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COMMITTEE FOR TRADE, INDUSTRY AND
ENTERPRISE DEVELOPMENT

Working Party on Industry and Enterprise Development
Third session, 14 and 15 February 2002

REPORT OF THE THIRD SESSION

HIGHLIGHTS

At its third session, the Working Party on Industry and Enterprise Development:

- Discontinued mandates of the Teams of Specialists on Business Incubators, on Business Advisory, Counselling and Information Services and on Radioactive Contaminated Metal Scrap, which have accomplished their objectives (paragraphs 12, 13 and 15)
- Accepted the proposal of France to organize a seminar on Analysis, Methodology of Treatment and Remediation of Contaminated Soils and Ground Water” in Paris in 2003 (paragraph 16)
- Established two new Teams of Specialists on Industrial Restructuring and on Quality Management Systems (paragraphs 22 and 23)
- Assigned the Team of Specialists on Entrepreneurship in Poverty Alleviation to deal with the topic of youth entrepreneurship (paragraph 24)
- Asked the Team of Specialists on Internet Enterprise Development to assist the Romanian Government in coordinating the preparations for the World Summit for Information Society to be held in Bucharest in November 2002 (paragraph 26)
- Adopted its programme of work for 2002-2003 (paragraph 27)

Introduction

1. The Working Party on Industry and Enterprise Development held its third session on 14 - 15 February 2002.
2. Representatives of the following countries participated: Albania, Azerbaijan, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Federal Republic of Yugoslavia, Finland, France, Germany, Hungary, Ireland, Israel, Italy, Kazakhstan, Kyrgyzstan, Latvia, Netherlands, Poland, Republic of Moldova, Romania, Russian Federation, Slovakia, Slovenia, Sweden, Switzerland, The former Yugoslav Republic of Macedonia, Turkey, Ukraine, United Kingdom of Great Britain and Northern Ireland and United States of America.
3. Representatives of the European Commission and the United Nations Industrial Development Organization (UNIDO) also took part in the session.
4. Ms. Larissa Kapitsa, Director of the Coordinating Unit for Operational Activities, welcomed the delegations and highlighted the role of the Working Party in implementing the UNECE strategic directions for enterprise development. At current stage of transition process, the activities of the Working Party focus on identifying ways and means of restructuring inefficient industries in transition countries on the one hand, and creating environment conducive to the development of new enterprises, on the other. This emphasis should be taken into account when the Working Party discusses its programme of work and identifies practical projects to be implemented in transition economies.

Item 1: Adoption of the agenda

Documentation: TRADE/WP.8/2002/1

5. The Working Party adopted the provisional agenda.

Item 2: Election of officials

6. Ms. K. Gurbiel (Poland) was elected Chairperson, and Ms. D. Karajic (Croatia), Ms. J. Habuda (Hungary) and Ms. T. Skameykina (Russian Federation) Vice-chairpersons of the Working Party.
7. The Chairperson congratulated the Working Party on its successes in implementing the integrated programme for enterprise development during the past year and expressed hope that the third session of the Working Party would result in a programme of work, which would meet the needs of member states in the area of industry and enterprise development.

Item 3: Matters arising from the Committee for Trade, Industry and Enterprise Development

Documentation: ECE/TRADE/280

8. The Working Party took note of the secretariat report on the outcome of the fifth session of the Committee for Trade, Industry and Enterprise Development (CTIED).

Item 4: Ongoing activities

9. The Working Party agreed that in order to avoid overlapping and benefit from synergies of coordinated effort, it should more actively exchange views and ideas, and coordinate its activities

with the other international organizations operating in the area of industry and enterprise development.

10. It was also noted that the nature of certain activities required a regional (as opposed to national) approach and this circumstance should be taken into account when planning the future work of the WP. 8.

Documentation: TRADE/WP.8/2002/2

11. The Working Party took note of the reports of the following teams of specialists.

12. The Team of Specialists (TOS) on Business Incubators had reviewed the UNECE Guidelines on Best Practice in Business Incubation. The second edition of the Guidelines was published in 2001. Since no concrete additional work was proposed, the Working Party decided not to extend its mandate.

13. Delegations also heard the report on the ongoing activities of the Team of Specialists on Business Advisory, Counselling and Information Services. The report is currently in print and will be published on the WP.8 website. As the TOS had accomplished its assignments, the Working Party decided not to extend its mandate.

