



TOGETHER
for a sustainable future

OCCASION

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



TOGETHER
for a sustainable future

DISCLAIMER

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

FAIR USE POLICY

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

CONTACT

Please contact publications@unido.org for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at www.unido.org

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



D03954

Distr.
GENERAL

ID/B/3/Add.1
7 March 1967

United Nations Industrial Development Organization

ORIGINAL: ENGLISH

INDUSTRIAL DEVELOPMENT BOARD
First session
New York, 10-28 April 1967
Agenda item 5

ACTIVITIES OF THE UNITED NATIONS SYSTEM OF
ORGANIZATIONS IN THE FIELD OF INDUSTRIAL DEVELOPMENT

Second Consolidated Report of
the Industrial Development Activities of
the United Nations System of Organizations

CONTENTS

	<u>Page</u>
Annex I. <u>Information on Organizational Arrangements</u>	
A. International Labour Organisation	2
B. Food and Agriculture Organization of the United Nations	7
C. World Health Organization	11
D. Economic Commission for Africa	13
E. Centre for Industrial Development	14
Annex II <u>Summary Data on Operational Activities</u>	
A. United Nations Development Programme	16
B. International Labour Organisation	24
C. Food and Agriculture Organization of the United Nations	26
D. World Bank Group	32
E. Centre for Industrial Development	42

Annex I

INFORMATION ON ORGANIZATIONAL ARRANGEMENTS

A. International Labour Organization

Most ILO activities relating to industrialisation fall within the programmes of the Human Resources Department, the Conditions of Work and Life Department, the Social Institutions Development Department and the Research and Planning Department. In addition, the Field Department has general responsibilities for the organization of technical co-operation in the field of industrialization as in other fields, the International Labour Standards Department is responsible for supervision of the effect given to Conventions and Recommendations, many or most of which contain provisions relating to the industrial labour force, and the Relations and Conference Department has certain responsibilities in regard to the ILO Industrial Committees.

The Human Resources Department is responsible for ILO activities concerned with the development and utilization of human resources. Within this Department, the Manpower Planning and Organisation Branch is concerned with assessing and forecasting the needs for and availability of different categories of manpower and planning to meet these needs, the Vocational Training Branch with the training of all categories of workers up to and including the level of technicians, and the Management Development Branch with the development of management at all levels in industry, including small-scale industry and the improvement of productivity through better management.

The Conditions of Life and Work Department is responsible for action relating to ensuring satisfactory conditions of work and of life of workers in all sectors including the industrial sector. Within this Department the General Conditions of Work Branch is concerned with questions of remuneration, hours of work and welfare within the undertaking, the Occupational Safety and Health Branch is concerned with accident prevention and occupational hygiene, the Social Security Branch is concerned with social security measures, and the Maritime Branch is concerned with questions concerning maritime workers.

The Social Institutions Development Department is responsible for activities concerned with the development of the institutions needed for promoting social progress. Within this Department the Labour Law and Labour Relations Branch is concerned with labour legislation and labour-management relations, the Labour Administration Branch is responsible for the ILO programme of labour administration as an element in public administration, the Workers' Education Branch is responsible for the ILO programme in the field of workers education, and the Co-operative, Rural and Related Institutions Branch is concerned with the development of co-operative, rural and similar institutions in all sectors of the economy.

While the above-mentioned technical departments carry out research as well as other activities (and two of them have special research units), the Research and Planning Department provides supporting research and planning services for all three technical departments. Within this Department the Economic Branch provides economic advice and analysis and the Statistical Branch provides statistical services relating to industrialization as well as other activities; the Automation Unit is concerned with the labour and social effects of automation.

The Industrial Committees Branch of the Relations and Conference Department is responsible for reviewing and analysing technical, economic and social problems in specific industries and for organizing the secretariats for Industrial Committees and similar meetings. As such it is responsible for carrying out certain specialized functions in respect of the following industries: transport (rail, road and air); coal; steel; metal trades; textiles; construction; chemical; petroleum, and other industries and professions as specified by the Director-General.

It will be seen that the internal structure of the ILO is based mainly on the principle of functional, not sectoral, specialization. Activities of a particular kind (e.g., training, social security, labour-management relations) are handled by the same organizational unit whether they are directed towards the industrial labour force or some other sector of the labour force. It is not possible to say what proportion of the activities

of the different organizational units is concerned with the industrial labour force as distinct from other sectors of the labour force, but the proportion is very high. It is the industrial sector, with a high proportion of wage earners and a certain degree of concentration of the labour force within a limited number of establishments, that presents the greatest opportunities for most forms of ILO action, such as training, management development, consultancy services for small-scale undertakings, advice on labour-management relations and procedures for avoiding or settling disputes, and many others.

The amount of staff resources and financial resources available to the above-mentioned organizational units in 1966 was as follows:

	<u>Staff resources^{a/}</u> (Man-years/months)		<u>Financial resources from regular budget^{b/}</u> (Thousands of dollars)
	<u>Professional</u>	<u>General Service</u>	
<u>Human Resources Department</u>			
Management Development Branch	15/9	13/8	511
Vocational Training Branch	34/7	9/0	891
Manpower Planning and Organisation Branch	23/1	5/0	892
Programme and Research Section	5/6	1/0	94
<u>Conditions of Work and Life Department</u>			
General Conditions of Work Branch	23/7	7/0	489
Occupational Safety and Health Branch	18/7	12/3	504
Social Security Branch	21/0	5/0	523
Maritime Branch	4/0	1/0	101

	<u>Staff resources^{a/}</u> (Man-years/months)		<u>Financial resources from regular budget^{b/}</u> (Thousands of dollars)
	General	Professional Service	
<u>Social Institutions Development Department</u>			
Labour Law and Labour Relations	11/0	4/0	205
Labour Administration Branch	5/7	3/0	193
Workers' Education Branch	10/0	3/6	456
Co-operative, Rural and Related Institutions Branch	20/1	4/6	599
Research Section	5/6	1/0	89
<u>Research and Planning Department</u>			
Economic Branch	14/6	3/0	235
Statistical Branch	24/0	18/8	511
Automation Unit	7/4	2/0	126
<u>Field Department</u>	114/8	171/4	2,595
<u>International Labour Standards Department</u>	28/9	10/3	556
<u>Relations and Conference Department</u>			
Industrial Committees Branch	10/11	5/0	191

Note: This table overstates in some respects and understates in others the amount of resources devoted by the ILO to activities related to industrialization. It is an overstatement in that not all of the activities of the units included in the table are concerned with industrialization (though a high proportion of them are); it is an understatement in that a very substantial proportion of general and departmental management and of the activities of supporting services not included in the table, such as administration, finance, personnel and the library and documentation services, are properly regarded as overhead costs of activities relating to industrialization.

a/ Not including technical co-operation experts shown separately in annex II.

b/ Including resources devoted to regular budget technical co-operation activities - see annex II.

Apart from the International Labour Office itself, two other institutions connected with it are concerned with activities of importance to industrializing countries: the International Institute for Labour Studies and the International Centre for Advanced Technical and Vocational Training.

The International Institute for Labour Studies was set up by the ILO in Geneva in 1960 as an autonomous centre for education and research.

