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United Nations Industrial Development Organization

INDUSTRIAL DEVELOPMENT BOARD

First Session

SUMMARY RECORD OF THE THIRTEENTH MEETING

Held at Headquarters, New York,
on Thursday, 20 April 1967, at 10.40 a.m.

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PRESENT:

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| <u>President:</u> | Mr. TELL | (Jordan) |
| later, | Mr. DUMITERESCU | (Romania) |
| <u>Rapporteur:</u> | Mr. MBAYE | (Guinea) |
| <u>Members:</u> | Mr. BRADLEY) | Argentina |
| | Mr. VIDAL ETCHEVERRY) | |
| | Mr. REISCH | Austria |
| | Mr. FORTHOMME | Belgium |
| | Mr. PATRIOTA) | Brazil |
| | Mr. MONTEIRO) | |
| | Mr. VLADOV | Bulgaria |
| | Mr. BELEOKEN | Cameroon |
| | Mr. ABELL | Canada |
| | Mr. HERRAN-MEDINA | Colombia |
| | Mr. LASTRA | Cuba |
| | Mr. MUZIK) | Czechoslovakia |
| | Mr. ADAMEK) | |
| | Mr. SCHMIDT-HORIX) | Federal Republic of Germany |
| | Mr. KURTH) | |
| | Mr. UGGELDAHL | Finland |
| | Mr. BERNARD | France |
| | Mrs. AGGREY-ORLEANS | Ghana |
| | Mr. DIABATE | Guinea |
| | Mr. WANCHOO) | India |
| | Mr. GUPTA) | |
| | Mr. MARTONAGORO | Indonesia |
| | Mr. ORDOOBADI | Iran |
| | Miss FORCIGNANO | Italy |
| | Mr. KOFFI | Ivory Coast |
| | Mr. ABE | Japan |
| | Mr. SAAD | Jordan |
| | Mr. AL-SHATTI | Kuwait |
| | Mr. LUBBERS | Netherlands |
| | Mr. OLUMIDE | Nigeria |
| | Mr. NUHAIMAN | Pakistan |

PRESENT (continued):

Members (continued):

| | |
|---------------------------------|------------------------------------------------------------|
| Mr. FERNANDINI | Peru |
| Mrs. KODIKARA | Philippines |
| Mr. DESMIREANU | Romania |
| Mr. RYABONYENDE | Rwanda |
| Mr. WARSAMA | Somalia |
| Mr. MORO | Spain |
| Mr. SAHLOUL | Sudan |
| Mr. BILLNER | Sweden |
| Mr. DAHINDEN | Switzerland |
| Mr. BARPUYAWART | Thailand |
| Mr. THOMPSON | Trinidad and Tobago |
| Mr. CUHRUK) Mr. ALTINEL) | Turkey |
| Mr. ANANICHEV | Union of Soviet Socialist Republics |
| Mr. SALAMA | United Arab Republic |
| Sir Edward WARNER | United Kingdom of Great Britain and Northern Ireland |
| Mr. GOLDSCHMIDT) Mr. BLAU) | United States of America |
| Mr. MENDIOLA | Uruguay |
| Mr. MANDA | Zambia |

Observers for Member States:

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|-----------------------|--------------------|
| Mr. SCOTT-MIRGA | Bolivia |
| Mr. ABDOUL | Chad |
| Mr. AGATHOCLEOUS | Cyprus |
| Mr. SUBERO | Dominican Republic |
| Mr. MARTINO | El Salvador |
| Mr. MAKAYA-CASTANCOUL | Gabon |
| Mr. ENDREFFY | Hungary |
| Mr. SHAI | Israel |
| Mr. SCMPHANH | Laos |

PRESENT (continued):Observers for Member States (continued):

| | |
|--------------------|--------------|
| Mr. LAI | Malaysia |
| Mr. CARRANCO AVILA | Mexico |
| Mr. CHULUUNBAATAR | Mongolia |
| Mr. DELGADO | Senegal |
| Mr. van NIEKERK | South Africa |
| Mr. LAVCEVIC | Yugoslavia |

Representatives of specialized agencies:

| | |
|--------------|------------------------------------------------------------------------|
| Mr. AMMAR | International Labour Organisation |
| Mr. WOODWARD | Food and Agriculture Organization of the United Nations |
| Mrs. THOMAS | United Nations Educational, Scientific and Cultural Organization |
| Mr. RAJ | International Bank for Reconstruction and Development |
| Mr. WILLIAMS | International Monetary Fund |
| Dr. COIGNEY | World Health Organization |

