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*for a sustainable future*

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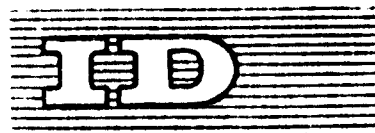
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UNDP/UNIDO AGENCY REVIEW MEETING

(Vienna, 10-11 June 1969)

MINUTES OF THE MEETING HELD ON  
WEDNESDAY, 11 JUNE 1969, AT 9.10 a.m.

DISCUSSION OF PROJECTS - ASIA (continued)

Mr. Quijano-Caballero (UNIDO) invited all those present to join in a frank exchange of views for the benefit of the programme.

Papua

Mr. Paul-Marc Henry (UNDP) said there were no comments regarding the technical assistance component and asked what SIS and SF projects were in the pipeline.

A representative of the Technical Co-operation Division mentioned the post of an industrial adviser and a project for a garment factory.

Philippines

Mr. Paul-Marc Henry (UNDP) said that there was a strong regular programme and technical assistance component. He hoped that a project for a Metal Industries Development Centre would be approved under the Special Fund.

A representative of the Technical Co-operation Division said that the plan of operations for the Metal Industry Development Centre was in its final stages. Reference was made to a request for Standards and Metrology prepared by UNESCO which had already been submitted to UNDP. The request had been referred to UNIDO for comments, which would be ready soon. The Philippines also needed an organization for industrial standards and he pointed out that the project dealt almost entirely with basic standards.

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.

Mr. Nagelstein (UNDP) asked whether the project contained a relatively heavy basic standards component. The country's present facilities with regard to basic standards were poor and this aspect should be dealt with first. The position with regard to the delimitation of responsibility for standards was unsatisfactory.

A representative of the Technical Co-operation Division agreed regarding the promotion of work on basic standards. He asked whether UNDP would be favourable to an industrial standards project, as industrial standards were necessary.

Mr. Paul-Marc Henry (UNDP) said there were two levels of concern, first, the relation of industrial standards to basic standards and the degree of refinement of basic standards and secondly, whether the project should be assigned to UNESCO. The first was often a vexed question as some countries' projects on basic standards had been so refined that the industrial application of the standards was questionable. It might be better to begin more humbly with industrial standards. This matter needed to be considered further by the two agencies.

Mr. Nagelstein (UNDP) said that at a meeting in Bangkok a whole section had been devoted to standards. It was desirable to emphasize industrial standards without neglecting the necessary insistence on basic standards.

A representative of the Technical Co-operation Division said that a furniture industry project was at an advanced stage.

#### Singapore

Mr. Paul-Marc Henry (UNDP) asked whether any SIS projects were in the pipeline.

A representative of the Technical Co-operation Division mentioned the Singapore Institute of Standards and Industrial Research. The Resident Representative had indicated that this project would be submitted in a month or so.

#### Thailand

A representative of the Technical Co-operation Division mentioned the project for a technical research institute, which had been evaluated by UNDP and UNIDO in February. An advisory report had already been received commending the work that had been done by the institute in applied research, which was having an effect on the economy. The mission considered that the continued presence of UNIDO and UNDP

was necessary. Management would be transferred to Thailand and, provided results were satisfactory, continuation might be considered. He drew attention to the difficulties that might arise through inter-departmental rivalry. That was a problem which the country itself must solve, though UNDP had sometimes helped to overcome such problems.

A representative of the Industrial Services and Institutions Division reviewed the functions and accomplishments of the Thai Institute. In view of the diversity of the tasks of a research institute, a multipurpose establishment was often the most economical solution. However, such multipurpose institutes were so large that it took even developed countries a long time to establish them. UNDP had recognized this and had extended special treatment in particular cases, for example in Colombia.

Unfortunately, the Research Institute in Thailand was under the Department of Science. UNIDO felt that the business community should benefit from such an institute.

