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SUMMARY RECORD OF THE SIXTY-NINTH MEETING

Held at the Neue Hofburg, Vienna,
on Tuesday, 20 April 1969, at 3.35 p.m.

Chairman: Mr. PETROV (Bulgaria)

Rapporteur: Mr. BILLNER (Sweden)

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We regret that some of the pages in the microfiche copy of this report may not be up to the proper legibility standards, even though the best possible copy was used for preparing the master fiche.

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1. (Director General and Agricultural Director General, FAO) said that his organization had aimed at further co-operation with UNIDO in promoting a balanced development of agricultural processing industries, in the light of the Indicative World Plan which was FAO's main contribution to the Second Development Decade.
2. FAO's Indicative World Plan dealt with the problems of industries processing land and sea products and with other related matters: fertilisers, pesticides, agricultural and forestry tools and equipment, cattle feeds, etc. FAO was developing programmes and projects calculated to lead to rapid industrialization of agriculture and thus to stimulate the development of a number of other manufacturing industries which directly concerned UNIDO. FAO was also engaged in other activities primarily intended to assist in developing an investment strategy. Those activities were undertaken under the FAO programmes of co-operation with industry, with the World Bank and with regional development banks.
3. The purpose of the FAO/Industry Co-operative Programme was to promote a continuous dialogue between the Governments of countries in the process of industrialization and investors in industrialized countries. FAO also exercised an information function and organized meetings on the possibility of carrying out projects connected with the agro-chemical industry, the preservation, processing and marketing of foodstuffs and with forest industries. FAO sought to enlist the co-operation of bilateral aid agencies and had also introduced procedures to facilitate the recruitment, usually on a short-term basis, of industrial experts for its projects. There was room for joint action by UNIDO's industrial promotion services and the FAO/Industry Co-operative Programme because both had the objective of speeding up the industrialization of developing countries. FAO was therefore glad that UNIDO had taken part in the last meeting of the Programme held at Rome.
4. The purpose of the FAO Investment Centre, which incorporated the FAO/IBRD Co-operative Programme, was to orient FAO activities towards investment and secure the co-operation of appropriate financial institutions. The Programme followed

closely the progress of selected IDB projects. In 1968, the Economic Agency and a second joint FAO/IDB/UNEP review was held in order to define the steps to be taken in order to bring selected projects to an investment stage. As regards the industrial investment possibilities, the Programme had taken part in 1968 in the evaluation of a number of projects referred to in the general report.

5. The Board would recognize that the FAO Programmes had been established for the sole purpose of increasing investment possibilities in agriculture and related industry and were based on FAO's experience in pre-investment activities.

6. One of FAO's primary objectives was, on the one hand, to enable industries using agricultural raw materials to continue to play an essential part in providing food for millions of people and, on the other, to raise the standard of living in the developing countries. Some 80 per cent of the population in developing countries lived in a rural environment and roughly 50 per cent of that rural population was under 20 years of age. In order to take that situation into account, the FAO Council had, in 1968, approved a number of measures to modify the structure of the Organization; activities were in future to be concentrated more and more on field operations, and technical personnel, of which an overwhelming proportion had previously been engaged in administrative work, had been relieved of such responsibilities so as to be able to concentrate on technical matters.

7. The technical services continued to be responsible for the execution of field projects but the responsibility for general planning, including evaluation of the economic feasibility of projects and follow-up, had been transferred to FAO's Economic and Social Department. A major innovation in the headquarters structure was that the Development Department was entrusted with the task of ensuring liaison between technical activities and general planning.

8. It was obvious that FAO's Regional and Country Representatives had in future a key role to play in shaping the Organization's policy in their respective regions and countries. They ensured liaison between project managers and their staffs and the governments concerned and thus contributed to the effectiveness of operations.

... and provided a valuable opportunity for the members of the Board to draw upon the competence and experience of the national and regional representatives. The area of co-operation of which the Working Group had studied the importance for improving the world food situation, was evidenced by the close relation that existed between agricultural planning and the development of agricultural industries. Thus it was essential - and that was a matter which the Board had to deal with - simultaneously to develop the production of raw materials and to take full advantage of these materials. It was quite important to improve facilities for storage, processing and transport, and again, was a sphere in which co-operation between FAO and UNIDO could be extremely beneficial.

