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ENTERPRISE PROFILES AND  
INDUSTRIAL PLANNING INDICES

Report on the Fifth UNIDO Mission to Sofia,  
24 - 29 November 1970 <sup>1/</sup>

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<sup>1/</sup> This document has been reproduced without formal editing.

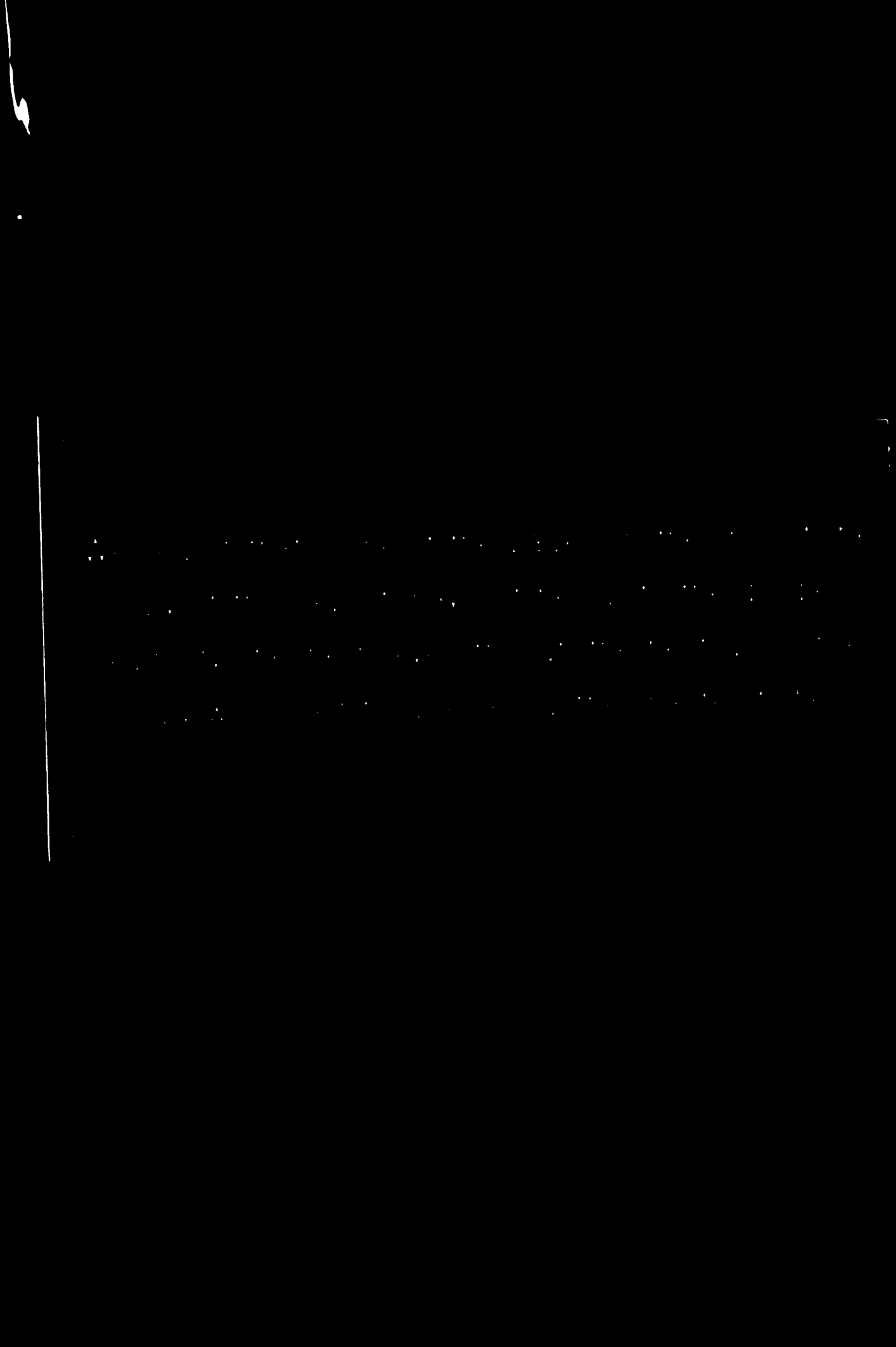


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## A. Introduction

1. This is the report of the fifth UNIDO mission to Sofia which took place as the concluding event of the UNIDO General Trust Fund project referred to as "Bulgarian Working Party on Industrial Programming Data, 1970". The entire activities carried out under this project during the year of 1970 are thus summarized in the following four UNIDO reports:

- (a) "Analytic Industry Profiles: Bulgaria 1970 - Preliminary Project Outline", ID/XG.65/1 (in Russian), May 1970;
- (b) "Report on the Mission to Sofia, Bulgaria, in connexion with the Special Working Party on Industry Profiles, 23 - 25 July 1970" (mimeograph, July 1970);
- (c) "Report on the Fourth UNIDO Mission to Sofia, 17 - 19 September, 1970", UNIDO/IPPD/20, 9 October 1970;
- (d) This report.