The project manager had enjoyed good relations with the Prime Minister but had alienated many government officials, with resultant antagonism to the Institute. It was more a question of opposition to the project manager than inter-departmental jealousy. It might therefore be necessary to change the project manager. He thought that SIS projects should be amalgamated under a technical research institute so as to avoid duplication and ensure continuity. He also felt that the five years of effort that had been put into the project should not be wasted and that if the project were continued for two years it would succeed.

Mr. Paul-Marc Henry (UNDP) expressed his agreement to the idea of an extension but thought there should be more correspondence on the subject, in view of the report. Proposals should be submitted before November.

It was for UNIDO to decide whether the project manager should be retained. The project manager, an Australian, had introduced the Commonwealth pattern of combining scientific and industrial research; this had caused opposition. The two-year extension should be used to reorient the Institute and combine UNIDO activities in one network under the reorganised Institute. UNIDO should write a letter to UNDP making suggestions regarding a new look for the Institute.

Mr. Quijano-Caballero (UNIDO) fully agreed.

A representative of the Office of the Executive Director thought that a two-year extension would not be enough to reorient the Institute, though he felt that the problem of integrating research institutes with industry was a very difficult one.

Mr. Nagelstein (UNDP) pointed out that the project manager had in fact done a very good job and had created a very effective tool in the Institute. In fact, the Ministry of Agriculture, which had previously been opposed to the Institute, was now seeking its assistance because of its quality. In the present state of the Institute, there was no difficulty with regard to accommodating Mr. Afifi's point concerning the interests of the business community.

Mr. Paul-Marc Henry (UNDP), summing up, said that action should be taken and no criticism of past activities should be made. It was for UNIDO to write to UNDP incorporating its suggestions, which should be endorsed by the Government and indeed in line with the Government's wishes. UNDP would reply and give assistance on the basis of concurrence with the Government.

A member of the Technical Co-operation Division said that a project for an institute on industrial standards was in the pipeline.

Mr. Paul-Marc Henry (UNDP) said that the project had just been received by UNDP.

#### Viet-Nam

A representative of the Technical Co-operation Division said there were no projects in the pipeline but that a request had been received regarding a five-year post-war development programme. Reports were being examined.

Mr. Paul-Marc Henry (UNDP) said there were many aspects involved, particularly the Mekong Committee, which had a very ambitious programme that was generally considered to be over-ambitious. Financing would be difficult to obtain. With regard to a post-war programme, which might become topical in the next twelve months, he mentioned a UNDP/FAO mission to Viet-Nam under Mr. Tex Goldschmidt. A United Nations rehabilitation and recovery agency would probably have to be set up. Post-war recovery involved difficult political questions, but he thought there would be strong financial backing for some kind of emergency programme within a United Nations framework.

Mr. Quijano-Caballero (UNIDO) thought that an SIS approach might be used and asked if UNIDO could participate in the Goldschmidt mission.

Mr. Paul-Marc Henry (UNDP) said that the mission had already left but that Mr. Goldschmidt could call in at Vienna on his return and that a meeting with him might then be organized.

Western Samoa

Nil

REVIEW OF CURRENT PROJECTS AND THOSE UNDER ACTIVE CONSIDERATION: AFRICA

Mr. Maneck (Chief of Section for Africa, Technical Co-operation Division) introduced UNIDO's Technical Assistance Programme in Africa financed from UNDP funds. He mentioned that UNDP had approved for 1969, 24 projects under the Technical Assistance component of UNDP. Six projects are pending with UNDP for approval, five projects are in the pipeline. Of these 35 projects only 16 per cent were UNIDO's share - a relatively small participation of African countries in the Technical Assistance Programme. He said that the reason could be seen from the recent independence of African countries and the recent establishment of UNIDO. Hence, African countries had very many continuing projects under Technical Assistance compared with other agencies of the United Nations.

He stated that participation in the SIS programme was approximately 42 per cent. Four projects were with UNDP for approval, 39 were in the pipeline. The relatively high figure of projects in the pipeline resulted from 20 projects received recently from the Governments of Uganda and Rwanda - 10 projects each. These projects were under consideration and had to be studied carefully.

