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**REPORT BY THE DIRECTOR-GENERAL ON THE FEASIBILITY STUDY FOR THE
ESTABLISHMENT OF AN INTERNATIONAL CENTRE FOR SOUTH-SOUTH
COOPERATION IN SCIENCE, TECHNOLOGY AND INNOVATION
IN KUALA LUMPUR, MALAYSIA, AS A CATEGORY 2 CENTRE
UNDER THE AUSPICES OF UNESCO**

SUMMARY

This document consists of a report by the Director-General assessing the feasibility of the proposal submitted by the Malaysian Government for the establishment of an international centre for South-South cooperation in science, technology and innovation in Kuala Lumpur. It reviews the prerequisites for the establishment of the centre and provides the scientific and institutional rationale behind the Malaysian proposal. It is accompanied by a Draft Agreement between UNESCO and the Government of Malaysia (Annex).

Decision proposed: paragraph 39.

INTRODUCTION

1. The Government of Malaysia has proposed the creation of an international centre for South-South cooperation in science, technology and innovation in Kuala Lumpur to be established under the auspices of UNESCO. Emphasis of the centre would be on facilitating the integration of a developmental approach into national science and technology and innovation policies, organizing capacity-building, providing policy advice and exchange of experience and best practices, and conducting research and problem-solving in science, technology and innovation (STI) policy in developing countries.

2. Taking into consideration the potential importance of the centre for development and its emphasis on the South-South cooperation, the Director-General has responded positively to the request of the Malaysian Government and requested that the Natural Sciences Sector conduct a feasibility study in close cooperation with the Malaysian Ministry of Science, Technology and Innovation.

BACKGROUND

3. **UNESCO, through its Science, Technology and Innovation (STI) policy programme,** plays an important role in assisting developing countries in strengthening their national capacities in science, technology and innovation policy formulation. The Organization has been advocating a participatory approach in policy-making through dialogue among decision-makers, the scientific community, the private sector, civil society and other key partners, and emphasizing the importance of ethics of science and technology. UNESCO, in addition to advising Member States on the development of their national science, technology and innovation policies, also encourages regional and subregional cooperation in the field of science and technology policy. UNESCO also promotes research and development (R&D) applications, primarily through assisting universities in developing technology incubation, science and technology parks, the exchange of information, experience and good practices and the development of knowledge management and policy instruments.

4. **There is a need for an international platform for science, technology and innovation policy in developing countries.** Almost all developed countries have well established science policy research centres/institutes which provide training and policy advice and conduct research. However, such a capacity is lacking in many developing countries where science, technology and innovation systems are fragmented and with very little coordination. Furthermore, research centres/institutes are very rare. Thus, an international centre on science, technology and innovation policy will facilitate capacity-building in policy analysis for developing countries. Initially, the centre may provide training and research opportunities and policy advice; at a later stage, it may help its Member States to develop their own national centres.

5. **Doha Plan of Action of the Group of 77 and China.** The Heads of State and Government of the Group of 77 and China, meeting in Doha, Qatar, from 12 to 16 June 2005 on the occasion of the Second South Summit of the Group of 77, adopted the Doha Plan of Action. The Summit urged UNESCO to develop and implement a programme for South-South cooperation in science and technology with the objective of facilitating the integration of a developmental approach into national science and technology and innovation policies, capacity-building in science and technology through providing policy advice and exchange of experience and best practices, and creating a problem-solving network of centres of excellence in developing countries as well as supporting the exchange of students, researchers, scientists and technologists among developing countries.

6. **33 C/Resolution 23 (I).** The General Conference, through 33 C/Resolution 23 (I.5(xi)), authorized the Director-General to follow up and implement paragraph 55(a) of the Doha Plan of Action. The resolution emphasized that UNESCO actions will focus on: establishment of South-

South cooperation in science and technology; enabling a programme of cooperation in this field to be developed and implemented for the purpose of facilitating the integration of a development approach into national science, technology and innovation policies; building capacities in science and technology; providing policy advice and exchanges of experience and best practice; creating problem-solving networks of centres of excellence in developing countries; and facilitating the exchange of students, researchers, scientists and technologists among developing countries. The creation of the proposed centre would constitute a key element of response by UNESCO to the Doha Plan of Action.

CONSIDERATION OF THE FEASIBILITY OF THE PROPOSED CENTRE

7. The feasibility study has endeavoured to address requirements specified in the principles and guidelines regarding the establishment and operation of UNESCO institutes and centres (category 1) and institutes and centres under the auspices of UNESCO (category 2) approved by 33 C/Resolution 90. It has also taken into account other aspects deemed useful for assessing the viability of the proposed international centre for South-South cooperation in science, technology and innovation. These points are examined in paragraphs 8 to 38 below.