Documentation: TRADE/WP.8/2002/3

14. The Working Party was informed that the Team of Specialists on Internet Enterprise Development, established two years before, was successfully expanding its activities. Since its institution, it held four sessions. The fourth (executive) session, which had been held just before the third session of the Working Party on 11-12 February 2002, reviewed new proposals from member States. Over the past twelve months, in close collaboration with UNECE member States, the Team organized four conferences, namely those on Digital Economy Development in Romania, E-Government Development in Hungary, E-Work Development in Poland and E-Regulatory Framework Development in Switzerland. The activities undertaken by the Team of Specialists during the reporting period are summarized in the secretariat note TRADE/WP.8/2002/3. The Working party extended the mandate of the Team of Specialists for one more year.

Documentation: TRADE/WP.8/2002/4

15. The Team of Specialists on Radioactive Contaminated Metal Scrap elaborated a document entitled "Management of Radiation Protection Aspects in the Recycling of Metal Scrap". It was aimed at the authorities in charge of the radiation protection, and of the safety and security of radioactive substances. The secretariat informed the Working Party that the above-mentioned document had been presented to representatives of industry on several occasions, and several industrial sites had used its stipulations. As the Team of Specialists on Radioactive Contaminated Metallurgical Scrap had reached its objective (elaboration of the above-mentioned document), the Working Party decided not to extend its mandate.

Documentation: TRADE/WP.8/2002/5

16. The Working Party heard a report on the ongoing activities of the Team of Specialists on Chemiseed and accepted the proposal of France that a seminar on "Analysis, Methodology of Treatment and Remediation of Contaminated Soils and Ground Water" be organized in Paris in 2003 with the assistance of this TOS. To implement this activity, the Working Party extended the mandate of the Team of Specialists until the fourth session of the Working Party to be held in 2003.

Item 5: Regional Advisory Services

Documentation: TRADE/WP.8/2002/6

Small and Medium-sized Enterprises

17. The regional advisor reported on the ongoing activities, the main focus of which was on the creation of a sustainable business environment for SMEs. This environment has a policy and legislative dimensions, and it also depends on efficient business support institutions, access of SMEs to financial resources, and unimpeded information and technology transfer. During 2001, the regional adviser organized a number of missions to transition countries and held discussions with government officials aimed at assisting those countries with the development of SMEs. Several workshops and conferences were organized under the auspices of the UNECE and in close collaboration with other international organizations. A new programme of work extending the ongoing activities to quality management issues was proposed for 2002-2003.

Women's Entrepreneurship

18. The regional advisor on Gender and Economy provided a synopsis of work undertaken with a highlight on the Forum of Women Entrepreneurship held in October 2001 (final report of the Forum is presented in UNECE doc. OPA/AC.21/6). She noted that there was a growing trend to mainstream the gender issues in the decision-making process pertaining to economic and entrepreneurship development in the region. The work of the regional adviser centred on diminishing gender-specific barriers that prevented the development of women entrepreneurship. A series of workshop and seminars was organized in collaboration with governments and NGOs in the region. These meetings emphasized the need to strengthen support to women-entrepreneurs through tailored training and improved information on the available financial sources, business services and new technologies, especially information and communication technologies. To this end, a number of new programmes and activities were proposed.

Item 6: Reporting and cooperation guidelines of bodies subsidiary to WP.8

Documentation: TRADE/WP.8/2002/7

19. The Working Party took note of this document.

Item 7: Cooperation with the business community

Documentation: TRADE/WP.5/2002/3

20. The Working Party took note of this document.

Item 8: Proposals for new activities

Documentation: TRADE/WP.8/2002/8

21. The Secretariat provided delegates with a conceptual framework for the integrated programme of work drawing on the decisions taken by the first and second sessions of the Working Party 8, and the decisions taken by the Committee for Trade, Industry and Enterprise Development at its third and fourth sessions. At present, the integrated programme of work includes the following major components: (a) Industrial Restructuring and Sustainable Industrial Development; (b) Quality

Systems Development, (c) Entrepreneurship in Poverty Alleviation, including Youth Entrepreneurship Development; (d) Women's Entrepreneurship; and (e) Digital Economy Development. The Working Party took note of this information.

Industrial Restructuring and Sustainable Industrial Development

22. The Working Party took note of the Recommendations of the Round Table on "Industrial Restructuring in European Transition Economies: Experience to date and Prospects" held under its auspices on 12 and 13 February 2001 and agreed to establish a new Team of Specialists on Industrial Restructuring subject to approval by the Committee for Trade, Industry and Enterprise Development and approved its terms of reference. The mandate of the Team will consist in assisting governments of the ECE region in managing the industrial restructuring in their countries. In this endeavour, the team will examine best practices of industrial restructuring, organize expert meetings and develop recommendations to governments. The Working Party also asked the secretariat to make the proceedings of the Round Table available to member Governments and other stakeholders in the three working languages of the ECE as speedily as possible.