2. The fifth UNIDO mission was composed of the following three persons:

Mikoto Usui	Senior Industrial Development Officer Industrial Policies and Programming Division
Jaroslav Navratil	Associate Industrial Development Officer Industrial Policies and Programming Division
Gilbert Virgo	UNIDO Consultant (Expert in refrigeration manufacturing)

The mission was received by the officials of the State Planning Committee who constituted the core body of the Bulgarian Working Party: Messrs. Georgiev, Dantchev, Koinov and Kostov, and the supporting members of the Working Party from the woollen textile enterprise "Nacho Ivanov" (Messrs. Kanev and Jancev) and from the refrigerator enterprise "Anton Ivanov" (Messrs. Dankov and Petrov).

3. The main purpose of the fifth mission was:

- (a) To review the results of the experiment carried out by the Bulgarian group with the "second-stage profiles" as proposed by the preceding mission; 2/
- (b) To re-examine the structure of the "first-stage profiles" which had subsequently been modified by the Bulgarian group and map out, by way of conclusion, the specific roles to be played by these profiling techniques in the over-all process of industrial programming in the nation;

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2/ See paragraph 11 of "Report on the Fourth UNIDO Mission to Sofia, 17 - 19 September 1970", UNIDO/IPPD/20, 9 October 1970.

- (c) To finalize the programme proposed for 1971 in the form of an inter-country seminar or training workshop for the benefit of developing countries.

4. The UNIDO mission arrived at Sofia on the evening of 24 November 1970. Discussions between the mission and the Bulgarian group were held in seven sessions at a conference room of the State Planning Committee, Dondukov 21, Sofia. The entire group visited "Anton Ivanov" on the morning of 26 November in connexion with the case study being conducted on the techno-economic structure of this enterprise. The mission left Sofia on the afternoon of 29 November 1970.

B. The Second-Stage Profiles: Intra-firm Input-Output Tables

5. The results of an application of the input-output techniques to the profiling of two enterprises - "Nacho Ivanov" (woollen textiles) and "Anton Ivanov" (refrigerators and compressors) - were examined in detail. This exercise had been conducted in accordance with the methodology demonstrated in the recent UNIDO working paper: "A Central Frame of Reference for the Productivity/Cost Profiles of Industrial Enterprises" (UNIDO, September 1970). UNIDO had meanwhile prepared a paper dealing with the basic production lines and prototypes of their variation in the household refrigerator manufacturing industry: "Profile of the Domestic Refrigeration Industry" (by G.E. Virgo, IPPD/40, November 1970), which was presented at the sessions as an aid for methodological discussions.

6. The two firms considered for the profiling exercise operate with quite an advanced, elaborate accounting system, typical of most industrial enterprises in centrally-planned economies, and rather comparable to the "budget control" method in the Western societies. The compilation of an input-output profile demanded some re-organization of the existing records of factory administration. But the enterprise personnel stated that data from the existing accounting system could on the whole easily be adapted for the input-output exercise. Particularly in the case of the textile enterprise where the classification of technological input-output sectors posed no serious problem, the exercise consisted mainly of re-assembling in a summary form the more or less readily available sub-profiles on the departmental level. In both of the two cases, the enterprise management

found the input-output profiles to be a useful instrument for structural analysis and planning of capacity expansion and renovation in annual or longer terms.

7. The members of the Bulgarian working group representing the interests of the central planning authorities indicated that the input-output approach could reveal much more information of analytical use than what one could perceive from one or two visits to factories. Particularly, the indication of the status of capacity utilization in specific process shops (such as foundry) will help investigate the technological co-operation possibilities between different enterprises in the context of branch-by-branch programming of industry. It was noted that "process costing" techniques should be properly framed with due attention to given technology; important is to grasp the cycle or technological set-up of productive activities in which costs accumulate in both direct and indirect terms, and the input-output presentation offers a highly convenient method of data organisation for this purpose.

