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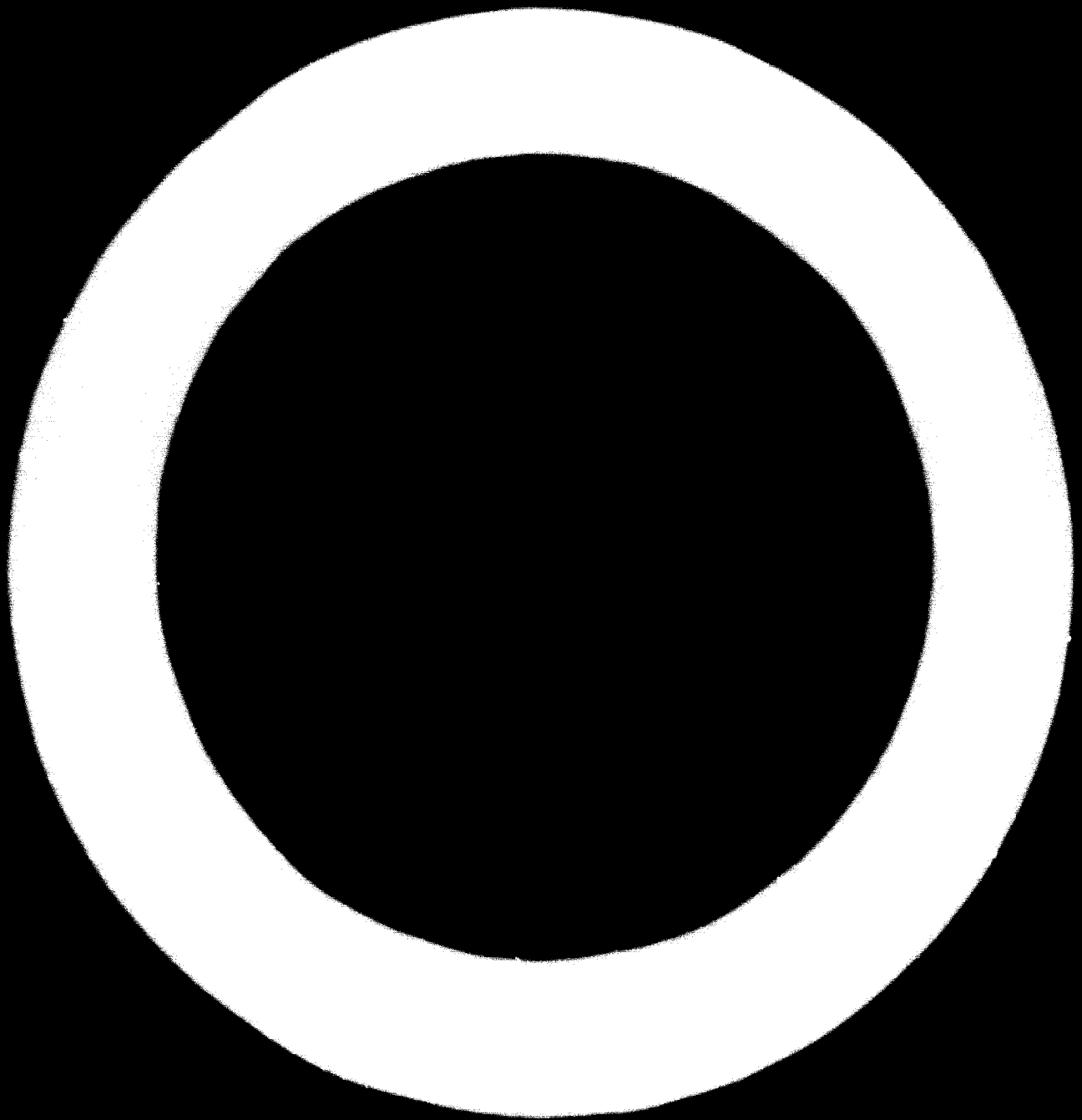
**Training Workshop for Managerial Staff
of Chambers of Industry in Africa
Addis Ababa, Ethiopia, 7 - 12 December 1970**

FINAL REPORT ✓

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1. INTRODUCTION

Background

1. The Industrial Development Board in its Third Session (Vienna, 24 April to 13 May 1969) supported the idea of organizing training workshops for managerial staff of Chambers of Industry in developing countries. It has generally recognized that there exists a need for strengthening the capabilities of managerial staff of Chambers of Industry in developing countries. The performance of Chambers of Industry in advanced countries has demonstrated that these institutions have an indispensable role to play in the field of industrialization.

2. In order to approach that problem in a systematic manner, this Workshop was organized as the first of its kind. It is intended to organize additional ones in subsequent years. The overall purpose of the Workshop was to discuss the different experiences and structures of Chambers of Industry and similar organizations, as well as their future potentialities, through a review of the activities of such institutions and exchange of experience, with a view to improving their efficiency and their contribution to industrial development.

Organization

3. The Training Workshop for Managerial Staff of Chambers of Industry in English-speaking countries of Africa was held from 7 - 12 December 1970 at the Africa Hall, Addis Ababa, Ethiopia. The Workshop was organized by UNIDO (United Nations Industrial Development Organization) in collaboration with ECA (United Nations Economic Commission for Africa) and A/SAIE (African-South Asian Organization for Economic Co-operation). Mr. Walter Swoboda, Industrial Development Officer, Industrial Institutions Section, UNIDO and Mr. Louis Sengard were Director and Co-Director of the Workshop, respectively.

Opening Session

4. The Workshop was inaugurated by Mr. P. Rajeshwara, Deputy Executive Secretary, ECA. Mr. Swoboda read a message from Mr. I.I. Abdel Rahman, Executive Director of UNIDO. Introductory

statements were also made by Ali Jaffar De-Curti, President of the United Arab Chamber of Commerce, Mr. J. Hebrich, Managing Director of APACED and Mr. Jean Bernhart in his capacity as the Netherlands representative to the International Bureau of the Chambers of Commerce (I.B.C.C.).

The full text of the statements is given in Annexes 1 - 5.

Attendance:

5. The Workshop was attended by:

- four experts from Algeria, Greece, India and Netherlands;
- eight participants from Ethiopia, Mauritius, Sudan, Tanzania and the United Arab Republic.

A list of experts and participants is attached in Annex 6.

Election of Officers:

6. The Workshop unanimously elected the following officers:

- Chairman: - Mr. Bekelo Moldenmayat (Ethiopia)
- Co-Chairman: - Mr. Jayantilal K. Chande (Tanzania)
- Rapporteur: Mr. Mohammed Ali Rifast (Algeria)

Agenda:

7. The Provisional Agenda was introduced by Mr. Walter Svoboda, Director of the Workshop, and after some slight changes, unanimously adopted. (See Annex 7)

Documentation, Report and Working Language:

8. Documents prepared in connection with the Workshop included the following:

- discussion paper prepared by the experts;
- country statements presented by the participants;
- information papers submitted by the International Chamber of Commerce.

A list of these documents is given in Annex 8.

9. At its closing session, the Workshop unanimously approved the draft report of the discussions that took place. The recommendations formulated by the participants and the experts were carefully considered and unanimously approved.

10. English was the official working language of the Workshop.

Closing Session:

11. At its closing session the Workshop was addressed by Mr. Walter Svoboda, UNCTAD, and Mr. Louis Sengard, ICA. The closing statement was made by the Chairman of the Workshop, Mr. Bekele Holdenmyat, acting Secretary General of the Addis Ababa Chamber of Commerce.

II. SENEGAL

CHAMBER OF COMMERCE AND INDUSTRY

1.

Summary

12. Mr. Philippe Boulik, Secretary-General of the Senegalese Chamber of Commerce and Industry, stated that the Senegalese Chamber of Commerce was founded in 1950 by a group of Senegalese trading companies. It is a voluntary non-profit making association.

13. At present, the Chamber includes about 125 firms from both the private and the public sector. Members are classified in 4 groups: banking and commerce, transport, harbour and tourism, commerce, and industry. The activities of the Chamber fall into three categories, namely: information to members and non-members; representation of the interests of the business community before the Government; and other activities including export promotion.

14. In conclusion, Mr. Boulik stated that there is an advisory and extension service by means of which advice is given on standardization and management problems. Possibility studies are made on request. There is also a technical library furnishing information on subjects such as accountancy, packaging, advertising and so on.

2.

Sudan

15. The Sudan economy has continued, for a number of decades, almost totally dependent on agriculture. In particular, cotton remained the mainstay of the economy and the prime source of the national income and foreign exchange.

16. As such heavy reliance on one major crop leaves the economy vulnerable to fluctuations caused either by deteriorations in average yield or in average international prices, it was

recognized, when the Sudan obtained independence in 1956, that in order to achieve a higher national income and a higher standard of living, emphasis in development should be placed on the promotion of industry, parallel with expansion of agriculture.

17. To achieve this the Government issued in 1956 the "approved enterprises" (concessions) act. This act played a significant role in encouraging and attracting both local and foreign capital to invest in industry, and numerous industries of vital importance and a number of small and medium scale industries were established.

18. However, by the late sixties and from experience, it became apparent that in spite of the concessions, the 1956 act gave to industry, many industrial enterprises were faced with a number of problems and impediments either in the initial implementation stage or after they had started operating.

19. To remedy these shortcomings, the Government, after establishing a Ministry for Industry and Mining, entrusted with the implementation of a national industrial development policy, introduced a new legislation, namely, "The Organisation and Promotion of Industrial Investment Act of 1967".

The new legislation aims at simplifying the concessions and assistance granted to industrial enterprises and at the removal of all barriers and obstacles that have previously retarded the desired rate of industrial progress.

20. Since the introduction of this act, investment in industry has been steadily growing. In early 1970, the investment amounted to one hundred million Sudanese pounds, out of which 25 millions represented investment in the public sector.

21. For some years, the entrepreneurs had felt the need for an organization to help in the promotion of industry and the national economy as a whole, and to safeguard their interests.

Consequently, they gathered together and decided to set up a body: hence the "Jordan Manufacturers' Association" was established in February 1968.

22. (a) The Association is governed by the General Assembly and its affairs are administered by a Board of Directors with the Secretary-General as the Executive Officer.

(b) The Board of Directors are elected annually at the general meeting.

(c) The membership is open to all enterprises employing 30 employees or more, so far the membership has embraced enterprises in the private sector only.

(d) The Association is financed from annual subscriptions paid by the members, but this year the additional revenue has been realized from the proceeds of an exhibition for local industry organized by the Association.

23. The Association came to light to find a well-established and healthy Chamber of Commerce and an Employers' Consultative Association. In addition to their co-operation with the Ministry of Industry and Mineral Resources, the Association works in full harmony and close contact with the above-mentioned organization.

