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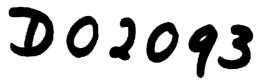
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PROVISIONAL

ID/B/SR.1 13 April 1967 ENGLISH ORIGINAL: FRENCH

United Nations Industrial Development Organization

INDUSTRIAL DEVELOPMENT BOARD

First Jession

PROVISIONAL SUMMARY RECORD OF THE PERSE MEETING (108)

151

Held at Headquarters, New York, on Monday, 10 April 1967, at 11.25 a.m.

COPTEMES

Opening of the session Election of officers Consideration of the provisional agenda (ID/B/1)

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PRESENT:

Temporary President:

President: Repporteur: bere:

Mr. ABDEL-RAHMAN Jordan Mr. TELL (Guinea) Hr. NBAYE Argentina Hr. BRADLEY Mr. BOBLETER Austria Nr. FORTHONES) Belgium Nr. DELVAUX Mr. CARVALHO SILOS Brasil Bulgaria Mr. VLADOV Cameroon Nr. HELBOKEN Nr. ABELL Canada Mr. FINERA CARVALLO Chile Colombia Mr. TURBAY-AYALA H. INCHAUSTEGUI Cuba Nr. MUZIX Czechoslovakia Mr. SCHEJBAL) Federal Republic of Germany Mr. SARTORIUS Finland Mr. TORNQUIST Trance Mr. VIAUD Mr. COPIE Ghana. Guinea Mr. ACEKAR Mr. GUPTA India Indonesia Mr. KAMEL Hr. YNGANEE Ires Nr. PISANI MASSAMORNELE Italy Ivory Coast Hr. AXE Japan Nr. ABE Nr. KHAMACHERT Bassd & Nother Lunis Mr. LUBBERG Morrie Nr. ASTODU Nr. DASTOIR Public ten Nr. FERMANEEN Reta Philippines Hr. JINENES

(Executive Director, United Nations Industrial Development Organization)

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PRESENT (continued)

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Members (continued):

