,178	54	2,025	235	0	1,432	647	975	7,546
TOTAL	11,426	4,878	36,862	5,323	8	8,367	6,038	12,683	85,585
Total Africa	16,304								
Total Arab States	10,209								

^a Includes UNIDO-implemented nationally executed projects.

^b Includes UNDCP, COMFAR funds, projects financed from other United Nations agencies and funds, World Bank loans, Common Fund for Commodities, unutilized balances and GEF.

Table 4
Expenditure on technical cooperation activities in 2000 and 2001, by source of funds and project component

Source of funds	Project personnel		Subcontracts \$000	Fellowships and training \$000	Equipment \$000	Miscellaneous expenses \$000	Total \$000
	Number of expert work- months ^a	\$000					
2000							
UNIDO regular budget	38.0	817	18	201	249	101	1,386
UNDP core funds ^b	419.9	3,803	733	1,122	1,078	269	7,005
UNDP-administered trust funds	14.1	147	134	(10)	10	5	286
IDF	1,134.5	12,027	1,212	1,679	2,519	878	18,315
Montreal Protocol	163.9	2,263	17,501	551	6,409	350	27,074
Self-financed trust funds	65.3	782	679	95	476	147	2,179
Third party-financed trust funds	601.5	6,172	900	1,212	1,102	341	9,727
Other trust funds ^c	94.5	1,307	701	104	489	90	2,691
TOTAL	2,531.7	27,318	21,878	4,954	12,332	2,181	68,663
2001							
UNIDO regular budget	109.9	2,684	837	1,325	728	335	5,909
UNDP core funds ^b	101.7	2,161	940	433	1,427	215	5,176
UNDP-administered trust funds	20.0	555	125	67	2,698	109	3,554
IDF	832.6	12,538	1,428	1,838	2,388	1,006	19,198
Montreal Protocol	45.3	1,689	22,758	397	6,757	304	31,905
Self-financed trust funds	40.4	911	134	95	223	168	1,531
Third party-financed trust funds	727.0	7,203	1,374	1,485	1,081	518	11,661
Other trust funds ^c	186.8	2,612	1,630	352	1,138	238	5,970
TOTAL	2,063.7	30,353	29,226	5,992	16,440	2,893	84,904

^a Categories are as follows: Work months:
International experts and consultants 1,897.2
National experts 166.5
2,063.7

^b Includes UNIDO-implemented nationally executed projects.

^c Includes UNDCP, COMFAR funds, projects financed from other United Nations agencies and funds, World Bank loans, Common Fund for Commodities, unutilized balances and GEF.

Table 5
Expenditure on technical cooperation activities in 2001, by service module and geographical area
(In thousands of US dollars)

<i>Service module</i>	<i>Africa (excluding African Arab States)</i>	<i>African Arab States</i>	<i>Asia and the Pacific (excluding Western Asian Arab States)</i>	<i>Western Asian Arab States</i>	<i>Arab regional</i>	<i>Europe and NIS</i>	<i>Latin America and Caribbean</i>	<i>Global and interregional</i>	<i>Total</i>
Industrial policy formulation and implementation (SM1)	915	0	272	11	0	216	126	103	1,643
Statistics and information networks (SM2)	365	185	74	87	0	4	135	0	850
Metrology, standardization, certification and accreditation Continuous improvement and quality management Investment and technology promotion (SM3, 4, 5)	2,869	1,902	1,469	837	26	971	547	10,807	19,428
United Nations Framework Convention on Climate Change and Kyoto Protocol Energy efficiency Rural energy development (SM7, 8, 9)	311	0	4,598	9	0	198	114	481	5,711
Environmental policy framework Cleaner production Pollution control and waste management (SM6, 10, 11)	1,822	625	2,694	298	0	1,354	2,045	1,865	10,703
Montreal Protocol (SM12)	1,653	1,980	21,072	2,291	0	1,692	3,332	(5)	32,015
SME policy framework Policy for women's entrepreneurship development Entrepreneurship development (SM13, 14, 15)	1,983	242	1,176	145	27	682	1,165	431	5,851
Upgrading agro-industries and related technical skills (SM16)	3,414	593	1,715	157	0	120	673	9	6,681
Other	266	0	640	7	0	7	317	785	2,022
TOTAL	13,598	5,527	33,710	3,842	53	5,244	8,454	14,476	84,904
Total Africa	19,125								
Total Arab States	9,422								

Table 6
Expenditure on technical cooperation activities, by geographical area, 1998 to 2001
(In thousands of US dollars)

<i>Area</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2001</i>
Africa (excluding African Arab States)				
Country projects	9,479	11,545	9,539	11,107
Regional projects	4,689	3,573	1,774	2,491
Subtotal	14,168	15,118	11,313	13,598
African Arab States	4,317	3,332	3,654	5,527
Asia and the Pacific (excluding Western Asian Arab States)				
Country projects	27,676	31,133	21,136	32,381
Regional projects	2,627	1,665	903	1,329
Subtotal	30,303	32,798	22,039	33,710
Western Asian Arab States	4,517	4,333	3,594	3,842
Arab regional	98	9	223	53
Europe and NIS				
Country projects	5,992	5,180	4,839	3,709
Regional projects	980	548	342	1,535
Subtotal	6,972	5,728	5,181	5,244
Latin America and the Caribbean				
Country projects	6,496	7,907	9,326	7,372
Regional projects	912	857	628	1,082
Subtotal	7,408	8,764	9,954	8,454
Global and interregional projects	13,333	13,447	12,705	14,476
TOTAL	81,116	83,529	68,663	84,904

Table 7
Technical cooperation activities: project expenditure in 2001, by geographical area
(In thousands of US dollars)

	Africa (excluding African Arab States)		African Arab States		Asia and the Pacific (excluding Western Asian Arab States)		Western Asian Arab States		Arab regional		Europe and NIS		Latin America and Caribbean		Global and interregional		Total
	%		%		%		%		%		%		%		%		
A. By source of funds																	
UNIDO regular budget																	
RP	0	0.0	0	0.0	489	1.5	95	2.5	0	0.0	396	7.6	919	10.9	1,030	7.1	2,929
IDDA	2,489	18.3	453	8.2	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	38	0.3	2,980
UNDP core funds ^a	943	6.9	317	5.7	2,649	7.9	206	5.4	53	100.0	906	17.3	102	1.2	0	0.0	5,176
UNDP-administered trust funds	21	0.2	0	0.0	3,238	9.6	0	0.0	0	0.0	133	2.5	0	0.0	162	1.1	3,554
IDF	4,351	32.0	1,261	22.8	3,526	10.5	258	6.7	0	0.0	1,446	27.6	2,487	29.4	5,869	40.5	19,198
Montreal Protocol	1,657	12.2	1,981	35.8	21,070	62.5	2,287	59.5	0	0.0	1,614	30.8	3,333	39.4	(37)	(0.3)	31,905
Self-financed trust funds	150	1.1	100	1.8	268	0.8	142	3.7	0	0.0	97	1.8	452	5.3	322	2.2	1,531
Third party-financed trust funds	3,083	22.7	955	17.3	1,113	3.3	209	5.4	0	0.0	221	4.2	56	0.7	6,024	41.6	11,661
Other trust funds ^b	904	6.6	460	8.3	1,357	4.0	645	16.8	0	0.0	431	8.2	1,105	13.1	1,068	7.4	5,970
TOTAL	13,598		5,527		33,710		3,842		53		5,244		8,454		14,476		84,904
Total Africa	19,125																
Total Arab States	9,422																
B. By project component																	
	%		%		%		%		%		%		%		%		%
Project personnel	6,518	47.9	2,443	44.2	5,283	15.7	1,148	29.9	51	96.2	1,839	35.1	3,597	42.5	9,474	65.4	30,353
Subcontracts	910	6.7	1,308	23.7	19,481	57.8	1,346	35.0	0	0.0	1,950	37.2	2,554	30.2	1,677	11.6	29,226
Fellowships and training	1,726	12.7	425	7.7	1,312	3.9	317	8.3	0	0.0	260	5.0	519	6.1	1,433	9.9	5,992
Equipment	3,568	26.2	1,200	21.7	7,147	21.2	903	23.5	0	0.0	1,038	19.8	1,479	17.5	1,105	7.6	16,440
Miscellaneous	876	6.4	151	2.7	487	1.4	128	3.3	2	3.8	157	3.0	305	3.6	787	5.4	2,893
TOTAL	13,598		5,527		33,710		3,842		53		5,244		8,454		14,476		84,904

^a Includes UNIDO-implemented nationally executed projects.

^b Includes UNDCP, COMFAR funds, projects financed from other United Nations agencies and funds, World Bank loans, Common Fund for Commodities, unutilized balances and GEF.

Table 8
Support services for policy and programme development and
technical support services at the project level, 2000 and 2001
(In UNIDO staff work-months)

	<i>2000</i>	<i>2001</i>
Africa		
Country ^a	26.8	17.9
Regional	0.0	0.0
Subtotal	26.8	17.9
Arab States		
Country	8.9	5.2
Regional	0.0	0.0
Country (African Arab States) ^b	(7.1)	(2.6)
Subtotal	1.8	2.6
Asia and the Pacific		
Country	31.1	12.4
Regional	0.0	0.0
Subtotal	31.1	12.4
Europe and NIS		
Country	7.8	4.3
Regional	0.0	0.0
Subtotal	7.8	4.3
Latin America and the Caribbean		
Country	2.9	1.9
Regional	0.0	0.0
Subtotal	2.9	1.9
Global and interregional		
	0.0	0.0
TOTAL	70.4	39.1

^a Includes African Arab States.

^b Figures deducted (included under "Africa").

Table 9
Regular and operational budget expenditure by programme and object of expenditure in 2001
(In thousands of US dollars)

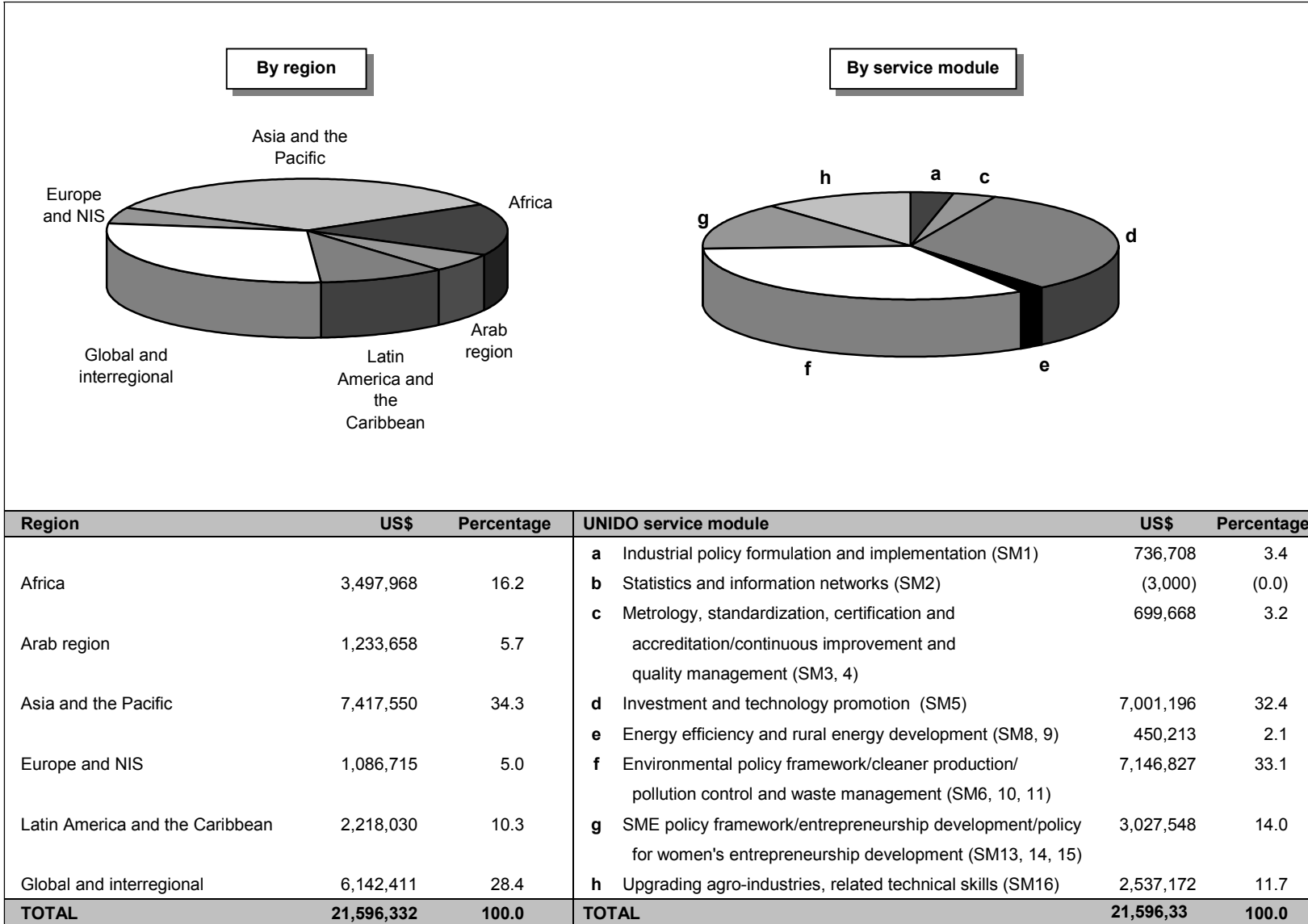
Programme	1	2	3	4	5	6	7
	Staff costs	Consultants	Meetings	Travel	Regular Programme of TC	Other	Total
Expenditure							
A GOVERNING BODIES							
A.1 Meetings of Governing Bodies	19.5	-	-	-	-	1,898.8	1,918.3
A.2 Secretariat of Governing Bodies and External Relations	327.8	-	-	-	-	158.6	486.4
Subtotal	347.3	-	-	-	-	2,057.4	2,404.7
B GENERAL MANAGEMENT							
B.1 Executive Direction and Management	2,163.4	136.5	2.1	174.0	69.9	611.0	3,156.9
B.2 Internal Oversight	729.8	6.9	-	3.0	-	0.1	739.8
B.3 Legal Affairs	349.0	0.1	-	1.4	-	-	350.5
B.4 United Nations System Coordination	748.4	8.4	-	37.4	-	165.0	959.2
B.5 Public Information	115.9	43.5	-	52.9	-	178.0	390.3
Subtotal	4,106.5	195.4	2.1	268.7	69.9	954.1	5,596.7
C STRENGTHENING OF INDUSTRIAL CAPACITIES							
C.1 Investment and Technology Promotion	3,089.9	33.0	-	51.7	525.4	104.0	3,804.0
C.2 Industrial Strategies and Policies	1,861.7	339.7	0.3	14.9	426.1	553.1	3,195.8
C.3 Statistics and Information Networks	1,936.4	24.0	-	19.5	253.6	411.9	2,645.4
C.4 Metrology, Standardization, Certification and Accreditation	424.5	-	-	11.8	111.1	107.8	655.2
C.5 Continuous Improvement and Quality Management	522.2	58.1	-	8.4	547.6	566.0	1,702.3
C.6 Upgrading Agro-Industries and Related Technical Skills	2,136.4	-	-	3.0	830.1	640.7	3,610.2
C.7 Policy Framework for Small and Medium Enterprises	496.7	3.0	-	-	-	(4.3)	495.4
C.8 Industrial Business Development Services	1,267.8	123.2	(21.6)	46.7	815.3	665.0	2,896.4
C.9 Women's Entrepreneurship Development	313.6	-	-	-	-	-	313.6
C.10 Direction and Management	909.9	32.3	-	50.8	146.2	2,303.0	3,442.2
Subtotal	12,959.1	613.3	(21.3)	206.8	3,655.4	5,347.2	22,760.5
D CLEANER AND SUSTAINABLE INDUSTRIAL DEVELOPMENT							
D.1 Environmental Policy Framework	445.0	-	-	-	248.3	79.9	773.2
D.2 Cleaner Production	1,131.4	-	-	26.4	1,282.9	192.2	2,632.9
D.3 Pollution Control and Waste Management	982.8	-	-	-	-	433.3	1,416.1
D.4 Energy Efficiency	796.6	-	-	19.4	236.9	146.2	1,199.1
D.5 Renewable Energy Development	498.6	-	-	7.2	91.9	86.0	683.7
D.6 Montreal Protocol on Substances that Deplete the Ozone Layer	2,101.4	-	-	21.8	-	317.2	2,440.4
D.7 United Nations Framework Convention on Climate Change and Kyoto Protocol	600.3	6.0	-	17.7	63.7	18.1	705.8
D.8 Direction and Management	829.5	-	-	14.9	-	585.7	1,430.1
Subtotal	7,385.6	6.0	-	107.4	1,923.7	1,858.6	11,281.3