The International Centre for Advanced Technical and Vocational Training at Turin (Italy) was established as an autonomous body within the ILO in 1963 and began its operations in October 1965. Its main purpose is to provide advanced training, through courses, seminars and practical experience in industry, for persons coming primarily from developing countries, whose training and experience qualify them for more advanced training than they could obtain in their own countries or regions, and for those concerned with the development of small-scale industry and production co-operatives, and to provide instruction in teaching methods for technical co-operation experts. The Centre is financed through voluntary contributions from governments, intergovernmental and non-governmental organizations. Estimated expenditure from all sources in 1966 is of the order of magnitude of \$2,450,000, including the value of fellowships.

B. Food and Agriculture Organization of the United Nations

FAO organizational arrangements

The work of the FAO is to assist in the promotion and development of a wide range of processing industries that use as raw materials a variety of products from agriculture, forestry and fisheries. The promotion and development of such a wide range of processing industries based on a great variety of raw materials, require integrated planning as is shown throughout the FAO 1966 Annual Report which is circulated as an addendum to this report. Such planning has particularly been undertaken for field operational projects, a list of selected current projects being given in appendices III to VIII (pages 70 to 124) of the FAO 1966 Annual Report.

To develop maximum effectiveness, the funds derived from a variety of resources - Regular Programme, UNDP (SF and TA), funds-in-trust, FFHC funds etc. - are allocated in the light of the over-all programme requirements and are subject to priorities set by the recipient Governments and by the FAO Conference and Council, the guidelines issued by the Governing Body of the United Nations Development Programme being also taken into account.

The work is carried out by the appropriate parts of the Organization,, through its Departments, Divisions and Branches, and by various subject matter specialists, which together comprise the Technical Department, the Department of Fisheries and the Department of Economic and Social Affairs, as well as other programmes and units as listed below.

The integrated programme also takes into account the work on the Indicative World Plan (see FAO 1966 Annual Report, chapter III), involving co-operation throughout FAO, in order to project and relate the growth of agriculture, forestry and fisheries with that of industry, in the context of production, processing, consumption and trade. Multidivisional co-operation within FAO is provided as required for a large part of the planning and execution of UNDP (SF and TA) and other field projects such as

carried out by the FAO/IBRD Programme and the FAO/Industry Co-operative Programme. (Further details are given in chapters V, VI and IX of the FAC 1966 Annual Report.)

Over the past years, the work of the FAO, as a whole and not limited to individual development, has been concentrated increasingly on field action programmes and projects. Thus, during 1966, out of about \$80 million more the \$55 million were devoted to action projects and implementation of field operations.

Except for a number of FAO/UNDP (SF) projects, detailed figures are not at present available with regard to the proportion of these resources which is used for specific industrial development activities. A reasonable estimate, however, is that about one third to one quarter of all FAO-operated UNDP (SF) projects deal with one or another area, or sector, of industrial development, involving an expenditure of around \$10 million during 1966.

Identification of FAO's specific areas

FAO's role and responsibility in the field of industrial development is to assist its Member Governments in such matters as:

- (a) The formulation of policies and review of plans in order to accelerate industrial development based on renewable natural resources;
- (b) Analysing economic, social and institutional, organizational and administrative aspects required to implement such plans, and examination of the problems affecting implementation. This includes feasibility studies, raw material assessment, compilation of data regarding relevant economic characteristics of the processing industries such as value added, import content of inputs, optimum size, possibilities for regional economic co-operation etc.;

- (c) Development of programmes and projects aimed at the education and training of personnel at different levels, and in a variety of disciplines, to accelerate the rate at which sufficient qualified skills become available to implement industrial development projects;
- (d) Development of specific demonstration and research projects, leading to operation of pilot processing plants that make use of most appropriate modern techniques and technologies as determined by the raw material concerned, taking into due account new products and marketing development, consumer preference, social habits, and other factors that require consideration in order to arrive at profitable operation;
- (e) Fostering products processing investment projects through preparation of investment plans, feasibility studies and raw material assessment etc.

FAO assists in the development of the following categories of industries:

- (a) Food and food products processing industries, including those based on both animal and plant products;
- (b) Industries processing agricultural products other than food (e.g., cotton, wool, tobacco, natural fibres, hides, skins and leather etc.);
- (c) Forestry and forest industries, including pulp and paper;
- (d) Fisheries industries;
- (e) Industries for the supply of essential requisites to develop agriculture, forestry and fisheries.

9. It is obvious that industrial development requires action in many more fields than those which have been briefly listed by FAO in the previous paragraphs. This is particularly true for a number of supply industries to which reference is made in paragraph 8 (e) above, with particular emphasis on the manufacturing aspect in developing countries.

10. Accelerated agricultural and forestry production, as supported by FAO, requires provision for, and a regular supply of, improved seeds, fertilizer, insecticides and pesticides, vaccines and other animal medicaments, a wide range of tools for agricultural and forestry production, tractors and auxiliary equipment and machinery. The same is true for fisheries, where gear, boats, vessels as well as appropriately designed fishing harbours and ice plants are needed. Furthermore, equipment and machinery for handling, processing, storage, packaging and distribution of a great variety of products have to be manufactured for the processing industries. It is in a number of these fields that FAO co-operation with others in the United Nations system will undoubtedly lead to greater and complementary services to the Governments.

11. Action is also required in other fields to which FAO gives support and co-operation with others within the United Nations system of organizations. Industrial development, especially for the rural areas, requires adequate supplies of water and energy, improvement and development of farm access roads, suitable transportation facilities, including refrigerated transport for perishable food, establishment of improved farm services and market structures, organization of co-operatives and credit systems, and development of managerial competence, development of rural housing etc. (see also in this connexion, Chapter VIII "Supporting Activities" in the FAO 1966 Annual Report).

C. World Health Organization

Social and occupational health

The functions and responsibilities of the unit are as follows:

- (a) To provide technical guidance on occupational health (including health of seafarers and aviation medicine), sports medicine, accident prevention and forensic medicine;
- (b) To co-operate with the International Labour Organisation on programmes of common interest and with the United Nations, other specialized agencies and the International Atomic Energy Agency, as relevant;
- (c) To promote, co-ordinate and conduct epidemiological studies on occupational health and related problems, and
- (d) To service the relevant expert advisory panels.

There are three professional posts in the unit.

Environmental pollution

The functions and responsibilities of the unit are as follows:

- (a) To collect information on the situation and trends in air, soil, surface and ground-water pollution, bringing existing data up to date, and disseminating such information through appropriate channels;
- (b) To encourage and promote pollution prevention and control policies and advise on suitable programmes;
- (c) To collaborate in the study of methodology for ascertaining the effects of organic, inorganic, biological and radioactive pollutants on man, on treatment processes and on the environment; in developing improved survey techniques and instrumentation for the evaluation of pollution levels and trends, and in the interpretation of data;
- (d) To collaborate in providing technical guidance and advice on the environmental aspects of ionizing radiations (especially from radioactive wastes and other radioactive substances released into the environment) and on the environmental health aspects of the peaceful uses of outer space;

- (e) To promote uniformity in nomenclature, analytical procedures and expression of results, and encourage the training of personnel in environmental pollution control;
- (f) To stimulate research into the effects on human health and on the environment of all kinds of pollutants, their identification and quantitative estimation, the establishment of internationally agreed criteria, guides and standards, and the improvement of control measures;
- (g) To service the Expert Advisory Panel on Air Pollution.