Representative of the General Agreement on Tariffs and Trade:

Mr. HORTLING

Representatives of other United Nations bodies:

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| Mr. GECHEGAN | United Nations Development Programme |
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| Mr. NERFIN | World Food Programme |
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Secretariat:

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| Mr. HILL | Under-Secretary for Inter-Agency Affairs |
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| Mr. ABDEL-RAHMAN | Executive Director, United Nations Industrial Development Organization |
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|-----------------------|----------------------------------------------|
| Mr. QUIJANO CABALLERO | Director, Technical Co-operation Division |
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| Mr. GRIGORIEV | Director, Industrial Technology Division |
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PRESENT (continued):

Secretariat (continued):

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| Mr. OSHINS | Director, Industrial Services and Institutions Division |
| Mr. MULLER) Mr. STORDEL) | United Nations Conference on Trade and Development |
| Mr. SYLLA | Secretary of the Board |

CO-ORDINATION OF ACTIVITIES OF THE UNITED NATIONS SYSTEM OF ORGANIZATIONS IN THE FIELD OF INDUSTRIAL DEVELOPMENT (ID/B/3 and Corr.1 and 2 and Add.1-8) (continued)

Mr. ABE (Japan) said that co-ordination of the activities of UNIDO and of the United Nations system of organizations in connexion with industrial development should aim at avoiding duplication and overlapping and at filling gaps and remedying deficiencies in co-ordination. General Assembly resolution 2152 (XXI), paragraphs 27-30, clearly defined the role of UNIDO in co-ordination and co-operation. In his view, therefore, it would be wrong to prolong a theoretical debate unnecessarily; what was needed was an attack on practical problems. In that regard, the Executive Director had stressed that UNIDO should work closely with all United Nations organizations, basing itself on their experience and knowledge. What was important was to find any gaps in the industrial development programmes undertaken by those organizations and, where they appeared, to remedy them. The consolidated reports of the activities of the United Nations system of organizations could be highly useful in that connexion, but their presentation and approach should be reconsidered, with a view to adapting them to the requirements of the Board.

The Board should ensure full and complete co-operation on the practical level between the various United Nations organizations. Many delegations had stressed the great value of promoting export-oriented industries - a matter which had been taken up by the Centre for Industrial Development and which should continue to be the object of UNIDO's activities. However, since UNCTAD existed and was likely also to have an interest in the matter, the spheres of competence of the two organizations must be clearly defined. For example, document ID/B/4 (p. 89) mentioned a programme of training for export promotion personnel that left it open to question whether UNCTAD or UNIDO would be responsible for its execution. What was important was that the organizations concerned should find an appropriate formula for defining their respective spheres of competence that would make it possible for them to contribute, to the best of their ability, to the realization of joint projects. UNIDO should also establish such co-operation with the regional economic commissions, which had already achieved encouraging results in the field of economic development.

(Mr. Abe, Japan)

While he appreciated the desire of some delegations for decentralization of the organization's activities, he thought that proposals for the establishment of UNIDO regional centres were somewhat premature. It would be better to leave the question pending and simply to consider, at the present stage, exchanges of personnel between UNIDO and the regional economic commissions. Co-operation with the regional and international development banks should not be neglected.

The statements made by those representatives of United Nations organizations who had already spoken gave grounds for hoping that UNIDO could count on the understanding and co-operation of the agencies concerned.

Mr. BILLNER (Sweden) proposed that the statements of the Administrator of the United Nations Development Programme and the Under-Secretary for Inter-Agency Affairs (ID/B/SR.12) should be issued as official documents of the Board.

It was so decided.*/

Mr. FORTHCMME (Belgium) cautioned the Board against being over-ambitious. His desire was that UNIDO should be a continuing success, and co-ordination was therefore of vital importance. UNIDO was merely one United Nations organization among many, and it should work in perfect harmony with the others. That was a necessity for both the secretariat and the Board. The secretariat would have to deal with other secretariats which were aware of their responsibilities and duties and were anxious not to have their scope of action restricted, while the Board was composed of representatives of countries which were also members of the deliberative bodies of other organizations. Although the countries were the same, the persons representing them were not. That being so, UNIDO's co-ordinating authority must be flexible and simple and must be aimed at preventing and reconciling conflicts, not at creating them.

