

No. 1008

**UNITED NATIONS
and
UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION**

**Agreement for the transfer of assets (with schedules).
Signed at Vienna on 11 March 1988**

Authentic text: English.

Filed and recorded by the Secretariat on 11 March 1988.

**ORGANISATION DES NATIONS UNIES
et
ORGANISATION DES NATIONS UNIES
POUR LE DÉVELOPPEMENT INDUSTRIEL**

**Accord sur le transfert d'avoirs (avec annexes). Signé à
Vienne le 11 mars 1988**

Texte authentique : anglais.

Classé et inscrit au répertoire par le Secrétariat le 11 mars 1988.

AGREEMENT¹ BETWEEN THE UNITED NATIONS AND THE UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION FOR THE TRANSFER OF ASSETS

The United Nations and the United Nations Industrial Development Organization,

In view of the conversion of the United Nations Industrial Development Organization (hereinafter UNIDO) from an organ of the United Nations into a specialized agency;

Desiring the above-mentioned conversion to take place smoothly and with minimum disruption in the activities of both organizations and in such a way that the various projects of both organizations, as well as their respective contractual rights and obligations, are preserved and maintained;

Taking into account:

(a) Paragraphs 9 and 10 of General Assembly resolution 34/96 of 13 December 1979 on transitional arrangements relating to the establishment of UNIDO as a specialized agency,² which read as follows:

“The General Assembly

“9. Also authorizes the Secretary-General to transfer to the new agency the assets of the United Nations used by the existing United Nations Industrial Development Organization, in accordance with arrangements to be entered into between the Secretary-General, acting in consultation with the Advisory Committee on Administrative and Budgetary Questions, and the Director-General of the new agency;

“10. Further authorizes the Secretary-General to transfer to the new agency the assets of the United Nations Industrial Development Fund, provided that the agency agrees to use such assets in accordance with any undertakings by the United Nations towards the donors of those assets;”

(b) Paragraphs (a) and (b) of Decision GC.1/Dec.35 of the first General Conference of UNIDO adopted at its eighth plenary meeting, on 12 December 1985, which read as follows:

“The General Conference,

“(a) Requests the Director-General to take the necessary measures to effect transfer of assets from the United Nations to UNIDO;

“(b) Authorizes the Director-General to enter into appropriate arrangements with the Secretary-General of the United Nations and the Administrator of the United Nations Development Programme, in respect of transfer of assets.”

Recognizing that in the light of the above, appropriate administrative arrangements for the transfer of assets from the United Nations to UNIDO have been made;

¹ Came into force on 11 March 1988 by signature.

² United Nations, *Official Records of the General Assembly, Thirty-fourth Session, Supplement No. 46 (A/34/46)*, p. 96.

Have concluded the following Agreement in order to confirm those arrangements:

A. ASSETS OF THE UNITED NATIONS INDUSTRIAL DEVELOPMENT FUND

Article 1. The assets and liabilities of the United Nations Industrial Development Fund (hereinafter UNIDF), as reflected in the audited financial statements of UNIDF for the year ended 31 December 1985*, were transferred to UNIDO by the United Nations with the condition that UNIDO would use such assets in accordance with any undertakings by the United Nations towards the donors of those assets, bearing in mind the provisions concerning the management of UNIDF and the general procedures governing its operations as set forth in the annexes to United Nations General Assembly resolutions 31/202¹ and 31/203,² as well as in the special annex for UNIDF to the Financial Regulations and Rules of the United Nations (ST/SGB/UNIDF/Financial Rules/4 (1982)). The record of the transfer of the assets and liabilities of UNIDF in accordance with this Article is annexed to this Agreement as Schedule A.

B. OTHER FINANCIAL ASSETS

Article 2. (a) Assets, liabilities and fund balances relating to technical co-operation activities and to the Special Account for Programme Support costs, insofar as they relate to UNIDO, as shown as at 31 December 1985 in Statement XIV and Schedule 16.1 of the Audited Financial Statements of the United Nations for the Biennium 1984-1985**, were transferred to UNIDO in accordance with Schedule B annexed hereto. All other assets and liabilities maintained in Vienna and shown in Volume I of the aforementioned Audited Financial Statements, including those relating to the General Fund of the United Nations, were, subject to sub-paragraph (b) below, retained by the United Nations.

(b) Financial assets, liabilities and fund balances relating to the Garage Administration and the Catering Service as at 31 December 1985 were transferred to UNIDO, in accordance with Schedule C. Assets, liabilities and fund balances relating to the Common Fund for Major Repairs and Replacements were transferred to UNIDO pursuant to the decision of the Joint Committee which administers the Common Fund, at its 10th session on 11 March 1986. The record of the transfer of such financial assets, liabilities and fund balances is annexed to this Agreement as Schedule D.

Article 3. Bank accounts held by UNIDO on behalf of the United Nations up to 31 December 1985 were transferred to UNIDO as from that date, in accordance with Schedule E annexed to the present Agreement, and their panels of signatories were amended accordingly. To the extent that any bank account so transferred to UNIDO comprised or contained an asset of a fund retained by the United Nations pursuant to Article 2 (a) of this Agreement, a cash settlement was made by UNIDO

* See *Official Records of the General Assembly, Forty-first session, Supplement No. 51 (A/41/5/Add.9)*.