24. While the Association has no statutory status, it has been recognized by the Government and has been given the chance to participate in industrial activities, for example, "it has been represented in the following organizations:

- a) The Advisory Committee for the Promotion of Industry
- b) The Organization for Standard Specifications
- c) The National Council for Revision of Labour Laws
- d) The National Council for Employment
- e) The Committee for Revision of Income Tax Legislation

25. In formulating a five year plan commencing with the 1970/71 budget, the Government has invited the Association to express its views on the role the private sector can play in that plan.

It is evident from the above that our Association is an infant and, therefore, our contribution to this training workshop will be small, but our gain will be great.

3. Tanzania

26. Mr. Chande, Senior Vice-President of the Tanganyika Association of Chambers of Commerce, stated that the Association, because of its constitution and the composition of its membership, is recognized and accepted by the government as an advisory institution on economic and industrial affairs. The Association has representatives on various government, semi-government boards and committees and is also nominated as a national institution with the right to recommend five names for the membership of the parliament of the United Republic of Tanzania, as well as of the parliament of the East African Community, known as the East African Legislative Assembly. The Association is also a member of the Federation of Commonwealth Chambers of Commerce whose headquarters are in London.

27. Mr. Chande went on to explain that the Association is run by an Executive Officer with a staff of four persons. The General activities are run under the guidance of the President and two Vice-Presidents. The Association assists in the promotion of trade, encourages its members to participate in trade fairs and exhibitions and also to make use of local products. It also assists in the formation of development plans and their implementation.

28. In conclusion, he said that his Association consisted of both private enterprise and public sector organizations contributing to economic and social development in the United Republic of Tanzania. It also encouraged its constituent members to play their part in fulfilling the needs, desires and rising expectations of the people of Tanzania.

4. United Arab Republic

29. Eng. El Sabban said that the Federation of Egyptian Industries is set up to promote the common interests of Egyptian industry. It co-ordinates the activity of the industrial chambers and the regional councils, supervises the smooth functioning of these organizations, assists the Government in outlining and executing a national industrial policy and expresses its views on laws and regulations concerning industry.

30. The Federation and its 11 chambers of industry are non-profit making public establishments.

He asserted that both the public and the private sector find a favourable climate within the framework of the Federation of Industries and its affiliated chambers of industry to cooperate in a democratic manner in order to attain national, social and economic objectives, and to implement national industrial policy.

31. Aware of the value of regular consultation with the Federation and its affiliated chambers, the Government made it possible for them to be represented in almost all the advisory bodies and standing joint committees concerned with industrial development. Among the most important bodies, mention must be made of: General Industrialization Organization; Egyptian Organization for Standardization; General Fairs Organization; Supply of raw materials committees; Quality Control Committee on Footwear and Leather

Goods manufactured for export; General Organization for Small Industries and Handicrafts; General Organization for Occupational Safety and Health; Planning Committees; Committees for Issue of Licences for installing industrial establishments; Committee for Hygienic Control of Food; Committees dealing with Labour Conflicts; Training Committees; Incentives Committee, Emergency and Compensation Committee.

32. With regard to technological research, Eng. El Sabhan stated that the Federation made a purposeful survey of major problems, and submitted it to the Ministry of Industry and the Scientific Research Institute for necessary action.

33. In the foreign field, the Federation nominates the U.A.R. employers' representatives to the ILO annual conferences and its industrial committees on textiles, printing, internal transport, petroleum and building. It is also a member of the International Employers' Organization. The Federation is also a member of AFRASEC and participates actively in its conferences. Summaries of reports and studies of these organizations are published in Arabic. Moreover, following the study of reports issued by UNIDO and OECD on sub-contracting, the Federation decided to create, within the framework of the Chamber of Engineering Industries activities, a centre for sub-contracting.

34. In regard to international technical co-operation, Eng. El Sabhan cited the Institute of Small Industries as an example. This Institute has been set up by the U.A.R. Government in co-operation with the UN Special Fund, to extend advisory services to small production units.

35. He also listed a number of publications issued by the Federation including: yearbook, Bulletin on Foreign Trade, Labour Legislation, Customs Tariffs, Export Systems and Procedures, Directory, Guide to Industry, Technological Bulletin and Export Bulletin.

36. In conclusion, he said that the Federation of Industries in U.A.R. with its adequate potentialities and long experience of about half a century, offers help to develop industrial organizations in African countries.

5. Zambia.

37. Mr. Chitulangoma, Assistant Secretary at the Ministry of State Participation, observed that on the attainment of independence in October 1964, the Government of the Republic of Zambia found itself in a helpless position with regard to the control of economic development. This situation was largely due to the fact that all commercial and industrial enterprises, including the mining industry, were in the hands of non-Zambians. Hence the Government decided to participate in the private sector. The form of participation adopted is to set up companies or state corporations through which the Government buys shares in companies or firms dealing in goods that materially affect the country's economy, or in industrial undertakings requiring large capital investment, such as the mining, the steel and the rural industries.

38. The organizations formed so far include the Mining Development Company (MINDECO), the Industrial Development Company, (INDECO), and the Financial Development Company (FINDECO), all of which are controlled by the Zambia Mining and Industrial Company (ZIMCO) headed by the Permanent Secretary of the Ministry of State Participation.

39. Mr. Chitulangoma also stated that the share of the private sector in the economy is still considerable because the Government is only interested in participating in projects of national importance. All small-scale industries and commercial undertakings remain in private hands. Even in big business, the Government has no interest in acquiring 100% control except when it is in the national interest. Thus, the state acquires only controlling

shares, normally up to 51%. Moreover, foreign investments are welcome in all fields with or without Government participation.

40. Mr. Chitulangoma said that there is a shortage of manpower in Zambia and hence considerable emphasis is being placed on manpower training side by side with recruitment of people possessing technical know-how. The role of the Ministry of State Participation is to ensure that the process of industrialization gathers momentum.

Organizational Problems of Chambers, Selection and Training of Staff.

41. Mr. Eenhorst presenting his paper on "Selection and Training of Personnel in Chambers of Commerce and Industry", said that it would not be possible to give a comprehensive outline of the problems involved as the conception of authority, of leadership and of responsibility differs from country to country. His paper might only give half of the different aspects, but with that much, the possibility of identifying the other half was created.

42. Limiting his explanation to the salient features of the paper, he pointed out that:

a) whatever their names were, the chambers were essentially the same institutions;

b) whatever was said about distinct individual differences in purpose, organization and aspect, depending on the place they held in socio-economic order, the aims and tasks undertaken by the chambers were fundamentally the same;

c) those aims and tasks being institutional characteristics, their execution called for special attitude and way of thinking on the part of the Secretary and his staff;

4) for this reason, adequate selection and training of the staff are indispensable for the optimum functioning of the chamber; and

e) This training could be done by the chamber itself, that is to say, in each chamber separately as a part of the policy of the Secretary or together with other chambers at national and regional levels, or together with other chambers at the international level. Before elucidating these aspects, he identified the essential characteristic of the chamber as the authorized representative of trade and industry in its territory, promoting the economic interests of that territory.

43. In citing a number of examples, he demonstrated how the task was a living and limitless one. Economic activity which is closely connected with all aspects of social life, demands from the managerial staff an alertness of mind and an all-round knowledge in many fields.

44. With regard to training, Mr. Bemhorst argued that one of the underlying principles must be that staff members should learn not only to master their own work and that of their department, but also to be well informed or to have good insight into the work of the other departments within the chamber. It was necessary to construct a clear organization scheme. He referred to the very simple one mentioned in his paper and to the more detailed scheme drafted by the IBCC. Furthermore, the staff member should be continually acquainted with the complete work of the chamber.

45. As for co-operation with other chambers at national or regional levels, he drew attention to the following possibilities;

(a) In organizing a system of mutual training for staff and other personnel, benefits could accrue to chambers with due regard to individual traits.

(b) To organize a national or regional association of secretaries and deputy secretaries to function as a study and discussion group with regular meetings.

(c) To establish joint courses at the regional and/or general basic training of the young professional staff as well as follow-up courses of more advanced nature.

46. With regard to co-operation with chambers of commerce at international level, Mr. Benhorst drew attention to the important activities of the IACC in organizing training courses of chamber chambers. Up till now, we had been made of these training possibilities by staff of chambers from the following countries: Algeria, Congo, Ethiopia, Mali, Morocco, Senegal, Tanzania, Libya, Tunisia, Afghanistan, India, Philippines, Saudi Arabia, Mexico and Turkey.

47. The IHCC is, as its name indicated, an international working-meeting and study organization of national chambers of commerce on a large scale, being in touch also with the chambers in socialist countries. It is an autonomous branch of the ICC.

48. Finally, Mr. Benhorst remarked that in regard to selection and promotion, a comprehensive scheme should be evolved, taking into account the requirements of the service together with the needs and incentive of the individual members of the staff.

49. In conclusion, he said that IHCC would welcome any widening of existing contacts with African chambers he had mentioned.

50. After discussing Mr. Benhorst's statement, the Workshop unanimously stressed the necessity of having well-organized and adequate training of managerial staff of African chambers on the three levels indicated in his paper and adapted to the individual situation of each chamber. The suggestions made in Mr. Benhorst's paper could be of use in building up such a training system.

Problems of Financial Management of Chambers of Industry in Africa

51. Dr. M.A. Rifkat, Financial Adviser to the Chamber of Commerce and Industry of Algiers, introduced his paper. He paid tribute to the sponsors of the Training Workshop for their timely initiative which could prove a significant turning-point in realizing a sound involvement of chambers of industry and similar institutions in the process of African industrial development. He emphasized that the treatment of special problems of financial management of the African chambers must take into account certain politico-economic factors of the environment. He detected encouraging signs of widespread acknowledgement that the African chambers could and should play an indispensable role in the industrial development of their respective countries and possibly, too, could be effectively used as means of fostering regional and international co-operation.

52. Yet he was under no illusion about present capabilities of most African chambers. Few had adequate resources to carry out ordinary services. Fewer still were able to extend unaided, their activities. They needed not only additional finance, but also technical know-how.

53. The speaker stressed that the business of financial management was determined by the scope and contents of the tasks entrusted to individual chambers as service institutions. He was of the opinion that the traditional sources of finance would not be adequate. In consequence, he suggested that certain remunerative services could be undertaken especially where such services were not performed by other institutions. Thus, in addition to the not uncommon practice of running public utility undertakings of an industrial nature, the chamber, for the benefit of its members, might perform some complementary industrial promotion services of an international character, such as acquisition of know-how, procurement of machinery and equipment, stimulation of financial

help and development of international sub-contracting potentials.

54. With regard to the improvement of efficiency and the raising of the capabilities of the African chambers in the field of industrialization, UNIDO had a special responsibility which was formally acknowledged in the recommendation of the Athens Symposium of 1967. The discharge of that responsibility was not an easy task. Perhaps it was less difficult to ascertain what the chambers need than to identify the effective means of meeting such need in individual cases. The most hopeful approach depended on a closer relationship and more regular contact between UNIDO and the chambers. There was ample goodwill and high expectations. In that event, the chance of success of the policies and programmes of both UNIDO and ECA in relation to industrialization in Africa would greatly be enhanced.

