



**TOGETHER**  
*for a sustainable future*

## OCCASION

This publication has been made available to the public on the occasion of the 50<sup>th</sup> anniversary of the United Nations Industrial Development Organisation.



**TOGETHER**  
*for a sustainable future*

## DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

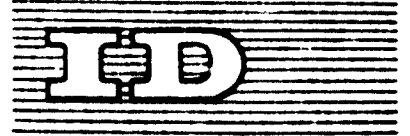
## FAIR USE POLICY

Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

## CONTACT

Please contact [publications@unido.org](mailto:publications@unido.org) for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at [www.unido.org](http://www.unido.org)



**DO 1481**

Provisional

ID/WG.59/SR.4  
2 June 1970

Original: ENGLISH

United Nations Industrial Development Organization

UNDP/UNIDO AGENCY REVIEW MEETING  
(Vienna, 1-2 June 1970)

MINUTES OF THE MEETING  
HELD ON TUESDAY, 2 JUNE 1970, at 3 p.m.

ASIA/FAR EAST

Pipeline Projects (continued)

Mongolia: Camel Hair and Goat Fluff - Processing Pilot Plant

Mr. Siddiqui (UNIDO) said that the justification for the project had been submitted, in broad outline, in a letter dated 6 May 1970. A full statement of the supporting elements had not yet been prepared, and he suggested that a joint mission, to be financed out of the preparatory allocation, be organized quickly.

Mr. Filippov (UNDP) explained that in June 1969 the Prime Minister of Mongolia and the co-ordinating authorities of that country had expressed keen interest in the project, which stood high on their priority list. He concurred in the suggested mission, which could formulate the details. The project was one of great potentialities. It called for equipment of a unique kind, available only in Japan and the Soviet Union. It had been indicated in Moscow last year that the Soviet Union had an area where similar production was taking place (URAL), and could supply the equipment. A preparatory joint UNIDO/UNDP mission of two experts could be sent to Mongolia.

Mr. Paul-Marc Henry (UNDP) concurred in the dispatch of a PAG mission, if possible by August/September 1970, provided that a Russian-speaking specialist could be engaged. (A. A. Gromov)

We regret that some of the pages in the microfiche copy of this report may not be up to the proper legibility standards, even though the best possible copy was used for preparing the master fiche.

MONGOLIA: Pilot Demonstration Plant - Leather Wastes Regeneration

Mr. Siddiqui (UNIDO) stressed the importance of the project, which had already been submitted. He suggested that the mission proposed for the camel hair project should also investigate the means of co-ordinating this project with the already approved project MONGOLIA 6, Applied Research Centre for the Development of Leather and Leather Goods Industry.

Mr. Paul-Marc Henry (UNDP) agreed that a mission should look into both projects. If possible, a UNDP representative would accompany the mission.

INTERREGIONAL PROJECTS (continued)

New forms of interregional projects

Investment Promotion Team of Advisers

Referring to the letter sent by UNIDO on 19 May 1970, Mr. Ward (UNIDO) said that it contained a proposal for a team of four experts, who would visit the developing countries to assist them in identifying and preparing industrial investment projects and then in establishing contacts with potential sources of financing. The time of the team would be divided, approximately 70 per cent in the developing countries and 30 per cent in the developed countries or at Headquarters. He stressed the fact that the project would not be located at Headquarters, from which it would be functionally distinct. In industry it was not sufficient to prepare a pre-investment report but UNIDO should also strive to identify possible sources of financing and act as an intermediary in promoting subsequent investment. Assistance to developing countries in obtaining finance for their industrial projects was an important part of UNIDO's mandate under General Assembly resolution 2152 (XXI).

After citing the proposed functions of the Promotion Team, he estimated the cost of the project for one year at \$160,000, to be financed from the Revolving Fund. Thirty-six countries had expressed their support for the proposal.

Mr. Paul-Marc Henry (UNDP) said that the Administrator had recorded his approval of such promotional projects for industry. In general, they represented a form of follow-up investment and were especially valuable in the industrial field. Certain points called for close attention. First, they must be clear in their minds on the precise relationship between the advisers under the project and the industrial advisers who were carried on the UNDP budget. The former should constitute a highly mobile team, operating in the field or interregionally; on no account would it be based at Headquarters. The Administrator had also informed UNIDO of the proposed appointment by him of a panel of financial advisers. The panel's status must be defined with precision. Would it be a standing panel, meeting at regular intervals, or a mere list of occasional advisers, to be called together at need? The second point had to do with a question ventilated at the previous meeting, when it had been



argued that UNIDO should not be made up of groups of "salesmen". But the role of salesman was a most laudable one if played in a government's interests and in support of its development efforts. A subsidiary question, related thereto, concerned the method of co-ordinating the team's activities with those of the Resident Representatives. The third point was linked to the Agro-Industry Programme, located in FAO and in particular the manner in which that group's activities would be correlated to those of the advisers on investment promotion.