8. The Malaysian authorities proposed that the international centre be based initially in the Academy of Science Malaysia (ASM), 902-4 Jalan Tun Ismail, 50480 Kuala Lumpur. This is a public institution which was established in 1993 by an act of parliament entitled "Academy of Sciences Act". The Minister of Science, Technology and Innovation is responsible for ASM under the Act. It serves as the core of the national scientific, engineering and technology advisory system.

9. In accordance with the instructions of the Director-General in the letter dated 21 November 2006, a feasibility study was undertaken in December 2006. A number of institutions were visited:

- (a) A UNESCO team visited the Academy of Science Malaysia, The Malaysia Standards and Industrial Research Institute of Malaysia (SIRIM), the Secretariat of the World Association of Industrial Research Organizations (WAITRO), the International Islamic University Malaysia, and several institutions under the umbrella of the Ministry of Science, Technology and Innovation (MOSTI), such as: Division of Science and Technology, Technology Park Malaysia, Multi-Media Development Corporation, Malaysia Meteorological Department, Malaysia Remote Sensing Institute and National Science Centre Malaysia.
- (b) The report took into consideration the existence of STI policy, technology and business networks around the world. Among the most famous international and regional networks which were consulted were: the Third World Academy of Sciences (TWAS), Science and Technology Policy Asian Network (STEPAN), the African Policy Studies Network (ATPS), the Arab Science and Technology Foundation (ASTF), the Network on Science and Technology Indicators in Latin America and the Caribbean (RICYT), the OIC Standing Committee on Scientific and Technological Cooperation (COMSTECH), the World Association of Industrial Research Organizations (WAITRO), the Federation of Asian Scientific Academies and Societies (FASAS) and the World Federation of Engineering Organizations (WFEO).
- (c) Several research institutions in the North and the South have also been consulted: the Science and Technology Policy Research Unit (SPRU) in Sussex University, United Kingdom; the Policy Research in Engineering Science and Technology (PREST) in Manchester University, United Kingdom; the Kennedy School of Government at Harvard University, United States of America; the Australian Industry Group at New South Wales, University of Sydney, Australia; Maastricht Economic and Social Research and Training Centre on Innovation and Technology (MERIT) in the

Netherlands; the Science and Technology Policy Institute (STEPI) in the Republic of Korea; and the National Institute of Science Technology and Development Studies in India.

STATUS OF THE INTERNATIONAL CENTRE

10. It is proposed that the centre be established as a category 2 institution. The Malaysian Government ensures that the international centre will be a public institution established under Malaysian national law. The Ministry of Science, Technology and Innovation (MOSTI) is responsible for the international centre. The centre will create and implement its own programmes and activities. It is envisaged that in the initial phase of development (i.e. the first five years) the centre will operate from facilities within the Academy of Science Malaysia and be based largely upon the existing facilities and expertise of this institution. The President of ASM would serve as interim director of the international centre until the appointment of a permanent director, within a period of six months following approval of the proposal. Recruitment of director, technical and support staff would commence shortly after approval of the proposal. It is recommended that selection should be based primarily on those areas of science and technology innovation of greatest interest to the South, and that a regular review of programmes be introduced in order to accommodate emerging priorities.

11. After the development period of a maximum of five years, the centre is to be relocated to a separate facility located in Kuala Lumpur (core facility) and become an independent public sector entity from the hosting institution (ASM). Ultimately, at the end of the five-year development period, the centre would have its own full complement of regular experts, technical and support staff.

12. Governance: The centre will have a governing board, an executive committee, a scientific council and a secretariat.

- (a) The governing board, which will have the function of guiding the activities of the international centre, will comprise a chairperson (from Malaysia), representatives of UNESCO Member States wishing to participate in the centre's activities which have sent a notification to the Director-General to this effect, and a UNESCO representative.
- (b) The executive committee, which will be constituted in consultation with the governing board and will be responsible for the day-to-day management of the centre, will comprise a representative of the Malaysian Ministry of Science, Technology and Innovation, representatives of regions represented in the governing board including, where appropriate, representatives of developing countries from each region, a representative of UNESCO and the director of the international centre (as a non-voting member).
- (c) The scientific council shall be comprised of 10 members appointed by the governing board from among scientific, technical and legal experts as well as representatives of the business community. It may include representatives of the Government of Malaysia and UNESCO. The council will provide technical advice for planning, execution, review and monitoring of the programme of the international centre.
- (d) The secretariat will be responsible for executing the day-to-day activities of the International centre under the authority of the director of the international centre appointed by the governing board in agreement with the Director-General.