Co-operation of Chambers with Governments

55. In introducing his paper, Mr. R.S. Bisht, Senior Assistant Secretary of the Federation of Indian Chambers of Commerce and Industry, underlined the pivotal place of industrialization in economic growth, but industrialization was a complex task. Most of the developing countries, therefore, had adopted national planning. To ensure the efficacy of planning, it was necessary to have close consultations between Government and Chambers of Industry.

56. He asserted that the main problems residing in the formulation of the plan would be: (a) dovetailing of the public and the private sectors; (b) integration of small and large industries and (c) consistency and balance in the growth of different types of industry.

57. Mr. Bisht maintained that the major weakness in developing countries lay in the lack of adequate entrepreneurial talent. This talent had to be cultivated by creating opportunities for new entrepreneurs who had often to begin in a small way. To encourage small entrepreneurs, it was necessary for large enterprises, as

well as the Government, to provide assistance — technical, financial, infrastructural and so on. The small ancillary units deserved special attention. Perhaps large-scale units could follow a deliberate policy of inducing their middle level executives to go in for small industry.

58. In the case of large-scale industries, careful selection of projects was of vital importance. It was also necessary to create required extraneous conditions, arrange for foreign collaboration — wherever necessary — and provide protection for nascent industries. Facilities should be made available for raising funds — long-term and short-term. To ensure the supply of such facilities, Mr. Bisht suggested the constitution of a Standing Committee comprising chambers of industry, chairmen of public utilities and Government.

59. He was of the opinion that balanced growth pre-supposed an element of control. To short-circuit administrative controls, a high-level national committee could be constituted for speedy processing of industrial licences. The chambers of industry should be represented on the committee.

60. Development of industries could also be held up because of shortages in critical items such as raw materials, capital goods, etc. To this end, the planning machinery should have a special implementation cell to initiate advance action to avoid possible shortages. Where such shortages related to foreign exchange resources, arrangements for supplementary finance could be sought from international organizations.

61. Development to be efficient, Mr. Bisht said, should be such as to withstand international competition. Though some degree of protection was initially necessary, industry once it gets going, should be viable on its own.

62. Inter-industry disputes wherever they related to buyer-seller relationships, should be resolved on a co-operative basis under

the umbrella of chambers of industry. Full use should be made of arbitration facilities provided by chambers. Disputes outside out of business rivalry's, however, should not be dealt with by chambers.

63. Finally, Mr. Biant referred to the role of international organizations such as UNIDO whose activities had to be made better known in the developing countries. He thought that it might be possible to evolve some machinery to establish direct channels of contact between international organizations and the national chambers of industry.

64. In conclusion, he urged that in the process of industrialization, it was well to bear in mind the changing nature of socio-political milieu in developing countries. Chambers had to adapt to the new social ethos.

Co-operation of Advanced Countries with Chambers in Developing Countries

65. Mr. Demascanedis observed that the bulk of expenditure by the chambers of commerce and industry in developing countries relates to the cost of goods and services that are necessary to accomplish their ordinary tasks. To meet these expenditures, chambers of commerce and industry rely mainly on annual subscriptions of their members, on special levies and on government subsidies. Thus, expenditure on current account can be easily met. What these chambers need most urgently is technical assistance and it is not easily obtainable.

66. He stated that there are certain institutions which could provide chambers of commerce and industry with technical assistance, such as foreign governments, foreign chambers of commerce, the ICC and, in particular, the IBCC, whose work is substantially oriented towards providing technical assistance to these chambers in developing countries.

67. In conclusion, Mr. Demascondin felt that there were many possibilities for foreign technical assistance but that there is a lack of appropriate mechanism whereby the assistance rendered by foreign institutions could be concentrated and transferred to those countries expressing the desire to avail themselves of existing offers. He felt that it was one of the tasks of the Workshop to endeavour to find that mechanism whereby problems could be solved.

Chamber Activities Related to the Process of Industrial Development

Sub Item (a) Industrial Planning

68. The participants from Zambia, Ethiopia, U.A.R. and Tanzania stated that their organisations participated in the preparation of national industrial plans, while in the Sudan, although not directly involved, the Manufacturers' Association's views were solicited. In Mauritius, there is, as yet, no national plan in being but one is in the process of preparation and the chamber will be fully associated with the work at all levels.

Sub Item (b) Industrial Management

69. Encouragement is given by the Associations in Tanzania and the Sudan, and by the Ministry in Zambia, to those wishing to benefit from training programmes. In Ethiopia, industrial management is the responsibility of the Centre of Entrepreneurship and Management (CEM). The President of the Chamber of Commerce is a member of the National Council of this Centre.

70. The Mauritius Chamber of Commerce and Industry has set up an advisory service on industrial management and also issues publications. Similarly, the U.A.R. Federation of Industries publishes information dealing with industrial management, conferences, meetings and so on.

Sub Item (c) Industrial Information

71. In regard to industrial information, the U.A.R., Ethiopia, Tanzania, Sudan and Mauritius all issue various publications,

directories, year-books and bulletins containing industrial information.

Sub Item (d) Industrial Research

72. In Ethiopia, research is undertaken by the Planning Commission and the Technical Assistance Board, while in the Sudan, the work is carried out by the Industrial Research Institute in Khartoum. In Zambia, the Government has set up a National Council for Scientific Research and some work is also done by the mining industry.

73. The Federation of Industries in U.A.R. publishes tracts on applied research and also processes information and problems, passing them on to the Ministry of Industry and the Ministry for Scientific Research. It also participates in meetings on quality control and safety.

74. In Mauritius, industrial research is, as yet, in its infancy but a Bureau of Consultants has already been set up and there is also the Sugar Industry Research Institute.

75. In Tanzania, information is given to the Statistical Department and the Ministry of Commerce and Industry.

Sub Item (e) Investment in Industry

76. In Tanzania, Mauritius and the Sudan, the Associations encourage their members to invest in industrial development and also make representation to the Government for the granting of incentives of various kinds to help industrialists. In Ethiopia, the chamber is not allowed to invest in business but may construct buildings for renting. In the U.A.R., there is participation in drawing-up investment legislation and studying measures for creating incentives for small industries. The Federation is also represented on the factory licensing committee. In Zambia, investment planning is mainly done by the mining industry.

Sub Item (f) Industrial Training

77. In Tanzania, U.A.R., Mauritius and the Sudan, most of all training of manpower for industry is undertaken by the Government. However, in Tanzania, encouragement is given for managerial training in the Technical College, The College of Business Education and in overseas institutions.

78. In Mauritius, there is the Employees Federation serving in the private sector.

79. In Zambia, an Industrial Training Centre has been created. All employees will be obliged either to undertake training or pay a levy into a training fund and send employees to the training centre.

80. In Ethiopia, industrial training is the responsibility of the Centre of Entrepreneurship and Management (CEM) in which Centre, the Chamber of Commerce is represented on the national council by its President.

Sub Item (g) Standardisation

81. Standardisation in Ethiopia and the Sudan falls within the competence of a specialised institution set up for the purpose and the Associations are members of these institutions.

82. In Tanzania, the Association advises the Government on standardisation matters and is also represented on regional and national committees.

83. In Mauritius, testing is carried out by the Faculty of Technology of the University of Mauritius. With regard to specifications, a UNIDO expert is at present in Mauritius to help set up the proper procedures. Ten sectoral committees are proposed and representatives of the Chamber will constitute half of the members of these committees.

84. In the U.A.R., the Federation collaborates with the Centres set up by the Ministry of Labour, sends trainees for courses

organized by international organizations and foreign industries and also participates in local and regional conferences on training.

Sub Item (h) Marketing of Manufactured Products

85. In Mauritius, U.A.R., Tanzania and Zambia, the marketing of products is one aspect of the Chamber's activities and is carried out by participation in fairs and exhibitions - local, regional and international - and also in missions abroad for export promotion. In addition, in the U.A.R., the Federation participates in price fixing committees and distribution of local and imported raw materials.

86. In Ethiopia and the Sudan, the Chambers do not carry out any activity in this field.

87. In Zambia, marketing in rural areas is carried out through wholesale marketing corporations set up by the State companies; but in urban areas, it is done through advertisement, annual agricultural shows and trade fairs.

Sub Item (i) Patents and Trade Marks

88. In respect of patents and trade marks, no activity on the part of the chambers is reported in the case of Mauritius, Tanzania, Ethiopia, the Sudan and Zambia.

89. In the U.A.R., the Federation participates in the International Bureau for Industrial Property and also in regional conferences. It also publishes selected patents in its Technological Bulletin.

Sub Item (j) Regional Co-operation

90. In regard to regional co-operation, the U.A.R., and Ethiopia are members of AFRASEC and act as co-ordinators. The U.A.R. also participates in conferences of various international organizations working in the field, such as FAO and UNIDO.

91. In Tanzania, the Association is very active in the field of regional co-operation and has always been associated with trade and industrial matters affecting the three East African states. The Association recommends five names to the party for election to membership of the East African Legislative Assembly and many members serve in such institutions as East African Airways, East African Railways, East African Harbours.

92. In Mauritius, the Chamber has played a leading role in the field of regional co-operation, particularly with Reunion and Madagascar, and in fact, was active in the area before the Government.

III. CONCLUSIONS AND RECOMMENDATIONS

93. The Workshop recognized that African States are anxious to raise the standard of life of their people through rapid social and economic development in which accelerated industrialization is considered as a principal vehicle.

94. The Workshop notes that industrial development is best pursued and realized within an appropriate institutional framework where all productive forces offer maximum contribution in which the share of the business and industrial communities, be it public or private, is crucial. Hence the role of their representative body — the Chambers of Commerce and Industry or similar institutions ^{1/} — is recognized as indispensable.

95. Therefore, the Workshop recommends that Chambers of Commerce and Industry should be national institutions, composite in character and comprehensive in representativeness, and not be limited to specific sectors, public or private.

96. The Workshop recommends that such appropriate representative bodies be set up where no such institutions exist.

97. In order to make African Chambers of Commerce and Industry valuable consultants for the preparation of national economic policies and effective mechanisms for the mobilization of national productive forces, the Workshop recommends that public authorities encourage them to perform services or undertake tasks calculated to stimulate economic development, and to grant them a legal status that invests them with official recognition as public bodies with a reasonable degree of autonomy.

98. The Workshop recommends that all possible assistance be given to African Chambers to participate or be associated with all policies and programmes relating to the following areas:

^{1/} The phrase "Chamber of Commerce and Industry and similar institutions" will be hereafter referred to as "African Chambers"

Industrial Planning, Industrial Management and Training, Applied Industrial Research, Industrial Information, Promotion of Investment in Industry, Standardization, Marketing of Manufactured Products, and Regional and International Co-operation.

99. Since those activities and tasks call for specialized skills and knowledge, the Workshop recommends the organisation of training courses for managerial staff of Chambers at regular intervals, preferably at the regional level.

