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SUMMARY RECORD OF THE ONE HUNDRED AND TWENTY THIRD MEETING

Held at the Neue Hofburg, Vienna,
on Friday, 26 May, at 10.20 a.m.

President: Mr. BRILLANTES (Philippines)
Reporteurs: Mr. HAWISA (Libyan Arab Republic)

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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.

REPORT OF THE WORKING GROUP ON PROGRAMME AND CO-ORDINATION

(ID/B/L.109 and Add.1, ID/B/97 Part I and Corr.1, Part II, Add.1 and Corr.1, and Add.2 and Corr.1, Part III, ID/B/98 and Add.1-5; ID/B/99, ID/B/100; ID/B/101; ID/B/107; and ID/B/L.111)

1. The PRESIDENT invited the Board to consider the report of the Working Group as contained in document ID/B/L.109.
2. Mr. LEDUC (France) said that his delegation had no objection to adopting the Working Group's report, but that it wished to make a few comments.
3. The documentation was interesting and well presented but largely useless because it was distributed too late. Some documents in French did not reach Paris before the opening of the Board's session. His delegation hoped that the various suggestions for reducing the documentation and adapting it to meet the requirements of the two sessions of the permanent committee would make it possible to have all the documents translated and distributed four to six weeks before the meetings.
4. With regard to the volume of the programme, which was to be increased from US\$17 million to US\$30 million, the very desirable increase in UNIDO's activities appeared to depend on two factors: that the industrialization projects submitted by the developing countries and approved by UNDP were themselves increasing considerably in number, and that the new projects were entrusted to UNIDO for execution and not to other organizations. UNIDO's share in the execution of UNDP projects in the industrial field was very small and of the order of 15 per cent. It seemed that the Board would be very interested to have comments on that percentage. A very large majority of projects were being entrusted by UNDP to older organizations than UNIDO that had more resources and possibly better personnel and experts. UNIDO's co-ordinating role and volume of operations would depend on the quality of its services. Should not UNIDO, therefore, be devoting its efforts to activities not duplicated by the other organizations? What was the use, for example, of expending considerable effort on the food and fishing industries when there was insufficient money for other activities? Similarly, although his Government attached great importance to vocational and industrial training and fully approved the emphasis put in document ID/B/101 on the training of national personnel in their countries of origin, other organizations in the United Nations system were already engaged in such training, as was the case, too, with protection of the environment. His delegation shared the view that the scarce resources available should be devoted to urgent needs in which other organizations were not engaged.

5. He observed that there had still been no progress over the question of fellowships, which had engaged the Board's attention during its previous two sessions. The number of candidates was still distinctly smaller than the number of fellowships offered.
6. His delegation shared the view that operational activities should be increased at the expense of those headquarters activities which did not directly support them. There should be the largest possible number of speedily profitable operations, industrial projects and feasibility studies, but there should be a decrease in expenditures on publications and studies and tighter control of symposia and seminars, which were often very expensive in terms of the results they produced.
7. His delegation wished to congratulate the Executive Director on the emphasis put, for example, in some African countries on small-scale and medium-scale industries, but failed to understand why that group was separated from the other industrial groups and linked to a division dealing with completely different problems. There should be an evaluation, by an independent expert, of the results achieved in that sector.
8. With regard to the evaluation of UNIDO's activities, as in the previous year the presentation of the reports varied very considerably. Some gave precise figures and details, and attempted to evaluate the results achieved, whereas others merely gave over-all figures and a summary of what had been done. His delegation considered that such reports should be presented in a uniform way and should seek, above all, to evaluate the impact of UNIDO's action. They should, as far as possible, be compiled by independent observers. It was clear that UNIDO's effectiveness was being thwarted by the slow recruitment of experts and that the SIS procedure regarding that crucial issue was hardly faster than the procedure for a normal UNDP project. More use should be made of service contracts with research bureaux, some of which had engineers and experts of various nationalities. It might perhaps be more expensive, but the experts would probably be of higher calibre and action would be very much speedier, all of which, together with a better analysis of requests, would give UNIDO's activities a truly industrial character. His delegation appreciated, however, the effort made to achieve improved evaluation of UNIDO's activities and hoped that it would be continued, particularly with regard to SIS.

9. The question of the SIS programme was vital. It was clear that the Ad Hoc Committee had not solved the problem and that there was still no agreement about joint directives by the Administrator of UNDP and the Executive Director of UNIDO. A second absence of agreement was in regard to the allocation of funds to SIS. The whole purpose of the SIS programme was to reply to requests of an urgent and unforeseeable nature. Other organizations in the United Nations system were able to meet such needs out of their own resources, since they had a large ordinary budget at their disposal; but that was not the case with UNIDO and it was therefore necessary to see that the Organization had the requisite funds for that purpose. It was essential that the procedure should be much more rapid than was often the case at present, and that only projects of a modest financial character, meeting the criteria fixed, should be put forward for financing out of the SIS budget. The evaluation reports showed that those criteria were not always strictly observed, and his delegation felt that every effort should be made to ensure that UNIDO's dossiers were the best possible.