Quality Management Systems

23. The Working Party was informed of the results of the Expert Meeting on "Best Practice in the Creation of Quality Assurance Systems for Enhancing Competitiveness of SMEs" held in Geneva on 25-26 October 2001. One of the recommendations of that Meeting called for the establishment of an ad hoc team of experts to deal with quality management systems for companies. Accordingly, the Working Party agreed to establish a Team of Specialists on Quality Management Systems subject to approval by the Committee for Trade, Industry and Enterprise Development and approved its terms of reference (document OPA/AC.28/10). In collaboration with the UNECE Working Party on Technical Harmonization and Standardization Policies (WP. 6) this Team will address specific issues relating to improving quality management. To this end, it will produce guidelines and disseminate information on best practices relating to quality assurance at national and regional levels. The Working Party also emphasized the importance of identifying and implementing the relevant regional and sub-regional pilot projects in this area.

Youth Entrepreneurship

24. The Working Party decided that the Team of Specialists on Entrepreneurship in Poverty Alleviation would deal with this topic. The objective of the youth entrepreneurship sub-programme is to assess the situation of the young people in the 15 - 25 year age group, who are neither at school nor on the labour market. The sub-programme will assist countries in re-integrating this fraction of young people in the mainstream of legal economic activities thus pulling them out of poverty. In particular, the focus will be on identifying best policies and practices aimed at enhancing the mobility and employment opportunities for youth. In order to implement pilot projects under this sub-programme, the Team will undertake fund raising activities.

Promotion of Women's Entrepreneurship

25. The Team of Specialists on Women's Entrepreneurship met on 12 and 15 February 2002 and adopted its terms of reference and preliminary programme of work for 2002-2003 for submission to the third session of the WP. 8. The Working Party adopted these documents and requested the Committee for Trade, Industry and Enterprise Development to approve them. The focal points for sub-regions were established to evaluate the situation and specific problems of women-entrepreneurs to be presented at the next meeting of the Team. The planned activities include the organization of a sub-regional workshop for women-entrepreneurs from the southern Caucasus in Georgia and a

workshop on best practices in supporting women-entrepreneurs in Geneva. The Team will establish a roster of experts, who are in the position to advise countries on a no-fee basis, a website and on-line discussion network. The Team will work closely with the Team of Specialists on Internet Enterprise Development in order to transpose the e-commerce related aspects into the context of women entrepreneurship. It is planned to prepare a survey evaluating e-capacity of women in transition countries and establish a cyber-market for women entrepreneurs. Based on the success of a Forum on Women Entrepreneurship held in 2001, a similar Forum bringing together women-entrepreneurs from the UNECE region will be organized on 21 - 22 October 2002 in Geneva.

Digital Economy Development

26. At its meeting on 11 – 12 February 2002, the Team of Specialists on Internet Enterprise Development discussed its new programme of work for 2002 - 2003 covering the following key elements: E-Assessment Report; Virtual SME Development; E-Government Development; Knowledge Management Systems; Survey on E-payment systems; E-Regulation and ODR; E-Work; and M-Commerce. The Working Party asked the Team to assist the Romanian Government in coordinating the preparations for the World Summit for Information Society to be held in Bucharest in November 2002. Special attention was also drawn to the future activities that member States expected the TSIED to engage in. The secretariat informed the Working Party that some additional funding might be available from the European Commission to advance E-Work programme in pre-accession countries. The UNECE Forum on ODR will be organized on 6 - 7 June 2002 at the Palais des Nations in collaboration with the European Commission, OECD, WIPO, UNCITRAL, UNIDO, UNCTAD and CEFAC, which already took part in the Workshop on E-Regulatory Framework Development held on 13 February 2002. Delegations recalled the decisions of the third session of TSIED and requested that the secretariat resources should be upgraded as soon as possible.

Item 9: Adoption of the program of work

27. The programme of work was adopted (see Annex I and IV).

Item 10: Other business

28. Several delegations expressed the opinion that a consultative meeting among international organizations dealing with industry and enterprise development in the region might be useful. Such a meeting should aim at streamlining the programmes of work of the respective organizations and preventing duplication.