8. Especially for the purpose of inter-firm comparison, it would be important to arrive at a sensible scheme of sector classification for each branch of industry. Scope for inter-firm comparison would be very much limited within a small country like Bulgaria where it is quite rare to see two or more enterprises with a similar production line. But inter-firm comparisons play a far more important role when they refer to comparable factories in different countries. This possibility is usually severely hampered by the radical differences in domestic price systems between Bulgaria and other countries. Since the proposed input-output method allows for a summary presentation of data in terms of physical units, this greatly facilitates the comparative assessment of techno-economic efficiency between different countries.

9. In conclusion, the Bulgarian working group felt that the input-output approach, as experimented under this project, could be regarded as a pre-requisite for transition from the detailed accounting data of individual enterprises to the diagnosis and programming on the sectoral level. Deliberations on problems related to the establishment of new enterprises as well as the expansion and reconstruction of existing enterprises will find great use in the balances depicted by the input-output method.

10. A considerable amount of time was spent in examining the details of the tables compiled for the two enterprises. Some concepts needed clarification and revisions were suggested for the treatment of certain segments of the tables. Notable points are as follows:

11. Sector classification: The inclusion of the stores of raw materials and processed goods among the productive sectors in the grain mill study shown in the UNIDO working paper reflects the peculiar features of this particular industry which handles extremely bulky material. In the case of machine-building and textiles, material and product storage can safely be treated as an auxiliary operation along with on-site transport, utility control, repair and maintenance, etc. Thus, materials and products in the major production lines need not be shown to go through their stores but the productive shops receiving goods from these stores are shown to receive only storage services from them, in the same way as those shops receive services from a repair and maintenance shop.

12. Under the Bulgarian economic system, a considerable part of general overhead requirements, such as off-site transport, marketing and welfare facilities (canteens, workers' housing, etc.) are not administered within an individual manufacturing enterprise but are handled directly by other specialized enterprises and agencies of the State. Thus, such overhead costs chargeable to the manufacturing enterprise will normally take the form of purchases from "Market".

13. For the woollen textile enterprise which has both a carded yarn and a worsted yarn production line, these two are so indicated separately. Moreover, the worsted yarn department should preferably be divided into two sub-sectors, carding and spinning, while this is not necessary for carded yarn which requires far fewer processing steps.

14. Anton Ivanov happens to have a sophisticated structure of production, both technically and administratively. It produces (a) compressors for household-type refrigerators (solely for export), (b) larger compressors for commercial establishments, complete with condensing units, (c) the third-type (ammonia-type) compressors to be sold to the domestic market, (d) compressor-type household refrigerators for which compressors and evaporators are imported, and (e) complete units of absorption-type household refrigerators of relatively small capacity. The enterprise is also



equipped with a department specialized in manufacturing a broad range of fittings and a somewhat over-capacitated machine tool shop (which partly carries out work on the investment account), in addition to a foundry shop and a sheet-metal shop. All these service commonly the different production lines mentioned above. For the assembly of sealed systems, dehydration and inspection are the important steps which deserve isolated treatment for technological diagnosis. During the sessions, some improvements were suggested in the functional sector classification of this enterprise, since the basic manufacturing process flows were not very clearly reflected in the existing administrative set-up of departments and shops.

15. Material utilization: The first quadrant of the input-output table is to describe in a summary form the flow of materials and products through successive stages of processing. This flow, if measured in appropriate physical units, lends itself to an analysis of processing losses. Wastes and rejects may partly be recovered within the enterprise's production process. This part of wastes and rejects cannot be so indicated explicitly in the table, but the resulting prolongation of the production period will be immediately reflected (a) in a large magnitude of work-in-process relative to the total annual output, (b) in high rates of capacity utilization on the intermediate process level, relative to the over-all rate of capacity utilization (the latter being measured referring either to the final finishing stage or to the beginning stage of the given production line), and more generally (c) in high labour and machine costs per unit of final output. The remaining part of wastes and rejects shall be explicitly entered in a column to be installed, next to "Market".

16. In a machine-building enterprise such as Anton Ivanov, measuring the flow of intermediate products (parts and their sub-assemblies of various kinds and of various sizes) in terms of simple physical units, such as tons or numbers, would be quite difficult unless one were prepared to construct a very large, detailed table. For the summary input-output table to be compiled as a profile of a given enterprise as a whole, it will then suffice to present the intermediate flow in terms of costs (values) as calculated at respective stages of production process under the existing accounting system. An important thing in this case is that all the entries in each row (line), which represent the deliveries from a given sector (shop) to

other sectors, be measured in the same terms, so that such a horizontal flow can serve the purpose of attributing to the relevant using sectors the production costs directly charged to that particular sector.

