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UNITED NATIONS INDUSTRIAL  
DEVELOPMENT ORGANIZATION

Distr.  
LIMITED  
UNIDO/EX.99  
9 July 1979  
ENGLISH/FRENCH

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Report of the official visit of the Executive Director of UNIDO  
Dr. Abd-El Rahman Khane to the Republic of Portugal\*

(5 - 8 June 1979)

1249

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id.79-5600

## 1. Background Information

The first significant contacts between the Government of Portugal and UNIDO took place in April 1977 when a UNIDO Programming Mission visited Portugal\*. During this mission, a number of technical assistance opportunities were identified. Most of them were retained and subsequently approved under the IPF, SIS, RP and UNIDF funds. Implementation of some of those projects started during 1978.

In September 1977, UNIDO was approached to consider receiving in Headquarters an high-level mission from the Ministry of Industry and Technology, in order for them to get acquainted with our modus operandi, thus permitting increased co-operation. At the same time, UNIDO was informed on the plans to invite the Executive Director of UNIDO to visit Portugal.

For a variety of reasons, the visit of the Portuguese mission to UNIDO could only take place in December 1978. This mission was headed by Mrs. Aurora Murteira and was instrumental in reviewing all the approved technical assistance projects. Furthermore, the mission identified two additional projects - an Integrated Training Programme and a Workshop on Negotiations on Transfer of Technology - which were subsequently signed by the Minister of Industry and Dr. Khane, during the present visit.

The invitation made by the Minister of Industry and Technology for the visit of Dr. Khane to Portugal was finally forwarded by the Permanent Representative of Portugal to UNIDO in January 1979. The invitation was accepted and the week of 5 June 1979 was agreed upon for the visit.

On the return trip from a mission to Latin America, Mr. O. Gonzalez-Hernandez, was requested to pass through Lisbon for discussions with the Ministry of Industry on the arrangements for the visit and to prepare the two project data sheets to be signed.

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\*Ref. UNIDO Report/EX. 14

A detailed briefing note for the visit was prepared by the Governments and Intergovernmental Organizations Relations Section containing the following information:

- Programme of Visit
- Exchange of letters concerning the invitation
- Details on relations between Portugal and UNIDO
- Note on UNIDO Technical Assistance to Portugal
- Minutes of the meeting of 5 December 1978 between the Portuguese Mission and Dr. Khane.
- Programme of visits for that mission.
- Notes on the political and economic situation in Portugal
- Project Data Sheets to be signed during the visit
- Draft Final Communiqué between Portugal and UNIDO.

Dr. Khane requested Mr. O. Gorzalez-Hernandez to accompany him on the mission.

## 2. Meetings with the Government

### 2.1 Minister of Industry and Technology (5 June)

The Minister of Industry, Mr. Alvaro Barreto, reiterated the high degree of interest of the Government in an increased co-operation with UNIDO. He referred as well to the extreme importance that the present programme of UNIDO technical assistance to Portugal had for its efforts of industrialization.

The Executive Director described UNIDO System of Consultations stressing its impact in helping developing countries to increase their industrial output. The Portuguese Government has so far only participated in one meeting, the one related to Petrochemical Industry in Mexico. However, Mr. Barreto reaffirmed his Government's interest in an increased participation and to share its experience of industrialization.

Dr. Khane explained the forthcoming conversion of UNIDO into a specialized agency and the advantages of the organization becoming a unique forum for Ministers of Industry from developed and developing

countries to air their problems, to establish programmes to solve them and to agree on the financing of these programmes.

UNIDO system of technical advisory services was reviewed with particular reference to the valuable contribution provided to the Government's negotiations on two important projects: carbon black and automotive industries.

Dr. Khane further described the UNIDO programme "Technological Information Exchange System - TIES" and the benefits deriving from it, as well as the forthcoming meeting of the "Club of 15" which is supposed to meet during October 1979 in Lisbon under UNIDO sponsorship.

Concerning the high-level of industrialization already achieved by some industrial branches in Portugal it was agreed that assistance on such matters to other developing countries could be arranged under UNIDO sponsorship. It was felt that more expertise from Portugal and existing training facilities in the country could be utilized by UNIDO. The project signed on an "Integrated Pilot Training Programme" was a good example in that direction.

Mr. Barreto expressed the interest of the Government of Portugal in the 3rd General Conference of UNIDO and reaffirmed their support to the activities of UNIDO for the implementation of the new International Economic Order in the industrial sector.

Finally, Dr. Khane extended an invitation to the Minister of Industry to visit UNIDO Headquarters at Vienna. The invitation was cordially accepted and a date of mutual convenience would be agreed to.

2.2. Secretary of State for the Energy and Basic Industries

General Directors of this Secretary of State

National Laboratory of Industrial Technology and Engineering

Institute for the Small and Medium Scale Industrial Enterprises

Institute for Foreign Investment

(5 June 1979)

A meeting was organized with representatives of the different Government departments receiving assistance from UNIDO.

An opportunity was taken to review UNIDO's programme of assistance, solve whatever problems existed and identify new areas of co-operation or follow-up actions.

The meeting was chaired by the Secretary of State who opened the meeting by recounting the relations between the Ministry and UNIDO.

All the projects were reviewed as per list included in the briefing note and were qualified, in general, as very successful. Although they are relatively small in terms of external inputs, they are providing very useful advice on those areas or gaps where external expertise is needed.

Of particular relevance during the discussion, it was mentioned that the "Pyrites" project should be reviewed during the month of July, to ensure a more satisfactory reporting system and to discuss possible follow-up in terms of carrying out of pilot plant studies for the treatment of concentrates through hydrometallurgy. Immediate corrective action was requested to Vienna by cable.

As far as a possible master plan for the metallurgy based on pyrite derivatives was concerned, it was decided to keep this proposal in abeyance until the Pyrite Commission and the General Directorate of Chemical Industries advances more in this work.

