

No. 932

**UNITED NATIONS
(UNITED NATIONS INDUSTRIAL DEVELOPMENT
ORGANIZATION)
and
SWITZERLAND**

Exchange of letters constituting an agreement concerning the continuation of a UNIDO service in Switzerland for the strengthening of industrial co-operation and promotion of investment in developing countries (with attachment). Berne and Vienna, 20 June 1985

Authentic text: English.

Filed and recorded by the Secretariat on 20 June 1985.

**ORGANISATION DES NATIONS UNIES
(ORGANISATION DES NATIONS UNIES POUR
LE DÉVELOPPEMENT INDUSTRIEL)
et
SUISSE**

Échange de lettres constituant un accord relatif au maintien d'un service de l'ONUDI en Suisse en vue du renforcement de la coopération industrielle et de la promotion d'investissements dans les pays en développement (avec pièce jointe). Berne et Vienne, 20 juin 1985

Texte authentique : anglais.

Classé et inscrit au répertoire par le Secrétariat le 20 juin 1985.

EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED NATIONS (UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION) AND SWITZERLAND CONCERNING THE CONTINUATION OF A UNIDO SERVICE IN SWITZERLAND FOR THE STRENGTHENING OF INDUSTRIAL CO-OPERATION AND PROMOTION OF INVESTMENT IN DEVELOPING COUNTRIES

I

LE DÉLÉGUÉ AUX ACCORDS COMMERCIAUX²

Berne, June 20, 1985

LETTER OF AGREEMENT

Sir,

On behalf of the Government of Switzerland, I have the honour to refer to the interregional project document concerning the continuation of a UNIDO Service in Switzerland for the Promotion of Industrial Investment in Developing Countries.

The objective of the project is to strengthen the co-operation between Switzerland and the developing countries in the area of industrial co-operation, in the promotion of investment projects and related transfer of technology. This objective can be furthered by close and trustful contacts between the United Nations Industrial Development Organization (UNIDO) and Swiss enterprises.

The duration of the project covered by the present arrangement shall be from 1 July 1985 to 30 June 1990. The terms of this arrangement may be modified by mutual agreement in writing.

The Government of Switzerland shall, from its Special Purpose Contribution to the United Nations Industrial Development Fund, place at the disposal of UNIDO for the purpose of meeting the costs of the project an amount of Swiss Francs 3,031,719 estimated at the equivalent of US\$ 1,148,377.

The project will be charged with thirteen (13) per cent on personnel expenditures and five (5) per cent of all other expenditures, which percentages shall be a charge for programme support services provided by UNIDO in the implementation of the project.

UNIDO will operate and supervise the Service. It will provide the Service with all information and support needed for the successful implementation of the project.

The Head of the Service in Zurich will direct and manage the operation of the Service, and with the assistance of his/her staff, implement the programme of the Service for the promotion of industrial investment in developing countries.

¹ Came into force on 20 June 1985, the date of the letter in reply, with effect from 1 July 1985, in accordance with the provisions of the said letters.

² The Delegate for Trade Agreements.

The staff of the UNIDO service, in addition to its Head, will consist of an investment promotion expert and one multilingual secretary. As and if the need arises, assistant professional and secretarial personnel as well as consultants may be assigned to the Service in Zurich.

The Agreement on Privileges and Immunities of the United Nations concluded between the Swiss Federal Council and the Secretary-General of the United Nations on 19 April 1946¹ shall apply to the Service and its personnel.

The Government of Switzerland and UNIDO will carry out a joint evaluation not later than six months prior to the completion of this project, to decide whether or not to continue the project.

Not later than six months after financial completion of the project a final report on its implementation, including a final statement of expenditure on the project, shall be submitted by UNIDO to the Government of Switzerland; the final report shall contain the appraisal of the results of the project by UNIDO on the basis of the joint evaluation as mentioned in the above paragraph. The statement of expenditure shall be expressed in United States dollars converted at the official United Nations rate of exchange in force on the date(s) of transaction(s).

I have further the honour to propose that the present Note and your Note in reply thereto confirming on behalf of UNIDO the above-mentioned arrangements, as described in the attached project document, shall be regarded as constituting an agreement between the Government of Switzerland and UNIDO, which will enter into force on the date of your reply.

I avail myself of this opportunity to renew to you the assurance of my highest consideration.

