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*for a sustainable future*

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INDUSTRIAL DEVELOPMENT BOARD

First Session

SUMMARY RECORD OF THE THIRTY-FOURTH MEETING

Held at Headquarters, New York,  
on Wednesday, 3 May 1967, at 8.45 p.m.

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Consideration and adoption of draft resolutions (ID/B/L.7/Rev.1,  
L.8/Rev.2) (continued)

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.

PRESENT:

|                    |                         |                             |
|--------------------|-------------------------|-----------------------------|
| <u>President:</u>  | Mr. DUMITRESCU          | (Romania)                   |
| later,             | Mr. TELL                | Jordan                      |
| <u>Rapporteur:</u> | Mr. MBAYE               | Guinea                      |
| <u>Members:</u>    | Mr. VIDAL ETCHEVERRY    | Argentina                   |
|                    | Mrs. SAILER )           | Austria                     |
|                    | Mr. REISCH )            |                             |
|                    | Mr. FORTHOMME           | Belgium                     |
|                    | Mr. PATRIOTA            | Brazil                      |
|                    | Mr. VLADOV              | Bulgaria                    |
|                    | Mr. BELEOKEN )          |                             |
|                    | Mr. ZOA )               | Cameroon                    |
|                    | Mr. MacLAREN            | Canada                      |
|                    | Mr. FIGUEROA            | Chile                       |
|                    | Mr. HERRAN-MEDINA       | Colombia                    |
|                    | Mr. SANCHEZ             | Cuba                        |
|                    | Mr. MUZIK               | Czechoslovakia              |
|                    | Mr. SARTORIUS           | Federal Republic of Germany |
|                    | Mr. UGGELDAHL           | Finland                     |
|                    | Mr. CESAIRE             | France                      |
|                    | Mrs. AGGREY-ORLEANS     | Ghana                       |
|                    | Mr. GUPTA )             |                             |
|                    | Mr. CHADHA )            | India                       |
|                    | Mr. MARTONEGORO         | Indonesia                   |
|                    | Mr. ORDOOBADI           | Iran                        |
|                    | Mr. PISANI MASSANORMILE | Italy                       |
|                    | Mr. KOFFI               | Ivory Coast                 |
|                    | Mr. ABE )               |                             |
|                    | Mr. IKEDA )             | Japan                       |
|                    | Mr. AL-RIFAE            | Kuwait                      |
|                    | Mr. OLUMIDE             | Nigeria                     |
|                    | Mr. AHMED               | Pakistan                    |
|                    | Mr. FERNANDINI          | Peru                        |
|                    | Mr. RODRIGUEZ           | Philippines                 |

PRESENT (continued):

|                             |                    |   |
|-----------------------------|--------------------|---|
| <u>Members</u> (continued): | Mr. CONSTANTIN     | Romania   |
|                             | Mr. RYABONYENDE    | Rwanda  |
|                             | Mr. WARSAMA        | Somalia   |
|                             | Mr. ARANA          | Spain   |
|                             | Mr. SAHLOUL        | Sudan   |
|                             | Mr. WETTERGREN     | Sweden  |
|                             | Mr. DAHINDEN       | Switzerland   |
|                             | Mr. VISSERTURAKARN | Thailand  |
|                             | Mr. ARCHIBALD      | Trinidad and Tobago                                     |
|                             | Mr. ASKIN          | Turkey  |
|                             | Mr. LOBANOV        | Union of Soviet Socialist<br>Republics                  |
|                             | Mr. BADAWI         | United Arab Republic                                    |
|                             | Sir Edward WARNER  | United Kingdom of Great Britain<br>and Northern Ireland |
|                             | Mr. BLAU           | United States of America                                |
|                             | Mr. MONTERO        | Uruguay   |
|                             | Miss CAMPBELL      | Zambia  |

Observers for Member States:

|             |        |
|-------------|--------|
| U BA YIN    | Burma  |
| Mr. NENEMAN | Poland |

Representatives of specialized agencies:

|               |  |
|---------------|--|
| Mrs. de LOPEZ | International Labour<br>Organisation   |
| Mr. WOODWARD  | Food and Agriculture<br>Organisation of the<br>United Nations  |
| Miss BARRETT  | United Nations Educational,<br>Scientific and Cultural<br>Organization   |
| Mr. PERINBAM  | { International Bank for<br>Reconstruction and Development<br>International Development<br>Association<br>International Finance<br>Corporation |

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PRESENT (continued):