Item 11: Adoption of the report

29. The Working Party adopted the report of its third session on 15 February 2002.

Annex I

Programme of Work for 2002 – 2003

1. The draft programme of work for 2002 – 2003 was drawn up on the basis of the decisions taken at the first and second sessions of the Working Party held respectively in November 2000 and March 2001 as well as the decisions taken by the fourth (June 2000) and fifth (June 2001) sessions of the Committee for Trade, Industry and Enterprise Development (CTIED). The activities carried out since the creation of the Working Party in 2000 and the “Proposals for Work to be undertaken” (as contained in TRADE/WP.8/2002/8) were also taken into account.

2. The mission of the Working Party on Industry and Enterprise Development (WP.8) is to promote entrepreneurship, industrial restructuring and a sustainable business environment in the UN/ECE region. To implement this mission it undertakes to:

- (a) identify and examine best practices and policies conducive to industrial restructuring and enterprise development;
- (b) organize the exchange of information and experience, and facilitate international cooperation between the public and private sectors in order to promote the development of competitive business in the UNECE region; and
- (c) make recommendations on government action encouraging industrial restructuring, development of new enterprises and emergence of knowledge-based economy.

The Working party pays special attention to linkages between industrial restructuring, entrepreneurship and knowledge-based economy in the UNECE region.

3. The work programme of the Working Party consists of the following core programme elements:

- I. Industrial Restructuring and Sustainable Industrial Development;
- II. Quality Management Systems;
- III. Entrepreneurship in Poverty Alleviation;
- IV. Women’s Entrepreneurship; and
- V. Digital Economy Development.

4. A calendar of planned and proposed meetings of the Working Party and its Teams of Specialists can be found in Annex IV.

I. Programme Title: Industrial Restructuring and Sustainable Industrial Development

I.1 Sub-programme Title: Industrial Restructuring

Executive Body: Team of Specialists on Industrial Restructuring

Description:

5. Industrial restructuring is a key element of economic reforms in both market and transition economies. Through this mechanism, enterprises and national economies integrate into the regional and world markets. It is important that representatives of governments and other stakeholders in the ECE countries share their views and discuss lessons drawn from their experience of industrial

restructuring. The discussion of its modalities and social implications might assist countries in developing joint approaches and raising efficiency of restructuring in the context of transition. Issues such as regulatory framework, industry-specific aspects of industrial restructuring, the role of new enterprises in alleviating the burden of restructuring, and industrial and territorial clustering are expected to be covered under this work area.

Work Accomplished:

6. On 12 and 13 February 2002, the secretariat organized a Round Table on “Industrial Restructuring in European Transition Economies: Experience to Date and Prospects”. Following the recommendations of this Round Table, WP.8 recommended to the CTIED to establish a Team of Specialists on Industrial Restructuring, which will assist Governments in the ECE region to manage the industrial restructuring in their countries.

Work to be undertaken:

7. The newly established Team of Specialists on Industrial Restructuring will guide the work in this area. Taking into consideration the Recommendations of the Round Table on Industrial Restructuring of 12-13 February 2002, the Team of Specialists is expected to adopt its initial work plan at its first meeting scheduled for 26 April 2002. The Secretariat will publish the Proceedings of the above-mentioned Round Table.

**I.2 Sub-programme Title: Sustainable Industrial Development – Chemical Industry
Sustainable Economic and Ecological Development (CHEMISEED)**

Description:

8. The CHEMISEED programme covers all aspects of security, safety and sustainable development in the chemical sector, including the problems of polluted sites and their cleanup. The Team of Specialists was created on the initiative of WP.8 during its session of March 2001 (TRADE/WP.8/2001/5).

Work accomplished:

9. The first meeting of the TOS took place in October 2001. It examined the activities of the Task Force on the Pilot Project demonstrating the environmental cleanup of selected sites polluted by chemicals. The progress of this project is handicapped by the lack of financing. The TOS has examined the possibilities of cooperation with ICS-UNIDO.

Work to be undertaken:

10. The third session of the Working Party extended the mandate of the TOS on Chemiseed by one year in order to enable it to assist in the organization of a seminar on “Analysis, Methodology of Treatment and Remediation of Contaminated Soils and Ground Water” to be held in Paris in March 2003.

II. Programme Title: Quality Management Systems

Executive Body: Team of Specialists on Quality Management Systems

Description:

11. The Team of Specialists on Quality Management Systems assists governments and enterprises, in particular SMEs, in the implementation of quality management systems in order to increase the competitiveness of enterprises in their countries. To this end, the Team of Specialists examines best practices of national policies for promoting quality assurance systems, and organises the exchange of information and experiences between governments and other stakeholders; collects and analyses information on the use of national quality award schemes and excellence quality models; develops and promotes benchmarking to measure competitiveness of enterprises; raises quality awareness and promotes the creation of quality development centres.