13. The Ministry of Science, Technology and Innovation will be responsible for the international centre and will coordinate all linkages of the centre with other ministries/departments of the Government of Malaysia.

14. Consultations with countries in the South and others have been organized by the Malaysian authorities with a view to establishing terms of cooperation with the international centre.

CAPABILITY OF THE ACADEMY OF SCIENCE MALAYSIA (ASM) TO HOST THE INTERNATIONAL CENTRE

15. In terms of infrastructure, the ASM is well placed to meet the requirements for hosting the proposed initiative. The ASM has good office, meeting and conference facilities (100 participants) in a building in Kuala Lumpur. It already houses the ICSU Asia Centre. It can house initially the international centre without difficulty. The Government of Malaysia approved the allocation of some RM 12.5 million (US \$3.6 million) to be the ASM head office in the Eighth Malaysia Plan 2000-2005 on a one-hectare site leased to ASM by University Putra Malaysia. The site is within the research belt of the Multimedia Super Corridor. It is near the new Administration Capital of Putrajaya opposite the highway to the Putrajaya Marriott Hotel. The building was intended to house all the scientific societies, providing them with common administrative support, an information centre, and meeting, conference and exhibition facilities. Due to a delay in the land lease, the capital allocation was deferred to the Ninth Malaysia Plan 2006-2010. With the proposed international centre for South-South cooperation, it is the intention to redesign the space utilization of this building to suit the purposes of the international centre. It is very well provided with major equipment and facilities needed for advanced training and education.

16. The ASM is involved in a number of bilateral and multilateral programmes of the Malaysian Government. Internationally, the ASM is an active member of the Inter-Academy Panel, a board member of the Inter-Academy Council since 2001, a member of the International Council for ICSU, hosting the ICSU Asia Centre, a close collaborator of TWAS, the President of the ASEAN Council of Academies of Science and Engineering and Similar National Organizations (ASEAN-CASE), the past President of the Science Council of Asia (SCA), and the President and Secretary-General of the Federation of Asian Scientific Academies and Societies (FASAS).

17. The ASM has good working relations with other national and international academic institutions engaged in promoting science, technology and innovation policy. This is coupled with excellent travel links to other national capitals, members of the proposed international centre.

18. The ASM has the capacity to host the international centre because of its sound background and expertise in science, STI policy-related research and human resource development. There was a strong and clear commitment to this initiative on the part of all academic staff. Any gaps that may exist in expertise will be overcome by seconding personnel with appropriate expertise from national institutions, those located within the region or internationally.

OBJECTIVES AND MODALITIES OF THE PROPOSED INTERNATIONAL CENTRE

19. The proposed centre will act as an international platform for South-South cooperation in science, technology and innovation and make use of the network of the G77 plus China and the Organization of the Islamic Conference. Consultations have identified the overall goal of the proposed centre to be an increase in the capacity for management of science, technology and innovation throughout developing countries by:

- (a) providing scientists, managers of research centres/institutions and policy-makers with short- and medium-term training in specified areas, in particular for trainees from developing countries with the aim of improving their capacity in managing science and technology innovation systems. This would include fellowships, training courses and workshops incorporating both specialized and project-oriented training;
- (b) fostering cooperation among governments, academia and industry in order to facilitate transfer of knowledge between the public and private sectors, and the development of

well-planned and relevant knowledge-based programmes and institutions in participating countries;

- (c) scanning and making available knowledge about the potential of new technologies such as information technology (IT), biotechnology (BT), nanotechnology (NT), etc. to address specific problems faced by developing countries;
- (d) developing networks and collaborative R&D and training programmes at regional and international levels, including linking of designated nodal centres in participating countries;
- (e) creating a problem-solving network of centres of excellence in developing countries;
- (f) supporting the exchange of researchers, scientists and technologists among developing countries; and
- (g) facilitating the exchange and dissemination of information.

20. The priorities of the centre will include short- and medium-term training for scientists, managers of research centres/institutes and science policy-makers; workshops; exchange visits by scientists; collaborative research and development projects; and networking in knowledge-based economic development. Short-term programmes will cater to specific areas of interest in keeping with the needs and priorities identified.

REGIONAL OR INTERNATIONAL IMPACT OF THE INTERNATIONAL CENTRE

21. The proposed centre will reinforce existing regional and international networks on science and technology policy and promote new partnerships through the development of mutually beneficial research and development programmes with existing research centres/institutes.

22. The focus of activities of the centre will be demand-driven and directed towards problems relating to use of science, technology and innovation for economic development, especially in the South. This will address priority issues for developing countries and also promote sustainable development.