| Mr.   | DUMITERESCU   | Romania   |
|---|---|---|
| Mr.   | RYABONYENDE   | Rwanda  |
| Mr.   | WARSAMA   | Somalia   |
| Mr.   | TEMBCURY  | Spain   |
| Mr.   | SAHLOUL   | Sudan   |
| Mr.   | KALDEREN  | Sweden  |
| Mr.   | TURRETTINI  | Switzerland   |
| Mr.   | PANYA RACHUN  | Thailand  |
| Mr.   | ARCHIBALD   | Trinidad and Tobago   |
| Mr.   | CUHRUK  | Turkey  |
| Mr.   | ANANICHEV   | Union of Soviet Socialist Republics   |
| Mr.   | SALAMA  | United Arab Republic  |
| Sir   | Edward WARNER   | United Kingdom of Great Britain and<br>Northern Ireland   |
| Mr.   | Kotschnig   | United States of America  |
| Mr.   | MENDIOLA  | Uruguay   |
| Mr.   | SIKALUMBI   | Zambia  |
|   |   |   |
| Observers for Memb  | er States:  |   |
|   | er States:<br>DJOUDI  | Algeria   |
| Mr.   |   | Algeria<br>Australia  |
| Mr.<br>Mr.  | DIONDI  | -   |
| Mr.<br>Mr.<br>U M   | DJOUDI<br>BENSON  | Australia   |
| Mr.<br>Mr.<br>U M<br>Mr.  | DJOUDI<br>BENSON<br>AUNG MAUNG GALE   | Australia<br>Burma<br>Byelogussian Soviet Socialist   |
| Mr.<br>Mr.<br>U H<br>Mr.<br>Mra   | DJOUDI<br>BENSON<br>AUNG MAUNG GALE<br>TCHERNOUCHTCHENKO  | Australia<br>Burma<br>Byelorussian Soviet Socialist<br>Republic   |
| Mr.<br>Mr.<br>U M<br>Mr.<br>Mr.   | DJOUDI<br>BENSON<br>AUNG MAUNG GALE<br>TCHERNOUCHTCHENKO<br>. SAM SIDARETH  | Australia<br>Burma<br>Byelorussian Soviet Socialist<br>Republic<br>Cambodia   |
| Mr.<br>Mr.<br>U M<br>Mr.<br>Mr.<br>Mr.                                    | DJOUDI<br>BENSON<br>AUNG MAUNG GALE<br>TCHERNOUCHTCHENKO<br>. SAM SIDARETH<br>FU  | Australia<br>Burma<br>Byelorussian Soviet Socialist<br>Republic<br>Cambodia<br>China  |
| Mr.<br>Mr.<br>U M<br>Mr.<br>Mr.<br>Mr.<br>Mr.                             | DJOUDI<br>BENSON<br>AUNG MAUNG GALE<br>TCHERNOUCHTCHENKO<br>SAM SIDARETH<br>FU<br>MOMBOULI  | Australia<br>Burma<br>Byelorussian Soviet Socialist<br>Republic<br>Cambodia<br>China<br>Congo (Braszaville)   |
| Mr.<br>Mr.<br>U M<br>Mr.<br>Mr.<br>Mr.<br>Mr.<br>Mr.<br>Mr.               | DJOUDI<br>BENSON<br>AUNG MAUNG GALE<br>TCHERNOUCHTCHENKO<br>SAM SIDARETH<br>JU<br>MOMBOULI<br>LOUTA   | Australia<br>Burma<br>Byelorussian Soviet Socialist<br>Republic<br>Cambodia<br>China<br>Congo (Brazzaville)<br>Conto (Damocratic Republic of)   |
| Mr.<br>Mr.<br>U M<br>Mr.<br>Mr.<br>Mr.<br>Mr.<br>Mr.<br>Mr.               | DJOUDI<br>BENSON<br>AUNG MAUNG GALE<br>TCHERNOUCHTCHENKO<br>SAM SIDARETH<br>JU<br>MOMBOULI<br>LOUTA<br>AGATHOCLEOUS                               | Australia<br>Burma<br>Byelorussian Soviet Socialist<br>Republic<br>Cambodia<br>China<br>Congo (Brazzaville)<br>Conto (Damocratic Republic of)<br>Cyprus   |
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| Mr.<br>Mr.<br>U H<br>Mr.<br>Mr.<br>Mr.<br>Mr.<br>Mr.<br>Mr.<br>Mr.        | DJOUDI<br>BENSON<br>AUNG MAUNG GALE<br>TCHERNOUCHTCHENKO<br>SAM SIDARETH<br>JU<br>MOMBOULI<br>LOUTA<br>AGATHOCLEOUS<br>OLSEN<br>SUBERNO           | Australia<br>Burma<br>Byelorussian Soviet Socialist<br>Republic<br>Cambodia<br>China<br>Congo (Brazzaville)<br>Conto (Damocratic Republic of)<br>Cyprus<br>Denmark<br>Dominican Republic            |
| Mr.<br>Mr.<br>U H<br>Mr.<br>Mr.<br>Mr.<br>Mr.<br>Mr.<br>Mr.<br>Mr.<br>Mr. | DJOUDI<br>BENSON<br>AUNG MAUNG GALE<br>TCHERNOUCHTCHENKO<br>SAM SIDARETH<br>JU<br>MCMBOULI<br>LOUYA<br>AGATHOCLEOUS<br>OLSEN<br>SUBERO<br>JATI VA | Australia<br>Burma<br>Byelorussian Soviet Socialist<br>Republic<br>Cambodia<br>China<br>Congo (Brazzaville)<br>Conto (Damocratic Republic of)<br>Cyprus<br>Denmark<br>Dominican Republic<br>Brundor |

PRESENT (continued):

