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SCOPE FOR CO-OPERATION AMONG RCD COUNTRIES <sup>1/</sup>  
(Development of Small-Scale Industries)

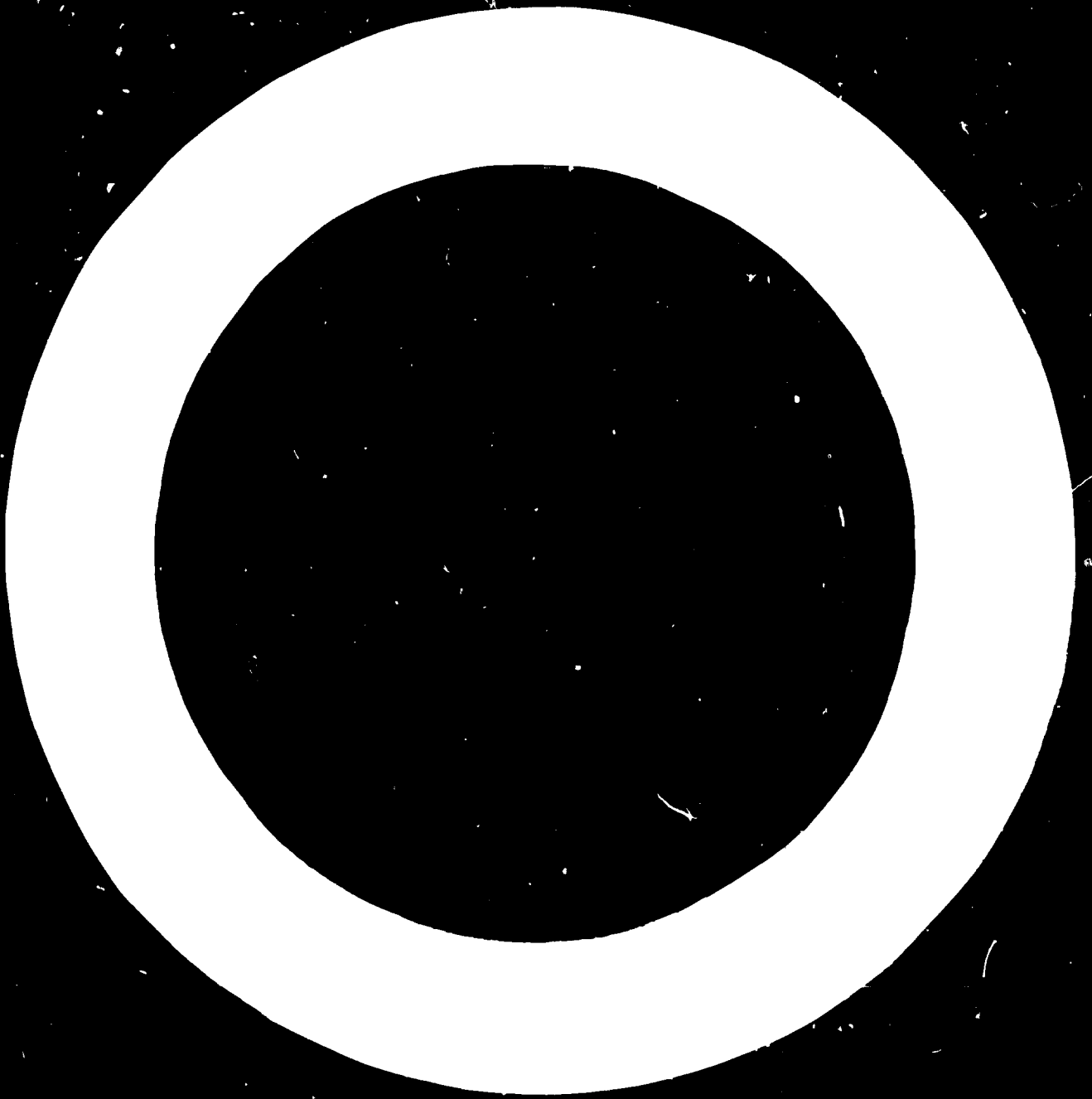
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AGENDA Item No. III (a,b,c,d)

SCOPE FOR COOPERATION AMONG R.C.D. COUNTRIES  
(Development of Small Scale Industries)

Introduction

The Regional Cooperation for Development among Iran, Turkey and Pakistan was established as the name implies for cooperation and coordination in development programmes in different economic fields in the three countries. As far as Iran is concerned, the period of existence of R.C.D. coincides with the era of prosperity and progress being experienced under the able guidance and foresight of Shahanshah Arya Mehr. Since 1964 Iran has been experiencing an exceptionally high rate of economic growth among the developing countries and this was 10.8 percent in 1969. Per capita income has been steadily rising. It was US\$ 162 in 1960, rose to US\$ 210 in 1966 and to US\$ 280 in 1969.