[Signed]

E. ROETHLISBERGER
Delegate of the Federal Council
for Trade Agreements

Attachment:

Project proposal

Mr. Abd-El Rahman Khane
Executive Director
United Nations Industrial Development Organization
Vienna

¹ United Nations, *Treaty Series*, vol. 1, p. 163.

14 June 1985

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

PROJECT PROPOSAL

Country	Global
Project number	US/GLO/85/084—Rev. I
Project title	UNIDO Service in Switzerland for the Strengthening of Industrial Co-operation and Promotion of Investment with Developing Countries
Scheduled start	1 July 1985
Scheduled completion	30 June 1990
Origin and date of official request	12 April 1985
Government counterpart agency	Ministry of Economy
UNIDO contribution	SFR 3,031,719 equivalent to US\$ 1,148,377 at the rate of exchange 1US\$ = SFR 2.64
Government contribution	
Currency required for UNIDO input	Convertible
UNIDO backstopping section	Investment Co-operative Programme
Proposal submitted by	E. Becker-Boost, Director, DIO/ICP
Date	18 April 1985
Programme component code	31.1.E

1. *Background Information*

Consultations have taken place between UNIDO and the Swiss Authorities to examine the Extension of the UNIDO Service in Switzerland for the Strengthening of Industrial Co-operation and Promotion of Investment with Developing Countries. The Service was initially established in 1978 and extended in July 1980 for a 5 year period.

2. *Objectives of the Project*

In a desire to assist the developing countries in their industrialization efforts through promotion of foreign investment and transfer of technology, and to assist the United Nations Industrial Development Organization (UNIDO) in the execution of its related programmes, the Government of Switzerland will make available to UNIDO a special-purpose contribution for the establishment of a UNIDO Service in Switzerland for the Strengthening of Industrial Cooperation and Promotion of Investment with Developing Countries.

3. *Activities of the Project*

The Service will be located in Zurich. The activities of the Service will cover sectors (branches) of industry for which there is potential in Switzerland with emphasis also on the priority sectors covered in UNIDO's work programme and would relate to the following, in accordance with direction by the Secretariat of UNIDO in Vienna:

- Bringing to the attention of the interested Swiss enterprises industrial projects to be implemented in developing countries and requiring technology and/or financing, with special attention to small and medium-scale industries.
- Identifying potential partners in Switzerland and assisting them as appropriate by providing information and expert advice; organizing where needed contacts between the project sponsors from developing countries and sources of technology, finance and markets in Switzerland.
- Arranging and organizing visits to interested industrial and financial enterprises in Switzerland for potential partners from developing countries.
- Providing information to developing countries on available technologies and existing possibilities of transfer of technology in Switzerland.
- Providing information and advice to interested parties in Switzerland regarding forms of industrial co-operation, such as joint ventures, leasing, sub-contracting, licencing, limited time partnerships and any other form of transfer of resources to the developing countries.
- Providing information to enterprises in Switzerland on the development plans of the developing country concerned and on policies and procedures governing foreign investment.
- Providing information to UNIDO on incentives in Switzerland as they relate to investment in developing countries.
- Expanding an inventory of enterprises in Switzerland interested in and suitable for investing in developing countries.
- Providing training possibilities in the field of industrial investment promotion for nationals of developing countries in Switzerland.

4. *Institutional Structure of the Service*

a. UNIDO will operate and supervise the Service. The Head of the UNIDO Service in Switzerland for the Strengthening of Industrial Co-operation and Promotion of Investment with Developing Countries shall be appointed by the Executive Director of UNIDO in accordance with United Nations regulations, rules and procedures. It is understood that such appointment shall take place after full consultation with the Government of Switzerland. Other staff as may be required by the operation of the Service shall be appointed by UNIDO after consultation with the Government of Switzerland and in accordance with the same regulations governing field project personnel.

b. The staff of the UNIDO Service, in addition to its Head, will consist of one Investment Promotion Expert and one multilingual secretary to assist in the implementation of the programme. If the need arises, assistant professional and secretarial personnel, as well as consultants may be recruited and assigned to the Service in Zurich.

c. The work programme will be in line with the objectives of the project as described under paragraph 2. UNIDO will provide the Service with all information and support needed for the successful implementation of the project.

d. Co-operation in Switzerland will be developed with public and private institutions and enterprises, concerned with the strengthening of industrial co-operation with developing countries, the promotion of investment and related technological activities.