New project proposals which have been identified and need IPF financing, are the following:

- Packaging Institute
- Metrology Laboratories
- Information Network

It was agreed that these projects should start during the 1st cycle of the IPF, with modest resources, using funds from non-implemented projects or reserve funds, and then overflow into the 2nd Country Programme.

Dr. Khane mentioned the multi-faceted role of UNIDO, whereby we could assist in solving problems not necessarily by means of our own technical assistance system but also through other mechanisms such as the system of consultations and the redeployment of industries, to name a few mechanisms.

He further mentioned that Portugal, in view of its state of industrialization, could very well provide assistance to other countries and UNIDO could be instrumental in such a scheme.

In particular, names of experts, consulting firms and companies which could supply expertise, subcontract studies and equipment should be made available to UNIDO.

To finalize the meeting, Dr. Khane mentioned three ways which in his view could be utilized for furthering the co-operation between UNIDO and Portugal:

- A programme of exchange of visits;
- The establishment of a voluntary contribution from Portugal to UNIDF around which a number of activities to other developing countries could be built;
- The establishment of a National Committee for UNIDO in Portugal, if the Government so desires.

2.3. Meeting with the following Professional and Governmental organizations

Confederation of Portuguese Industries (CIP)

Portuguese Industrial Association (AIP)

Portuguese Association of Economists

Order of Diplomed Engineers

National Board of Scientific and Technological Research

(5 June 1979)

Discussions during this meeting centered on the ways and means for increasing the flow of assistance from Portugal by means of utilizing existing know-how (expertise, fellowship placement, studies under subcontract and provision of equipment).

Also discussed was the possibility and desirability of participation of portuguese industrialists in our consultation meetings, the Co-operation among Technology Registers in Developing Countries, which annual meeting is to take place in Lisbon next October 1979 and the UNIDO Industrial Technological Information Bank - INTIB

Upon an enquiry from the AIP representative as to the possibility of UNIDO assisting in the development of the International Trade Fair of Lisbon, it was replied that we would consider it, upon receipt of a request transmitted through the Portuguese Government. However, the question of the level and extent of the assistance needed further investigation, since it was felt that standard of this Fair was already quite high.

2.4. Meeting with the President of the Republic (6 June 1979)

The President of the Republic had been previously briefed by the Ministry of Industry on the visit and on UNIDO and therefore was quite acquainted with UNIDO and its programme in Portugal.

During this audience, Dr. Khane started by thanking for the invitation extended to him by the Government of Portugal and by offering UNIDO's co-operation in the country's industrialization efforts. Dr. Khane referred to UNIDO's programme of technical assistance, programme of consultations and the changing of UNIDO into a specialized agency. An overall review of the existing UNIDO programme in Portugal was made and the way it had been prepared. On a project by project review, clarifications were supplied. The President expressed his thanks to the assistance so far extended to the country and his interest in making available existing know-how to other developing countries. In this connexion, he was particularly pleased with the approval of the project "Integrated Pilot Training Programme". As a matter of fact, although assistance was being provided to Portugal under this project, the ultimate beneficiaries would be other developing countries.

2.5. Meeting with the Minister of Foreign Affairs (6 June 1979)

An audience was arranged with H.E. Ambassador Freitas Cruz.

After the customary exchange of thanks, an exchange of views took place on the advantages and the mechanism to transform UNIDO into a specialized agency. H.E. Ambassador Freitas Cruz reiterated his Government's support to this change. As to the financial implications, Dr. Khane clarified that he saw no major difficulties to the financing of UNIDO Regular Budget. Dr. Khane offered and thanked for the contributions of Portugal of the



UNIDF. In line with the recent increases in the contributions from Portugal to the UNDP, Dr. Khane expressed hopes that a similar increase could materialize in ~~that~~ contribution to UNIDF, to respond to an increase demand of services under this fund.

3. Ceremony for the signature of technical assistance projects (6 June 1979)

Two projects of technical assistance to Portugal were signed by the Minister of Industry and the Executive Director. These projects are:

- Development and Strengthening of National Technology Transfer Capabilities (SIS)
- Integrated Pilot Training Programme (RP)

..... The relevant two PDS's are attached as annexes 3 and 4.

..... During this ceremony, which was covered by the media-radio, TV and newspapers - a joint communiqué was signed - annex 5 - which summarized the conversations and understandings reached between the Minister of Industry and Dr. Khane.

4. Industry Visits

4.1. LISNAVE

Lisnave is the biggest shiprepairing yard in Portugal and also considered as the biggest in the world. The south Yard of Lisnave was visited. This yard is built around two drydocks, one for ships up to 328,000 dwt and the other up to 1,000,000 dwt.

It is capable of carrying out the entire range of shiprepairing services (hull, machinery and equipment), shiprebuilding (reconstruction of holds and tanks, rebuilding of side shell plating and renewing of bottoms), jumboizing, shipbuilding (up to 700,000 dwt) and the building of hulls and hull components.

Its design division together with the affiliate company - Navelink - can undertake all types of techno-economic studies including the design, construction and start up of complete shipyards. The Arabian shipbuilding and Repair Yard in the State of Bahrain is an example of such work carried out by Lisnave.

The Training Centre of Lisnave was also visited. This Centre is fully equipped in terms of installations, equipment and personnel for the provision of training services from the worker up to higher management level, in all areas of shipbuilding and repair.

The Training Centre could be utilized by UNIDO for the carrying out of group training programmes or individual fellowships.

#### 4.2. Sines Area

The Sines Area is an industrial development pole being established on the coast 150 km south of Lisbon and representing a total investment of over 3 billion US\$ (up to 1990 and excluding the steel mill).

It is built around a petrochemical complex but includes the setting up of a complete infrastructure and a number of other industrial projects as described below.