The participation of African countries in the field of industrial development in the Special Fund Programme was more than 50 per cent. Fourteen projects were approved. The Inter-Agency Consultative Board had recommended four additional projects for inclusion in the June 1969 Programme of the Governing Council.

He then mentioned the following trends in the field of industrial development. The more advanced countries were concentrating on more specialized projects in the field of specialized industries, quality control etc. The less advanced countries requested industrial or small-scale industries projects.

#### DISCUSSION OF PROJECTS

##### Algeria

Mr. Maneck (UNIDO) informed the Review Meeting that the work plan for the Special Fund project Centre for Industrial and Technological Studies was being elaborated. UNIDO had learned through the project manager of several problems in the establishment of an autonomous organization and the functions of the project as defined in the Plan of Operation.

Mr. Paul-Marc Henry (UNDP) informed the Meeting of a letter of the Resident Representative in Algiers indicating also problems in the implementation of this project. It was agreed that a further meeting should take place next day with Mr. Bruce Harland and UNIDO representatives.

##### Botswana

Mr. Paul-Marc Henry (UNDP) said that UNDP would be interested in an industrial programme in this newly independent country.

##### Burundi

Mr. Maneck (UNIDO) informed the meeting of the SIS programme in Burundi, but said that there was no Special Fund project in the pipeline.

Mr. Paul-Marc Henry (UNDP) mentioned a new rural development project in which UNIDO might eventually be involved for the establishment of small plants. At present, this was an FAO oriented project, but the Resident Representative in Burundi would set up a committee in which all agencies would have the opportunity to participate.



Cameroon

Mr. Maneck (UNIDO) informed the meeting of a telephone call which he had received from the Austrian Ministry of Foreign Affairs. The Government of Austria had received a request from the Government of Cameroon to supply to the Maintenance and Repair Project equipment totalling \$50,000.

Mr. Paul-Marc Henry (UNDP) said that UNDP was in favour of this project, but would be pleased to receive UNIDO's comments on the summary submitted in March in due course.

Mr. Acogny (UNIDO) said that their reply had been delayed because of further information to be collected by the substantive division.

Central African Republic

Mr. Maneck (UNIDO) informed the meeting that a project data sheet for the first phase concerning the request for the feasibility study of cement industry had been sent to UNDP following Mr. Nagelstein's report.

Mr. Harland (UNIDO) confirmed that the project would be approved soonest if the project was in accordance with Mr. Nagelstein's recommendations.

Chad

Mr. Maneck (UNIDO) said that the meat project financed under SIS was completed.

Mr. Paul-Marc Henry (UNDP) requested all reports on meat projects to be submitted to UNDP as soon as possible.

Congo Brazzaville

Mr. Maneck (UNIDO) described the SIS programme in the country, but mentioned that there was no Special Fund project in the pipeline.

Congo Kinshasa

Mr. Maneck (UNIDO) mentioned that the Maintenance and Repair project request under Special Fund was very similar to the request of the Government of Cameroon.

Mr. Paul-Marc Henry (UNDP) replied that UNDP was in favour of this project. He said that the Special Fund project for Fertilizer Industry was to be reconsidered. He drew the meeting's attention to negotiations between the Italian and the Congo Governments for the construction of a large Fertilizer Industry.

#### Dahomey

No Special Fund request was in the pipeline. However, Mr. Paul-Marc Henry emphasized the necessity of industrialization of this country in helping to reduce unemployment.

#### East African Community

Mr. Maneck (UNIDO) outlined the details of the request of the East African Development Bank for assistance from Special Fund and mentioned the strong support received from the Resident Representative. The Resident Representative and UNIDO felt it necessary to include this project in the January 1970 programme of the Governing Council.

Mr. Paul-Marc Henry (UNDP) agreed with the usefulness of this project and expressed his appreciation if recruitment could start as soon as possible. First measures would be financed under the Revolving Fund.

Mr. Quijano-Caballero (UNIDO) decided that recruitment action should be initiated as soon as possible.