Work Accomplished:

12. In cooperation with BSEC and the Konrad Adenauer Foundation, on 29 - 30 March 2001 UNECE organized a workshop on "Standardization, Quality Control and Quality Assurance Systems for SME" in Istanbul. An expert meeting on Best Practice in the Creation of Quality Assurance Systems for Enhancing Competitiveness of SMEs was organized on 25-26 October 2001 within the framework of the Commission's Regional Advisory Services Programme in cooperation with the Working Party on Technical Harmonization and Standardization Policies (WP.6) and the Working Party on Industry and Enterprise Development (WP.8) in Geneva. At that meeting, the UNECE member States suggested setting up a Team of Specialists for reviewing best practices and elaborating UN Guidelines on the implementation of quality management systems. The expert meeting worked out conclusions and recommendations, and suggested the UNECE to establish a group of experts (a Team of Specialists) on quality-related issues to advise governments and non-governmental organization, as well as the private business on implementing quality assurance policies, especially for SMEs (see the UNECE doc. OPA/AC.18/4). On 13 February 2002, an Expert Meeting on Quality Management Systems was held at the Palais des Nations in Geneva. The main purpose of the Meeting was to determine the scope and the terms of reference of the Team of Specialists on Quality Management Systems and elaborate the programme of work for 2002-2003. On this basis, the Working Party decided to establish a Team of Specialists on Quality Management Systems (QMS), which will also report to WP.6 (see the UNECE documents OPA/AC.28/10 and OPA/AC.28/11).

Work to be undertaken:

13. The Team of Specialists on QMS will contribute to the organization of the Expert Meeting on How to Become a Supplier of Large National and Transnational Corporations to be held on 24 - 25 October 2002 at the Palais des Nations. Its activities in 2002 - 2003 will also include: the adaptation of an interactive CDROM for ecological assessment of enterprises in accordance with the ISO 14,000 standard requirements (second quarter 2002 - mid 2003); comparative analysis of excellent quality models and practices for SMEs taking into account the European Excellent Quality Model by EFQM (second quarter 2002 - end 2003); creation of a Russian Total Quality Management Centre under the auspices of UNECE & UNEP (2002 - 2003); establishment of a Commonwealth of Independent States (CIS) Quality Centre under the auspices of UNECE (2002 - 2003); Creation of a Center of Support for the Public Quality Movement (2002 - 2003); Creation of Quality Management Systems in accordance with the ISO 9,000 series of standards for the Russian Light Industry based on Group Training and Implementation Methodology (2002 - 2003); Study Tour to examine the experiences of winners and finalists of the European Quality Award competition in implementing quality management systems (second - third quarter of 2002 - 2003).

III. Programme Title: Entrepreneurship in Poverty Alleviation

Executive Body: Team of Specialists on Entrepreneurship in Poverty Alleviation

Description:

14. The Team of Specialists (TOS) will focus on youth entrepreneurship as a way to offset the adverse impact of economic/industrial decline on vulnerable groups in economies in transition. Youth, which refers to people aged 15 to 25, has been particularly affected by structural reforms in transition economies. In many countries in the region, there is little or no institutional framework designed to address problems of youth and its integration into a market economy. In its resolution 54/82, the General Assembly recalled its resolution 53/202 concerning the Millennium Assembly and Millennium Summit of the United Nations. It also requested UN bodies to formulate and implement an effective public strategy so as to ensure that the youth dimension would be taken into account in the context of the work related to the entrepreneurship development for poverty alleviation.

Work Accomplished:

15. On 11 February 2002, the secretariat organized the first meeting of National Coordinators on Youth Entrepreneurship, which discussed the current situation of youth in the region, constraints and barriers to labour market entry, and instruments to create a youth-enabling labour market and to build up capabilities and capacities that will ensure the integration of youth adults in the mainstream economic activities.