17. It is recommended, therefore, to install a column for summation at the righthand end of the table. The summation within each column is not possible, however, till the next step of profile analysis is completed whereby the entire table is to be presented in value terms after proper imputation of material and factor costs to all the "inter-sectoral" transactions.<sup>3</sup>

18. Purchased materials and services: For the purpose of identification of the capacity on the level of individual process shops, it is important to provide sufficient space in row(s) "Market" to indicate specific materials, parts, sub-assembled units, etc. purchased from outside the enterprise. For the metal-working and machine-building industries in particular, there is usually great scope for inter-firm transaction of semi-finished products, and clear indication of these transactions helps assess the scope of the jobs performed within a given enterprise. It will be of great help for analytical manipulation if each entry in these rows is given both in physical units as applicable and in purchase values. The working sessions in Sofia succeeded in arriving at the meaningful degree of specification of purchased materials and services for the two enterprises considered. In the revised tables, the following would appear under "Market" or "Purchases":

Woollen textile enterprise

1. Washed wool
2. Rayon
3. Polyester fibres
4. Polyacrylonitrile fibres
5. Polyamide fibres
6. Yarn
7. Worsted yarn tape
8. Recoverable wastes

Refrigerator enterprise

1. Foundry cast-iron
2. Polystyrene
3. Steel sheets
4. Steel pipes
5. Plastic articles
6. Pickled steel plate
7. Steel plate
8. Cold-drawn steel

<sup>3</sup> See "A Central Frame of Reference for the Productivity/Cost Profiles of Industrial Enterprises", Section III, especially pp. 19 and 20 and the second paragraph of p. 22.

- |                                   |   |
|-----------------------------------|---|
| 9. Woollen rags                   | 9. Steel wire   |
| 10. Raw cloth                     | 10. Compressors   |
| 11. Dyes and chemicals            | 11. Electric motors   |
| 12. Spare parts                   | 12. Evaporators   |
| 13. Lubricants and other supplies | 13. Thermostats   |
| 14. Administrative costs          | 14. Other semi-finished goods   |
| 15. Electricity                   | 15. Other raw materials   |
| 16. Steam                         | 16. Services from other enterprises   |
| 17. Coal                          | 17. Maintenance of refrigerators<br>within the guarantee period<br>(administrative costs) |

19. Labour utilization: Labour performance analysis and control (P.A.C.) are an important subject in industrial engineering. The input-output summary profiles are intended, however, only to indicate the location of any sub-profiles that might be available in the records of labour efficiency analysis. Therefore, only the main elements in the manning table may be presented, indicating (a) annual man-hours on each shift, (b) man-hours of supervisory personnel and (c) total wages and salaries

20. Machine utilization: Detailed analysis of machine utilization is also an important field in productivity analysis, and may be considered as a sub-profile which might be called for after the first general diagnosis on the level of the main summary profile. For the latter purpose, row "Machinery and equipment" will show the following information:

- (a) Capacity rating of a major set of equipment in each productive sector, in terms of, e.g. tons per hour, wherever applicable. Or, alternatively, the capacity of the entire sector considered in terms of either in-take of materials or output per hour, day or year;
- (b) Frequency of machine stoppage due to breakdown, repair and maintenance work (e.g. in percentage of the annual expected running time), if such data is readily available;
- (c) Original purchase value of the machinery and equipment installed;
- (d) Average age;
- (e) Annual depreciation allowance (by the straight-line method applied to data (c) and (d) above if actual depreciation is subject to irregularities or peculiarities associated with purely financial considerations).

21. Buildings; It will suffice for the over-all profiling purpose to show a set of crude parameters, such as  $m^2$  or  $m^3$  whichever is applicable, indicating the space occupied by each shop or sector. This may be supplemented by some categorization of building quality, taking into account any important auxiliary facility modules attached to the building and not included in the machinery and equipment. For the inter balancing purpose, it is convenient to show furthermore the original cost of buildings, ages and annual (calculated) depreciation allowances.

