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Economic Commission for Africa,
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Fifth Meeting
Agenda item 9
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PREPARATIONS FOR THE THIRD GENERAL CONFERENCE OF UNIDO\*

Note by the UNIDO secretariat

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#### I. INTRODUCTION

1. The Third General Conference of UNIDO is to be held in New Delhi for a period of three weeks, in early 1980, the dates, as proposed by the Government of India, being 21 January - 8 February. The General Assembly has requested the Industrial Development Board of UNIDO to act as an inter-governmental preparatory committee for the Conference. At its eleventh session (23 May - 6 June 1977), the Board, in connexion with initial discussions on the provisional agenda for the Conference, invited suggestions and proposals from the regional commissions and the forthcoming regional meetings, to be taken into account by the Board in its further discussions at its twelfth session.

## II. FOURTH CONFERENCE OF AFRICAN MINISTERS OF INDUSTRY

- 2. The Fourth Conference of African Ministers of
  Industry (17 26 November 1977) reviewed steps taken at the national,
  regional and international level towards the achievement of the goals and
  targets of the Lima Declaration and Plan of Action on Industrial
  Development and Co-operation. It recognized that their full implementation
  would require substantial and sustained efforts to develop the requisite
  skills and technology needed for the promotion and carrying out of
  concrete programmes and projects to develop African self-reliance and
  thereby speed up the process of industrialization in Africa with special
  emphasis on the priority sectors. It further recognized that international
  co-operation would play a key role in determining the pace and
  direction of industrialization in Africa.
- 3. Recalling, inter alia, resolution 319 (XIII) of the Fourth Conference of Ministers of the Economic Commission for Africa, assigning to the fourth and fifth Conference of African Ministers of Industry the task of defining the common African position for the Third General Conference of UNIDO, the Fourth Conference of African Ministers of Industry adopted a resolution concerning the preparations for the Third General Conference of UNIDO (resolution 7 (IV). The Conference of African Ministers of Industry recommends in this resolution that UNIDO, CAU and ECA should consider and convey to member States suggestions for a common African position for the Third General Conference of UNIDO and that they

should arrange effective consultations with African experts in preparing these suggestions, which should be formulated on the basis of, inter alia, the following guidelines:

- (a) Elaborate specific proposals for strengthening the bargaining position of African countries on the greater domestic processing of African industrial raw materials;
- (b) Submit further proposals for strengthening the ongoing system of international industrial consultations including the modalities and links of such consultations to consultations at the regional level in the light of Resolution 5 (IV) adopted by the Fourth Conference of African Ministers of Industry;
- (c) Elaborate methods and approaches for mobilizing financial resources for industry commensurate with the size of industrialization envisaged by the Lima target for Africa;
- (d) Outline proposals for effective training programmes and projects to develop the industrial manpower needed for future industrialization in the continent;
- (e) Formulate practical methods and arrangements for promoting and developing intra-African co-operation in the field of industry including the African multinational enterprise approach adopted by the Second Conference of African Ministers of Industry;
- (f) Propose viable methods and frameworks for strengthening international co-operation in the field of industry including co-operation at the enterprise level as well as on a Government-to-Government basis, and redeployment programmes;
- (g) Develop new and innovative programmes of assistance and means of mobilizing resources for the LDCs commensurate with the needs of these countries having in mind that the majority of them are in Africa;
- (h) Further review frameworks for international co-operation and especially co-operation among developing countries in the choice, acquisition and development of industrial technology in line with Resolution 6 (IV) adopted by the Fourth Conference of African Ministers of Industry.
- 4. The Fourth Conference of African Ministers of Industry entrusted ECA, OAU and UNIDO with the task of submitting the report of the African experts referred to in previous paragraph to the Follow-up Committee on Industrialization in Africa at its fifth meeting, and decided that the fifth session of the Conference should be convened in Kampala during the second quarter of 1979 for the purpose, inter alia, of finalizing a common African position for the Third General Conference of UNIDO.