10. With regard to the allocation of funds, the UNDP representative had spoken of US\$3 million for 1972 and a larger figure for 1973. His delegation had asked that, of the US\$9 million in the UNDP reserve fund, US\$5 million should be devoted to the 25 least developed countries. It did not consider, therefore, that the figure given by the UNDP representative could be much exceeded, and the amount should in any case be more or less sufficient even though, if necessary, the cost of SIS for the 25 countries concerned was charged to the amounts allocated to them. It was not for the UNDP Administrator, but for its Governing Council, to decide on that matter.

11. His delegation considered it highly desirable that joint detailed instructions should be drawn up by the Administrator of UNDP and the Executive Director of UNIDO, and that the instructions should take the fullest account of UNIDO's needs. But UNDP should retain its power to take financial decisions as also to choose the executing agency. His delegation indeed hoped, as the UNDP representative had indicated, that the joint detailed instructions were well on the way to completion, because UNIDO could prosper only if it had the support and the confidence of UNDP.

12. The PRESIDENT drew attention to resolution 1623 (LI) of the Economic and Social Council calling for reduction in the volume of documentation. He suggested that the Board simply take note of the Working Group's report and refer to it in its report by the relevant symbol so as to avoid having to reproduce the whole text of the Working Group's report which would add very considerably to the length of the document.
13. Mr. VASILIEV (Union of Soviet Socialist Republics) said that the material in the Working Group's report was very useful and very definitely should be brought to the attention of the Economic and Social Council and the General Assembly. He appreciated the difficulty, to which the President had referred, concerning the length of documents but considered that the disadvantages were outweighed by the advantages of incorporating what was, after all, the last report of the Working Group in the Board's report.
14. Mr. STABRAVI (United States of America) agreed with the previous speaker that the report of the Working Group was very useful and that its comments should be readily available to the members of the Economic and Social Council and the General Assembly. But he considered that the President's suggestion was very pertinent and that any delegation to those bodies desiring to study the Working Group's report would easily be able to obtain a copy of the text.
15. The PRESIDENT invited the Board to approve the Working Group's report as contained in document ID/B/L.109, the text of which would not be incorporated in the Board's report, it being simply referred to by its symbol.
16. It was so decided.

CONCLUSIONS OF THE AD HOC SUB-GROUP ON DOCUMENTATION (ID/B/L.111)

17. Mr. STARKASS (Egypt), Chairman of the Ad Hoc Sub-Group on Documentation, suggested that the conclusions of the Sub-Group be referred by the Board to the Secretariat, that the Secretariat make a careful study of the conclusions and present its recommendations at the seventh session of the Board with a view to improving the documentation, and that the Secretariat be requested to implement before the seventh session of the Board any conclusions it might consider feasible as a result of its study.

18. Mr. JACKSON (United Kingdom), supported by Mr. STIBRAVY (United States of America), said that, while it was important to bear in mind that the terms of reference of the proposed permanent committee had not yet been decided, the Board should go one step further than the suggestion of the Chairman of the Ad Hoc Sub-Group by endorsing the substance of the Sub-Group's conclusions.
19. Mr. ABDELAZIZ (Algeria) fully supported the Egyptian suggestions and emphasized that documentation should reach members of the Board at least four to six weeks before a session.
20. Mrs. VERVALCKE (Belgium) said that the Egyptian suggestion was very sensible, but she supported the view expressed by the United Kingdom that the Board should approve the substance of the conclusions. Documentation had long been a subject of discussion in the Secretariat and among delegations, and it was time that a solution was found to the problem so that the Board and the future permanent committee were not overburdened with it. She supported the Algerian view that documents should reach delegations at least four to six weeks before the beginning of a session so that experts in the national capitals could make a proper study of them.
21. Miss STEEG (Federal Republic of Germany) supported the suggestion of the Chairman of the Sub-Group, as amended by the United Kingdom delegation.
22. Mr. ABDEL-RAHMAN (Executive Director) said that if, as was recommended by the Sub-Group in paragraph 6 (1) of document ID/B/L.111, the present Part III of the work programme document were no longer presented to the Board as an official Board document, the volume of documentation would be reduced by at least one-third. The other conclusions of the Sub-Group would need to be very carefully studied before being implemented and their value with regard to documentation reduction was in any case relatively small.
23. Mr. VASILIEV (Union of Soviet Socialist Republics) expressed approval of the suggestion made by the Chairman of the Sub-Group, which, in view of the helpful explanation given by the Executive Director, should receive the full support of the Board. It should be borne in mind that the aim was to try and improve the documentation, which already was in general of an excellent standard. Only the Secretariat, given adequate time, could produce satisfactory guidelines for the Board concerning what could be achieved in practice.