	1	2	3	4	5	6	7
<i>Programme</i>	<i>Staff costs</i>	<i>Consultants</i>	<i>Meetings</i>	<i>Travel</i>	<i>Regular Programme of TC</i>	<i>Other</i>	<i>Total</i>
E REGIONAL PROGRAMME							
E.1 Africa and LDCs	3,533.2	-	-	98.9	76.0	1,331.1	5,039.2
E.2 Arab Countries	1,686.8	40.0	113.7	43.7	7.3	378.1	2,269.6
E.3 Asia and the Pacific	2,076.8	-	(17.9)	62.1	34.7	570.2	2,725.9
E.4 Europe and NIS	1,009.7	-	-	18.6	17.1	81.6	1,127.0
E.5 Latin America and the Caribbean	1,546.8	21.0	85.0	84.6	125.3	439.8	2,302.5
E.6 Direction and Management	521.0	-	-	23.9	-	313.2	858.1
Subtotal	10,374.3	61.0	180.8	331.8	260.4	3,114.0	14,322.3
F ADMINISTRATION							
F.1 Human Resource Management	1,598.6	15.7	-	5.3	-	161.7	1,781.3
F.2 Financial Performance Control	7,132.0	7.9	-	30.6	-	1,675.5	8,846.0
F.3 Direction and Management	695.1	-	-	-	-	1,571.2	2,266.3
Subtotal	9,425.7	23.6	-	35.9	-	3,408.4	12,893.6
G BUILDINGS MANAGEMENT							
G.1 Buildings Management	4,235.5	-	-	2.1	-	9,264.9	13,502.5
G.2 Buildings Management (UN/UNIDO Conference Technicians)	125.1	-	-	-	-	-	125.1
Subtotal	4,360.6	-	-	2.1	-	9,264.9	13,627.6
TOTAL expenditure	48,959.1	899.3	161.6	952.7	5,909.4	26,004.6	82,886.7
Income							
E REGIONAL PROGRAMME							
E.1 Africa and LDCs	-	-	-	-	-	20.1	20.1
E.2 Arab Countries	-	-	-	-	-	106.0	106.0
E.3 Asia and the Pacific	-	-	-	-	-	69.1	69.1
E.4 Europe and NIS	-	-	-	-	-	-	-
E.5 Latin America and the Caribbean	-	-	-	-	-	87.6	87.6
E.6 Direction and Management	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	282.8	282.8
G BUILDINGS MANAGEMENT							
G.1 Buildings Management	3,470.3	-	-	-	-	7,657.0	11,127.3
G.2 Buildings Management (UN/UNIDO Conference Technicians)	105.2	-	-	-	-	-	105.2
Subtotal	3,575.5	-	-	-	-	7,657.0	11,232.5
Miscellaneous income	-	-	-	-	-	1,198.8	1,198.8
TOTAL income	3,575.5	-	-	-	-	9,138.6	12,714.1
NET GRAND TOTAL	45,383.6	899.3	161.6	952.7	5,909.4	16,866.0	70,172.6

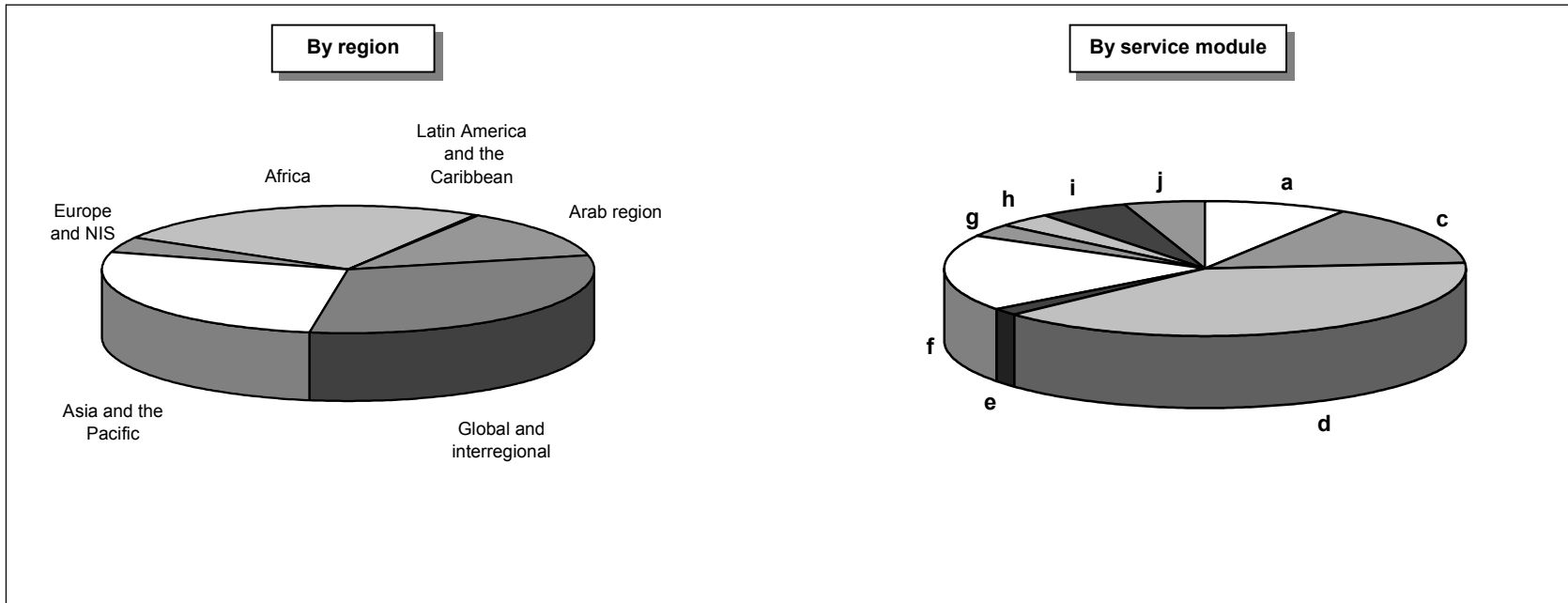
B.1 INDUSTRIAL DEVELOPMENT FUND: NET APPROVALS IN 2001
(Excluding programme support costs)

APPENDIX B

PROJECT APPROVALS UNDER VOLUNTARY CONTRIBUTIONS



B.2 TRUST FUNDS: NET APPROVALS IN 2001^a
(Excluding programme support costs)



Region	US\$	Percentage	UNIDO service module	US\$	Percentage
Africa	4,442,712	25.4	a Industrial policy formulation and implementation (SM1)	1,647,338	9.4
Arab region	2,180,959	12.5	b Statistics and information networks (SM2)	(833,042)	(4.8)
Asia and the Pacific	4,753,384	27.1	c Metrology, standardization, certification and accreditation/continuous improvement and quality management (SM3, 4)	2,660,158	15.2
Europe and NIS	663,577	3.8	d Investment and technology promotion (SM5)	7,252,893	41.4
Latin America and the Caribbean	45,702	0.3	e Energy efficiency and rural energy development (SM8, 9)	325,535	1.9
Global and interregional	5,423,666	31.0	f Environmental policy framework/cleaner production/ Pollution control and waste management (SM6, 10, 11)	3,342,860	19.1
			g Montreal Protocol on Substances that Deplete the Ozone Layer (SM12)	463,120	2.6
			h SME policy framework/entrepreneurship development/policy for women's entrepreneurship development (SM13, 14, 15)	635,382	3.6
			i Upgrading agro-industries, related technical skills (SM16)	1,012,953	5.8
			j Not related to the above service modules	1,002,803	5.7
TOTAL^b	17,510,000	100.0	TOTAL	17,510,000	100.0

^a Includes projects financed from UNDCP, UNFIP, COMFAR funds, the Common Fund for Commodities, European Union, self-financed and third party trust fund contributions.

^b Includes Associate Expert programme/JPO travel funds (\$1,304,771).

APPENDIX C

STATUS OF INTEGRATED PROGRAMMES—31 DECEMBER 2001

(In US\$ including support costs)

<i>Region</i>	<i>Programme for</i>	<i>Current planning figures (including 13% support costs)</i>	<i>Total funds allocated (including support costs)</i>	<i>Open for funding</i>
AFRICA	Burkina Faso	4,419,667	3,506,951	912,716
	Côte d'Ivoire	5,359,364	1,147,329	4,212,035
	Eritrea	7,594,730	1,761,282	5,833,448
	Ethiopia	10,506,503	8,240,776	2,265,727
	Ghana	5,669,944	3,709,204	1,960,740
	Guinea	3,359,603	1,739,392	1,620,211
	Madagascar	4,520,000	334,800	4,185,200
	Mali	5,871,655	1,026,830	4,844,825
	Mozambique	9,936,655	4,512,144	5,424,511
	Nigeria	14,325,010	2,365,747	11,959,263
	Rwanda	5,571,917	1,960,748	3,611,169
	Senegal	8,834,340	2,583,344	6,250,996
	United Republic of Tanzania	8,212,681	4,526,032	3,686,649
	Uganda	7,291,325	6,030,756	1,260,569
	Subtotal	101,473,394	43,445,335	58,028,059
ASIA AND THE PACIFIC	China	*	33,527	--
	India	n.a.	12,967	n.a.
	Iran (Islamic Republic of)	8,292,505	449,754	7,842,751
	Lao People's Democratic Republic	1,056,550	566,029	490,521
	Nepal	2,328,930	402,000	1,926,930
	Pakistan	6,816,386	311,902	6,504,484
	Sri Lanka	14,565,361	5,656,499	8,908,862
	Thailand	3,794,879	600,465	3,194,414
	Subtotal	36,854,611	8,033,143	28,821,468
ARAB REGION	Algeria	11,442,000	2,399,296	9,042,704
	Egypt	18,034,116	3,393,339	14,640,777
	Jordan	3,312,878	1,747,808	1,565,070
	Lebanon	6,735,365	687,640	6,047,725
	Morocco	9,723,650	4,345,605	5,378,045
	Palestine	4,803,430	1,333,894	3,469,536
	Saudi Arabia	1,504,595	0	1,504,595
	Sudan	3,807,535	739,458	3,068,077
	Tunisia	7,558,510	3,672,882	3,885,628
	Yemen	1,820,543	329,131	1,491,412
	Subtotal	68,742,622	18,649,053	50,093,569

<i>Region</i>	<i>Programme for</i>	<i>Current planning figures (including 13% support costs)</i>	<i>Total funds allocated (including support costs)</i>	<i>Open for funding</i>
EUROPE AND NIS	Armenia	1,932,413	310,416	1,621,997
	Russian Federation (Bashkortostan)	994,475	282,243	712,232
	Russian Federation (Federal-level)	2,324,608	681,195	1,643,413
	Russian Federation (Komi)	1,134,075	435,123	698,952
	Russian Federation (Moscow)	1,402,462	269,217	1,133,245
	Russian Federation (St. Petersburg)	2,357,052	868,193	1,488,859
	Tajikistan	2,411,380	0	2,411,380
	Uzbekistan	2,958,340	358,670	2,599,670
	Subtotal	15,514,805	3,205,057	12,309,748
LATIN AMERICA AND CARIBBEAN	Bolivia	4,503,276	483,722	4,019,554
	Brazil	6,300,680	156,900	6,143,780
	Colombia	1,754,890	1,151,455	603,435
	Cuba	6,114,430	2,318,642	3,795,788
	Guatemala	10,354,981	3,378,566	6,976,415
	Honduras	5,541,294	503,231	5,038,063
		Subtotal	34,569,551	7,992,516
	GRAND TOTAL	257,154,983	81,325,104	175,829,879

* Country service framework with an indicator target figure of \$80 million.