Work to be undertaken:

16. The secretariat will draw on the recommendations of the meeting mentioned above and explore ways and means to redress the current imbalances generated over the last decade of economic transition. Three approaches will be explored in the near future. First, national practices of youth mainstreaming will be examined together with the effective government policies. Second, the role of the private and public sector partnership on youth integration into labour market will be assessed. Third, the utilization of ICT for youth mainstreaming will be considered as one of its instruments. In August 2002, in cooperation with ILO, UNICEF, UNAIDS and DESA the secretariat will organize the First Regional Forum on Youth: Security, Opportunity and Prosperity, within which it will conduct an expert meeting on Youth Entrepreneurship. The secretariat will also explore the viability of establishing a Youth Millennium Fund in compliance with the Millennium Assembly and Millennium Summit of the United Nations and the UN Guidelines on the public-private partnership.

IV. Programme Title: Women's Entrepreneurship

Executive Body: Team of Specialists on Women's Entrepreneurship

Description:

17. The Team of Specialists will include representatives of Governments, women's business associations and experts. The Team will assist member States to promote women's entrepreneurship through (i) assessing the situation of women-entrepreneurs in individual countries (ii) discussing national policies and identifying best practices (iii) establishing guidelines and policy

recommendations. The work of the Team of Specialists will contribute to strengthening the on-going UNECE activities in the area of women's entrepreneurship.

Work Accomplished:

18. The activities supporting women's entrepreneurship have been initiated and carried out by the UNECE Co-ordinating Unit for Operational Activities, especially the Regional Adviser on SME and Entrepreneurship and the Regional Adviser on Gender and Economy. In 2001 these activities included: the creation of the Portrait Gallery of Excellent Women Entrepreneurs on the UNECE website; organization of the First UNECE Forum of Women Entrepreneurs on 22 October at the Palais des Nations, in Geneva, and sub-regional workshops in Šibenik (June 2001), Moscow (June 2001) and Trieste (November 2001). Detailed description of the work accomplished is presented in the document TRADE/WP.8/2002/6. At its first meeting held on 12 and 15 February 2002, the Team of Specialists discussed its programme of work in the framework of the follow-up activities to the First UNECE Forum of Women-Entrepreneurs.

Work to be undertaken:

19. The following events are planned for 2002-2003: The Second Forum of Women-Entrepreneurs (Geneva, October 2002) and the Round Table on Women and ICT (CEI Summit, Macedonia, November 2002). The feasibility of the regional Congress of Women's Credit Unions and a Round Table on E-commerce will be explored. The materials of the first UNECE Forum of Women-Entrepreneurs will be prepared for publication. A network of women's business associations at the UNECE website will be established.

V. Programme Title: Digital Economy Development

Executive Body: Team of Specialists on Internet Enterprise Development (TSIED)

Description:

20. The TSIED adopts the principles of the UN General Assembly Resolution A/RES/55/191 on the utilization of information communication technologies as a key element for transition into a market economy. It also adopts the recommendations of the UN Task Force on ICT, which gives the highest priority to the employment of ICT for enterprise and entrepreneurship development in transition economies. Through the UNECE Etransition Programme, TSIED assists the member States with economies in transition in using these technologies, in facilitating their accession into the European Union, and their integration in the emerging knowledge-based global economy.

Work accomplished:

21. The secretariat organized the 2^d UNECE Conference on Digital Economy Development in Bucharest, Romania, on 4-5 October 2001; the UNECE Workshop on E-Government Development in Budapest, Hungary, on 7 November 2001; the UNECE Seminar on E-Work Development in transition economies in Warsaw, Poland, on 17-18 January 2002; and the UNECE Workshop on E-Regulatory Framework Development in Geneva, Switzerland, on 13 February 2002. The 2nd and 3rd sessions of the Team of Specialists on Internet Enterprise Development established a work programme for 2002-2003. For more details on the activities of the Team, please see the Report (TRADE/WP8/2002/3).

Work to be undertaken:

22. As a follow-up to the Workshop on Cyberspace Regulatory Framework Development held on 13 February 2002 and in cooperation with a number of international organizations, the Team of Specialists will organize the UNECE Forum on Online Dispute Resolution (ODR), to be held on 6 - 7 June 2002 in Geneva. Proceedings of both events will be published in 2002 - 2003. As a contribution to the preparations for the World Summit for Information Society (WSIS), TSIED will also assist in the organization of its preparatory meeting in Romania (November 2002). In order to assess the potential for digital economy development in transition economies, the Team will start preparing Internet Economy country reports. This series will start with the case of Poland and will continue country by country, resources permitting. TSIED will also assist the European Commission in coordinating the regional activities in the area of e-work and telework. A report on E-Payment Systems development in transition economies is being prepared in cooperation with the German Institute of ITAS to be completed in 2003. In June 2003, the Team will organize a UNECE Forum on E-Transition, which will discuss major achievements and new challenges for the knowledge economy development in the region.

