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INDUSTRIAL DEVELOPMENT BOARD

First Session

SUMMARY RECORD OF THE TWENTY-EIGHTH MEETING

Held at Headquarters, New York,  
on Monday, 1 May 1967, at 8.45 p.m.

AGENDA

Consideration and adoption of draft resolutions (ID/B/L.11, L.17, L.19)  
(continued)

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Members (continued):

<u>Members (continued):</u>	Mr. ARANA	Spain
	Mr. SAHLOUL	Sudan
	Mr. HULTNER	Sweden
	Mr. DAHINDEN	Switzerland
	Mr. VISESSURAKARN	Thailand
	Mr. ARCHIBALD	Trinidad and Tobago
	Mr. CUHRUK	Turkey
	Mr. KASATKIN	Union of Soviet Socialist Republics
	Mr. BADAWI	United Arab Republic
	Sir Edward WARNER	United Kingdom of Great Britain and Northern Ireland
	Mr. GOLDSCHMIDT	United States of America
	Mr. MONTERO	Uruguay
	Miss CAMPBELL	Zambia

Observers for Member States:

U BA YIN	Burma
Mr. CARRANCO AVILA	Mexico

Representatives of specialized agencies:

Mrs. deLOPEZ	International Labour Organisation
Mr. WOODWARD ) Mr. ATEN )	Food and Agriculture Organization of the United Nations

Representatives of other United Nations bodies:

Mr. GEOGHEGAN	United Nations Development Programme
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Secretariat:

Mr. ABDEL-RAHMAN	Executive Director, United Nations Industrial Development Organization
Mr. BIRCKHEAD	Acting Director, Division for Administration and Finance

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PRESENT (continued):

Secretariat (continued):

Mr. JUAN CABALLERO

Director, Technical  
Co-operation Division

Mr. OSHINS

Director, Industrial  
Services and Institutions  
Division

Mr. STORDEL

United Nations Conference  
on Trade and Development

Mr. SYLLA

Secretary of the Board

ADOPTION AND ADOPTION OF DRAFT RESOLUTIONS (ID/B/L.11, L.17, L.19) (continued)

The PRESIDENT drew the Board's attention to the three draft resolutions which had been submitted on agenda items 5 and 6 (ID/B/L.11, L.17, L.19). As the draft submitted by Jordan, Nigeria and the Sudan (ID/B/L.17) incorporated many of the points contained in the other two draft resolutions, he proposed that it should be considered first.

It was so decided.

Mr. OLUMIDE (Nigeria) said that although draft resolution ID/B/L.17 was originally sponsored by only three delegations, it commanded the support of the group of twenty-five as a whole. It also took into account many of the points made by members of other groups.

The sponsors attached particular importance to the word "urgent" in the third operative paragraph I, and were insistent that operational activities should be undertaken primarily in response to the request of Governments, as stated in operative paragraph II (a). In operative paragraph II (c), the purpose of sub-paragraph (i) was to ensure that expenditure on research not specifically designed to improve the effectiveness of operational activities was reduced to the minimum. The second sentence of sub-paragraph (ii) was intended to ensure that UNIDO did not waste time and resources on research activities which duplicated the work of other institutions. With regard to the third sentence of the same paragraph, a number of delegations had argued that information on industrial trends was already available in the World Economic Surveys. The sponsors agreed that the Surveys contained some of the information required, but thought that UNIDO should prepare more detailed information and statistics for the guidance of the Board.

The list of operational activities in operative paragraph II (e) did not include activities which the Board had not considered previously. Items 1-7 were taken from a conference room paper prepared by the Group of Twenty-five, and the list as a whole was based on the relevant provisions of General Assembly resolution 2152 (XXI). It should not be regarded as a formal statement of UNIDO's programme, but merely as a declaration to Governments of the kind of assistance which UNIDO could be expected

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(Mr. Olumide, Nigeria)

to provide. With regard to items 3 and 4 in the list, the sponsors hoped that UNIDO would not, like JNDP, expect recipient Governments to contribute 50 per cent of the costs of pre-investment and economic feasibility studies. The developing countries found it extremely difficult to allocate any considerable proportion of their initial resources to studies of that kind. Training, management and productivity (item 14 (d)) were partly the concern of UNCTAD, and the foot-note to that item drew attention to the need for effective co-operation between UNIDO and UNCTAD on training and management problems. UNIDO would also have to co-operate with the other international organizations concerned in providing assistance under item 14 (f).

