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-D04155 -



Distr.
GENERAL

ID/B/SR.86
23 June 1969

Original: ENGLISH

United Nations Industrial Development Organization

Industrial Development Board

Third Session

Vienna, 24 April - 15 May 1969

SUMMARY RECORD OF THE EIGHTY-SIXTH MEETING

Held at the Neue Hofburg, Vienna,
on Tuesday, 13 May 1969, at 10.5 a.m.

Chairman: Mr. ORTIZ de ROZAS (Argentina)

President: Mr. FVLLNER (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.

CONSIDERATION OF DRAFT RESOLUTIONS AND AMENDMENTS

Draft resolution on industrial development field advisers (ID/B/L.54 and Add.1)
(continued)

1. The PRESIDENT invited the Board to vote on the proposal of the delegation of Trinidad and Tobago to insert the phrase "in accordance with the United Nations principles" in the last sentence of operative paragraph 2, after the phrase "to commence their recruitment".
2. The Trinidad and Tobago amendment was approved by 15 votes to 11, with 10 abstentions.
3. The PRESIDENT recalled the phrase proposed by the Nigerian representative on behalf of the drafting group, reading "for this purpose experts from countries participating in UNIDO and having appropriate expertise should be made use of". He thought that it might be withdrawn as it had become redundant as a result of the Trinidad and Tobago amendment.
4. Mr. BEECROFT (Nigeria) agreed with the President's suggestion.
5. The PRESIDENT said that operative paragraph 2 now read: "Also urges the Governing Council and Administrator of UNDP to provide financing for a substantial increase in the number of industrial field advisers, commensurate with the future needs of the UNIDO programme thus enabling UNIDO and UNDP to commence their recruitment in accordance with United Nations principles at a very early date, but preferably by the end of 1969".
6. Mr. FRIER (United Kingdom) said that he found the Trinidad and Tobago amendment "in accordance with the United Nations principles" difficult to accept as it stood and thought that a reference to UNDP and UNIDO should be added.
7. Mr. ROBERTS (Canada) said that he, too, found it difficult to accept the amendment as it stood. He therefore proposed that the words "as applicable to the UNDP and UNIDO" should be added after "in accordance with the United Nations principles".
8. Mr. ARKADIEV (Union of Soviet Socialist Republics) said that he was opposed to the amendment proposed by Canada, as it placed the emphasis on UNDP rather than on United Nations principles.

9. The PRESIDENT invited the Board to vote on the proposed amendments and on the draft resolution.
10. The Canadian amendment was rejected by 14 votes to 14, with 12 abstentions.
11. Operative paragraph 2, as amended, was approved by 24 votes to none, with 15 abstentions.
12. The draft resolution as a whole, as amended, was approved by 32 votes to none, with 7 abstentions.

Draft resolution on United Nations export promotion efforts (ID/B/L.57 and Add.1 and Corr.1; ID/B/L.70)

13. Mr. LIDEN (Sweden), introducing the draft resolution on behalf of the sponsors, said that export promotion activities, which covered a wide range, should have the common aim of improving the conditions under which products were marketed abroad. As several international organizations were naturally interested in the field, an effective co-ordination system was required.
14. Operative paragraph 1 of the draft recalled resolution 1362 which had been unanimously adopted by the Economic and Social Council in 1968. Operative paragraph 2 referred to the well-established co-operation between UNIDO and other United Nations bodies within the framework of the United Nations Export Promotion Programme. The aim of operative paragraph 3 was to give the Executive Director some guidance regarding UNIDO's contribution in the field of export promotion. When UNIDO had industrial projects under consideration, it was necessary for the organization to assess market possibilities. That naturally had to be done in close co-operation with the International Trade Centre. But UNIDO had its own definite contribution to make with regard to the production activities listed in operative paragraph 3. Sub-contracting and licensing had been included because the sponsors of the draft resolution believed that, as a result of such arrangements, new technology and modern manufacturing techniques would be transferred to the developing countries and the industrial products of those countries would become more competitive.
15. Mr. van OMME (Netherlands) said that he wished to withdraw both the amendments contained in document ID/B/L.70. He proposed instead that the following sentence should be added to operative paragraph 2 of draft resolution ID/B/L.57: "The Board further requests the Executive Director to co-ordinate with regional and international financial institutions."