Some delegations had raised the question whether to opt for a regulatory or a negotiating procedure. In his view, paragraph 27 of General Assembly resolution 2152 (XXI) could not be interpreted as conferring any regulatory power whatever, and any attempt to lay down rules for UNIDO's co-ordinating function would only

*/ The full text of Mr. Hoffman's statement and of Mr. Hill's statement have been issued as documents ID/B/L.5 and ID/B/L.6 respectively.

(Mr. Forthomme, Belgium)

give rise to futile conflicts at a time when so much remained to be done in the field of industrialization.

UNIDO should tackle work not yet undertaken by the other organizations; if, in so doing, it encroached on areas in which other organizations were already active, it would have to enter into consultations with them, in order to decide whether the status quo should be maintained, whether, in view of the possibility of conflicts of competence, a transfer of activities to UNIDO should be arranged, or whether concerted action would not be better and more effective. It was clear to him that in such cases it was not possible to lay down rules or to define the spheres of competence in a hard and fast way. On the contrary, the Board should encourage flexibility and should act in the best interests of the needy countries. In his view, the more discreetly UNIDO acted at the beginning, the more friendly would be its relations with other organizations and the more lasting would be its success.

Mr. Dumiterescu (Romania), Vice-President, took the Chair.

Mr. WANCHCO (India) said he believed that UNIDO's co-ordinating function should be considered first of all from the standpoint of the establishment of relations with other United Nations organizations. In that connexion, the desire to co-operate fully with UNIDO which had been expressed by the Administrator of UNDP and the representatives of specialized agencies was highly gratifying. The Centre for Industrial Development had already established good relations with some organizations, such as the International Labour Organisation, and it was to be hoped that UNIDO would continue along the same lines. With a view to the establishment of such relations, however, it might prove necessary to make certain readjustments in the activities which were being carried out by the other organizations. In the absence of a specialized body such as UNIDO field operations would also have to be co-ordinated and, in that regard, the idea of seconding industrial advisers to the UNDP Resident Representatives was an excellent one.

Another objective of co-ordination was to avoid duplication. The method of negotiation seemed best for that purpose. Unfortunately, it was not always possible to resolve problems of duplication by negotiation and in such cases it was up to the Board to provide the necessary guidelines. If the Board was to perform its task effectively, it must have more complete information - in other words, a consolidated table of the work programmes of the organizations concerned

(Mr. Wanchoo, India)

and also, perhaps, analytic comments by the Executive Director pointing out any instances of overlapping. It was too early to take a decision on the kind of machinery, such as a working group or a standing committee, that was required to consider the problems involved; in the final analysis, however, it was the Board's responsibility to define UNIDO's co-ordinating authority.

Mr. UGGELDAHL (Finland) said that it was difficult to resolve the problem of co-ordination because it was so closely related to the establishment of the future work programme. However, there appeared to have emerged from the debate on the work programme a gradual approach to problems, as had been advocated by the Executive Director in his statement. It might perhaps be best to begin inside the organization, by laying the groundwork for co-ordinating future activities with those of other bodies. For example, it would be valuable if some thought could be given to co-ordination at the time of the recruitment and reorganization of the staff. One person could be made responsible for a feasible project and all its co-ordination aspects; he would collect information about what other bodies in the United Nations system were doing in the sector concerned and would specialize in certain branches of activity related to promotion of industrialization in developing countries. That would be a pragmatic but effective way of improving co-ordination.

Mr. AMMAR (International Labour Organisation), speaking at the invitation of the President, recalled that in November 1966 the ILO had confirmed its willingness to help UNIDO in promoting the industrialization of developing countries. The establishment of the new organization filled a gap in United Nations machinery and provided a framework within which all agency activities could be properly fitted. The ILO had a long-standing interest in the problems of industrial development which came within its competence. The International Labour Conference, attended by representatives of employers, workers and Governments of 106 countries, had at its last session unanimously taken the view that the efforts of the ILO in respect of industrialization should be intensified. An item on the role of the ILO in the field of industrialization, with particular reference to the developing countries, had been placed on the agenda of the forthcoming General Conference. He hoped that the Executive Director of UNIDO and some members of the Board would be able to participate in the discussions.

