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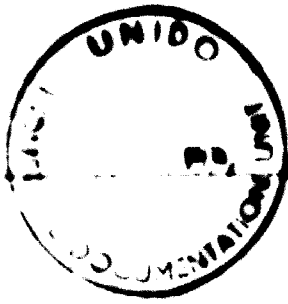
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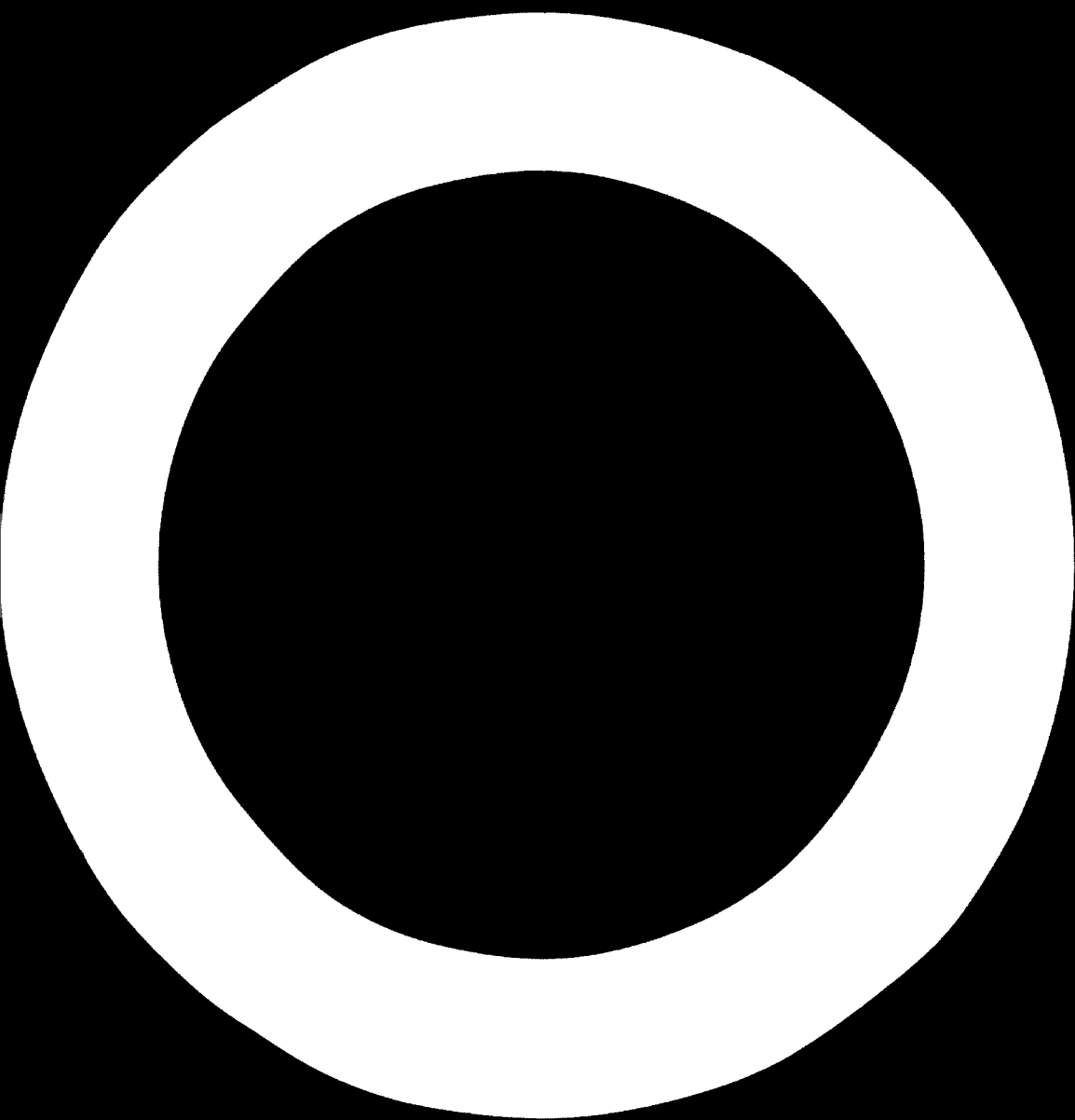
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INTERNATIONAL TECHNICAL ASSISTANCE

Project of the Government of

SAUDI ARABIA

**Project Title:** Industrial Development and Investment in the  
Karakum Desert

**Number:** SA/73/001/01/001

**Sector:** Industry

**Proposed starting date for full project operations:** January 1974


**Government Co-operating Agency:** the Industrial Studies and Research Centre, Riyadh

**Executing Agency:** United Nations Industrial Development Organization (UNIDO)


**Government Contribution:** SR 16,997,000

**UNIDO Contribution:** US \$ 7.5 million


Approved:

  
on behalf of the Government  
(signature)

Date: 10 July 1973

  
on behalf of the Executive Agency  
(signature)

Date: 1 July 1974

  
on behalf of UNIDO  
(signature)

Date: 11 Aug. 1974

## I. BACKGROUND AND JUSTIFICATION FOR PHASE II

### A. Background

1. The purpose of the project was to assist the Government in the establishment and operation of the Industrial Studies and Development Centre (ISDC). The functions of the ISDC were summarized in the Plan of Operation signed on 14 February 1966 as follows:
  - i) to advise government agencies on matters of industrial development
  - ii) to serve as an advisory centre for industry
  - iii) to carry out or commission the preparation of pre-investment studies, project evaluation and implementation, and
  - iv) to assist in the planning, establishment, management and operation of industrial estates.
2. The functions of the ISDC were defined in its Statute, promulgated in March 1967, as follows:
  - i) carrying out researches and studies necessary for the preparation of sound industrial policies and programmes,
  - ii) conducting studies and research relating to the establishment of new industries including feasibility of industrial projects, their priority, methods of financing and the assistance and privileges which the Government may extend to them,
  - iii) carrying out research and studies relating to implementation of industrial projects,
  - iv) providing extension services to existing industrial establishments on all aspects including choice of equipment and of process; plant layout, operation and maintenance; management; produce development and diversification; marketing and expansion of production,
  - v) supervising the planning, construction and management of industrial estates.
3. The Plan of Operation was signed on 14 February 1966, covering a three-year period. The Project became operational on 1 March 1966. The ISDC was established by Royal Decree, promulgated in March 1967. Under Adjustment Advice No. 1 the Project was extended to the end of 1969, reflecting delayed implementation. Under Adjustment Advice No. 2 it was extended to the end of 1970, utilizing additional allocations within the Contingency Authority of the UNDP Administrator. In January 1971, the Governing Council approved additional allocations to extend the project to the end of 1973, in order to bring the operations under Phase I to a satisfactory conclusion. This was covered by Amendment No. 1 to the Plan of Operation, signed on 16 May 1972. Two revisions extended the project until 31 July 1974.

4. The Country Programme includes a number of other projects which will complete the three-year period 1971-73 and which are scheduled to start in the next few years until the end of the Country Programme period.

Progress made under the project  
up to the end of 1973

5. The IDI has been established and is now functioning. It will continue to provide comprehensive technical assistance in the areas of expanding and intensifying its activities in order to help the country to continue industrial development. It has started to supply technical assistance in the form of studies and reports. The number of professional staff has increased to 100, of whom 50 are nationals. Special attention has been given to the development of the nationals, for which purpose a number of scholarships provided by the IDI for post-graduate education and 100 have been given training fellowships, some financed by UNDP and others by ISDC.
6. Considerable progress has been made in the field of industrial estates. The policy for establishing industrial estates, criteria for management, the criteria for admitting industries to the estates, the priorities to be adopted in this respect, the rental and other charges and the lease conditions have been laid down. Industrial estate projects have been established in Riyadh, Jeddah and Dhahran. Equipment provided by the UNDP for a common facilities workshop has been installed in Riyadh.
7. Extension services of one type or another have been given to almost all existing industrial establishments in the private sector. Seminars and industry group meetings have been organised. Training courses have been commenced. Proposals for national standards have been prepared for some products. The extension services provided by ISDC, although limited in nature and extent, have produced satisfactory results and gained acceptance by industry and the business community who are now calling upon the ISDC for more sophisticated advice covering all aspects of operation.
8. Much ground has been covered in the field of economic studies and policies including a) Survey of Industrial Establishments, b) Preparation of a Guide for Industrial Investment, c) Opportunity and Feasibility Studies, d) Projections for the Private Sector of Industry for the Development Plan, e) Techno-economic Industrial Structure and Growth Prospects Study, f) Draft Statute for Industrial Registration, g) Draft Statute for Promotion and Regulation of Industry and h) Proposal for the Establishment of a Saudi Industrial Finance Organisation.
9. In the field of Information and Documentation services, a library has been established containing over three thousand books and documents, together with selected periodicals. Information and Documentation services and in particular information retrieval have been extended to industry and to various government departments.