Community water supply

The functions and responsibilities of the unit are as follows:

- (a) To advise on the policies and procedures that guide the Organization's community water supply programs, and on the application of fundamental scientific knowledge to water supply and water treatment;
- (b) To advise on all aspects of community water supplies, including investigative and developmental work for improved utilization of national and local resources;
- (c) To promote and assist in the planning and development of community water supply activities and organizations, the application of new methods for the managerial, financial and legal aspects of water supply, and the training of personnel;
- (d) To develop research on (i) more efficient, versatile and economical methods of water supply, (ii) improved water treatment processes, (iii) the role of water supplies in public health and in social and economic progress, and (iv) the application of operational research and systems analysis to water supply problems;
- (e) To stimulate and assist in the establishment of international standards for drinking-water quality, water examination for that purpose, equipment and materials, and design and operation of community water supplies.

D. Economic Commission for Africa

Responsibility: Industry and Housing Division

(Direction: 1 P-5 and adviser D-1 and General Service)

Industry Section:

	<u>P-5</u>	<u>P-4</u>	<u>P-3</u>	<u>P-2/A</u>	<u>General Service</u>
1966	3	2	5	-	4

BTAO regional experts in ECA (4)

Small industry 1
Textiles, engineering and
iron and steel 2 (one based at Tangier)
Chemical industries 1

E. Centre for Industrial Development*

(a) Office of the Commissioner

In addition to its policy and supervisory responsibilities, carried out temporarily the functions of the proposed Industrial Liaison and Information Service, including liaison with the organizations of the United Nations system for specific purposes related to the Centre's role as a focal point for co-ordinated action in the field of industrial development.

(b) Technical Co-operation Service

Promotes technical co-operation activities and co-ordinates the provision of substantive support by the Centre for field activities under the Expanded and Regular Programmes of Technical Assistance and Special Fund projects;

Co-ordinates the provision of direct advisory services to Governments in the definition of needs, formulation or evaluation of projects and the preparation of requests;

Programmes and supervises the technical assistance assignments of the interregional advisors in industrial development.

(c) Industrial Policies and Programming Division

- (i) Office of the Director
- (ii) Industrial Programming Section
- (iii) Industrial Policies Section
- (iv) Export Industries Section
- (v) Small-scale Industry Section
- (vi) Survey Section

Covers the fields of industrial planning and programming, industrial promotion policies, programming for and promotion of export-oriented industries, and small-scale industry, by combining research, surveys and field work,

* Reference here is to the Centre for Industrial Development since the report covers primarily activities carried out in 1966. The establishment of UNIDO within the framework of the United Nations Secretariat has been covered in document ST/SGB/133, issued by the Secretary-General on 16 February 1967.

Organizes meetings, seminars and study groups in co-operation with Member Governments, regional commissions, specialized agencies and other international organizations in the field relating to its responsibilities;

Provides substantive support for activities carried out under the United Nations development programmes;

Publishes the Bulletin on Industrialization and Productivity.

(d) Technological Division

- (i) Office of the Director
- (ii) Industries Section
- (iii) Industrial Institutions Section
- (iv) Management and Training Section
- (v) Reference and Documentation Unit

Undertakes activities related to technological aspects of industrialization including recent developments in technology, engineering and economic aspects of specific branches of industry, adaptation of processes and problems of transfer of technology involved in the industrialization of developing economies; research, consultancy and other services provided by institutions supporting industrial development in developing countries; structure and functions of public and private organisations concerned with industrialization matters in the developing countries; training of various categories of manpower needed for industrial development; promotion and application of modern management procedures in industrial enterprises in the developing countries;

Organizes seminars and study groups in co-operation with Member Governments, regional economic commissions, specialized agencies and other international organisations in the fields of its responsibility;

Provides substantive support in engineering, training, research, technological and management matters to United Nations development programmes;

Publishes periodically the Industrial Research News.

Annex II. Summary Data on Operational Activities

A. United Nations Development Programme

1. The United Nations Development Programme (UNDP) finances about three fourths of all pre-investment and technical assistance activities being carried out today by the United Nations and its related agencies.^{a/} Understandably, therefore, the bulk of the particular projects described elsewhere in this Consolidated Report is under the aegis of the UNDP. As their descriptions indicate, these projects cover a wide range of activities designed to facilitate and accelerate industrial development in the low-income countries.

2. The specific objectives of UNDP-assisted projects in the field of industrial development are to:
 - Uncover and assess physical resources and identify investment opportunities;
 - Transfer and adapt industrial technology for use in developing countries;
 - Train skilled manpower, ranging from technicians to engineers and managers, and also technical instructors;
 - Establish basic infrastructure facilities for industry, and
 - Provide planning and advisory services relating to all aspects of industrial development.

3. Some \$297 million or 45 per cent of UNDP funds for current programmes in the Technical Assistance and Special Fund sectors are devoted to projects, either in operation or about to start, which directly or indirectly promote industrial development. More than half of this sum, or about \$151 million, is for projects which are within the industrial sector. The balance is for activities supporting industrial development - power, transport, communications, water supply, sewage disposal, engineering and technical education, and general economic planning.

^{a/} These agencies are: United Nations; International Labour Organisation; Food and Agriculture Organization; United Nations Educational, Scientific and Cultural Organization; International Civil Aviation Organization; World Health Organization; International Bank for Reconstruction and Development; International Telecommunication Union; World Meteorological Organization; International Atomic Energy Agency; Universal Postal Union, and Inter-Governmental Maritime Consultative Organization.

4. The fields in which the UNDP is at present providing pre-investment and technical assistance, in accordance with its terms of reference, reflect the priority needs of the developing countries as formulated by their Governments. The main thrust of UNDP assistance to industrial development to date has been towards developing the human and physical resources, and attracting investment capital - essential requisites for the establishment and growth of industry. While this approach is already contributing substantially to the creation of conditions conducive to industrial development, the UNDP is now enlarging its activities to include such new types of assistance as pilot and demonstration plants, and special industrial services.

Pilot plants

5. Pilot plant projects go beyond studies of feasibility and provide assistance in actually setting up and helping with the initial operation of industrial plants to the point of proving their commercial value. The first such project, a pilot plant for the commercial manufacture of pyrethrum extract for insecticides, was approved by the UNDP Governing Council, in January 1966.

Special industrial services

7. The UNDP is now participating with the Centre for Industrial Development in administering a programme of "special industrial services" intended to provide quick, on-the-spot assistance in the field of industrial development through the ad hoc assignment of high-level experts to advise on specific questions related to the preparation and implementation of industrial projects. The range of services planned includes:

- (a) Confidential consultations at a high policy level on matters relating either to industrial development policies in general, or to specific projects;
- (b) Assistance in the different stages of new manufacturing projects, particularly in reference to securing necessary finances;

- (c) Support in solving specific technical projects, such as technical documentation, computation of complex data, laboratory analysis of a type not done locally and specialized design work;
- (d) Advice on industrial project promotion, and
- (e) "Trouble-shooting" at a high level.