23. The centre will aim towards the establishment of a functional infrastructure for South-South collaboration for capacity-building, technology transfer and information dissemination. Furthermore, it will foster the development of science, technology and innovation-related industries around the world.

POTENTIAL COMPLEMENTARITY OF ACTIVITIES WITH OTHER EXISTING INSTITUTIONS

24. The proposed centre will cooperate with scientific, technological and business networks at both the regional and international levels. The work of the proposed centre will build upon the established international and regional networks, described below. They are eligible as members of the centre's scientific council (by rotation), which could ensure their active participation in planning, execution, review and monitoring of the programmes and activities of the centre.

- (i) **The Science and Technology Policy Asian Network (STEPAN).** Established in 1988 with the support of UNESCO, STEPAN is a network of researchers and institutions in the Asia-Pacific region focusing on research and training support for national science and technology policy and management programmes. STEPAN's current priority is helping other member countries to review their S&T policies.

- (ii) **The African Policy Studies Network (ATPS).** The ATPS is a multidisciplinary network promoting innovative science and technology policy-making through research, dialogue and advocacy in 23 African countries. The network provides modest grants to individuals and institutions to carry out research on issues of science and technology policy in sub-Saharan Africa. It organizes and implements training activities targeted at policy-makers, legislators, mid-level technocrats, researchers, and leaders in the private sector.
- (iii) **The Arab Science and Technology Foundation (ASTF).** The ASTF comprises Arab scientists, researchers, innovators in technology, and individuals involved in the technical aspects of science and technology, both inside and outside Arab countries. ASTF seeks to coordinate, to develop and to mobilize human resources in support of S&T by creating links and networks in both the private and governmental sectors, to harness know-how, to encourage collaborative research projects and to accelerate the transfer of know-how.
- (iv) **The Network on Science and Technology Indicators – Ibero-American and Inter-American – (*Red de Indicadores de Ciencia y Tecnología* = RICYT).** RICYT, with the participation of all the Latin American countries, Spain and Portugal, was established in Argentina in 1994 with the objective of promoting the development of instruments for measuring and analysing science and technology. Its activities consist of designing indicators for S&T innovation, providing the international comparability and interchange of information on S&T innovation, organizing international workshops, disseminating and diffusing information on S&T innovation, etc.
- (v) **The Third World Academy of Sciences (TWAS).** TWAS is based in Trieste, Italy. It was initially created as an NGO in 1983 by a distinguished group of scientists from the South under the leadership of the late Nobel laureate Abdus Salam of Pakistan. It is now administered as a UNESCO project office. Its objectives are to recognize, support and promote excellence in scientific research in the South; provide promising scientists in the South with research facilities necessary for the advancement of their work; facilitate contacts between individual scientists and institutions in the South; encourage North-South cooperation between individuals and centres of scholarship; and encourage scientific research on major problems in less developed countries.
- (vi) **The OIC Standing Committee on Scientific and Technological Cooperation (COMSTECH).** The main objective of COMSTECH is to promote science and technology development in Member States of the Organization of Islamic Conference through four main programmes: (i) a spare parts programme; (ii) inter-library resources networks service; (iii) science literature programme; and (iv) research grants for young scientists and visiting scientists programme.
- (vii) **The World Business Council for Sustainable Development (WBCSD).** The Council brings together some 180 international companies, from more than 30 countries and 20 major industrial sectors, in a shared commitment to sustainable development through economic growth, ecological balance and social progress. Its mission is to provide business leadership as a catalyst for change toward sustainable development, and to support the business licence to operate, innovate and grow in a world increasingly shaped by sustainable development issues.
- (viii) **The World Association of Industrial and Technological Research Organizations (WAITRO).** It is an independent, non-governmental and non-profit association established in 1970 to promote and encourage cooperation among industrial and technological research and development organizations (RTOs). The Association currently has 160 members in 80 countries. Its objectives are to encourage and facilitate transfer of scientific knowledge and technical know-how, promote exchange of

experience, enhance capabilities in management, identify and promote fields of research suitable for international collaboration, and promote technological research and capability-building in the developing countries.