The sponsors were particularly anxious that assistance in the form of field missions should be provided only at the request of Governments, and had included a provision to that effect in operative paragraph II (f).

The list of projects to be deleted or deferred set out in the annex to the draft resolution was somewhat shorter than those which had appeared in earlier informal papers. The Secretariat had explained to the sponsors of the draft resolution that some of the projects which had previously appeared to be unnecessary or of low priority were in fact relevant to the programme as a whole. However, the sponsors were still convinced that time and resources could be saved if eight of the projects mentioned in the programme of work (ID/B/4) were deleted or deferred.

Mr. Lubbers (Netherlands), Vice-President, took the Chair

Mr. TELL (Jordan) stressed that draft resolution ID/B/L.17 was based on the provisions of General Assembly resolution 2152 (XXI), and that it did not involve any new proposals or new interpretations of previous proposals. He hoped that it would be adopted unanimously.

Mr. FIGUEROA (Chile) said that the foot-note to item 14 (d) in operative paragraph II (e) should relate also to item 8, as UNIDO would certainly have to co-operate with UNCTAD on matters affecting marketing and distribution. The purport of the foot-note itself could be made clearer by inserting the words "paragraph 29 of" before the words "General Assembly resolution 2152 (XXI)".



(Mr. Figueroa, Chile)

The Spanish text of the draft resolution should be revised to bring it closer to the English text.

Mr. TELL (Jordan) said that the sponsors would accept the amendment proposed by the representative of Chile. It was their intention that UNIDO should cooperate closely with other organizations wherever possible.

Mr. WOLDSCHMIDT (United States of America) said he believed that the intention of the sponsors would be reflected more clearly if the foot-note was deleted and a new sub-paragraph (g) was inserted at the end of operative paragraph II, reading as follows:

"(g) As appropriate, assistance shall be undertaken pursuant to the provisions of co-ordination and co-operation contained in General Assembly resolution 2152 (XXI)."

Mr. TELL (Jordan) said that he had no objection to the United States representative's suggestion.

Mr. BELEOKEN (Cameroon) said that, on first reading, his delegation found draft resolution ID/B/L.17 an excellent text. He proposed, however, that the words "and regional and sub-regional economic groupings" should be inserted after the word "Beirut" in paragraph II (e), item 11. The first United Nations Conference on Trade and Development had recognized the value of such groupings. In many regions and sub-regions - Central Africa, for example - there were economic groupings which needed assistance in the planning of industrial development.

Mr. KASATKIN (Union of Soviet Socialist Republics) said that, as draft resolution ID/B/L.17 had not been circulated until shortly before the meeting, his delegation could not participate fully in the discussion of it and reserved the right to comment further at a later meeting.

Even on a first reading, he had found some contradictions and inappropriate statements in the draft resolution. While he had no objection to the Cameroonian amendment, he thought that the emphasis should be placed not so much on the assistance which UNIDO might give to regional economic groupings as on the use which UNIDO might make of the experience acquired by such groupings.

(Mr. Kasatkin, USSR)

Paragraph 11 (e) item 9, referred to the development of export-oriented industry but did not mention the development of import-substitution industry, which was certainly quite as important. Moreover, the draft resolution did not state clearly or directly that UNIDO's central role should be promotional. The Executive Director, in his statement to the Board (ID/B/12), had expressly endorsed that conception of UNIDO's role; the same idea was stated plainly in draft resolution ID/B/L.19. Furthermore, the draft resolution under discussion did not lay sufficient stress on the role of governmental organs in dealing with the problems of industrial development - a role which was, in fact, decisive. He had been surprised to hear the statement that the sponsors had taken the views of other groups into account, since those of the socialist States had been given only slight consideration. Consequently, he could not agree with the representative of Cameroon that draft resolution ID/B/L.17 was an excellent text.

Mr. PATRICOTA (Brazil) said that he considered draft resolution ID/B/L.17 a collective work, since it included various ideas contributed by almost all the members of the Board. He supported the Cameroonian proposal that mention should be made of assistance to regional and sub-regional economic groupings; such assistance which would be particularly helpful to the integration movement in Latin America, should be provided not only indirectly through regional organizations but also directly through studies of such topics as complementarity.