100. In consideration of the fact that Chambers could provide convenient media for stimulating sub-regional, regional and international co-operation in the field of industry and trade, the Workshop recommends that the scope of activities of Chambers should extend to evolving ways and means of fostering professional dialogues and collaboration with counterparts in other countries.

101. The Workshop -- noting the existing need for up-to-date industrial information and an appropriate machinery for its collection and dissemination -- recommends the Chambers to stimulate the establishment of sub-regional and regional industrial promotion centres rendering information and consultancy services with the assistance of international and regional organisations.

102. As the traditional sources of regular revenue are hardly adequate to cover the service cost of the expanded role of African Chambers, the Workshop recommends that Chambers should consider the feasibility of undertaking remunerative services, especially where such services are not adequately performed by other institutions. For instance, the Chambers, may, either directly or in collaboration with associated bodies, undertake complementary industrial promotion services which their members

urgently require but cannot themselves perform such as

- (a) the acquisition of know-how in the form of appropriate technology,
- (b) the procurement of machinery and equipment,
- (c) the stimulation of financial help through capital participation, or the offer of credit-facilities;
- (d) the development of international sub-contracting potentials.

103. The Workshop, recalling the acknowledged overall responsibility which UNIDO has assumed in the field of industrial development, strongly recommends that ECA and UNIDO evolve a long-term integrated programme of technical assistance to African Chambers. The components of such a programme should be related to the areas of activities which the African Chambers undertake in the field of industrial development. In particular, the programme should:

- (a) provide technical assistance to improve the organization and administration of existing Chambers and to facilitate the establishment of new ones,
- (b) furnish adequate industrial information services of technology development and other matters of interest to Chambers;
- (c) organize regular meetings of managerial staff of the Chambers whether for the purpose of training or the discussion of specific matters of mutual interests. Where possible regional centres for the training of managerial staff of Chambers may be established and their services extended to training of industrial managers.

104. In recognition of the fact that co-operation of the African Chambers with ECA and UNIDO require adequate communication media which ensure close, regular and direct contact to their mutual

advantage, the Workshop recommends that ECA and UNIDO consider the setting-up of special service units to deal with the respective relations with Chambers.

105. The preparation and implementation of the recommended programs of technical assistance postulate prior field investigation of the position and requirements of the African Chambers by qualified teams. Therefore, the Workshop recommends that UNIDO and ECA initiate such field investigations at the earliest possible date.

106. The Workshop recommends that UNIDO and ECA explore the possibilities of collaboration of other international governmental agencies, as well as non-governmental organizations such as AFRAMED and IEOC in the implementation of the recommended programs.

Message of Dr. I.H. Abdel Rahman, Executive
Director of UNIDO

The work of the United Nations in the economic field in recent years has been directed more and more to the problems of industrial development in the developing countries and to the means for achieving such development with the ultimate aim of raising living standards and income levels. Indeed, the creation of United Nations Industrial Development Organisation (UNIDO), which began operating on 1 January 1967, shows the importance of UN efforts in this direction. UNIDO carries out its functions essentially on the basis of meeting the urgent needs of the developing countries in accelerating their industrial development through promotional and operational activities, supported by research.

The complex nature of the industrialization process is characterized by the interaction of a variety of factors among which is the institutional framework. In this respect it is generally recognised that in newly industrializing countries, Governments have an important role to play while at the same time non-governmental organisations can also exert a salutary influence on the industrialisation process. This is quite natural since when manufacturing reaches certain proportions, such enterprises tend to associate themselves for two specific purposes: (1) self-help in fields of common interests and (2) safeguarding manufacturing interests vis-à-vis other branches of economic activity and the Government. The legal status, structure, scope and activities of such associations cover a wide spectrum of possibilities which vary from country to country, but in all countries the totality of business enterprises exercises its influence in one way or the other on the economic policy of the Government. Organisations representing industrial business-interests whether state-owned

or private and Governments are two complementary equations. Their interaction ultimately aims at improving the country's standard of living by accelerating industrial development. The part which non-governmental organizations can play in industrial development is essentially the theme of this workshop. By bringing together our group of experts with you as responsible representatives of important African countries, the opportunity is offered to have a frank exchange of views on possibilities of assistance by examining the questions posed on your agenda in depth. I am of the opinion that the down-to-earth discussions of this workshop will be aimed at developing practical methods of strengthening the activities of Chambers of Industry in African countries and outline the ways and means through which assistance can be rendered to newly established institutions of this kind.

It is our hope that the serious work you have already put into the preparations of the papers which form the basis of your deliberations will lay the foundation for an organized body of practical knowledge that can be applied to the developing countries of Africa.

May I take this opportunity to express my sincere thanks to all who contributed to the organization of this workshop.

I would like to extend my best wishes for the successful outcome of this workshop.

Opening address of Mr. Prosper Njajaobelina
Deputy Executive Secretary, UNECA

Ladies and Gentlemen:

In the absence of Mr. Robert Gardiner, Executive Secretary of the Economic Commission for Africa, it is my pleasant duty to welcome to Africa Hall this training workshop for the managerial staff of Chambers of Industry in Africa. The workshop is being co-sponsored by UNIDO, ECA and the Afro-Asian Organisation for Economic Co-operation, in accordance with a recommendation made in April/May 1969 at the third session of the Industrial Development Board.

The central purpose of this week-long symposium will be to try to secure greater efficiency in the operation of Chambers of Industry to meet the new challenge of accelerated industrialization in Africa. On this basis, consideration will be given to an exchange of views on your various experiments; a description of the structures of your different organizations; the types of service rendered to the business community; joint consideration of management problems; the provision of qualified staff and securing funds for financing operations.

I think two of the items we will be considering deserve special mention. I refer to co-operation and the co-ordination of the activities of Chambers of Industry with those of government departments, and the selection and training of managerial staff. The real task, as far as co-operation and the co-ordination of the activities of Chambers of Industry with government departments in your respective countries is concerned, should be to serve as genuine industrial promotion centres. I am thinking of the necessary links with the direction of industry in the Ministries of Planning and Industry and other specialized bodies for industrial development. The functions of industrial promotion centres of the business community: making an inventory of industrial projects prepared by the technical services of the

Ministry of Industry and other specialized bodies, the detailed technical and commercial evaluation of proposed industrial projects; determining, from a business standpoint, what industries can best be established in different countries and with the help of qualified consultants, preparing documentation on their implementation. This would cover financing sources, information on industrial equipment and foreign industrialists who might be willing to participate in project implementation; the distribution of information to foreign and local businessmen and financing agencies, to try to get them to invest.

The second problem which is closely linked with the first deals with the training of qualified staff for Chambers of Industry and similar organizations. If Chambers of Industry are to carry out their tasks of industrial planning, industrial project evaluation, industrial financing etc., with any degree of efficiency, they must have competent, qualified staff capable of undertaking these activities.

I am pleased to be able to say that one of the basic objectives of EDA is to train specialists for assessing the various aspects of industrial projects. Nothing would give us greater satisfaction than to co-operate with Chambers of Industry in this very important field.

Ladies and Gentlemen, I am delighted to see at this workshop so many distinguished experts with a knowledge of the problems that constantly tax the ingenuity of Chambers of Industry. I am sure that the discussions which will be taking place between you, who have been most carefully selected and the experts gathered here, who have such a wealth of experience gained from sources outside Africa, will provide sound and practical recommendations. As a result, your Chambers of Industry will receive fresh impetus and should be in a position to

tackle the difficult but exciting tasks of industrial promotion everywhere in Africa. This new structure of the Chambers of Industry should provide an ideal platform for bilateral and multi-national aid and, by a rational chain of circumstances, our combined efforts which stem from it should go a long way towards securing the objectives of the Second Development Decade; accelerated development.

I wish you every success in your exacting task.

ANNEX 3

Opening Address of Ato Taffara Deguefe
President of Addis Ababa Chamber of Commerce

Gentlemen.

I consider it a great privilege, in my capacity as President of Addis Ababa Chamber of Commerce, to address the officials participating in this important Training Workshop for Managerial Staff of Chambers of Industry in Africa.

Being invited to attend the opening of the Workshop I seize the occasion, on behalf of our business community, to welcome all the participants to this Workshop being held in Addis Ababa. I hope your stay in Ethiopia will be most pleasant and enjoyable.

Permit me also to congratulate the sponsors and the organisers of this Workshop for the effort they have devoted to the excellent arrangements and for the choice of the subject which I consider to be of timely importance to all of us in Africa.

I feel that the discussions on the institutional set up of our respective Chambers of Industry and the frank exchange of experiences which this Workshop makes possible will be of great assistance to the private institutions and to the government bodies concerned with the promotion of industries on a national or regional basis.

Let me clarify here that even though the official name of the institution I represent is named in the Charter as Addis Ababa Chamber of Commerce, the organization encompasses in its membership and its purposes also enterprises engaged in industry and agriculture in Ethiopia.

In effect our Chamber of Commerce in Ethiopia represents traders, agriculturists, industrialists and other professional interests on a national basis. It provides an effective channel for contacts between the government and private sectors. In view of these wider interests, we firmly believe in the inter-

relationship between trade development and industrial promotion.

The general remarks which I shall make to this meeting must be taken within this general context.

At the outset I would like to emphasize three areas of your work which I consider of interest:

Firstly, I am convinced of the practicality and usefulness of technical assistance from abroad to stimulate the establishment and the sound growth of Chambers of Industry in Africa.

Secondly, I am of the opinion that the strengthening of the general Secretariat of Chamber of Commerce and Industry will make such institutions more effective instruments in economic expansion in our countries.

The third area to which I feel productive attention could be given at this Workshop lies in the procedures and policies to be followed in ensuring proper financial management of the Chambers of Commerce and Industry in developing African countries.

In describing the problems and prospects of the development situation in Africa, The Pearson Commission stated as follows:

"The objective of increased self-reliance also requires intra-African trade and exchange of qualified personnel. Africa must choose specific sectors for common action in this field. Both the work of the Economic Commission for Africa and the positions taken by African spokesmen suggest four sectors where it may be particularly fruitful:

- (1) agriculture and food supply;
- (2) infrastructure;
- (3) education and training, especially for agriculture, for administration and management, and for science and technology; and
- (4) development of entrepreneurship, to establish a genuinely domestic private sector."

I am certain that the discussions in this Workshop may be useful in pointing out the way for concerted action between Chambers of Industry and governments towards lasting industrial progress.

Turning for a moment to my country, the role of the industrial sector in our economy is small as it does not contribute more than about 5 per cent of GDP. What is more, it is still largely dependent on imported material inputs and on technical advice brought from outside. That is why we now give such importance to any initiative of training.

Official measures encourage the development of industry. We are exerting strong efforts to mobilize our domestic resources for development of our important agro-industrial sectors. There is encouragement to create new opportunities for national entrepreneurs and foreign investors.

You will find in the course of the discussions details on the activities related to the process of industrial development of Ethiopia. The Ethiopian Investment Law provides tax relief and other concessions for industrial enterprises with capital investment exceeding Eth.\$200,000. The government also grants tariff protection in suitable cases. A more comprehensive draft investment code is now under consideration for legislative promulgation in the near future.