Table 1
Delivery, by country and source of funds, 2001^a
(In US dollars)

<i>Region/country</i>	<i>Regular budget</i>	<i>UNDP</i>	<i>Trust funds</i>	<i>IDF^b</i>	<i>Montreal Protocol</i>	<i>Other sources^c</i>	<i>Total</i>
Africa							
Angola	0	0	0	0	0	0	0
Benin	0	12,021	0	0	0	0	12,021
Burkina Faso	197,146	0	49,802	208,308	0	97,796	553,052
Burundi	0	0	0	0	0	0	0
Cape Verde	0	0	0	0	0	0	0
Central African Republic	0	0	0	0	0	0	0
Chad	0	279,650	0	0	0	0	279,650
Comoros	0	0	0	0	0	0	0
Democratic Republic of the Congo	0	0	0	0	0	0	0
Equatorial Guinea	0	0	0	0	0	0	0
Eritrea	99,709	0	0	224,880	0	0	324,589
Ethiopia	150,333	276	305,977	1,173,332	0	150,599	1,780,517
Gambia	0	0	0	0	0	0	0
Guinea	142,267	49,334	37,305	83,709	0	0	312,615
Guinea-Bissau	0	0	0	0	0	0	0
Lesotho	0	109	0	0	0	0	109
Liberia	0	0	0	0	0	0	0
Madagascar	167,453	201,492	0	0	0	0	368,945
Malawi	1,000	(54,565)	0	0	0	0	(53,565)
Mali	22,293	0	81,296	117,066	0	25,644	246,299
Mauritania	0	23,965	0	0	0	0	23,965
Mozambique	74,700	0	266,596	557,260	1,265	0	899,821
Niger	0	0	0	0	0	0	0
Rwanda	71,618	0	95,018	7,434	0	76,388	250,458
Sao Tome and Principe	0	0	0	0	0	0	0
Senegal	116,998	86,869	140,212	204,162	76,306	100,579	725,126
Sierra Leone	0	0	0	0	0	0	0
Togo	0	52,699	0	0	0	0	52,699
Uganda	82,036	(27,225)	873,118	181,047	18,184	0	1,127,160
United Republic of Tanzania	208,908	172,927	162,562	536,072	4,574	5,095	1,090,138
Zambia	0	0	35,785	0	0	0	35,785
Subtotal	1,334,461	797,552	2,047,671	3,293,270	100,329	456,101	8,029,384

TECHNICAL ASSISTANCE TO THE LEAST DEVELOPED COUNTRIES

APPENDIX D

<i>Region/country</i>	<i>Regular budget</i>	<i>UNDP</i>	<i>Trust funds</i>	<i>IDF^b</i>	<i>Montreal Protocol</i>	<i>Other sources^c</i>	<i>Total</i>
Latin America and the Caribbean							
Haiti	0	0	(5,776)	0	0	0	(5,776)
Subtotal	0	0	(5,776)	0	0	0	(5,776)
Arab States							
Djibouti	0	0	0	0	0	0	0
Somalia	0	0	0	0	0	0	0
Sudan	70,575	0	150	0	342,631	0	413,356
Yemen	0	(63)	0	0	6,705	0	6,642
Subtotal	70,575	(63)	150	0	349,336	0	419,998
Asia and the Pacific							
Afghanistan	0	0	0	0	0	0	0
Bangladesh	0	0	0	0	0	0	0
Bhutan	0	0	0	0	0	0	0
Cambodia	0	0	0	0	0	0	0
Kiribati	0	0	0	0	0	0	0
Lao People's Democratic Republic	0	0	0	7	0	12,623	12,630
Maldives	0	0	0	0	0	0	0
Myanmar	0	0	0	0	0	0	0
Nepal	0	0	0	11,594	0	0	11,594
Samoa	0	0	0	0	0	0	0
Solomon Islands	0	(9,358)	(6,595)	0	0	0	(15,953)
Tuvalu	0	0	0	0	0	0	0
Vanuatu	0	0	0	0	0	0	0
Subtotal	0	(9,358)	(6,595)	11,601	0	12,623	8,271
TOTAL	1,405,036	788,131	2,035,450	3,304,871	449,665	468,724	8,451,877

^a 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.

^b Excluding 13 per cent overhead costs.

^c 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, 2001^a
(In US dollars)

<i>Region/country</i>	<i>Regular budget</i>	<i>UNDP</i>	<i>Trust funds</i>	<i>IDF^b Montreal Protocol</i>	<i>Other sources^c</i>	<i>Total</i>
Africa						
Angola	0	0	0	0	0	0
Benin	0	0	0	0	0	0
Burkina Faso	201,400	0	0	708,000	30,000	1,039,400
Burundi	0	0	0	0	0	0
Cape Verde	0	0	0	0	0	0
Central African Republic	0	0	0	0	0	0
Chad	0	0	0	0	0	0
Comoros	0	0	0	0	0	0
Democratic Republic of Congo	0	0	0	0	0	0
Equatorial Guinea	0	0	0	0	0	0
Eritrea	0	0	0	0	0	0
Ethiopia	78,000	0	0	621,000	0	699,000
Gambia	0	0	0	0	0	0
Guinea	18,000	0	36,050	0	0	54,050
Guinea-Bissau	0	0	0	0	0	0
Lesotho	0	0	0	0	0	0
Liberia	0	0	0	0	0	0
Madagascar	187,500	0	0	0	0	187,500
Malawi	1,000	0	0	85,000	0	86,000
Mali	0	0	0	0	0	0
Mauritania	0	0	0	0	0	0
Mozambique	234,800	0	0	26,548	0	261,348
Niger	0	0	0	0	0	0
Rwanda	30,500	0	0	0	20,000	50,500
Sao Tome and Principe	0	0	0	0	0	0
Senegal	0	0	0	85,000	0	85,000
Sierra Leone	0	0	0	0	0	0
Togo	0	0	0	0	0	0
Uganda	77,000	0	1	708,850	228,800	1,014,651
United Republic of Tanzania	210,500	0	0	480,000	0	695,500
Zambia	0	0	0	0	325,000	325,000
Subtotal	1,038,700	0	36,051	2,714,398	258,800	4,497,949

<i>Region/country</i>	<i>Regular budget</i>	<i>UNDP</i>	<i>Trust funds</i>	<i>IDF^b Montreal Protocol</i>	<i>Other sources^c</i>	<i>Total</i>
Latin America and the Caribbean						
Haiti	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0
Arab States						
Djibouti	0	0	0	0	0	0
Somalia	0	0	0	0	0	0
Sudan	97,900	0	0	0	0	97,900
Yemen	0	0	0	0	762,184	762,184
Subtotal	97,900	0	0	0	762,184	860,084
Asia and the Pacific						
Afghanistan	0	0	0	0	0	0
Bangladesh	0	0	0	0	0	0
Bhutan	0	0	0	0	0	0
Cambodia	0	0	0	0	0	0
Kiribati	0	0	0	0	0	0
Lao People's Democratic Republic	0	0	0	442,477	0	442,477
Maldives	0	0	0	0	0	0
Myanmar	0	0	0	0	0	0
Nepal	0	0	0	100,000	0	100,000
Samoa	0	0	0	0	0	0
Solomon Islands	0	0	0	0	0	0
Tuvalu	0	0	0	0	0	0
Vanuatu	0	0	0	0	0	0
Subtotal	0	0	0	542,477	0	542,477
TOTAL	1,136,600	0	36,051	3,256,875	1,020,984	5,900,510

^a 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.

^b Excluding 13 per cent overhead costs.

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

Table 3
Total net project approvals, by country and source of funds, 2001^a
(In US dollars)

<i>Region/country</i>	<i>Regular budget</i>	<i>UNDP</i>	<i>Trust funds</i>	<i>IDF^b Montreal Protocol</i>	<i>Other sources^c</i>	<i>Total</i>	
Africa							
Angola	0	0	0	0	0	0	
Benin	0	(201,985)	0	0	0	(201,985)	
Burkina Faso	201,400	0	0	650,619	30,000	100,000	982,019
Burundi	0	0	0	0	0	0	
Cape Verde	0	0	0	0	0	0	
Central African Republic	0	0	0	0	0	0	
Chad	0	(2,681)	0	0	0	(2,681)	
Comoros	0	0	0	0	0	0	
Democratic Republic of the Congo	0	0	0	0	0	0	
Equatorial Guinea	0	0	0	0	0	0	
Eritrea	0	0	0	0	0	0	
Ethiopia	120,070	0	77,458	621,000	0	0	818,528
Gambia	0	0	0	0	0	0	
Guinea	103,000	(173,291)	36,050	0	0	0	(34,241)
Guinea-Bissau	0	0	0	0	0	0	
Lesotho	0	0	0	0	0	0	
Liberia	0	0	0	0	0	0	
Madagascar	187,500	109,439	0	0	0	0	296,939
Malawi	1,000	0	85,000	0	0	0	86,000
Mali	0	0	87,966	0	0	0	87,966
Mauritania	0	25,935	0	0	0	0	25,935
Mozambique	234,800	0	58,276	21,548	0	0	314,624
Niger	0	0	0	0	0	0	
Rwanda	30,500	0	0	(17)	0	20,000	50,483
Sao Tome and Principe	0	0	0	0	0	0	
Senegal	50,500	25,000	0	0	85,000	0	160,500
Sierra Leone	0	0	0	0	0	0	
Togo	0	30,000	0	0	0	0	30,000
Uganda	77,000	(7,674)	854,580	700,700	228,800	0	1,853,406
United Republic of Tanzania	210,500	71,360	106,131	480,000	0	5,000	872,991
Zambia	0	0	0	0	(30,000)	325,000	295,000
Subtotal	1,216,270	(123,897)	1,305,461	2,473,850	313,800	450,000	5,635,484

<i>Region/country</i>	<i>Regular budget</i>	<i>UNDP</i>	<i>Trust funds</i>	<i>IDF^b</i>	<i>Montreal Protocol</i>	<i>Other sources^c</i>	<i>Total</i>
Latin America and the Caribbean							
Haiti	0	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0	0
Arab States							
Djibouti	0	0	0	0	0	0	0
Somalia	0	0	0	0	0	0	0
Sudan	94,900	(216)	0	0	0	0	94,684
Yemen	0	0	0	0	739,272	0	739,272
Subtotal	94,900	(216)	0	0	739,272	0	833,956
Asia and the Pacific							
Afghanistan	0	0	0	0	0	0	0
Bangladesh	0	0	0	0	0	0	0
Bhutan	0	0	0	0	0	0	0
Cambodia	0	0	0	0	0	0	0
Kiribati	0	0	0	0	0	0	0
Lao People's Democratic Republic	0	0	0	442,477	0	12,000	454,477
Maldives	0	0	0	0	0	0	0
Myanmar	0	0	0	0	0	0	0
Nepal	0	0	0	100,000	0	0	100,000
Samoa	0	0	0	0	0	0	0
Solomon Islands	0	(72,598)	0	0	0	0	(72,598)
Tuvalu	0	0	0	0	0	0	0
Vanuatu	0	0	0	0	0	0	0
Subtotal	0	(72,598)	0	542,477	0	12,000	481,879
TOTAL	1,311,170	(196,711)	1,305,461	3,016,327	1,053,072	462,000	6,951,319

^a 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.

^b Excluding 13 per cent overhead costs.

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

APPENDIX E

REGULAR PROGRAMME OF TECHNICAL COOPERATION

Table 1
Delivery by service module, 2000-2001
(In thousands of US dollars)

	<i>UNIDO priorities</i>	<i>Consultations with Governments</i>	<i>IDDA</i>	<i>TOTAL</i>
Industrial policy formulation and implementation (SM 1)	466.1	32.9	538.0	1,037.0
Statistics and information networks (SM 2)	18.6		324.8	343.4
Metrology, standardization, certification and accreditation Continuous improvement and quality management (SM 3, 4)	256.5		560.2	816.7
Investment and technology promotion (SM 5)	422.5		329.3	751.8
Energy efficiency (SM 7, 8, 9) Rural energy development	245.3		179.2	424.5
Environmental policy framework (SM 6, 10, 11) Cleaner production Pollution control and waste management	1,417.6		313.8	1,731.4
Montreal Protocol (SM 12)				-
SME policy framework (SM 13, 14, 15) Policy for women entrepreneurship development Entrepreneurship development	563.3		546.4	1,109.7
Upgrading agro-industries and related technical skills (SM 16)	295.6		760.3	1,055.9
Other	10.6	8.0	-	18.6
TOTAL	3,696.1	40.9	3,552.0	7,289.0

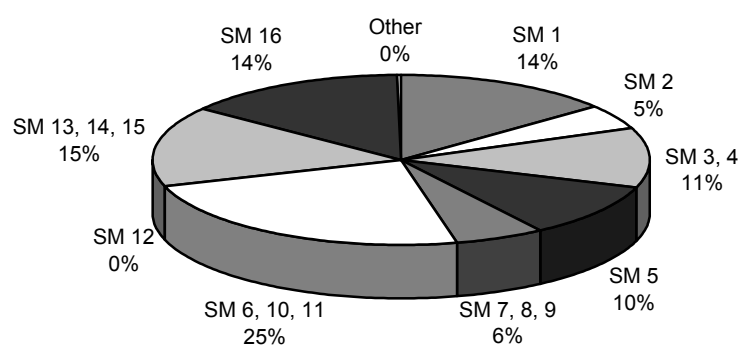
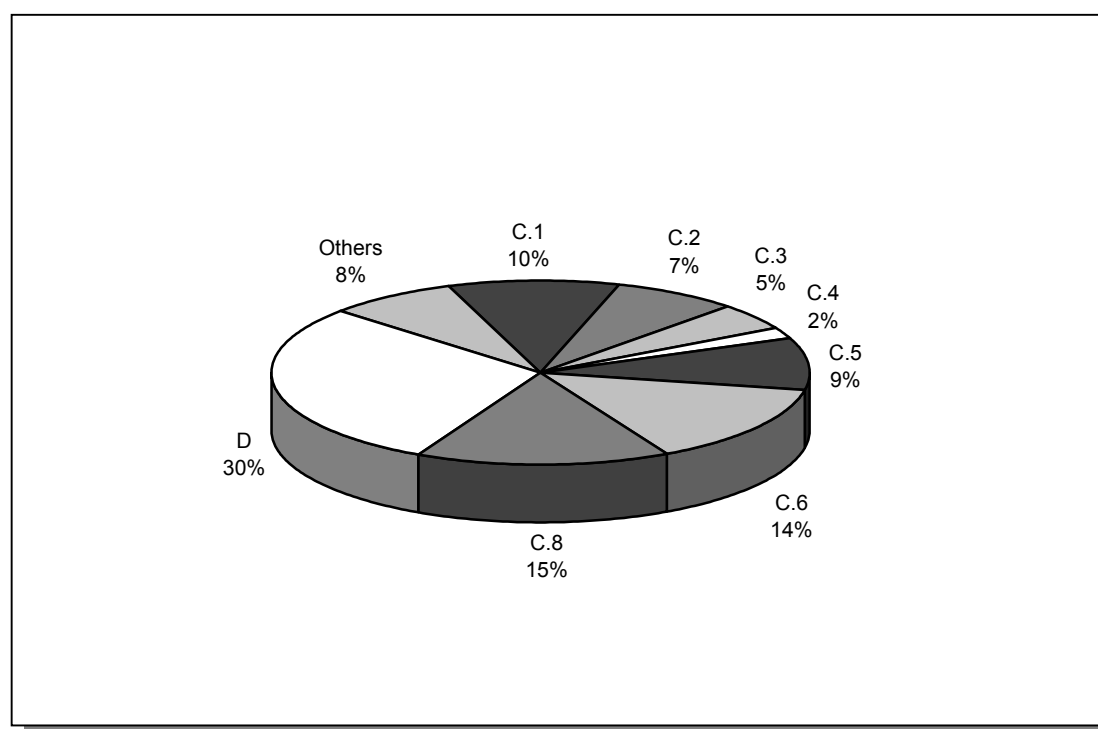


Table 2
Delivery by programme, 2000-2001
(In thousands of US dollars)