Representatives of other United Nations bodies:

|             |  |
|-------------|--|
| Mr. HARLAND | United Nations Development Programme     |
| Mr. HILL    | Under-Secretary for Inter-Agency Affairs |

Representatives of inter-governmental organizations:

|             |  |
|-------------|--|
| Mr. WOODLEY | United International Bureaux for the Protection of Intellectual Property |
|-------------|--|

Secretariat:

|                  |  |
|------------------|--|
| Mr. ABDEL-RAHMAN | Executive Director, United Nations Industrial Development Organization |
| Mr. OSHINS       | Director, Industrial Services and Institutions Division                |
| Mr. BIRCKHEAD    | Acting Director, Division for Administration and Finance               |
| Mr. LACHMANN     | Department of Economic and Social Affairs                              |
| Mr. STOFDEL      | United Nations Conference on Trade and Development                     |
| Mr. SYLLA        | Secretary of the Board   |

CONSIDERATION AND ADOPTION OF DRAFT RESOLUTIONS (ID/B/L.7/Rev.1, L.8/Rev.2)  
(continued)

The PRESIDENT invited the Board to consider the revised draft resolution ID/B/L.7/Rev.1.

Mr. ARCHIBALD (Trinidad and Tobago) thought that the value of the proposal contained in the revised draft resolution would become increasingly evident as time went on. The text had been widely supported in private consultations between delegations before it had been formally submitted to the Board, and he had been greatly surprised by the violence of the criticism directed against it at the thirty-third meeting.

The sponsors had been accused, in particular, of mounting an attack on the secretariat. But that had not been their intention at all. The guidelines laid down in part II of General Assembly resolution 2152 (XXI) covered a very wide range of activities. With its limited resources, UNIDO would not for a very long time be able to undertake all the tasks assigned to it. A selection would have to be made of high-priority tasks to which resources should be allocated in the first instance. In making that selection, the secretariat might misinterpret the wishes of the Board. If a committee were established to advise the Board on matters affecting programming and budgeting, the Board and the secretariat would benefit alike.

His delegation had no intention, either, of implying that UNIDO was doomed to failure. On the contrary, the sponsors of the draft resolution had proposed the establishment of machinery which would ensure that the organization was a success.

Mr. TELL (Jordan) observed that, at the thirty-third meeting, three delegations had criticized the draft resolution on the grounds that the proposed programme and budget committee would usurp the power of the secretariat. Why, in that case, had the same delegations voted in favour of rule 62 of the rules of procedure, which authorized the Board to establish such subsidiary organs as might be necessary?

In the United Nations, the Advisory Committee on Administrative and Budgetary Questions gave considered advice, and the Fifth Committee took decisions, on

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(Mr. Tell, Jordan)

budgetary problems affecting the Organization as a whole. For UNIDO, the relationship between the proposed programme and budget committee and the Board would be much the same. There was some inconsistency in the position of delegations which were strongly opposed to the establishment of a UNIDO programme and budget committee, but were at the same time energetically canvassing for membership of ACABQ. The Council of FAO had two committees to advise it on matters affecting programming and budgeting. Two of the delegations which were not in favour of a UNIDO programme and budget committee were members of both committees of the FAO Council. UNICEF, also, had a Programme Committee; but the Executive Director of UNICEF had never complained that the mere existence of that Committee had reduced him to the status of a mere clerk. UNCTAD, he thought, had more subsidiary bodies than any other organization of a similar size. Had any of the delegations which were now opposing the draft resolution ever objected to the creation of subsidiary bodies in UNCTAD? The Economic and Social Council had voluntarily decided to disband one of its committees of the whole, and to transfer one of its main responsibilities to the Committee for Programme and Co-ordination, which contained among its members certain States which were not members of the Economic and Social Council itself. But none of the delegations opposing the draft resolution had ever complained that the Committee for Programme and Co-ordination might usurp the Council's authority.

Some of the opponents of the draft resolution had assumed that requests from Governments would be transmitted directly to the programme and budget committee. But there was nothing in operative paragraph 3 to suggest that that would be the case. It was the sponsors' intention that the programme and budget committee would consider projects after they had been duly processed by the secretariat. The United States representative had suggested that there would be nothing for the secretariat to do while the proposed programme and budget committee was in session. But there were no grounds for that assumption, either, in the text before the Board.

In short, the arguments advanced by the opponents of the draft resolution were illogical, inconsistent and unfounded. A final decision on the draft resolution should, however, be deferred until the Board had taken a decision on the proposal that it should hold a resumed session later in 1967.