C. The First-Stage Profiles Re-examined

22. By the time the mission re-visited Sofia, the earlier version of enterprise profiles had been re-worked by the Bulgarian group, introducing a larger set of "dynamic" indices as a supplement for the predominantly static approach of the original UNIDO version. The selected time series relate mostly to those ratios which would usually be employed in the over-all analysis of corporate financial statements (mainly Profit and Loss Statement and Balance Sheets) in the Western society. These include the indices of labour productivity, profits relative to prime costs, fixed capital and working capital, material costs-production ratio, labour-capital ratios, automation and mechanization indices, etc. - all referring to a given enterprise as a whole. In addition, labour turnover, turnovers of inventories, coefficients of utilization and productivity per machine-hour for selected categories of machines, etc. have been introduced in the relevant sections of the profile. Also, the planning and implementation of enterprise activities in the socialist system involves the so-called "transfer price" system - valuation of physical units of output in two kinds of price: "basic" or "standard" prices and "actual" prices.<sup>4/</sup> This is duly taken into account in the presentation of annual output.

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<sup>4/</sup> The general rule of the transfer price system may be described as follows: When an enterprise's standard output is set as some pre-determined percentage of its rated capacity, the standard price applicable to such a standard output will be in principle equal to the expected average full cost of production plus a standard profit per unit of output. The actual prices can vary around the standard price, to the extent that the actual production differs from the standard output, and that the actual prices of materials purchased from other enterprises differ from their respective standard prices.

23. It was noted that, except the general practices added by the Bulgarian working group, part of the data considered in the first-stage profiles could be readily incorporated in the second-stage profile (input-output profile). But some details may not easily be presentable in the summary input-output profile. The latter part refers particularly to Sections I (general description), part of II (nominal capacity output, actual output and unit prices by specific products), part of IV (rents, interest, royalties, and sales tax), part of V (especially information on working hours), VII (detailed lists of equipment), and VIII (inventories). It is thus quite obvious that the two types of profiles are complementary. But it would be desirable to further re-organize the first-stage profile with explicit reference to the second-stage profile. For this purpose, the first-stage profile will be divided roughly into two parts: (a) summary general indicators of the enterprise's productive activities, and (b) additional data (sub-profiles) supplementary to the main summary input-output profile (or its selected columns and rows).

24. The idea of "pyramid of indices" was then discussed as a possibly expedient point of departure for re-structuring the first-stage profile and integrating the two types of profiles into a single consistent system. In this connexion, reference was made to the methodology adopted by a certain "Centre for Inter-firm Comparison, Ltd." in the United Kingdom - a non-profit-making management consulting body, established by the British Institute of Management and the British Productivity Council.<sup>5/</sup> The "pyramid of ratios" for inter-firm comparisons starts at the top with a firm's operating profit/operating assets ratio. This primary ratio is decomposed into operating profit/sales ratio and sales/operating assets ratio. These are further decomposed into major components of operating costs and of assets, respectively. At the fourth level, each of these component ratios is further sub-divided into a few ratios referring to its sub-components (e.g. current assets are composed of material stocks, work-in-progress, finished stocks and debtors). From the fifth level on, however, the consistency of the pyramid in terms of additivity becomes less important, and additional ratios are provided in a more freely selective manner to throw light on causes of variations of each given ratio.

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<sup>5/</sup> Address: Management House, Parket Street, London, W.C.2, England

25. In the private-enterprise system and in most mixed economies, details of enterprise performances assume a confidential nature and a pyramid of ratios that can be readily constructed by a researcher outside the management of a given enterprise will generally be quite limited in its depth. The selection of ratios in the upper part of the pyramid given in the example of the Centre of Inter-firm Comparison is indeed constrained by this factor of confidentiality. However, the point is that the figuration in the form of "pyramid" (or "iceberg" since analytical depth can be practically limitless) does define the successive steps of diagnosis which need to be programmed systematically to avoid personal prejudices.

26. It was thus agreed that the Bulgarian group would give further thought to the method of ordering the various techno-economic indices for industrial programming currently in use in the Planning Committee and the Associations of enterprises. The profiles which have so far worked out would help fill some missing links within the existing set of programming indices. Such an exercise would also help define, in terms of concrete programming techniques, the working linkage among the different levels of the national planning hierarchy - the central authority, enterprise associations and individual enterprises.