## III. TWELFTH SESSION OF THE INDUSTRIAL DEVELOPMENT BOARD OF UNIDO

- 5. At the twelfth session of the Industrial Development Board of UNIDO (16 26 May 1978), in the further discussions on the preparations for the Third General Conference due account was taken of the preparatory discussions held in the various regions. Specifically, in respect of the African region, note was taken of the observations and recommendations made by the Fourth Conference of African Ministers of Industry, indicating the need of conceiving, designing and promoting concrete practical arrangements to effectively pursue international industrial consultations and develop programmes for the restructuring of world industrial productive capacity, and of giving a clear outline of the basic areas requiring immediate attention to enable accelerated industrial development in the region.
- 6. As part of its conclusions on the discussions concerning the Conference preparations, the Board decided to transmit to the General Assembly for its consideration at its thirty-third session a draft provisional agenda for the Conference, the text of which is annexed hereto.
- 7. The Board further decided to request the Permanent Committee of the Board at its eleventh session (11-15 December 1978) to give further attention to the documentation to be prepared for the Conference and to preparations at the regional level. In the meantime, in the further activities of UNIDO in preparing for the Conference, the Board requested the Executive Director to take due account of the views expressed and suggestions made by delegations during the Board's deliberations on this subject.

## IV. MAIN AREAS FOR THE THIRD GENERAL CONFERENCE OF UNIDO

8. As indicated in the proposed provisional agenda the deliberations at the Conference are envisaged to cover three broad areas: firstly, review and appraisal of the world industrial situation, with specific reference to the industrialization of the developing countries; secondly, the strategy for further industrialization in the 1980s; and thirdly, a review of institutional arrangements in that context.

- (a) Review and appraisal of the world industrial situation, with specific reference to the industrialization of the developing countries
- 9. In order to provide a broad basis for the review and appraisal of the world industrial situation and the industrialization of the developing countries a special issue of the Industrial Development Survey is being prepared by the UNIDO Secretariat. The Survey will contain a review of national objectives and industrial development strategies, and an examination of the economic structure of industrialization in recent years together with a discussion of the implications of the Lima target. It will present an analysis of the relationship between industry and the primary sector, the allocation of resources within the industry sector, ways of improving the industrial manpower and technology base, the contribution of industry to the traditional sectors (small-scale producers, rural areas), the financial requirements of industrialization, and the public sector and industrial development. In preparing the Survey the Secretariat is, to considerable extent, drawing on information derived from regional sources such as the economic commissions.
- 10. In the review and appraisal, the progress achieved in implementing the Lima Declaration and Plan of Action will be subject to specific consideration. The qualitative as well as quantitative impact of the efforts towards fulfilment of the Lima goals and targets will be assessed, major policies, problems and obstacles affecting their implementation will be looked at and steps taken or proposed in that context reviewed and appraised. In compliance with a resolution of the Industrial Development Board 1/2 the UNIDO Secretariat has requested from Governments and international agencies concerned information on the action taken and progress achieved towards implementing the Lima Declaration and Plan of Action. Specifically designed questionnaires were submitted to member Governments in May 1978 with the request that their responses be received not later than 30 November 1978. The replies from Governments and international organizations will be presented in the form of a compendium, further to which they will constitute the

<sup>1/</sup> ID/B/RES/45/(IX).

fundamental inputs for an analytical report which the UNIDO Secretariat will prepare during the first half of 1979 and which will constitute one of the basic documents to be presented to the Third General Conference of UNIDO.

ll. At the African regional level attention will also be given to the principles and guidelines contained in the Declaration on Industrialization in Africa adopted at Cairo in December 1973 by the Second Conference of African Ministers of Industry and the recommendations of the First Meeting of the Follow-up Committee at Addis Ababa in September 1974, in preparation for the Lima Conference.