8. Under this new programme, which is financed out of the Special Industrial Services Trust Fund, twenty projects costing \$425,000 and eleven exploratory missions were approved during March-November 1966.

9. In the following paragraphs the activities of the UNDP which support industrial development are briefly summarized. As specific examples of the different types of assistance are included in the main body of this report, they are omitted from the description here.

Special Fund Sector

10. Currently the UNDP is assisting 257 large-scale pre-investment projects which have a bearing on industrial development (table 1). The cost of these projects, upon completion, is expected to be \$695 million, of which \$267 million will be furnished by the UNDP and the equivalent of \$428 million by Governments as counterpart contributions.

11. One hundred and forty-eight projects in eighty-five countries are specifically intended to help develop and support industry. Of these,

- Fifty-eight projects in thirty-six countries are for upgrading managerial and technical skills of industrial manpower;
- Forty-one projects in thirty-seven countries are for the establishment of technological and applied research institutes to serve the needs of industry, and
- Forty-nine projects in sixty countries are feasibility surveys and studies.

12. In addition sixty-three projects relate to the development of infrastructure facilities. In forty-six other projects the objective is to train engineers and technicians and to provide advisory services in general economic planning. These 109 projects also are playing a key role in the efforts of Governments to speed industrial development in their countries.

13. Fundamental to the future of all projects, as well as the industries they serve, are the senior counterpart personnel engaged in these activities. Working alongside the international experts, thousands of technicians are acquiring the highly specialized skills and knowledge so necessary for the takeover of projects when UNDP assistance ends.

Manpower training

14. The largest share of Special Fund assistance in the field of industrial development goes to projects that help in training skilled manpower - a prime requisite of industrial progress. By mid-1966, more than 119,000 people had received, or were receiving, training under industrial and industry-related projects as engineers, middle-level technicians, plant managers, supervisory personnel, and instructors in industrial training schools. Some 38,000 of them, studying at universities and upper-level technical schools, were acquiring advanced engineering knowledge and experience needed for the construction, operation and maintenance of complex industrial plants and facilities; 38,700 managers and supervisors were enhancing their capabilities to operate manufacturing enterprises ranging from heavy engineering works to small-scale factories; 31,300 were preparing to serve as instructors in industrial schools where they, in turn, will train workers many times their own number in a variety of trades and skills; 11,200 were receiving technical training in the fields of transportation and communication.

15. These projects are, for the most part, designed to evolve into permanent centres of training and instruction. Under the guidance of teams of international experts, curricula are being developed, training programmes devised, classroom and laboratory facilities designed and constructed, and co-operative

efforts by government and industry organized in such a way as to create viable institutions capable of training manpower for an expanding industry long after UNDP assistance to them has come to an end.

Surveys and feasibility studies

16. A significant part of pre-investment assistance in the field of industrial development is devoted to industrial surveys and feasibility studies. These are designed to locate exploitable natural and physical resources, evaluate their industrial potential, and plan their effective utilization.

17. Eighty-three industrial surveys and feasibility studies are included in the current programme of pre-investment assistance. Of these, thirty-two are investigations of coal and other mineral resources, while seven are intensive surveys designed to expand and modernize fishery industries. Thirty-four feasibility studies relate to the planning and development of infrastructure facilities, particular port, highway and other transportation facilities, and power.

Industrial research

18. UNDP pre-investment assistance is keyed also to helping the development and transfer of scientific knowledge and technology appropriate to the needs of industrial growth and diversification in the developing countries. The Special Fund sector is supporting forty-one applied and technological research or service institutes in undertaking a wide range of activities designed to promote industrialization. These include: development of better manufacturing materials, research and product development, expansion of the scope of small-scale enterprises, and establishment of industrial consultant services. In addition, the Special Fund is assisting five research centres in other economic sectors but related to industry.

Technical Assistance Sector

19. The Technical Assistance sector of the UNDP has approved a wide variety of assistance to 749 industrial projects in over 100 countries and territories under the 1965/66 biennium programme (table 2). Of these, 296 are within the industrial sector, and 453 have important significance for industrial development though they are not directly in the industrial sector.

20. UNDP's Technical Assistance programme in the industrial field provides international experts to advise recipient Governments and to carry out specific operational assignments related to industrial development. The roster of experts consists of professionals and technicians such as economists, engineers, metallurgists, geologists, mineralogists, surveyors, and specialists in manpower development, marketing, trade promotion, co-operatives, small-industry development, food processing and fisheries. As of 30 June 1966, 1049 experts had contributed 6,751 man-months of services to projects that involved industrial programming, manpower planning, establishment of new industries and expansion of existing ones, financial and credit policies, management training, vocational training, research in industrial technology, establishment of production and quality control, and development of industrial estates and co-operatives for small-scale industries. They also assisted in the planning and development of power, transportation and other industrial infrastructure facilities. Experts also worked in other industry-related activities and as engineering and technical education, economic programming and projections, and labour administration.

21. The provision of fellowships is another important aspect of UNDP activities in the Technical Assistance sector. As of 30 June 1966, 1,036 persons from the developing countries had been awarded fellowships to receive advanced training abroad in the fields directly or indirectly related to industrial development.

Table 1. UNDP assistance to industrial development:
Projects in the Special Fund sector ^{2/}

	Cost of projects (Dollar equivalent)				Total number projects	Surveys	Research	Training
	Total	UNDP Farmakings	Government Counterpart Contributions					
<u>Industrial projects</u>								
Industry, general	158,494,500	62,610,000	95,884,500	68	1	21	46	
Mining	66,703,900	34,166,900	32,537,000	38	32	1	5	
Food processing	17,187,000	6,889,000	10,298,000	8	-	8	-	
Fisheries	20,299,400	9,229,600	11,069,800	8	7	-	1	
Pulp and paper	18,653,900	8,291,900	10,362,000	8	7	1	2	
Petroleum	11,627,900	4,059,900	7,568,000	4	1	1	1	
Hides, skins and leather	5,787,100	2,649,500	3,137,600	4	-	3	1	
Metals and engineering	15,642,900	6,391,700	9,251,200	7	-	4	3	
Other	6,423,100	3,923,100	2,500,000	3	1	22	-	
Subtotal	320,819,700	138,211,600	182,608,100	148	49	41	58	
<u>Industry-related projects</u>								
Public utilities (power, transportation, communications, water supply)	155,900,500	66,496,800	89,403,700	63	34	4	25	
General planning	26,369,600	17,303,000	9,066,000	10	-	1	9	
Engineering and technical education	190,172,800	44,230,300	145,942,500	35	-	-	35	
Other	1,544,700	849,700	695,000	1	-	-	1	
Subtotal	373,987,600	128,880,400	245,107,200	109	34	5	70	
Grand total	694,807,300	267,092,000	427,715,300	257	83	46	128	

^{2/} As of 31 December 1966. Excluding projects completed as of 31 October 1966.