- (ix) **The World Federation of Engineering Organizations (WFEO)**. Founded in 1968 under the auspices of UNESCO, WFEO is a non-governmental international organization that brings together national engineering organizations from over 90 nations. The Federation is committed to the advancement of the world engineering profession by assisting development of the engineering profession, and facilitating the sharing experience and transfer of technology from one country to another. It works to improve the community's understanding of engineering, the quality of engineering education and training, and the ethics and standards of engineering practice.
- (x) **The Federation of Asian Scientific Academies and Societies (FASAS)**. Established on 15 January 1984 in New Delhi, the Federation has currently 15 members across Asia and the Pacific with the Secretariat in the ASM. FASAS is now devoting its efforts to promoting S&T for the specific purpose of meeting the common developmental needs of the various countries in Asia. To achieve this, attention is now given to science education and to increasing the awareness of the importance of S&T to policy-making and planning at government and corporate levels.
- (xi) Other international institutions such as the Islamic Development Bank, the ASEAN Council for Academy of Sciences, etc.

25. The proposed Centre plans to carry out joint activities and to create a synergy with existing national research centres/institutions, such as:

- (i) **The Science and Technology Policy Institute (STEPI)**, Seoul, Republic of Korea. STEPI is a centre for science, technology and innovation policy research. The centre conducts research and analyses on the issues pertaining to science, technology and innovation; provides government with policy ideas and suggestions for the promotion of innovation; identifies policy issues to effectively deal with future challenges; suggests strategic options for technology development as well as industries; and creates and disseminates S&T policy materials, data and information.
- (ii) **The National Institute of Science Technology and Development Studies (NISTADS)**, New Delhi, India. NISTADS is devoted to a study of various aspects of interaction among science, society and the State. It is one of the 38 institutes/laboratories of the Government of India's Council of Scientific and Industrial Research. The research activity of the Institute can be grouped under the following broad programmes: innovation policy research and development studies, information technology and biotechnology (policy matters and ethical concerns), innovation policy, innovation and knowledge society, technology and integrated assistance to rural artisans, sustainable development, science-technology-education valuation studies, and history and philosophy of science/public awareness of science.

26. The research results from the proposed centre will be applied for capacity-building through the existing and growing networks established as a result of the global activities of the proposed centre. The anticipated impact of the proposed centre on regional and international scientific and technical cooperation is expected to be significant and supportive of the United Nations objectives contained in the MDGs.

FINANCIAL ARRANGEMENTS

27. The Government of Malaysia will provide land on which the international centre will be built and will bear the costs of its construction and of equipping the centre at an estimated cost of US \$4 million. Furthermore, the Government of Malaysia will meet the recurring costs of staffing, consumables and other contingencies. Apart from the costs of construction, the Government of Malaysia has made a commitment of US \$6 million for the five-year initial phase of this proposal.

28. Following the initial phase, the Government of Malaysia will continue to provide funding, to meet the recurring costs and to finance programmes and activities, at around US \$1.2 million per year. It is also envisaged that financing would be sought from international funding agencies, from the private sector through joint R&D development and technology transfer arrangements, and through a “core fund” to which participating countries could make contributions. If the international centre is to be truly collaborative, and a sense of genuine participation is to prevail, some contribution is essential from member countries. Financial contributions from such countries should provide support for their participation in the administrative structures of the centre and for trainees.

AREAS OF COOPERATION WITH UNESCO

29. The cooperation expected from UNESCO once the proposed centre is established is as follows:

- (a) UNESCO would provide technical and administrative assistance for the establishment and operation of the proposed centre, including assistance in the formulation of the short-term, medium-term and long-term programmes of the proposed centre;
- (b) UNESCO will encourage international governmental and non-governmental financial entities, as well as Member States of the Organization to provide financial and technical assistance and to propose appropriate projects to the proposed centre. UNESCO will facilitate contacts with other international organizations relevant to the functions of the proposed centre;
- (c) UNESCO will provide the proposed centre with publications and other pertinent materials and will disseminate information on the activities of the proposed centre via the website and other mechanisms at its disposal; and
- (d) UNESCO will participate, when appropriate and subject to availability of funds, in the scientific, technical and training meetings held by the proposed centre.

RELATIONSHIP WITH UNESCO'S OBJECTIVES AND PROGRAMMES

30. The proposed international centre would fulfil one of the main objectives of UNESCO, which is to ensure capacity-building in science, technology and innovation policy at international level. It will promote and strengthen South-South cooperation and increase the interest of scientists and science policy-makers in improving science, technology and innovation in the South.

31. The proposed centre is expected to serve as the centre of the global network on STI policy by cooperating actively with international and regional networks having an established and long-term collaboration with UNESCO, such as TWAS, STEPAN, ATPS, ASTF, and RICYT. The centre should also work in close cooperation with other STI policy research centres and institutes in developing countries.

32. UNESCO, acting through the Natural Sciences Sector, is particularly in favour of networking as a means of scientific exchange and technology transfer, and this initiative will therefore fall well within this modality of collaboration.