##### Oil Refinery

With a capacity of 10 million tons crude/year. Presently it is only operating at 50-55% capacity because of crude delivery and harbour capacity problems. It represents an investment of 0.5 billion US\$.

##### Petrochemical Complex

A steam cracker with a total capacity of 300.000 t/year will provide ethylene and propylene which will be used for the production of:

- monomers (93.500 t/year)
- vinylchloride (55.000 t/year)
- low and high density polyethylene (180.000 t/year)
- polypropylene ( 50.000 t/year)
- acrylonitrile (50/70.000 t/year)

The C4 fraction and part of the ethylene will be used by a subsidiary company, a joint venture with the French Company-CDF Chimie, for the production of Synthetic rubber (50,000 t/year)

Butadiene (15,000 t/year)

Polystyrene (35,000 t/year)

Styrene (100,000 t/year)

The necessary Chlorine will be produced by a plant in Sines, to be used as raw material, the salt rock from Algarve.

The total investment for this complex is estimated at 0.7 billion US\$.

#### Steel Mill

An integrated steel plant is planned for the nineties for producing flat products. Its capacity will be 1.800.000 tons/year and the total investment is estimated at \$ 1 billion.

#### Pyrite Processing Complex

The Portuguese Pyrites have a rather complex composition. In addition to sulphur they include non-ferrous metals such as copper, zinc lead, gold and silver. Their ash, after treatment, is an iron ore which still can be useful.

This complex will start being built in July 1979 and will be completed in 1984 with a capacity of 1.500.000 tons/year and a planned investment of 0.6 billion US\$.

#### Fertilizer Plant

It still is at a pre-feasibility study stage. The first phase will produce phosphates and dinamonium phosfoid and will have an investment of 14 million US\$.

#### Heavy machinery and railway wagons manufacture

It is already operating and has a capacity of 800 wagons/year. It represents an investment of 10 million US\$.

Other industrial projects

Automotive assembly Plant

C - Magnesium plant with a capacity of 100.000 ton/year

2 free trade zones

2 light industry zones (for an estimated 420 enterprises)

A shiprepairing yard.

Infrastructure

- Harbours (Total investment of 0.35 billion US\$)

- Oil Terminal (for tankers up to 1 million dwt) ready, if not for the damage

- Petrochemical products terminal (ready by the end of 1979)

- LPG and Refined products terminal

- General Cargo Terminal )  
- Ore Terminal ) under project.

- Urban Centre (for housing 150.000 persons)

- Water system - 6 m<sup>3</sup>/s

- Road System - 400 km

- Railway linkages

- Thermo electric plant 6X250 MW (using coal as fuel)

5. Press Coverage

The visit of Dr. Khane was very adequately covered by the media.

Upon arrival, at the VIP Lounge, he was interviewed by the two main dailies, having the news of his arrival to Portugal appeared in the next day issues.

A press conference was arranged at the occasion of the signature of the two projects. Newspapers, radio and TV reporters were present. Questions were asked mainly on the role of UNIDO in Portugal. The ceremony was transmitted the same day on TV during the news service and published in next day dailies.

In addition, two separate interviews were made by the two TV stations, and were transmitted in specialized programmes dealing with economic matters. Discussions on these interviews centered on the new international economic order, the Lima declaration and plan of action and the III General Conference on UNIDO.

Newspaper clippings on the visit have been sent to the Public Information Services Section. The official of the UN Information Centre in Lisbon was noted in these press conferences for his absence.

ANNEX I

Programme of the visit

5 June 1979

- 14:30 - Arrival at the Airport (SR 690)  
Received by Dr. Hugo de Jesus  
Dra. Aurora Murteira  
Dr. F. Alcântara de Melo

Accommodation at the Hotel Ritz

- 16:30 - Audience with the Minister of Industry  
17:00 - Meeting with the Director Generals and Specialized  
Institutions of the Ministry of Industry  
19:00 - Meeting with the Professional and Industrial Associations  
21:15 - Private dinner

6 June 1979

- 10:00 - Audience with the President of the Republic  
11:30 - TV interview with RTP/1  
12:30 - Audience with the Minister of Foreign Affairs  
13:30 - Lunch at the Lisnave Shipyards followed by visit  
to the shipyards  
18:00 - Ceremony of signature of the two technical assistance  
projects followed by a Press Conference  
20:30 - Dinner offered by the Minister of Industry at the  
Royal Palace at Queluz

7 June 1979

- 9:30 - Departure by Portuguese Air Force Plane to Sines and  
visit to the Industrial Pole and Harbour

- 13:00 - Lunch at Santiago do Cacém  
Visit to the Refinery and Petrochemical Complex
- 16:00 - Return to Lisbon
- 21:00 - Dinner offered by the Minister of Foreign Affairs  
Restaurant Aviz

8 June 1979

- 10:00 - TV interview with RTP/2
- Afternoon free

9 June 1979

Morning free

- 15:30 - Departure for Vienna (SR 693)  
Present: Dr. Hugo de Jesus  
Dra. Aurora Murteira  
Dr. Alcântara de Melo  
Dra. Graça Ramalho Ortigão

ANNEX II

Visit of Dr. Khane to  
Portugal

5 - 8 June 1979

List of persons met

- General António dos Santos Ramalho Eanes - The President of the Republic
- Mr. Alvaro Bissaia Barreto - Minister of Industry and Technology
- Mr. João Carlos Lopes Cardoso de Freitas Cruz - Minister of Foreign Affairs