Table 2. UNDP assistance to industrial development:
Projects in the Technical Assistance sector, 1965-66^{a/}

	Total number of projects	Cost of projects Dollar equivalent	Nature of assistance	
			Experts	Fellowships
<u>Industrial planning</u>				
Industrial programming	29	1,534,800	54	14
Manpower planning	26	1,122,500	56	33
Establishment of new industries and expansion of existing industries	12	1,135,300	86	139
<u>Industrialization policies</u>				
Industrial Financing and credit	2	51,900	2	-
<u>Industrial training</u>				
Management training	26	1,260,300	54	42
Vocational training; Accelerated training for adults	39	1,747,550	81	270
	10	251,300	5	57
<u>Industrial research</u>				
Industrial technology	13	332,800	30	44
Industrial standards and specifications	4	115,200	3	31
<u>Small-scale industry development</u>				
Industrial estates	1	23,000	2	2
Industrial co-operatives	25	1,007,200	44	67
Promotion and development	25	1,165,950	46	6
<u>Development of individual industries</u>				
Mining	32	943,700	52	50
Pulp and paper and related industry	14	448,500	31	17
Food processing	10	265,800	12	29
Electrical and engineering industries	9	329,000	10	21
Leather, hides and skins	4	78,400	4	1
Petroleum refining and chemicals	7	216,300	11	84
Textiles	3	93,600	4	2
Other	5	199,600	7	16
Subtotals	296	12,322,700	594	925

^{a/} Figures reflect approved Category I Programme for 1965/66. They do not reflect programme changes and contingency authorizations.

B. International Labour Organisation

Table 1. Types of projects^{a/}

Type of Project	<u>Experts</u>		<u>Fellowships</u>		Approximate Costs b/ (dollars)
	Number	Man-months	Number	Man-months	
<u>Surveys, analytical studies and statistical data of general character</u>					
Labour statistics	16	140	2	6	227,000
<u>Industrial planning and programming</u>					
Manpower planning and organization	51	352	7	39	585,000
<u>Training</u>					
Management Development	114	74	18	96	1,741,000
Small-scale industries	53	413	4	15	736,000
Vocational training	273	2,311	98	492	4,312,000
<u>Other activities relating to industrial development</u>					
Social Security	32	230	4	13	375,000
Occupational safety and health	11	57	6	25	105,000
General conditions of work	2	23	3	9	40,000
Labour law and labour relations	4	19	4	21	41,000
Labour administration	29	218	31	198	448,000
Workers' education	<u>13</u>	<u>42</u>	<u>9</u>	<u>24</u>	<u>78,000</u>
TOTAL	598	4,753	186	938	8,688,000

a/ Only those projects of the various types which concern the industrial labour force are included - for example, certain social security projects affecting primarily agricultural workers have been excluded.

b/ Estimated by applying standard (average) cost factors per expert-year and fellowship-year, rounded to nearest \$1,000.

Table 2. Sources of funds

Source of funds	<u>Experts</u>		<u>Fellowships</u>		Approximate costs (thousands of dollars)
	Number	Man-months	Number	Man-months	
UNDP (Special Fund)	280	2,497	85	429	4,814
UNDP (Technical Assistance)	218	1,620	72	419	2,821
ILO regular budget	61	350	29	90	592
Special programmes ^{a/}	39	286	-	-	461
Total	598	4,753	186	938	8,688

^{a/} Programmes financed from other sources, such as funds-in-trust, UNICEF, etc.

Table 3. Regional analysis

Region	<u>Experts</u>		<u>Fellowships</u>		Approximate costs (thousands of dollars)
	Number	Man-months	Number	Man-months	
Africa	222	1,752	65	381	3,201
Asia	172	1,459	33	198	2,654
Europe	26	185	14	44	336
Latin America and the Caribbean	126	970	58	267	1,814
Middle East	52	387	16	48	683
Total	598	4,753	186	938	8,688

6. Food and Agriculture Organization of the United Nations

Introduction

1. Over the past years FAO has concentrated increasingly on field action programmes and projects. Thus, during 1966, out of about \$80 million more than \$55 million were devoted to action projects and implementation of field operations. No detailed figures are at present available as to the proportion of these resources which is used for specific industrial development activities, except for a number of Special Fund-financed projects of which an account is given in FAO's 1966 Annual Report, which is being circulated as an addendum to this report. Particular reference is made in this respect to appendices IV to VII, pages 70 to 124, which list selected current field projects for which FAO is providing assistance upon government request, and to chapter IX, pages 51 to 57 which shows a number of projects in the field of industry as examples of United Nations/FAO World Food Programme assistance to economic development. A reasonable estimate, however, is that about one third to one quarter of all FAO-operated UNDP(SF) projects deal with one or another area, or sector, of industrial development described in this report, involving an expenditure of around \$10 million during 1966.

FAO/IBRD Co-operative Programme

2. The FAO/IBRD Co-operative Programme reflects the determination on the part of the President of the World Bank and the Director-General of FAO to give higher priority to the promotion of improvements in agriculture. The co-operation between these two agencies is therefore to lead to greater investments in agriculture. The thirteenth session of the FAO Conference strongly supported the Programme in the light of the progress already achieved in over eighteen months of operations. From its establishment in April 1964 to the middle of 1966, the FAO/IBRD Co-operative Programme has initiated or participated in 143 missions, which have been sent to all parts of the world. Loans and credits to a total of \$166 million have already been approved following project work to which the Programme has contributed.

3. The Co-operative Programme in particular seeks to achieve the following objectives:

- (a) To provide an opportunity for the two Organizations to fulfil more effectively their respective essential functions within the United Nations System - FAO being the agency having specific responsibility for the technical, economic and institutional aspects, and the IBRD/IDA being the organization primarily responsible for financing;
- (b) To make an effective contribution to the United Nations Development Decade by speeding up and enlarging the volume of Bank investment;
- (c) To enable FAO studies, those carried out especially under its extensive field programmes, to be taken to the stage of actual implementation, since the process of development involves not only techniques, expert knowledge and management, which FAO can provide, but also the necessary financial resources, which the Bank has.

4. The activities of the Programme cover a wide range, and considerable scope is foreseen for projects in the field of industries based on renewable natural resources. For example, the Programme has tried to diversify its scope of operations, preparing projects related to livestock production, which will inevitably broaden the base for future development of industries processing livestock products, and engaging itself more and more in identifying and preparing projects in forestry, forest industries and fisheries development. The FAO/IBRD Co-operative Programme expects furthermore to give additional guidance to the elaboration of these projects in a manner which will lead to their being conducive to rapid investment.

UNDP (Special Fund) projects

5. A breakdown of the resources available to FAO showing the proportion used for specific industrial development activities is available for a certain number of Special Fund-financed pre-investment projects.

6. The Managing Director of the Special Fund submitted to the fifth session of the United Nations Committee for Industrial Development in May 1965 a document (E/C.5/94) in which is listed industrial projects by field of activity, i.e., using the labels manpower training, research and surveys and, in the annex, projects by country and executing agency. Of the 208 listed projects FAO is operating agency for fifty-one, or about 25 per cent of the total. Based on the total projects of the costs, the FAO share is around 20 per cent. Since then the number of FAO-operated projects has increased. Expressed in total project cost figures (in dollar equivalents) amounting to \$504,703,700, FAO is handling around 20 per cent, involving dollar equivalents of \$99,378,700 spread over the several years' duration of the projects.