Looking at Africa generally, the weakness in our economies is the concentration of exports in very few commodities, whose demand and value fluctuate widely in the world market. In view of the predominance of agriculture in our countries, the effective share of industry in total output and employment continues to be low. But even if industry is an infant sector in our continent, it is growing at a faster rate than agriculture.

But in spite of this growth, most of our people are still relatively poor, our domestic capital formation is low and in

general we must admit to be late starters in economic development. We have to overcome these features of under-development by exerting a supreme effort to attain a higher standard of living for our people. The orientation of our economy to sectors that would provide more employment and growth benefiting the majority of the population must be welcomed with eagerness.

In Africa, our development needs are many and our economic problems difficult of solution. In this endeavour we have the same hopes, expectations and frustrations of developing people everywhere. It is gratifying to note, however, that we are no longer left alone in our attempts in fulfilling these needs and aspirations of our people. We can resort to outside help while trying to solve the myriads of problems that accompany change - for change there is definitely in our Africa today. This process of change has brought in its train a considerable degree of disturbance and imbalance coupled with new needs and new awareness in the social and economic scene of our continent. One of the paramount needs is the organising ability of the trained manager; managerial ability which is, unfortunately, rather scarce in many of our countries. I feel therefore that the choice of the subject matter for the workshop could not have been more appropriate.

The choice of the institutions called upon to participate in this Training Workshop is equally appropriate for two significant reasons:

The first is purely subjective in my case. This is that we are in the midst of reorganising our Chamber of Commerce and for that reason I consider the Training Workshop timely as we are certain to learn something useful from your discussions and conclusions which will assist us in completing our study;

Secondly, I am an ardent believer in the concerted action of Chambers of Commerce and Industry and other similar organizations and associations of a public, semi-public or private nature playing an active and significant role in the fields of information and promotion — two indispensable services which would greatly benefit most African countries.

The importance of information and promotion in our industrialization and investment incentive effort, I am sure, can be readily appreciated by all participants. But allow me to digress at this juncture to tell you the role that the Ethiopian Chamber is playing in the fields of information and promotion. Here again, I will be brief for you will have the opportunity to hear the details from our representative during the course of your working sessions.

In the field of information, although much remains to be done, our Chamber's contribution has been outstanding. We regularly collect statistical data on industries and other relevant enterprises and services for dissemination to our membership and relevant government departments. We provide information on taxes, trade laws and regulations and publish periodically a trade directory.

As regards promotional services, especially in export promotion, the Chamber's contribution has had noticeable impact. Through the methods of participation in international fairs and exhibitions best suited to publicize our produce, and through sponsorship of trade missions abroad as well as through marketing research for export outlets, the Chamber has played its part in promoting Ethiopia's exports. It is planned to intensify such efforts through an Investment and Export Promotion Centre now under consideration by the Ethiopian authorities.

In closing, I would like to express again my gratitude to the organisers of the Workshop for having given me the opportunity to address you briefly at the opening of your deliberations. I hope that you will return from this meeting with a more purposeful and constructive knowledge which you can apply in your respective countries and that your efforts will promote the desired acceleration of industrial development in Africa.

They say that one way in which human knowledge can be measured is in terms of the material, moral and intellectual progress of the individual in society. We need to make super-human effort in Africa to achieve this end. That is why the pooling of available resources of education, experience and improved management systems is of such great value to each of us.

The urgency for the education and training of our people can be best summed up in the words of H.G. Wells who says that 'civilization is a race between education and catastrophe'. Let us cling to the hope that such a race promises in order to avoid the perils of that disastrous end.

ANNEX 4

Address by Mr. Nargues Ali Kmal Hobeisha
Managing Director, Afro-Asian Organisation
for Economic Co-operation (AFRASEC)

AFRASEC represents and serves the interests of Chambers of Commerce, Industry and Agriculture and Federations of sixty Afro-Asian countries. Some of these are active members others are correspondent members. We hold conferences for the development and promotion of specific industrial fields such as shipping; management; insurance and reinsurance; for small industries.

We have created the Federation of Afro-Asian Insurers and Reinsurers which has now become an independent organisation.

We intend to create a federation for the development of small industries. The first Afro-Asian Conference for that purpose was held in Cairo, March 1969. The second conference will be held in New Delhi in March 1971.

We are having in March 1971 the first Afro-Asian Tobacco and Cigarette Conference and we are planning to have two more conferences in 1972; one for Building Materials and the second for the Development of Tourism.

We have created an Industrial Information Centre for the collection and dissemination of industrial information.

We have also recently started a Research Centre. We publish bi-monthly a review "The Afro-Asian Economic Review" which is distributed all over the world to commercial enterprises, Chambers of Commerce, Industry and Agriculture as well as to banks, embassies and interested ministries. It publishes news of trade and industry of Afro-Asian countries and articles and features covering all aspects of economy.

ANNEX 5

**Statement of the Representative of the Netherlands Chambers
of Commerce and Industry to the International Bureau of
Chambers of Commerce, Mr. Frans C.A. Eenhorst**

In my capacity as the representative of the Netherlands Chambers of Commerce and Industry in the International Bureau of Chambers of Commerce, I would like to convey the best wishes of the Board of IBCC for a successful development of the Workshop, that it may give new impulses and activities to the work of the Chambers involved and to the institution of the Chambers as such.

List of Experts and Participants

A. Experts

1. Mr. R.S. Bight, Asst. Secretary
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2. Prof. A.M. Danaskonides
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3. Mr. Frans C.A. Herhorst, Secretary
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4. Mr. M.A. Rifant, Financial Advisor
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B. Participants

1. Mr. Philippe P. Bould, Secretary General
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2. Mr. J.K. Chande, Vice-President
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3. Mr. Al Chitulangoma, Secretary
Ministry of State Participation
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4. Mrs. Margues Hebeisha, Managing Director
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5. Mr. Mohammed Ali Pathi Abdel Gaffar, Secretary General
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6. Mr. Gamil Mohamed el Sabban, Deputy Director General
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7. Mr. Hassan Said Netwalli, Manager
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8. Mr. Bekela Woldeamayrat, Secretary General
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A G E N D A

1. Opening Addresses
2. Election of Officers
3. Adoption of the Agenda
4. Chambers of Industry in Africa, selected country experiences
5. Organizational Problems of Chambers, Selection and Training of Staff
6. Problems of Financial Management of Chambers of Industry
7. Co-operation of Chambers with Government
8. Co-operation of Advanced countries to Chambers of Industry in Developing Countries
9. Chamber activities related to the process of industrial development
 - a) Industrial Planning
 - b) Industrial Management
 - c) Industrial Information
 - d) Industrial Research
 - e) Investment in Industry
 - f) Industrial Training
 - g) Standardisation
 - h) Marketing of Manufactured Products
 - i) Patents and Trade Marks
 - j) Regional Co-operation
10. Adoption of Recommendations

LIST OF DOCUMENTS

1. The Role of Manufacturers' Associations in Industrial Development (ID/WG.1/DP.3), Background Paper
2. Selection and Training of Staff Personnel in Chambers of Commerce and Industry (ID/WG.70/5), Discussion Paper prepared by Dr. Frans C. A. Eenhorst
3. Problems of Financial Management of Chambers of Industry in Africa (ID/WG.70/3) Discussion Paper prepared by Dr. M.A. Rifaat
4. Co-operation between Chambers of Industry and Government for Industrial Progress (ID/WG.70/4) Discussion Paper prepared by Mr. R.S. Bisht
5. Assistance of Advanced Countries to Chambers of Industry in Developing Countries (ID/WG.70/2 Rev.1) Discussion Paper prepared by Prof. A.N. Damaskenides
6. Model Plan for the Organization of the General Secretariat of a Chamber of Commerce and Industry, submitted by the International Bureau of Chambers of Commerce (Doc. No. 550/360)
7. The International Chamber of Commerce and Technical Assistance to the Developing Countries, submitted by the International Chamber of Commerce (Doc. No. 668/1)

INTERNATIONAL BUREAU OF CHAMBERS OF COMMERCE

Steering Committee

(Meeting on 18th October 1966)

Model Plan for the Organisation of the General Secretariat
of a Chamber of Commerce and Industry

R e p o r t

adopted by the Steering Committee of the BICC
for submission to the 108th Session of the Council of the ICC

Introduction

As is known, a substantial part of the work of the BICC is aimed at providing technical assistance to Chambers of Commerce in the developing countries.

Within the framework of this action, this report sets out a model plan for the organisation of the General Secretariat of a Chamber of Commerce, with a view (1) to helping those developing countries seeking to strengthen the structure of existing Chambers or to set up new Chambers where these bodies are lacking at present (2) to making it easier for Chambers of Commerce in the developing countries to specify those subjects which they would like to have studied more particularly by their employees or executives who follow training periods within the Chambers of Commerce of various industrialised countries, under the BICC Technical Assistance Programme.

This memorandum seeks to map out a model plan which could meet the needs of all Chambers of Commerce, irrespective of their legal status: nevertheless, it will obviously be necessary for developing countries to make certain minor adjustments to this model plan, to take account of the legal status to which their Chambers of Commerce are, or will be, subjected in practice, and in view also of the specific economic features of each country.

This memorandum moreover stems from the principle that the general secretariat of a Chamber of Commerce and Industry should, ideally speaking, be organized with the following aims in mind:

- (1) to administer the Chamber in question and to enable it to act as a consultative body either de facto or de jure;
- (2) to meet the needs of the services it is compelled to run;
- (3) to run any services set up on the individual initiative of the Chamber in question;
- (4) to keep membership records, in liaison if necessary with the authorities entrusted with holding the trade register -- if such a register exists in the country -- unless the Chamber itself has to hold it;
- (5) to reply to requests for information received from any interested person or firm;
- (6) to carry out the studies necessary if the Chamber of Commerce and Industry is to play its proper part as a consultative and administrative body and to fulfil its task in the promotion of the development of trade and of the growth of the economy;
- (7) to track down and collect any documentation required for the completion of the abovementioned tasks.

I. ADMINISTRATION OF THE CHAMBER

The administration of the Chamber and the fulfilment of its duties are the first tasks of any Chamber of Commerce and Industry.

- (a) Secretariat proper: reception, dispatch of mail, drafting, typing, reproduction of documents;
- (b) relations with members;
- (c) relations with the public authorities;
- (d) relations with other Chambers which operate in the same region, or in neighbouring regions or even, on the international plane, in other countries;

- (e) preparation for the meetings of the Chamber of Commerce and Industry, likewise for those of its technical commissions, reports, minutes, preparation of studies on economic problems;
- (f) statistics concerning trade organizations in the area;
- (g) organization of fact-finding visits, missions, receptions aimed at facilitating contacts between traders and industrialists, and even farmers, or between public authorities, industrialists and traders; and farmers;
- (h) staff;
- (i) financial administration (preparation of accounts and budgets);
- (j) management of real estate and other property;
- (k) archives.