Ministry of Industry

- Mr. Hugo Fernando de Jesus - Secretary of State of Energy and Basic Industries
- Mme Aurora Murteira - Director-General for Studies and Planning
- Mr. Santos Gonçalves - Director-General of Industrial Quality
- Mr. Boléo Tomé - Under-Director-General of Industrial Quality
- Mr. Santana - Director-General of Light Industries
- Mr. Ferreira do Amaral - Director-General of Electro-Mechanical Industries
- Mr. Carlos Macedo - Director-General of Chemical and Metallurgical Industries
- Mr. Veiga Simão - President of National Laboratory of Industrial Technology and Engineering (LNETI)
- Mrs. Inês Florêncio - LNETI
- Mr. Frederico Alcântara de Melo - Director for International Economic Relations
- Mr. Alcides Pereira - Under Director of Mining and Geological Surveys
- Mr. Amadeu Pires - President, Institute for the Small and Medium Scale Enterprises (IAPMEI)
- Mr. Henrique Marçal - Service of Investment Promotion and Project Evaluation (IAPMEI)
- Mr. Soares Carneiro - Pyrite Commission



Other Ministries and Governmental

Bodies

- Prof. J. Mendes Mourão, Secretary, National Board of Scientific and Technological Research
- Mrs. Graça Ramalho Ortigão, Embassy Secretary, Ministry of Foreign Affairs, In-charge of relations with UNIDO
- Mr. Abdool Magid A. Karim Vakil, Bank of National Development
- Mr. Teixeira Gomes, Institute for Foreign Investments
- Mr. Jorge Faria, Petrogal

Non Governmental Organizations

- Mr. Luis Morales, Secretary-General, Portuguese Industrial Association
- Mrs. Isabel Maria Gerbal, Economist, Department of Economics and Information, Portuguese Industrial Association
- Mr. Castelo Saraiva, Portuguese Association of Economists
- Mr. Lencastre, Secretary-General, Order of Diplomed Engineers
- Mr. António Calado Lopes, Conferation of Portuguese Industry.

Lisnave

- Mr. José Viegas Dias, President
- Mr. Afonso Howell, Vice-President
- Mr. José Rodrigues Branco, Director of Training
- Mr. António Maria Caetano Carreira, President, Havelink
- Mr. José Manuel Santana, Director of Development
- Mr. António Luiz Gomes, Chief of Department of Public Relations

Council of Sinès Area

- Mr. Rosado de Sousa, Director for Overall Planning
- Mr. Carlos M. Gouveia Capelão, Director-General, Sines Refinery
- Mrs. Maria Teresa Maia Orvalho, Chief of Division of Public Relations
- Mr. Byscaia de Carvalho, Deputy-Director for the Harbour Project

*A. B. B.*

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

United Nations Development Programme

Special Industrial Services

Project Data Sheet

1. Reference data:

Country: Portugal

Project Title: Development and Strengthening of National Technology Transfer Capabilities

Project Number: SI/POR/79/802

Origin and Date of Request: Letter from the Ministry of Industry and Technology dated 28 May 1979

Purpose of the Project: To assist the Ministry of Industry and Technology as well as the Foreign Investment Institute and in particular the Portuguese business community in strengthening their negotiating and bargaining capabilities when negotiating and acquiring foreign technologies in its various forms.

2. Background Information:

Portugal was and still is a traditionally large importer of foreign technology be it in form of direct foreign investments as well as licensing, trademarks, management and service contracts, and joint ventures. Since August 1977 a new Foreign Investment Code has been in force in this country which, through the establishment of the Foreign Investment Institute, has considerably strengthened the relative bargaining power of Portugal's industry in the process of acquisition of technology. However, on an average, the Portuguese businessmen are lacking good and extensive knowledge of various technologies and expertise needed for proper contracting of the technology through different channels.

*f*

**3. Description of the Project:**

The purpose of the present programme will be to provide a large number of people as well as selected government officials with an extensive programme for developing and strengthening the necessary negotiating skills as well as to select a small group of nationals who may carry out such programmes on their own in the future.

A team of outside consultants (two) and UNIDO staff members (two) will prepare and run two specialized workshops for groups of ca. 30-40. One to be organized in Lisbon and the other one at Oporto, which are the two biggest industrial and commercial centers in Portugal.

Co-operation of other UN agencies is foreseen and notably UNCTC, which will provide one staff member to cover special issues related to TNC.

Finally, the programme will review and advise on the study carried out by the Ministry of Industry and Technology which is related to the assessment of the technology transfer process in Portugal in the years 1972-1978. The detailed programme will be worked out in co-operation with the Portuguese authorities.

**4. Project Budget**

Component	Duration	US\$ Total
11-01 Short-term consultant on consultancy and management agreements (2split missions)	6 weeks	7,500
11-02 Short-term consultant on foreign investments (or UNCTC staff - two split missions)	6 weeks	7,500
11-03 Expert on licensing and trademark agreements (UNIDO staff - two split missions)	4 weeks	3,500
11-04 Expert on joint ventures and technical assistance agreements (UNIDO staff - two split missions)	4 weeks	3,500
50-00 Visit of counterpart staff to UNIDO	-	<u>750</u>
	<b>TOTAL</b>	<b>22,750</b>

**5. Request approved:**



Dr. Abd-El Rahman Khane  
Executive Director  
for UNIDO

Date: 6.6.79



Eng. Alvaro Barreto  
Ministry of Industry and Technology  
for Government of Portugal

Date: 6.6.79

ANNEX IV

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

REGULAR PROGRAMME OF TECHNICAL ASSISTANCE

- Establishment and Strengthening of  
Training Facilities in Developing  
Countries

COUNTRY: PORTUGAL

PROJECT NR: RP/POR/79/001

PROJECT TITLE: Integrated pilot training programme

UNIDO/RP CONTRIBUTION: 1979 - US \$ 54,900  
1980/81- US \$ 88,700

GOVERNMENT CONTRIBUTION: 1979 - Port.Esc. - 520,000  
1980/81 - Port.Esc. - 980,000

Approved on behalf of:

A. Barreto

Mr. A. Barreto  
Minister of Industry and Technology  
Portuguese Government

6/6/79

Date

Mr. Abd - El Kahman Khane  
Executive Director

[Signature]

6/6/79

Date

UNIDO

PILOT INTEGRATED TRAINING PROGRAMME

*A. Barros*

A - Long Term Objectives

1. The long term objectives of this project consist essentially in the strengthening of existing training facilities and capabilities in Portugal in selected areas of industrial development for the benefit of other developing countries, namely those of Portuguese expression.