Annex II

Working Party on Industry and Enterprise Development (WP. 8)

Team of Specialists on Industrial Restructuring

Terms of Reference

Mandate

The mission of the Team of Specialists on Industrial Restructuring is to assist governments of the ECE region to manage the industrial restructuring in their countries.

To this end the Team of Specialists:

- I. examines the best practices of industrial restructuring in the ECE region and organizes the exchange of information and experience between governments
- II. promotes dialogue between governments, public and private sectors, representatives of regions affected and other stakeholders involved in industrial restructuring, in order to raise its efficiency and reduce associated social costs
- III. studies economic and regulatory issues related to sectoral and regional aspects of industrial restructuring and develops recommendations to governments on the relevant policy matters.

Methods of work

To fulfil its mandate, the Team of Specialists may convene ad hoc meetings and seminars, initiate studies, organize study tours and assist in organizing workshops, or adopt any other appropriate method of carrying out its agreed programme of work. It coordinates its activities with those of other international organizations dealing with issues of industrial restructuring so as to avoid the duplication of work.

Recommendations of the UNECE Round Table on Industrial Restructuring

The Round Table on Industrial Restructuring in European Transition Economies held on 12 and 13 February 2002 recommended to the Working Party 8 to consider the following priority areas of work for the Team of Specialists on Industrial Restructuring: government policies conducive to industrial restructuring and innovation; measures aimed at attracting external resources to sectors and enterprises under restructuring; and improved corporate governance as a vehicle to enhance competitiveness of enterprises.

It also recommended that the first meeting of the Team of Specialists should take place no later than 30 June 2002.

Organization

The Team of Specialists on Industrial Restructuring is set up for an initial period of two years. Subsequently, the Working Party 8, its parent body, will consider the need for the renewal of its mandate on a yearly basis.

Participation in the activities of the Team of Specialists is open to representatives of governments and other stakeholders, including non-governmental and international organizations, willing to contribute to its objectives. All costs associated with their participation in the activities of the Team of Specialists are borne by its members.

At its first meeting, the Team of Specialists will elect its Chairperson and vice-Chairperson(s). These officials will be responsible for co-ordinating the Team's activities and liaising with the UNECE secretariat. It will also decide on the priorities of its programme of work and propose concrete projects to be implemented by the Team of Specialists.

The Team of Specialists will hold its sessions when required. It will review the results of its work and report thereon to the Working Party on Industry and Enterprise Development at its annual sessions.

Annex III

Working Party on Industry and Enterprise Development (WP. 8)

Team of Specialists on Quality Management Systems

Terms of Reference

Mandate

1. The mission of the Team of Specialists (Advisory Group) on Quality Management Systems (QMS) is to assist governments and enterprises, in particular SMEs, of the ECE region in the implementation of quality management systems in order to increase the competitiveness of enterprises in their countries. To this end, the Team of Specialists:

- examines the best practices of national policies for promoting quality assurance systems in the ECE region and organizes the exchange of information and experience between governments, business community, national quality organizations and civil society;
- collects and analyses information on the use of national quality awards schemes and excellence quality models implemented in the UNECE region;
- develops a dissemination strategy for the work of the Team of Specialists on QMS. This will include: overview of all national and international quality programs, and the development of quality processes by SMEs;
- develops and promotes benchmarking to measure the competitiveness of enterprises in the UNECE region;
- raises quality awareness through promotion of quality excellence models in countries in transition in order to accelerate the participation of the enterprises in these countries in the European Quality Award scheme;
- promotes the creation of quality development centres (Centres for Excellence) to enhance quality management systems, including Total Quality Management and other quality management systems, in countries of the UNECE region;
- creates a web site within the framework of the UNECE web-system in co-operation with the participating specialists in order to promote quality awareness amongst the Member States of the Commission.

Establishing the Team of Specialists

2. The proposal on establishing the Team of Specialists on Quality Management Systems (further referred to as Team of Specialists) was made at the Expert Meeting on "Creation of Quality Assurance Systems for Enhancing Competitiveness of SMEs" held on 24-25 October 2001 at the Palais des Nations. It was also presented at the annual session of the Working Party on Technical Harmonization and Standardization Policies (WP.6) on 28 October 2002, which supported this proposal.

3. The proposal to establish the above-mentioned Team of Specialists was also supported by the Bureau of the Committee for Trade, Industry and Enterprise Development (CTIED), which requested the CTIED to endorse this proposal.