CONCLUSION

33. This feasibility study has shown that there are sound justifications for the establishment of such an international centre in Malaysia. The proposal has a clear set of objectives with well-defined modalities for achieving those objectives. During the brief consultative process with the international and regional networks, it has become clear that such an initiative is necessary.

34. It would help to meet several of UNESCO's objectives relating to South-South cooperation and international networking for development. Due consideration needs to be given in the initial phase to the role and position of this proposed centre in relation to the other existing national and international centres in the region, and the investment of human and financial resources required for its launch and continuity. In the medium to long term, it will be necessary to seek extrabudgetary funding and develop a strategy to attract donor funds on a regular basis.

35. The proposed centre will support the development of scientific, technological and innovation policy capacity in developing countries, with the ultimate objective of long-term self-reliance. It will assist the development of joint research and training programmes among scientists, managers of research centres/institutes, as well as policy-makers from developing countries, ensure mobility of trainees and greater ability to develop innovation systems.

36. The Government of Malaysia has shown strong commitment to establishing the proposed international centre. While the centre will be autonomous, the Government of Malaysia has made a commitment to provide substantial financial support through funding for its construction and long-term running costs.

37. Countries in the South would be requested to contribute towards the proposed "core fund", either in terms of a monetary contribution or contributions in kind towards the travel and support of their nominees for training/fellowships.

38. There is strong support for this proposal from the international community, the Malaysian Ministry of Science, Technology and Innovation, ASM, and from potential national partner institutions.

PROPOSED DRAFT DECISION

39. In the light of the above, the Executive Board may wish to adopt a decision along the following lines:

The Executive Board,

1. Recalling the proposal submitted by the Malaysian Government to establish an international centre for South-South cooperation in science, technology and innovation in Kuala Lumpur under the auspices of UNESCO,
2. Recalling 33 C/Resolution 23 (I.5(xi)) which authorizes the Director-General to follow up the Doha Plan of Action,
3. Aware of the importance of international cooperation for the promotion of science and technology innovation in developing countries,
4. Welcoming the proposal of the Government of Malaysia,
5. Having examined the positive response by the Director-General to this proposal, as well as the feasibility study prepared by UNESCO in document 176 EX/16 in the light of the principles and guidelines for the establishment and functioning of UNESCO

institutes and centres (category 1) and institutes and centres under the auspices of UNESCO (category 2) approved by 33 C/Resolution 90,

6. Takes note of the observations and conclusions of the present feasibility study; and
7. Deeming the considerations and proposals contained therein to be such as to meet the requirements needed for UNESCO to grant its auspices to the international centre,
8. Recommends to the General Conference at its 34th session that it approve the establishment of an international centre for South-South cooperation in science, technology and innovation in Kuala Lumpur under the auspices of UNESCO (category 2) and that it authorize the Director-General to sign the Agreement presented in the annex to document 176 EX/16.

ANNEX

DRAFT AGREEMENT BETWEEN UNESCO AND THE GOVERNMENT OF MALAYSIA REGARDING AN INTERNATIONAL CENTRE FOR SOUTH-SOUTH COOPERATION IN SCIENCE, TECHNOLOGY AND INNOVATION IN KUALA LUMPUR, MALAYSIA, UNDER THE AUSPICES OF UNESCO (CATEGORY 2)

The Government of the Malaysia on the one hand, and

The Director-General of the United Nations Educational, Scientific and Cultural Organization (UNESCO) on the other hand,

Having regard to the resolution whereby the General Conference of UNESCO seeks to favour international cooperation in respect of the establishment of an international centre for South-South cooperation in science, technology and innovation in Kuala Lumpur, Malaysia,

Considering that the Director-General has been authorized by the General Conference to conclude with the Government of Malaysia an agreement in conformity with the draft which was submitted to the General Conference,

Desirous of defining the terms and conditions governing the contribution that shall be granted to the said centre in this Agreement,

Have agreed as follows:

ARTICLE I Interpretation

In this Agreement, unless the context requires a different meaning,

“UNESCO” refers to the United Nations Educational, Scientific and Cultural Organization,

“Government” means the Government of Malaysia,

“Centre” means the International Centre for South-South Cooperation in Science, Technology and Innovation in Kuala Lumpur, Malaysia.

ARTICLE II Establishment

The Government shall agree to take, in the course of the year 2007, any measures that may be required for the setting up, as provided for under this Agreement, of an International Centre for South-South Cooperation in Science, Technology and Innovation hereinafter called “the Centre”.

ARTICLE III Participation

1. The Centre shall be an autonomous institution at the service of Member States and Associate Members of UNESCO which, by their common interest in the objectives of the Centre, desire to cooperate with the Centre.