27. During the sessions in Sofia, the Bulgarian group presented a note reviewing the results of the experiments with the first-stage profiles with regard to their utility for (a) the individual enterprises concerned, and (b) the central planning and control organs. As to the usefulness for the latter, the note included the following summary statements:

- (i) The indices contained in the profiles contribute to the necessary connexion between macro-economic and micro-economic planning of industry, since these are well focussed upon the strategically important economic variables which need to be measured in comparable terms not only for different enterprises in the same branch but for different branches of industry;
- (ii) Occasional use of the enquiry forms of profiles by the central planning organs can cover drawbacks in the pre-aggregated statistical information and increase their routine capability of investigating development potentials on the plant level;
- (iii) The profiles provide a working tool for the planning organs to study systematically plan-performance gaps of a particular enterprise and of a particular branch;

- (iv) The technical data contained in the profiles enrich the information necessary for working out the coefficients for planning models (production functions) and thus facilitate the technical studies concerning industrial development strategies;
- (v) The experiment with the profiles offered an additional opportunity for examining in detail the comparability of basic economic terminology and accounting systems between Bulgaria and other countries having different economic systems, and thus contributed to the readiness of the Bulgarian staff to take advantage of the possibilities for international comparisons of industrial data for planning purposes
- (vi) Even the first-stage profiles (and still more, the second-stage input-output profiles) offer to the planning organs a communication aid for their co-operation with the management of an individual enterprise in conducting techno-economic analysis at detailed sub-plant levels as required.

28. The points made in general terms as cited above would apply to the Profiles Project as a whole and would not be affected by the introduction of the second-stage profiles and their integration with the earlier profiles. The industrial planning system in the country and particularly the underlying system of communication across the different echelons within the hierarchy of national industrial management need to be described more concretely in order to demonstrate those points for the benefit of other countries in the developing group. Papers dealing with this subject will be considered specifically in connexion with the training seminar for developing countries proposed as below.

D. Training Workshop on Industrial Planning Systems and Indices,

29 June to 8 July 1971

29. With the present mission, the Special Working Party on Industrial Programming Data in Bulgaria, focussed upon the Industrial Profiles approach, has been concluded. The Bulgarian authorities, represented by the State Planning Committee, expressed their strong wish to implement the plan of convening an international seminar during the next year. Such a seminar was originally conceived as the main event of the 1970 project, the work undertaken thus far being considered as the preparatory step towards the seminar. This original plan has since been modified so that the 1970 project

has concentrated on the technical problems associated with the development of an Industry Profile approach suitable for project programming and follow-up on the national level. In defining the specific objectives of an international seminar to be convened as a new project in 1971, however, it was considered desirable to tackle the issues and problems concerning the techno-organizational systems of industrial planning on a broader front.

30. The technical exercises carried out under the 1970 project, though confined within a somewhat narrowly defined subject, have increasingly been interlocked with the expense of programming data or techno-economic indices supporting the industrial planning and management tasks at all levels. The Profiles exercises have been meant in a way to cast a net into this expense in order to recapture the key concepts and their inter-relations submerged in the existing planning routines.

31. The seminar is proposed, therefore, to disseminate the experience gained through the industrial planning systems in Bulgaria to those developing countries which have adopted predominantly state-enterprise systems for the industrial sector. The general principles of such systems have become quite familiar to most people during the past decades, but specific rules and procedures governing the technical tasks of planning, including the complex of techno-economic indices, need to be further closely examined in the light of actual experience. Thus discussions at the seminar will be geared rather strictly to the technical facets of industrial planning where there is great scope for exchange of experiences between countries having different socio-political systems. The preliminary guideline for the seminar considered at the time of the previous mission<sup>6/</sup> has thus been modified to a considerable extent.

32. The revised project data sheet as agreed upon by both the State Planning Committee and the UNIDO mission is as follows:

33. Title of project: Workshop on Industrial Planning Systems and Indices.

34. Description of project: The State Planning Committee of the People's Republic of Bulgaria will be host of an international seminar in Sofia for

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<sup>6/</sup> "Report of the Fourth UNIDO Mission to Sofia, 17 - 19 September 1970", paras. 15 - 18.



the 10-day period from 29 June to 8 July 1971, for the purpose of training about 10 officials from the several developing countries where state enterprises play a crucial role in industrial development. The workshop will deal specifically with (a) the technical and organizational features of the process of industrial planning encompassing all three levels of the hierarchy: central authorities, enterprise associations and individual enterprises, and (b) the information system underlying this process, with particular reference to the basic sets of techno-economic indices supporting the analysis and programming at the respective levels. The experience in the People's Republic of Bulgaria will be reviewed as a reference model for the above purpose, and the problems and needs envisaged in each participating developing country will be examined in detail with a view to promoting further exchange of experience and technical co-operation in this field among these countries.