|                     | Mr. NERFIN                 | World Food Frogramme   |
|---------------------|----------------------------|--|
|                     | Mr. HARLAND                | United Hations Development .<br>Programme                              |
|                     | Mr. HORTLING               | General Agreement on Tariffs<br>and Trade                              |
| <b>Representati</b> | ves of other United Nation | s bodies:  |
|                     | Mr. NAJAR                  |  |
| Ipresentati         | ve of the International At | omic Energy Agency:  |
|                     | Mrs. KALM                  | World Health Organization  |
|                     | Mr. RAJ                    | International Bank for<br>Reconstruction and Development               |
|                     | Mr. Kassum                 | United Nations Educational,<br>Scientific and Cultural<br>Organization |
|                     | Mr. WOODWARD               | Food and Agriculture Organization of the United Nations                |
|                     | Mr. AMMAR                  | International Labour Organisatio                                       |
| epresentati         | ves of specialized agencie | <u>8</u> :   |
|                     | Mr. GRGA LAVCEVIC          | Yugoslavia   |
|                     | Mr. SANON                  | Upper Volta  |
|                     | Mr. KOCHUBEI               | Ukrainian Soviet Socialist<br>Republic                                 |
|                     | Mr. KLU                    | Togo   |
|                     | Mr. van NIEKERK            | South Africa   |
|                     | Mr. DELGADO                | Senegal  |
|                     | Mr. VAZ PINTO              | Portugal.  |
|                     | Mr. NENEMAN                | Poland   |
|                     | Mr. STANGHOLM              | Norway   |
|                     | Mr. OUSSEINI               | Niger •  |
|                     | Mr. DEVENDRA               | Nepal  |
|                     | Mr. CHULUUNBAATAR          | Mongolia   |
|                     | Mr. LAI                    | Malaysia   |
|                     | Mr. THOMAS                 | Liberia  |
|                     | Mr. WHITING                | Jamaica  |
|                     | Mr. NEDIVI                 | Israel   |

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 PRESENT (continued):
 Mr. ABDEL-RAHMAN
 Executive Director, United Nations Industrial Development Organization

 Mr. GRIGORIEV
 Mr. Contended
 Mr. SYLLA

OPENING OF THE SESSION

The TEMPORARY PRESIDENT declared open the first session of the Industrial Development Board. The Secretary-General, who was away from Headquarters on a tour of duty, had asked him to convey a message in which he noted that the first session of the Board marked an important milestone in the development of the United Nations and expressed the conviction that the establishment of UNIDO would give a new dimension to development efforts.

The Secretary-General did not regard industrialization as an aim in itself. It was primarily an instrument for spearheading economic growth, and it should provide a basis for the development of the human potential which had remained largely dormant in the less developed areas. Extending to all peoples the prodigious possibilities opened up by the industrial revolution would make a major contribution to improved conditions of political and economic equilibrium throughout the world.

The Secretary-General was particularly gratified that, at a time when major donors were showing signs of weariness, direct action in the field of industrial development was gaining wide support, as was shown by the size of the pledges those countries had made to the Programme of Special Industrial Services. Indeed, it took a measure of enlightened foresight on the part of the industrially advanced countries to be willing to share their resources of technology and capital with a view to realizing the enormous benefits that the world as a whole would gain from upgrading the productivity of two thirds of mankind.

The Secretary-General was sure that an atmosphere of optimism and anticipation would pervade the first session of the Board, which should serve as an inspiration to further efforts. While the industrially advanced countries had special responsibilities because of the magnitude of their resources and technology, the major effort to accelerate industrialization must come from the developing nations themselves. The extent to which existing and new opportunities for international co-operation would contribute to the common goals depended on the degree of initiative, purposefulness and interest shown by all member countries.

The Secretary-General concluded his message by stating that the most important role of the Board might be to lead the co-operative effort of industrialized and industrializing countries for a concentrated attack on the problems of industrial development.

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He (the Temporary President) suggested that the Board should apply the rules of procedure of the General Assembly until such time as it had adopted its own rules of procedure.

ELECTION OF OFFICERS

<u>Mr. FERNANDINI</u> (Peru) nominated Mr. Tell (Jordan) for the office of President.

Mr. SAHLOUL (Sudan) and Mr. GUPTA (India) supported the nomination. Mr. Tell (Jordan) was elected President by acclamation.

Mr. BOBLETER (Austria) nominated Mr. Dumiterescu (Romania) for the office of First Vice-President.

<u>Mr. ANANICHEV</u> (Union of Soviet Socialist Republics) and Mr. PIÑERA CARVALLO (Chile) supported the nomination.

Mr. Dumiterescu (Romania) was elected First Vice-President by acclamation.

<u>Mr. ABE</u> (Japan) nominated Mr. Lubbers (Netherlands) for the office of Second Vice-President.

Mr. DASTGIR (Pakistan) and Mr. SCHEJBAL (Czechoslovakia) supported the nomination.

Mr. Lubbers (Netherlands) was elected Second Vice-President by acclamation.

Mr. FORTHOMME (Belgium) nominated Mr. Bradley (Argentina) for the office of Third Vice-President.