#### Ethiopia

Mr. Maneck (UNIDO) informed the meeting of the unofficial request for the Centre for Industrial Planning and Implementation.

Mr. Paul-Marc Henry (UNDP) replied that UNDP would appreciate such a project. All necessary steps should be taken to receive an official request in time. The project could be included in the January 1970 programme and recruitment should be started earlier.

Mr. Quijano-Caballero (UNIDO) informed the meeting about an unofficial request for the establishment of a small factory producing telecommunication equipment.

Mr. Paul-Marc Henry (UNDP) confirmed that UNDP would follow up such a project with great interest.

Sabon

Mr. Maneck (UNIDO) mentioned Mr. Sylla's recent mission to the country and informed the meeting that UNIDO is expecting a few requests in the field of industries.

Gambia

Mr. Maneck (UNIDO) stated that UNIDO had received a request for an Industrial Survey. The Agency is suggesting one expert under SIS for three months.

Mr. Wadda (UNIDO) indicated the interest of the Government of Gambia in the establishment of a small filtering station for groundnut oil.

Mr. Paul-Marc Henry (UNDP) stated that Gambia should be a country where the small plant approach could work. UNDP were looking forward to hearing the results of the survey mission.

Ghana

First, Mr. Maneck referred to the approved project, assistance to the Ghana Industrial Holding Corporation under Special Fund. He informed the meeting that the second draft of the Plan of Operation is with the Government and has been revised on the basis of comments of UNDP and the Resident Representative after consultation with the General Manager of GIHC. It was agreed that the needs of the Government would serve only a strong project. The comments of UNDP should be seen in the light of a compromise and UNDP would not be willing to go beyond this.

Mr. Maneck (UNIDO) mentioned that the present recruitment system seems to be unsatisfactory. Recruitment for Special Fund, Technical Assistance and Regular Programme posts is still with TARS. The job descriptions were sent to TARS in October of last year. More than thirty candidates have been evaluated, of which twelve have been recommended. Five cables have been sent to TARS by UNIDO requesting the submission of curriculum vitae. Nothing has happened as yet. A memorandum from TARS was received on 10 June stating that the submission of curriculum vitae is not yet ready.

He stated that the administrative procedure of recruitment at UNIDO headquarters was working satisfactorily. Delays are mainly caused by governments. He mentioned some countries where candidates were with the government for five to eleven months and finally all candidates were rejected by the government without any reason being given.

He then stated that the use of contractual services is limited and in the majority of UNIDO projects, a training component is involved for which contractual services can be used in exceptional cases only. As long as the United Nations continues to follow the system of international recruitment and international bidding, there will be delays in the implementation of projects.

Mr. Paul-Marc Henry (UNDP) suggested UNIDO to consider the use of the IERD procedure for subcontracting.

Mr. Quijano-Caballero (UNIDO) replied that this suggestion will be considered. He emphasized the considerable success of the fibre bag factory operated by UNIDO personnel.

#### Guinea

Mr. Maneck (UNIDO) mentioned three SIS projects but stated there was no Special Fund project in the pipeline.

#### Ivory Coast

Mr. Maneck (UNIDO) explained the status of the implementation of the Centre for Industrial Studies and Promotion financed from the Special Fund. At the request of the Government, the project should start operations by mid-October.

Mr. Paul-Marc Henry (UNDP) pointed out the possibility of frictions with the Bureau du developpement industriel.

Mr. Maneck (UNIDO) replied that the correct placement of a project is most important and we fully rely on the recommendations of the Resident Representative, whose suggestion should be followed.

#### Kenya

Mr. Maneck (UNIDO) mentioned UNIDO's programme in the field of food, chemicals and light industries. He reported on the present status of the Kenya survey under SIS. At the request of Mr. Harland, Mr. Eleish informed the meeting that UNIDO will receive soon the first views of the SIS mission which will be submitted to UNDP in due course.

The UNDP representatives confirmed that the follow-up project under Special Fund, Centre for the Survey on Industrial Promotion, will be included in the January 1970 programme of the Governing Council.