Mr. Le Guay (UNIDO) explained that the role of the investment promotion advisers would be to engage in direct activities in the service of the developing countries, with the object of promoting industrial development. They would not serve as consultants to UNIDO, and, by that token, would differ from the panel of financial advisers, who were advisers to the Administrator. Their time would be occupied with virtually continuous travel both in the developing countries, where they would be in close touch with promoters, and in the industrialized countries. Though reporting to, and maintaining close contact with UNIDO, they would be essentially different from UNIDO staff members. Furthermore, they would not be in any sense a reinforcement of UNIDO staff. Their entire work would be to operate directly in the field in the interest of developing countries. There would be no duplication with the industrial advisers. The proposed new functions would be ubiquitous, continuous, flexible and mobile, and radically different both from those of the financial advisers - though the latter's assistance would be valuable - and from those of Resident Representatives.

Mr. Le Guay added that contacts had been established with the FAO Industry Programme through meetings in Rome and Vienna, at which, apart from setting up working arrangements, they had reached agreement on the projects, which had been circulated to the members of the Group. The Group would naturally be welcome to make use of the Promotion Team's network, but it must be clearly understood that there was no identity of concepts. The Industry Programme was appointed by industrialists and entrusted, on behalf of industry, with a selling activity divorced from the element of competition. Conversely, in striving for better investment terms and in circulating projects among a number of potential investors, UNIDO would foster competition. On-the-spot training would form an integral part of the proposed activities, which would likewise be aimed at helping Ministries and other authorities to negotiate more advantageously.

- 5 -

Mr. Ward (UNIDO) made the further point that the FAO Industry Programme was concerned solely with agro-industries and represented only one of the points of contact for UNIDO with industry.

Mr. Paul-Marc Henry (UNDP) observed that, where the panel or financial advisors was concerned, two alternative possibilities were open: either, a panel holding regular meetings and serving as a permanent advisory body, or a non-permanent advisory body, designed to deal, upon request, with specific cases, but otherwise devoid of power. The three projects (New Forms of Interregional Projects) might be used as a "feed-back" into the UNDP system. It should be borne in mind that IFC, representing the "equity" element, was a promotional body operating through independent or semi-independent investment. There was no conflict of interests between IFC and UNDP. The case was far different with the FAO Industry Programme, which, as requested by UNDP, maintained direct contacts with UNIDO and, being subsidized by industrial firms, was a potential source of investment for industrial purposes. UNDP's relations with the Industry Programme were good, as the Administrator's attendance at its recent session attested. UNDP would propose to the Governing Council that the panel's activities should be related to the whole policy of industrial investment. A parallel could be drawn with the export promotion activities of UNCTAD. Support had been given out of the Revolving Fund for the appointment of advisers to UNCTAD who travelled extensively with the object of stimulating the efforts of importers and exporters, and who likewise maintained contact with UNCTAD headquarters. It followed that he agreed to the proposal, which he would defend before the Governing Council, on the following grounds:

- (a) Requests had been received from forty countries;
- (b) UNIDO would not enlarge its staff;
- (c) The proposed functions were closely similar to other functions already sponsored by UNDP;
- (d) The project was essentially an experimental project that would be known by its fruits; and
- (e) It would be conditional upon an explicit desire on the part of governments, whose absolute sovereignty would not suffer the slightest impairment.

It would be incumbent upon UNIDO to provide UNDP with the supporting elements, for example, material on the Rabat meeting and on the First Seminar on Industrial Promotion organized by the Economic Commission for Africa.

Mr. Le Guay (UNIDO) pointed out that, far from representing a handicap, their collaboration with IFC and their contacts with its European representative offered a valuable promotional channel.

Mr. Quijano-Caballero (UNIDO) added that the converse was also to be noted: the use by IFC of UNIDO services. All of the forty interested countries had channelled their requests through Resident Representatives. On the question of timing, he inclined to the January 1971 session.

