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ILO/UNIDO Working Arrangement

With a view to the implementation of the Agreement between the International Labour Organisation and the United Nations Industrial Development Organization, concluded on 14 September 1987, the Director-General of the ILO and the Director-General of UNIDO have agreed upon the following working arrangement to govern cooperation and coordination of the activities of the two organisations in the promotion of the industrial development of developing countries. They have agreed that this cooperation will take place with due regard to the tripartite nature of the ILO and its objectives, as set forth in its Constitution and the Declaration of Philadelphia, and to the central role of UNIDO in, and its responsibility for, reviewing and promoting the coordination of all activities of the United Nations system in the field of industrial development, in accordance with its Constitution.

I. Human resource development policies and strategies

1. In line with their respective mandates, the ILO will provide advice and assistance in the establishment of comprehensive human resource development policies, strategies and plans, while UNIDO, having the mandate for the development of the industrial sector, will be responsible for the activities in that sector. Both organisations will assist developing countries in their respective areas in building up coherent and sustainable systems for upgrading local technological skills and managerial and entrepreneurial capabilities and integrating them into the development process, in accordance with the national development strategies and priority plans of those countries. In carrying out these activities, the ILO and UNIDO will consult and cooperate as may be appropriate.

II. Training

- 2. The ILO will continue to develop policies and guidelines and carry out operational programmes in the field of vocational training, vocational guidance and rehabilitation in all economic sectors. The ILO's activities aim at initial and further training in vocational skills, meeting the requirements of undertakings and the aspirations of workers to vocational career building. The ILO's vocational training activities will be geared to sectoral development plans and targets established at the country level. Where the industrial development activities of UNIDO will require the training of workers or specific vocational skills development programmes, the ILO will endeavour to provide such training to UNIDO's specifications. The ILO will also provide, whenever requested and possible, vocational training advisers to participate in UNIDO's industrial development activities.
- 3. UNIDO will provide, where required, complementary activities in vocational training relating to specialised functional and technical training in the use of equipment and processes in industry including specialised quality control, and maintenance and repair.
- 4. UNIDO will continue to develop policies, strategies and methodologies and technical assistance programmes/projects for the training of middle and senior level technical and managerial personnel in industry or industry-related organisations and institutions. UNIDO will also develop and implement programmes/projects for the training of trainers related to the training methods and techniques as well as for the upgrading of technological and industrial management skills and know-how. Where the activities of the ILO require management training specifically geared to the manufacturing sector, UNIDO will endeavour to provide such training to the ILO's specifications.
- 5. Both organisations will cooperate in research and development of training systems and methods and in publishing the results of such research. The organisations will exchange information and advice on new industrial technologies and training methodologies as they affect their respective fields.

III. Management development

6. The ILO will be responsible for programmes for the development of managerial competence at all levels of supervision and for all sectors of economic activity irrespective of type of ownership. UNIDO will be responsible for these activities in the industrial sector. Both organisations will consult, cooperate and promote joint activities related to management development as appropriate.

IV. Maintenance and repair

- 7. As part of its training activities the ILO will provide vocational training in maintenance and repair operations. UNIDO will be responsible for the organisational, economic, technological and engineering aspects of maintenance and repair, including planned maintenance and repair systems, establishment of maintenance and repair centres/institutions, provision and manufacturing of spare parts, overhaul and repair of industrial equipment and training of middle and senior technical and managerial maintenance personnel.
- 8. Both organisations will continue to include in their respective field of activities the managerial and cost aspects of maintenance as a means of enhancing general managerial competence and effectiveness of maintenance programmes.

V. Small-scale enterprises

- 9. In view of the importance of small-scale enterprises to national economic development, both organisations recognise the need for a comprehensive and coherent approach to the development of small-scale enterprises in developing countries. To this end, they will exchange full information on their ongoing and projected activities, especially in connection with country programming exercises, and will devise joint or coordinated programmes of action.
- 10. Both organisations will closely cooperate in activities related to financial and fiscal policies designed to promote the development of small-scale enterprises, including the provision of incentives to entrepreneurs and assistance in drawing up requests for financing, the identification, motivation and development of potential entrepreneurs and the promotion of entrepreneurship.