Mr. FORTINME (Belgium) said that the English version of draft resolution ID/B/L.17 was a good text but the French translation needed substantial revision.

Mr. TELL (Jordan), commenting on the Cameroonian amendment, pointed out that the wording of item 11 had been taken from General Assembly resolution 1803 (XVI). Moreover, the draft resolution already provided for assistance to regional and sub-regional economic groupings, since it stated that requests of Governments should be the primary consideration in initiating operational activities, and the requests of economic groupings were simply the joint requests of several Governments.

In reply to the USSR representative, he stressed that the guidelines set out in draft resolution ID/B/L.17 were not intended to be all-inclusive. If Governments requested assistance for the development of import-substitution industries, it would be granted. Although the sponsors of the draft resolution had not included the Executive Director's definition of the role of UNIDO in their text, they had full confidence in him and relied upon him to ensure the success of UNIDO's work.

Mr. MacLAREN (Canada) welcomed draft resolution ID/B/L.17. He proposed the addition to paragraph II (f) of a sentence reading: "The office of the Resident Representative should be utilized for the submission of national requests for assistance." There was general agreement that the offices of the Resident Representatives must be strengthened; that view had been repeatedly stated in the Economic and Social Council, and it should be taken into account in the present context.

Mr. KASATKIN (Union of Soviet Socialist Republics) said he regretted that draft resolution ID/B/L.17 was not sufficiently comprehensive. If UNIDO had been intended to play the same role as other United Nations bodies, there would have been no need to establish it as an autonomous organization. He had cited the Executive Director's definition of UNIDO's role because he agreed with him on that point. Lastly, he pointed out that the Board had to consider not only draft resolution ID/B/L.17, but also the other draft resolutions before it (ID/B/L.11, L.19).

Mr. HERRAN-MEDINA (Colombia) said that draft resolution ID/B/L.17 seemed to be a very good combination of the various views on the work programme of UNIDO expressed by the different groups in a number of papers. However, he would like to suggest some slight amendments. In paragraph II (e), item 12, the words "including their co-ordination" should be inserted after the words "programmes and projects of industrial development". The need for co-ordination was stressed in General Assembly resolution 2152 (XXI), paragraphs 27-36, and it should be mentioned in the resolution adopted by the Board. He agreed with the representatives of Cameroon and Brazil that a reference to regional and sub-regional groupings should

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(Mr. Herran-Medina, Colombia)

be included. The importance of co-ordination at that level had been stressed in the Declaration of Bogotá, signed in August 1966 by the Presidents of Chile, Colombia and Venezuela and by the personal representatives of the Presidents of Ecuador and Peru, and had been reaffirmed at the recent meeting of Heads of State at Punta del Este.

Mr. BELEOKEN (Cameroon) pointed out that the wording of his amendment to item 11 was based on the same source as that of item 11 itself, namely, General Assembly resolution 2152 (XXI), part II, paragraph 2 (a) (vi). While the resolution adopted by the Board could be wider in scope and more explicit than the Assembly's resolution, it could not say less than the latter; he therefore considered that an amendment along the lines he had proposed was necessary, and the exact wording of General Assembly resolution 2152 (XXI) could be used if that was preferred by the Board.

Mr. GOLDSCHMIDT (United States of America) proposed the addition of the following words at the end of paragraph IV of the draft resolution: "and to such other changes as shall be made by the Executive Director in the light of the guidelines herein".

Mr. FERNANDINI (Peru) supported the draft resolution (ID/B/L.17), which seemed to be fully in accordance with the conclusions of the Group of Twenty-five. The Secretariat should be asked to revise the French and Spanish versions, so as to bring them into line with the English original. He considered the Cameroonian amendment to be most useful.

The draft resolution seemed to have gained general acceptance; in view of the urgent need to expedite the Board's work, he urged the USSR representative not to insist that a decision on it should be postponed until a later meeting. He appealed to members to co-operate with a view to reaching an agreement, especially as there were other documents awaiting consideration.