16. Mr. ARCHIBALL (Trinidad and Tobago) said that he would like his country to be added to the list of sponsors of draft resolution ID/B/L.57.
17. Mr. GLINSKI (Poland) wished to propose two amendments to the draft resolution. First, a second preambular paragraph should be added to read as follows: "Taking into account the principles of international trade relations adopted by UNCTAD I"; secondly the words "UNCTAD together with" should be added after the word "especially" in the second operative paragraph.
18. Mr. ARKADIEV (Union of Soviet Socialist Republics) expressed strong support for the Polish amendments. To begin with, it should be borne in mind that UNIDO was merely an agency of the United Nations and therefore had no right to take any decision on the subject of United Nations export promotion efforts. He agreed that the preamble should include a reference to the principles of international trade relations, which had been adopted at UNCTAD I by a large majority of the participants, including the socialist countries, and reaffirmed at UNCTAD II. Those principles were the only possible basis for promoting exports from the developing countries, as the latter should know from their own experience.
19. He also thought it logical to include a reference to UNCTAD in the second operative paragraph, since UNCTAD was clearly involved in the activities concerned. Moreover, under General Assembly resolution 2152 (XXI), UNIDO was required to work in close co-operation with UNCTAD.
20. He strongly objected to the Netherlands amendment, which represented yet another attempt by the advanced western countries to side-step UNCTAD. In addition, he had grave doubts about the proposal that the Executive Director should be requested to co-operate with certain unspecified financial institutions. What institutions did the Netherlands delegation have in mind, and why should UNIDO co-operate with them? There was no mention of any such co-operation in General Assembly resolution 2152 (XXI) and he thought that the Board should be most wary of adopting so unjustified a proposal.
21. Mr. SCHARBAL (Czechoslovakia) recalled that his country was a sponsor of draft resolution ID/B/L.57, on which he had hoped that the Board might reach a unanimous decision. Czechoslovakia was highly interested in the kind of work proposed in the draft resolution, and therefore had grave doubts about the amendment put forward by the representative of the Netherlands. In the interests of achieving a prompt and unanimous decision, he appealed to the Netherlands delegation to withdraw its amendment.

22. With regard to the proposals made by the Polish delegation, he agreed with the representative of the Soviet Union that they represented a considerable improvement over the original draft, in that they related UNIDO's work to that of other organizations in the United Nations family.
23. Miss RICHARDS (United Kingdom) regretted the fact that the discussion had been extended to cover the whole range of United Nations export promotion activities, and thought that it might be a good idea to restrict the scope of the draft resolution by changing the title to "Export-oriented industries".
24. With regard to the Polish amendments, she believed it would be wiser not to refer to UNCTAD in the present context, and hoped that the Polish representative would find it possible to withdraw his proposals.
25. Mr. LIDEN (Sweden) said he had no objection to changing the title of the draft resolution to "Export-oriented industries".
26. Mr. SERRANO (Chile) suggested that the word "financial" should be deleted from the Netherlands amendment, since not all the institutions concerned were of a financial nature.
27. Mr. van OMMEN (Netherlands) expressed disappointment at the USSR representative's reaction to his amendment and agreed to accept the change proposed by the delegation of Chile.
28. Mr. YONEKPE (Ghana) said that, as a sponsor of the draft resolution and as a developing country, Ghana was willing to accept any suggestion that might help to promote exports from the developing regions of the world. However, if the amendments proposed gave rise to difficulties, he would prefer to retain the original wording.
29. With regard to the various comments that had been made, he wished to assure the representative of the Soviet Union that the developing countries had wide experience of the problem under discussion. He was glad to note that the representative of the Netherlands was prepared to accept the proposal by Chile, but thought that if the word "financial" was deleted, the amendment would become superfluous, since the second preambular paragraph already contained a reference to the work of other United Nations organizations. He hoped that the representative of the Netherlands would not press his amendment. As far as the title was concerned, he quite saw the

difficulties that it might raise for some delegations, but wished to point out that the present draft resolution was only one among many adopted by United Nations bodies on the question of export promotion.