9. FAO also gave priority to efforts designed to remedy the shortage of protein in many regions of the world and to mobilize human resources, especially youth, for active participation in rural development; it also dealt with such matters as the deterioration in the terms of trade for agricultural products and price fluctuations in traditional export commodities, which hampered development and investment planning; and with the serious problems raised by competition from synthetics and the increasing cost of importing processed food products and other inputs. All those problems would not be solved by FAO alone, but through bilateral programmes, and with the assistance of other United Nations bodies, non-governmental organizations or financing agencies, and, most important of all, by the governments of the developing countries themselves.

10. FAO fully recognized the need to undertake joint action and to strengthen its co-operation with the ILO, UNCTAD, ECA, UNIDO and other bodies in order to achieve the objectives of social and economic development. With respect to relations between UNIDO and FAO, the Working Group had studied the matter in considerable detail and its discussions had clearly brought out the urgent need to harmonize the activities of the two Organizations in the industrial field. In that regard, the interests of the developing countries should outweigh any other consideration. He wished to assure the Board that FAO was most eager to conclude an agreement with UNIDO at the earliest possible date.

11. UNIDO (Poland) should continue to encourage, wherever possible, co-operation in promoting the industrialization and development of countries and that, to fulfil that role effectively, it should appeal to participation by all countries and particularly, the German Democratic Republic, one of the most highly industrialized countries in the world.

12. Poland had given evidence of its willingness to contribute to UNIDO's activities by making voluntary contributions both in 1968 and 1969. It had also made every effort to establish close co-operation between UNIDO and Polish public institutions, industrial branches, research institutes and consulting firms as well as individual high-level specialists. A Polish national committee for UNIDO had likewise been set up, comprising representatives from various branches of public administration and from institutions dealing with practical aspects of industrialization. In the years following the Second World War, Poland had, for its part, pursued a policy of rapid industrialization in the face of great difficulties; its efforts had rapidly borne fruit and been reflected in steady economic growth. That success was to be attributed to the socialist reforms which, by changing the distribution of the national income, rendered it possible to accumulate the necessary funds for financing industrialization. Large outlays had been earmarked for research and for training specialists and technical staff for the various branches of industry.

13. The experience of one country might not, however, be directly applicable elsewhere and it was for each country to adopt a strategy appropriate to it. That was why, in the Working Group, the Polish delegation had emphasized the need for establishing a balance between the different areas of UNIDO's activities. As the Brazilian delegation had pointed out, UNIDO should have its own philosophy of industrial development and should devise industrialization policies adapted to the needs of individual countries, always taking into account the social aspects of development. To fulfil that task it would need to make use of all available specialists, to train new ones and to choose its experts from countries having different economic and social systems. In that connexion, the Polish delegation could not share the view expressed by the Executive Director in document ID/B/WGPC/L.8 that UNIDO should not at the present stage attempt to evolve a general industrialization strategy.

14. UNIDO should continue to attract investments in social resources, which were the main source of growth in industry, and, as to private investment, the Polish Government had been particularly successful in obtaining foreign private capital, which had contributed to the industrialization of developing countries, all measures should nevertheless be taken to safeguard the interests of those countries.

15. In mobilizing internal resources and in implementing an industrial development strategy, it was of prime importance to take also account the role of the public sector in the economy. The Polish delegate noted with satisfaction that the Executive Director was in favour of extending UNIDO's activities to assist the public sector in developing countries. Co-operatives could also play an important role in the utilization of local resources and it would be of great value for the future work of UNIDO if the Board were to pay due attention to that question.

16. With regard to UNIDO's operational activities, he considered that UNIDO's share in UNDP industrial projects should be increased, as advocated by the Board at its second session. He saw no reason for limiting UNIDO's role to that of an executing agency for UNDP in relation to field activities. The autonomous status of UNIDO and its central role in the activities of the United Nations system in the field of industrial development must be safeguarded, and, in view of the close interrelation between operational activities and the research and training programme, UNIDO should discharge its responsibilities in that regard in accordance with the terms of General Assembly resolution 2156 (XVI).

17. The Polish Government was ready to give UNIDO the benefit of its experience, know-how and technical and human resources which, it felt, had not been sufficiently utilized, particularly in regard to the programming of industrial development at the country level. Co-operation could also be arranged between the Polish industrial research institutes and their equivalents in developing countries, particularly in the fields in which Poland had made particular progress, such as mechanical and electrical engineering, shipbuilding, non-ferrous metals, building materials, the textile industry, fertilizers and food processing.