10. Summer training courses have been arranged in selected industrial establishments for university undergraduates, with a view to supplementing their theoretical education with practical training and to attract a flow of talents into the industrial sector on graduation.
11. With increased activity on the part of ISDC and the corresponding increase in staff and operations, new headquarters are proposed for the ISDC. The proposed building will have a total floor area of over 6000 square meters and will include an auditorium, a library, seminar and lecture rooms, a showroom and office printing facilities. Also, the establishment of a central industrial testing and beach print Laboratory has been approved. Tenders for the construction of this new Headquarters building and of the Laboratory have been received and it is expected that a contract will have been awarded and construction begun before the end of Phase I.
12. By the end of Phase I, UNP expenditure on the project is expected to reach about U.S.\$1,122,000 and Government expenditure about SR 48,800,000 and U.S.\$11,420,400.

#### D. Justification for Phase II

1. Although the staff of the ISDC have achieved the capability of carrying out a number of the required activities without the aid of UN experts, such as the planning and operation of industrial estates, some extension services, some of the economic studies, etc., other activities, continuing from the past, still require assistance. Such activities include project identification, pre-feasibility studies, industrial planning, industrial policy, project evaluation, and the initial operation of new workshops on the industrial estates.
2. There are several activities which have been in the purview of the ISDC in the past but for which one can expect a significant increase in demand during the next several years. UN assistance will be required to provide expertise and to train ISDC staff in these areas. The recent establishment of the Industrial Development Fund and the expected creation of an Industrial Development Bank and a National Development Corporation should result in far more requests for the ISDC to help prepare loan applications, and to become involved in loan appraisals and project implementation. One can likewise expect a significant increase in needs to review license applications and to provide extension (consulting) service.
3. The building industry will be booming and will require the continued assistance of an expert in that field. The plastics industry, based on petrochemicals, is the big growth industry for Saudi Arabia and a specialist is needed to participate in the long-range studies of project identification plus the various resultant pre-feasibility studies. This expert is also needed for extension work with the existing 26 enterprises in that industry.



4. Also, to truly launch the Statistical and Planning Unit, an Industrial Data Expert is required.
5. In addition, there are several new areas into which the ISUC will be moving and which will require inputs from U.S. Experts. The establishment of the Industrial Laboratory is one of these. Another is the creation of a Management Training Unit. These two activities will require considerable assistance not only during Phase II, but also for a period of time beyond Phase II.

## II. BACKGROUND OF THE PROJECT

- A. In the Country Programme for Saudi Arabia \$1,425,000 were earmarked for Phase I and Phase II of the Project covering the years 1972-1976. For Phase II (1974-1976) a total of \$49,600 was set aside.

ISDC	1972	1973	1974	1975	1976
(in thousand US\$)					
Phase I	135	211	17	-	-
Phase II	291	-	391	326	284
Total	1,425	211	398	326	284

### B. Long-term objectives

A number of the objectives of industrial development as outlined in the National Development Plan 1970-1 - 1974-75 can still be considered as terms of reference for the Project. Among the more prominent ones are the diversification of the nation's economy, the substitution of nationally manufactured goods for imported products and intermediates, the expansion of exports of manufactured products, fuller utilization of existing capacities, increase in productivity and the development of the capability of the private sector to undertake these tasks. Since its initiation in 1960, the ISDC has worked along these lines and will continue to do so also in future.

In identifying investment opportunities, preparing and evaluating pre-investment studies, preparing industrial development programmes and policies, rendering consultancy services to existing industrial enterprises, training local management as well as establishing a Central Industrial Testing and Development Laboratory, the Project will continue to assist the Government to achieve its industrial development objectives.

### C. Immediate objectives

While the objectives and functions as given in the Plan of Operation of Phase I and in the Statute of the ISDC would remain valid, its activities would change gradually to reflect the progressive development of industry and the increasing demand on the services of the ISDC.

The immediate objectives of the Project can be grouped in four major fields of activity.

#### 1) Economic studies, branch and project planning, industrial policies and industrial programming data.

Assist in the preparation of macro-industrial projections, the formulation of industrial policies as well as in the initiation of research activities to solve pending industrial economic problems.

Assist to identify, prepare, evaluate and implement industrial investment projects.

Prepare and publish data required for macro and micro industrial planning. Training of national counterparts and of Saudi industrialists.

2) Extension, surveys and management development

Provide technical assistance to existing industrial establishments covering all aspects of their operation.

As an integral part of the extension work, a major emphasis will be placed on conducting seminars, working groups and training programmes for Saudi industrialists and the staff of the IIC in various fields of industrial management and assist in the establishment of the IIC's Management Training Unit.

3) Central Industrial Testing and Development Laboratory (CITDL)

Assist in the creation and operation of the CITDL. Training of national counterparts.

4) Assistance to special industrial branches

Particular attention is to be given to the building materials industries, the agro-industries and the plastic processing industries. Training of national counterparts and of Saudi industrialists.

D. A considerable number of the activities of the Project will result in investment possibilities which in view of the industrial development policy adopted by the Government will be realized by the private sector.

III. WORK PLAN

A. DESCRIPTION OF PROJECT ACTIVITIES

Project Activities	Location	Starting date	Duration
1. <u>Economic studies, branch and project planning, industrial planning data</u>			
(a) <u>Economic studies and programmes</u>			
i) Prepare and update macro-industrial projections;	Riyadh	1.11.74	24 months
ii) Advise on the formulation and implementation of industrial policies;	Riyadh	1.11.74	24 months
iii) Analyze and report on industrial economic problems and initiate appropriate research activities for their solution.	Riyadh	1.11.74	24 months
(b) <u>Identification, preparation, evaluation and implementation of industrial investment projects</u>			
i) Assist in the identification of investment opportunities;	Riyadh and elsewhere	1.8.74	continued
ii) Assist in the preparation of opportunity and pre-feasibility studies;	Riyadh	1.8.74	continued
iii) Conduct market research in support of project identification and project preparation;	Riyadh and elsewhere	1.11.74	continued
iv) Evaluate the profitability of industrial investment proposals from the commercial, and if required, also from the national economic point of view;	Riyadh	1.11.74	continued
v) Assist in the preparation of loan applications and make loan appraisals for the Industrial Development Fund;	Riyadh	1.1.75	continued
vi) Review existing and design new methods of project implementation, follow-up and control to facilitate speedier and less costly implementation of investment projects.	Riyadh and elsewhere	1.12.74	24 months

(c) Industrial programming data

- i) Determine the data requirements for macro and micro industrial planning;
- ii) Update the survey of industrial establishments;
- iii) Prepare and publish time series on industrial activities;

Location	1.1.73	12 months
	1.1.74	12 months
	1.1.75	12 months
	1.1.76	12 months
	1.1.77	12 months
	1.1.78	12 months
	1.1.79	12 months
	1.1.80	12 months
	1.1.81	12 months
	1.1.82	12 months
	1.1.83	12 months
	1.1.84	12 months
	1.1.85	12 months
	1.1.86	12 months
	1.1.87	12 months
	1.1.88	12 months
	1.1.89	12 months
	1.1.90	12 months
	1.1.91	12 months
	1.1.92	12 months
	1.1.93	12 months
	1.1.94	12 months
	1.1.95	12 months
	1.1.96	12 months
	1.1.97	12 months
	1.1.98	12 months
	1.1.99	12 months
	1.1.00	12 months

(d) Training for counterparts and Saudi industrialists

- i) Design and conduct seminars, working groups and training programmes for counterparts and Saudi industrialists in the field of economic studies, branch and project planning, and industrial programming data and industrial practices.

Location	1.1.73	12 months
	1.1.74	12 months
	1.1.75	12 months
	1.1.76	12 months
	1.1.77	12 months
	1.1.78	12 months
	1.1.79	12 months
	1.1.80	12 months
	1.1.81	12 months
	1.1.82	12 months
	1.1.83	12 months
	1.1.84	12 months
	1.1.85	12 months
	1.1.86	12 months
	1.1.87	12 months
	1.1.88	12 months
	1.1.89	12 months
	1.1.90	12 months
	1.1.91	12 months
	1.1.92	12 months
	1.1.93	12 months
	1.1.94	12 months
	1.1.95	12 months
	1.1.96	12 months
	1.1.97	12 months
	1.1.98	12 months
	1.1.99	12 months
	1.1.00	12 months

2. Extension services and management development

(a) Extension services

- i) Advise and assist in providing the technical services worksheds of the three industrial estates in Riyadh, Jeddah and Dammam;
- ii) Undertake general technical studies of industrial establishments within or outside the industrial estates;
- iii) Advise on the layout of factories, as well as on the design of tools, jigs and fixtures;
- iv) Improve the efficiency of existing industrial establishments through time and motion analysis, work and operational studies;
- v) Advise on market research and marketing, organize market surveys and appraise marketing methods and practices, sales programmes and organisations existing in Saudi Arabia;

Location	1.1.73	12 months
Jeddah	1.1.74	12 months
Dammam	1.1.75	12 months
Riyadh	1.1.76	12 months
and elsewhere	1.1.77	12 months
Riyadh	1.1.78	12 months
and elsewhere	1.1.79	12 months
Riyadh	1.1.80	12 months
and elsewhere	1.1.81	12 months
Riyadh	1.1.82	12 months
and elsewhere	1.1.83	12 months
Riyadh	1.1.84	12 months
and elsewhere	1.1.85	12 months
Riyadh	1.1.86	12 months
and elsewhere	1.1.87	12 months
Riyadh	1.1.88	12 months
and elsewhere	1.1.89	12 months
Riyadh	1.1.90	12 months
and elsewhere	1.1.91	12 months
Riyadh	1.1.92	12 months
and elsewhere	1.1.93	12 months
Riyadh	1.1.94	12 months
and elsewhere	1.1.95	12 months
Riyadh	1.1.96	12 months
and elsewhere	1.1.97	12 months
Riyadh	1.1.98	12 months
and elsewhere	1.1.99	12 months
Riyadh	1.1.00	12 months
and elsewhere	1.1.01	12 months