VI. Industrial cooperatives

11. Both organisations recognise the need for a comprehensive and coherent approach to the development of industrial cooperatives and their support organisations in developing countries. To this end, they will exchange full information on their ongoing and projected activities, especially in connection with country programming exercises, and will devise joint or coordinated programmes of action.

VII. Industrial health and safety, working conditions and environment

- 12. UNIDO will pay due regard to the health, safety and working conditions aspects of its planned industrial activities and consult the ILO thereon. The ILO will make available to UNIDO, on a regular basis, all its standards, manuals and guidelines, and other publications relating to industrial health and safety, as well as to working conditions in industry. The ILO will also provide UNIDO, upon request, with information and advice on specific industrial health, safety and working conditions problems. Particular care will be taken to avoid conflicts in relation to erosion of standards.
- 13. When UNIDO is organising courses which include an industrial health and safety or working conditions component, the ILO will provide upon request the necessary information on and assistance in handling that component.
- 14. Both organisations will cooperate in the development of programmes and the planning of meetings dealing with industrial health and safety, working conditions and environment in the industrial sector.

VIII. Employment, income distribution and industrial development

- 15. The ILO will cooperate with UNIDO in identifying the employment and income distribution consequences of long-term industrialisation strategies, both domestically and as they affect the international division of labour, on which both agencies will undertake studies and research activities.
- 16. Whenever UNIDO undertakes survey missions on industrial development strategies and the ILO on employment promotion strategies, each organisation will provide the other with the appropriate required technical expertise.

IX. Choice, development and transfer of technology

17. UNIDO and the ILO will continue to collaborate in the development, dissemination and application of technology. In this domain the ILO will deal mainly with the socioeconomic aspects, whereas UNIDO will deal mainly with the technological and engineering aspects. Such collaboration may take various forms, including joint missions, joint organisation of seminars and workshops, joint execution of field projects, joint research and joint publications. The two organisations will also improve links between UNIDO's INTIB (Industrial and Technological Information Bank) and the newly established ILO technological information service INSTEAD (Information Service on Technological Alternatives for Development).

X. Meetings and consultations on industrial activities

18. UNIDO and the ILO will regularly furnish each other with advance information on meetings and consultations in the industrial sector. Where relevant, UNIDO will invite the ILO's participation in and contribution to such meetings; similarly the ILO will invite UNIDO's participation and contribution.

XI. Measures of implementation

- 19. The ILO and UNIDO will keep each other informed of the development of their respective activities related to industrialisation, including but not limited to the specific arrangements provided herein, and will ensure that such activities are coordinated, complementary and mutually supporting. This refers particularly to early consultation at the planning and pipeline project-level stages.
- 20. For this purpose, the ILO and UNIDO will maintain a joint Working Party composed of one senior staff member from the secretariat of each organisation and such other officials as may be required for the consideration of any particular question. The joint Working Party will review all matters of mutual interest. If the cooperation proposed by one of the parties to the other entails expenditure beyond minor and ordinary expenditure, consultations shall be held to determine the most equitable way of meeting such expenditure.
- 21. The ILO and UNIDO recognise the importance of closer cooperation at the field level and the desirability of holding regular meetings between field representatives and, as appropriate, technical cooperation staff of the two organisations.
- 22. The Executive Head of each organisation will bring this Working Arrangement to the notice of his headquarters and field staff concerned.

XII. Final clauses

23. The present Working Arrangement, which supersedes the "Memorandum of Understanding concerning Co-operation between the ILO and UNIDO", signed at Geneva on 31 August 1976, shall enter into force upon signature by the Director-General of the ILO and the Director-General of UNIDO. This Working Arrangement may be modified by written agreement between the Director-General of the ILO and the Director-General of UNIDO and may be terminated by either party upon six months' written notice. If one of the parties

decides to terminate this Working Arrangement, obligations that have previously entered into force through projects implemented under this Working Arrangement shall not be affected.

For the International Labour Organisation:

(Signed) Michel Hansenne Director-General, International Labour Office Geneva, 25 September 1991 For the United Nations Industrial Development Organization:

(Signed) Domingo L. Siazon, Jr. Director-General Vienna, 7 October 1991