Mr. ACHKAR (Quinea), Mr. PINERA CARVALLO (Chile) and Mr. KHANACHET (Kuwait) supported the nomination.

Mr. INCHAUSTECUI (Cuba) requested that note should be taken of his delegation's abstention on the election of Mr. Bradley.

Mr. Bradley (Argentina) was elected Third Vice-President.

<u>Mr. BRADLEY</u> (Argentina) thanked the Board for the confidence it had displayed in him by choosing him as a Vice-President, and stated that he felt honoured not to have been clected unanimously.

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<u>Mr. BELECKEN</u> (Cameroon), speaking on behalf of the African group, nominated Mr. Mbaye (Guinea) for the office of Rapporteur.

Mr. GUPTA (India), Mr. ANANICHEV (Union of Soviet Socialist Republics) and Mr. FERNANDINI (Peru) supported the nomination.

Mr. Mbaye (Guinea) was elected Rapporteur by acclamation.

<u>Mr. MBAYE</u> (Guinea) thanked the Board for the honour done to him and stated that, as the Board was holding its first session, he intended to submit a very detailed report to the General Assembly. He would negotiate with all the groups represented in the Board, with a view to preparing a report that could be adopted unanimously.

# CONSIDERATION OF THE PROVISIONAL AGENDA (ID/B/1)

Mr. FERNAIDINI (Peru) announced that the twenty-five developing countries which were members of the Board had decided to form themselves into a group, to be known as the Group of Twenty-five, of which he himself was Chairman. The Group, which had already met, hoped that a unified policy in the field of industrial development would be formulated. With that end in view, he proposed, on behalf of the twenty-five countries, some changes in the provisional agenda which would facilitate the work of the Board and of the secretariat. Item 4 would be entitled "Rules of procedure", in order to allow greater flexibility in the consideration of that particular item. Item 5 should be entitled "Co-ordination and review of activities of the United Nations system of organizations in the field of industrial development", so that both past and current activities could be studied under that item. Item 6 might be entitled "Future programme of work and activities of UNIDO". The subdivisions of the item should be deleted, and consideration should be given only to work beginning with the opening of the current session. The Group of Twenty-five did not feel that it was necessary to have a separate item on Special Industrial Services, since those activities would in any event be included in the programme of work of UNIDO. Items 8 and 9 would therefore become items 7 and 8, without any change in their wording. It would be desirable to include in the agenda a new item 9, which would be worded "Organizational matters, including the structure and functions of the Secretariat". The words "Organizational matters"

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should be understood to mean all problems relating to UNIDO itself, such as its staff and its functions. In that connexion, it would be useful to decentralize the activities of the staff, in order to have a clear idea of how the secretariat worked. Next, there should be a new item 10 on financial questions; there was no such item in the provisional agenda as it stood. That would be followed by the existing item 11 (Other business), and the new item 12 would relate to the adoption of the report of the Board. That change in the order of discussion of the agenda items was logical, since the report could not be adopted until the agenda had been exhausted.

The Group of Twenty-five also felt that the Board's discussion should be organized differently. While the order of agenda items 1 to 4 would remain unchanged, the other items should be considered in the following order: "Report on the establishment of UNIDO headquarters" (item 8) (the priority position for that item had been informally requested by the Austrian representative, who wished the matter to be considered as early as possible); "Future programme of work and activities of UNIDO" (item 6); "Co-ordination and review of activities of the United Nations system of organizations in the field of industrial development" (item 5); "Organizational matters, including the structure and functions of the secretariat" (item 9); "Financial questions" (item 10); "International Symposium on Industrial Development" (item 7); "Other business" (item 11); "Adoption of the Report of the Board to the twenty-second session of the General Assembly" (item 12).

He hoped that the Board would accept those proposals and wished to state once again that the developing countries of Africa, Asia and Latin America thought it most important that the current session should be devoted to useful work which was completely in keeping with the aims of the new organisation. He stressed their desire to lay the foundations for fruitful co-operation in the field of industrial development.

<u>Mr. VIAUD</u> (France) objected to the delay in the translation and circulation of some documents in French. For example, the documents relating to United Nations activity in the field of industrial development (ID/B/3 and 4) had been circulated only a few minutes before the beginning of the meeting. Such working methods, which were unworthy of a secretariat that sought to maintain high

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standards of efficiency, augured ill for the future, and it would be unfortunate if UNIDO's work suffered as a result. His delegation, which had thus been unable to obtain any instructions from its Government regarding agenda items 5 and 6, would like consideration of those items to be postponed to the end of the session. That would enable it to familiarize itself with the documents which had just been circulated and to obtain the necessary instructions.