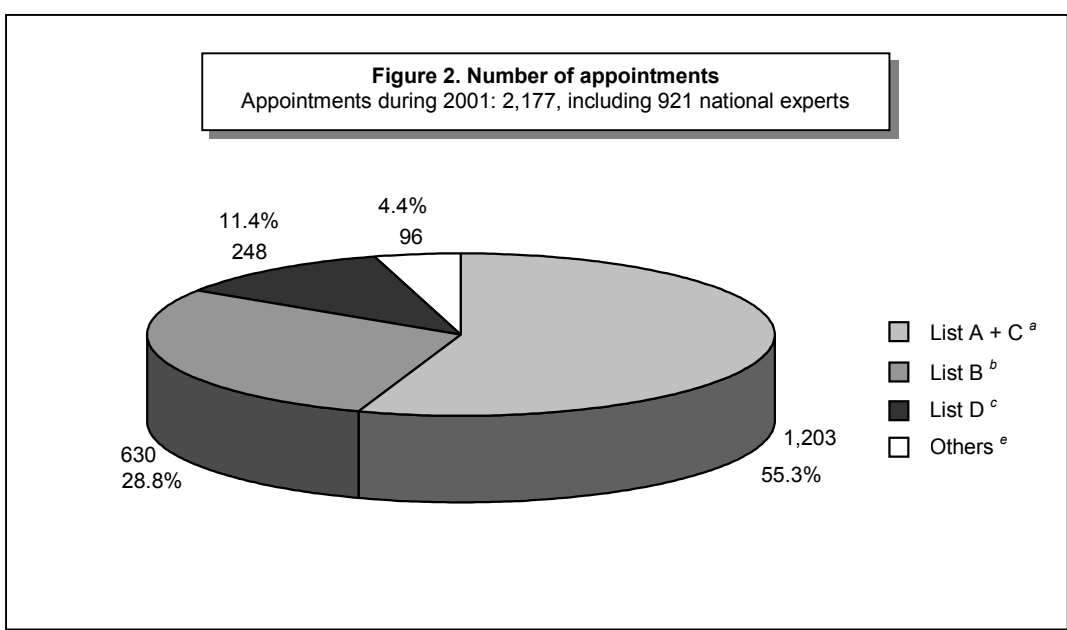
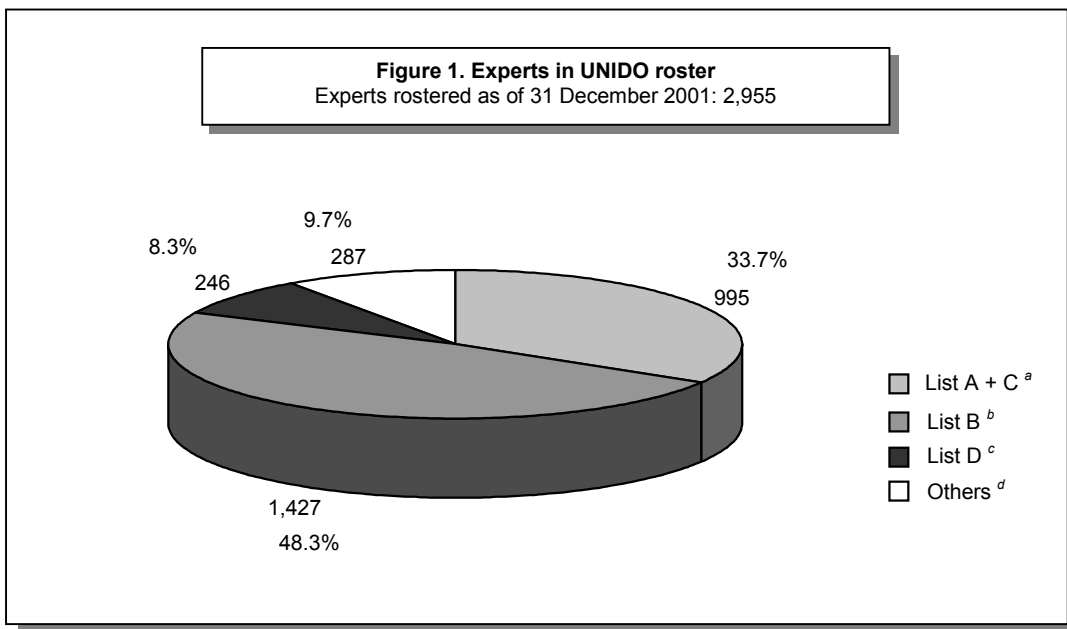
	<i>UNIDO priorities</i>	<i>Consultations with Governments</i>	<i>IDDA</i>	<i>Total</i>
Programme C.1 Investment and Technology Promotion	428.4		329.3	757.7
Programme C.2 Industrial Strategies and Policies	76.5		453.9	530.4
Programme C.3 Statistics and Information Networks	18.6		324.8	343.4
Programme C.4 Metrology, Standardization, Certification and Accreditation	106.2		39.3	145.5
Programme C.5 Continuous Improvement and Quality Management	150.2		520.9	671.1
Programme C.6 Upgrading Agro-Industries and Related Technical Skills	281.8		760.3	1,042.1
Programme C.8 Industrial Business Development Services	563.3		546.4	1,109.7
Major Programme D: Cleaner and Sustainable Industrial Development	1,633.9	-	493.0	2,126.9
Others	437.2	40.9	84.1	562.2
TOTAL	3,696.1	40.9	3,552.0	7,289.0



APPENDIX F

GEOGRAPHICAL DISTRIBUTION OF EXPERTS

Distribution of experts by regional groups of countries



^a States in Lists A and C of Annex I to the UNIDO Constitution plus Albania, Cyprus, Greece, Malta, Portugal, Romania and Turkey.

^b States in List B of Annex I to the UNIDO Constitution excluding Cyprus, Greece, Malta, Portugal and Turkey.

^c States in List D of Annex I to the UNIDO Constitution excluding Albania and Romania.

^d Includes candidates without clear indication of nationality and 53 candidates from Australia, 71 from Canada and 132 from the United States of America.

^e Includes 11 appointments of experts from Australia, 20 from Canada and 56 from the United States of America.

Appointment of experts, 2001

Country/area/territory	Number of appointments	Country/area/territory	Number of appointments	Country/area/territory	Number of appointments
United Kingdom	129	Morocco	14	Albania	1
India	113	Nepal	14	Bahrain	1
Italy	109	Romania	14	Botswana	1
France	104	Jordan	13	Central African Republic	1
Austria	79	Mozambique	13	Costa Rica	1
Russian Federation	70	Bosnia and Herzegovina	12	Djibouti	1
United States of America	56	Cameroon	12	Dominican Republic	1
Nigeria	51	Slovakia	12	Gambia	1
Germany	46	Australia	11	Israel	1
China	40	Malaysia	11	Kazakhstan	1
Senegal	40	Mauritius	11	Latvia	1
Poland	39	Uruguay	11	Lesotho	1
Netherlands	34	Zimbabwe	11	Libyan Arab Jamahiriya	1
United Republic of Tanzania	34	Yugoslavia	10	Malta	1
Hungary	33	Armenia	9	Mauritania	1
Tunisia	32	Bolivia	9	Namibia	1
Guatemala	31	Cote d'Ivoire	9	Republic of Yemen	1
Madagascar	31	Indonesia	9	Seychelles	1
Spain	31	Pakistan	9	Syrian Arab Republic	1
Mexico	30	The former Yugoslav Republic of Macedonia	9	Trinidad and Tobago	1
Brazil	29	Palestine	8	Total	2,177
Algeria	28	Cuba	7	(124 countries)	
Burkina Faso	28	Croatia	6		
Ghana	27	Denmark	6		
Sri Lanka	27	El Salvador	6		
Egypt	26	Eritrea	6		
Philippines	26	Greece	6		
Colombia	25	Slovenia	6		
Mali	25	Zambia	6		
Rwanda	25	Bulgaria	5		
Switzerland	25	Nicaragua	5		
Ethiopia	24	Sweden	5		
Turkey	24	Ukraine	5		
Uganda	24	Chad	4		
Czech Republic	23	Finland	4		
Chile	21	Norway	4		
Japan	21	Uzbekistan	4		
Argentina	20	Congo	3		
Canada	20	Ecuador	3		
Viet Nam	19	Georgia	3		
Guinea	18	Togo	3		
South Africa	18	Bangladesh	2		
Belgium	16	Belarus	2		
Kenya	16	Benin	2		
Sudan	16	Lithuania	2		
Thailand	16	Malawi	2		
Ireland	15	New Zealand	2		
Lebanon	15	Niger	2		
Peru	15	Portugal	2		
Venezuela	15	Republic of Korea	2		
Honduras	14	Republic of Moldova	2		
Iran, Islamic Republic of	14	Sierra Leone	2		

APPENDIX G

TRAINING ACTIVITIES

Table 1
Group training programmes

<i>Field of study</i>	<i>Type of programme</i>			<i>Host country/ territory</i>	<i>Number of participants of which</i>			
	<i>National</i>	<i>Regional</i>	<i>Inter- regional</i>		<i>From all countries^a</i>	<i>LDCs</i>	<i>Female</i>	<i>African participants^b</i>
Advanced technologies (2 activities)	X			Australia	3			
COMFAR basic (3 activities)	X			Austria	19		7	1
Methodology refresher			X	Austria	3			
UNIDO methodology			X	Austria	4			
COMFAR advanced (2 activities)			X	Austria	15		5	
Project preparation and appraisal, COMFAR		X		Bahrain	22	1	4	3
Enterprise upgrading for entrepreneurs	X			Bahrain	11			
Project identification, formulation and screening	X			Bahrain	17	3	1	2
COMFAR	X			Belarus	14			
Accreditation	X			Bolivia	150		50	
Laboratory accreditation	X			Bolivia	20		10	
Technology foresight (3 activities)	X			Brazil	29		11	
QSM	X			Brazil	1			
CAD/CAM	X			Brazil	2		1	
Accreditation and product certification	X			Brazil and Bolivia	2			
Quality, standardization	X			Burkina Faso	23	23	6	23
Good hygiene practices in food enterprises	X			Burkina Faso	15	15	1	15
Quality manual	X			Burkina Faso	49	49	9	49
Information systems	X			Burkina Faso	9	9	2	9
Vision, strategic planning and motivation	X			Burkina Faso	38	38	2	38
Working group team strategies	X			Burkina Faso	22	22	7	22
Fruit and vegetable drying	X			Burkina Faso	40	40	40	40
Drier maintenance and operation	X			Burkina Faso	20	20	6	20

<i>Field of study</i>	<i>Type of programme</i>			<i>Host country/ territory</i>	<i>Number of participants of which</i>			
	<i>National</i>	<i>Regional</i>	<i>Inter- regional</i>		<i>From all countries^a</i>	<i>LDCs</i>	<i>Female</i>	<i>African participants^b</i>
Horn processing	X			Burkina Faso	20	20	6	20
Hand weaving and textile dyeing	X			Burkina Faso	84	84	42	84
Decentralized energy systems (3 activities)		X		Burkina Faso	38	38	4	38
Food park technology	X			Canada	4		11	
Food production	X			Canada, Russian Federation	4		1	
HACCP	X			Canada, Cuba	2		2	
Investment promotion	X			Chile	2			
National quality system	X			Chile	1			
Information technology	X			China	8			
Software engineering and development capacity		X		China	20	8	6	1
Project preparation and appraisal, COMFAR	X			Colombia	24			
Food safety	X			Costa Rica, Cuba	2			
Validation of national policy on quality	X			Côte d'Ivoire	250		90	250
Food processing and related activities (3 workshops)	X			Cuba	111		24	
HACCP	X			Cuba	15			
Investment promotion	X			Ecuador	15			
Business navigation software PHAROS	X			Egypt	18	18	3	16
Laser technology and specific applications		X		Egypt	58	28	9	1
Entrepreneurship development for MSMEs	X			Ethiopia	81	81	10	81
COMFAR and project formulation (2 activities)	X			Ethiopia	76	76	18	76
Project formulation	X			Ethiopia	75	75	20	75
Food safety	X			Ethiopia	82	82	12	82
Post harvest losses reduction (2 activities)	X			Ethiopia	352	352	110	352
Energy audits for SMEs	X			Ethiopia	35	35	35	35
Energy management awareness	X			Ethiopia	45	45	45	45
Investment promotion			X	France	1	1	1	1

<i>Field of study</i>	<i>Type of programme</i>			<i>Host country/ territory</i>	<i>Number of participants of which</i>			
	<i>National</i>	<i>Regional</i>	<i>Inter- regional</i>		<i>From all countries^a</i>	<i>LDCs</i>	<i>Female</i>	<i>African participants^b</i>
Investment and technology promotion	X			France	1		1	
OUTSOURCING software			X	France	8	2		5
Lead auditor training	X			France	1			
Peer evaluation			X	France and Nicaragua	2			
Photovoltaic application technologies		X		Gambia	36	25	4	36
Investment promotion	X			Greece	1		1	
Medicinal and aromatic plants	X			Guatemala	35		18	
Women's entrepreneurship (3 activities)	X			Guatemala	57		33	
Project preparation and appraisal, COMFAR III	X			Guatemala				
Youth entrepreneurship	X			Guatemala	30		15	
Business opportunities and business plans	X			Guinea	20	20	4	20
Fish processing (2 activities)	X			Guinea	58	58	4	58
Hand weaving and textile dyeing	X			Guinea	72	72	36	
Women's entrepreneurship	X			Honduras	22		20	
Investment project evaluation	X			Honduras	18		13	
Financial analysis, COMFAR (2 workshops)	X			Honduras	31		22	
Technology transfer negotiation	X			Honduras	20		8	
Youth entrepreneurship	X			Honduras	24		12	
Food safety in fruit and vegetable industry (5 activities)	X			Honduras	107		28	
Cheese pasteurization				Honduras	11		1	
HACCP and milk product technology	X			Honduras	16		2	
Food safety in dairy product processing (2 activities)	X			Honduras	58		11	
Food processing and packing	X			Honduras	40		16	

<i>Field of study</i>	<i>Type of programme</i>			<i>Host country/ territory</i>	<i>Number of participants of which</i>			
	<i>National</i>	<i>Regional</i>	<i>Inter- regional</i>		<i>From all countries^a</i>	<i>LDCs</i>	<i>Female</i>	<i>African participants^b</i>
Women's entre- preneurship/logical framework approach		X		Honduras	9		6	
Technology foresight			X	Hungary	22		11	
Post-privatization restructuring	X			Hungary and Poland	2			
Common effluent treatment			X	India	1		1	
Machine design (2 activities)	X			India	28		1	
Cluster development for entrepreneurs:	X			India				
- Textile sector					114		9	
- Pharmaceutical sector					50		8	
- Metalworking sector					75		4	
- For business development services providers					11			
- For agents					35		1	
Network development for agents	X			India	70		10	
Internal audits for business development services providers	X			India	34			
Investment promotion			X	India	1	1		1
Technology management	X			India	20		2	
Standardization and management systems	X			India	1	1		
Bamboo processing	X			India	150			
Cleaner tanning technologies	X			India	61			
Machine tools and engineering			X	India	12	6	1	12
Materials design and production processes for low-cost housing			X	India	45	5	2	1
Subcontracting and partnership exchanges (2 activities)			X	India	48		5	
UNIDO methodology, COMFAR basic	X			Indonesia	24		6	