2. More specifically, it aims at making possible the placing in Portugal of individual fellowships of the arranging of training programmes, seminars and workshops in the areas of, among others, quality control and management; small - and medium - scale industrial enterprises; specific technological matters; transfer of technology; and industrial project evaluation.

B - Short - term objectives

3. The immediate objectives of the project are the training and upgrading of technical personnel of different departments of the Ministry of Industry and Technology in the areas mentioned above. For the training process, participants from other developing countries will be also invited as a pilot operation, with a view to pave the way for the subsequent technical activities planned for the benefit of other developing countries.

4. The areas of training chosen for this project are the following:

a) Quality control and management

- Quality assurance and certification
- Management of quality control
- Non destructive testing by means of
  - supersonic waves
  - magnetoscopy
  - acoustics

b) Small and Medium scale industrial enterprises

to include commercial and financial management, production planning and control, personnel matters, in-plant training and the solving of specific problems prevailing in this type of enterprises.

*[Handwritten mark]*

A. Barreto

c) Technological training, on selected and novel technologies such as:

- saving and conservation of energy
- use and recycling of wastes

d) Transfer of technology, training in this area will be imparted through the inputs of a separate project under the Special Industrial Services programme, and will include:

- choice of technologies as to their suitability to the actual conditions of the enterprises;
- negotiation of contracts.

e) Industrial Project Evaluation, oriented to small and medium - scale industrial projects.

C - Background, Basic Information and Justification

5. An high level delegation of the Portuguese Government consisting of the General Director of Studies and Planning (Head of the delegation), the Director of International Economic Relations, both of the Ministry of Industry and Technology and the Departmental Head of Training and Research of LNETI (National Laboratory of Engineering and Industrial Technology) visited UNIDO headquarters in December 1978 with a view to review the ongoing projects carried out with the co-operation of UNIDO, to examine their follow-up and to identify new areas of co-operation. Within the new areas, the present project was identified as having highest priority by the head of the Portuguese delegation and the Director of the UNIDO Policy Co-ordination Division.

6. The Ministry of Industry and Technology has been recently re-organized (its organic law from 31.12.77), Its organigram is attached as annex I. The structure of the various departments is not yet concluded but it is already evident that its staff will not be entirely qualified to carry out the functions it is entrusted with. This situation determines certain technical weaknesses and needs which cannot be solved exclusively with internal inputs.

7. In view of the relatively high level of the development of Portugal vis-a-vis other countries of Portuguese expression, it is thought that the assistance

*[Handwritten signature]*

A. Barret

tance which may be given to remedy the situation above, could also be carried out for the benefit of these other countries, as well as with a view to upgrade the existing training institutions in Portugal so they may be able to offer their services to other developing countries.

8. In addition, because of language barriers, it has proven rather difficult to provide suitable training for the countries of Portuguese expression in Africa and it has been thought most convenient to upgrade and use facilities and trainers in Portugal so may be used for that purpose.

9. The institution charged with the questions of training within the Ministry of Industry and Technology is the National Laboratory of Engineering and Industrial Technology, through its training department. This has been chosen as the main counterpart institution to the project and will co-operate with others, as necessary, for the effective implementation of the project.

#### D - Activities

10. The methodology used in the implementation of this project is the one of "Training of trainers", for the purpose of achieving multiplying effects. Therefore, the majority of the participants which will attend the training activities envisaged by this project, will have, later on, direct training functions or will be training co-ordinators in their own countries. However, it is also expected to integrate in these training activities a number of end users, particularly from other developing countries, as a pilot operation, and a view to provide realistic case problems.

11. The following activities are expected from this project:

##### a) Quality Control and Management

One workshop will be organised in Lisbon on the question of quality control and management. In order not to interfere with the regular functioning of the departments or the industries where the national participants will come from, the workshop will be held during one full week per month, for three successive months.

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A. Barret

Twenty five participants are expected to attend this workshop, twenty of these portuguese nationals from which will be selected a number of trainers who will carried out the subsequent courses. The remaining five will be nationals of other developing countries. Their participation is regarded as a pilot operation, not only to provide immediate training to them, but to assist in the planning of subsequent workshops which will be entirely or mostly oriented to other developing countries.

The workshop will be undertaken in French or Spanish and will be carried out by subcontract to an institution with extensive experience in the matter such as:

- |  |                  |
|--|------------------|
| - Université de Lyon - CAST -                | - Lyon - France  |
| - Conservatoire National des Arts et Métiers | - Paris - France |
| - Escuela de Organización Industrial         | -- Madrid- Spain |

The date of the venue is planned for Ocober-November-December 1979.

The periods between the week seminars will be used as far as the participants from other other developing countries are concerned, for plant visits and for in-plant training in Portugal.

b) Small and Medium Scale Industrial Enterprises

The LNETI organize during NOvember/December/January 1979/80 a workshop on this matter.

This seminar will be organized on a series of two-week module courses per month. 10 participants from Portuguese-speaking developing countries will attend. The periods of time between the modules will be used for plant visits and in-plant training related to the subject dealt within the workshop.

c) Transfer of Technology

The M.I.T. and the Institute of Foreign Investment will organize two Training Workshops one in Lisbon, the other in Porto. The workshops will be covered by a separate SIS project and it envis-ged to orient these as well for the benefit of other developing countries.