Mr. Paul-Marco Henry (UNDP) urged UNIDO to submit a draft request without delay. The aim was to submit to the Governing Council a request enjoying the full support of the governments concerned.



Component manufacture through sub-contracting between developed and developing countries

Mr. Ward (UNIDO) said that as industry in developed countries became more sophisticated and labour costs rose there was a movement to sub-contract or transfer the manufacture of certain standard elements and components to the developing countries, where relative cost factors were more favourable. That trend was recognized in document TD/B/74 dealing with future prospects of UNIDO, recently submitted to the IDB by the Executive Director and would be the subject of an expert group meeting soon to be held by UNIDO in Bucharest. It was an important phenomenon of industrialization today and the question was how UNIDO could play a role in it. It was not sufficient to send experts to developing countries but to further the contacts between industry in developed and developing countries and to identify and promote the opportunities.

UNIDO would propose the establishment of a centre, preferably in Vienna, to promote and facilitate international sub-contracting. It would consist of about four experts who would work in both the developed and developing countries. Projects identified in developing countries could be assisted, if necessary, through SIS or other programmes.

Mr. Paul-Marie Henry (UNDP) expressed interest in the project. The stationing of the experts in Vienna might be deemed suspect in certain quarters as a covert expansion of staff. The project might well prove a stimulus to a system whose scope was broader than that of UNIDO.

### Repair and Maintenance Team of Advisers

Mr. Ward (UNIDO) explained that the project was aimed at providing for experts to visit industrial plants in developing countries where problems of repair and maintenance and their possible solution could be discussed. An expert might remain for between five and eight weeks in a country, but most of his time would be devoted to travel. Five advisers, financed out of the Revolving Fund, were proposed in the main fields of Repair and Maintenance. That would overcome the problems of recruitment, since most areas would be covered. Over twenty countries had expressed support for the proposal.

Mr. Henry (UNDP) said that, as a new concept was involved, action should progress with caution. One of the projects might be taken up and, if it was successful, the others could follow.

Mr. Quijano-Caballero (UNIDO) pointed out that nearly fifty countries had requested assistance in repair and maintenance, and it had been impossible to recruit experts individually to meet each request. It would therefore be particularly expedient to maintain a permanent team of advisers such as that provided for in the project in question.

1970 projects pending UNDP approval

Mr. Paul-Marc Henry (UNDP) observed that although instructions had been issued to discontinue the projects concerned, an extension had been granted until the end of 1971. It would therefore be possible to approve funds for some of them in the normal way as long as they fell within the 17 per cent limit.

Mr. Ward (UNIDO) gave assurances that that limit had not been exceeded and stated that all endorsements of the projects in question had been received. It was to be hoped that delay in their implementation could be minimized.

Pipeline SF Projects

In-plant Training Programme in Plastic Industries for Developing Countries (Austria)

Diesel Engineering Training Programme (CSSR)

Maintenance of Railway Equipment (Federal Republic of Germany)

Mr. Ward (UNIDO) introduced the proposed Special Fund projects in in-plant training along similar lines to the two already approved. He said that the Government of the Federal Republic of Germany was prepared to conduct the maintenance of railway equipment project and that ten endorsements of that programme had been received. The diesel engineering training programme was currently being implemented under the Technical Assistance Component, but the CSSR Government had indicated that it was prepared to convert it into a Special Fund project. Discussions had been taking place with the Austrian Government for an in-plant training programme in plastic industries as a Special Fund project, although no endorsements had been received.

Mr. Paul-Marc Henry (UNDP) said that the problem regarding the projects under consideration did not reside in their nature or purpose, but rather in the question of general integration in an over-all framework. It would subsequently have to be decided whether they would be presented separately or as a group. These projects could be discussed in the context of the proposed mission to discuss training in the advanced countries.

In reply to Mr. Ward (UNIDO), he said that a team would be dispatched to examine the problem of locating the relevant activities to the best advantage. UNDP favoured a global approach, whereby there would be access to facilities wherever they existed. That was not an innovation; for twenty years a similar practice had been followed in Technical Assistance, for the sole purpose of keeping abreast of technological advances. They were not in any way concentrating on developed countries at the expense of developing countries, and they would strive to convince the Governing Council of that fact.

## DISCUSSION OF PROJECTS - EUROPE/MIDDLE EAST

### Problem projects

#### Centre for Industrial Development Studies (JOR-13)

Mr. Paul-Marie Henry (UNDP) said that UNDP had recently been informed by its Resident Representative in Jordan that the Government was interested in carrying out an industrial survey using funds at present idle under project JOR-13.