# (b) Strategy for further industrialization as an essential element of the development process in the 1980s and beyond

- 12. The major focus of the Conference is expected to be given to the subject of a strategy for further industrialization. The Conference will be expected to give consideration to appropriate industrialization policies and strategies aimed at achieving the Lima target. In this connexion, specific attention should be given to the work in the African region towards the development of alternative strategies for industrialization for the achievement of the Lima targets which are to be considered at the forthcoming Regional Symposium on Industrial Policies and Strategies for Internally Self-sustaining Development and Diversification and Collective Self-reliance during the Period 1978-2000. It is expected that most useful guidance for the Third General Conference preparations will be provided by the Symposium in the identification of important elements of strategies and policies of industrialization.
- 13. One of the basic documents of the Third General Conference will be the joint study on international industrial cooperation called for by the General Assembly at its seventh special session. The study will cover the economic, financial, legal and technological aspects of international industrial cooperation within the context of the Lima Declaration and Plan of Action and the new international economic order. In this study, it is hoped to propose measures to be negotiated and agreed upon in suitable international forums.

- 14. Within the broad objectives set out in the Lima Declaration and Plan of Action and in General Assembly resolution 3362 (S-VII) relating to the redistribution of world industrial production by increasing the share of developing countries, the UNIDO system of consultations was established with the aim at identifying necessary concrete measures to be undertaken by developed and developing countries to expand existing and establish new industrial facilities in the developing countries. The result and prospects of the system of consultations will be reviewed at the Third General Conference. General support has been expressed by the Industrial Development Board for the system as a useful means in opening a way to a direct dialogue between industrial enterprises and the developing countries as well as a means for co-operation among countries with different levels of development and different economic systems. The consultations held so far have demonstrated the usefulness of the system in providing a global approach to the problems of specific sectors.  $\frac{1}{2}$
- 15. International cooperation in the field of transfer and development of industrial technologies with a view to increasing the technological capabilities of the developing countries is foreseen as an important topic for the Third General Conference. A central theme of the UNIDO cooperative programme of action on appropriate industrial technology is the choice of technology in the context of integrating appropriate industrial technology into an over-all industrial development strategy. This matter will be subject of deliberations at the highest level at the International Forum on Appropriate Industrial Technology to be held in India from 20 to 30 November 1978.
- 16. As direct follow-up of the Lima Declaration and Plan of Action, an Industrial and Technological Information Bank (INTIB) has been created at UNIDO, with a view to promoting a greater flow of information, thus permitting the proper selection of technologies. It has been set up as a pilot operation for a period of 18 months from mid-1977, after which its experience will be evaluated. The establishment of the African

<sup>1/</sup> For further details see seperate document on the UNIDO system of consultations as it affects the African region, prepared by the UNIDO Secretariat for presentation under agenda item 8.

Centre for the Development Transfer and Adaptation of Technology provides an opportunity for concerted action in the region in this field, as called for in resolution 6 (IV) on development of technological capabilities in the African region, adopted by the Fourth Conference of African Ministers of Industry.

17. Special attention at the Third General Conference of UNIDO will also be given to industrial co-operation among developing countries and to improved mechanisms for industrial cooperation to promote the flow of integrated technical and financial assistance to developing countries, including regional cooperation and special measures for the least developed, land-locked and island countries. In this context the various initiatives taken by the Fourth Conference of African Ministers of Industry in promoting active cooperation among African countries and particularly in favour of the least developed whose special needs required urgent action, will be of particular interest.

## (c) Institutional arrangements

- 18. The Third General Conference is expected to review the effectiveness of co-ordination and follow-up on matters in the field of industrial development and cooperation covered by other organizations within the United Nations system. The close collaboration existing between UNIDO and the regional economic commissions, in particular through the joint industry divisions, is noted with satisfaction in this context.
- 19. The Third General Conference will also, it is foreseen, review the effectiveness of the institutional arrangements for UNIDO, with reference to the long-range strategy for UNIDO to meet the challenge of industrialization in the 1980s and beyond.