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A. Bonito

d) Training activities in the fields:

- technological training
- industrial project evaluation

will be carried out during 1980/81.

These activities will consist of the specialized workshop for trainers which will be organized with the assistance of outside consultants or lecturers.

A number of these trainers will be subsequently sent on training fellowships abroad, in order to perfection their training capabilities.

Their exact contents, composition, dates and duration will be determined at the beginning of 1980, on the basis of the experience gained during the two workshops described before.

E - Inputs

12. From the Portuguese Government.

a) The Portuguese Government will supply the necessary places and equipment for the implementation of the planned training actions. The Government will also cover local operation and other costs not paid by UNIDO, such as publicity actions, documentary support, etc.

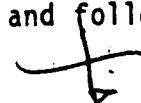
b) The Portuguese Government will also nominate the local candidates for the training courses and the fellowships, which will be essentially selected among the MIT staff, particularly those who are connected with light manufacturing industries.

The Portuguese Government will provide the local experts who will be in charge of those training courses or will be lecturers in the same.

12. From UNIDO

For 1978

a) Nomination of a UNIDO staff member to plan, supervise and follow the



A. B. Bunt

execution of this project, with appropriate inputs from the sectors concerned with the specific programme components.

b) Subcontracting of a consulting firm to carry out the workshop on quality control and management, at a cost estimated at \$13,000.

c) Financing of 5 participants from other developing countries to the workshop on quality control and management, at a cost estimated at \$10,000. (travel and stipend).

d) 5 fellowships of two months each on quality control and standardization \$30,000. -

e) Financing of 10 participants from other developing countries to the training workshop on medium and small scale industries (fees, travel and stipend) \$30,000.

For 1980/1981

f) provision of 4 man-months of short-term expertise to lecture on the training courses on Technological Training.

g) provision of 2 man-months of short-term expertise to lecture on the training courses on Project Evaluation.

h) financing of 9 man-months of fellowships to be awarded among the participants of the training courses on Technological Training and Project Evaluation.

i) Financing of 10 participants from Portuguese-speaking developing countries to the training courses on project evaluation and technological training.

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F - Future UNIDO assistance

14. Assistance to be given as a follow-up to this project will essentially consist of:

- a) Award of fellowships
- b) Organization of Group Training activities.

Both activities are to be undertaken in Portugal using the facilities and capabilities strengthened by means of the present project.

6

PROJECT BUDGET COVERING GOVERNMENT CONTRIBUTION

(in Portuguese Escudos)

Country: Portugal

Project nr.: RP/POR/79/XXX

TITLE: Integrated pilot training programme

*A. Boubt*

	TOTAL		1979		1980/81	
	m.m.	Port. Esc.	m.m.	Port. Esc.	m.m.	Port. Esc.
Professional Counterparts	6	300,000	3	150,000	3	150,000
Administrative Support	9	200,000	4.5	100,000	4.5	100,000
Maintenance of Trainees	19	240,000	-	-	19	240,000
Equipment	-	410,000	-	120,000	-	290,000
Miscellaneous	-	350,000	-	150,000	-	200,000
Grand Total	-	1,500,000	-	520,000	-	980,000

*of*

*A. Barot*

PROJECT BUDGET COVERING UNIDO CONTRIBUTION

( in US Dollars )