<i>Field of study</i>	<i>Type of programme</i>			<i>Host country/ territory</i>	<i>Number of participants of which</i>			
	<i>National</i>	<i>Regional</i>	<i>Inter- regional</i>		<i>From all countries^a</i>	<i>LDCs</i>	<i>Female</i>	<i>African participants^b</i>
COMFAR and project appraisal application (2 activities)	X			Indonesia	46		14	
Technology management		X		Indonesia	52	3	7	
Optical fibre communication system			X	Iran (Islamic Republic of)	35	4	3	
Technology management and technology transfer negotiation			X	Iran (Islamic Republic of)	23		6	
Investment projects	X			Iran (Islamic Republic of)	12			
Investment project profiling, COMFAR Mini III	X			Iran (Islamic Republic of)	12		1	
Investment promotion strategy and techniques	X			Iran (Islamic Republic of)	12	1		
Project implementation and management	X			Iran (Islamic Republic of)				
Market analysis, financial appraisal and COMFAR	X			Iran (Islamic Republic of)	12		1	
Women's entrepreneurship	X			Iran (Islamic Republic of)	25		25	
Wood technology	X			Italy	3			
Spectroscopy techniques and instrumentation*			X	Italy	55	5	13	10
Strategic environmental management systems*	X			Italy	14	10	1	
Environment and introduction of environmental education*	X			Italy	15		4	
Combinatorial chemistry and molecular modelling and design*		X		Italy	41		21	
Technology management*		X		Italy	31		23	
Investment and technology promotion	X			Japan	1			1
COMFAR demonstration (2 activities)	X			Japan	37		2	
Information technology	X			Japan	1		1	
COMFAR use in Japan	X			Japan	25		4	
Pre-evaluation			X	Japan	7		1	2

<i>Field of study</i>	<i>Type of programme</i>			<i>Host country/ territory</i>	<i>Number of participants of which</i>			
	<i>National</i>	<i>Regional</i>	<i>Inter- regional</i>		<i>From all countries^a</i>	<i>LDCs</i>	<i>Female</i>	<i>African participants^b</i>
New enterprise creation	X			Jordan	16		4	
Quality and enterprise diagnostic	X			Jordan	38		2	
Food safety	X			Jordan	320		100	
Ozone depleting substances for customs officers	X			Jordan	20			
Good refrigerant management practices	X			Jordan	25			
Standardization	X			Kenya	1			1
In-plant cleaner production assessment		X		Kenya	16	5	2	16
Entrepreneurship development/business management/marketing	X			Lebanon	60		24	
Food safety	X			Lebanon	66		20	
Soybean processing (2 activities)	X			Malawi	75	75	25	69
Investment promotion			X	Malaysia	1	1		1
Familiarization programme for IPA officials	X			Malaysia	3			3
Preparation of project profiles	X			Mali	25	25	5	25
Decentralized energy systems	X			Mali	9	9	1	9
Quality	X			Mali	20	20		20
Food safety	X			Mali	33	33	8	33
Weaving and dyeing	X			Mali	8	8		8
Accreditation	X			Mexico	1			
National quality system	X			Mexico	2			
Metrology	X			Mexico	1			
Women's entrepreneurship	X			Mexico	1		1	
UNIDO methodology, COMFAR basic	X			Mongolia	16		8	
Entrepreneurship development for MSMEs	X			Morocco	81		73	81
HACCP	X			Morocco	1	1		1
Food processing	X			Morocco	15		2	15
Industry and development-Mediterranean Basin		X		Morocco	33		16	18

<i>Field of study</i>	<i>Type of programme</i>			<i>Host country/ territory</i>	<i>Number of participants of which</i>			
	<i>National</i>	<i>Regional</i>	<i>Inter- regional</i>		<i>From all countries^a</i>	<i>LDCs</i>	<i>Female</i>	<i>African participants^b</i>
Industrial development legislation system	X			Mozambique	22	22	3	22
SME quality management	X			Mozambique	35	35	8	35
MSE entrepreneurship development	X			Mozambique	272	272	120	272
Appraisal of growth plans, COMFAR software	X			Mozambique	19	19	6	19
Development of resource persons for enterprise creation and growth	X			Mozambique	23	23	10	23
Technology sourcing, evaluation and negotiation	X			Mozambique	12	12	5	12
Industrial project preparation and appraisal, COMFAR	X			Mozambique	22	22	5	22
New enterprise creation	X			Mozambique	25	25		25
MSME entrepreneurship development	X			Mozambique	20	20		20
Food processing and food safety (3 activities)	X			Mozambique	142	142	19	142
UNIDO methodology, COMFAR basic	X			Myanmar	10	10		
Footwear training			X	Namibia	20	15	1	20
Women's entrepreneurship development	X			Nicaragua	23		17	
Youth entrepreneurship development	X			Nicaragua	30		17	
SME networking:	X			Nicaragua				
- Methodology					235		85	
- Legal and organi- zational aspects					93		33	
- Product develop- ment and leather production					187		95	
- Supplier develop- ment tools					88		44	
Promotional strategies and organizational structures	X			Nigeria	15			15
Investment promotion, COMFAR (2 activities)	X			Nigeria	35			35

<i>Field of study</i>	<i>Type of programme</i>			<i>Host country/ territory</i>	<i>Number of participants of which</i>			
	<i>National</i>	<i>Regional</i>	<i>Inter- regional</i>		<i>From all countries^a</i>	<i>LDCs</i>	<i>Female</i>	<i>African participants^b</i>
Supervision of training by trainers	X			Nigeria	30			30
Laboratory accreditation	X			Nigeria	7			7
Industrial energy efficiency and walk-through energy audit	X			Nigeria	48			48
Cleaner production	X			Oman	30		2	
Project preparation and appraisal, COMFAR III (3 workshops)	X			Palestine	46			
Business navigation software PHAROS	X			Palestine	16		2	
Industrial development:				Philippines				
- Strategic planning	X				24		13	
- Monitoring and evaluation	X				30		18	
- Resource generation and mobilization	X				33		10	
Technology management and technology transfer negotiation	X			Poland	78		15	
Cleaner production			X	Republic of Korea	70	6	14	7
Investment and technology promotion	X			Republic of Korea	1		1	
HACCP/ISO 9000	X			Romania	41		10	
Project preparation and appraisal (2 workshops)	X			Saudi Arabia	12			
Advanced project appraisal, COMFAR	X			Saudi Arabia	7			
Fish processing, quality assurance	X			Senegal	30	30	4	30
Food processing (jams)	X			Senegal	10	10	10	10
Drier assembly operation	X			Senegal	11	11	5	11
Optical design and computer applications			X	Senegal	23	1	1	21
Decentralized energy systems:			X	Senegal				
- Participatory feasibility studies for multipurpose platform					8	8		8
- Platform operation					8	8		8
General management	X			Singapore	1			

<i>Field of study</i>	<i>Type of programme</i>			<i>Host country/ territory</i>	<i>Number of participants of which</i>			
	<i>National</i>	<i>Regional</i>	<i>Inter- regional</i>		<i>From all countries^a</i>	<i>LDCs</i>	<i>Female</i>	<i>African participants^b</i>
Mass metrology, practical mass training		X		South Africa	1	1		1
Ceramics	X			Spain	6			
Restructuring the Ministry of Industrial Development	X			Sri Lanka	45		10	
ISO 1400	X			Sri Lanka	40		10	
Cleaner tanning technology and waste minimization	X			Sri Lanka	18		2	
Project appraisal including COMFAR software	X			Sudan	16	16		16
New enterprise creation	X			Sudan	15	15		15
Ozone-depleting substances	X			Sudan	20	20		20
Training of trainers	X			Sudan	25	25		25
COMFAR (3 workshops)			X	Sweden	72		26	
Ceramics	X			Thailand	13			
Financial analysis, COMFAR	X			Thailand	27			
Laboratory testing and quality management	X			Trinidad and Tobago	10		1	10
Food processing	X			Uganda	91	91	45	91
Food quality control	X			Uganda	17	17	5	17
Food inspection system	X			Uganda	18	18	6	18
Hand weaving and related activities	X			Uganda	100	100	90	100
Women entrepreneurs in the footwear and leather industry		X		Uganda	25	25	25	25
Leather products manufacturing (2 workshops)	X			Uganda	50	50	50	50
Quality management	X			United Kingdom	2			2
Firm data collection and analysis		X		United Kingdom	14	4	4	12
Audit software	X			United Republic of Tanzania	17	17	5	17
Footwear technology	X			United Republic of Tanzania	40	40		40
Footwear and leather products manufacturing	X			United Republic of Tanzania	40	40		40

<i>Field of study</i>	<i>Type of programme</i>			<i>Host country/ territory</i>	<i>Number of participants of which</i>			
	<i>National</i>	<i>Regional</i>	<i>Inter- regional</i>		<i>From all countries^a</i>	<i>LDCs</i>	<i>Female</i>	<i>African participants^b</i>
Leather products manufacturing	X			United Republic of Tanzania	11	11		11
Soybean processing	X			United Republic of Tanzania	63	63		63
COMFAR /project formulation	X			United Republic of Tanzania	10	10		10
Investment project formulation	X			United Republic of Tanzania	40	40	10	40
MSMEs: women's entrepreneurship	X			United Republic of Tanzania	261	261	261	261
Post-privatization restructuring	X			United States of America	1		1	
ISO 17025	X			Uzbekistan	40		15	
Sustainable industrial development: process simulation, analysis, etc.			X	Venezuela	18		7	
COMFAR application and IITPP development	X			Zimbabwe	6		3	6
COMFAR III	X			Zimbabwe	16			16
Soybean processing	X			Zimbabwe	19			15

* International Centre for Science and High Technology.

^a Including participants from NIS.

^b Including participants from African Arab States.

Table 2
Fellowships and study tours started in 2001 by
nationality/home area, country or territory
 Number of individuals placed

Nationality/home area, country or territory	UNDP			Regular Programme			Other programmes			Total
	Male	Female	Total	Male	Female	Total	Male	Female	Total	
AFRICA										
Benin	0	0	0	1	0	1	1	0	1	2
Burkina Faso	0	0	0	0	0	0	7	1	8	8
Cameroon	0	0	0	0	1	1	9	0	9	10
Central Africa	0	0	0	0	0	0	1	0	1	1
Chad	2	2	4	0	0	0	1	0	1	5
Côte d'Ivoire	0	0	0	2	1	3	1	0	1	4
Eritrea	0	0	0	0	0	0	1	0	1	1
Ethiopia	0	0	0	18	3	21	8	3	11	32
Gabon	0	0	0	0	1	1	0	0	0	1
Ghana	0	0	0	7	1	8	0	0	0	8
Guinea	0	0	0	2	0	2	1	0	1	3
Kenya	0	0	0	0	0	0	3	0	3	3
Madagascar	1	0	1	1	1	2	0	1	1	4
Malawi	0	0	0	0	0	0	1	0	1	1
Mali	0	0	0	0	0	0	1	0	1	1
Mauritius	0	0	0	2	0	2	1	0	1	3
Mauritania	0	0	0	2	0	2	1	0	1	3
Mozambique	0	0	0	2	0	2	2	2	4	6
Namibia	0	0	0	0	0	0	1	0	1	1
Niger	0	0	0	0	0	0	1	0	1	1
Nigeria	0	0	0	0	0	0	1	0	1	1
Rwanda	0	0	0	1	1	2	0	0	0	2
South Africa	0	0	0	0	1	1	0	0	0	1
Senegal	0	0	0	5	0	5	8	0	8	13
Togo	0	0	0	1	0	1	0	0	0	1
Uganda	0	0	0	3	4	7	8	3	11	18
United Republic of Tanzania	0	0	0	2	0	2	15	2	17	19
Zambia	0	0	0	0	0	0	1	0	1	1
Zimbabwe	0	0	0	0	2	2	2	0	2	4
TOTAL	3	2	5	49	16	65	76	12	88	158
ARAB REGION										
Algeria	12	3	15	0	1	1	3	1	4	20
Egypt	0	0	0	0	0	0	17	3	20	20
Libyan Arab Jamahiriya	2	0	2	0	0	0	0	1	1	3
Jordan	0	0	0	0	0	0	19	4	23	23
Lebanon	0	0	0	0	0	0	19	1	20	20
Morocco	0	0	0	8	3	11	2	0	2	13
Palestine	0	0	0	6	0	6	17	0	17	23
Sudan	0	0	0	12	3	15	2	1	3	18
Syrian Arab Republic	3	0	3	0	0	0	4	0	4	7
Tunisia	0	0	0	1	0	1	16	2	18	19
TOTAL	17	3	20	27	7	34	99	13	112	166

Nationality/home area, country or territory	UNDP			Regular Programme			Other programmes			Total
	Male	Female	Total	Male	Female	Total	Male	Female	Total	
ASIA AND PACIFIC										
Bangladesh	1	0	1	0	0	0	3	0	3	4
China	2	0	2	0	0	0	81	14	95	97
Democratic People's Republic of Korea	4	0	4	0	0	0	6	1	7	11
India	19	3	22	13	0	13	35	1	36	71
Indonesia	1	0	1	1	0	1	4	1	5	7
Iran (Islamic Republic of)	1	0	1	0	0	0	14	0	14	15
Lao People's Democratic Republic	0	0	0	0	0	0	0	1	1	1
Malaysia	1	0	1	0	0	0	0	0	0	1
Nepal	3	0	3	0	0	0	1	0	1	4
Pakistan	6	1	7	1	1	2	4	0	4	13
Philippines	1	0	1	0	0	0	2	1	3	4
Republic of Korea	3	0	3	0	0	0	0	0	0	3
Sri Lanka	8	2	10	4	0	4	7	1	8	22
Thailand	0	2	2	0	0	0	0	0	0	2
Viet Nam	3	0	3	0	0	0	5	0	5	8
TOTAL	53	8	61	19	1	20	162	20	182	263
EUROPE AND NIS										
Albania	2	1	3	0	0	0	1	0	1	4
Armenia	0	0	0	0	0	0	0	1	1	1
Belarus	0	0	0	0	0	0	2	1	3	3
Bosnia and Herzegovina	0	0	0	0	0	0	0	1	1	1
Bulgaria	0	0	0	0	0	0	0	1	1	1
Croatia	0	0	0	0	0	0	1	0	1	1
Czech Republic	0	0	0	1	0	1	1	0	1	2
Greece	0	0	0	0	0	0	0	1	1	1
The former Yugoslav Republic of Macedonia	0	0	0	0	0	0	5	0	5	5
Romania	0	0	0	0	0	0	1	0	1	1
Russian Federation	0	0	0	0	0	0	8	1	9	9
Turkey	0	0	0	0	0	0	1	1	2	2
Yugoslavia	0	0	0	0	0	0	1	1	2	2
TOTAL	2	1	3	1	0	1	21	8	29	33
LATIN AMERICA AND CARIBBEAN										
Argentina	0	0	0	1	0	1	3	1	4	5
Bolivia	0	0	0	1	0	1	5	0	5	6
Brazil	0	0	0	0	1	1	2	1	3	4
Chile	0	0	0	1	0	1	1	0	1	2
Colombia	0	0	0	2	0	2	3	0	3	5
Costa Rica	0	0	0	0	0	0	4	0	4	4
Cuba	0	0	0	1	2	3	15	8	23	26
Dominican Republic	0	0	0	0	0	0	2	0	2	2
Ecuador	0	0	0	0	0	0	0	1	1	1
El Salvador	0	0	0	0	0	0	4	4	8	8
Guatemala	0	0	0	0	0	0	10	2	12	12
Honduras	0	0	0	0	0	0	0	5	5	5
Mexico	0	0	0	2	2	4	1	2	3	7
Nicaragua	0	0	0	0	0	0	7	2	9	9
Panama	0	0	0	0	0	0	2	0	2	2
Peru	0	0	0	0	0	0	1	0	1	1
Trinidad	0	0	0	0	0	0	0	1	1	1
Uruguay	0	0	0	0	0	0	1	0	1	1
Venezuela	0	0	0	0	0	0	2	0	2	2
TOTAL	0	0	0	8	5	13	63	27	90	103
GRAND TOTAL	75	14	89	104	29	133	421	80	501	723