The project as it stood represented an artificial joining of efforts by UNIDO and ILO, for two separate teams were in fact operating under it. The Jordanian Government was aware of that situation, which had prompted its request for the utilization of JOR-13 funds for an industrial survey. Since that type of activity clearly fell within the UNIDO's purview, UNDP suggested that the UNIDO and ILO components of the project should be separated and two independent projects established. UNDP would review those projects and ensure their viability.

Mr. Babic (UNIDO) outlined the repercussions of the suggestion made by the joint UNIDO/ILO mission regarding implementation of project JOR-13.

Mr. Paul-Marie Henry (UNDP) said that it was essential first of all to reach a consensus on separation of the UNIDO and ILO components of the project.

Mr. Babic (UNIDO) said that UNIDO was in agreement with the idea of separating the two components.

Mr. Paul-Marie Henry (UNDP) said that any action taken must be in keeping with the Government's desire for an industrial survey. Joint UNIDO/ILO activity must be terminated as quickly as possible. If there was consensus on that point, the situation arising from termination of the joint project must be examined and financial measures taken to permit normal continuation of activities on a separate basis.



Mr. Babic (UNIDO) called attention to the problem arising from the unsatisfactory legal situation of the Centre. There was also some discontent with the Centre's director. Those problems must be solved, or difficulties would arise in future. UNIDO suggested that the project should be terminated in June 1971 and measures undertaken in collaboration with the Government through the Resident Representative to appoint a new director for the centre and stabilize its legal situation.

Mr. Paul-Marc Henry (UNDP) said that note would be taken of the fact that a change in the local situation of the project must be negotiated with the Government.

The meeting was suspended at 4.20 p.m. and resumed at 4.40 p.m.

Electrical Industry Testing and Experimentation Centre (SPA-12)

Mr. Babic (UNIDO) said that a mission had been sent to Spain regarding the project in question. Its report had been received in April. The Spanish Government had been asked to propose the names of five persons for fellowships and had to date chosen three, as well as a project manager. The only obstacle to implementation now lay in complications which had arisen with regard to the site.

Mr. Soskuty (UNIDO) said that the previously selected site for the Centre had been abandoned owing to its proximity to an airport, for it had been feared that Centre's equipment would interfere with radar equipment. A new site would probably be purchased by the Government by mid-July 1970. The plan of operation was well finalized and could be submitted by 15 June 1970. The Government would then be able to approve the plan if received by mid-July and the project manager could be on the spot by September or October 1970.

Small Industries Development Programme (TUR-25)

Mr. Harland (UNDP) observed that the Government wished to alter the project, perhaps abolishing the industrial estate, and concentrating activity in Ankara, where it would have a marginal effect. He asked what the current situation was.

Mr. Babic (UNIDO) said that the project manager was on the spot, as was an expert. Two or three additional experts would be sent in 1970. A recent cable from the Resident Representative indicated that the plan of operation would be signed within a week.

In-Plant Training Centre for Graduate Engineers, Mirikkale (TU -2 )

Mr. Harland (UNDP) pointed out that although the project had been approved in January 1968, no project manager satisfactory to the Government had yet been found. The question was whether the Turkish Government wished the project to be implemented and whether the matter of in-plant training could be handled.

UNDP had suggested that certain British quarters should be approached in that connexion. He asked what the project's future was and whether it should perhaps be cancelled.

Mr. Babic (UNIDO) said that twenty-six experts had been provided for under the project in question and many candidates had been proposed. Four candidates for project manager were currently before the Government. UNIDO felt that the future of the project must be clarified with the Government.

Mr. Paul-Marc Henry (UNDP) said that a panel of experts was to study the general question of in-plant training and might in that connexion visit some projects such as TUR-29. It might be advisable to add a UNIDO member to the group.

Mr. Ward (UNIDO) said that the Resident Representative in Turkey should be pressed to obtain a decision from the Government regarding the four good candidates for project manager who had been submitted to it.

SALONIKA: Industrial Estate

Mr. Paul-Marc Henry (UNDP) said that the industrial estate project at Salonika should be added to the list of problem projects, for some delay was being experienced in appointing a project manager and the Government wanted to change the location of the project. Perhaps a mission could be sent to discuss the question of the site and appointment of the project manager.



Industrial Research Centre (ISR-11)

Mrs. Francis (UNDP) reiterated her request that UNIDO should submit some written information on terminal reporting arrangements for Special Fund projects.