7. Although FAO in its progress report to the fifth session of the Committee for Industrial Development (E/C.5/71/Add.1) reporting over 1965, had labelled the Special Fund projects dealing with industrial development activities according to another system of classification, a comparison with the Special Fund document referred to above shows that the round figure of \$100 million is in the right order of magnitude. (The Managing Director of the Special Fund when introducing this paper mentioned particularly that the projects so labelled also included a number that were to be considered as on the periphery, i.e., only related to industrial development. The amount of projects listed by FAO, therefore, was actually smaller, but this amount was compensated by another group dealing with agricultural requisite projects, which sector or areas, in the view of FAO, is of great importance as it will undoubtedly stimulate industrial development activities in the fields of tools, equipment and machinery, as in the near future these requisites for increased productivity, especially in the food sector will need to be manufactured locally rather than be imported).

8. When comparing the figure of \$100 million with the total amount of FAO-operated Special Fund projects, although detailed figures are at present not available, a conservative estimate is that about one third to one quarter of all FAO-operated Special Fund projects deal with one or another area or sector of industrial development, as listed in paragraph 27 of FAO's 1966 Annual Report.

covering FAO's activities in the field of industrial development. As can be seen in appendixes III to VIII, pages 70 to 124, to that report, the number of projects has since greatly increased.

Investments as the result of Special Fund projects

9. Although it is still too early to report on investments resulting from Special Fund pre-investment surveys, an example may be given of an investment made while the project is still in operation. It concerns the food-processing project in the Syrian Arab Republic, in which three pilot mills for virgin olive oil processing were introduced in selected areas. Within three years, private interests established some thirty commercial plants calling for a total investment of around \$1 million.

World Food Programme Assistance to Development Projects in the Field of Industry

Introduction

10. The United Nations/FAO World Food Programme (WFP) was first established on an experimental basis for a period of three years by FAO Conference resolution 1/61 adopted on 22 November 1961, and United Nations General Assembly resolution 1714 (XVI), adopted on 19 December 1961. Operations started in 1963. By FAO Conference resolution 4/65 of 6 December 1965 and United Nations General Assembly Resolution 2095 (XX) of 20 December 1965, the World Food Programme was extended on a continuing basis for as long as multilateral food aid was found to be feasible and desirable.

11. The main objective of the Programme is to use food as an aid to economic and social development, particularly when related to preschool and school feeding, increasing agricultural productivity, labour-intensive projects and rural welfare.

12. Projects should be technically sound and economically feasible and they should relate to the development plans or policies of the requesting country or be in general conformity with the country's over-all development prospects. Moreover, the provision of food aid should have no harmful effect on local agricultural production and on the normal volume and value of domestic and foreign trade.

13. Requests for WFP assistance are prepared by the interested Government, with the assistance, if necessary, of WFP and/or United Nations agencies' staff. They are channeled through the UNPD Resident Representatives who also act as WFP representatives.

14. Targets for pledges were established at \$100 million for the period 1963-1965 and at \$275 million for the period 1966-1968. As of 31 July 1966, total cumulative resources available to WFP from its inception to the end of 1968 amounted to some \$250 million. After provision had been made for administrative expenditures and emergency operations, some \$184 million was available for development projects. At the same date, 164 projects had been approved, representing a total cost of \$139 million. However, a part of those commitments related to shipments to be made in 1969 or later and are therefore charged against future pledges. This means that some \$76 million was available at the end of July 1966 for assisting further development projects up to the end of 1968.

15. As of 31 July 1966, out of the 1964 approved projects, five are clearly of an industrial nature (at a total cost of \$2.5 million). Three of them relate to the production of couscous, of pulp and paper and of nitrogen for fertilizer; they are therefore of direct interest to FAO.

16. Ten projects, amounting to a total cost of \$16.4 million, have to some extent a bearing on the development of the agro-allied industries. One of them relates to the collection and chilling of milk, and all the others are related to increasing production of milk, meat or eggs through the provision of mixed rations, a part of which is supplied by WFP. A more detailed description of these projects is given in Chapter IX (World Food Programme

assistance to development projects in the field of industry), pages 51 to 57 of FAO's 1966 Annual Report, covering activities in the field of industrial development.

D. World Bank Group

The World Bank Group has played an active part in the development of industry over the past twenty years. By 30 June 1966 the three institutions in the Group - the Bank itself whose formal title is the International Bank for Reconstruction and Development and its two affiliates, the International Development Association (IDA) and the International Finance Corporation (IFC) - had together provided over \$1,899 million to assist industrial projects in forty-four countries. More than half of this amount was committed in the last five years.

In the fiscal year 1956/7 industrial financing by the World Bank Group reached an annual rate of \$100 million for the first time. During the subsequent nine years ending June 1966 it averaged \$160 million a year and in 1965/66 alone amounted to a record \$268 million. The three institutions have assisted a wide variety of industrial projects, ranging from large steel mills to small food-processing plants.

At the end of 1965/66 fiscal year the Bank had a membership of 103 countries and a subscribed capital of \$22,426 million. Only a tenth of this, however, was actually paid in. The larger part of what the bank lends is raised by the sale of its bonds to other investors.

The Bank makes long-term loans at conventional rates of interest; when a Bank loan is made to a borrower other than a Government, it must bear the guarantee of the Government concerned. The first loans made by the World Bank itself - to Europe in 1947 for imports urgently needed for the postwar recovery programme - were partly for the benefit of industry. In 1948 the bank turned from reconstruction to the financing of economic development, especially in its less developed member countries. Since then lending by the bank for industry has increased progressively, reaching a cumulative total of \$1,480 million by 30 June 1966. This was just over 14 per cent of all lending by the bank at that date.

The International Development Association was formed in 1960 to provide finance to the poorer of the less developed countries on terms more liberal than the bank can offer. IDA's resources are in the form of subscriptions and contributions, predominantly from industrialized member countries. A total of

ninety-six governments were members at 30 June 1966. IDA makes fifty-year credits to developing countries free of interest. By 30 June 1966, it had extended credits to industry totalling \$246 million, representing 18 per cent of all lending by the Association at that date.

The International Finance Corporation was established in 1956 to supplement the activities of the World Bank by encouraging the growth of productive private enterprises in member countries. IFC now acts for the whole World Bank Group in the technical and financial appraisal of all proposals for industrial financing; funds for industrial development, however, may come from any member of the Group.

IFC makes share as well as loan capital available to the companies it finances. Its investments are made without government guarantees. IFC has established four main methods of operation: direct investment in private industrial and other enterprises, with the participation of domestic or foreign private investors and entrepreneurs; assistance to development finance companies; standby and underwriting commitments; and the sale of investments from portfolio to other financial institutions. IFC funds are available for foreign exchange costs of projects and for local currency expenditures; they may be used to purchase fixed assets as well as to meet working capital requirements. By 30 June 1966, IFC had undertaken investment commitments in support of industrial development totalling \$173 million in thirty-four countries (see appendix II).

The Corporation's share capital of \$99.4 million at 30 June 1966, was subscribed by eighty-one member countries. In October 1966 the World Bank approved a loan of \$100 million to IFC to enable it to extend its activities by undertaking substantially larger individual commitments.