2. Member States of UNESCO wishing to participate in the Centre's activities, as provided for under this Agreement, shall send to the Director-General of UNESCO notification to this effect. The Director-General shall inform the Centre and the Member States mentioned above of the receipt of such notifications.

ARTICLE IV **Purpose of the Agreement**

The purpose of this Agreement is to define the terms and conditions governing collaboration between UNESCO and the Government concerned and also the rights and obligations stemming therefrom for the parties.

ARTICLE V **Juridical personality**

The Centre shall enjoy on the territory of Malaysia the personality and legal capacity necessary for the exercise of its functions, in particular the capacity:

- to contract;
- to institute legal proceedings;
- to acquire and dispose of movable and immovable property.

ARTICLE VI **Constitution**

The Constitution of the Centre must include the following provisions:

- (a) a legal status granting to the Centre, under national legislation, the autonomous legal capacity necessary to exercise its functions and to receive subventions, obtain payments for services rendered and carry out the acquisition of all means required;
- (b) a governing structure for the Centre allowing UNESCO representation within its governing bodies.

ARTICLE VII **Functions/objectives**

The objectives of the Centre shall be:

- (a) to provide scientists, managers of research centres/institutions and policy-makers with short- and medium-term training in specified areas, in particular for trainees from developing countries, with the aim of improving their capacity in managing science and technology innovation systems. This would include fellowships, training courses and workshops incorporating both specialized and project-oriented training;
- (b) to establish links between academia and industry in order to facilitate information transfer between the public and private sectors, and the development of well-planned and relevant knowledge-based industries in participating countries;

- (c) to address both common and specific problems faced by developing countries to conduct knowledge-based economic activities, such as information technology (IT), biotechnology (BT), nanotechnology (NT), etc.;
- (d) to develop networking and collaborative research and development (R&D) and training programmes at regional and international levels, including linking of designated nodal centres in participating countries; and
- (e) to facilitate information exchange and dissemination.

ARTICLE VIII Governing Board

1. The Centre shall be guided and supervised by a Governing Board renewed every two years and composed of:
 - (a) a representative of the Government;
 - (b) representatives of UNESCO Member States wishing to participate in the Centre's activities which have sent a notification to the Director-General to this effect, in accordance with the stipulations of Article III, paragraph 2, above;
 - (c) a representative of the Director-General of UNESCO.
2. The Governing Board shall:
 - (a) approve the long-term and medium-term programmes of the Centre;
 - (b) approve the annual work plan and budget of the Centre, including the staffing table;
 - (c) examine the annual reports submitted by the Director of the Centre;
 - (d) issue the rules and regulations and determine the financial, administrative and personnel management procedures of the Centre;
 - (e) decide on the participation of regional intergovernmental organizations and international organizations in the work of the Centre.
3. The Governing Board shall meet in ordinary session at regular intervals, at least once every calendar year; it shall meet in extraordinary session if summoned by the Chairperson, either on his/her own initiative or at the request of the Director-General of UNESCO or of half of its members.
4. The Governing Board shall adopt its own rules of procedure. For its first meeting the procedure shall be established by the Government and UNESCO.

ARTICLE IX Executive Committee

1. The Executive Committee shall be constituted by the Governing Board for the day-to-day management of the Centre.
2. It will comprise the Director of the Centre, representatives of the Government, representatives of the regions represented on the Governing Board, including where appropriate

representatives of developing countries from each region, a representative of UNESCO and the Director of the Centre (as a non-voting member).

ARTICLE X **Scientific Council**

1. The Scientific Council shall provide technical advice for planning, execution, review and monitoring of the programme of the Centre.
2. The Scientific Council shall be comprised of 10 members appointed by the Governing Board from among scientific, technical and legal experts as well as representatives of the business community. It may include representatives of the Government and UNESCO.

ARTICLE XI **Secretariat**

1. The Centre's Secretariat shall consist of a Director and such staff as is necessary for the proper functioning of the Centre.
2. The Director shall be appointed by the Chairperson of the Governing Board in consultation with the Director-General of UNESCO.
3. The other members of the Secretariat may comprise:
 - (a) members of UNESCO's staff who may be temporarily detached and made available to the Centre, as provided for in UNESCO's regulations and by the decisions of its governing bodies;
 - (b) any person appointed by the Director, in accordance with the procedures laid down by the Governing Board;
 - (c) government officials who would be made available to the Centre, as provided by government regulations.