4. The Meeting of Experts on Quality Management Systems held on 13 February 2002 at the Palais des Nations in Geneva discussed the terms of references of the Team, elected its Chairpersons and agreed on the Programme of Work for 2002-2003.

Methods of Work

5. To fulfil its mandate, the Team of Specialists may convene ad hoc meetings and seminars, initiate studies, organize study tours, assist in organizing workshops, and may adopt any other appropriate methods of carrying out its agreed programme of work.

Organization

6. The Working Party on Industry and Enterprise Development (WP.8) approves the mandate of the Team of Specialists on Quality Management Systems initially for the duration of two years. After the first two years of operation, the Working Party will consider the need for renewal of this mandate.

7. Participation in the activities of the Team of Specialists on QMS is open to all Governments, private sector representatives, academic experts, NGOs dealing with quality management, which are willing to contribute to its objectives. All costs associated with their participation in these activities are borne by the Team's members.

8. At its first meeting, on 13 February 2002, the Team of Specialists elected its Chairperson and vice-Chairpersons. These officials will be responsible for coordinating the Team's activities and working in conjunction with the UNECE secretariat. The elected persons are as follows:

Chairperson: *Mrs. Signe RATSO*, Deputy Secretary General, Ministry of Economic Affairs (Republic of Estonia)

Co-chairs: *Prof. Lidia SHOKINA*, Deputy Chair of the CCI RF Committee on Sustainable Development and Ecology (Russian Federation)
Prof. Lee Harvey, Centre for Research into Quality, University of Central England in Birmingham (United Kingdom)
Dr. Johnny Lindström, President, Swedish Institute for Quality (Sweden)

9. The Team of Specialists will hold its sessions when required. It will review the results of its work and report to the Working Party on Industry and Enterprise Development at its annual sessions.

10. The Team of Specialists will also report to the Working Party on Technical Harmonization and Standardization Policies (WP.6) and cooperate with it.

Collaboration with other UN Bodies and International Organizations

11. The Team of Specialists together with the UNECE secretariat works in close consultation with other regional economic commissions, the ILO, ITU, WIPO, UNIDO, UNCTAD, the EU, EFQM and EOQ, and other relevant international organizations to promote quality consciousness and the European quality excellence models in transition economies and benchmarking these in advanced market economies and EU candidate countries.

Extra-Budgetary Resources

12. The Team of Specialists on QMS will investigate the possibilities of raising extra-budgetary resources to complement the existing resources and to facilitate the creation of quality development centres in the countries in transition.

Annex IV

Provisional List of Meetings of the Working Party on Industry and Enterprise Development for 2002-2003

2002

26 Apr	Team of Specialists on Industrial Restructuring
6 – 7 Jun	UNECE Forum on Online Dispute Resolution (ODR)
26 - 28 Aug	First Regional Forum on Youth: Security, Opportunity and Prosperity
21 - 22 Oct	Second UNECE Forum of Women-Entrepreneurs
22 Oct	Workshop on promoting Industrial Restructuring: political and regulatory framework
23 Oct	Team of Specialists on Industrial Restructuring
23 Oct	Forum on Best Practice in the Development of Entrepreneurship and SMEs: The Croatian and Slovenian Experiences
24 - 25 Oct	Expert Meeting on How to become Supplier of large Enterprises and Transnational Corporations
7 - 8 Nov	Team of Specialists on Internet Enterprise Development

2003

18 - 19 Feb	Team of Specialists on Quality Management Systems
19 - 20 Feb	Team of Specialists on Women's Entrepreneurship
21 - 22 Feb	Working Party on Industry and Enterprise Development (WP.8)
15 - 17 Apr	Second UNECE Forum on Youth: Security, Opportunity and Prosperity
24 - 25 Apr	Regional Conference on the Role of New Technologies in Industrial Restructuring
26 Apr	Team of Specialists on Industrial Restructuring
3 - 4 Jun	UNECE Forum on E-Technologies for Transition Economies
21 - 23 Oct	Third UNECE Forum of Women-Entrepreneurs
22 Oct	Forum on Best Practice in the Development of Entrepreneurship and SMEs: The Russian Experience
23 Oct	Team of Specialists on Industrial Restructuring
23 Oct	Forum on Best Practice in the Development of Entrepreneurship and SMEs: The Latvian Experience
24 - 25 Oct	Expert Meeting on Best Practice in Promoting and Supporting SMEs
4 - 5 Nov	Team of Specialists on Internet Enterprise Development
24 - 25 Nov	Regional Forum on Industrial Restructuring