The following table gives details of the Group's industrial financing during the past thirteen years:

World Bank Group: Development Finance Supplied to Industry,
1953/54-1965/66
(Millions of Dollars)

Fiscal year	World Bank loans	IFC investments ^{a/}	IDA Credits	TOTAL
1953/54	19.0	-	-	19.0
1954/55	68.0	-	-	68.0
1955/56	95.0	-	-	95.0
1956/57	108.0	2.0	-	110.0
1957/58	106.0	8.7	-	114.7
1958/59	144.0	10.6	-	154.6
1959/60	146.0	23.8	-	169.8
1960/61	47.0	6.2	-	53.2
1961/62	136.0	21.3	4.9	162.2
1962/63	110.0	18.0	11.5	139.5
1963/64	73.0	20.8	90.0	183.8
1964/65	179.0	26.0	15.0	220.0
1965/66	<u>107.5</u>	<u>35.6</u>	<u>125.0</u>	<u>268.1</u>
	<u>1,338.5</u>	<u>173.0</u>	<u>246.4</u>	<u>1,757.9</u>

Cumulative total, March 1948 - June 1966, \$1,899.5 million.

^{a/} Loans, share subscriptions and standby and underwriting commitments.

The following table shows the volume of Bank, IDA and IFC industrial financing in various categories:

Type of industry	Amount (millions of dollars)
Development finance companies	496.5
Iron and steel	427.0
Mining	201.5
Pulp and paper	160.0
Chemicals and fertilizer	94.0
Other industries	<u>520.5</u>
	<u>\$1,899.5</u>

Development finance companies (DFC)

Successful industrialization in many countries in the early stages of economic growth depends on a number of factors — finding enough finance of the right kind, finding competent managers and staff, learning manufacturing techniques and gauging the market for industrial products. In an attempt to increase the supply of some of these requirements, the World Bank Group has helped the creation or expansion of special institutions in the field of industrial development — private development finance companies.

The Bank and its affiliates are associated with development finance companies in the following countries: Austria, China, Colombia, Ethiopia, Finland, Greece, India, Iran, Israel, Ivory Coast, Liberia, Malaysia, Morocco, Nigeria, Pakistan, Philippines, Spain, Thailand, Tunisia, Turkey and Venezuela. By 30 June 1966 the Group had provided a total of \$496 million in loans, investments and credits to assist these companies.

These companies are designed to perform a variety of functions, including the provision of medium-term and long-term loans and equity capital for local industry and other private enterprise, underwriting activities, the promotion of new enterprises and assistance to entrepreneurs in preparing investment proposals. They also act as a channel for foreign capital and technology, in particular by bringing together foreign and local investors in joint ventures. By becoming an important element in a country's capital market, they can help to mobilise domestic savings and, in combination with technical know-how, channel them into productive activities.

By 30 June 1966 the development finance companies had undertaken operations amounting to a cumulative total of \$1,500 million, chiefly in industries such as textiles, food products, chemicals and fertilizers, iron and steel, machinery and equipment and pulp and paper.

IFC has taken the lead in the World Bank Group to encourage the establishment and expansion of these companies on sound lines. The Corporation has on several occasions helped to reorganize existing companies, and to create new institutions. It has brought together foreign investors to participate with IFC in the share capital of some of these institutions and has acted as a consultant in establishing policy, drafting statutes and locating management.

A list of World Bank Group financing in development finance companies follows:

Financing provided by the World Bank, IFC and IDA
to development finance companies, as of 30 June 1966
(millions of dollars)

<u>Country and type of financing</u>	<u>Amount</u>
Austria (3 Bank loans)	23.3
China (Taiwan) (1 IDA credit and 1 Bank loan)	19.9
Colombia (3 IFC investments and 1 Bank loan, 5 DFC's)	29.8
Ethiopia (2 Bank loans)	4.0
Finland (2 Bank loans and 1 IFC investment)	21.3
Greece (1 IFC investment)	0.7
India (6 Bank loans)	139.6
Iran (2 Bank loans)	15.2
Israel (1 Bank loan)	20.0
Ivory Coast (1 IFC investment)	0.2
Liberia (1 IFC investment)	0.2
Malaysia (1 Bank loan and 1 IFC investment)	9.3 ^{a/}
Morocco (2 Bank loans and 1 IFC investment)	34.0
Nigeria (1 IFC investment)	1.4
Pakistan (6 Bank loans and 1 IFC investment)	109.5
Philippines (1 Bank loan and 1 IFC investment)	19.4 ^{a/}
Spain (2 IFC investments)	0.6
Thailand (1 Bank loan and 1 IFC investment)	2.7
Tunisia (1 Bank loan and 1 IFC investment)	5.6
Turkey (2 Bank loans, 1 IFC investment and 3 IDA credits)	38.5
Venezuela (1 IFC investment)	1.3
Total	496.5

^{a/} Includes underwriting commitments acquired by others.

Technical assistance

Technical assistance activities of the Bank Group also cover problems of industrial development. In 1965 the Bank joined IFC in organizing a study to develop a comprehensive expansion programme for the steel industry in Brazil. Some twenty-five general survey missions have been organized to help the Bank's member countries draw up long-range development programmes; all have recommended specific measures to stimulate growth of the industrial sector. In addition, the Bank has helped to finance studies to improve the Chilean capital market and to enlarge the securities market in Pakistan and Peru.

Activities during 1965/66 fiscal year

Among the major developments during the fiscal year was the completion of formalities for increasing the financial resources of IFC. With additional resources of up to \$400 million potentially available from the World Bank, IFC is now in a position to expand its investment activities and undertake larger commitments.

During the year, IFC and the Bank initiated discussions looking towards an effective contribution by industry to the stimulation of the agricultural sector, through projects for the manufacture and distribution of chemical fertilizers in the developing countries. IFC is currently actively discussing with private investors and the Government of India how it can help in the establishment of new fertilizer projects.

Progress continued during the year on agreements intended to encourage the international flow of private capital by improving the climate for investment. One such agreement was the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States.^{a/} The Convention will establish an international centre for the settlement by

^{a/} By 30 September 1966, the Convention had been signed by forty-six countries and ratified by twenty of them. The Convention entered into force on 14 October 1966.

conciliation or arbitration of disputes between States and nationals of States arising directly from investment; it also provides the basic rules for the conduct of conciliation and arbitration proceedings and the recognition of arbitral awards.

Preliminary steps were taken during the year towards outlining a multilateral scheme for insuring foreign investments against other than normal business risks.

During the fiscal year 1965/66, the World Bank Group committed a total of \$268 million for industrial development. The following table shows the amount provided by each institution:

World Bank Group's Industrial Financing,
Fiscal year 1965/66
(millions of dollars)

	<u>Amount</u>
World Bank	107.5
IFC	35.6
IDA	<u>125.0</u>
	268.1

Appendix I

IBRD-IDA Infrastructure Investment

In order to ensure an adequate supply of electric power for industrial and other forms of development, the World Bank has devoted a third of its lending -- \$3,260 million -- to help finance the addition of over 20 million kilowatts to the world's generating capacity. The distribution of the Bank's lending for power development between the regions of the world was as follows: Africa, \$405.6 million; Asia, \$682.1 million; Australasia, \$182.3 million; Europe, \$576.5 million; and the western hemisphere, \$1,413.8 million. This has been supplemented by IDA credits totalling \$108.2 million.