The economic prosperity has very much widened the consumption orbit of the people of Iran, resulting in a sharp rise in demand for consumer goods. The Government of Iran at the same time, has promoted private and public investments in establishing an industrial base. Besides, the Government is always prepared to revise import policies wherever necessary for encouraging economic and efficient industrial production. All these are serving as helpful factors to widen the scope for development of small scale industries. Obviously, great progress has been made by Turkey and Pakistan also in the field of industrial development during these years and Iran can benefit from their experiences wherever applicable.

Scope for Cooperation

A quick appraisal survey recently conducted has revealed scope for promotion of small industrial units in respect of over 180 products in Iran pertaining to industries like cutlery, builders hardware, industrial fasteners, hand tools, machine tools, inorganic and organic chemicals. The Organisation for Small Scale Industries and Industrial Estates of Iran, will be very happy to know from the participants from Turkey and Pakistan as to the status of these industries in their respective countries and how they can cooperate in the establishment of such small scale units in Iran.

The large industries which have scope for sub-contracting to small scale units in Iran include electronics, television, radio, transistors, telephones, electric motors, machine tools, tractors, diesel engines, etc. Recently a study for promoting ancillary units to the industrial complex at Tabriz which includes three diesel engine factories and one factory each for machine tools and tractors has been completed. It reveals scope for promotion for small scale units for items like bright and black nuts and bolts, springs, plastic mouldings, split head gibs, pins, washers and clips, gaskets, oil seals, fractional horsepower motors, builders hardware, hand tools etc. We will be glad to know about the progress of small industries in Turkey and Pakistan as ancillaries to the large scale factories.

In Iran automobile ancillary industry has been fairly well developed. The small scale sector is manufacturing items like filters, bushes, mufflers, plastic parts, radiators, body parts etc. We will be happy to have information about the development of auto ancillaries in the small scale sector in Turkey and Pakistan. Any suggestions for regional cooperation in this industry will also be of great interest to us.

Exchange of Industrial Information

Industrial information may broadly be divided into two groups namely technical information and economic information. Free exchange of information of either type is a key to cooperation for development of small scale industries.

Technical information includes technical bulletins, research studies and technical know-how developed for different products suitable for production in the small scale sector, documentations collected on suitable products and standards formulated. The OSSI & IEI with the cooperation of UNIDO experts has prepared technical bulletins on lubricants, lubrication; optical glasses, optical plastics and their properties; preparation of metals for electroplating; power transmission devices; analysis of the sales of a company and single point cutting tools. Copies of these can be supplied if so desired. In addition, during 1971, others on subjects like anodic etching, common defects in plating, machinery and plant layout, binders in foundry sands, grinding wheels, cutting fluids etc. are expected to be published. Similar literature from Pakistan and Turkey will be thankfully received by us. It is further suggested for the consideration of the conference that in future all such literature prepared in any of the countries should be sent to the concerned organisations of the other two countries as a matter of routine.

The OSSI & IEI is establishing a training centre in ophthalmic lensgrinding. Ad hoc training has already commenced making use of the facilities of the workshop of a private industrialist. The programme includes practical and theoretical training for operations like blocking, rough grinding, smoothening, polishing deblocking and testing. The period of training varies from 3 to 6 months depending upon the operations involved. We shall be glad to extend the training facilities in the lensgrinding center to workers and supervisors of small units in Pakistan and

Turkey as well. The Organisation has also developed prototypes of lensgrinding equipment both for spherical and cylindrical lensgrinding machines and can provide training facilities in their manufacture.

Exchange of trained personnel is another field for which there is scope for regional cooperation. The OSSSI & IET, if desired, by Pakistan and Turkey, will be glad to depute instructors for short periods for providing training in lensgrinding. Presently, the OSSSI & IET needs instructors in respect of trades like pattern making, moulding and metal melting, heat treatment, die making, product design etc.

Another field for cooperation is in providing on the job training facilities to the workers and supervisors of small scale units. Iran is well equipped to provide training facilities in the field of plastic conversion products. We would like to know the specific industries in which training can be offered by Pakistan and Turkey to workers and supervisors from Iranian industries.

There is good scope for exchange of economic information for mutual benefit. For example, market intelligence data can be exchanged, and widely published among the manufacturing units. Small units in one country might thus be able to identify items which they can export to other countries. The Organisations engaged in promoting small industries in different countries can also exchange economic information for mutual benefit for example, industry analysis and planning studies, market research studies, model schemes, industry fact sheets etc. published by one organisation will be of great interest to the sister organisations in the other two countries.