A. Secretariat

It is naturally essential that mail should be centralized on arrival and departure and it is important that the Secretary General, who is responsible to the Chairman and Officers for the operation of the Chamber of Commerce and Industry's administrative organization, should see all incoming and outgoing documents.

It is advisable that the mail, before being passed on, should be centralized in the hands of one person or department responsible for opening, date-stamping, classifying and registering it.

It is also essential to be able rapidly to trace letters sent by the Chamber of Commerce and Industry to any of its correspondents: this may be done by keeping a loose-leaf file.

B. Relations With Members

The general secretariat should of course keep files containing the information it needs concerning present and past members of the Chamber.

- i) general information;
- ii) business activity;
- iii) function within the Chamber of Commerce and Industry.

C. Relations with Public Authorities

The general secretariat must be very well informed concerning:

- (1) The organization of the government departments with which the Chamber of Commerce and Industry maintains or may require to maintain relations at the national, regional or local level (names of departments, heads of departments, addresses ...) so as to enable the public relations department, which becomes necessary once the Chamber of Commerce and Industry grows sufficiently large, to operate as efficiently as possible and, particularly in the developing countries, to enable the Chamber to indicate to national or foreign firms those government departments which are qualified to grant them the authorizations which may be needed for an extension of business activities.
- (2) The outside commissions on which the Chamber of Commerce and Industry is represented.

A card index may be extremely useful if reference may easily be made to it.

D. Relations with the Chambers of Commerce of Neighbouring Regions or Countries

Similar remarks may be made concerning relations with the Chambers of neighbouring regions or countries. The organisation of meetings between Chambers of frontier areas seems particularly desirable.

E. Preparation of the Meetings of the Chamber of Commerce and Industry and of Those of its Technical Commissions. Reports. Minutes

- (1) Preparation of the "timetable" of meetings of the Chamber of Commerce and Industry and its commissions; it is sound practice for this "timetable" to be drawn up every year;
- (2) Preparation of draft agendas for submission to the Chairman of the Chamber of Commerce and Industry or to the Chairman of its commissions;
- (3) Collection of documentation and study of questions to be discussed;

- (4) Dispatch of convening letters;
- (5) Stencilling of reports;
- (6) If necessary taking of stenotyped notes at meetings;
- (7) Preparation of minutes.

F. Statistics Concerning Trade Organisations

It is essential for each Chamber of Commerce and Industry to keep a very accurate and up-to-date list of trade organisations, i.e. business associations, whether national or local.

A card index system with visible cards is particularly valuable here.

It is advisable to have the index systematically brought up-to-date once a year.

G. Organisation of Fact-Finding Visits, Missions, Receptions

It is advisable to keep a file for each of the fact-finding visits, missions and receptions organized by the Chamber of Commerce and Industry. Likewise it is desirable that the Chamber should assemble very precise documentation on the protocol applied in its country (by the public authorities or by the Chamber itself) in anticipation of the events (banquets, receptions) organized by the Chamber or which foreign visitors might wish to organize.

H. Personnel

It is advisable to recommend that for each Member of the Chamber's Staff the records should contain :

- (a) identity form;
- (b) copy of birth certificate;
- (c) copy of policy record, when such a record exists at the national level;
- (d) photograph;
- (e) copy of letter of appointment and all correspondence exchanged with the employee.

- (f) any special comments and notes, reprimands, sanctions, congratulations on good work, etc.
- (g) a form showing the employee's position with regard to the pension fund.

Experience shows also that it is useful for a Chamber to take out an insurance policy to cover possible damages caused to third parties due to any professional mistakes of the members of its staff.

I. Financial Administration

The fundamental principle here is that each Chamber should establish annually its budget for the coming financial year and its income and expenditure accounts for the financial year which has ended. The form according to which the budget and the income/expenditure accounts are to be presented will obviously vary, depending on whether the Chamber is a private law body or a public law one. As far as public law Chambers are concerned, the form of presentation is generally laid down by the public authorities themselves, which also specify the Ministry or Government Department to which the budget and above mentioned accounts have to be submitted for approval.

Moreover in those countries where the Chambers, as public law bodies, are called upon to run ancillary services such as commodity exchanges, schools, commercial services (warehouses, ports, etc.), it is often laid down by law that the Chambers have to draw up separate budgets for each of these services. In this respect and on the basis of experience it is advisable when the financial situation of the commercial services permits it, to include in the income side of the individual budgets special amounts representing a contribution of the said services to the general administrative expenses of the Chamber.

In each establishment, a petty cash book must be kept from day to day. It may be more or less elaborate depending on the size of the department, but must in any case make it possible and at any time, to check the cash in hand. The individual book-keeping of each department should be adapted to its specific needs.

It is sound administrative practice not only for all the departments run by a Chamber of Commerce to be linked for administrative purposes with the General Secretariat, but for

them to be under the general secretary's authority, since the latter is responsible to the Chairman and Officers for the operation of all departments within the Chamber of Commerce and Industry.

Finally, it is desirable for a Chamber of Commerce to earmark for a reserve fund, all or part of the surplus income remaining after its budgetary obligations have been fulfilled, and also to set up special reserve funds, for instance to receive funds intended to meet exceptional expenses, obtained from loans or other sources, which have not been used at the end of the financial year.

J. Management of Real Estate and Other Property

In the larger Chambers it is desirable for the management of real estate and other property to be entrusted to a special department (equipment and buildings).

It should be noted that it is advisable to keep an inventory of real estate and other property. Such an inventory, kept separately and capable of being included as an appendix to the Chamber's general accounts, makes it possible to assess the capital and the necessary amortisation.

It is likewise advisable for each Chamber of Commerce and Industry to take out the necessary insurance policy to cover all risks liable to be encountered by its real estate and other property.

K. Archives

The meaning of the term "archives" must first be made quite clear. This word is here taken to mean solely those documents referring to the departments of the general secretariat.

The archives form, so to speak, a classified and orderly collection of all documents dealing with cases which may be considered as closed. Special steps should naturally be taken for the filing of confidential documents.

The archives do not therefore include documents to which reference is regularly made; they should also be considered as quite distinct from documentation proper.

II. SERVICES RUN BY A CHAMBER OF COMMERCE

A. Services which are compulsory

Public law chambers are generally compelled by law to operate certain services. The list of such services cannot be drawn up ne varietur, since it is liable to vary from one country to another, or even from region to region within one and the same country, depending on circumstances and needs. However, the following services may be quoted by way of examples:

- views on applications for identity cards for foreign traders and on requests for naturalisation;
- stamping of legitimation cards of commercial travellers going abroad;
- legalization of traders' signature;
- delivery of certificates of origin; here, Chambers of Commerce would be well advised to bear in mind the EIOC recommendations (Document Nos. 550/327 and 550/342 Rev.);
- operation of the commodity exchange set up in the town where the Chamber is located;
- keeping of the register of all traders in the Chamber's area;
- views on regulations concerning commercial practices and on the charges to be made in order to cover the costs of transport services provided by the public authorities within the Chamber's area.

It follows from these remarks that the general secretariat must be very flexible in its organisation. There are two aspects to this need for flexibility. On the one hand it is important that the secretariat should have staff with sufficient professional qualifications to adapt themselves to the variety of administrative tasks which Chambers of Commerce and Industry may be called upon to perform. On the other hand it should be borne in mind that these duties may expand rapidly - sometimes from one moment to the next - thus making it necessary for the secretariat to add the necessary temporary employees to its nucleus of permanent staff. In any event, it cannot be overemphasised that public law chambers must be careful not to omit to express their views on all

matters regarding which the law provides that they must be consulted by the public authorities. Moreover it is very much in the interest of such Chambers as also of private law chambers to take themselves the initiative of submitting to the public authorities any proposal which they deem to be in the interest of industry and trade.

B. Services set up on the initiative of the Chamber itself

Whatever their legal status, Chambers of Commerce should always bear in mind that their function is to provide industrialists and the community with the services which business circles or the government do not wish to organise themselves. The following examples may be quoted here:

- creation and administration of airports, warehouses for air traffic, passenger stations;
- running of technical colleges;
- acquisition of shares in semi-public companies;
- participation in the BICC Chain, operating within the IOC, for the delivery and guarantee of ECU/ATA Carnets, vis. the international customs documents created by the Customs Co-operation Council for the temporary duty free admission of samples of value, goods for use at fairs and professional equipment. This is a very valuable service which Chambers can render to exporters, but it involves heavy obligations and responsibilities;
- organisation of regional fairs and exhibitions and participation in national or international fairs and exhibitions;
- arbitration facilities;
- appointment of experts.

III. MEMBERSHIP RECORDS

Membership records must be kept by means of an up-to-date index system enabling the Chamber of Commerce and Industry to obtain accurate information on the commercial and industrial activities of its area. The index system:

- a) is essential for any Chamber of Commerce and Industry, which must obviously have at its disposal accurate information concerning all its members;