24. Mrs. VERVALCKE (Belgium) said that the quality of Part III of the work programme document had been improving each year and that the work of delegations to the Board should not be prejudiced. She asked the Executive Director whether the information given in the present Part III of the work programme document would cease to appear at all.
25. Miss NIELSEN (Denmark) supported the suggestion of the Chairman of the Sub-Group, but wished to add that the Secretariat, when studying the Sub-Group's conclusions, should take account not only of what had been said in the Sub-Group but also of what had been said in the Board.
26. Mr. MILLNER (Sweden) said that the matter should be viewed in the light of the proposed permanent committee whose work programme had not yet been decided. The suggestion made by the Chairman of the Sub-Group and amended by the United Kingdom delegation was sensible, but the proviso should be added that the matter would be kept under review by the permanent committee. It was very necessary that the Executive Director should advise the permanent committee on the situation regarding documents. The permanent committee would have the very important question of evaluation of UNIDO's work programme before it each year, but document ID/B/L.111 made no reference to that task. He emphasized that there should be appropriate documentation upon which the permanent committee could base its deliberations.
27. Mr. SIARKAS (Egypt), Chairman of the Ad Hoc Sub-Group on Documentation, said that the members of the Sub-Group had been of the opinion that the time available for its deliberations was not sufficient for the preparation of formal recommendations. They had, therefore, decided that the best procedure would be to determine a general objective, and to provide relevant guidelines which would not be excessively binding on the Secretariat, but would leave it free to examine different possibilities of acting upon the Sub-Group's conclusions. The Board might wish to adopt the same approach.
28. Mr. LOPEZ RUIZ (Cuba) said he understood that if the measures referred to in paragraph 6 (1) of ID/B/L.111 were implemented, the information hitherto contained in Part III of the work programme document, which was mostly of a statistical and tabular nature, would continue to be available in one language, presumably English. If that understanding was correct, he would support the suggestion. At the same time, and

with reference to the remarks by the representative of Sweden, he observed that the permanent committee might require a volume of documentation which could reduce the savings effected by such measures; experience alone would clarify the situation. But the Board was perfectly entitled to modify any of its decisions at a later date, and he considered that it could safely endorse the present conclusions of the Sub-Group.

29. Mr. JACKSON (United Kingdom) suggested, in a spirit of compromise, that, in addition to adopting the Egyptian and Danish suggestions, the Board might commend the conclusions of the Sub-Group, adding a proviso that it did so on the understanding that the issue would be reviewed in due course in the light of the establishment of the permanent committee.

30. The PRESIDENT suggested that the Board might take note of the conclusions of the Ad Hoc Sub-Group on Documentation, and request the Executive Director, taking into account the views expressed in the Working Group on Programme and Co-ordination and also during the current session of the Board:

- (a) To study the conclusions of the Ad Hoc Sub-Group on Documentation and report thereon to the seventh session of the Board;
- (b) In the meantime, to implement such portions of those conclusions as were deemed feasible and desirable (and in particular the provisions of paragraph 6 (1) of ID/B/L.111);
- (c) To draw the attention of the permanent committee to the conclusions of the Ad Hoc Sub-Group, and to the views expressed thereon by the Working Group on Programme and Co-ordination and the Board.

31. Mr. SHARKASS (Egypt), Chairman of the Ad Hoc Sub-Group on Documentation, fully supported the suggestion by the Chair.

32. Mr. LEDUC (France) considered that the proposal that Part III of the work programme document should no longer be presented to the Board as an official document was reasonable. He reserved his delegation's position, however, concerning the second part of the proposal, observing that the services of his Government in Paris would require the information formerly contained in Part III, and in the French language.