In order to develop better understanding of the respective programmes, it would be useful to sponsor delegations of the officers



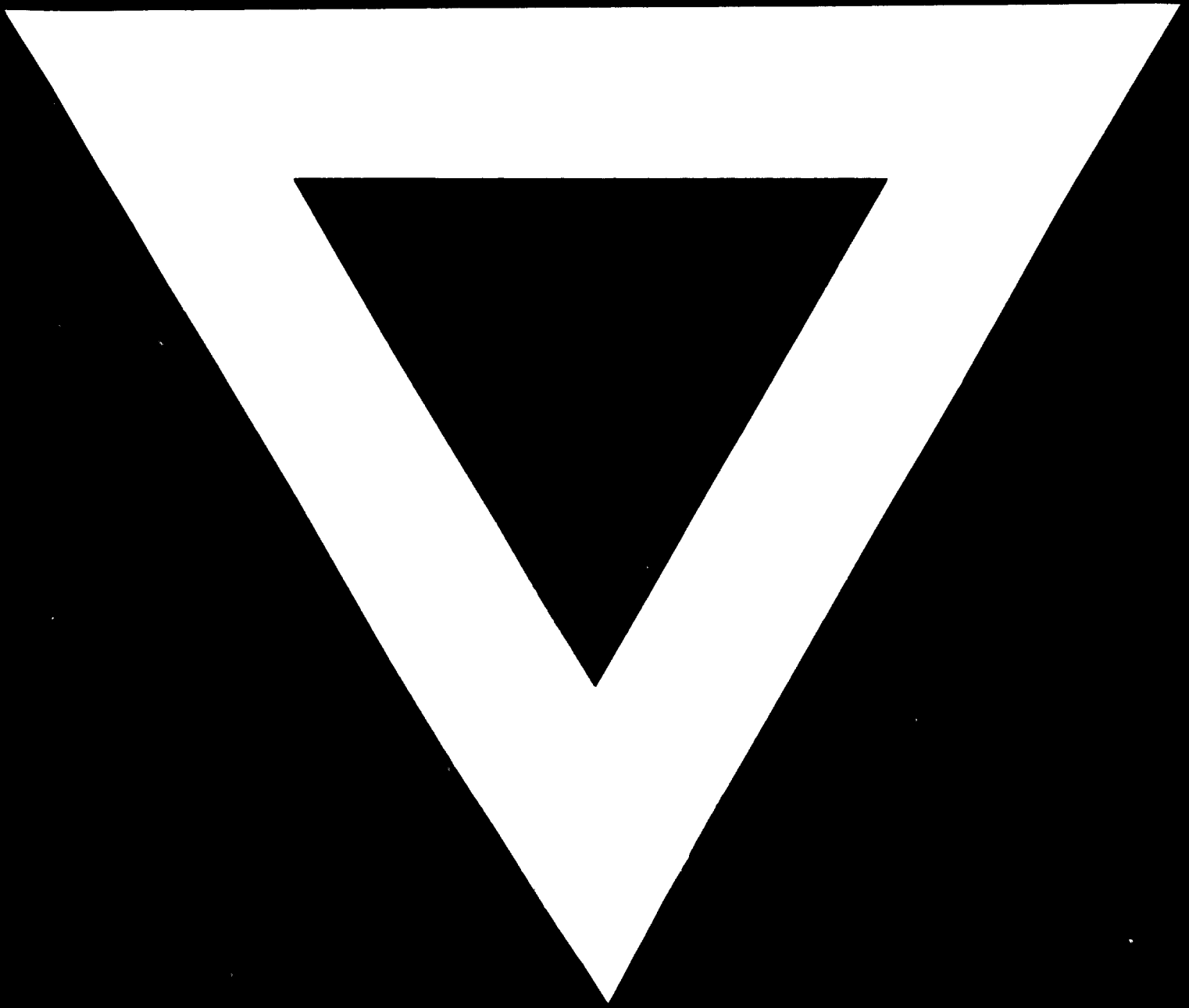
of the organisations engaged in development of small scale industries as well as those of the small entrepreneurs to make short observation cum study visits to the different centres of small industry development in the region.

Conclusion

There is a wide scope for cooperation among the R.C.D. countries to develop the small scale industries. It broadly pertains to exchange of industrial information, provision of training facilities available in one country for the benefit of the others and identification of fields of industrial production which are advantageous to be established in different countries based on demands, existing and projected, for all the three countries.

We are of the opinion that it will be useful to set up a special committee of the representatives of the government departments concerned with the development of small scale industries in the three countries to study more deeply the scope for regional cooperation in the field of small industry development and to take appropriate action on the recommendations and suggestions which may emerge from this conference. This committee should be serviced by the R.C.D. Secretariat which may nominate a separate officer to deal with matters relating to small industries.





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