Mr. SCHEJBAL (Czechoslovakia) said that even the form of draft resolution ID/B/L.17 was not entirely satisfactory, and the text required to be discussed in greater detail. His delegation had not had time to make a thorough comparative study of all the documents which had been submitted and would like to reserve the

(Mr. Schejbal, Czechoslovakia)

... comments at the following meeting on document ID/B/L.17, which must be considered in relation to the other draft resolutions, including that co-sponsored by his own delegation (ID/B/L.19). Sufficient time must be allowed for that purpose.

Further attention should also be given to the projects mentioned in the annex to the draft resolution. He asked the Executive Director to explain what use would be made of material prepared for projects which were not to be carried to a final conclusion. He would also welcome the opportunity to introduce draft resolution ID/B/L.19.

The PRESIDENT said that the Czechoslovak representative's remarks concerning draft resolution ID/B/L.19 were reasonable, but pointed out that the Board itself had decided to consider document ID/B/L.17 first.

Mr. VLADOV (Bulgaria) agreed that the need to consider the other documents must be borne in mind, with a view to the possibility of agreeing on a joint text. Time should therefore be allowed for a comparative evaluation of the various texts. Where draft resolution ID/B/L.17 was concerned, he proposed that the words "Assistance to" in paragraph II (e), item 11, should be replaced by "Co-operation with", as it would not be a function of UNIDO to give assistance to other United Nations bodies.

Mr. ABDEL-RAHMAN (Executive Director) requested clarification of certain points in draft resolution ID/B/L.17. He hoped that, in paragraph I, the words "on the basis of" were not used in an exclusive sense, as General Assembly resolution 2152 (XXI) defined other functions of UNIDO which were not specifically mentioned in that paragraph. In paragraph II (a), the wording "Requests of Governments should be the primary consideration in initiating operational activities" suggested that there might be other considerations. The word "initiating" was also rather vague. He suggested the use of a more explicit formula, such as "No operational activities... should be undertaken except on the request of countries". He also suggested that the words "as far as possible" should be inserted after the word "expeditiously" in paragraph II (b), and he asked for an explanation of the exact meaning of the word "dynamic" in paragraph II (d).

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(Mr. Abdel-Rahman, Executive Director)

He pointed out that the use of the word "Assistance" in paragraph II (e), item 11, was in near contradiction with paragraph II (a), which indicated that assistance would be given only on the request of Governments. He suggested that the word "Co-operation" might be used instead. With regard to the projects listed in the annex to the draft resolution, he felt that the Board should have more information from the secretariat before deciding whether to delete or defer them. In the case of one of the projects, an ad hoc committee had already been convened to make preparations for an international conference on technical assistance. Under another, assistance was made available only at the request of countries, and twenty requests had already been made.

Mr. WARSAMA (Somalia) agreed with the Executive Director that the Board should have fuller information before taking a decision. He urged members not to press for an immediate vote on draft resolution ID/B/L.17. It was essential to consider the other documents in relation to it, and a decision on so important a matter as principles and guidelines must not be rushed. He himself had some amendments which he would prefer to submit at the following meeting.

He endorsed the suggestion that the word "Assistance" in paragraph II (e), item 11, should be replaced by "Co-operation". He hoped that the Board would be provided with comprehensive observations on each of the projects proposed for deletion or deferment.

Mr. DAHINDEN (Switzerland) said that draft resolution ID/B/L.17 was a very useful text. He supported the Canadian amendment to paragraph II (f).

Mr. DUMITRESCU (Romania) said that the Board's objective must be to adopt adequate guidelines for the future activity of the UNIDO secretariat, which at the same time would help Governments to prepare their requests for UNIDO assistance. He agreed with the representative of Cameroon that the guidelines should not, in any case, contain less than General Assembly resolution 2152 (XXI). In that connexion he pointed out that paragraph II (e), item 13, of draft resolution ID/B/L.17 contained less detail than part II, paragraph 2 (a) (iv), of the Assembly's resolution. A careful examination of the draft resolution would probably disclose other instances in which the functions set out in the Assembly's

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(Mr. Dumitrescu, Romania)

resolution had not been adequately stated. The Board should consider the other proposals before it, which filled in the gaps in draft resolution ID/B/L.17. His delegation fully supported draft resolution ID/B/L.19, and also found some very interesting points in draft resolution ID/B/L.11. He suggested that none of the draft resolutions should be put to the vote until all had been discussed.