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(Mr. Ammar, ILO)

In accordance with General Assembly resolution 2152 (XXI), paragraph 34, co-ordination between UNIDO and the specialized agencies concerned was to be carried out at the inter-governmental level by the Board. In giving the necessary guidance to the Executive Director, the Board would surely take into account the responsibilities of the Economic and Social Council, under the Charter of the United Nations, and the relationship agreements with the agencies concerned. For its part, the ILO would do all it could to ensure the success of any inter-secretariat machinery for co-ordination. It would be useful if relations between UNIDO and the ILO could be regulated by a formal agreement which would define as precisely as possible their mutual fields of competence and the practical modalities of co-operation. The ILO had concluded such an agreement with the Centre for Industrial Development on vocational training and management development. Discussion had taken place with the Centre on the question of small industry, and the ILO would be able to make a number of specific suggestions when discussion was resumed with UNIDO. Thus, it should not prove difficult to reach an agreement with UNIDO and to have it approved by the respective governing bodies. Of course, certain adjustments might have to be made in the future, and that point could perhaps be made clear when the agreement was drafted.

Any agreement, if it was to be functional, must be implemented with conviction and in good faith. The executive heads of the agencies concerned must exercise their authority to promote a spirit of co-operation and eliminate the narrow outlook sometimes displayed by their staff. In particular, it would be desirable to increase contacts between the technical staff of the various organizations. The ILO would soon have a strongly decentralized and regionalized structure. The technical field staff would be responsible for ensuring effective co-ordination with the regional, sub-regional and national bodies, and in particular with the regional economic commissions and the Resident Representatives. It would be most desirable for UNIDO representatives at the regional and national levels to work together with their ILO counterparts.

International organizations were not always the masters of their programmes. The ILO, like others, sometimes had to carry out projects which were inadequately co-ordinated at the national level, and the activities of the United Nations family

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(Mr. Ammar, ILO)

generally were not always fitted into a national development plan. A strong co-ordination machinery at the national level was therefore vital if the activities of the various international bodies were to be harmonized.

Mr. RAJ (International Bank for Reconstruction and Development), speaking at the invitation of the President, said that the Bank and its affiliates, which had co-operated closely in the past with the Centre and with the Commissioner for Industrial Development, welcomed the establishment of UNIDO. The amount of assistance provided by the Bank Group was evidence of its interest in industrial development. As of June 30 1966, some \$2,000 million had been invested by the Group in industrial projects in developing countries. The International Finance Corporation was responsible for co-ordinating the activities of the Bank Group in the field of industrial financing, irrespective of the source of the funds. He was pleased to note that the representative of Japan had stressed the need for closer co-operation between UNIDO and the international financial institutions, particularly regional development banks. The Bank and its affiliates had close relations with twenty-five development finance companies all over the world and were co-operating with regional development banks in Latin America, Asia and Africa. The Bank Group was ready to make available to UNIDO the experience it had acquired through contacts with Governments and industrial groups.

Mr. WILLIAMS (International Monetary Fund), speaking at the invitation of the President, said he agreed with the Administrator of UNDP that industrialization required the creation of appropriate conditions in a number of connected fields. One of those fields was that of financial and monetary stability, the establishment of which would assist the developing countries in developing markets and making the necessary long-term commitments.

Mr. ADAMEK (Czechoslovakia) said that co-ordination was one of the main tasks of UNIDO. Co-ordination must in all cases precede the implementation of projects, and mere exchanges of information could not serve as a substitute. The activities of the various organizations concerned must be harmonized in advance by means of plans which might run for a period of two or three years. Long-term co-ordination was indispensable for future United Nations activities in the field of industrial development, and the Secretariat should submit to the Board at its second session a long-term work programme taking account of the discussions at the

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(Mr. Adamek, Czechoslovakia)

present session and the conclusions of the Athens Symposium. The plan should cover fields which had not hitherto been given adequate attention, particularly the utilization of natural resources and the training of management personnel and of specialists in project preparation and evaluation, location, and organization of production. Closer co-ordination in those fields was indispensable.

Of course, the Board could not review all the proposed projects; that task should be entrusted to the Secretariat, which should be given broad but clear guidelines. The sessional committee on co-ordination should be asked to identify areas of agreement and to submit any differences of view to the Board for a decision.

Mr. OLUMIDE (Nigeria) considered that the provisions of General Assembly resolution 2152 (XXI) on UNIDO's relations with the specialized agencies were so wide that great care would be needed to avoid duplication and to use the experience and facilities of existing international organizations to the full. UNIDO, which should be fully informed of the activities of the other United Nations bodies, could not immediately take over all their present activities in the sphere of industrial development. Representatives agreed that its co-ordinating functions were designed to enable it to identify gaps and promote a comprehensive and balanced work programme. In order to play a central role in the industrial development of the developing countries and perform its co-ordinating functions, UNIDO must first establish a solid base for itself. It would then be able to establish meaningful contacts with the other organizations involved and harmonize their activities. The agencies should inform the Executive Director of their work programmes before finalizing them: UNIDO was in a better position to take an over-all view of industrial development problems and thereby discover duplication in the projects envisaged by the various bodies. However, the Board should establish a scale of priorities for the objectives of the new organization. Its main preoccupation at the moment should be to formulate well-planned projects and to avoid sterile competition with other bodies in spheres where they already had experience and facilities. For example, FAO, which had the requisite experience, funds, facilities and personnel, should continue its activities relating to agro-industries. UNIDO should be careful not to disperse its limited resources in spheres where other organizations were already working, but that approach should not be unduly rigid. For example, a project for the establishment of a sugar factory, for which UNIDO's