18. During the very early stages of the work of the Commission, the activities of UNIDO had been limited to a few projects, such as those mentioned in the Secretariat. The number of projects had increased considerably, particularly in setting up a training centre in the field of industry in Poland, and there were yet other areas for co-operation, such as on-plant training, research fellowships and technical information services. The possibility of organizing advanced training in industrial management in Poland would perhaps be mentioned also.

19. Mr. ROJSCINIC (United States of America) recalled that UNIDO had been created in response to the developing countries' real needs and fully justified aspirations. He stated that there could be no decisive economic and social progress throughout the world unless the underprivileged countries of Asia, Africa, the Middle East and Latin America could reap the benefits of modern science and technology.

20. UNIDO had one of the most complex tasks in the United Nations family. Industrialization was not a single problem: its economic, social, technical, institutional, financial, fiscal and other aspects were numerous and wide-ranging. Moreover, it had to work in about a hundred countries at very different stages of development. The unique complexity of that task made the choice of its priorities and the orientation of its programmes uniquely difficult.

21. As the Executive Director had pointed out, nineteen United Nations bodies were working on some 1,400 projects directly or indirectly related to industrialization. UNIDO could only play the central part allotted to it by the General Assembly if it adopted a positive and constructive attitude and endeavoured to co-ordinate its activities and programmes with those of other organizations which had already demonstrated their competence and effectiveness in promoting certain aspects of industrialization. Jurisdictional conflicts were bound to delay the planning and implementation of programmes and projects essential to industrial progress in the developing countries. Positive and constructive co-ordination called for the establishment of a common United Nations strategy allowing for concerted action, the maximum use of available expertise and the optimum use of financial resources. Heated talk about the "autonomy" of the "separate" agencies had wearied everyone. No agency within the United Nations system could enjoy complete autonomy, just as there was no room left in the modern world for the notion of unlimited sovereignty.

22. It was recommended that the Board of Directors of UNIDO, and the secretariat, should be directed to give priority to the more significant issues. It was also recommended that the Board of Directors should be directed to give priority to the more significant issues.

23. The first need was for greater concentration of resources. In reviewing the proposed programme, both the Board and the secretariat should give priority to those supporting activities which would yield the greatest benefit from the use of UNIDO's resources. Despite the special emphasis which the secretariat proposed to place on some of its activities, the programme remained too varied and too thin, and an effort must be made to decide in which of the many possible fields of industrial activities UNIDO should concentrate. The report of the Working Group, while constructive, was not very helpful in that regard. The United States Delegation felt that UNIDO might usefully concentrate on (1) the appraisal of overall industrial policies and programmes and of the effectiveness of incentives and measures designed to carry them out; (2) the identification and development of specific industrial projects; (3) assistance with problems of existing industries; (4) the adaptation of technology to the special circumstances of the developing countries; (5) the development of small-scale industry scaled to prospective markets in developing countries; (6) service as a clearing-house for information on all aspects of industrial development of interest to the developing countries. Because UNIDO's resources were limited, it should stimulate rather than do itself: in short, it should act as a catalyst wherever possible.

24. Secondly, UNIDO's field representation should be examined. Emphasis had rightly been laid on the importance of placing a strong staff of industrial field advisers. The United States Government supported the arrangements entered into between UNIDO and UNDP in that respect, and was glad to note that the first group of ten advisers would soon be posted and integrated into the offices of the UNDP Resident Representatives. Such integration would provide the basis for a close working relationship between UNIDO, UNDP and the country representatives of other organizations. Through assistance both to resident representatives and to governments in the formulation of their national development plans, the field advisers would be able to contribute to the integration of UNIDO's operational activities with other

United Nations programme and to establish a network of regional offices in developing countries or the formulation of projects. It was felt that the main connections would be regional economic co-operation and the results of United Nations projects at the headquarters of the programme. The regional offices would fulfill that important function.

25. The question of UNIDO's financial resources was a highly sensitive concern. It was, however, important to distinguish between funds used for UNIDO's regular activities and those assigned strictly to investment. UNIDO's funds came from a wide range of sources: regular budget, voluntary contributions, Special Industrial Services, UNDP, United Nations Regular Programme of Technical Assistance, funds in trust, specific contributions, etc. The situation was inevitable but had major drawbacks. In the case of the United States, the separation of Executive and legislature made it very difficult to obtain the specific Congressional authorizations and appropriations which would permit contributions through all these various channels. The United States Congress did not like a large number of signatures to one and the same organization. Furthermore, contributions for specific purposes could create administrative difficulties for UNIDO and complicate the overall planning of programmes and projects. That was particularly true when voluntary contributions were in non-convertible currency and had to be utilized locally. Such contributions might in the long run become a sort of bilateral programme sponsored by the United Nations and thereby restrict the freedom of choice of organizations and developing countries. The United States delegation hoped that these arrangements could be simplified.