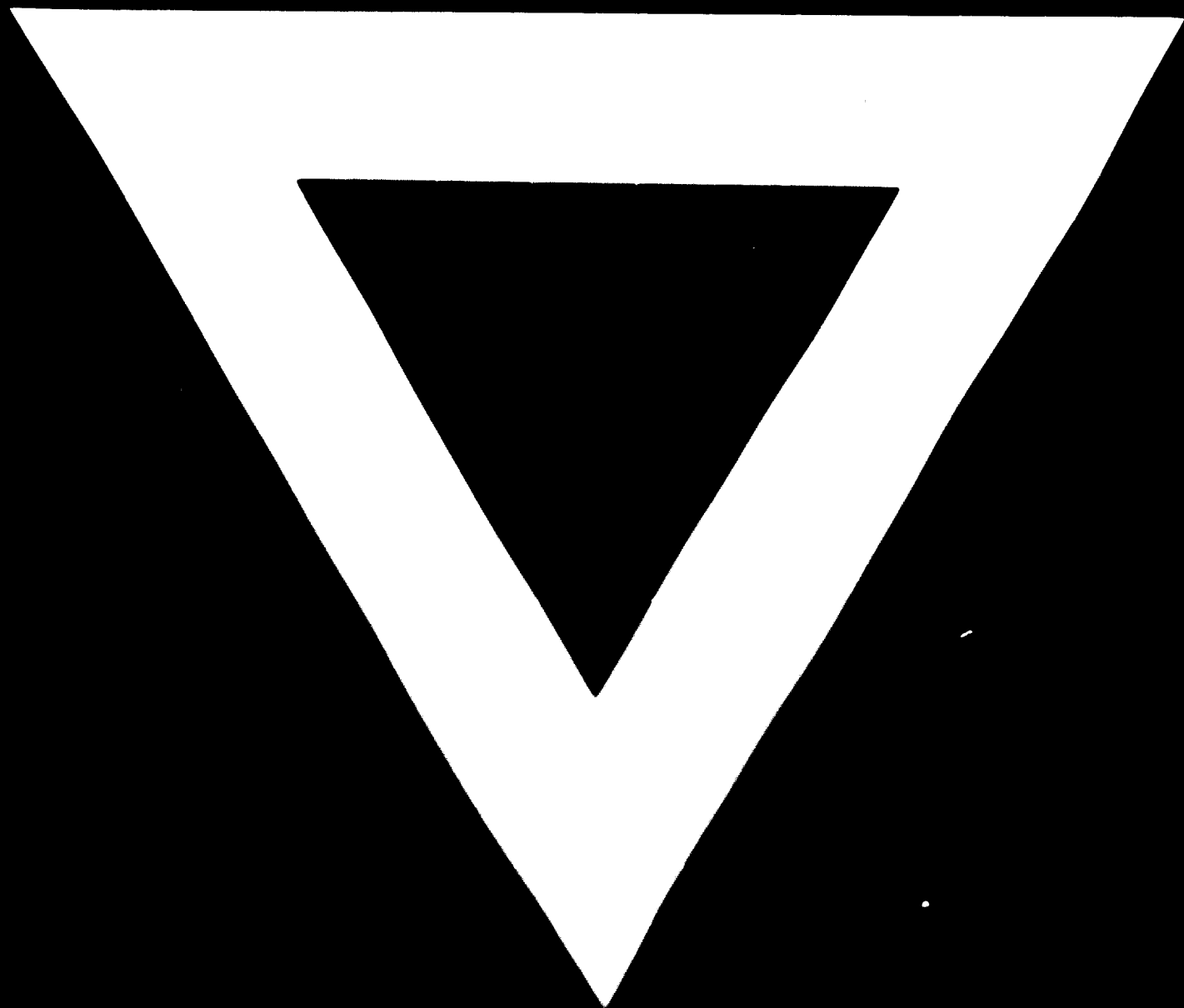
Mr. RODRIGUEZ (Philippines) supported the view that a decision on the draft resolutions should be postponed.

Mr. ARCHIBALD (Trinidad and Tobago) moved the adjournment of the meeting.

The motion was adopted by 23 votes to 9, with 6 abstentions.

The meeting rose at 11.30 p.m.





**18.3.74**