** See *Official Records of the General Assembly, Forty-first session, Supplement No. 5 (A/41/5, volume I)*.

¹ United Nations, *Official Records of the General Assembly, Thirty-first Session, Supplement No. 39 (A/31/39)*, p. 170.

² *Ibid.*, p. 171.

to the United Nations of the amount in the account, as it appeared in the books of account as at 31 December 1985. The detailed record of the cash settlements is annexed to this Agreement as Schedule F.

C. EQUIPMENT, FURNITURE AND SUPPLIES AT
THE VIENNA INTERNATIONAL CENTRE

Article 4. (a) Equipment, furniture and supplies at the Vienna International Centre which had been acquired by the United Nations for the use of UNIDO as an organ of the United Nations and for the United Nations units at Vienna, were divided by the parties on the basis of the inventory record existing on 31 December 1985 and those assets up to then used by UNIDO were transferred to UNIDO. The record of the apportionment of equipment, furniture and supplies in accordance with the present Agreement is annexed as Schedule G to this Agreement.

(b) Equipment, furniture and supplies in stores as at 31 December 1985, as well as such items on order on that date and chargeable to the 1984-85 United Nations Regular Budget funds, have been apportioned between the parties in accordance with administrative arrangements made between the parties. A record of such apportionment is included in Schedule G to this Agreement.

Article 5. Equipment, furniture and supplies transferred to UNIDO pursuant to Article 4 above that were used by UNIDO by virtue of its responsibilities under the Memorandum of Understanding concerning common services at the Vienna International Centre (1977), for Buildings Management, Catering Service, Conference Services, Language Training and Garage Administration, shall be retransferred to the United Nations to the extent that responsibility for any of these services should ultimately be conferred upon the United Nations.

D. EQUIPMENT AND SUPPLIES IN THE FIELD

Article 6. (a) Unless otherwise agreed between the United Nations Development Programme (hereinafter UNDP) and UNIDO, pursuant to paragraph (c) below, title to equipment and supplies in the field, purchased prior to 1 January 1986 with funds of UNDP, as detailed in the relevant project inventories and outstanding transfer of title documents and annexes, if any, shall remain with the United Nations and be vested in UNDP.

(b) In order to avoid interruption in the provision of technical assistance, UNIDO continued to be charged with the management and control of all such equipment and supplies involved in such technical assistance administered by it.

(c) UNIDO and UNDP may conclude an appropriate administrative arrangement regarding management and control of such equipment and supplies.

Article 7. Title to equipment and supplies in the field, purchased prior to 1 January 1986 from trust funds administered and managed by UNIDO as an organ of the United Nations, from UNIDF or from the United Nations Regular Budget, as detailed in the relevant project inventories and outstanding transfer of title documents and annexes, if any, was transferred to UNIDO as of 1 January 1986.

Article 8. On completion of the projects financed from UNDP funds, UNIDF or technical co-operation trust funds administered by UNIDO as an organ of the

United Nations, title to equipment has been or shall be transferred to the respective Governments receiving technical assistance, at the end of each project in accordance with the respective project document.

E. RIGHTS AND OBLIGATIONS UNDER EXISTING CONTRACTS

Article 9. (a) Subject to paragraph (b) below, the United Nations hereby transfers to UNIDO the rights and obligations arising from contracts concluded by UNIDO as an organ of the United Nations, for the purpose of acquiring equipment, supplies or services for implementation of technical assistance projects, or for supplier services, equipment or supplies at Vienna or for other official purposes.

(b) Where it is necessary to obtain the explicit consent of a third party to the transfer of rights and obligations arising from contracts concluded by UNIDO as an organ of the United Nations, the United Nations and UNIDO shall co-operate in facilitating the necessary arrangements.

(c) In all cases where UNIDO accepts contractual rights and obligations under existing contracts concluded by UNIDO as an organ of the United Nations, UNIDO shall hold harmless the United Nations for all actions, claims, requests and orders arising from future actions of UNIDO under such contracts; UNIDO shall defend all actions brought against the United Nations in respect of such contracts and shall indemnify the United Nations for any damages arising out of such contracts.

F. HEADQUARTERS PREMISES

Article 10. The United Nations and UNIDO recognize that any transfer of part of the premises of the Vienna International Centre cannot be effected directly by an arrangement between the United Nations and UNIDO but requires one or more agreements between the Government of Austria, the United Nations, UNIDO and the International Atomic Energy Agency. Separate arrangements shall therefore be made in this regard.

G. GENERAL PROVISIONS

Article 11. The United Nations and UNIDO shall resolve all disputes arising out of this Agreement through negotiations.

DONE this 11th day of March 1988, at Vienna.

For the United Nations:

[Signed]

MARGARET J. ANSTEE
Director-General
United Nations Office at Vienna

For the United Nations
Industrial Development Organization:

[Signed]

DOMINGO L. SIAZON Jr.
Director-General