Table 3
Fellowships and study tours started in 2001 by country, geographical area
or territory of study and source of funds
 Number of individuals placed

Country/geographic area/ territory of study	UNDP			Regular Programme			Other programmes			Total
	Male	Female	Total	Male	Female	Total	Male	Female	Total	
Australia	0	0	0	2	0	2	5	0	5	7
Austria	0	1	1	7	0	7	8	5	13	21
Austria (UNIDO HQ)	2	0	2	2	0	2	18	4	22	26
Bahrain	0	0	0	2	1	3	17	0	17	20
Belgium	0	0	0	0	0	0	18	3	21	21
Bolivia	0	0	0	0	0	0	2	0	2	2
Brazil	0	0	0	0	0	0	6	1	7	7
Canada	0	0	0	4	6	10	19	5	24	34
Chile	0	0	0	0	0	0	27	6	33	33
China	9	0	9	1	0	1	2	1	3	13
Colombia	0	0	0	0	0	0	2	0	2	2
Costa Rica	0	0	0	0	1	1	10	4	14	15
Croatia	0	0	0	0	0	0	6	0	6	6
Czech Republic	0	0	0	0	0	0	1	1	2	2
Denmark	0	0	0	0	0	0	5	0	5	5
Egypt	9	2	11	9	2	11	0	2	2	24
France	12	3	15	1	0	1	44	3	47	63
Germany	7	0	7	2	0	2	31	4	35	44
Greece	0	0	0	0	0	0	5	2	7	7
Guatemala	0	0	0	0	0	0	2	1	3	3
Hungary	2	0	2	0	0	0	2	1	3	5
India	21	5	26	0	0	0	22	1	23	49
Ireland	0	0	0	0	0	0	8	2	10	10
Israel	0	0	0	1	0	1	0	0	0	1
Italy	9	2	11	18	3	21	107	20	127	159
Japan	0	0	0	9	3	12	5	3	8	20
Jordan	0	0	0	3	0	3	24	0	24	27
Kenya	0	0	0	0	0	0	10	1	11	11
Kuwait	0	0	0	0	0	0	8	0	8	8
Luxembourg	0	0	0	0	0	0	3	1	4	4
Malaysia	0	0	0	0	0	0	9	2	11	11
Mali	0	0	0	0	0	0	8	1	9	9
Mauritius	0	0	0	3	0	3	0	0	0	3
Mexico	0	0	0	2	0	2	9	4	13	15
Morocco	1	0	1	2	0	2	0	0	0	3
Netherlands	0	0	0	1	1	2	11	2	13	15
Nigeria	0	0	0	7	1	8	1	0	1	9
Oman	0	0	0	0	0	0	8	0	8	8
Pakistan	5	3	8	0	0	0	4	0	4	12
Panama	0	0	0	0	0	0	8	4	12	12
Philippines	0	0	0	0	0	0	4	1	5	5
Poland	2	0	2	0	0	0	0	0	0	2
Portugal	0	0	0	0	2	2	0	0	0	2
Republic of Korea	1	0	1	0	0	0	2	2	4	5
Romania	1	1	2	0	0	0	1	0	1	3

Country/geographic area/ territory of study	UNDP			Regular Programme			Other programmes			Total
	Male	Female	Total	Male	Female	Total	Male	Female	Total	
Saudi Arabia	0	0	0	0	0	0	6	0	6	6
Senegal	0	0	0	1	2	3	0	0	0	3
Singapore	1	0	1	0	0	0	1	1	2	3
Slovenia	0	0	0	2	0	2	4	2	6	8
South Africa	0	0	0	16	2	18	3	1	4	22
Spain	0	0	0	2	0	2	28	2	30	32
Sri Lanka	0	0	0	3	1	4	0	0	0	4
Sudan	0	0	0	0	0	0	7	1	8	8
Switzerland	1	0	1	0	0	0	7	2	9	10
Thailand	0	0	0	0	0	0	1	1	2	2
Trinidad and Tobago	0	0	0	9	1	10	0	0	0	10
Tunisia	0	0	0	5	2	7	2	0	2	9
Turkey	0	0	0	2	0	2	0	0	0	2
Uganda	0	0	0	0	0	0	6	0	6	6
United Arab Emirates	0	0	0	0	0	0	8	0	8	8
United Kingdom	10	0	10	4	3	7	19	1	20	37
United Republic of Tanzania	0	0	0	12	0	12	1	0	1	13
United States of America	3	2	5	1	1	2	23	4	27	34
Viet Nam	0	0	0	0	0	0	4	1	5	5
Zimbabwe	0	0	0	0	0	0	10	1	11	11
TOTAL	96	19	115	133	32	165	612	104	716	996

APPENDIX H**AGREEMENTS CONCLUDED****Agreements, memoranda of understanding and joint communiqués with States****Argentina**

Memorandum of understanding between the United Nations Industrial Development Organization and the Secretariat for Industry of the Republic of Argentina, signed on 3 October.

Cameroon

Agreement between the United Nations Industrial Development Organization and the Government of Cameroon regarding the organization of the 15th meeting of the Conference of African Ministers of Industry (CAMI—XV), signed on 12 September.

Italy

Joint communiqué between the Permanent Representative of Italy to the United Nations Industrial Development Organization and the Director-General of the United Nations Industrial Development Organization, signed on 29 November.

Japan

Exchange of letters between the Chargé d'Affaires ad interim of the Permanent Mission of Japan to the United Nations Industrial Development Organization and the Director-General of the United Nations Industrial Development Organization concerning the contribution of the Government of Japan for the UNIDO Service for the Promotion of Industrial Investment in Developing Countries from 1 September 2001 to 31 December 2004, signed on 28 August.

Mongolia

Memorandum of understanding between the United Nations Industrial Development Organization and the Government of Mongolia on the establishment of a framework for cooperation in sustainable industrial development, signed on 4 December.

Netherlands

Memorandum of understanding on the Arrangement between the Netherlands Minister for Development Cooperation and the United Nations Industrial Development Organization concerning the Netherlands Junior Professional Officers/Associate Experts Programme, signed on 27 August and 8 September, respectively.

Nigeria

Agreement between the United Nations Industrial Development Organization and the Government of the Federal Republic of Nigeria regarding the establishment of a UNIDO regional industrial development centre (regional office) in the Federal Republic of Nigeria, signed on 4 December.

Peru

Memorandum of understanding between the Republic of Peru and the United Nations Industrial Development Organization, signed on 7 December.

Venezuela

Cooperation agreement between the United Nations Industrial Development Organization and the Bolivarian Republic of Venezuela, signed on 17 October.

Agreements with the United Nations and specialized agencies

International Atomic Energy Agency (IAEA), the United Nations Office at Vienna (UNOV) and the Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO)

Memorandum of understanding between the International Atomic Energy Agency, the United Nations Office at Vienna, the United Nations Industrial Development Organization and the Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization concerning the construction and operation of the new VIC Child Care Facility, signed on 23 November and 20 December 2000, and 2 and 8 January 2001, respectively.

International Trade Centre (UNCTAD/WTO)

Cooperation agreement between the United Nations Industrial Development Organization and the International Trade Centre (UNCTAD/WTO) signed on 24 August.

United Nations Economic and Social Commission for Western Asia (ESCWA)

Joint communiqué between the Director-General of the United Nations Industrial Development Organization and the Executive Secretary of the United Nations Economic and Social Commission for Western Asia, signed on 28 September.

United Nations Economic Commission for Europe (UNECE)

Memorandum of understanding between the Secretariats of the United Nations Industrial Development Organization and the United Nations Economic Commission for Europe, signed on 27 April.

Agreements with other intergovernmental organizations

Commission on Science and Technology for Sustainable Development in the South (COMSATS)

Memorandum of understanding on scientific and technological cooperation between the United Nations Industrial Development Organization and the Commission on Science and Technology for Sustainable Development in the South, signed on 25 April.

Global Environment Facility (GEF)

Letter agreement attaching a memorandum of understanding between the United Nations Industrial Development Organization and the GEF Secretariat on project preparation and development facility grants and expedited enabling activity grants related to the Stockholm Convention on Persistent Organic Pollutants, signed on 12 July.

International Bank for Reconstruction and Development (IBRD)

Financial procedures agreement between the United Nations Industrial Development Organization and the International Bank for Reconstruction and Development, as Trustee of the Global Environment Facility Trust Fund, signed on 12 July.

Western African Economic and Monetary Union (UEMOA)

Cooperation agreement between the United Nations Industrial Development Organization and the Western African Economic and Monetary Union, signed on 17 September.

Agreements with other entities

African Capital Alliance (ACA)

Memorandum of understanding between the United Nations Industrial Development Organization and the African Capital Alliance on a UNIDO-ACA Partnership for SME Development, signed on 4 December.

Centre National de la Recherche Scientifique (CNRS)

Memorandum of understanding between the United Nations Industrial Development Organization and the Centre National de la Recherche Scientifique, signed on 24 January.

Economic and Social Development Bank of Venezuela (BANDES)

Cooperation agreement between the Economic and Social Development Bank of Venezuela and the United Nations Industrial Development Organization, signed on 11 December.

International Organization for Standardization (ISO) and the International Laboratory Accreditation Cooperation (ILAC)

Memorandum of understanding between the United Nations Industrial Development Organization, the International Organization for Standardization and the International Laboratory Accreditation Cooperation in the field of laboratory accreditation, signed on 30 October 2000 and 1 February 2001, respectively.

Lagos Business School (LBS)

Memorandum of understanding between the United Nations Industrial Development Organization and the Lagos Business School on a UNIDO-LBS Partnership for SME Development, signed on 4 December.

Small and Medium Enterprise Development Authority (SMEDA) of the Government of Pakistan

Memorandum of understanding on technical cooperation between the United Nations Industrial Development Organization and the Small and Medium Enterprise Development Authority of the Government of Pakistan, signed in July.

State Government of Pernambuco, Brazil

Agreement between the United Nations Industrial Development Organization and the State Government of Pernambuco, Brazil, on the establishment of a UNIDO Investment and Technology Promotion Office in Recife, signed on 21 March.

APPENDIX I
COUNTRY PROMOTION PRESENTATIONS

<i>Country/region promoted</i>	<i>Venue</i>	<i>Number of presentations</i>
Angola	Japan (1)	1
Argentina	Argentina (1)	1
Armenia	China (1), Greece (2)	3
Azerbaijan	China (1)	1
Belarus	China (1), Poland (1)	2
Bolivia	France (2)	2
Botswana	Japan (1)	1
Brazil	France (7), Argentina (1)	8
Brunei	Japan (1)	1
Bulgaria	Greece (1)	1
Burkina Faso	France (10), Belgium (1), Luxembourg (1), United Kingdom (1)	13
Chile	Argentina (1)	1
China	Italy (1), France (1)	2
Democratic Republic of the Congo	Japan (1)	1
Dominican Republic	Japan (1)	1
Egypt	Italy (7), Egypt (3), Japan (1)	11
Estonia	Japan (1)	1
Ghana	France (3)	3
Honduras	France (1), Japan (1)	2
India	France (1), Japan (7), United Republic of Tanzania (1)	9
Indonesia	Japan (1)	1
Jordan	Jordan (5), Italy (7)	12
Kazakhstan	China (1), Poland (1)	2
Lao People's Democratic Republic	Japan (4)	4
Latvia	China (1), Japan (1)	2
Lesotho	Japan (1)	1
Lithuania	China (1), Japan (1)	2
Malawi	Japan (1)	1
Malaysia	Japan (1)	1
Mauritius	Japan (1)	1
Mozambique	Japan (1)	1
Mongolia	Japan (1)	1
Morocco	Morocco (2), Italy (7), Japan (2)	11
Namibia	Japan (1)	1
Oman	Japan (1)	1
Philippines	France (1), Japan (1)	2
Poland	Ukraine (1)	1
Republic of Moldova	China (1)	1
Romania	Japan (1)	1
Russian Federation	China (1)	1
Saudi Arabia	Japan (1), Saudi Arabia (1)	2
Senegal	France (4), India (4), Malaysia (1), Republic of Korea (1)	10

<i>Country/region promoted</i>	<i>Venue</i>	<i>Number of presentations</i>
Seychelles	Japan (1)	1
Singapore	Japan (1)	1
Slovakia	Japan (2)	2
South Africa	Japan (1)	1
Sudan	Sudan (1)	1
Swaziland	Japan (1)	1
Tajikistan	China (1)	1
Thailand	Japan (1)	1
Tunisia	Italy (10), Belgium (1), Tunisia (1)	12
Turkey	Turkey (1)	1
Turkmenistan	China (1)	1
Ukraine	China (1), Poland (1)	2
United Republic of Tanzania	France (12), India (4), United Republic of Tanzania (2), Japan (1), Malaysia (1), Republic of Korea (1)	21
Uruguay	Argentina (1)	1
Uzbekistan	China (1)	1
Viet Nam	Japan (1)	1
Zambia	Japan (1)	1
Zimbabwe	Japan (2)	2
Latin America and Caribbean	France (1)	1
	Total	166

Total: 61 countries/regions promoted at 178 presentations held in 21 countries.