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(Mr. Olumide, Nigeria)

help had been requested, might reveal the need for a plantation; UNIDO could then take charge of a joint UNIDO/FAO project covering both the industrial and agricultural aspects of the problem. There must be a full and continuous exchange of information on all the field activities of United Nations agencies. Member States, for their part, should harmonize their requests for assistance, which must be dealt with speedily even when they involved co-operation between two or more agencies. His delegation had noted the Pakistan representative's suggestion that a co-ordinating committee composed of countries members of the Board should be established, but had no fixed views on the question, since it believed that at present co-ordination was mainly the responsibility of Member States. UNIDO should be given sufficient directives as to its co-ordinating function with regard to the ILO. The relevant activities of the ILO should be dovetailed with those of UNIDO and other United Nations agencies in order to ensure that industrial development in the developing countries proceeded satisfactorily.

His delegation was gratified to note that UNIDO, UNCTAD and GATT were already co-ordinating their activities for the promotion of export-oriented industries, a sphere in which it should be possible to define clearly each organization's main responsibilities. That co-ordination could be continued through practical arrangements between the secretariats concerned. UNIDO should also maintain close contacts with the regional economic commissions. For example, UNIDO could make a useful contribution in certain specific spheres to the ECA regional industrial development plan for West Africa.

Once it was given positive and objective guidelines, UNIDO could play a central co-ordinating role which would enable it to secure maximum efficiency in the planning and execution of industrial projects at the national, sub-regional and regional levels.

Mr. ORDOOBADI (Iran) recalled that, pursuant to General Assembly resolution 2152 (XXI), UNIDO was to review and facilitate the co-ordination of all industrial development activities undertaken by the United Nations system. The Board's task was similarly clear and specific: namely, to facilitate that co-ordination. It should therefore examine closely the feasibility of establishing a co-ordinating committee to ensure that UNIDO took the lead in industrial

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(Mr. Ardobadi, Iran)

development activities and could perform the function of stimulating the industrialization process in developing countries. The establishment of the committee would not detract from the Board's powers and authority.

Subsequently, a similar committee should be established in each country to co-ordinate industrial activities at the national level. That would be the last stage, but in the meantime co-ordinating committees could be established at the regional level. His delegation supported the suggestion made by the representative of the Federal Republic of Germany (ID/B/Sh.12); the proposed document would facilitate the Board's discussions.

Mr. MENDIOLA (Uruguay) said that one of the prerequisites for progress with regard to co-ordination was the establishment of a detailed work programme. Spheres of competence should be clearly defined. Co-ordination was mainly a technical task calling for great pragmatism and caution, and should be left to the judgment of the Executive Director and the secretariat.

Mr. Tell (Jordan) resumed the Chair.

Mr. ARELL (Canada) stressed the complexity of the co-ordination problem, which alone could occupy the Board for a whole session. The question should be dealt with at the secretariat level, and only decisions on major problems should be submitted to the Board. It would perhaps be advisable to strengthen the co-ordinating sub-committee of the Committee on Programme and Co-ordination, which might be the most appropriate body to deal with that question.

UNIDO should work initially in spheres not dealt with by other United Nations bodies. Clearly, with its limited financial resources, it could not tackle all industrialization problems at once. He stressed the importance of what had been called co-ordination in the field and expressed the hope that all UNIDO specialists would co-operate closely with their counterparts from other United Nations bodies. In order to examine the question of co-ordination the Board did not perhaps need a document as voluminous as the second consolidated report of the industrial development activities of the United Nations system of organizations (ID/B/3); a brief summary of activities would suffice.

Mr. FISHERY (World Health Organization), speaking at the President's invitation, said that although WHO's activities were only indirectly connected with the problems before the Board, they were nevertheless relevant in that they concerned countries both in taking advantage of the benefits of industrialization and

(Dr. Coigney, World Health Organization)

in preventing possible hazards (unhealthy environment, poor working conditions) which might arise during the industrialization process. WHO was continually expanding its activities in the spheres of occupational health, industrial hygiene, environmental and water pollution, water supply and training. It had always co-operated with the Centre for Industrial Development and the other United Nations bodies concerned with industrialization and wished to assure the Board that it would co-operate fully with UNIDO.