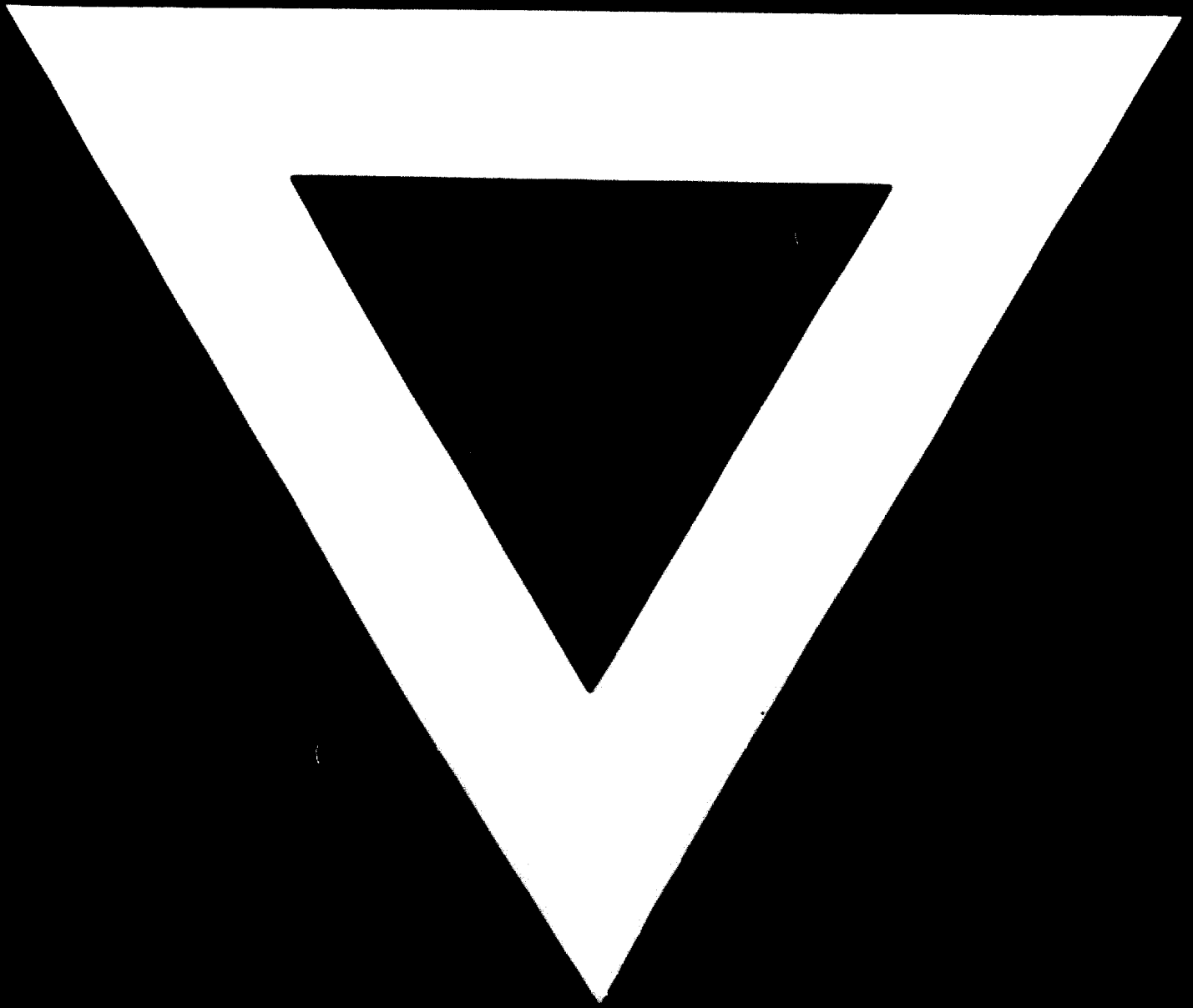
33. Mrs. VERVALCKE (Belgium) believed that the information contained in Part III of the work programme document might be presented more economically, but could not agree that such information was basically statistical and tabular. On the contrary, the document was of the utmost importance as the sole source of detailed information concerning UNIDO's participation in country programming. Such information should, as a matter of principle, be provided in the working languages of UNIDO.
34. Mr. BARBOSA (Chief, Financial Services) said that the Executive Director would appreciate a full clarification of the wishes of the Board on the matter, in view of the fact that the possible savings to which he had referred would be mainly effected through the elimination of translation.
35. Mr. VASILIEV (Union of Soviet Socialist Republics) insisted that any document of an official nature must be issued in all the working languages.
36. Mr. LOPEZ MUÑO (Cuba) said that the Spanish-speaking delegations had accepted the original interpretation of the Executive Director in a spirit of co-operation in the quest for savings in documentation. In the light of the remarks of other delegates, however, he would withdraw his earlier comments, and press the equal claims of the Spanish language.
37. The PRESIDENT stressed that the Executive Director had referred to savings which could be made if Part III of the work programme document ceased to be an official Board document. But the information contained in that document would be available to delegations in Vienna and upon request, in some other suitable form. If the Board really desired to effect economies in documentation, its members - who surely possessed the necessary translation services - should make an effort to restrain their personal requirements. He observed that the Executive Director, in preparing his report on the matter to the seventh session of the Board, would certainly bear in mind the views expressed during the present discussion.

CREDENTIALS

38. The PRESIDENT reported that in accordance with the provisions of paragraph 2 of rule 17 of the rules of procedure of the Industrial Development Board, the officers of the sixth session had not to consider the credentials of delegations, and had found them to be in order.
39. The Board took note of that report.

The meeting rose at 11.40 a.m.





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