Mr. Tell (Jordan) took the Chair.

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Mr. FERNANDINI (Peru) said that, although his delegation had been unable to accept the original text of the draft resolution, it could now support the revised version as orally amended at the previous meeting. The draft resolution had been unjustly criticized as being an extreme proposal; however, its main provision, operative paragraph 3, calling for the establishment of a programme and budget committee, was fully in accordance with accepted United Nations practice. It had also been said that the proposed committee would tend to usurp the functions of the Executive Director; however, it was clearly the intention that the committee should merely assist the Executive Director in preparing UNIDO's programme of work and its budget. The establishment of such a committee would avoid a repetition of the unfortunate situation that had arisen at the current session when the secretariat, having been unable to consult Governments other than unofficially, had submitted what most delegations considered to be an unsatisfactory programme of work. If the programme was found unsatisfactory at the second session, the Board could only accept or reject it in toto, since it could neither change nor improve it. A programme and budget committee would have the essential task of submitting constructive suggestions about the programme of work to the Executive Director in good time before the adoption of the budget; it would be too late to make such suggestions when the programme came before the Board.

The argument that the establishment of such a committee was premature implied that the experience of at least a year of work would be necessary before any decision on the proposed committee could be taken; even if that were so, it still meant the loss of much valuable time.

He could not see how the establishment of such a committee could offend the secretariat. Paragraph 3 of the draft resolution made it clear that the type of action envisaged was close collaboration with the Executive Director. In fact, the committee would also give the Executive Director the assurance that, when the programme came before the Board, it would have already been considered and approved by one of its subsidiary bodies.

The only difficulties he could see with the draft resolution were practical. The proposal that the programme and budget committee should be composed of "experts" was unclear and might be harmful. Moreover, the resumed session referred

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(Mr. Fernandini, Peru)

to in operative paragraph 5 was costly and unnecessary, since the task of preparing the work of the Board's next session could be more efficiently and economically performed by a small body of seven to ten members than by the Board itself.

If the Board rejected the draft resolution at its current session, it would inevitably have to establish a similar body at some time in the future as UNIDO's activities became increasingly more complex and larger in scale.

The Board should adopt the draft resolution unanimously if it was to be effective; however, since unanimity, or even a large majority, seemed unlikely, he proposed that, if the sponsors agreed, the Board should decide not to vote on the draft resolution (ID/B/L.7/Rev.1) and to include it in its report.

Mr. BADAWI (United Arab Republic) proposed that the Board should vote on the draft resolution immediately.

Sir Edward WARNER (United Kingdom) said that he maintained his proposal concerning the holding of a resumed session.

Mr. FORTHOMME (Belgium) moved the closure of the debate on draft resolution ID/B/L.7/Rev.1

Mr. Dumitrescu (Romania), Vice-President, resumed the Chair.

After a procedural discussion in which Mr. MacLAREN (Canada), Mr. FORTHOMME (Belgium), Mr. BADAWI (United Arab Republic), Mr. SAHLOUL (Sudan), Mr. FERNANDINI (Peru) and Mr. TELL (Jordan) took part, the PRESIDENT invited the Board to vote on the Belgian motion.

The motion was adopted by 42 votes to none, with 1 abstention.

The PRESIDENT suggested that the Board should now vote on the Jordanian proposal for a postponement of a decision on draft resolution ID/B/L.7/Rev.1

Mr. KOFFI (Ivory Coast), said that, before the Jordanian proposal was put to the vote, he would like it to be made clear whether the intention was to defer the vote on draft resolution ID/B/L.7/Rev.1 until a decision had been taken on the date of the next regular session of the Board or on the date of the proposed resumed session.

Mr. FORTHOMME (Belgium) explained that the date in question was the date of the next regular session of the Board and that the question of the resumed session was an item for separate consideration.

The Jordanian proposal was rejected by 17 votes to 10, with 14 abstentions.

Mr. ARCHIBALD (Trinidad and Tobago) informed the Board that the sponsors of the draft resolution had accepted the proposal made by the representative of Peru at the previous meeting that the resolution should be included in the report of the Board and not voted on at the present session.

Mr. Tell (Jordan) resumed the Chair.

The Peruvian proposal was adopted by 17 votes to 7, with 14 abstentions.