<u>Mr. FINERA</u> (Chile) said that there had also been delays in translating the documents into Spanish - a situation which did not facilitate the task of delegations working in Spanish. He supported the changes in the agenda proposed by the Peruvian delegation. In that connexion, the new title of item 6 acquired special importance, since the Board's primary task was to determine, in the light of the relevant General Assembly resolutions, the main outlines of UNIDO's work. The Board should also define the principles which would govern UNIDO's co-ordination of United Nations activities in the field of industrial development. Finally, the consideration of financial questions would compel the Board to establish an order of priority and to define the most urgent tasks which UNIDO would have to tackle in the near future.

<u>Mr. INCHAUSTEGUI</u> (Cuba) said that if the current session was to be devoted to positive, practical work, artificial divisions between East and West should not be created. The Peruvian representative, who had said that he was speaking on behalf of the developing countries, had not seen fit to consult the Cuban delegation. His delegation was bound to protest against that wholly unjustifiable omission.

<u>Mr. DELVAUX</u> (Belgium) associated himself with the French representative's protest against the delay in issuing certain documents in French.

<u>Mr. FERNANDINI</u> (Peru) said that the Spanish-speaking delegations had encountered the same difficulties as the French delegation with regard to the locuments relating to agenda items 5 and 6. However, it would be difficult to postpone consideration of the latter item to the end of the session, particularly since the only document concerned with that question was the General Assembly resolution establishing UNIDO. The French representative's request regarding the

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postponement of item 5, on the other hand, could be met without difficulty. In reply to the Cuban representative, he pointed out that the existence of different economic systems was a fact and there was nothing offensive in alluding to it. It was also a fact that Cuba had been elected to the Board as a member of the socialist group. Nevertheless, Cuba had not been thrown out of Latin America.

<u>Mr. AKE</u> (Ivory Coast) associated himself with the French representative's protest. It was essential that documents should be circulated simultaneously in all working languages. He hoped that the Executive Director would do everything in his power to see that French-speaking delegations were not given inferior treatment.

<u>Mr. KOTSCHNIG</u> (United States of America) said he thought that the Peruvian delegation had in fact proposed a new agenda which was much more logical and coherent than the previous one. It would be difficult to postpone items 5 and 6, to which the main part of the Board's discussion would refer, to the end of the session. It was clear that agreement on item 6 could not be reached during the first week. The Board should explore the future and not merely appraise past activities.

<u>Mr. YELANEH</u> (Iran) supported the Peruvian delegation's proposals. The co-ordination of United Nations activities in the field of industrial development was especially urgent in that the number of organizations was constantly increasing. UNIDC must be given the means it needed to carry out that co-ordination. It was also important that UNIDO should make sparing use of the financial resources which would be made available to it.

<u>Mr. INCRAINTEGHT</u> (Cuba), exercising his right of reply, recalled that under General Assembly resolution 2152 (XXI) Cuba belonged to Group C (Latin American countries) and not Group D (socialist countries). The Perusian representative acknowledged that Cuba was a developing country of Latin America but refused to draw the practical conclusions from that fact. Such discriminatory behaviour could only have the smooth operation of the Board.

<u>Mr. FREMANNEL</u> (Peru) pointed out that resolution 2152 (XXI) made provision for seven seats for the Latin American countries. Cube's candidaty

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had not been approved by those countries, and the socialist group, which had insisted that Cuba should be a member of the Board, had given it one of its seats. Accordingly, Cuba represented the socialist group and not the Latin American group, all of whose seats had been filled.

<u>Mr. MUZIK</u> (Czechoslovakia) recalled that at the time of the elections to the Board two notes from the socialist group had stated that the Group D countries were giving one of their seats to a Latin American country to enable it to be seated on the Board and for that purpose alone. There had been no objection to the notes, and no one had challenged that interpretation during the voting. That procedure had in no way altered the provisions of resolution 2152 (XXI), under which Cuba was a member of the Latin American group of countries.

## The meeting rose at 1.40 p.m.