26. UNIDO's shortage of funds also gave rise to some serious problems, but the United States delegation trusted that additional funds could be made available primarily and on an increasing scale by UNDP. Its resources were growing steadily: they were at present about 200 million dollars annually and should be 250 million dollars in 1970 and 350 million in 1973. UNIDO would be bound to benefit from that increase, provided that developing countries with the assistance of UNIDO submitted to UNDP a growing volume of sound industrial programmes and projects.

27. The role of international investment, particularly in the financial and technical fields, was another important topic. Investment capital and the way it should be used, including the role of the IMF in providing investment resources were, as a result, widely discussed. It was agreed that external investment. In fact, the world bank group of countries was supplying increasing amounts of capital to developing countries. The President of the International Bank for Reconstruction and Development had indicated that agricultural lending by the Bank Group over the next five years should quadruple and that for educational development should triple.

28. The role of private investment in the industrial growth of developing countries continued to be a major topic. It was pointed out that notwithstanding the figures quoted out of context by another delegation on the previous day, it normally engendered benefits far in excess of the actual transfer of profits, and contributed to a country's development. Furthermore, the private investor was naturally concerned to train staff and administrators, and endeavored to stimulate local related industries. In any case, a substantial part of the profits remained in the country and was reinvested. Lastly, the 'burden' was illusory, since no country was ever obliged to accept private investment. It was relevant that, when the United States Government had had to restrict private investment abroad for balance of payments reasons, it had given privileged status to developing countries.

29. Another very controversial issue concerned the relative merits of market economies and planned economies. The attitude of the United States Government on that point was not clear. While supporting private initiative, it recognized the importance of the public sector, particularly in countries in the first stages of development. Experience showed that centrally directed economies were by no means the only or even the best path to industrial progress. In the United States, for instance, the industrial sector had been three times as large in 1960 as in 1930, and had grown by a further 50 per cent since 1960. That considerable expansion had taken place within an overall climate of freedom - freedom for innovation, to meet new requirements and to adjust to new needs and opportunities. Moreover, accusations of monopolistic tendencies levelled at the United States economy were unfounded, as the existing anti-trust regulations and all the measures to ensure full employment bore witness.

10. During the 1960s the United Nations had been particularly active in helping to develop the economies of Latin America. As a result, the United States Government was concerned that the economic development of Latin America for its own part, it would use all its efforts to help the United States, and trusted that UNIDO would endeavor to help the other countries in the Western Hemisphere.

11. Mr. SEDIOWO (Indonesia) explained that UNIDO's activities were constantly extending and evolving, owing partly to a close cooperation with the other United Nations bodies and partly to the ever-increasing number of requests for assistance received from member States. Since industrialization was a continuous process, constantly fed by the progress of science and technology, UNIDO was also called upon to make a continuous effort. Nevertheless, if UNIDO wished to give effective help to the countries of the Third World with their numerous and complex needs, it would have to concentrate all its efforts on the strategic aspects of industrial development.

12. The Indonesian Government, on its part, having first successfully taken steps to stabilize the economy and particularly to throttle inflation and attract foreign capital, had launched a five-year development plan hinged on agriculture and shaping industrial activities to its needs. The plan would both provide agriculture with the materials it needed (fertilizers, pesticides, agricultural machinery) and process its products. It gave priority to the reorganization of existing enterprises and to the completion of industrial projects already underway. In its second phase it would implement new industrial projects whose pre-investment potential and viability were currently being studied.

13. The actual investment programme covered six branches of industry; the funds required would essentially be provided from private sources, both internal and foreign. The Indonesia Government had taken various steps to attract foreign capital and to stimulate investment, and that policy had already shown appreciable results.