Mr. WOODWARD (Food and Agriculture Organization of the United Nations), speaking at the invitation of the President, said that many FAO activities were devoted to industrial development and that, in line with a principle always stressed by UNIDO, those activities were "action-oriented". In 1966, out of a budget of \$80 million, FAO had devoted more than \$55 million to action projects and field operations. Out of that amount, about \$10 million had been spent on industrial development action projects. A study of the relevant sections of document ID/B/3/Add.1, and more especially of document ID/B/3/Add.3, revealed the tremendous range and practical nature of those activities. It would also be noted that they were identifiable with, or related to, agricultural production in the broader sense.

Industrial development activities were integrated with FAO's over-all programme of work, which was reviewed regularly by the governing bodies of the organization. With regard to the relationship between those activities and the broader industrial field, it would be appropriate to recall the statement of the Director-General of FAO at the forty-first session of the Economic and Social Council, in which he had stressed the interdependence of agriculture and industry in the total process of economic development. He had gone on to inform the promoting industries within FAO's area of competence, especially those relating to the processing of food products. The Director-General had called for a close working relationship between UNIDO and FAO. FAO recognized that UNIDO had a general planning function covering all industrial development, including the sector which was the direct responsibility of FAO, and his organization was ready to assist and co-operate in the formulation and consideration of plans of action.

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(Mr. Woodward, FAO)

FAO had a certain interest in industries which supplied agricultural requisites, such as fertilizers, insecticides, agricultural chemicals and vaccines, as well as in various services related to the agricultural sector. A number of those fields had industrial aspects and were primarily of interest to UNIDO. In all of them, co-operation between FAO and other organizations of the United Nations family was mutually advantageous and enabled services to Governments to be improved.

The efforts of UNIDO and FAO could be complementary. For example, the fertilizer programmes of FAO had made it possible to increase annual production substantially in the participating countries. That area - and others - offered great possibilities for industrial development, provided that a joint effort was undertaken, based, on the one hand, on the experience and expertise of FAO in soil analysis and field demonstrations and, on the other hand, on specialized work by UNIDO regarding the industrialization and manufacturing aspects. On either side of the middle category represented by the fertilizer industry there were activities such as heavy industry which were clearly within UNIDO's jurisdiction and FAO activities which were linked by their very nature to factors relating to agricultural production itself, such as the processing of foodstuffs and the development of new food products, particularly those rich in proteins.

He had been impressed by the number of representatives who had said that UNIDO's co-ordinating role did not involve a transfer of, or a reduction in, industrial development activities already being carried out by specialized agencies such as FAO but rather an intensification of the activities of the agencies, notably those of FAO, which had been engaged in certain industrial activities since its inception. Admittedly, other representatives had spoken in favour of a reverse trend, but he doubted whether that would be logical and reasonable. In FAO Conference resolution 28/63 (ID/B/3/Add.3, appendix I), the Conference had expressed the view that the proper management and development of renewable natural resources required that there should be no divorce between responsibility for those resources and responsibility for the industries based on them. The Conference had then reaffirmed FAO's responsibility for advising and assisting member nations in the harmonious development of industries either based on renewable natural resources or designed to meet food and nutritional needs. It would be illogical to expect

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(Mr. Woodward, FAO)

that a Conference of over 100 member nations would reverse a position expressed in resolution form or that the great majority of developing nations would abandon their demands for intensification of FAO assistance in agro-industrial fields.

FAO wanted its services and expertise to be fully utilized and to co-operate in every way with other organizations of the United Nations system, particularly UNIDO. Any other course could only result in a dispersal of efforts and in duplication, particularly as one of the main obstacles to industrial development was the scarcity of skilled technicians. UNIDO's impact would thus be diminished in its own area of competence, where there was such great scope for action. Inevitably, of course, there would be "grey areas" where the situation was unclear as far as co-ordination was concerned. Like the Under-Secretary for Inter-Agency Affairs, however, he thought that consultations within the United Nations family could do much to remove areas of doubt and to facilitate the common tasks. He assured the Board that FAO would co-operate in the consideration of the problems of co-ordination and looked forward to the development of fruitful co-operation with the Executive Director of UNIDO.

The meeting rose at 1.10 p.m.





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