Lesotho

Mr. Salamon (UNIDO) stated that the Government has requested an expert to assist in the preparation of the development plan.

Mr. Paul-Marc Henry (UNDP) replied that such a project would find UNDP's support.

Liberia

Mr. Maneck (UNIDO) described the Government's interest in the establishment of an industrial area or an industrial estate near Monrovia, but also a lack of Government funds. He suggested a small project, as a first phase, should be recommended.

Mr. Paul-Marc Henry (UNDP) expressed positive views.

Libya

Mr. Maneck (UNIDO) informed the meeting of the status of implementation of this project. The Plan of Operation is under preparation and a first draft will be discussed with the Government soon. Mr. Maneck mentioned also the existing request for a pilot plant for the production of protein from crude oil.

Mr. Harland (UNDP) replied that the project has been examined carefully but it seems to be necessary to await the conclusions of the Protein Advisory Group. UNDP will not be willing to finance a purely research job.

Mr. Nagelstein (UNDP) added that there is insufficient experience in existence. The project should not be started at the present stage.

Madagascar

Mr. Maneck (UNIDO) informed the meeting of the Government's request for the establishment of an industrial estate and that a project data sheet under SIS for two experts for six months each as a first phase had been submitted to UNDP recently for approval.

Mr. Paul-Marc Henry (UNDP) replied that UNDP is willing to approve this approach.

Maghreb

Mr. Maneck (UNIDO) informed the meeting of the first results of the project which had led to an agreement between the Governments of Libya and Tunisia to establish a large-scale fertilizer plant in Tunisia using Tunisian phosphate and Libyan oil.

Malawi

Mr. Maneck (UNIDO) stated the interest of UNIDO to participate in the pre-investment project on pulp and paper in which FAO and UNIDO are involved.

Mali

Mr. Maneck (UNIDO) said that UNIDO has no definite information on the status of a request for a Centre for Industrial Studies.

Mr. Paul-Marc Henry (UNDP) replied that such a request would be part of the development of the Senegal River Basin. No official request has been received by UNDP as yet.

Mauritania

Mr. Maneck (UNIDO) informed the meeting of the small-scale industry expert who has been appointed for three months.

Mauritius

Mr. Maneck (UNIDO) referred to the Government's request for an exploratory mission of two experts.

Mr. Paul-Marc Henry (UNDP) indicated his support for such a mission.

Morocco

Mr. Maneck (UNIDO) informed the meeting that two experts for the fish protein project are under active recruitment. They can be expected in Agadir by the end of this month.

Mr. Paul-Marc Henry (UNDP) confirmed the strong support of this project by UNDP and suggested that a second phase under Special Fund should be included in the January 1970 programme of the Governing Council.

Mr. Nagelstein (UNDP) added that from his recent visit, he learned that a third phase under Special Fund will be necessary.

Niger

Mr. Maneck (UNIDO) informed the meeting that UNDP has submitted a suggestion to the Government of Niger to start the first phase of the Industrial Estate project under Special Fund, which can be financed from Government funds. He mentioned that from preliminary views, UNIDO has learned that the Government is in favour of a smaller project which would put the Government into the position of not having to wait for assistance from the European Development Fund.

Mr. Paul-Marc Henry (UNDP) suggested that recruitment should begin immediately as he would be willing to suggest the inclusion of this project into the January 1970 programme of the Governing Council.

Nigeria

Mr. Maneck (UNIDO) explained UNIDO's views on the difficult position in the country. He mentioned that a UNIDO staff member will go to Nigeria within the next few weeks to discuss a development plan in the field of industry with the Federal Government of Nigeria for reconstruction and further development.

Mr. Paul-Marc Henry (UNDP) expressed UNDP's great interest in all development projects in Nigeria.

Rwanda

Mr. Paul-Marc Henry (UNDP) mentioned the large amount of assistance given to Rwanda through several bilateral programmes, the European Development Fund and the United Nations.