14. UNIDO's assistance was clearly vital for the successful conclusion of the programme. In 1968 various UNDP technical assistance projects and Special Industrial Services projects had been successfully undertaken in Indonesia. UNIDO's activities for 1968 had proved particularly well suited to the country's

needs. It is stressed that technical assistance for long-term projects in certain strategic sectors where the direct benefits to economic development are small. The Indonesian delegation was in complete agreement with the conclusions reached by the Working Group on UNIDO's work programmes for 1968, 1969 and 1970 and recommended the Board to adopt the report. While considering the Working Group a very useful tool for the Board, the delegation nevertheless believed that its methods of working could be improved. Its documents should be both concise and comprehensive, should consist of duly-checked data and figures, and should indicate the criteria adopted in determining the order of priorities. It would be useful, too, if a dialogue were established between members of the Working Group and the secretariat so that they could examine together the essential aspects of the programme and thus form a true idea of it. The current organization of work - two weeks for meetings of the Working Group and three for the Board - was quite satisfactory and did not need change at the Board's fourth session.

35. In regard to the programme for 1971 and particularly the preparation made for the Second Development Decade, the Indonesian delegation pointed out that UNIDO could not fulfil its central role in the co-ordination of industrial activities unless its financial resources and technical staff were increased; its efforts should be concentrated primarily on certain factors determining industrialization such as technological know-how and management methods. High-level consultations between UNIDO and the governments of the countries concerned would be of great value for that purpose. The contacts Indonesia had had with such institutions as the International Monetary Fund and the World Bank convinced it of the worth of an objective and impartial evaluation of the results obtained by the international organizations.

36. As for UNIDO's role in the Second Development Decade, it should be able to fix the growth rate of the industrial sector in the developing countries, to evaluate the amount of the required capital, and to define industrial priorities. It would furthermore be able to suggest to the developing countries, with such different natural resources, markets and technological levels, the criteria they should adopt in order to attain certain top-priority objectives. Studies were of course necessary to determine these objectives and priorities.

37. The administration of activities in the secretariat should be organized to establish itself progressively, first on a limited scale and then on a more systematic basis. The Indonesian delegation was particularly concerned with this aspect, concluded, in particular with the regional economic commissions. It was also important for UNIDO, which any delay was bound to weaken, was thus the program to be coordinated with other bilateral multilateral aid programmes.

38. Mr. VAVASSEUR (France) said that the secretariat had made a very great effort in the presentation of the programme. He nevertheless considered that it would be desirable in future to reduce the volume of documentation, in order to ease the burden on the secretariat.

39. His delegation had questions regarding the distinction constantly made between "field activities" and "supporting activities"; the latter term covered a very wide variety of activities, which could not even be said to be financed from a single source, since only some came within the purview of UNDP.

40. In addition, the statistical tables were often difficult to compare one with another, perhaps because they had been drawn up in different sections of the secretariat; it would be useful to take up the suggestions in the report of the Working Group - in other words, to omit some of the details and figures from the documentation and perhaps to entrust to a single Secretariat department the task of preparing a document giving statistical references.

41. The first session of the Working Group had provided an opportunity for a careful examination of the programmes in a calm atmosphere, and he thought that, in order to improve the functioning of the Group even further, each member State should limit its representation at the next session to one or two experts who were highly specialized in the problems of technical assistance for industrial development; these experts would engage in an immediate and continuous dialogue with the heads of sections of the secretariat and propose methods for improving the activities of UNIDO and filling in those activities.

42. The Special Industrial Services programme appeared to meet specific needs felt by developing countries, without duplicating other forms of assistance, and his delegation was pleased to note that a way was being actively sought of placing part of the resources of UNDP, which was the essential source of financing for multilateral technical assistance, at the disposal of SIS.

43. The UNIDO field office system, which had been fully operational, enabled UNIDO to respond in the past not only to requests for technical assistance by particular countries but also to specific problems raised by them. However, the experience of headquarters staff would be to assist countries which needed to work out a general industrialization policy and perform complex planning tasks: it would therefore be desirable to send more 'high-level missions', provided that they remained exceptional in nature and were fully justified by the magnitude of the difficulties to be resolved.

44. With regard to UNIDO's long-term aims, the terms suggested by the Executive Director in the Working Group were not completely in line with his delegation's own ideas, but they provided a basis for an ongoing joint consideration. UNIDO should, in particular, go beyond the role of an agency for executing technical assistance programmes and should seek ways of serving as an intermediary between the requests of the developing countries on the one hand and the resources and technology available on the other, without any **exclusions**.

45. The promotional role of UNIDO was undoubtedly essential but it represented only one of the functions which UNIDO should perform during the coming years within the framework of the Second Development Decade, and the Organization should be able to avail itself of the opportunity presented to it for drawing up guidelines for industrialization, which was an essential aspect of development.