## V. FURTHER PREPARATIONS AT THE REGIONAL LEVEL FOR THE THIRD GENERAL CONFERENCE OF UNIDO

- 20. At the twelfth session of the Industrial Development Board general support was expressed for active preparatory work for the Third General Conference at the regional level. Past experience had shown, it was stated, that regional preparatory work by the developing countries was an all-important factor in ensuring success, and the suggestion was made that UNIDO provide all possible support to such preparatory activities.
- 21. The importance of the work in the African region, initiated at the Fourth Conference of African Ministers of Industry, towards the development of a common African position for the Third General Conference of UNIDO is fully recognized and the Follow-up Committee may wish to give particular attention to ensuing that best possible preparations are made for the consideration of this matter by the Fifth Conference of African Ministers of Industry, on the basis of the findings and recommendations of the forthcoming Regional Symposium on Industrial Policies and Strategies for Internally Self-sustaining Development and Diversification and Collective Self-reliance during the Period 1978 2000.
- 22. Regional level preparations for the Third General Conference of UNIDO will be subject of deliberations at several regional meetings to be held in 1979 including, besides the Fifth Conference of African Ministers of Industry, the Fifth Industrial Development Conference for Arab States to be held in Algiers and the preparation of which is undertaken in cooperation with the Industrial Development Centre for the Arab States (IDCAS), as well as high level industrial conferences to be held in Latin America and Asia in cooperation with ECLA and ESCAP.

## Annex

THIRD GENERAL CONFERENCE OF UNIDO: DRAFT PROVISIONAL AGENDA TO BE SUBMITTED TO THE GENERAL ASSEMBLY FOR CONSIDERATION AT ITS THIRTY-THIRD SESSION

- 1. Opening of the Conference
- 2. Organization of the Conference
  - (a) Election of the President
  - (b) Adoption of the agenda
  - (c) Adoption of the rules of procedure
  - (d) Election of officers other than the President
  - (e) Organization of committees
  - (f) Credentials of representatives to the Conference
- 3. General debate (statements by heads of delegations)
- 4. Review and appraisal of the world industrial situation, with specific reference to the industrialization of the developing countries
  - (a) Review of progress in the implementation of the Lima Declaration and Plan of Action on Industrial Development and Co-operation
  - (b) Review and appraisal of major policies, problems and obstacles affecting the implementation of the Lima Declaration and Plan of Action, and steps taken and proposed to resolve them
- 5. Strategy for further industrialization as an essential element of the development process in the 1980s and beyond
  - (a) Adoption of appropriate industrialization policies and strategies aimed at achieving the Lima target
  - (b) Recommendations for policies, procedures and frameworks to foster, develop and strengthen
    - (i) Domestic industrial processing of natural resources
    - (ii) Industrial skills
    - (iii) International co-operation in the field of transfer and development of industrial technologies with the view to increazing the technological capabilities of the developing countries
    - (iv) Improved mechanisms for industrial co-operation to promote the flow of an integrated technical and financial assistance to developing countries including regional co-operation and special measures for the least developed, land-locked and island countries
      - (v) Measures for effective utilization of foreign investment for industrial growth in accordance with national objectives of economic and social development and for the supervision and regulation of such investment channelled through transnational corporations

- (c) Industrial co-operation among developing countries, recommendations on policies, procedures and strategies
- (d) Redeployment of industries from developed to developing countries
- (e) The system of consultations
- (f) Creation of appropriate industrial structures in developing countries with a view to accelerating their economic growth and increasing their share in world industrial production in order fully to realize their economic potential within their national interests in accordance with the Lima Declaration and Plan of Action and the seventh special session of the United Nations General Assembly
- (g) [The role of foreign investment in industrial development and conditions applying to such investment in developing countries (Group B)]
- 6. Institutional arrangements
  - (a) Review of the effectiveness of co-ordination and follow-up on matters concerning industrial production, international industrial co-operation, and related issues covered by other organizations within the United Nations system
  - (b) Review of the effectiveness of the institutional arrangements for UNIDO, with reference to the long-range strategy for UNIDO, to meet the challenge of industrialization in the 1980s and beyond
- 7. Conclusions and recommendations
- 8. Adoption of the report of the Conference
- 9. Closure of the Conference.

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