	Location	Starting date	Duration
vi) Advise on the capital formation, utilization of financial resources, financial structure and liquidity as well as on other matters of financial management;	Riyadh and elsewhere	1.1.75	continued
vii) Review the methods utilized by industry for management accounting, cost accounting and costing and make recommendations for their improvement. Design information systems for managerial decision making based on accounting data.	Riyadh and elsewhere	1.8.74	continued

**(b) Management development**

i) Assist in establishing the Management Training Unit of the ISIC;	Riyadh	1.8.74	continued
ii) Prepare, organize and conduct seminars, working groups and training programmes in the fields of general management, production management, financial management, management accounting, market research and marketing. These training activities should not only be conceived for the staff of the ISIC but, particularly, also for Saudi industrialists and should form an integral part of the extension service programme of ISIC.	Riyadh and elsewhere	1.8.74	continued

**3. Central Industrial Testing and Development Laboratory (CITDL)**

**(a) Creation of the CITDL**

i) Familiarisation with testing laboratories already existing in Saudi Arabia as well as with testing requirements of industry;	Riyadh and elsewhere	1.11.75	continued
ii) Advise on all matters related to the planning, equipment, organization and management of the CITDL;	Riyadh	1.11.75	continued
iii) Assist in developing a unified methodology for conducting laboratory tests, technical analysis and quality control of processes and products;	Riyadh	1.11.75	continued

		Riyadh	1.1.76	continued
iv) Advise on the purchase and installation of equipment for the units;		Riyadh	1.1.76	continued
v) Assist in the development of the INM's library on the field of industrial testing and research.		Riyadh	1.1.76	continued
<b>(E) Units of the CITM:</b>				
- Chemical Analysis Unit				
- Metallurgical and Metallographic Testing Unit				
- Materials Testing Unit				
i) Advise on organizing and supervising the three above-mentioned units of the CITM;		Riyadh	1.1.76	continued
ii) Advise on and participate in developing working standards, organization procedures and methods for all three units;		Riyadh	1.1.76	continued
iii) Advise and participate in the installation and proper maintenance of the equipment required for all three units;		Riyadh	1.4.76	continued
iv) Elaborate national standards;		Riyadh	1.6.76	continued
v) Provide results of laboratory analysis as required for pre-investment studies;		Riyadh	1.9.76	continued
vi) Provide technical consultancy services to industry;		Riyadh and elsewhere	1.1.76	continued
vii) Participate in investigations of special research projects with the other units of the CITM;		Riyadh	1.9.76	continued
viii) Train local counterparts both on-the-job and through seminars and workshops to be conducted by the experts;		Riyadh	1.1.76	continued
ix) Render occasional advice to the Industrial Metrological Unit of the CITM for which no specialized expert was requested.		Riyadh	1.1.76	continued

	Location	Starting date	Duration
<b>4. Assistance to special industries in Saudi Arabia</b>			
<b>(a) Building materials industries</b>			
i) Assist in the identification of investment opportunities;	Riyadh and elsewhere	1.8.74	16 months
ii) Conduct pre-feasibility studies and prepare terms of reference for feasibility studies to be undertaken by consulting firms;	Riyadh	1.8.74	16 months
iii) Advise on the evaluation of investment proposals;	Riyadh	1.8.74	16 months
iv) Advise on the implementation of industrial projects;	Riyadh and elsewhere	1.8.74	16 months
v) Advise existing establishments on their technical and economic problems;	Riyadh and elsewhere	1.8.74	16 months
vi) Advise in formulating standard specifications for the building materials industries;	Riyadh	1.8.74	16 months
vii) Design and conduct seminars and training programmes both for national counterparts and staff of the building materials industries.	Riyadh	1.8.74	16 months
<b>(b) Agro-industries</b>			
i) Survey agricultural products grown in Saudi Arabia;	Riyadh and elsewhere	1.11.74	24 months
ii) Project future growth of agricultural products;	Riyadh and elsewhere	1.11.74	24 months
iii) Identify investment opportunities for the agro-based industries;	Riyadh and elsewhere	1.11.74	24 months
iv) Design and conduct seminars and training programmes both for national counterparts and staff of the agro-industries.	Riyadh	1.11.74	24 months
<b>(c) Plastic processing industries</b>			
i) Assist in the identification of investment opportunities in the plastic processing industries;	Riyadh and elsewhere	1.4.75	18 months
ii) Advise on the preparation of pre-feasibility studies;	Riyadh and elsewhere	1.4.75	18 months



	Location	Starting date	Duration
iii) Advise on the formulation of standard specifications;	Riyadh and elsewhere	1.4.75	18 months
iv) Render technical services to existing establishments of the plastic processing industries to improve their technical and economic performance;	Riyadh	1.4.75	18 months
v) Design and conduct seminars and training programmes both for national counterparts and staff of the plastic processing industries.	Riyadh	1.4.75	18 months

<u>B. DESCRIPTION OF UNDP INTERNS</u>	<u>Location</u>	<u>Starting date</u>	<u>Duration</u>
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1. Assignment of International Staff

(a) Project Manager

Riyadh

1.8.74

29 m/a

Advanced university education in disciplines relating to industrial development; extensive experience in a wide range of industrial activities and development efforts at senior level; capable to supervise and guide the work of international experts and assist to deal with the counterparts at all levels. Experience in conducting training courses.

The Project Manager directs, supervises and guides the work of the U.N. experts assigned to the Project. All matters relating to the work of the U.N. team as a whole and of the individual experts are dealt with through him. He reports to the Executing Agency as required on the progress of operations and on the work of each member of the team. He acts as Chief Industrial Advisor to the Management of the Centre and its Board of Directors. He advises on the organization of the Centre and its operation. The work of the Centre on which the U.N. experts are required to advise under the guidance of the Project Manager covers:

- Industrial surveys, opportunity and feasibility studies;
- Project evaluation;
- Advise on project implementation;
- Projections for the industrial sector of the Development Plan;
- Promotion and regulation of industry and industrial financing;
- Extension services to industry covering plant selection, layout, maintenance and repair; product development and diversification; management, financial and managerial accounting; marketing and trouble shooting;
- Establishment and operation of an industrial testing and development laboratory;
- Development of a Statistical Unit dealing with major statistics on industry;
- Industrial policies;

Location    Starting    Duration  
                  date

- Industrial information and documentation including information retrieval, promotion of industrial awareness and development of the technical libraries of the Centre and of the industrial testing and development laboratory;
- Seminars, working groups, industry meetings and technical promotion meetings;
- Training of the national professional staff.

(b) Industrial Economist

Riyadh

1.11.74

24 m/m

Advanced university degree in industrial economics and extensive experience in the preparation of industrial development plans, the design of industrial policies as well as in research related to industrial development. Together with the Industrial Data Expert and in co-operation with the CDS he will advise on up-dating the survey of industrial establishments. He will prepare projections of industrial growth and assist in macro-economic industrial planning and advise on the formulation and implementation of industrial policies. He will analyze and report on industrial economic problems and on factors impeding growth of industrial development. He will design and conduct training programmes in the above fields of activity for the staff of the ISDC as well as for industries serviced by the ISDC. Particular attention will have to be paid to the training of national counterparts.

(c) Expert in Project Preparation and Evaluation

Riyadh

1.11.74

26 m/m

Advanced university degree in industrial economics and extensive experience in the preparation and evaluation of industrial investment projects preferably acquired in a consulting company. Experience in conducting training courses. He will assist in the identification of industrial opportunities and conduct or collaborate in or advise on carrying out pre-feasibility and feasibility studies. Evaluate the commercial

	<u>Location</u>	<u>Starting date</u>	<u>Duration</u>
<p>profitability of investment projects and if required also apply national cost benefit analysis.</p> <p>Co-operate closely with other members of the group of international experts and counterparts and form teams, if required, for the execution of his duties. Prepare and conduct seminars, working groups and training programmes in his area of specialization.</p> <p>Train national counterparts.</p>			
<p>(d) <u>Expert in Project Implementation</u></p> <p>University degree in engineering, business administration or economics. Experience in conducting training courses. Extensive experience in the planning, control and follow-up of the implementation of industrial projects and in giving consultancy services in these fields. He will review industrial projects planned or under implementation and study the methods employed and the procedures adopted. He will also review approved feasibility studies in order to design programmes for their implementation. He will prepare recommendations to facilitate speedier and more economical implementation of industrial projects and design methods to control investment forecasts and actual expenditures. He will review and co-ordinate the contracting procedures and make recommendations for any necessary improvements. He will give extension service to industry to ameliorate the applied methods of project implementation, follow-up and control. Prepare a Manual, if necessary, on project implementation. Design and conduct seminars, working groups and training programmes in his area of specialisation and give high priority to the training of national counterparts.</p>	Riyadh	1.12.74	24 m/m
<p>(e) <u>Industrial Data Experts</u></p> <p>University degree in industrial statistics or industrial economics and extensive experience in setting up of data systems required for micro and macro industrial planning. He will study the available data sources in the country and determine the type of data required in support of micro and</p>	Riyadh	1.11.74	24 m/m

Location      Starting      Duration  
                    date

macro industrial planning and assist in the build up a data system which also makes use of relevant data already available in other government departments. He will update the Survey of Industrial Establishments and prepare time series of the actual annual output (in physical terms), employment (by category), additions to fixed investment (in value and in terms of physical capacity) and cost of inputs (wages, raw materials, intermediates and services). The processing and publication of the above data along with other statistical information relating to industry in the Kingdom should be done in co-operation with the CBS of the Ministry of Finance and National Economy.