46. Mrs. SAILER (Austria) said that in two years UNIDO had established itself as a body in its own right and integrated itself into the framework of the different United Nations organizations for development assistance. Intelligibly, owing to its youth, it had been inclined to expand in various directions in order to gather the experience necessary to enable it to decide on priorities. However, the time had apparently come to try to form ideas about priorities for its supporting activities. Identification of areas of priority, moreover, must be founded on data of past activities, which indicated the areas of most frequent demand for assistance.

47. The Organization should be given time to acquire the experience and knowledge necessary to make its assistance as effective as possible; and that acquisition should be logical and systematic. Every project executed was thus an opportunity not only to render service but also to increase UNIDO's stock of practical knowledge to be used for better and more effective assistance.

48. There might be some room for improvement in the way the problem was handled. The problem was not essentially administrative but rather economic, involving UNIDO's different functions and activities and the way they were organized. The structure of UNIDO's programme into four or five components, each with its own administrative or administrative characteristics or channels of co-ordination, was rather cumbersome in its work. The Austrian delegation would welcome efforts to define UNIDO's area of competence more precisely. In these efforts particular attention should be devoted to SIS-type services, with the aim of finding a continuous source of financing.

49. As had already been said, the emphasis in UNIDO's efforts ought to be set on operational activities. Since the field advisers had a decisive role to play in that effort, the procedures for placing them in the field should be speeded, because the local level was where UNIDO could give the greatest assistance.

50. UNIDO clearly could not provide answers to all questions on industrialization; its part must be somewhat catalytic and it should attempt to fit itself as efficiently as possible into the industrialization policies and programmes of the developing countries. In the process of industrialization the social element functioned both as cause and effect. In that context, she referred to the excellent statement made, before the Working Group by the Director of the Social Development Division of the United Nations, who had pointed out the need to include consideration of social aspects of the industrialisation process in the earlier stages of industrial development planning.

51. The Austrian delegation shared the opinion that the Working Group had accomplished very valuable work and should be retained in some form or other. It would be interesting to consider the proposals made for the Working Group's organization and timing. A considerable interval should be left between the sessions of the Working Group and those of the Board so that the Board might consider in depth the results of the Working Group's deliberations.

52. The Austrian delegation fully appreciated UNIDO's efforts for the Second Development Decade. UNIDO certainly had a part to play in the process of development; but an attempt to elaborate a uniform strategy of industrial development did not seem a very practical approach to the problem. Whereas the objectives of industrialization were clearly defined, the methods and techniques of reaching them were

not, but varied with the underlying social and economic systems. UNIDO should not give up its proper place in the Decade, but should never lose sight of the basic role defined for it by the General Assembly of the United Nations.

53. Mr. DIALLO (Guinea) considered the report of the Working Group a workmanlike and valuable document reflecting a view of UNIDO's role that generally corresponded to that of the Guinean delegation.

54. Under-development was one of the most burning problems of the age. It was less a result of lack of facilities in the less advanced countries than of their exploitation by certain developed countries. That essential aspect should be borne in mind when discussing the industrialization of the developing countries. If UNIDO wished to assume its legitimate central and dynamic role in the industrial promotion of such countries, it must defend their interests and fight beside other United Nations bodies for the complete abolition of economic domination.

55. Economic development and, above all, industrialization were the real base of national independence. The Guinean Government had accordingly mobilized all national forces from the outset in an attack on all aspects of under-development. It had resolutely chosen a planned development in which all energies and all resources were directed towards satisfying the essential needs of the population and constituting reserves for continuous economic progress.

56. However, to ensure the development of the country the Guinean Government had also had to influence thinking, and that was the level at which UNIDO should intervene. It should help to make the less advanced countries aware that their economic development depended first and foremost upon themselves.

57. While fully asserting that responsibility of the developing countries, the Guinean delegation did not wish to reject bilateral or multilateral economic co-operation. On the contrary, co-operation was a necessity for all States, whatever their stage of development; but it could valuably supplement the national efforts of developing countries only in so far as it was based on the principles of reciprocity, equality and mutual respect.

58. The Guinean delegation did not consider it expedient to set up an advisory organ as an intermediary between the Board and the Executive Director. The Board itself should be his mainstay and only adviser.

The meeting rose at 6.30 p.m.



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