ARTICLE XII **Duties of the Director**

The Director shall discharge the following duties:

- (a) direct the work of the Centre in conformity with the programmes and directives established by the Governing Board;
- (b) propose the draft work plan and budget to be submitted to the Governing Board for approval;
- (c) prepare the provisional agenda for the sessions of the Governing Board and submit to it any proposals that he/she may deem useful for the administration of the Centre;
- (d) prepare reports on the Centre's activities to be submitted to the Governing Board;
- (e) represent the Centre in law and in all civil acts.

ARTICLE XIII

Contribution of UNESCO

1. UNESCO shall provide assistance in the form of a technical contribution for the activities of the Centre in accordance with the strategic goals and objectives of UNESCO.
2. UNESCO shall agree to:
 - provide the assistance of its experts in the specialized fields of the Centre;
 - detach temporarily members of its staff. Such detachment may be decided by the Director-General on an exceptional basis if justified by the implementation of a joint activity/project within a priority area as approved by UNESCO's governing bodies;
 - include the Centre in various programmes which it implements and in which the participation of the latter seems necessary.
3. In all the cases listed above, this contribution shall be provided for in UNESCO's Programme and Budget.

ARTICLE XIV

Contribution of the Government

The Government shall agree to provide all the resources, either financial or in kind, needed for the administration and proper functioning of the Centre. In particular it shall:

- make available to the Centre appropriate office space, equipment and facilities;
- entirely assume the communication, utilities and maintenance costs of the Centre, plus the expenses of holding the sessions of the Governing Board and special consultative sessions;
- contribute to the Centre funds that shall cover programme activities, such as capacity-building activities, studies and publication;
- make available to the Centre the administrative staff necessary for the performance of its functions, which shall comprise a director and secretariat staff.

ARTICLE XV

Privileges and immunities

1. The Government shall authorize the entry, free of visa charges, the sojourn on its territory and the exit of any person invited to attend the sessions of the Governing Board or proceeding to the Centre on official business.
2. The goods, assets and income of the Centre shall be exempt from all direct taxes. Furthermore, the Centre shall be exempt from the payment of any fees or taxes with respect to equipment, supplies and material imported or exported for its official use.
3. The Centre may maintain accounts in any currency, hold funds and foreign exchange of any kind and transfer them freely.

ARTICLE XVI Responsibility

As the Centre is legally separate from UNESCO, the latter shall not be legally responsible for it and shall bear no liabilities of any kind, be they financial or otherwise, with the exception of the provisions expressly laid down in this Agreement.

ARTICLE XVII Evaluation

1. UNESCO may, at any time, carry out an evaluation of the activities of the Centre in order to ascertain:
 - whether the Centre makes an important contribution to the strategic goals of UNESCO;
 - whether the activities effectively pursued by the Centre are in conformity with those set out in this Agreement.
2. UNESCO shall agree to submit to the Government, at the earliest opportunity, a report on any evaluation conducted.
3. UNESCO shall reserve the option to denounce this Agreement or request a revision of its contents, following the results of an evaluation.

ARTICLE XVIII Use of UNESCO name and logo

1. The Centre may mention its affiliation with UNESCO. It may therefore use after its title the mention “under the auspices of UNESCO”.
2. The Centre is authorized to use the UNESCO logo in accordance with the “Directives concerning the use of the name, acronym, logo and Internet domain names of UNESCO” approved by the governing bodies of UNESCO.

ARTICLE XIX Entry into force

This Agreement shall enter into force upon meeting the formalities required to that effect by the domestic law of Malaysia and by UNESCO’s internal regulations.

ARTICLE XX Duration

This Agreement is concluded for a period of six years as from its entry into force and may be renewed by tacit agreement.

ARTICLE XXI
Denunciation

1. Each of the contracting parties shall be entitled to denounce the Agreement unilaterally.
2. The denunciation shall take effect within six months following receipt of the notification sent by one of the contracting parties to the other.

ARTICLE XXII
Revision

The present Agreement may be revised by consent between the Government and UNESCO.

ARTICLE XXIII
Settlement of disputes

1. Any dispute between UNESCO and the Government concerning the interpretation or application of this Agreement, if it is not settled by negotiation or any other appropriate method agreed to by the parties, shall be submitted for final decision to an arbitration tribunal composed of three members, one of whom shall be appointed by a representative of the Government, another by the Director-General of UNESCO, and the third, who shall preside over the tribunal, chosen by these two. If the two arbitrators cannot agree on the choice of a third, the appointment shall be made by the President of the International Court of Justice.
2. The Tribunal's decision shall be final.

IN WITNESS WHEREOF, the undersigned have signed this Agreement.

Done in three copies in English, on [...]

For the United Nations Educational,
Scientific and Cultural Organization (UNESCO)

For the Government
of Malaysia