(f) Industrial Engineer

Riyadh      1.8.74      12 m/m

Advanced university degree or equivalent in industrial engineering and extensive experience in industry. Experience in conducting training programmes. He will carry out work studies, time and motion as well as operational studies for establishments with a view to determining levels of efficiency and productivity and recommending programmes for improvement, including better working conditions and safety measures. He will provide consultancy services to existing industrial establishments. He will co-operate in conducting pre-investment studies. He will advise on the evaluation of projects and their implementation. He will collaborate in studying the resources of the country and other relevant factors and indicating the specific industries which have development possibilities in the Kingdom. He will co-operate in planning, organizing and participating in seminars and working groups. He will train national counterparts in the above duties and areas of work.

(g) Production Engineer (Mechanical)

Riyadh      1.8.74      29 m/m

University degree or equivalent in mechanical or production engineering with experience in mechanical engineering industries, particularly in the design and manufacture of tools, dies and fixtures; extensive experience

Location      Starting      Duration  
                    date

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in extension consultancy services in this field. Experience in conducting training courses. He will advise and assist in the operation of common service facilities, particularly the machine shop and the library of all three industrial estates, Riyadh, Jeddah and Dammam. He will undertake general technical studies of industrial establishments within and outside the industrial estates with a view to determining the production techniques followed and providing the advisory services necessary for their improvement. He will advise on layout of factories and workshops, on equipment and its installation, as well as on the design of tools, jigs and fixtures. He will participate in the preparation of opportunity and pre-feasibility studies. He will plan and organize seminars and working group meetings. He will train counterpart staff in the above duties.

(h) Market Research and Marketing Expert      Riyadh      1.1.75      24 m/m

University degree in related subjects. Extensive experience in marketing and market research or in providing consultancy services in that area. Experience in conducting training courses. He will conduct, supervise, assist in and organize market surveys and research for the local and export markets. Collaborate with other members of the group of international experts and counterparts in the preparation of industrial pre-feasibility and related studies, paying particular attention to demand estimates and projections. Appraise marketing methods and practices, sales programmes and organization in Saudi Arabian industrial establishments in order to determine their requirements for technical services. Assist in organizing and giving extension and consultancy services to industry. Design and conduct seminars, working groups and training programmes in the field of market research and marketing. Train national counterparts in the above duties.

(i) Financial Management Expert      Riyadh      1.1.75      24 m/m

Advanced university degree in business administration with specialization in financial

Location      Starting      Duration  
                  Date

management and working in consulting experience preferably in developing countries and experience in conducting training courses. He will be engaged in extensive consulting services to industry, participate in the preparation of pre-feasibility studies, assist in the assessment of loan applications, and in the financial appraisal of industrial establishments. He will advise on capital formation, utilization of resources, financial structure and liquidity. He will develop and teach courses in various areas of financial management. Particular attention should be paid to the training of national counterparts.

(j) Expert in Management Accounting

Riyadh      1.8.74      29 m/s

University degree in management accounting or accounting with extensive practical experience in either field. Experience in conducting training courses. Review industrial establishments with a view to appraising management accounting, cost accounting and costing methods adopted and levels of competence available in industry. Determine the requirements of technical services and make recommendations for adoption of advanced techniques and programmes in the above mentioned fields of activity. Assist in organizing and providing consultancy services to industry and design information systems for managerial decision making based on accounting data. Collaborate with other members of the group of international experts and the national counterparts in the preparation of industrial pre-feasibility and related studies and in assessing value added, production costs, profits, etc. Prepare manuals as necessary in specific areas of management accounting and design and conduct training programmes. Training of national counterparts.

(k) Adviser, Central Industrial Testing and Development Laboratory

Riyadh      1.11.75      14 m/s

High university degree in science or engineering with extensive experience in planning, equipping, staffing and

Location    Starting    Duration  
                  date

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operating industrial testing research and development laboratories. He will, in general, assist and advise the Project Manager and the Director of the Central Industrial Testing and Development Laboratory (CITDL) on all matters related to the planning, equipment, organization and management of the CITDL. He will in particular co-ordinate the activities of the international experts attached to the CITDL and assist in developing unified methodology for conducting laboratory tests, technical analyses and quality control of processes and products. He will advise on and participate in the CITDL's programme of technical assistance to industry. He will advise on proper co-ordination of research and development activities of the various units of the CITDL. He will advise on the Centre's programme for the purchase and installation of equipment for the CITDL and assist in setting up a programme for the repair and maintenance of this equipment. He will also advise on on-the-job training of local staff, the training abroad, the development of the Centre's library in the area of testing, research and development as well as on the specific research projects of the CITDL.

(1) Expert in Analytical Chemistry

Riyadh

1.1.76

12 m/a

High university degree in science or chemical engineering and extensive practical experience at a senior level in chemical analysis, preferably in diversified fields of industry. He will advise on organizing and supervising the chemical analysis unit of the CITDL. He will advise on and participate in developing working standards, organization procedures and methods for the chemical analysis unit of the CITDL. He will advise and participate in the installation of chemical analysis equipment, its proper maintenance as well as the ordering of additional equipment. He will participate in collaboration with other specialized experts in the elaboration of national standards,



Location: \_\_\_\_\_ Starting date: \_\_\_\_\_ Duration: \_\_\_\_\_

provide results of laboratory analysis as required for the pre-investment studies carried out by the Centre, provide technical consultancy services to industry, assist in the development of the Centre's library in his field of specialization. Participate in investigations of specific research projects with other sections of the CITDL. He will advise on suitable programmes for the training of the professional staff of the CITDL and give high priority to the training of his national counterparts.

(a) Expert in Metallurgical and Metallographic Testing

Riyadh 1.1.76 12 m/m

High university degree in metallurgy, mechanical engineering or physics, with extensive experience at a senior level in organizing metallurgical and metallographic testing laboratories. He will advise on organizing the metallurgical and metallographic unit of the laboratory and participate in developing working instructions and operating procedures as well as methods and schemes for routine submission and inspection of samples to be done for industry. He will advise on and participate in the installation of the laboratory equipment and on the proper maintenance of this equipment. He will provide technical assistance to industry in his field of activity. He will participate in co-operation with other specialized experts in developing national standards and provide results of laboratory analysis required for the pre-investment studies carried out by the Centre. He will participate in investigations of special research projects with other sections of the CITDL. He will contribute to the development of the Centre's library in his field of activity and give high priority to the training of national counterparts.

(a) Expert in Materials Testing

Riyadh 1.1.76 12 m/m

High university degree in engineering, preferably chemical or mechanical with extensive experience at supervisory level in the organization and operation of materials testing laboratories. He will advise on and

Location Starting Duration  
City

participate in developing working standards, organization procedures and methods for the materials testing unit of the CIDEL as well as in the installation of equipment for mechanical and universal testing and its proper maintenance. Provide technical consultancy services to industry and collaborate with other experts in the elaboration of national standards in his field of specialization. He will provide results of laboratory analysis required for pre-investment studies carried out by the Centre and participate in investigations of special research projects with other sections of the CIDEL and contribute to the development of the Centre's library in the area of materials testing. He will advise on suitable programmes for the training of the professional staff of the CIDEL and give high priority to the training of his national counterparts.

- (c) Building Materials Industries Expert Riyadh 1.8.74 14 m/a

University degree in engineering or equivalent knowledge of the building materials industries as well as extensive experience in the building materials industries, particularly in relation to developing countries. Experience in conducting training courses. He will study the resources, trends of demand and other relevant factors and indicate the specific industries which have development possibilities in the field of building materials. He will conduct pre-feasibility studies in this field or, when necessary, prepare terms of reference for such studies to be made by consulting firms on contract, and advise on the assessment and evaluation of projects and their implementation. He will draft specific industrial projects. He will advise existing establishments in building materials industries on their technical and economic problems. He will design and conduct seminars, working groups and training programmes in his field of specialization. He will advise on the formulation of standard specifications for the building materials industries. The training of counterpart personnel in the above duties should receive high priority.