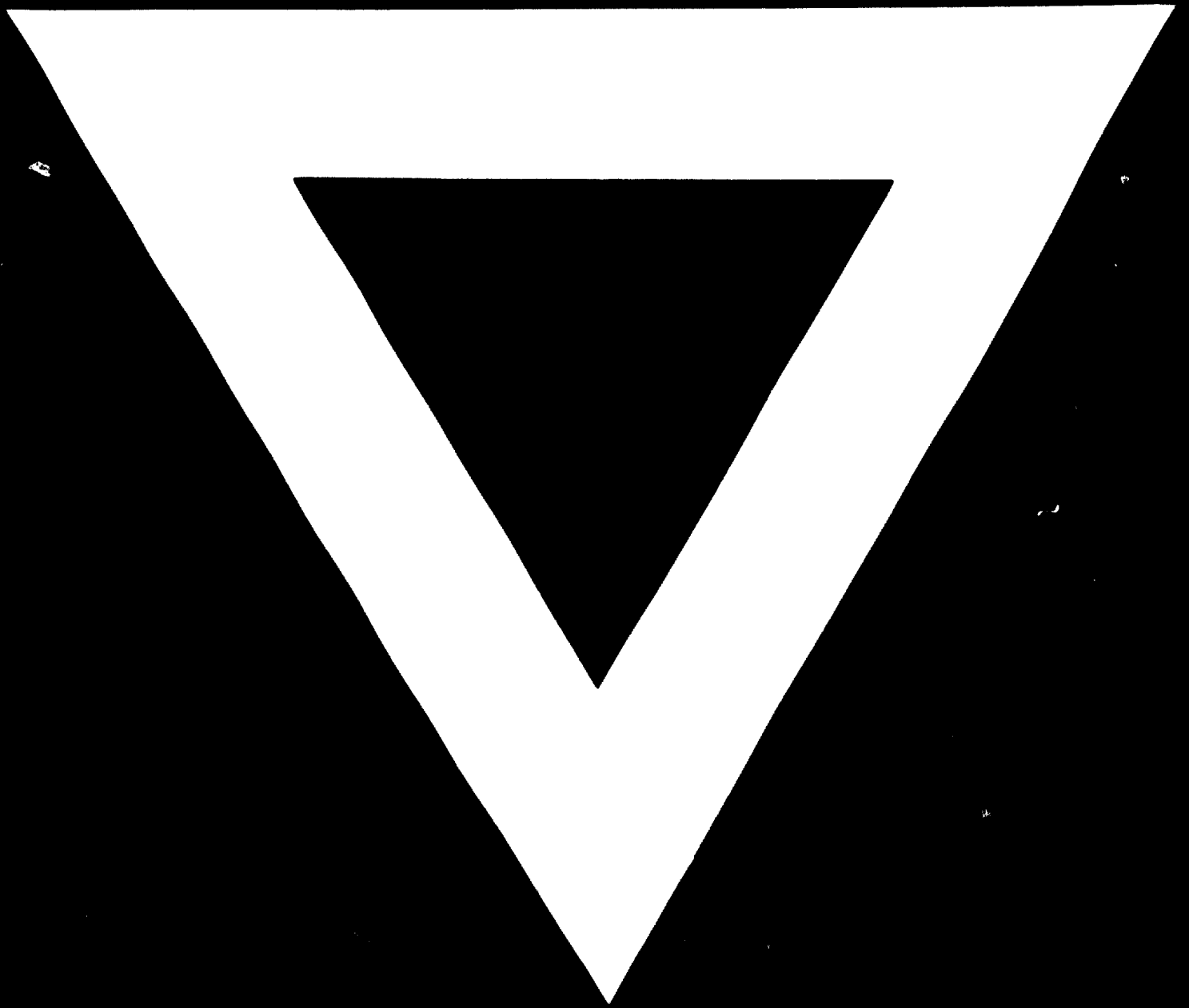
Mr. WARSAMA (Somalia) said that his delegation wished to reserve its position on draft resolution ID/B/L.7/Rev.1.

The PRESIDENT said that the next item before the Board was draft resolution ID/B/L.8/Rev.2, submitted by the delegations of Cameroon, Peru and the Philippines. At the previous meeting, the Peruvian representative had announced, on behalf of the sponsors, that they had agreed that the draft resolution should be included in the report of the Board but should not be voted on at the present session.

Sir Edward WARNER (United Kingdom), Mr. MUZIK (Czechoslovakia) and Mr. SAHLOUL (Sudan) said that they wished to reserve their positions on draft resolution ID/B/L.8/Rev.2.

The meeting rose at 11.20 p.m.





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