APPENDIX J

PURCHASE ORDERS PLACED AND CONTRACTS AWARDED

	<i>Number</i>	<i>Per cent</i>	<i>Value (millions of US\$)</i>	<i>Per cent</i>
Purchase orders placed				
- Technical cooperation (all funds) whereof:	1,316		12.61	
(a) Developing countries	980	74.5	6.28	49.8
(b) Underutilized major donor countries ^a	17	1.3	0.35	2.8
- Headquarters and others	650		1.73	
Contracts awarded				
- Technical cooperation (all funds) whereof:	317		33.98	
(a) Developing countries	232	73.2	24.38	71.7
(b) Underutilized major donor countries ^a	4	1.3	0.20	0.6
- Headquarters and others	151		12.64	

^a As defined by the United Nations Development Programme, underutilized major donor countries are: Denmark, Netherlands, Norway and Sweden.

APPENDIX K

UNIDO FIELD REPRESENTATION

UNIDO field representation
(As of 31 December 2001)

	<i>Head/UR</i>	<i>STA/IDO</i>	<i>UND/UNFP</i>	<i>NPO/APO</i>	<i>AE</i>	<i>JPO</i>	<i>Driver</i>	<i>Other GS</i>	<i>Total</i>
AFRICA									
Burkina Faso ^a	0	0	0	0	1	0	0	0	1
Cameroon	1	0	0	0	0	0	1	1	3
Côte d'Ivoire	1	0	0	0	0	0	1	1	3
Eritrea ^a	0	0	0	0	0	1	0	0	1
Ethiopia	1	0	0	0	2	0	1	1	5
Ghana	1	0	0	0	0	1	1	1	4
Guinea	1	0	0	0	0	0	1	1	3
Kenya	1	0	0	0	0	0	1	1	3
Madagascar	1	0	0	0	0	0	1	1	3
Mali ^a	0	0	0	0	1	0	0	0	1
Mozambique ^a	0	0	2	0	1	0	0	0	3
Nigeria	1	1	0	1	0	0	2	2	7
Senegal	1	0	0	0	0	0	1	1	3
United Republic of Tanzania	1	0	0	0	0	1	1	1	4
Zimbabwe	1	0	0	0	0	0	1	1	3
TOTAL	11	1	2	1	5	3	12	12	47
ARAB STATES									
Algeria	1	0	0	0	0	0	0	1	2
Egypt	1	0	0	0	0	1	1	2	5
Lebanon	1	0	0	1	0	0	1	2	5
Sudan	1	0	0	1	0	0	1	2	5
Tunisia	1	0	0	0	0	0	1	1	3
TOTAL	5	0	0	2	0	1	4	8	20
ASIA AND PACIFIC									
China	1	0	0	2	1	0	1	3	8
India	1	0	0	2	1	1	1	2	8
Indonesia	1	0	0	0	0	0	1	2	4
Iran, Islamic Republic of	0	0	0	1	0	0	1	1	3
Pakistan	1	0	0	0	0	0	1	2	4
Philippines	0	0	0	0	1	0	1	1	3
Sri Lanka ^a	0	0	1	0	0	0	0	1	2
Thailand	1	1	0	1	0	2	2	1	8
Viet Nam	1	0	0	0	0	0	1	1	3
TOTAL	6	1	1	6	3	3	9	14	43
EUROPE AND NIS									
Turkey	0	0	1	0	0	0	1	1	3
Ukraine ^a	0	0	2	0	0	0	0	1	3
TOTAL	0	0	3	0	0	0	1	2	6

	<i>Head/UR</i>	<i>STA/IDO</i>	<i>UND/UNFP</i>	<i>NPO/APO</i>	<i>AE</i>	<i>JPO</i>	<i>Driver</i>	<i>Other GS</i>	<i>Total</i>
LATIN AMERICA AND CARIBBEAN									
Argentina ^a	0	0	0	0	0	0	0	1	1
Bolivia	1	0	0	0	0	0	0	2	3
Brazil ^a	0	0	0	1	0	0	0	0	1
Colombia	1	0	0	0	0	1	1	2	5
Cuba ^a	0	0	0	1	0	0	0	0	1
Mexico	1	0	0	0	0	0	1	1	3
Uruguay	1	0	0	0	0	0	0	2	3
TOTAL	4	0	0	2	0	1	2	8	17
UNIDO HEADQUARTERS									
Austria	0	0	0	0	4	0	0	0	4
TOTAL	0	0	0	0	4	0	0	0	4
GRAND TOTAL	26	2	6	11	12	8	28	44	137

AE	Associate Expert	NPO	National Programme Officer
APO	Associate Programme Officer	STA	Special Technical Adviser
GS	General Service	UND	UNIDO National Director
IDO	Industrial Development Officer	UNFP	UNIDO National Focal Point
JPO	Junior Professional Officer	UR	UNIDO Representative

^a Countries where the Organization does not maintain a country or a regional office but has field presence.

APPENDIX L

PERSONNEL-RELATED INFORMATION

Table 1
Composition of Headquarters staff of the UNIDO Secretariat, 31 December 2001

<i>Grade</i>	<i>Male</i>	<i>%</i>	<i>Female</i>	<i>%</i>	<i>Total</i>
D-2	6	100	0	0	6
D-1	23	88	3	12	26
P-5	54	86	9	14	63
Subtotal	83	87	12	13	95
P-4	65	83	13	17	78
P-3	31	61	20	39	51
P-2/1	3	30	7	70	10
Subtotal	99	71	40	29	139
TOTAL	182	78	52	22	234 ^a
General Service	127	38	208	62	335
GRAND TOTAL	309	54	260	46	569 ^b

^a Includes staff members serving under the 200 series of staff rules.

^b Includes 34 staff members (30 Professional, 4 General Service) on assignments outside Headquarters (see table 4).

Table 2
Composition of staff in posts subject to geographical distribution,
31 December 2001

<i>Grade</i>	<i>Male</i>	<i>%</i>	<i>Female</i>	<i>%</i>	<i>Total</i>
D-2	5	100	0	0	5
D-1	21	91	2	9	23
P-5	48	84	9	16	57
Subtotal	74	87	11	13	85
P-4	62	83	13	17	75
P-3	30	61	19	39	49
P-2/1	2	33	4	67	6
Subtotal	94	72	36	28	130
TOTAL	168	78	47	22	215

Table 3
Recruitment of staff in 2001^a

	<i>Male</i>	<i>Female</i>	<i>Total</i>
Professional candidates rostered as at 31 December	208	76	284
Professional candidates rostered from Lists A and C as at 31 December	138	55	193
Professional-level posts advertised	-	-	26
L/P-5 and above			2
L/P-4 and below			24
Recruitment completed for posts advertised	8	5	13
Recruitment from List A and List C at L/P5 and above	1		1
at L/P4 and below	2	5	7
Recruitment from List B at L/P4 and below	5		5
General Service-level posts advertised			8
Recruitment completed for posts advertised	1	7 ^a	8

^a Staff members were selected for three of the posts advertised.

Table 4
Composition of staff at UNIDO Headquarters and other established offices, 31 December 2001

	<i>Headquarters</i>	<i>Geneva/ New York</i>	<i>Field</i>	<i>Mission assignments</i>	<i>ITPOs^a</i>	<i>Total</i>
Professional	204	3	28 ^b	2	2 ^c	239
National Officer	-	-	2	-	9	11
General Service	<u>331</u>	<u>2</u>	<u>54</u>	<u>2</u>	<u>4</u>	<u>393</u>
TOTAL	535 ^d	5 ^e	84	4 ^f	15	643

^a Investment and Technology Promotion Offices.

^b Includes 23 with Headquarters contracts.

^c Headquarters contracts.

^d Excludes 34 staff members on assignment outside Headquarters (see table 1).

^e Headquarters contracts.

^f Headquarters contracts.

APPENDIX M

EXPERT GROUP MEETINGS, SYMPOSIA, SEMINARS, WORKSHOPS,
COURSES AND OTHER MEETINGS*

<i>Date</i>		<i>Place</i>
25 January	Seminar on quality policies	Maputo Mozambique
29-30 January	Expert group meeting on trends and applications of combinatorial chemistry/combinatorial technologies/molecular design**	Trieste Italy
29-30 January	International workshop on alternatives to the use of methyl bromide for soil fumigation in Syria	Latakia Syrian Arab Republic
8 February	First business round table on strategic partnerships and investment—Komi 2001	Moscow Russian Federation
12-13 February	Seminar: Accommodating policy and upgrading and industrial competitiveness techniques	Algiers Algeria
14 February	Seminar for enterprise managers: Albania—restructuring and competitiveness development	Tirana Albania
1-2 March	National seminar on the implications and benefits of sustainable public-private sector consultative mechanisms	Maputo Mozambique
12-13 March	Expert meeting on total quality management in ASEAN countries	Bangkok Thailand
14-16 March	High-level meeting on energy in preparation for the round table on energy at LDC III	Vienna Austria
15-16 March	Expert group meeting on food/agro-products and environment—contamination monitoring and prevention**	Trieste Italy
19-21 March	Second national conference of SME representatives in Russia	Moscow Russian Federation
28-31 March	Telecommunication technologies expert group meeting on multiservice East and Central Africa communication networks: technologies and services**	Trieste Italy
29-30 March	Workshop on promotion of international clusters to support the development of Croatian SMEs**	Opatija Croatia
4-5 April	Regional conference on technology foresight for Central and Eastern Europe and Newly Independent States	Vienna Austria
19-20 April	Expert group meeting on world industrial development report 2001	Vienna Austria
23 April	Seminar: Accommodating policy and upgrading and industrial competitiveness techniques	Annaba Algeria
23 April	Opinion leaders' meeting on potential applications of combinatorial chemistry/combinatorial technologies/molecular design**	Bangkok Thailand
24-27 April	Workshop on combinatorial chemistry and combinatorial technologies in Southeast Asian countries **	Bangkok Thailand
2-4 May	Programme and Budget Committee, seventeenth session	Vienna Austria

<i>Date</i>		<i>Place</i>
7-9 May	Workshop on sustainable water management and industrial development**	Bucharest Romania
7-9 May	Regional workshop on fish quality assurance	Rabat Morocco
8-9 May	Workshop on alternatives to the use of methyl bromide in tobacco production in Croatia	Durdevac Croatia
9 May	Workshop on Orissa industrial policy resolution 2001—vision, strategy and action plan	Bhubaneswar India
9-10 May	Symposium on sustainable technological development of CEI countries: concerted action for the benefit of Southeast Europe**	Belgrade Yugoslavia
10-11 May	Workshop on regional development in a transition economy: effective strategies and efficient tools	Trenčín Slovakia
16-18 May	Workshop on alternatives to the use of methyl bromide as soil fumigant in protected horticulture and ornamental crops in Turkey	Antalya Turkey
17 May	Round table on energy at the Third United Nations Conference on Least Developed Countries	Brussels Belgium
17-18 May	Expert group meeting on clean technologies for sustainable chemistry and pollution reduction and prevention**	Trieste Italy
21-26 May	Workshop on best available technologies for recycling of inorganic materials**	Iglesias Italy
23 May	Workshop on the establishment of a centre to promote the textile industry	Dakar Senegal
26-30 May	Workshop on cultivation, gathering, post-harvest care and processing technologies for the production of medicinal and aromatic plants**	Lillafüred-Budapest Hungary
29-30 May	Global forum on management of technology: focus on the Arab region	Vienna Austria
4-8 June	Workshop on environmentally degradable plastics**	Lodz Poland
5-7 June	Workshop on procedures for pre-peer evaluation (ISO 17025 accreditation bodies)	Vienna Austria
6-7 June	First national quality policy conference	Maputo Mozambique
7 June	Promotional workshop on international business incubation systems	Padova Italy
8-9 June	International workshop on alternatives to the use of methyl bromide in the Dominican Republic	Santo Domingo Dominican Republic
12-14 June	Invest in Burkina Faso 2001	Ouagadougou Burkina Faso
14 June	Ministerial meeting—present food-processing/safety activities	Havana Cuba
18-19 June	Expert group meeting of the regional programme on technology foresight for Central and Eastern Europe and the Newly Independent States	Vienna Austria

<i>Date</i>		<i>Place</i>
19-20 June	New industrial policy for Rwanda: strategies, structures and plan of action	Kigali Rwanda
19-22 June	Industrial Development Board, twenty-fourth session	Vienna Austria
21-22 June	Carthage investment forum 2001	Tunis Tunisia
25-27 June	Workshop on industrial development in coastal areas of Southeast Asia**	Hanoi Viet Nam
25 June – 6 July	Regional workshop on lasers and optoelectronics**	Serpong Indonesia
26-30 June	Workshop on project development for photovoltaic technologies**	Trieste Italy
28 June	Seminar: Accommodating policy and upgrading and industrial competitiveness techniques	Tlemcen Algeria
28 June	Seminar on technology foresight and productivity chains: the Brazilian experience**	Lima Peru
4-6 July	Expert group meeting on remediation of polluted sites in CEE countries: current status and perspectives**	Trieste Italy
9 July	Workshop on uses of ozone depleting solvents and eco-friendly alternatives	Tehran Iran (Islamic Republic of)
11-13 July	Workshop on restructuring and rehabilitation of regional rural technology development centres	Addis Ababa Ethiopia
16-19 July	Workshop on environmental pollution and applicability of remediation technologies in African countries**	Enugu Nigeria
27-29 August	Expert group meeting on industry and the CDM in Asia	Vienna Austria
27-31 August	Workshop on formulation of framework needs of SADC countries in the fields of standardization, quality promotion, accreditation, testing and metrology	Pretoria South Africa
30 August	National workshop on industrial development and competitiveness	Addis Ababa Ethiopia
30 August	Workshop on regional programme for pollution control in the tanning industry in Southeast Asia: achievements and future pipeline (phase II)	New Delhi India
30 August – 1 September	GEF workshop in Latin America	Mexico City Mexico
4-6 September	Expert group meeting on environmental impacts of transgenic crops resistant to pests**	Brasilia Brazil
5-7 September	Regional workshop on investment mobilization for LDCs	Bamako Mali
10-12 September	Workshop on building capacity to facilitate CDM projects: oil and gas and manufacturing industry sectors	Abuja Nigeria