	Location	Starting date	Duration
(p) <u>Agric. Industries Expert</u> University degree in agricultural engineering or agriculture and 10 years experience in the agro-processing industry. He will survey the agro-cultural products grown in Saudi Arabia, project future growth of agriculture and identify opportunities to establish industries based on the present and future agro-cultural output. Counterpart training.	Riyadh	1.1.75	24 m.
(q) <u>Plastics Industry Expert</u> University degree in chemical engineering or industrial chemistry and extensive experience in the plastic processing consumer goods industry. He will render technical services to the existing plastic industries to improve their technical and economic performance. He will advise on the formulation of standard specifications for the plastic processing industry. He will assist in the identification of investment opportunities in the plastic processing industry and will advise on the preparation of opportunity and pre-feasibility studies. Counterpart training.	Riyadh	1.4.75	15 m.
(r) <u>Short-term Consultants</u> Short-term consultants will be required for the preparation of pre-investment studies, export promotion and industrial free zones and other assignments. The utilisation of these short-term consultants is to be announced to the Executing Agency as soon as the annual work programmes of the Centre are prepared in order to provide sufficient time for procurement.	Riyadh	according to need	10 m.

<b>2. INVENTORY</b>	<b>000</b>
<b>Patent rights</b>	<b>10,000</b>
	<hr/>
<b>3. EQUIPMENT</b>	
<b>Dependable equipment</b>	<b>-</b>
<b>Non-dependable equipment</b>	<b>-</b>
<b>Provision</b>	<b>-</b>
	<hr/>
<b>Component Total</b>	<b>-</b>
<b>4. MAINTENANCE</b>	
<b>Exporting cost</b>	<b>9,000</b>
<b>Direct cost</b>	
<b>Dundry</b>	<b>10,000</b>
	<hr/>
<b>Component Total</b>	<b>19,000</b>

PROJECT No. SA 11-00  
 TITLE INDUSTRIAL STUDIES AND METAL POINT REFINERY  
 PAGE 11

PROJECTS FUNCTIONS	1974		1975		1976		1977		1978		1979		REMARKS
	J	A	J	A	J	A	J	A	J	A	J	A	
10 Project Personnel													
11 Reports													
11-01 Project Manager													
11-02 Industrial Consultant													
11-03 Expert in Project Preparation and Evaluation													
11-04 Expert in Project Implementation													
11-05 Industrial Data Expert													
11-06 Industrial Engineer													
11-07 Production Engineer (Mechanical)													
11-08 Expert in Market Research and Marketing													
11-09 Expert in Financial Management													
11-10 Expert in Management Accounting													
11-11 Adviser, CIMEL													
11-12 Expert in Analytical Chemistry													
11-13 Expert in Metallurgical and Metallographic Testin													

COUNTRY: SAUDI ARABIA  
 PROJECT No.: SAU/73/004

TITLE: INDUSTRIAL STUDIES AND DEVELOPMENT CENTRE PHASE II.

PROJECTS PERSONNEL	1974			1975			1976			1977			REMARKS
	J	M	S	J	M	S	J	M	S	J	M	S	
11-14 Expert in Materials Testing													
11-15 Building Materials Expert													
11-16 Agro-industries Expert													
11-17 Plastic Processing Industries Expert													
11-18 Short-term consultants													
16-12 Staff visits													
30 Training													
31 Fellowships													
31-01 Project Evaluation													
31-02 Agro-Industries													
31-03 Chemical Analysis (Inorganic and Metals)													
31-04 Chemical Analysis (Organic)													
31-05 Metallurgical and Metallographic Testing													
31-06 Testing of Textiles, Paper, Plastic, Rubber and Leather													
31-07 Testing of paints, varnishes and													

C. DESCRIPTION OF GOVERNMENT INPUTS

1. Besides providing funds for the employment of additional experts and the carrying out of specific studies and laboratory and pilot plants tests as may be needed, the Government shall provide the following as a counterpart contribution in kind:
  - (a) Personnel Services

Professional Staff: A total of 957 man-months of professional staff services (including periods abroad for fellowship students) as detailed in Annex III.
  - (b) Other Staff: An estimated total of 1131 man-months as detailed in Annex III.
  - (c) Staff for the Workshop of Riyadh Industrial Estates: An estimated total of 435 man-months as detailed in Annex III.
  - (d) Staff for the Industrial Estates: An estimated total of 770 man-months as detailed in Annex III.
  - (e) Staff for the Industrial Testing and Developing Laboratory: An estimated total of 576 man-months as detailed in Annex III.
  - (f) Training Provisions: Fellowships for the post-graduate education of professional staff, to an estimated cost of SR 750,000, as provided in Annex III.
  - (g) Equipment: Expendable equipment, non-expendable equipment and premises at an estimated costs of SR 600,000, SR 3,600,000 and SR 25,200,000 respectively, as detailed in Annex III.
  - (h) Miscellaneous: Miscellaneous services up to a cost of SR 500,000, as detailed in Annex III.
2. Organization of the Project: The organization of the project shall be as provided in Annex I.

ANNEX I

ORGANIZATION OF THE PROJECT

General responsibilities

1. The Government, the UNDP and the Executing Agency shall jointly be responsible for the execution of the project and the realization of its objectives as described in Part II of this Project document.
2. The Government shall provide to the project the national project personnel, training facilities, land, buildings, equipment and other required services and facilities. It will designate the Government Co-operating Agency named in the cover page of this document, which will hereinafter be referred to as the "Co-operating Agency" and which will be directly responsible for the implementation of the Government contribution to the project.
3. The UNDP undertakes to complement and supplement the Government participation and will provide through the Executing Agency the required expert services, training, equipment and other services within the funds available to the project.

Participation of the Government

4. The Government shall provide to the project the services, equipment and facilities in the quantities and at the times specified in the Work Plan. Budgetary provision for the Government's participation in kind so specified are set forth in the Project Budgets.
5. The Co-operating Agency shall in consultation with the Executing Agency assign a director for the project on a full-time basis. He shall carry out such responsibilities in the project as are assigned to him by the Co-operating Agency.
6. The estimated cost of items included in the Government contribution, as detailed in the Project Budget, is based on the best information available at the time of drafting this project proposal. It is understood that price fluctuations during the period of execution of the project may necessitate an adjustment of said contribution in monetary terms; the latter shall at all times be determined by the value of the services, equipment and facilities required for the proper execution of the project.



7. Within the given number of man-months of personnel services described in the Work Plan minor adjustments of individual assignments of project personnel provided by the Government may be made by the Government in consultation with the Executing Agency, if this is found to be in the best interests of the project.
8. The Government shall continue to pay the local salaries and appropriate allowances of national project personnel during the period of their absence from the project while on UNDP fellowships.
9. The Government shall defray any customs duties and other charges related to the clearance of project equipment, its transportation, handling, storage and related expenses within the country. It shall be responsible for safe custody of the equipment, its installation and maintenance, insurance, and replacement if necessary, after delivery to the project site.
10. The Government shall make available to the project - subject to existing security provisions - any published and unpublished reports, maps, records and other data which are considered necessary to the implementation of the project.
11. The Government shall assist all project personnel in finding suitable housing accommodation at reasonable rents.

Participation of the UNDP and of the Executing Agency

12. The UNDP shall provide to the project through the Executing Agency the services, equipment and facilities described in the Work Plan. Budgetary provision for the UNDP contribution as specified are set forth in the Project Budget.
13. The Executing Agency shall consult with the Government on the candidature of the Project Manager who, under the direction of the Executing Agency, will be responsible in the country for the Executing Agency's participation in the project. The Project Manager shall supervise the experts and other agency personnel assigned to the project, and the on-the-job training of national project personnel. He shall be responsible for the management of all equipment provided to the project from UNDP funds.

14. The Executing Agency, in consultation with the Government, shall assign international staff and other personnel to the project as specified in the Work Plan, select candidates for fellowships and determine standards for the training of national project personnel.
15. Fellowships shall be administered in accordance with the fellowships regulations of the Executing Agency.
16. The Executing Agency may, in agreement with the Government and UNDP, execute part or all of the project by subcontract. The selection of subcontractors shall be made, after consultation with the Government, in accordance with the Executing Agency's procedures.
17. All material, equipment and supplies which are purchased from UNDP resources will be used exclusively for the execution of the project, and will remain the property of the UNDP in whose name it will be held by the Executing Agency. Equipment supplied by the UNDP shall be marked with the insignia of the UNDP and of the Executing Agency.
18. Arrangements may be made, if necessary, for a temporary transfer of custody of equipment to local authorities during the lifetime of the project, without prejudice to the final transfer.
19. Prior to completion of UNDP assistance to the project, the Government, the UNDP and the Executing Agency shall consult as to the disposition of all project equipment provided by the UNDP. Title to such equipment shall normally be transferred to the Government, or to an entity nominated by the Government, when it is required for continued operation of the project or for activities following directly therefrom. The UNDP may, however, at its discretion, retain title to part or all of such equipment.
20. At an agreed time after the completion of UNDP assistance to the project, the Government and the UNDP, and if necessary the Executing Agency, shall review the activities continuing from or consequent upon the project with a view to evaluating its results.

Facilities, privileges and immunities

UNDP and Executing Agency personnel

21. In accordance with the Agreement concluded by UNDP and the Government concerning the provision of assistance, the personnel of UNDP and other United Nations organizations associated with the project, shall be accorded facilities, privileges and immunities specified in the said Agreement.