Pipeline Projects

BULGARIA: Research Institute for Instrument Design

Mr. Babic (UNIDO) said that 75,000 was needed for funding the Research Institute for Instrument Design. UNIDO currently had at its disposal \$30,000 and would require 27,000 to cover costs until the end of 1971.

Mr. Harland (UNDP) said that the sophistication of the project led to difficulties in implementation. Recruiting delays had resulted in the loss of two Consultant candidates. Recruitment of the third candidate submitted should be expedited to the utmost in order to avoid a repetition of that situation.

Mr. Babic (UNIDO) pointed out that seven candidates had been submitted but that no reply had as yet been received.

Mr. Paul-Marc Henry (UNDP) observed that Bulgaria required only the most advanced technology, which made recruitment an especially difficult process.

Mr. Nagelstein (UNDP) said that, during a visit to Bulgaria, he had been told that the Government required some equipment, measuring instruments and one highly qualified expert. All other experts could be dispensed with: if one top calibre person were retained. Such a candidate had now been submitted and should be retained immediately.

Mr. Paul-Marc Henry (UNDP) said that, if top-calibre people could not be retained, the project would have to be cancelled and the services of consultants resorted to for advisory services.

BULGARIA: Packaging Institute

Mr. Soskuty (UNIDO) said that difficulties had already been encountered with regard to the project in question during the SIS phase because the Bulgarian Government had extremely precise ideas as to the experts it wanted and in many cases those experts' employers would not release them for service.

Mr. Harland (UNDP) said that the project had been implemented for one year on a trial basis and should be discontinued if it did not prove successful. The problem involved in the Packaging Institute project was identical to that involved in the Research Institute for Instrument Design project, in that the Bulgarian Government desired only experts of the highest calibre.

Mr. Babic (UNIDO) said that, in accordance with instructions from UNDP, the project under discussion had been suspended until further notice. Three posts had been approved under SIS, all of which had been provided for, although no exports had yet been obtained.

Mr. Paul-Haro Henry (UNDP) said that, despite the difficulty of locating acceptable experts, the system should be prepared to explore with the Bulgarian Government its precise requirements and determine whether they could be met.

ICELAND: Development of Metallurgical and Allied Chemical Industries

Assistance in the Promotion of Export-Oriented Industries

Mr. Babic (UNIDO) said that a UNIDO mission had visited Iceland, after which a minister from Iceland had come to Vienna during the fourth session of the Industrial Development Board to discuss the projects; the minister had stated that the official request would be sent to UNIDO by the end of June 1970, but it had not yet been received.

Mr. Paul-Marc Henry (UNDP) said that no action would be taken until the request arrived, when it would be evaluated in the normal way.

KUWAIT: Bureau of Industrial Studies and Services

Mr. Paul-Marc Henry (UNDP) said that, since the project was not an official request, it would be noted as being still under review.



SAUDI ARABIA: Project Evaluation Unit

(PETROMIN)

Mr. Babic (UNIDO) said that recruitment of the first expert was in hand, out of Funds in Trust. It had been agreed with the Government that the nominee would be retained as the project manager for the Special Fund project.

A member of the UNIDO secretariat explained that PETROMIN was an acronym for the General Petroleum and Mineral Organization, which was a ministry separate from the Ministry of Commerce and Industry.

Mr. Paul-Marc Henry (UNDP) asked what was meant by a project evaluation unit.

Mr. Salamon (UNIDO) explained that PETROMIN was programming the whole sector of heavy manufacturing industry. There was some division of authority among the ministries involved in project SAA-14, so that there was a need to evaluate individual projects as a first step. No official request had been received from the Government.

Mr. Paul-Marc Henry (UNDP) said that normal procedure would be followed and that receipt of the official request would be awaited.

SAUDI ARABIA: Saudi Arabian Organization for Standardization and Metrology

Mr. Paul-Marc Henry (UNDP) mentioned that there seemed to be some doubt which agency was responsible for the project. It appeared that no official request had been received and the project would therefore be noted, pending official confirmation of the request.

SAUDI ARABIA: Industrial Studies and Development Centre (SAD-14)

Mr. Paul-Marc Henry (UNDP) asked for an account of the action taken under phase I of the project.

Mr. Babic (UNIDO) said that phase I would be completed in 6 months. The substantive division wished to support phase II of the project in order to consolidate the Centre.