Mr. Maneck (UNIDO) suggested the programmes should concentrate on the three major resources of the country: the gas of Lake Kivu, agricultural products and peat. UNIDO would be highly interested in the further exploration in the use of the gas of Lake Kivu for industrial products.

He mentioned an official request for a pilot plant for the dehydration of vegetables and fruit which is not yet ready to be included in the January 1970 programme of the Governing Council. A feasibility study to be financed from the Revolving Fund would be more reasonable.

Mr. Paul-Marc Henry (UNDP) stated that this would be acceptable to UNDP.

Senegal

Mr. Maneck (UNIDO) referred to the official request for assistance to SONEPI and indicated that the Government might amend the request.

Mr. Paul-Marc Henry (UNDP) explained that UNDP had received a modified request.

Sierra Leone

Mr. Maneck (UNIDO) mentioned the two SIS projects in Sierra Leone.

Somalia

Mr. Maneck (UNIDO) explained the results of Dr. Salama's mission to the country which had led to several missions under Technical Assistance, Regular Programme and SIS and a suggested request under Special Fund. He also informed the meeting that the Government does not want to make a Special Fund request for a Centre for Industrial Development. However, the decision for such a request will be based on the merits of the posts requested from other programmes.

Mr. Paul-Marc Henry (UNDP) drew attention to the fact that UNDP is financing an Industrial Adviser in the African Development Bank.

Mr. Akhras (UNIDO) informed the meeting of the recent visit of the General Manager of the Bank to UNIDO which will lead to action.

Sudan

The outcome of the fact-finding mission concerning the Sudanese Industrial Research Institute was discussed.

Mr. Paul-Marc Henry (UNDP) confirmed that the extension of the Institute will be granted as suggested by the fact-finding mission.

Swaziland

Mr. Maneck (UNIDO) mentioned the request for an ore beneficiation study.

Mr. Paul-Marc Henry (UNDP) confirmed that such a project will be assigned to UNIDO.



United Republic of Tanzania

Mr. Maneck (UNIDO) informed the meeting of the present position of the Centre for Industrial Studies. A new Plan of Operation is under consideration.

Togo

Mr. Paul-Marc Henry (UNDP) expressed FAO's wishes to be involved in an advisory capacity in the pilot plant for phosphatic fertilizers.

Tunisia

Some criticism of the Government on the professional capability of an expert assigned to the Centre for Industrial Studies was discussed.

Mr. Paul-Marc Henry (UNDP) said that he has been informed that the level of experts seems not to be high enough.

Mr. Maneck (UNIDO) stated that these complaints were brought to the attention of UNIDO during the recent meeting with project managers and their counterparts in Vienna. The Government does not wish to extend the contracts of two experts. Steps have already been taken to recruit more suitable candidates for these two posts.

Mr. Akhras (UNIDO) informed the meeting of a request for the establishment of an Investment Promotion Centre under Special Fund.

Mr. Paul-Marc Henry (UNDP) wondered what the relationship would be with the Industrial Study Centre, part of the purpose of which was to encourage investment.

Mr. Akhras (UNIDO) replied that the purpose of the promotion centre would be not to prepare projects but actually to sell them and that it would not be restricted to projects elaborated by the Centre.

Uganda

Mr. Maneck (UNIDO) informed the meeting of the problems in connexion with the Industrial Estate project in Uganda. Recruitment of experts was difficult due to the Government's wish for a few specific nationalities. It was agreed to discuss this project in a meeting with Mr. Harland the next day.

United Arab Republic

Mr. Harland (UNDP) said that the request for a Metallurgical Research Institute should not include a pilot plant for ore beneficiation as such a plant exists already.

Mr. Nijhawan (UNIDO) expressed agreement with Mr. Harland's views but he felt that the project had been in the pipeline long enough and a decision should be taken one way or the other.

Upper Volta

The request for Special Fund assistance for the establishment of a small-scale industries project was discussed.