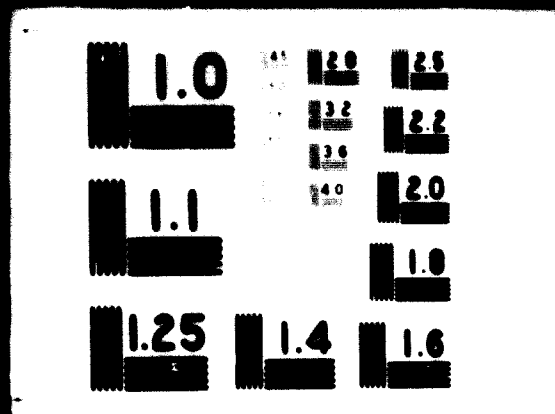


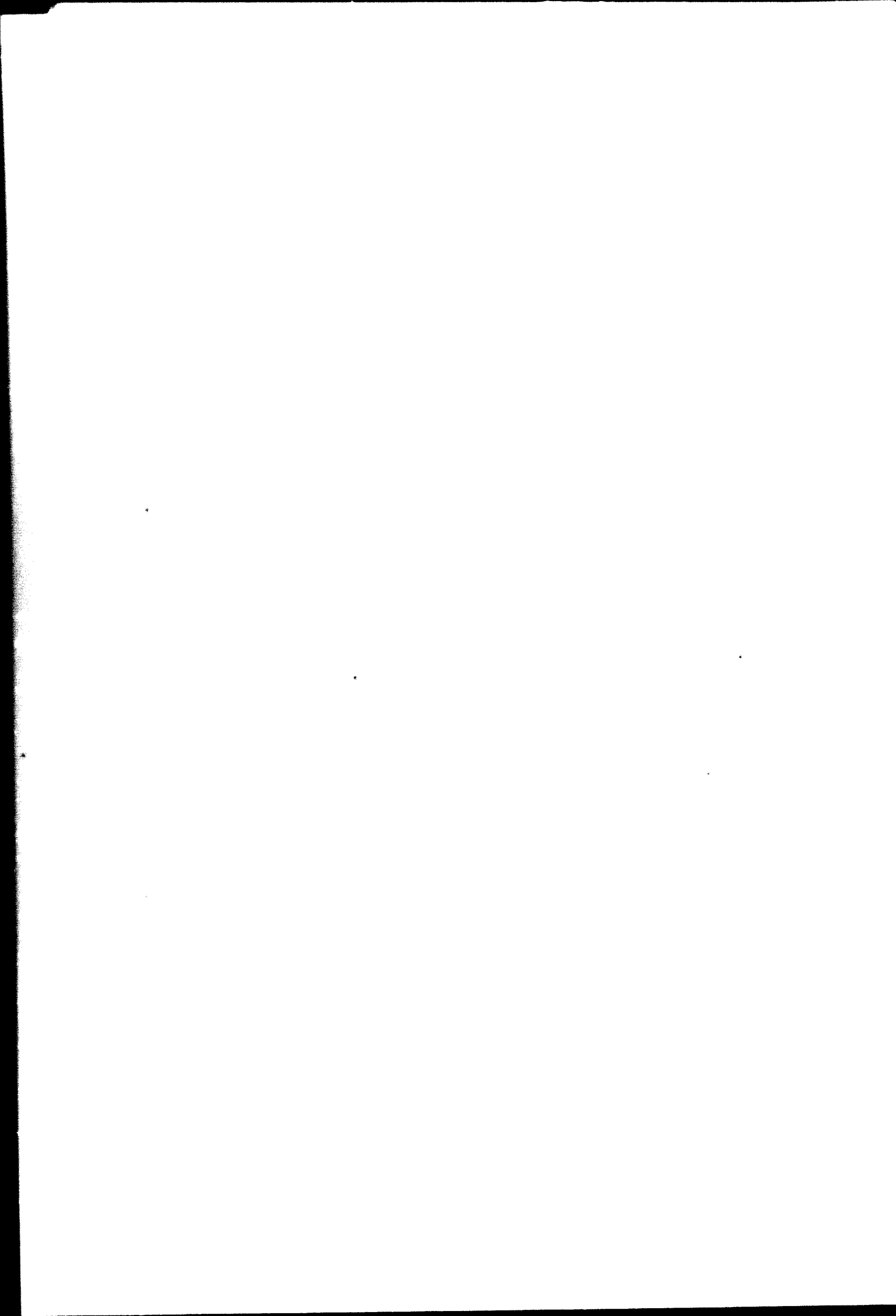
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- b) will enable it to reply to requests for information received from the public authorities, other Chambers and generally speaking, from any industrial or commercial firm;
- c) is designed, finally, to assist the department to which reference has been made with a view to promoting the industrial and commercial development of the Chamber's area.

IV. INFORMATION

The information which the general secretariat must be in a position to supply in reply to requests from members - this represents an important aspect of its activities - deserves special mention. This is not however the same as a compulsory service, since there is no regulation compelling Chambers of Commerce and Industry to supply their members with information. It should rather be considered, therefore, as forming part of the services provided independently by each individual Chamber of Commerce and Industry.

In view of increasing State intervention, of the continually growing burden of taxation, of the proliferation of overlapping regulations, the personal duties of the head of business firm are becoming remarkably complicated. Hence it is clear that Chambers of Commerce and Industry have a more general administrative role to play; they must provide their members with information and guidance. It is natural that Chambers of Commerce and Industry should be recognized as advisers on administrative matters to all those with whose interests they have been entrusted by law. Any firm in any area has the right to apply to "its" Chamber of Commerce and Industry and obtain from it accurate information, sound advice and judicious action in defence of its interests.

It should further be noted that not only the duties of individual heads of firms but also the consultative duties of Chambers of Commerce and Industry have become more complicated. Chambers have gradually come to experience the same difficulties as the industrialists and traders whose interests they represent, and these difficulties have become more acute as the law increasingly interferes with their activities. It has become more difficult for them to act in their "consultative capacity". In its simplest form "consultation" should produce, for the authorities in charge, the "economic facts". It has become very hard in many cases, however, to produce the economic facts, to isolate and analyse them, without assessing them in accordance with essentially technological standards. The "economic facts" to be produced if a Chamber of Commerce is to fulfil its function as a consultative

body, the suggestions or objections to be submitted, cannot be convincing or decisive except in as far as the basis is a sound one and as care has been taken at each stage to clarify matters by means of accurate information obtained from the best sources.

For this reason, too, this service should be so organised as to achieve two aims:

- a) to supply members of Chambers of Commerce and Industry with information;
- b) to supply the Chamber itself with information enabling it to create a technically sound basis for its consultative activities.

The purpose of a service of this type is to supply, by word of mouth or in writing the information which members of a Chamber of Commerce and Industry have a right to expect from the Chamber of their area.

This information, as experience has shown, generally falls under the following headings:

- organisation of the various trades
- industrial and commercial legislation
- labour legislation and social questions
- financial and fiscal legislation
- transport legislation
- foreign trade legislation
- professional training; apprenticeship and other training schemes
- regional improvement plans, (industrial areas, shopping centres, means of transport, public works projects, etc.).

With regard to "foreign trade":

- a. Information concerning Customs formalities for imports and exports.
- b. Information concerning the regime of payments (exchange control and financial regulations) where the transfer of capital is not free or is subject to a permit.
- c. Information concerning Customs nomenclature, tariffs and legislation. In order to supply full particulars concerning Customs nomenclature and tariffs, the following must be available:

- i) a copy of the national Customs tariff, with index,
 - ii) where it exists, the general Customs tariff list, which is fuller than the Customs tariff index and in fact forms a dictionary of goods, giving the number corresponding to the Customs tariff,
 - iii) where it exists, the Customs Code,
 - iv) the explanatory notes accompanying the Brussels nomenclature, issued by the Customs Co-operation Council in 1955.
- d. Information concerning the nomenclature and tariffs of foreign Customs.
 - e. Information concerning trade negotiations and agreements.
 - f. Information concerning international trade statistics.
 - g. Miscellaneous information. Chambers of Commerce and Industry are often asked a variety of questions: addresses of foreign diplomatic missions in the country, addresses of commercial attachés and Chambers of Commerce representing the country's interests abroad; lists of Customs experts; lists of authorized Customs agents; lists of import and export agents; addresses of main banks.

It would be advisable for secretaries general of Chambers of Commerce to draw up, for their areas, lists of Customs and import-export agents, so as to be in a position at once to supply any information requested of them in this respect.

It is not enough, no doubt, to indicate the sources from which information may be obtained. Some idea must be given of the spirit in which information should be supplied. This must be above all practical, and those giving information should be well aware of the difficulties peculiar to commerce and industry. While the members of the information staff should undoubtedly have economic and legal training, this is not sufficient, and it seems essential, at the very least, that they should have a wide knowledge of industrial and commercial business management.

N.B. While foreign trade will normally be one of the aspects of the information department's work, it may sometimes be worthwhile to have a separate department with the task not only of supplying information on the above-mentioned matters, but also:

- (a) of collecting accurate information on the area's "external trade" (statistical data, lists of exporters, etc.);
- (b) of making available to public authorities and to foreign organisations full information concerning the area's "external trade" and potential;
- (c) generally speaking of developing, by all appropriate means, the area's external trade (marketing research, publicity, finding of outlets, etc.)

With regard to regional development plans, Chambers of Commerce and Industry are consulted in some countries on the preparation of regional action programmes, and the drafting, study and adoption of improvement schemes and town plans within regional town planning consultative commissions.

Finally, they should be the driving force in everything to do with the economic development of their area. In particular they can organise receptions for firms engaged in industrial decentralisation. Here it is advisable for a member of the Chamber's staff to be given special responsibility for these questions and to collect documentation on the region's needs and potential.

V. **RESEARCH**

Research is necessary if the Chamber of Commerce and Industry is to carry out its task properly.

The research section is used for several purposes:

- (a) It must be aware of or perhaps, to be more precise, on the lookout for all facts directly or indirectly connected with the activities of Chambers of Commerce and Industry in general and within its own area in particular. The research section must follow events in the legal, fiscal, economic and social fields, and those affecting the various trades and relations between them.
- (b) Making the fullest possible use of the "information" section, it will naturally be given the task of interpreting information so as to derive from it conclusions regarding not only the present but, as far as possible, the future, on matters of interest to the Chamber;

- (c) Its work should provide useful support for the Chamber of Commerce and Industry, which means:
- that it must enable the Chamber to construct a broader and firmer basis for its work as a consultative body;
 - that its constant concern must be to make it easier for the Chamber of Commerce and Industry to carry out its administrative duties and to submit to it any useful suggestions concerning ways of expanding these activities and making them more efficient.

It would be a great mistake to see this department as one whose concerns are purely theoretical. On the contrary theoretical learning, backed up by sound general knowledge, must be combined with a practical approach. In short, this department must be a go-ahead one and must have "creative imagination".

VI. LIBRARY AND DOCUMENTATION

A. LIBRARY

It is desirable that at least the larger Chambers should have a library comprising the legal and economic books of interest to their members and the magazines providing information on the evolution of national and international trade; the list of the magazine to which a Chamber subscribes should moreover be periodically included in the bulletins which the Chamber circulates to its members.

B. Documentation

The "Documentation" department whether its duties are confined to the supplying of information or include the finding of the facts required for the preparation of a note or study by some department of the secretariat of a Chamber of Commerce and Industry, is of particular interest to the "information" department placed at the disposal of members of each Chamber, and to the "research" department.

The documentation, collected under the supervision, or at least in accordance with the instructions of the general secretary himself, and if appropriate, at the instigation of a documentation department, office or section, will therefore have to be selected:

- (a) so as to place the "Information Department" in a position, in all circumstances to give an accurate, rapid and specific reply, based on the proper documents, i.e. those which are up-to-date and reliable

obtained from qualified authorities or competent authors, on any question within its scope;

- (b) so as to enable the "Research Department" to collect with ease, under the same conditions, all the information it requires in order to prepare a well-documented note or a longer study leading with some legal or economic question, perhaps a controversial one, of local, regional, national or even international interest.
- (c) so as to enable the members of each Chamber, the persons or firms in its area, to be given, whenever they require it, all the information they need for their professional activities - the organisation and management of business firms - which they do not have at their disposal in their own administrative or technical departments.

In order to collect such documentation the following are required:

- (a) the documents: general or specialised works, brochures and periodicals, which should not only be classified in such a way as to be easily accessible, but put to good use, i.e. studied as thoroughly as possible by specialised staff, so that the users in each of the foregoing categories may obtain directly, without wasting time, the information they require (fact, date, name, law or regulation, etc.)
- (b) a range of equipments: catalogues and filing systems, detailed inventories based on methods to be described below, so that any research may be carried out by access to the documents mentioned above; authors, subject and possibly geographical indexes; use should also be made of all documents or other texts prepared by the Chamber itself, which form what may be called the department "archives";
- (c) a range of card indexes which may be used for contacts guidance or liaison, designed to facilitate relations both between the departments of each Chamber and its members or those of other Chambers or trade groups belonging to its area, and with departments or persons capable of supplying the staff with the extra information not immediately available to it which may be of use at some point (members' index, trade, administrative or private address index, files of nearby libraries or easily accessible documentation centres, with brief lists of their material, etc.).