35. Background of the project: This is clear from paras. 29 to 31 above. It has been agreed that for official presentation purposes, the following may be considered as an appropriate summary statement: During the year of 1970, a Bulgarian Working Party on Industrial Programming Data was organized jointly by UNIDO and the State Planning Committee of Bulgaria for the purpose of developing an "Industry Profiles" approach particularly suitable to industrial project planning on the national level. This project was financed by the Voluntary Contributions of the Bulgarian Government, and consisted of the studies and experiments conducted by the Bulgarian staff towards that objective, with the assistance of the UNIDO consultative missions. The experience with this project has revealed numerous facets of the industrial planning system as being practised in Bulgaria that would be of great interest to the developing countries. The Board of the State Planning Committee has thus proposed to convene an inter-country training seminar on the above-described subjects, by way of a follow-up to the 1970 project, for the benefit of a number of developing countries.

36. Proposed plan of implementation: It is planned that the workshop will be held in Sofia for the period from 29 June (Tuesday) to 8 July (Thursday) 1971. Ten participants (trainees) will be selected from the senior technical staff (largely comparable to under-secretaries, department heads or their deputies) in the central governmental authorities concerned with industrial planning in Ethiopia, Ghana, Iran, Iraq, Sudan, Syria, Tanzania and UAR. English is adopted as the working language. The lecturing group will consist

primarily of the Bulgarian professionals who participated in the 1970 Working Party, and will be supplemented by four UNIDO officers and consultants. The project budget shall cover the cost of the several workshop documents which will be prepared by Bulgarian experts, in addition to UNIDO's technical materials, on their industrial planning system and its supporting data systems. It shall allow also for the visit of a UNIDO mission (one person for three days) to Sofia a few weeks before the workshop date for finalisation of the details of meeting arrangements.

37. The basic documentation work for the workshop will be shared by UNIDO and the State Planning Committee as follows:

UNIDO:

- (a) A complete set of technical notes serving as a guide for the compilation of the summary input-output profiles of industrial enterprises;
- (b) A methodological note on various techniques of inter-firm comparison for efficiency analysis of industrial production;
- (c) Aide-mémoire for the workshop participants;
- (d) Extracts from the UN documents dealing with planning systems as may be found useful as background reading materials.

State Planning Committee of Bulgaria:

- (a) An introductory note describing the major organs of planning in the country and their functional characteristics; working connexion between long-term (perspective) plans, medium-term (five-year) plans and annual plans on the macro-economic level and their documentation characteristics;
- (b) Organs, basic accounting systems and major sets of techno-economic indices for "industrial plans" within the framework of macro-planning;
- (c) Industrial planning at the level of enterprise associations; working linkages between different associations, and linkages with superior organs and with individual enterprises; methods of collecting information on plans and facts (implementation of plans);
- (d) "Technical-Industrial-Financial Plans" of individual enterprises; working relationships with associations and superior organs; the role of "enterprise profiles" in substantiating these relationships;
- (e) Planning indices and economic incentives.

38. Most of the papers proposed as above shall be exchanged at the stage of their first drafts for mutual co-ordination before the middle of April 1971. Reproduction and pre-meeting distribution of the English texts will be done by UNIDO.

39. Costing data:

	<u>Estimates in Lev.</u>	<u>Leva a/c applicable</u>
<b>Travel:</b>		
10 participants from non-European continents	( 50 )	-
4 participants from the European continent	( 10 )	1,400
<b>Per diem:</b>		
14 non-Bulgarians for 11 days (subsistence Lev 35/day)	( 7,700 )	5,400
46 man-days of Bulgarian experts (expert fees Lev. 25/day)	( 575 )	1,150
<b>Consultants and technical papers:</b>		
Non-Bulgarian (2)	( 50 )	-
Preparation of papers in Bulgaria (including translation and documentation)	( 2,000 )	4,000
<b>Preparatory mission (one UNIDO officer):</b>	( 200 )	400
<b>Conference services:</b>		
Interpreters (20 man-days)	( 500 )	1,000
Other conference services (secretaries, transport and miscellaneous)	( 750 )	1,500
<b>Contingencies:</b>	( 150 )	-
	( 175 )	350
	<u>12,400</u>	<u>Lev. 15,200</u>