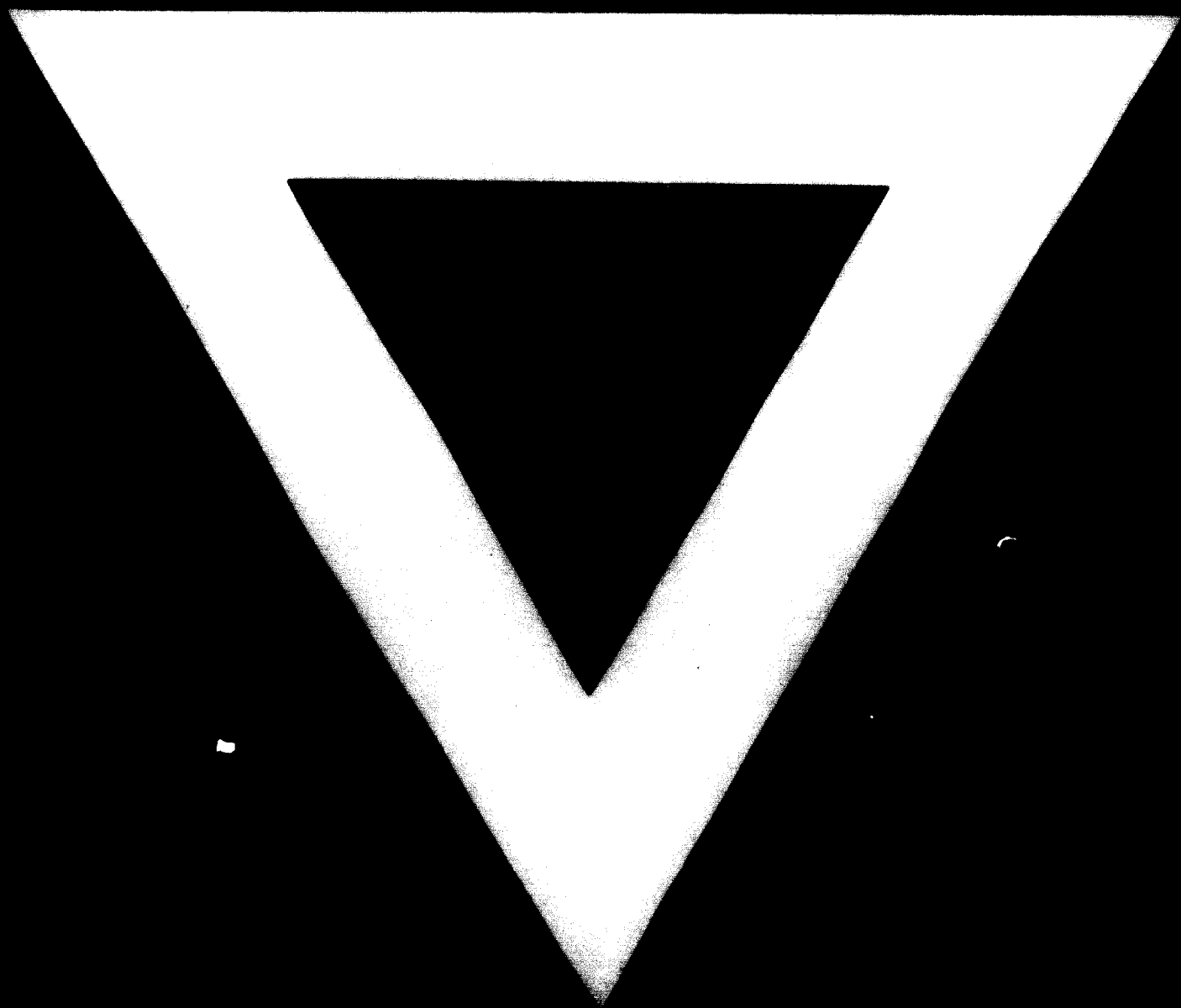
Mr. Harland (UNDP) expressed the view that a final decision should be based on the results of an SIS exploratory mission.

Zambia

Mr. Maseck (UNIDO) informed the meeting of the present status of implementation of the Industrial Estate project.

The meeting rose at 1.10 p.m.





**12.8.74**