Subcontractors and their personnel

22. The Executing Agency's contractors and their personnel (except Government nationals employed locally) shall:
- (a) Be immune from legal process in respect of all acts performed by them in their official capacity in the execution of the project;
  - (b) Be immune from national service obligations;
  - (c) Be immune together with their spouses and relatives dependent on them from immigration restrictions;
  - (d) Be accorded the privileges of bringing into the country reasonable amounts of foreign currency for the purposes of the project or for personal use of such personnel, and of withdrawing any such amounts brought into the country, or, in accordance with the relevant foreign exchange regulations, such amounts as may be earned therein by such personnel in the execution of the project;
  - (e) Be accorded together with their spouses and relatives dependent on them the same repatriation facilities in the event of international crises as diplomatic envoys.
23. All personnel of the Executing Agency's contractors shall enjoy inviolability for all papers and documents relating to the project.
24. The Government shall either exempt from, or bear the cost of any taxes, duties, fees or levies which it may impose on any foreign firm or organisation which may be retained by the Executing Agency and on the foreign

personnel of any such firm or organization in respect of:

- (a) The salaries or wages earned by such personnel in the execution of the project;
- (b) Any equipment, materials and supplies brought into the country for the purposes of the project, or which, after having been brought into the country, may be subsequently withdrawn therefrom;
- (c) Any substantial quantities of equipment, materials, and supplies obtained locally for the execution of the project, such as, for example, petrol and spare parts for the operation and maintenance of equipment mentioned under (b) above, with the provision that the types and approximate quantities to be exempted and relevant procedures to be followed shall be agreed upon with the Government and, as appropriate, recorded in the Work Plan; and
- (d) As in the case of concessions currently granted to UNDP and Executing Agency's personnel, any property brought, including one privately owned automobile per employee, by the firm or organization or its personnel for their personal use or consumption or which after having been brought into the country, may subsequently be withdrawn therefrom upon departure of such personnel.

25. The privileges and immunities to which such firm or organization and its personnel may be entitled, referred to in the paragraphs above, may be waived by the Executing Agency where, in its opinion or in the opinion of the UNDP, the immunity would impede the course of justice and can be waived without prejudice to the successful completion of the project or to the interest of the UNDP or the Executing Agency.

26. The Executing Agency shall provide the Government through the Resident Representative with the list of personnel to whom the privileges and immunities enumerated above shall apply.

**PROJECT BUDGET COVERING UNDP CONTRIBUTION**  
(IN U.S. DOLLARS)

COUNTRY: SAUDI ARABIA

PROJECT NO: SAU/73/004

TITLE: INDUSTRIAL STUDIES AND DEVELOPMENT  
CENTRE PHASE II.

10	PROJECT PERSONNEL EXPERTS	TOTAL		1974		1975		1976	
		M/M	\$	M/M	\$	M/M	\$	M/M	\$
	11-01 Project Manager	29.0	72500	5.0	12500	12.0	30000	12.0	30000
	11-02 Industrial Economist	24.0	60000	2.0	5000	12.0	30000	10.0	25000
	11-03 Expert Project Preparation & Evaluation	26.0	65000	2.0	5000	12.0	30000	12.0	30000
	11-04 Expert in Project Implementation	24.0	60000	1.0	2500	12.0	30000	12.0	27500
	11-05 Industrial Data Expert	24.0	60000	2.0	5000	12.0	30000	10.0	25000
	11-06 Industrial Engineer	12.0	30000	5.0	12500	7.0	17500	-	-
	11-07 Production Engineer (Mechanical)	29.0	72500	5.0	12500	12.0	30000	12.0	30000
	11-08 Expert in Market Research and Market- ing	24.0	60000	-	-	12.0	30000	12.0	30000
	11-09 Expert in Financial Management	24.0	60000	-	-	12.0	30000	12.0	30000
	11-10 Expert in Management Accounting	29.0	72500	5.0	12500	12.0	30000	12.0	30000
	11-11 Adviser, Central Indl. Testing & Dev. Lab.	14.0	35000	-	-	2.0	5000	12.0	30000
	11-12 Expert in Analytical Chemistry	12.0	30000	-	-	-	-	12.0	30000
	11-13 Expert in Metallurgical & Metallo- graphic Testing	12.0	30000	-	-	-	-	12.0	30000
	11-14 Expert in Materials Testing	12.0	30000	-	-	-	-	12.0	30000
	11-15 Building Materials Industries Expert	16.0	40000	5.0	12500	11.0	27500	12.0	30000
	11-16 Agro-Industries Expert	24.0	60000	2.0	5000	12.0	30000	10.0	25000
	11-17 Plastic Industry Expert	18.0	45000	-	-	9.0	22500	9.0	22500
	11-18 Short Term Consultants	16.0	40000	2.0	5000	8.0	20000	6.0	15000
	<b>SUB-TOTAL</b>								
	13-01 Administrative Support Per- sonnel	6000		2000		2000		2000	
	16-12 Staff	18000		6000		6000		6000	
	<b>COMMITMENT TOTAL</b>	941000		65000		375000		375000	

30	TRAINING FELLOWSHIPS								
31	31-01 Project Evaluation	6.0	3700	-	-	-	6.0	3700	3700
	31-02 Agro-Industries	6.0	3700	-	-	-	-	-	-
	31-03 Chemical Analysis (Inorganic & Metals)	9.0	5050	-	-	6.0	3700	-	-
	31-04 Chemical Analysis (Organic)	9.0	5050	-	-	9.0	5050	-	-
	31-05 Metallurgical & Metallographic Testing	9.0	5050	-	-	9.0	5050	-	-
	31-06 Testing of Textiles, Paper, Plastics Rubber, Leather	9.0	5050	-	-	9.0	5050	-	-
	31-07 Testing of Paints, Varnishes and Oils	9.0	5050	-	-	9.0	5050	-	-
	39 COMPONENT TOTAL	57.0	32650	-	-	51.0	28950	6.0	3700
40	EQUIPMENT								
	41 Expendable Equipment	-	-	-	-	-	-	-	-
	42 Non-Expendable Equipment	-	-	-	-	-	-	-	-
	43 Premises	-	-	-	-	-	-	-	-
	49 COMPONENT TOTAL								
50	MISCELLANEOUS								
	Reporting Costs (Direct Costs)		5000						5000
	Sundries		10000		3000			4000	3000
	59 COMPONENT TOTAL		15000		3000			4000	8000
99	GRAND TOTAL	431.0	988650	37.0	97500	210.0	432450	184.0	458700

ANNEX III

Project Budget Covering Government Contribution in Kind

(in local currency)

Country: Saudi Arabia

Project No: SAU/73004/A/01/37

Title: Industrial Studies and Development Centre Project - Phase 2

	Total		1974		1975		1976	
	m/m	SR 1000	m/m	SR 1000	m/m	SR 1000	m/m	SR 1000
<b>10 Project Personnel</b>								
<b>(a) Professional Staff</b>								
1 Director General	29	145	5	25	12	60	12	60
2 Deputy Director General	29	116	5	20	12	48	12	48
3 Industrial Economist 'A'	29	72	5	12	12	30	12	30
4 Industrial Economist 'B'	29	60	5	10	12	25	12	25
5 Industrial Economist 'C'	29	50	5	8	12	21	12	21
6 Industrial Engineer 'A'	29	72	5	12	12	30	12	30
7 Industrial Engineer 'B'	29	60	5	10	12	25	12	25
8 Industrial Engineer 'C'	29	50	5	8	12	21	12	21
9 Industrial Engineer 'D'	29	44	5	8	12	18	12	18
10 Industrial Engineer 'E'	29	44	5	8	12	18	12	18
11 Production Engineer (Mechanical)	29	44	5	8	12	18	12	18
12 Mechanical Engineer 'A'	29	44	5	8	12	18	12	18
13 Mechanical Engineer 'B'	29	44	5	8	12	18	12	18
14 Electrical Engineer 'A'	29	44	5	8	12	18	12	18
15 Electrical Engineer 'B'	29	44	5	8	12	18	12	18
16 Civil Engineer	29	50	5	10	12	25	12	25
17 Chemical Engineer	29	50	5	10	12	25	12	25
18 Chemist	29	44	5	8	12	18	12	18
19 Chemist	29	44	5	8	12	18	12	18
20 Metallurgist	29	44	5	8	12	18	12	18
21 Industrial Management 'A'	29	44	5	8	12	18	12	18
22 Industrial Management 'B'	29	44	5	8	12	18	12	18

	1974		1975		1976	
	m/m	SR 1000	m/m	SR 1000	m/m	SR 1000
23 Market Analysis and Sales 'A'	29	50	5	8	12	21
24 Market Analysis and Sales 'B'	29	64	5	8	12	18
25 Financial Management and Costing 'A'	29	50	5	8	12	21
26 Financial Management and Costing 'B'	29	44	5	8	12	18
27 Cost Accountant	29	44	5	8	12	18
28 Project Implementation	29	50	5	8	12	21
29 Agro-Industries	29	44	5	8	12	18
30 Information and Documentation 'A'	29	72	5	12	12	30
31 Information and Documentation 'B'	29	50	5	8	12	21
32 Industrial Estate	29	50	5	8	12	21
33 Jewish Branch Manager	29	72	5	12	12	30
<b>Sub-total</b>	957	1065	165	315	396	775
<b>(b) Other Staff</b>						
34 Chief of Administration	29	72	5	12	12	30
35 Head of Personnel	29	64	5	8	12	18
36 Head of Finance	29	64	5	8	12	18
37 Head of Office Services	29	64	5	8	12	18
38 Accountant	29	36	5	6	12	15
39 Archives Chief	29	36	5	6	12	15
40-41 Translators	56	10	10	17	24	42
42-43 Secretary/ stenographers	116	203	20	35	44	84
44 Librarian	29	50	5	8	12	21
45-50 Typists	116	116	20	27	44	48



Annex III (cont.)