40. Summary requirements: UNIDO General Trust Fund

- (1) Voluntary Contribution from Bulgaria (in Leva): 17,600 (=Lev. 15,200) ✓
- (2) Other Voluntary Contributions in convertible currencies: 24,800 ✓

✓ Carried over from the 1970 Bulgaria Working Party on Industrial Programming Data (PAD-70-126): Lev. 1,800  
Allocation from the 1971 Contributions to UNIDO by the Bulgarian Government (total Lev. 25,000): Lev. 13,300

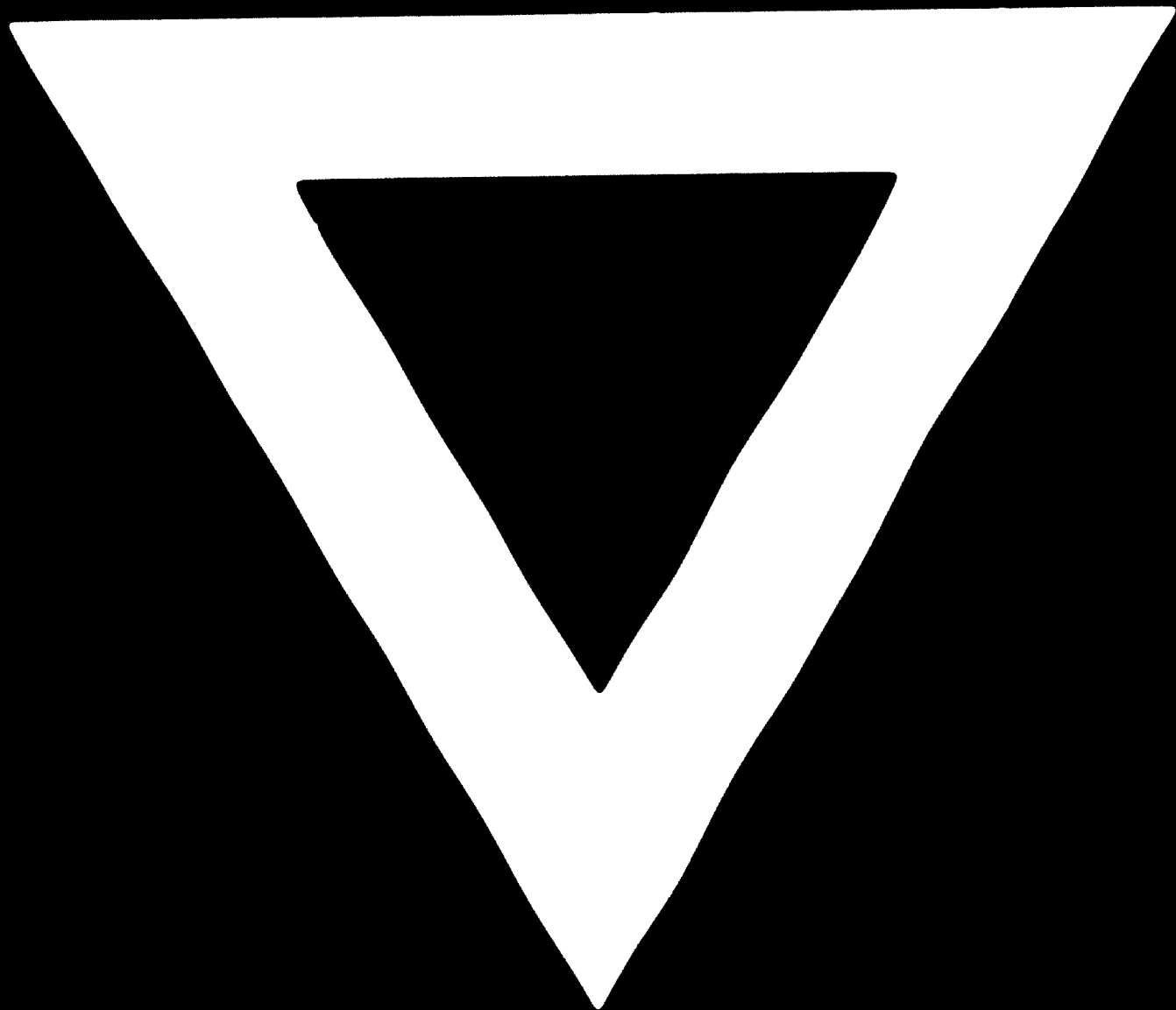
✓ Carried over from the convertible currency component of PAD-70-126:

\$1,614.92

Additional allocation required:

\$3,165.92





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