



**Economic and Social
Council**

Distr.
GENERAL

TRADE/WP.8/2004/13
18 December 2003

Original: ENGLISH

ECONOMIC COMMISSION FOR EUROPE

COMMITTEE FOR TRADE, INDUSTRY AND
ENTERPRISE DEVELOPMENT

Working Party on Industry and Enterprise Development

Fifth session, 12 and 13 February 2004

Item 7 of the provisional agenda

DIRECTIONS OF FUTURE WORK AND PROPOSALS FOR NEW ACTIVITIES

1. At its meeting on 9 September 2003, the Bureau of the Working Party discussed possible new directions of work and proposed to group in the future the WP.8's activities under the following headings:

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
- Information and Communication Technologies (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 the ECE region
- women's entrepreneurship

- youth entrepreneurship
- management systems and practices for SMEs.

2. To varying extents, most of the above-mentioned programme elements have already been dealt with by the Working Party in the past. At the same time, the “corporate governance” and “corporate social responsibility” are new areas, in which the Working Party so far has had no experience.

3. If the Working Party agrees with the proposed changes in the programme of work, namely with the proposal to include in it the programme element on corporate governance, it may wish to ask the secretariat to conduct a survey among member States and other interested parties aimed at identifying the topical issues relating to corporate governance. On the basis of such a survey, the secretariat would identify the major areas where UNECE could make a contribution. One such area could probably be the relationship between corporate managers, financial institutions and shareholders.

4. At its meeting in September, the Bureau also agreed that if the UNECE decided to initiate work in the area of “corporate social responsibility”, it should be related to environmental aspects of corporate social responsibility, and the UNECE Committee on Environmental Policy should take the lead in this activity. The Working Party might wish to reflect on the ways it could contribute to this work.

5. The Bureau requested the Working Party to send comments to the secretariat on the proposed directions of future work not later than 1 December 2003. It also asked the secretariat to prepare the present note reflecting both the above-mentioned proposals by the Bureau and comments received from member States.

6. By the indicated date, the secretariat had received one comment on the proposals by the Bureau from the Government of the Russian Federation. In this comment, the Russian Government proposed to include in the future work programme of the Working Party the following topics:

- support for small enterprises, as an instrument of industrial restructuring and innovation; and
- mechanisms of state support for export-oriented production in high value added and high technology industries.

7. The Russian Government indicated that these activities could be developed by the Team of Specialists on Industrial Restructuring with assistance from the Regional Adviser on Entrepreneurship and SMEs.

8. The Working Party may wish to consider and decide on the proposed changes in the programme of work. If it decides to include new programme elements in addition to the programme elements which are currently implemented, it should consider discontinuing some of the latter.