<i>Date</i>		<i>Place</i>
11-14 September	International meeting on recycling and environmentally degradable plastics from renewable resources and international exhibition on plastics industries and technologies**	Jakarta Indonesia
18-20 September	Workshop on industrial applications of wireless data communications**	Bucharest Romania
20-21 September	Workshop on capacity-building for CDM projects in industry	São Paulo Brazil
24-27 September	Workshop on catalysis for environmentally friendly processes and products**	Istanbul Turkey
28-29 September	International conference on science and technology for the sustainable development of the CEI countries**	Trieste Italy
1-3 October	Expert group meeting on the role of process simulation in sustainable industrial development**	Trieste Italy
8-9 October	Workshop on UNIDO's manual for business partnerships for industrial development	Vienna Austria
8-10 October	Expert group meeting on industry and the CDM in Africa	Saly Portudal Senegal
12-14 October	Round table meeting on business alliances**	Shenzhen China
15-18 October	Workshop on trends and applications of combinatorial chemistry and combinatorial technologies**	Budapest Hungary
16 October	Strengthening public-private sector partnerships	Bamako Mali
22-24 October	Workshop on the status of medicinal and aromatic plants and their products in developing countries**	Trieste Italy
26 October	Symposium on fish safety and quality—challenge for developing and emerging economies (within the fourth world fish inspection and quality control congress)	Vancouver Canada
29 October – 2 November	Meeting on SME networking	Vienna Austria
29 October – 12 November	Workshop on affordable bamboo housing in earthquake-prone areas	Aizawl India
5-8 November	Workshop on sustainable polymers: promotion of environmentally degradable polymers concept in Middle East and Gulf countries**	Manama Bahrain
7 November	BAMTECH 2001-Bamboo technology awareness seminar	Accra Ghana
13-15 November	Expert group meeting on innovation and competition in information and communication technologies: the role of regulatory agencies**	Tunis Tunisia
13-17 November	Expert group meeting on computer aided materials engineering and prototyping**	Trieste Italy
14-15 November	Transition economies annual meeting: forum on entrepreneurship and enterprise development	Istanbul Turkey

<i>Date</i>		<i>Place</i>
15 November	Workshop on sustainable industrial development and competitiveness	Dar es Salaam Tanzania
16-17 November	Enhancing Sri Lankan industrial competitiveness: an executive programme for national institutions	Wadduwa Sri Lanka
19 November	Round table meeting of the Russian business community and United Nations agencies	Moscow Russian Federation
19-21 November	Technology foresight meeting	Bogota Colombia
20-21 November	Workshop on regional development in the Slovak economy: effective strategies and efficient tools	Galanta Slovakia
20-23 November	Launch of the UNIDO Africa IPA network	Vienna Austria
21 November	Conference on sources of financing for SMEs available in north-west Russia	St. Petersburg Russian Federation
21-23 November	Regional forum on e-productivity and quality: making industry in Central and Eastern Europe and the Newly Independent States fit for the e-economy	Warsaw Poland
23 November	Promotional workshop on opportunities for international cooperation between SMIs and incubators	Carrara Italy
23 November	Workshop on restructuring of enterprises and competitiveness development: lessons learned and policy implications	Tirana Albania
26-30 November	Meeting of trainers on technology management and transfer in developing and in transition countries**	Trieste Italy
28-29 November	Technology foresight seminar**	Santiago Chile
28-29 November	Quality week 2001 (seminar on quality policy)	Maputo Mozambique
28-30 November	Workshop on catalytic technologies for sustainable industrial processes**	Buenos Aires Argentina
29-30 November	Expert group meeting on optical design and optimization of ultra-fast lasers**	Trieste Italy
3-7 December	General Conference, ninth session	Vienna Austria
6-7 December	Expert group meeting on combinatorial chemistry and technology: current trends and initiatives**	Trieste Italy
10-11 December	Workshop on advanced technologies for cleaning oil-polluted soils and waters and oil sludge treatment**	Moscow Russian Federation
10-11 December	Workshop on intelligent transportation systems: from physical to virtual transport networks	Piacenza Italy
10-12 December	Expert group meeting on industry and the CDM in Asia	Bangkok Thailand
13-14 December	Expert group meeting on environmentally degradable plastics and sustainable development**	Trieste Italy

<i>Date</i>		<i>Place</i>
13-15 December	Workshop on fish quality assurance for the ministerial conference on fishery cooperation between countries bordering the Atlantic Ocean	Dakar Senegal
18-20 December	Workshop—From telemedicine to e-health: information and new telecommunication technologies as a tool to improve the health care services in developing countries	Cairo Egypt
18-19 December	Meeting on the clean up of obsolete pesticides in African countries	Vienna Austria
19-20 December	Workshop on Mediterranean PRTR kick-off (Pollutant Release and Transfer Registry)	Alexandria Egypt
19-21 December	FAO/UNIDO seminar on the WTO agreements	Casablanca Morocco
20 December	Workshop on foreign markets export characteristics	Accra Ghana
20 December	Seminar: The challenge of regional integration for Senegalese enterprise—launching of the UEMOA/EU regional quality programme	Dakar Senegal
20-22 December	Workshop on solar cells and water pumping systems	Cairo Egypt
21-22 December	Conference on unearthing Africa's potential in textiles, garment and accessories	Accra Ghana
27 December	Workshop on removal of barriers to elimination of POPs in north-west Russia	St. Petersburg Russian Federation

* Includes meetings sponsored jointly with other organizations.

** ICS meeting (International Centre for Science and High Technology).

APPENDIX N

SELECTED PUBLICATIONS AND OTHER PRODUCTS^a

<i>Publications</i>	<i>ISBN number/ Order number</i>	<i>Co-publisher</i>	<i>Language</i>
Access to formal finance in Kenyan manufacturing	SIN Working Paper No. 3		E
A Pathway to Excellence, TQM methods and case studies from ASEAN. The UNIDO/JSA Approach		Japanese Standards Association (JSA)	E
Annual Report of UNIDO, 2000, and List of UNIDO technical cooperation activities, 2000	IDB.24/2 IDB.24/2/Add.1		A, C, E, F, R, S
Are African manufacturing firms really inefficient? Evidence from firm-level panel data	CSAE-UNIDO Working Paper No. 6	CSAE, Oxford	E
Aspects of marginalization: growth, industry and trade of the least developed countries	SIN Discussion Paper No. 1		E
Atelier de village polyvalent: directives pour la mise en oeuvre	V.01-82649		F
Building productive capacity for poverty alleviation in least developed countries: the role of industry	V.01-82873		E
Can African manufacturing firms become successful exporters?	CSAE-UNIDO Working Paper No. 4	CSAE, Oxford	E
CAPTECH (Capacity Building for Technology Absorption) manual		Technology Bureau for International Industrial Partnerships	E
Compostage des déchets ménagers et valorisation du compost: cas des petites et moyennes communes au Maroc	9981-801-47-x	Environnement Développement Action (ENDA Maghreb)	F
Constraints and opportunities in Kenyan manufacturing: report on the Kenyan manufacturing enterprise survey 2000	CSAE-UNIDO Working Paper No. 7	CSAE, Oxford	E
Development of clusters and networks of SMEs	V.01-88774		E
Environmental risk assessment and management of chemicals in Asia/Pacific countries	89-85670-64-6		E
Firm size and human capital as determinants of productivity and earnings	CSAE-UNIDO Working Paper No. 5	CSAE, Oxford	E
Gearing up for a new development agenda. Papers and proceedings of the meeting on marginalization vs. prosperity. How to improve and spread the gains of globalization			E
Guidelines for design and implementation of environmental management systems	V.01-81185		E

	<i>ISBN number/ Order number</i>	<i>Co-publisher</i>	<i>Language</i>
Growth in least developed countries: an empirical analysis of productivity change, 1970-1992	SIN Working Paper No. 1		E
Industry at the edge. E- and M-business for industrial development		Ericsson Consulting	E
Integrated assessment, management and governance in river basins, coastal zones and large marine ecosystems. A UNIDO strategy paper	V.01-81564		E
Integrating SMEs in global value chains	V.01-85393		E
International conference on the 10-year review of transitional economies and challenges in the next decade, Vienna, 30 November-1 December 2000, Final report	V.01-81753		E
International yearbook of industrial statistics 2001	1 84064 6195		E
Investir au Burkina Faso. Guide de l'homme d'affaires			F
Managerial risk attitudes and firm performance in Ghanaian manufacturing: an empirical analysis based on experimental data	CSAE-UNIDO Working Paper No. 3	CSAE, Oxford	E
Measuring the economic importance of ICT (information and communication technologies)	SIN Discussion Paper No. 2		E
Prospectiva tecnológica en Latinoamérica y el Caribe	V.01-81380		S
Reforming the UN system—UNIDO's need—driven model			E, F
SISAL—past research results and present production practices in East Africa	CFC Technical Paper No. 8 V.01-87565	Common Fund for Commodities	E
Skills, investment and exports from manufacturing firms in Africa	CSAE-UNIDO Working Paper No. 1	CSAE, Oxford	E
The importance of human capital for the trade-growth link	SIN Working Paper No. 2		E
Trade credit in Kenyan manufacturing: evidence for plant-level data	SIN Working Paper No. 4		E
UNIDO partnership with private business, rational, benefits, risks and approaches	V.01-81335		E
Women's entrepreneurship development in selected African countries	Technical Working Paper No. 7 V.01-80114		E
Women entrepreneurs in Africa: experience from selected countries	91-1-112510-3	UNCTAD	E
What drives manufacturing exports in Africa? Evidence from Ghana, Kenya and Zimbabwe	CSAE-UNIDO Working Paper No. 2	CSAE, Oxford	E

^a Includes publications prepared jointly with other organizations.

<i>Other products</i>	<i>Language</i>
Business incubator support products: GePep (financial management software) GeDoc (database management software)	F, A
CAPSOFIT software ver.1.2 - Audit tool for technology needs assessment of SMEs	E
Colombia Exchange databases: Investment projects Technology offers Cooperation offers Cooperation requests	E, S
COMFAR III Expert version 2.1 COMFAR III Expert business planner version 2.1 COMFAR III Mini Expert version 2.1	E,F,G,S,R, Polish, Portuguese, Slovak, Czech, Chinese, Japanese, Italian, Indonesian Bahasa
IRMSready (Information Resource Management System)	E
“OUTSOURCING 2002” (test version of SPX database management software)	F
UNIDO and Energy, CSD-9, LDC-III (CD-ROM)	E
UNIDO Exchange databases: Investment projects Technology offers Cooperation offers Cooperation requests Cleaner production technology offers Cleaner production good practices Cleaner production experts	E
UNIDO industrial demand-supply balance database, 2000 update	E
UNIDO industrial statistics database, 2001 update, at the 3-digit level of ISIC code (Revision 2)	E
UNIDO industrial statistics database, 2001 update, at the 4-digit level of ISIC code (Revision 2)	E
UNIDO industrial statistics database, at the 3- and 4-digit level of ISIC, 2001 update (Revision 3)	E
UNIDO national accounts database, 2001 update	E

<i>Websites</i>	<i>Internet address</i>	<i>Language</i>
Asia-Africa Investment and Technology Promotion Centre	www.unido-aaitpc.com	E
Climate change/Kyoto Protocol activities	www.unido.org/doc/310797.htmls	E
COLOMBIA Exchange	www.unido.org/exchange	E
Invest in Burkina Faso 2001	www.unido.org/Burkina2001	E, F
KNITT (Knowledge Network for Industrial Technology Transfer)	www.unido.org/Knitt/	E
Subcontracting and Partnership Exchange (SPX) (including SPX directory)	www.unido.org/doc/250416.htmls	E, F
Tunisia at a Glance (Carthage Investment Forum 2001)	www.unido.org/Tunisia2001	E
UNIDO Exchange	www.unido.org/exchange	E

ABBREVIATIONS**A**

AE	Associate Expert
AIDMO	Arab Industrial Development and Mining Organization
APO	Assistant Programme Officer
ASEAN	Association of Southeast Asian Nations

C

CAD	computer aided design
CAM	computer aided manufacturing
CAMI	Conference of African Ministers of Industry
CAPTECH	capacity-building for technology absorption
CD	compact disk
CDM	Clean Development Mechanism
CEE	Central and Eastern Europe
CEI	Central European Initiative
CFC	chlorofluorocarbon
COMESA	Common Market for Eastern and Southern Africa
COMFAR	Computer Model for Feasibility Analysis and Reporting
CSAE	Centre for the Study of African Economies (University of Oxford)

D

DFID	Department for International Development (United Kingdom)
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E

EC	European Commission
ECA	United Nations Economic Commission for Africa
ECLAC	United Nations Economic Commission for Latin America and the Caribbean
ECOSOC	United Nations Economic and Social Council
EDP	electronic data processing
ESCWA	United Nations Economic and Social Commission for Western Asia
EU	European Union

F

FAO	Food and Agriculture Organization of the United Nations
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G

GEF	Global Environment Facility
GHG	greenhouse gas emission
GOIC	Gulf Organization for Industrial Consulting
GS	General Service

H

HACCP	hazard analysis and critical control points
HQ	headquarters

I

ICMB	International Centre of Medicine Biotechnology
ICS	International Centre for Science and High Technology
IDDA	Industrial Development Decade for Africa
IDF	Industrial Development Fund
IDO	Industrial Development Officer
IITPP	Industrial Investment Technology Project Profile
IP	integrated programme
IPA	investment promotion agency
IPF	indicative planning figure
ISO	International Organization for Standardization
ITC	International Trade Centre (UNCTAD/WTO)
ITPO	Investment and Technology Promotion Office

J

JI	Joint Implementation
JPO	Junior Professional Officer
JSA	Japanese Standards Association

K

KNITT	Knowledge Network for Industrial Technology Transfer
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L

LAS	League of Arab States
LDC	least developed country
LDC III	Third United Nations Conference on the Least Developed Countries

M

MMT	millions of metric tons
MSME	micro, small and medium enterprises
MSWM	municipal solid waste management
MVA	manufacturing value added

N

NCPC	National Cleaner Production Centre
NEPAD	New Partnership for Africa's Development
NIS	Newly Independent State
NPO	National Programme Officer

O

OAU	Organization of African Unity
OB	operational budget
ODP	ozone depletion potential
ODS	ozone-depleting substance
OIO	Office of Internal Oversight

P

POP	persistent organic pollutant
PRTR	Pollutant Release and Transfer Registry
PSRP	poverty reduction strategy paper

Q

QSM quality, standardization and metrology

R

R&D research and development
 RB regular budget
 RIDC Regional Industrial Development Centre
 RP Regular Programme of Technical Cooperation

S

SADC Southern African Development Community
 SIN Statistics and Information Networks Branch
 SIS Special Industrial Services
 SM service module
 SMI small and medium industries
 SME small and medium enterprises
 SPS phytosanitary standards
 SPX subcontracting and partnership exchange
 STA Special Technical Adviser
 STS support for technical services

T

TBT technical barrier to trade
 TC technical cooperation
 TICAD Tokyo International Conference on African Development
 TQM total quality management
 TRAC Target for Resource Assignment from the Core
 TVE town and village enterprises

U

UEMOA West African Economic and Monetary Union
 UNCTAD United Nations Conference on Trade and Development
 UND UNIDO National Director
 UNDAF United Nations Development Assistance Framework
 UNDCP United Nations International Drug Control Programme
 UNDP United Nations Development Programme
 UNEP United Nations Environment Programme
 UNFP UNIDO National Focal Point
 UR UNIDO Representative

V

VIC Vienna International Centre

W

WSSD World Summit on Sustainable Development
 WTO World Trade Organization