Country: Portugal

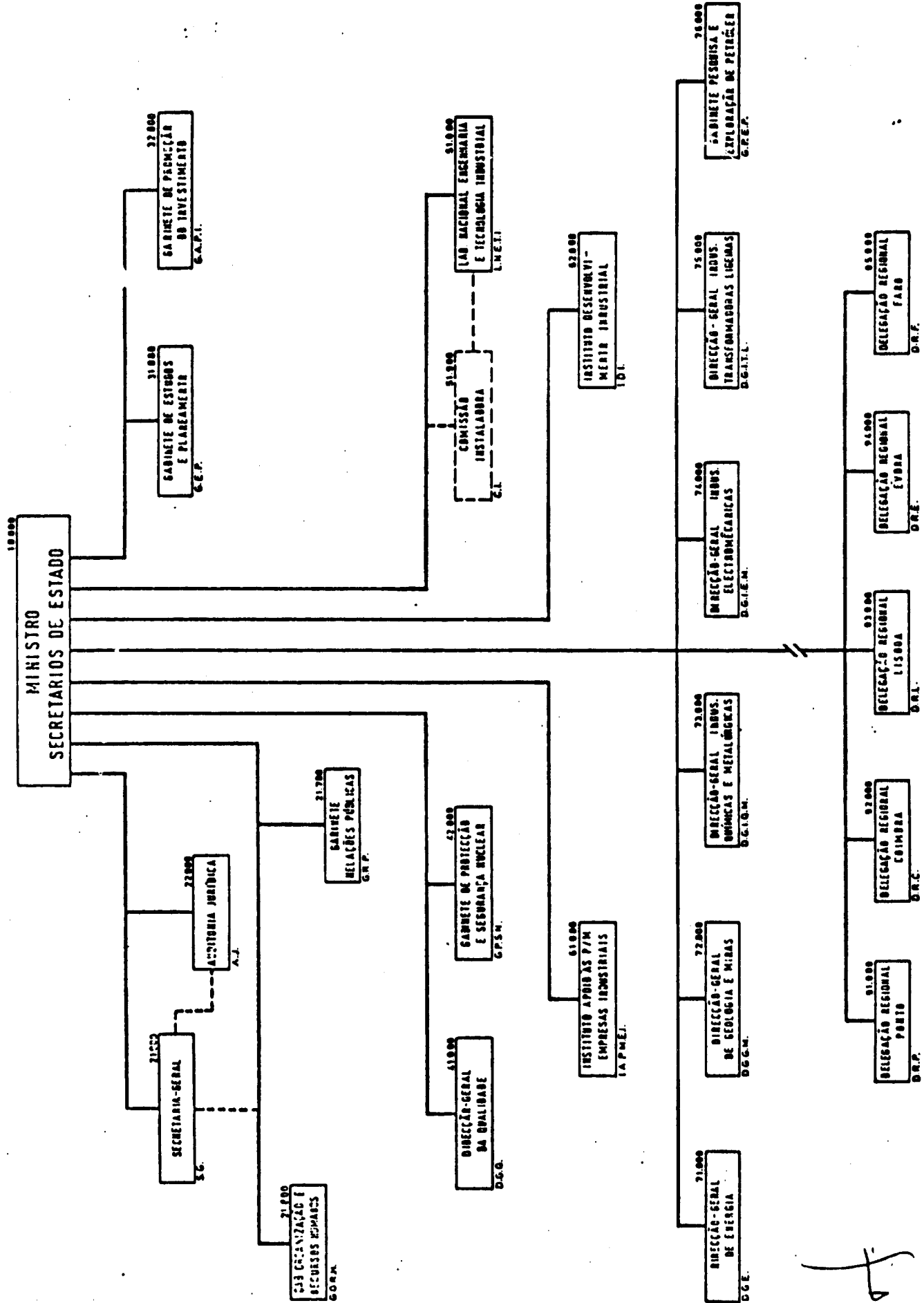
Project nr.: KP/POR/79/XXX

Title: Integrated pilot training programme.

	TOTAL		1979		1980/81	
	M:m	\$	m.m	\$	m.m	\$
11 Experts						
11.01 Technological training	4	19,000	-	-	4	19,200
11.02 Project evaluation	2	9,000	-	-	2	9,600
16 g.m. travel	0.5	1,800	0.25	900	0.25	900
20. Subcontracts						
21 Workshop on QC	-	13,000	-	13,000	-	-
31 Fellowships						
31.01 Workshop on QC	7,5	10,000	5 x 1.5	10,000	-	-
31.02 Quality control	10	20,000	-	-	5 x 2	20,000
31.03 Workshop on small-scale industries	20	30,000	10 x 2	30,000	-	-
31.04 Technological training and project evaluation	9	18,000	-	-	9	18,000
31.05 Workshop on Technological training and project evaluation	20	20,000	-	-	10 x 2	20,000
91 Miscellaneous	-	2,000	-	1,000	-	1,000
99 Grand Total	-	143,600	-	54,900	-	88,700

*f*

# MINISTÉRIO DA INDÚSTRIA E TECNOLOGIA



*A. Kovacs*

SECRETARIA-GERAL	SECRETARIA-GERAL DE ENERGIA	SECRETARIA-GERAL DE GEOLOGIA E MINAS	SECRETARIA-GERAL DE INDUSTRIAIS QUIMICAS E METALURGICAS	SECRETARIA-GERAL DE INDUSTRIAIS TRANSFORMADORAS LUCEAS	SECRETARIA-GERAL DE INDUSTRIAIS ELECTROMECANICAS	SECRETARIA-GERAL DE PROMOCION E EXPLORACAO DE PETROLEO
SECRETARIA-GERAL	SECRETARIA-GERAL DE ENERGIA	SECRETARIA-GERAL DE GEOLOGIA E MINAS	SECRETARIA-GERAL DE INDUSTRIAIS QUIMICAS E METALURGICAS	SECRETARIA-GERAL DE INDUSTRIAIS TRANSFORMADORAS LUCEAS	SECRETARIA-GERAL DE INDUSTRIAIS ELECTROMECANICAS	SECRETARIA-GERAL DE PROMOCION E EXPLORACAO DE PETROLEO

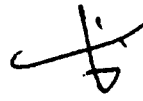


MINISTÉRIO DA INDÚSTRIA E TECNOLOGIA

ANNEX V

COMMUNIQUÉ FINAL  
entre  
le PORTUGAL et l'ONUDI

- 1 - Sur l'invitation de Son Excellence Monsieur le Ministre de l'Industrie et de la Technologie, Ing. Álvaro Barreto, le Directeur Exécutif de l'Organisation des Nations Unies pour le Développement Industriel (ONUDI), Dr. Abd-El Rahman Khane a effectué une visite officielle au Portugal du 5 au 8 mai 1979.
- 2 - Au cours de sa visite le Directeur Exécutif a été reçu en audience par Monsieur le Président de la République, Son Excellence le Général Ramalho Eanes.
- 3 - Il a aussi rendu visite à Monsieur le Ministre des Affaires Etrangères, Son Excellence l'Ambassadeur José Carlos Freitas Cruz.
- 4 - Au cours des discussions qu'il a eues avec Son Excellence le Ministre de l'Industrie et de la Technologie, et les hauts fonctionnaires du Ministère, des questions d'intérêt commun ont été examinées et notamment celles relatives à la coopération entre le Portugal et l'ONUDI, et à l'assistance que l'ONUDI est susceptible d'apporter à l'industrialisation du Portugal.
- 5 - Les domaines de la formation, du transfert de technologie, la planification industrielle ainsi que la contribution des experts et des entreprises portugaises, dans la réalisation des projets d'assistance technique de l'ONUDI aux pays en développement, ont été retenus pour l'élargissement de la coopération entre le Portugal et l'ONUDI.

  
A. Barreto



MINISTÉRIO DA INDÚSTRIA E TECNOLOGIA

6 - Au cours de cette visite le Directeur Exécutif de l'ONUDI et le Ministre de l'Industrie et de la Technologie, ont signé deux projets d'assistance au Portugal dans le domaine du Transfert de Technologie et dans celui de la Formation.