THE INTERNATIONAL CHAMBER OF COMMERCE AND TECHNICAL ASSISTANCE
TO THE DEVELOPING COUNTRIES

Report drawn up by ICC International Headquarters

The International Chamber of Commerce (ICC) has always been convinced of the need for concerted action, at world level, to promote the expansion and gradual diversification of the developing countries' economies and the raising of their peoples' standards of living.

If it is desired to encourage the improvement of economic and social conditions in the developing countries, it is important among other things, to speed up the professional training of the workmen, office staff and executives of firms established in these countries. It is with this end in view that the governments of certain countries and various intergovernmental authorities - in particular the United Nations and its specialized agencies - have long since worked out technical assistance schemes for the developing countries.

Alongside this intergovernmental action, the ICC has recently devoted itself to the task of stimulating private initiatives in the same field and co-ordinating them at international level. In this connexion, the ICC's Copenhagen Congress in 1961 marked an important step forward. In its message "Private Enterprise and Economic Development" the Congress specifically recommended that businessmen make a joint effort to assist the less developed countries in improving their standards of living by the provision of technical assistance in the form of know-how, experience, tried and tested methods, and aid with regard to professional training.

Being anxious to put these recommendations of the Copenhagen Congress into practice, several ICC bodies have since made systematic arrangements to supply technical aid for the developing countries in their own special fields. These are, in chronological order, the International Bureau of Chambers of Commerce (IBCC), the Commissions

on Distribution and on Advertising, and the Joint Commission "Union of International Fairs/International Chamber of Commerce" (UFI/ICC).

The IBCC, for its part, is basically concerned with strengthening the Chamber of Commerce movement in the developing countries, in view of the part these bodies can play in economic expansion. It has accordingly been applying since May 1962 a technical assistance program under the terms of which the Chambers of various industrialized countries (Austria, Belgium, France, Germany, Italy, Japan, the Netherlands, Spain, the United Kingdom) receive present and future administrative executives from Chambers of Commerce in the developing countries for traineeships lasting at least three months. Candidates for these traineeships do not have to fulfil any conditions as to age, but their level of education and knowledge of languages (French or English) must be sufficient to enable them to derive real benefit from the professional training offered. Applications are centralized by International Headquarters which tries as far as possible to have trainees received by the countries for which they have expressed a preference. Finally, in a spirit of international solidarity, the receiving Chambers consider, case by case, the possibility of meeting part of the trainees' living expenses, travelling expenses always being met by the country of origin. Under the IBCC program of technical assistance, some 70 executives from Chambers of Commerce in 16 developing countries - located in Africa, Asia (India), Latin America (Mexico) and Southern Europe - have been able to benefit from advanced professional traineeships organized by the Chambers of Commerce of various countries in the Common Market, Austria, Spain and the United Kingdom. These trainees have had an opportunity not only of becoming acquainted with the administrative organization, the technical departments and the functions of the more advanced Chambers of Commerce but also of getting some idea of the general structure of the economy of the country receiving them, and of the part played in

it by private enterprise. It is highly desirable that National Committees in Latin America make increasing use of the above facilities.

The Commissions on Distribution and Advertising, in turn, have based their action on the principle that as the developing economies gradually become diversified marketing problems - particularly as regards consumer goods - will become increasingly important. These Commissions accordingly recommended, in a report published in 1963, that technical assistance requirements arising in the developing countries, for instance in connexion with marketing, retail trade and wholesale trade, should be brought to the attention of International Headquarters; the latter is then responsible for informing the ICC National Committees in the industrialized countries of such requirements, so that they may do their best to get suitable firms to provide the necessary technical aid. This aid may consist, among other things, in training a technician from a developing country in the modern accounting methods used in European retail firms, or of sending a group of experts to make an on-the-spot study of the advantages of installing, for example, a supermarket network in a developing country. The travelling expenses of trainees from the developing countries have to be borne by the country of origin, but firms in the industrial countries are willing to consider in individual cases, the possibility of granting financial aid to cover the living expenses of those concerned during their traineeships; the travelling, living expenses of ICC experts going to developing countries at the latter's request have in principle to be borne by such countries. Thus an Iranian business executive received training within a leading Swedish firm engaged in the production and marketing of artificial textiles. Moreover, three ICC experts were called in for consultation at the request of the Portuguese Wholesale Trade Association to lay down guiding lines for an inquiry designed to find means of rationalizing the structure of the distribution of food products in Portugal.

Requests for technical assistance sent to the IBCC come from the Chambers themselves, that is from bodies which by definition represent private business circles, whatever legal status they may have in the country concerned. In the distribution and advertising sectors, private circles are also those most interested in the aid offered by the ICC, although it is not unlikely that for certain problems - a possible reform of the distribution structure, for instance - the authorities of a developing country might wish to call upon the ICC for assistance.

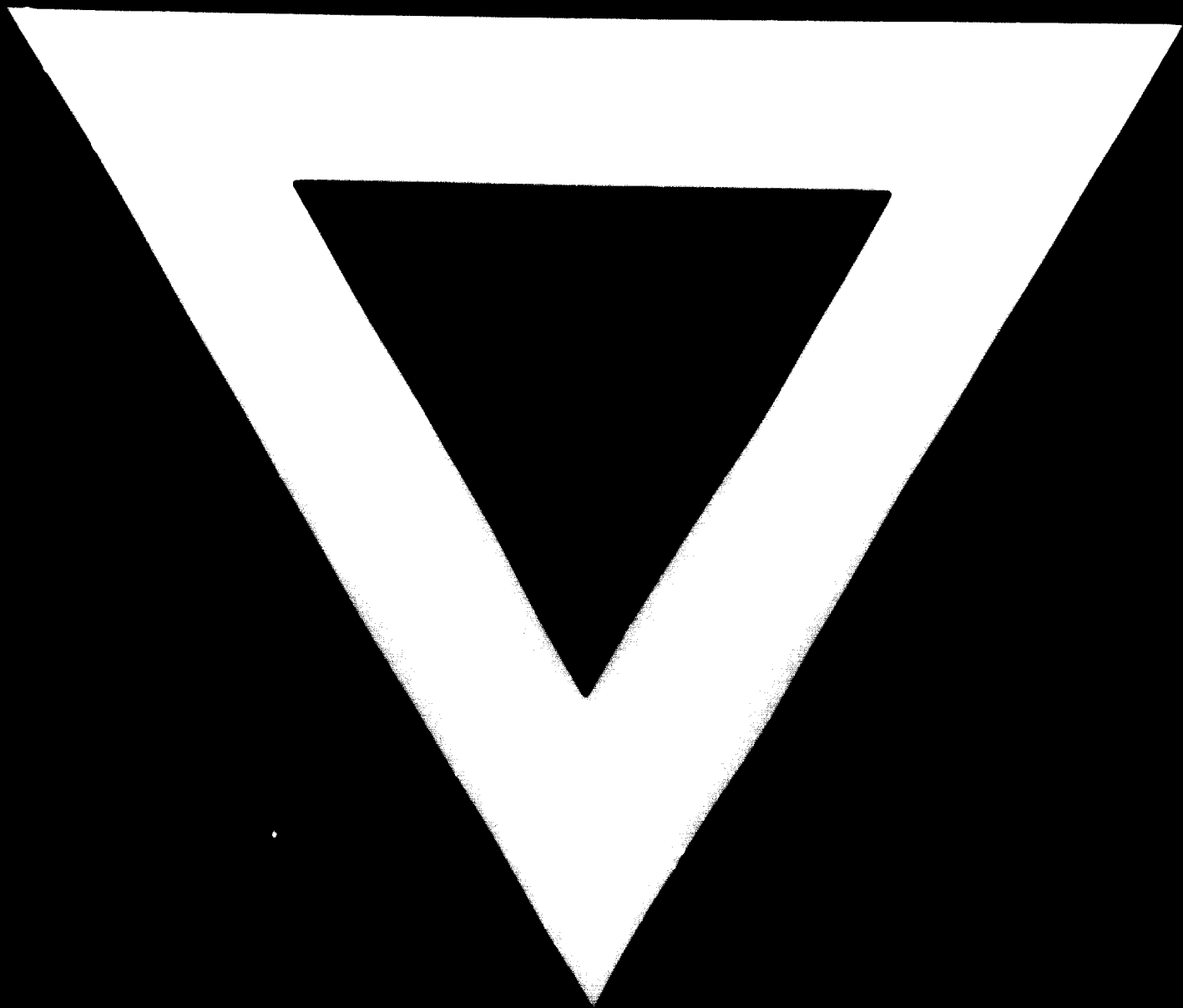
On the other hand, the technical assistance offered by the Joint Commission UFI/ICC since 1964 concerns public authorities at least as much, if not more, as private business circles in the developing countries. Here, the purpose of the aid is either to help improve an international fair already in existence in a developing country or to set up a completely new fair, in the light of the contribution which can be made by such events to the expansion of trade on a multilateral basis. Thus, requests for technical assistance may come both from private groups and from the governments of certain developing countries, or even from United Nations Regional Commissions anxious to provide their areas with an effective means of facilitating the development of international trade. These requests are considered by a Technical Assistance Committee set up within the Joint Commission UFI/ICC and instructed to decide, in the light of the economic advantages of each project, on what seems to be the most suitable type of aid. The experts appointed sovereignly by the Committee are all chosen from among organisers of established international fairs in the industrialised countries. The financing of these experts' work is not borne by the UFI or the ICC, but the Technical Assistance Committee makes recommendations regarding methods of meeting the costs in each case. Depending on the individual case, the experts thus appointed either train the staff of fairs in the developing countries on the spot, or organize crash programs of

professional training within European fairs. In 1967 the above-mentioned Committee has, at the request of the Cyprus Government and of the Congo-Kinshasa Government, appointed experts to assist the authorities of these countries in organizing fairs on their territories. Moreover, at the instigation of the UFI/ICC Technical Assistance Committee, a number of fairs in UFI membership (Frankfurt, Cologne, Hanover, Brussels and Paris) have provided technical aid in various forms to the Director General of the Second Asian International Trade Fair held in Teheran in October 1969; the value of such aid was emphasized in a letter addressed on 12 March 1968 to the Secretary General of the ICC by Mr. R.H.C. Hammond, United Nations Adviser to the Iranian Government for the organization of the fair.

The foregoing is a brief outline of the technical assistance work embarked on by the ICC over the past seven years, which is of an essentially practical character, does not duplicate the activities of other organisations and fills certain gaps in the machinery for granting aid to the developing countries. It is a modest beginning, but the various aspects of this action reflect the ICC's underlying conviction that private enterprise can and should play an increasing part in the economic and social advancement of the hitherto less developed countries.

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