Similarly, Bank and IDA lending totalling \$3.945 million for the development of highways, ports, railroads and telecommunications has also helped industrial development in member countries. The following table summarizes Bank and IDA lending for purposes other than industry:

<u>Purpose</u>	<u>Bank loans</u> ^{a/} (Dollars)	<u>IDA credits</u> ^{a/}
Reconstruction	496,800,000	-
Electric power	3,260,100,000	119,700,000
Transportation	3,246,300,000	535,700,000
Communications	88,000,000	75,000,000
Agriculture and forestry	744,900,000	247,500,000
General development	205,000,000	-
Water supply	52,200,000	63,600,000
Education projects	8,800,000	77,300,000
Engineering	1,700,000	-
	<u>8,103,800,000</u>	<u>1,118,800,000</u>

^{a/} Net amount as of 30 June 1966.

Appendix II

IFC Investment Standby and Underwriting
Commitments, 1956/66

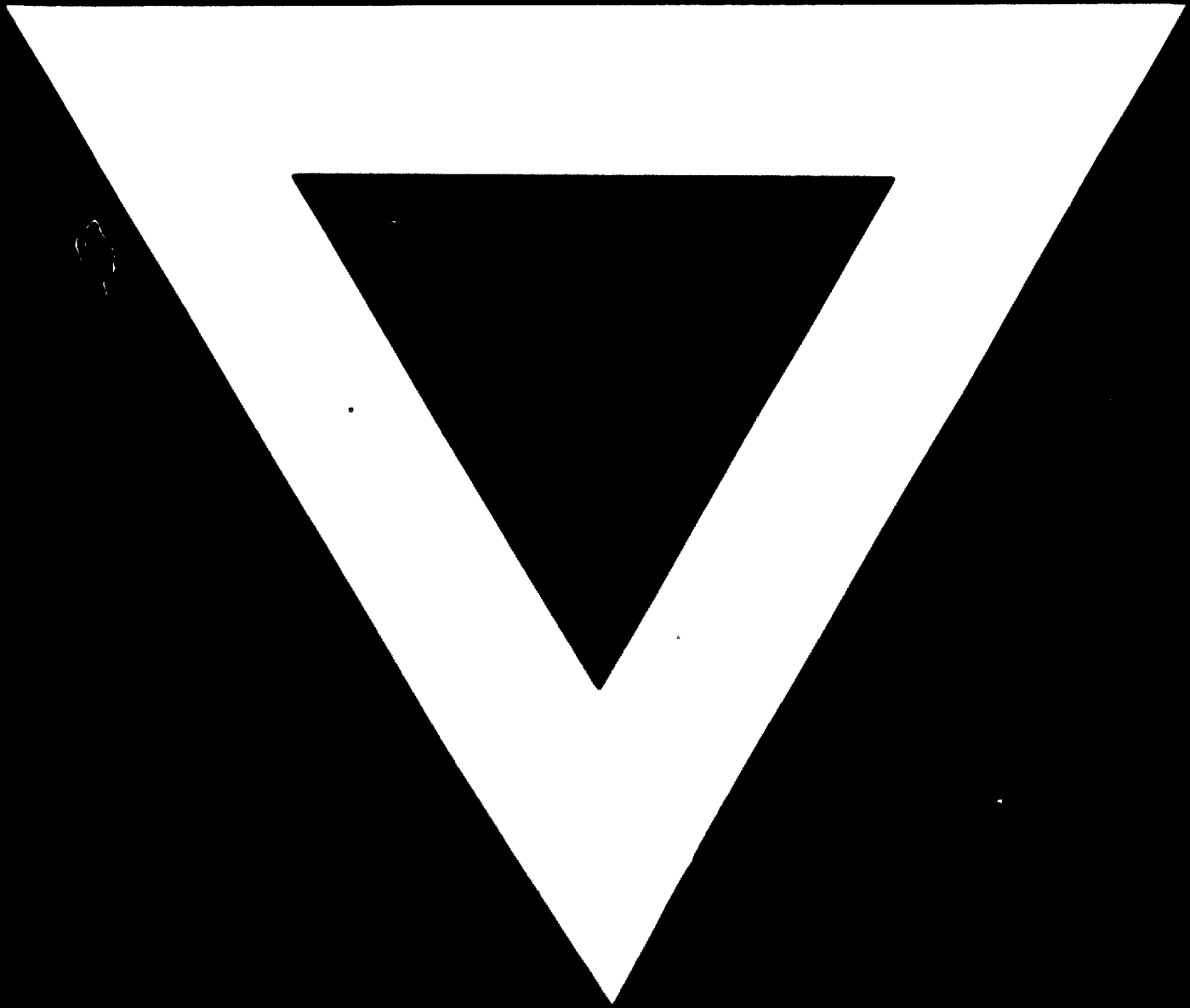
Area and country	Initial Commitment	Number of Commitments	Total Commitments (dollars)
<u>Australasia</u>			
Australia	1957	3	975,000
<u>Africa</u>			
Ethiopia	1964	2	4,407,557
Ivory Coast	1965	1	204,081
Liberia	1965	1	250,000
Morecco	1963	2	2,880,993
Nigeria	1963	2	2,169,801
Sudan	1964	1	688,893
Tanzania	1960	2	4,731,085
Tunisia	1962	2	4,071,428
Uganda	1965	<u>1</u>	<u>3,510,354</u>
		14	22,914,192
<u>Asia and the Middle East</u>			
India	1959	9	10,775,802
Iran	1959	1	300,000
Malaysia	1963	2	2,867,298
Pakistan	1958	7	12,608,469
Philippines	1962	1	4,359,063
Thailand	1959	<u>2</u>	<u>493,108</u>
		22	31,403,740
<u>Europe</u>			
Finland	1960	4	3,147,645
Greece	1962	5	6,345,002
Italy	1960	1	960,000
Spain	1962	4	3,812,880
Turkey	1963	<u>2</u>	<u>2,285,556</u>
		16	16,551,083

Area and country	Initial Commitment	Number of Commitments	Total Commitments (dollars)
<u>Western hemisphere</u>			
Argentina	1960	5	13,710,000
Brazil	1957	8	22,483,949
Chile	1957	9	10,291,346
Colombia	1959	15	14,382,131
Costa Rica	1962	2	589,552
Ecuador	1965	1	2,000,584
El Salvador	1959	1	140,000
Guatemala	1958	1	200,000
Honduras	1964	2	377,500
Jamaica	1961	1	224,000
Mexico	1957	12	21,713,723
Peru	1959	7	8,913,290
Venezuela	1960	<u>5</u>	<u>5,491,253</u>
		69	100,517,328
	Total	<u>124</u>	<u>172,361,343</u>

E. Centre for Industrial Development

1. A comprehensive summary of the technical assistance activities serviced by the Centre for Industrial Development will be issued as a separate addendum (ID/B/3/Add.2) to the Second Consolidated Report.
2. In respect to the programme of Special Industrial Services, which was initiated in 1966 under the joint responsibility of the then Commissioner for Industrial Development and the Administrator of the UNDP, a full report will be issued to the Industrial Development Board under item 7 of the provisional agenda.





11.3.74