

UN/ECE Working Party on Industry and Enterprise Development

Bureau Meeting

9 September 2003, Budapest, Hungary

Report on the Meeting

Present: Ms. J. Habuda, Chairman WP.8
Ms. T. Skameykina, Vice-Chair WP.8

Secretariat: Mr. G. Kowalski, Director, IREEDD
Mr. I. Adjoubei, Secretary to WP.8, IREEDD

Item 1 – Adoption of the provisional agenda

Provisional agenda was adopted.

Item 2 – Status of programme implementation

The Bureau heard the report by the secretariat on the implementation of the WP.8's programme of work during the period succeeding the fourth session of the Working Party (February 2003). It took note of this report. The Bureau advised the Working Party to decide on the extension of mandates of individual Teams of Specialists in the context of the Working Party decisions on the programme and the proposed new directions of work.

With regard to individual programme areas, the Bureau recommended to the Working Party:

- to discontinue the mandate of the Team of Specialists on Chemiseed, while maintaining the support of UNECE to the Seminars on soil decontamination organized by Intersol; the organization of such seminars would become an *ad hoc* activity of the Working Party with limited participation by the secretariat;

- to cluster the activities of the Team of Specialists on Quality Management Systems under the WP.6 (Working Party on Technical Harmonization Policy), which is better placed than the WP.8 to host those activities; and
- to refocus the activities under the “Emerging knowledge-based economy” sub-programme. Its emphasis should move from the development of technical standards relating to Internet-based entrepreneurship (as for example in the area of on-line dispute resolution) to the promotion of capacity building for knowledge-based economy and the related Government policy.

Item 3 – Preliminary results of the questionnaire on the relevance of the programme of work.

The secretariat presented the results of the questionnaire on the relevance of the programme of work conducted during the summer 2003. The Bureau agreed with the major finding of the secretariat, in particular with the fact that the programme of work did not contain activities irrelevant for member-States. At the same time, it noted that the scope of the WP.8’s work programme was too broad, and, given the restricted resources of the secretariat, some priority setting was needed.

When deciding on priorities, the Working Party should take into consideration such criteria as whether an activity adds to a systemic approach to the work of the Working Party; whether it fits into the overall framework of activities and contributes to the cohesion of the programme of work; who the interested parties are (the whole region, developed market economies or transition economies; public sector, private sector or both etc); to which extent the activity provides opportunities for cooperation with other subsidiary bodies and principal subsidiary bodies of the ECE; and whether additional external financing for the programme implementation is available.

The Bureau discussed possible future directions of the WP.8’s activities. It agreed that in the future the work of the Working Party could be grouped under the following major areas:

A. Industrial Development

- industrial restructuring and industrial policy
- factors and conditions of competitiveness
- sustainable industrial development
- corporate governance
- corporate social responsibility

B. Knowledge-based Economy (KBE)

- innovation and technology policies
- ICT policy and regulatory framework
- assessment of conditions and readiness of countries for KBE development
- strategies for KBE development
- commercialization of intellectual property rights and their use for economic development

C. Enterprise Development

- legal and policy framework, and support measures for entrepreneurship and SMEs
- best practices of enterprise development in ECE region
- women entrepreneurship
- youth entrepreneurship
- management systems and practices for SMEs.

The Bureau stressed that because of limited secretariat resources only a few activities in each subject grouping should be undertaken at any given time. As activities are completed new ones could be initiated.

The Bureau asked the secretariat to prepare a note reflecting the above-mentioned proposals by the Bureau for the next session of the Working Party. The note should also incorporate comments on these proposals (as presented in this report) by the members of the Working Party. It requested the Working Party to send such comments to the secretariat not later than 1 December 2003.

The Bureau also decided that if the next session of the Working Party would agree on the proposed changes in the programme of work, namely to include in it the programme element on corporate governance, the secretariat would conduct a survey among member States and other interested parties attempting to identify the topical issues relating to corporate governance. This survey would be conducted in cooperation with other interested institutions. On the basis of such survey, the secretariat would identify the major areas where UNECE could make a contribution. One such area probably could be the relationship between corporate managers, financial institutions and shareholders. While initiating activities in new programme areas, the Working Party should develop its relationship with new constituencies, for example bankers and insurance companies.

The Bureau agreed that while the labour and human rights aspects of corporate social responsibility are tackled by other international organizations, the environmental facet of this issue could be, to a certain extent, developed by the ECE. The Environment Policy Committee should take the lead in this work, to which the Working Party would be pleased to contribute.

The Bureau emphasized the need to establish cross-sectoral links among the proposed new directions of work. For example the work on innovation and technology policies should be congruent with that on promoting the technology-based SMEs, while the work supporting the entrepreneurship and commercialization of IPRs should be linked with the activities aimed at industrial restructuring and policy development.

Item 4 – Proposal by the CTIED Chairman to hold a joint meeting with CTIED in Spring 2004.

The Bureau considered the proposal in question and decided to stick to the decision taken at the fourth session of the Working Party to organize an Industry and Enterprise Development Week, including a Forum on a selected subject, around the ninth session of the CTIED in 2005.

Item 5 – Topic and agenda for the Forum on Industry and Enterprise Development to be held in conjunction with the session of CTIED in 2005.

The Bureau proposed for consideration by the fifth session the following alternative topics for the Forum:

- the role of knowledge-based industries in sustainable economic development;
- the role of public and corporate governance in developed market and transition economies of ECE region;
- 15 years of market reforms in transition economies: the status of industrial sector.

Item 6 - New terms of reference and change of name of the Team of Specialists on Entrepreneurship in Poverty Alleviation.

The Bureau agreed that the decision on the new terms of reference and change of name of the TOS in question would be taken in conjunction with the decision by the Working Party on the extension of its mandate.

Item 7 - New terms of reference and change of name of the Team of Specialists on Internet Enterprise Development.

The Bureau asked the secretariat to develop new terms of reference with the Bureau of the Team of Specialists on Internet Enterprise Development and other interested parties to reflect the proposed new orientation of work in this field. When completed, these new terms of reference will be submitted to the Working Party 8 for approval. The Bureau also asked the secretariat to consider seeking out extra-budgetary sources of financing for these activities.

Item 8 - Topic and agenda for the Round Table to be organized during the fifth session of the WP.8 (February 2004).

For lack of resources, the Bureau decided to organize the Round Table during the fifth session in a reduced format. In order to raise the awareness of member Governments to new areas of work proposed by the Bureau, it asked the secretariat to arrange for several relevant presentations highlighting the scope of those new areas and their role in the developed market and transition economies.

Item 9 - Other business.

(a) Report of the Oversight Advisory Group (Team of Specialists on Internet Enterprise Development).

The secretariat informed the Bureau on the status of the Trust Fund, which was used to finance some activities of the TSIED. The Bureau took note of that report and asked the secretariat to submit a note (financial statement) on the status of the Trust Fund to the forthcoming session of the Working Party.

(b) WP.8's participation in the 2004 Forum of the CTIED.

The secretariat informed the Bureau on the Forum to be held in the spring of 2004, which would have a tentative title of "Beyond Enlargement: Challenges for Trade and Enterprise Development in a Changing Europe". The Bureau welcomed the invitation by the CTIED Bureau to participate in the organization of this Forum. It asked the secretariat to endeavour to identify speakers for the Forum, which would have expertise in the area of implications of enlargement for industry and enterprise development in acceding and non-acceding countries.