	1974		1975		1976	
	SR 1000	SR 1000	SR 1000	SR 1000	SR 1000	SR 1000
<b>Total</b>						
232 Clerks	232	60	97	5	10	90
20-24 Drivers	170	30	72	30	11	30
60-73 Messengers and Cleaners	232	60	96	60	90	60
<b>Sub-total</b>	<b>634</b>	<b>195</b>	<b>468</b>	<b>475</b>	<b>608</b>	<b>675</b>
<b>(c) Working, Mixed Industrial Locales.</b>						
7) Working Income	29	5	12	24	12	24
24-29 Skilled workers	174	30	72	108	72	108
60-63 Semi-skilled workers	116	77	48	31	48	32
64-66 Working clerks	58	44	24	18	24	18
66-67 Messengers and Cleaners	58	10	24	11	24	11
<b>Sub-total</b>	<b>635</b>	<b>76</b>	<b>180</b>	<b>182</b>	<b>180</b>	<b>192</b>
<b>(d) Industrial Locales</b>						
80-80 Managers	87	188	15	36	36	36
91-96 Senior Administrative Personnel	174	217	30	90	72	90
97-100 Junior Administrative Personnel	348	348	60	144	144	144
100-111 Drivers	187	36	15	15	36	36
112-117 Messengers and Cleaners	174	72	30	11	72	36
<b>Sub-total</b>	<b>1070</b>	<b>801</b>	<b>150</b>	<b>317</b>	<b>360</b>	<b>360</b>

Annex III (cont.)

	1970	1971	1972	1973	1974	1975
<b>General Industrial Section and Analytical Laboratory.</b>						
110 Chief of Laboratory	29	63	5	11	12	26
110-120 Mechanical Engineers	29	101	5	17	12	42
121 Metallurgist	29	51	5	9	12	21
122-124 Chemists	67	153	15	27	36	63
125-130 Laboratory Assistants	174	174	30	30	72	72
131-134 Manual Helpers	72	30	-	-	74	48
135-138 Clerks/Secretaries	72	134	-	-	24	48
139-142 Messengers and Cleaners	72	30	-	-	24	48
<b>Sub-total</b>	<b>566</b>	<b>710</b>	<b>50</b>	<b>94</b>	<b>216</b>	<b>200</b>
<b>Total for Project Personnel</b>	<b>3087</b>	<b>3067</b>	<b>545</b>	<b>833</b>	<b>1630</b>	<b>1662</b>
<b>Salary Expenses</b>		725		125		300
<b>Items, Board of Directors and consulting.</b>		375		100		275
<b>Total for Personnel Services</b>		<b>630*</b>		<b>1050</b>		<b>2570</b>
						<b>2710</b>

\*Figures rounded off.

Annex III (cont.)

	Total	1974	1976	1977
	\$ 100	\$ 100	\$ 100	\$ 100
<b>20 Training facilities</b>	750	250	250	250
<b>21 Allowance for Post-graduate education</b>	750	250	250	250
<b>22 Equipment</b>	200	80	80	80
<b>23 Replicable equipment</b>	300	120	120	120
Cars				
Stationery, etc.				
<b>24 Non-replicable equipment</b>	1600	100	500	1000
Office furniture	2000		200	
Laboratory equipment				
<b>25 Premises</b>	12000	5000	3000	1000
Industrial estates	4000	1500	2000	500
Laboratory building	3000	2000	2000	1000
Centre Headquarters building	1100	1000	500	1000
Jeddah Branch building	100	100		
Dammam Branch building	100	100		
<b>Total for equipt</b>	20000	7000	10000	2000

Annex III (cont.)

	Total SR 1000	1974		1975		1976	
		SR 1000	SR 1000	SR 1000	SR 1000	SR 1000	SR 1000
50 Miscellaneous							
51 Operation and Maintenance of equipment	300	100	100	100	100	100	
53 Sundries	200	50	100	100	50	50	
<b>Total for Miscellaneous</b>	<b>500</b>	<b>150</b>	<b>200</b>	<b>200</b>	<b>150</b>	<b>150</b>	
<b>Total Government Counterpart Contribution in Kind</b>	<b>36997</b>	<b>12158</b>	<b>15279</b>	<b>15279</b>	<b>7810</b>	<b>7810</b>	
<b>Equivalent to:</b>	<b>US\$9,900,000</b>	<b>US\$3,600,000</b>	<b>US\$4,200,000</b>	<b>US\$4,200,000</b>	<b>US\$2,100,000</b>	<b>US\$2,100,000</b>	

Table 1

Equipment to be provided for the Technical Services  
Workshop of Riyadh Industrial Estate.

- Surface grinding machine - hydraulic
- Reciprocating type filing machine
- Precision bench lathe
- Universal cylindrical grinding machine
- Universal copy milling machine - 3 dimensional
- Lip cutter grinder
- Eccentric power press
- Barrel and rack electroplating lines for nickel and chrome.

ANNEX IV

UNITED NATIONS DEVELOPMENT PROGRAMME

Project Summary, Government of

SAUDI ARABIA

Project Title: Industrial Studies and Development  
Centre, Riyadh, Phase II

Number: SAU/73/004/A/01/37      Duration: Two and One-Half Years

Sector: Industry

Sub-sector: 3510, 3520 and 3530

Proposed starting  
date for full  
project operations: 1 August 1974      Date of submission:

Government Co-  
operating Agency: The Industrial Studies and Development  
Centre, Riyadh

Executing Agency: United Nations Industrial Development  
Organization (UNIDO)

Government Contribution: SR 36,997,000      UNDP Contribution: US\$ 988,650

I. BACKGROUND

1. The Phase I of this project, which started in 1966, aimed at assisting the government in the establishment and operation of the Industrial Studies and Development Centre. Specifically, the project was to (i) advise government agencies on matters of industrial development, (ii) serve as an advisory centre for industry, (iii) carry out the preparation of pre-investment studies, project evaluation and implementation, and (iv) assist in the planning, establishment, management and operation of industrial estates.
2. After project operations for seven and a half years, the Centre has now been established and organized on a sound basis. It is now generally considered that the objectives of the project have been successfully achieved and the project has had a positive impact on the advancement of the Kingdom's industrial development.

3. However, from inception of Phase I, it was understood that while the national staff would progressively take charge of certain activities, the Centre will require technical assistance in various fields and disciplines, some of which have not been covered so far. Thus, the government has requested an extension of the project under a Phase II covering the period 1974-76.

#### II. THE PROJECT

The immediate objectives of the Phase II are as follows:

1) Economic studies, branch and project planning, industrial policies and industrial programming data.

Assist in the preparation of macro-industrial projections, the formulation of industrial policies as well as in the initiation of research activities to solve pending industrial economic problems.

Assist to identify, prepare, evaluate and implement industrial investment projects.

Prepare and publish data required for macro and micro industrial planning. Training of national counterparts and of Saudi industrialists.

2) Extension services and management development

Provide technical assistance to existing industrial establishments covering all aspects of their operation.

As an integral part of the extension service programme, prepare, organize and conduct seminars, working groups and training programmes for Saudi industrialists and the staff of the ISDC in various fields of management and assist in the establishment of the ISDC's Management Training Unit.

3) Central Industrial Testing and Development Laboratory (CITDL)

Assist in the creation and operation of the CITDL. Training of national counterparts.

4) Assistance to special industrial branches

Particular attention is to be given to the building materials industries, the agro-industries and the plastic processing industries. Training of national counterparts and of Saudi industrialists.