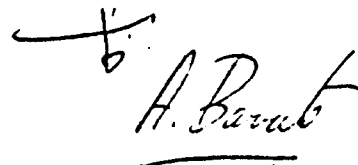
7 - À cette occasion, le Ministre de l'Industrie et de la Technologie a réaffirmé l'adhésion du Gouvernement de la République du Portugal à la Déclaration et au Plan d'Action de Lima, et à la politique de soutien à la coopération internationale pour le développement industriel.

8 - Dans ce cadre, le Gouvernement de la République du Portugal a souligné l'importance qu'il accorde au renforcement du Fonds des Nations Unies pour le Développement Industriel pour lui permettre de jouer pleinement son rôle en contribuant à l'accélération du développement industriel des pays en développement.

9 - De même, il a réaffirmé l'intérêt qu'il porte aux consultations industrielles organisées par l'ONUDI, et s'est engagé à y participer à niveau approprié, de façon à contribuer avec sa propre expérience industrielle.

10 - Le Portugal a également souligné l'importance qu'il attache à la Troisième Conférence Générale de l'ONUDI et a réaffirmé son soutien à l'action de l'ONUDI pour la réalisation, dans le domaine de l'industrie, des principes du Nouvel Ordre Économique International.

11 - Le Directeur Exécutif a exprimé aux autorités portugaises et particulièrement à Son Excellence Monsieur le Président de la République, ses remerciements sincères pour l'aimable invitation qui lui a été adressée, ainsi que pour l'accueil et l'hospitalité qui lui ont été réservés pendant son séjour au Portugal.

  
A. Barab





MINISTÉRIO DA INDÚSTRIA E TECNOLOGIA

12 - Il a invité Son Excellence Monsieur le Ministre de l'Industrie et de la Technologie à visiter le siège de l'ONUDI à Vienne. L'invitation a été acceptée avec plaisir et une date mutuellement convenable sera arrêtée ultérieurement pour cette visite.

Le Ministre de l'Industrie  
et de la Technologie:

Álvaro Barreto

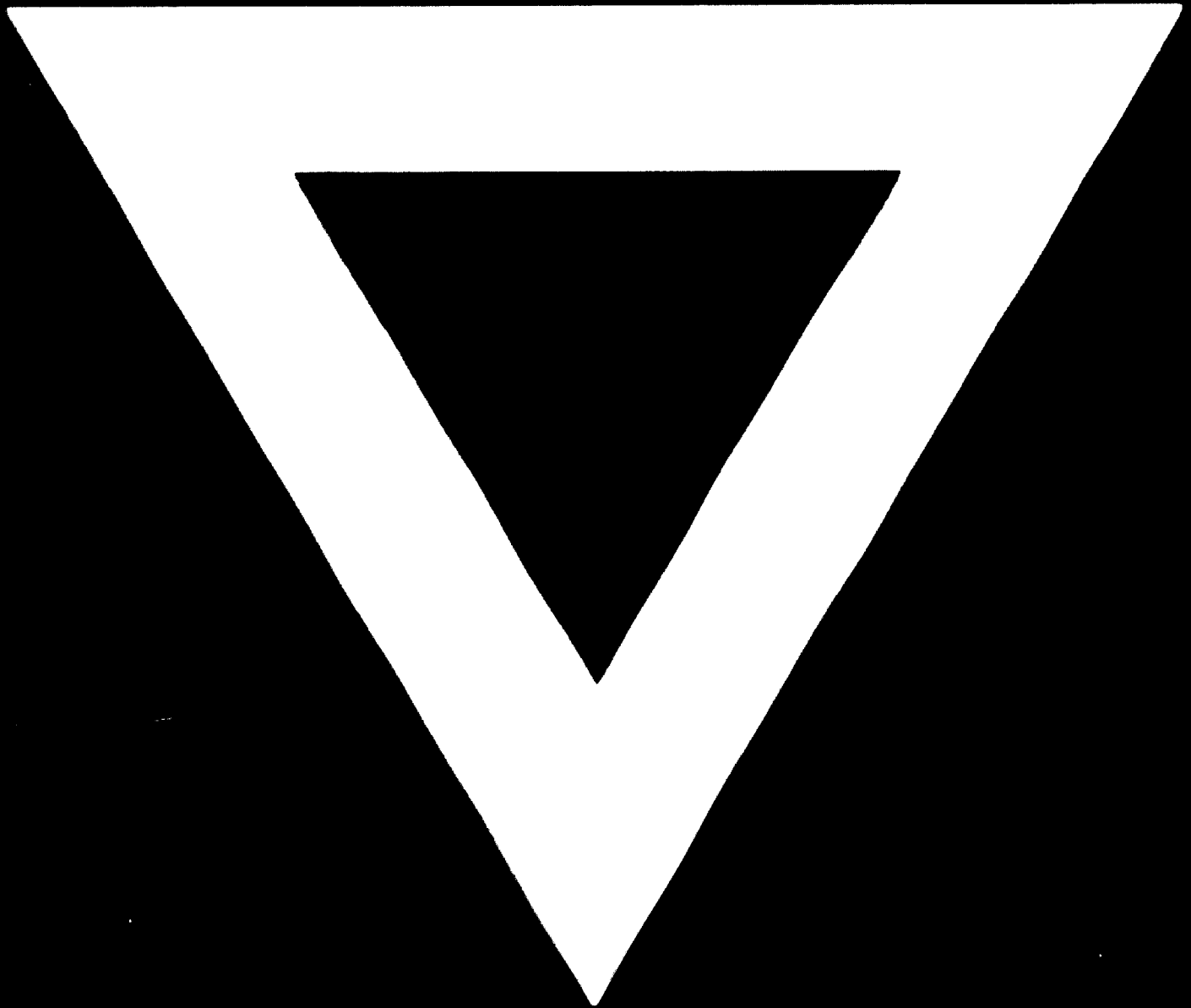
Le Directeur Exécutif  
de l'ONUDI

Abd-El Rahman Khane

Lisbonne, le 7 Juin 1979



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