Mr. Paul-Marc Henry (UNDP) asked whether the request for the second phase had been received.

Mr. Babic (UNIDO) said that he had a copy of the request.

Mr. Behrens (UNIDO) said that the targets of phase I had been largely achieved, with regard to industrial estates, extension services and economic studies. The Centre had started one feasibility study, and there was an agreement with the Stanford Research Institute regarding further studies. He thought the work of the Centre needed further consolidation and also that there was a need for a management section in the Centre.

Mr. Paul-Marc Henry (UNDP) indicated his agreement with regard to the second phase and asked UNIDO to review the establishment and the posts involved.

Mrs. Francis (UNDP) asked UNIDO to submit an ad hoc report assessing the impact of the project to date.

ROMANIA: Floods

Mr. Babic (UNIDO) said that the organization had received requests for assistance after the catastrophic flooding. He knew that UNDP had sent a reconnaissance officer to co-ordinate United Nations activity in the country and asked what kind of technical assistance projects could be submitted. Many factories and enterprises had been damaged by flooding, so that equipment and experts were needed.

Mr. Cohen (UNDP) said that the position of UNDP was unsatisfactory, in that there was no clear mandate to cover such cases. He felt it was necessary to make at least a symbolic gesture. UNDP was undertaking action with regard to agriculture and health. He had cabled the Administrator of UNDP asking whether funds under existing projects could be used for such purposes, the matter being subsequently referred to the Governing Council.

With regard to reconstruction, he thought that a new type of project should be planned to meet such situations and that funds should be set aside for that purpose.

A member of the UNIDO secretariat asked how the reconnaissance officer in Romania could be contacted.

Mr. Cohen (UNDP) said that the best channel was through the Resident Representative's office.

A member of the UNIDO secretariat asked whether funds would be available to finance emergency projects if UNIDO sent a mission to identify needs in Romania.

Mr. Cohen (UNDP) said that the reaction to the agricultural project should first be awaited.

#### CONCLUDING REMARKS

Mr. Paul-Luce Henry (UNDP) said that the meeting had revealed the continuity of old and the birth of new types of thinking. A pattern of projects was emerging that would fit in well with the type of country programming that it was intended to establish. It was more important to have concrete action in the field than a large number of projects as "trophies". He agreed with Mr. Quijano-Caballero that institution building was not what was required, in view of the changing nature of the situation. He thought that more use could be made of the non-project type of approach, including feasibility studies and the recruitment of high-level advisers.

He thought that, in the discussion of problem projects, the meeting had been dealing chiefly with delays in recruitment. There had been some improvement in the relevant machinery and UNIDO now had much more direct responsibility in its own field of recruitment.

The remarks on sub-contracting had been interesting; an inter-agency meeting on sub-contracting was to be held later in 1970, as a consequence of the Jackson Report.

He thought UNIDO and UNDP had a great deal of work to do jointly with regard to the information system. The joint mission procedure should be intensified and felt that the current meeting had proved to be a valuable method of dealing with problem projects.

Mr. Cohen (UNDP) thought that the exchanges of information regarding pipeline projects had been illuminating. A way must be found of providing more frequent face-to-face discussions, since annual meetings were not enough.

The "numbers game" approach to problems was a survival from the early stages of technical assistance work and should be outgrown.

He had told the Administrator of UNDP that UNIDO was concerned over the lack of assurances with regard to funds for senior industrial advisers in 1971. That matter was closely related to the general financial implications of the reorganization of the system recommended in the Jackson Report.

He thanked UNIDO for the hospitality accorded to the UNDP representatives.



Mr. Quijano-Caballero (UNIDO) agreed that it was not desirable to play the "numbers game". However, it was necessary to be able to measure the degree of involvement of UNIDO in industrialization and to ascertain how much assistance UNIDO was delivering, and how fast.

He thought that new methods must be adopted and was gratified to hear the suggestion that one meeting a year was not enough. Also, modern methods should be used, particularly with regard to rapid communication between New York and Vienna regarding information required by UNDP on projects. He thought it was a bad thing to have unused earmarkings but that it was worse for action to be halted through lack of funds. Frankness was needed in negotiating with governments, so as to avoid false expectations.

With regard to the pipeline projects he thought that information should be exchanged before the meeting to avoid purely technical delays.

He hoped that there would soon be an opportunity to welcome representatives of UNDP in Vienna and thanked all those who had contributed towards the success of the meeting.

The meeting rose at 5.35 p.m.





**74 . 10 . 22**