III. FINANCIAL DATA

		<u>Total</u>
	m/m	\$
A. <u>Contribution requested from the UNDP</u>		
10 <u>Project Personnel Component</u>		
11 <u>Experts</u>		
11-01 Project Manager	29	72,500
11-02 Industrial Economist	24	60,000
11-03 Project Preparation and Evaluation Expert	26	65,000
11-04 Project Implementation Expert	24	60,000
11-05 Industrial Data Expert	24	60,000
11-06 Industrial Engineer	12	30,000
11-07 Production Engineer (Mechanical)	29	72,500
11-08 Market Research and Marketing Expert	24	60,000
11-09 Financial Management Expert	24	60,000
11-10 Management Accounting Expert	29	72,500
11-11 Central Industrial Testing and Development Laboratory Adviser	14	35,000
11-12 Analytical Chemistry Expert	12	30,000
11-13 Metallurgical and Metallographic Testing Expert	12	30,000
11-14 Materials Testing Expert	12	30,000
11-15 Building Materials Industries Expert	16	40,000
11-16 Agro-Industries Expert	24	60,000
11-17 Plastic Industry Expert	18	45,000
11-18 Short-term consultants	16	40,000
13-1 Administrative Support Personnel		6,000
16-12 Staff visits		12,500
19	Component total	369 941,000
30 <u>Training</u>		
31 <u>Fellowships</u>		
31-01 Project Evaluation	6	3,700
31-02 Agro-Industries	6	3,700
31-03 Chemical Analysis (Inorganic and metals)	9	5,050
31-04 Chemical Analysis (Organic)	9	5,050
31-05 Metallurgical and Metallographic Testing	9	5,050
31-06 Testing of textiles, paper, plastics, rubber and leather	9	5,050
31-07 Testing of paints, varnishes and oils	9	5,050
39	Component total	57 32,650



		<u>Total</u>	
		<u>m/m</u>	<u>\$</u>
40	<u>Equipment Component</u>		
	Expendable equipment	-	-
	Non-expendable equipment	-	-
	Premises	-	-
49	Component total		<u>-</u>
50	<u>Miscellaneous Component</u>		
	Reporting costs		5,000
	Direct costs		-
	Sundries		10,000
59	Component total		<u>15,000</u>
99	GRAND TOTAL		<u>988,650</u>

B. Proposed Government Counterpart Contribution

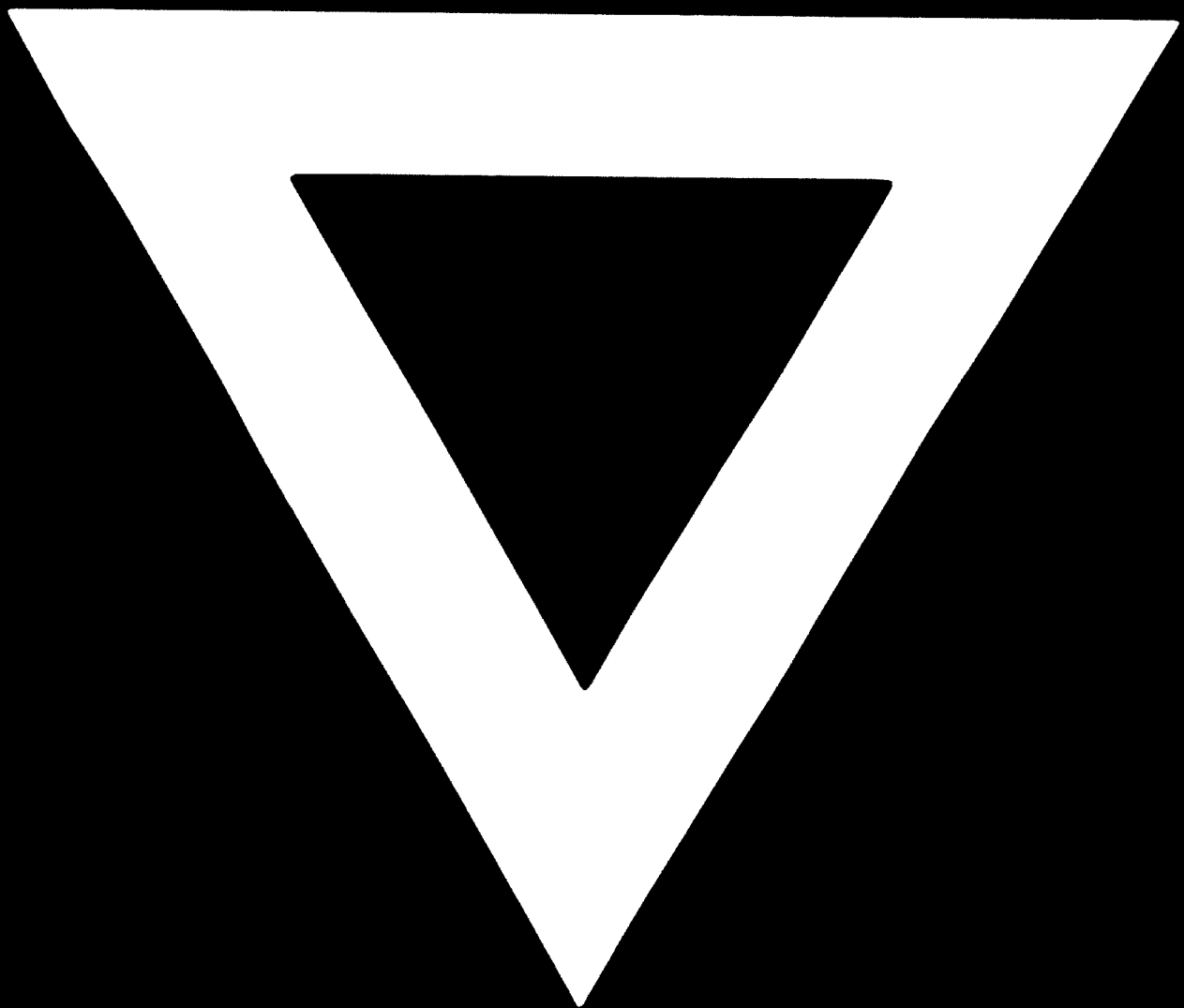
		<u>Total</u>	
	m/m	SR 1,000	
<u>10 Project Personnel Component</u>			
<u>(a) Professional Staff</u>			
Director General	29		145,000
Deputy Director General	29		116,000
Industrial Economist 'A'	29		72,000
Industrial Economist 'B'	29		60,000
Industrial Economist 'C'	29		50,000
Industrial Engineer 'A'	29		72,000
Industrial Engineer 'B'	29		60,000
Industrial Engineer 'C'	29		50,000
Industrial Engineer 'D'	29		44,000
Industrial Engineer 'E'	29		44,000
Production Engineer (Mechanical)	29		44,000
Mechanical Engineer 'A'	29		50,000
Mechanical Engineer 'B'	29		44,000
Electrical Engineer 'A'	29		60,000
Electrical Engineer 'B'	29		50,000
Civil Engineer	29		50,000
Chemical Engineer	29		44,000
Chemist	29		44,000
Chemist	29		43,000
Metallurgist	29		43,000
Industrial Management 'A'	29		60,000
Industrial Management 'B'	29		50,000
Market Analysis and Sales 'A'	29		50,000
Market Analysis and Sales 'B'	29		44,000
Financial Management and Costing 'A'	29		50,000
Financial Management and Costing 'B'	29		44,000
Cost Accountant	29		44,000
Project Implementation	29		50,000
Agro-Industries	29		44,000
Information and Documentation 'A'	29		72,000
Information and Documentation 'B'	29		50,000
Industrial Estates	29		50,000
Jeddah Branch Manager	29		72,000
<b>Sub-total</b>	<b>957</b>		<b>1,865,000</b>
<u>(b) Non-professional staff</u>			
Chief of Administration	29		72,000
Head of Personnel	29		44,000
Head of Finance	29		44,000
Head of Office Services	29		44,000
Accountant	29		36,000
Archives Chief	29		36,000
Translators	58		101,000
Secretary/Stenographers	116		203,000
Librarian	29		50,000
Typists	116		116,000
Clerks	232		232,000
Drivers	174		72,000
Messengers and Cleaners	232		97,000
<b>Sub-total</b>	<b>1,131</b>		<b>1,147,000</b>

		<u>Total</u>
	in/m	SR 1,000
<b>(c) <u>Workshop, Riyadh Industrial Estate</u></b>		
Workshop foreman	29	58,000
Skilled workers	174	261,000
Semi-skilled workers	116	77,000
Workshop clerks	58	44,000
Messenger and Cleaner	58	24,000
Sub-total	435	464,000
<b>(d) <u>Industrial Estates</u></b>		
Managers	87	188,000
Senior Administrative Personnel	174	217,000
Junior Administrative Personnel	348	348,000
Drivers	87	36,000
Messengers and Cleaners	174	72,000
Sub-total	870	861,000
<b>(e) <u>Central Industrial Testing and Development Laboratory</u></b>		
Chief of Laboratory	29	63,000
Mechanical Engineers	29	101,000
Metallurgist	29	51,000
Chemists	87	153,000
Laboratory Assistants	174	174,000
Manual Helpers	72	30,000
Clerks/Secretaries	72	108,000
Messengers and Cleaners	72	30,000
Sub-total	564	710,000
Total for Project Personnel	3,957	5,047,000
Salary Complement		725,000
Bonus, Board of Directors and Overtime		575,000
19 Total for Personnel Services		6,347,000*
<b>30 <u>Training Component</u></b>		
Fellowships for Post-Graduate Education		750,000
39 Component total		750,000

\* Figures rounded off

	<u>Total</u>
m/m	SR 1,000
<b>40 <u>Equipment Component</u></b>	
Expendable equipment	
Cars	240,000
Stationery, etc.	360,000
Non-expendable equipment	
Office furniture	1,600,000
Laboratory equipment	2,000,000
Premises	
Industrial estates	12,000,000
Laboratory building	4,000,000
Centre Headquarters building	7,000,000
Jeddah Branch building	1,100,000
Dammam Branch building	1,100,000
49           Component total	<u>29,400,000</u>
<b>50 <u>Miscellaneous Component</u></b>	
Operation and Maintenance of equipment	300,000
Sundries	200,000
59           Component total	<u>500,000</u>
<b>99           GRAND TOTAL</b>	<b>36,997,000</b>





**76. 06. 29**