30. Mr. DELVAUX (Belgium) pointed out that not all countries had accepted the principles adopted by UNCTAD I concerning international trade relations. He therefore thought it regrettable that the Polish representative had seen fit to introduce a controversial issue into so useful a draft resolution.

31. Mr. FUJIMOTO (Japan) said that he approved of the new title suggested by the United Kingdom delegation. He also wished to associate himself with the Belgian representative's statement concerning the principles adopted by UNCTAD I and thought that it would be better to omit any reference to them. With regard to the Netherlands amendment, he agreed with the representative of Ghana that the deletion of the word "financial" would render the new sentence superfluous, and therefore preferred the original wording.

32. Mr. STIBRAVY (United States of America) thought that the draft resolution, which his delegation supported, should not broach the general subject of world trade. As its purpose was to assist the developing countries in expanding their export-oriented industries, there seemed to be no need to introduce any reference to the principles of international trade relations adopted by UNCTAD. The United States attitude towards UNCTAD was well known; he would therefore not restate it but would simply urge the representative of Poland not to press his amendment.

33. Mr. ROBERTS (Canada) agreed with the United Kingdom representative that the scope of the draft resolution should not be broadened excessively.

34. Mr. SIERRA (Spain) shared the view expressed by the representative of Ghana that the original text of the draft resolution should be retained, apart from the change in title proposed by the representative of the United Kingdom. If the amendment proposed by the representative of the Netherlands, with the change suggested by the representative of Chile, was not accepted, he would suggest that the words "regional and international" should be inserted after the word "other" in the first line of operative paragraph 2.

35. Mr. MADOUH (Kuwait) said that his delegation favoured the text of the draft resolution as it appeared in the document under consideration, with the change in title suggested by the representative of the United Kingdom.
36. Mr. IMAM (Pakistan) said that his delegation would have preferred to retain the original title of the draft resolution. However, in the interests of reaching a satisfactory compromise, it would be willing to accept a title worded: "Promotion of export-oriented industries".
37. The PRESIDENT said that if there were no objections he would assume that the Board accepted the suggestion made by the representative of Pakistan.
38. It was so agreed.
39. The PRESIDENT invited the Board to vote on the first amendment submitted by the representative of Poland, namely the proposal to insert the following new preambular paragraph after the first preambular paragraph: "Taking into account the principles of international trade relations adopted by UNCTAD I,".
40. The amendment was approved by 17 votes to 15, with 7 abstentions.
41. The PRESIDENT put the second Polish amendment to the vote. It called for the insertion of the words "UNCTAD together with" after the word "especially" in the second line of operative paragraph 2.
42. The amendment was approved by 24 votes to none, with 16 abstentions.
43. The PRESIDENT drew attention to the amendment proposed by the representative of the Netherlands to operative paragraph 2.
44. Mr. VAN OMMEN (Netherlands) said that the final text of the additional sentence proposed by his delegation was as follows: "The Board further requests the Executive Director to co-operate with regional and international institutions within the United Nations system".
45. The amendment was approved by 19 votes to none, with 4 abstentions.
46. Operative paragraph 2, as amended, was approved.

47. The PRESIDENT drew attention to the correction to operative paragraph 3 contained in document TD/B/L.57/Corr.1 and invited the Board to take a decision on the five preambular paragraphs of the draft resolution.
48. The five preambular paragraphs were approved.
49. The PRESIDENT put to the vote the draft resolution as a whole as amended.
50. The draft resolution as a whole, as amended, was approved by 38 votes to 1, with 3 abstentions.
51. Mr. DELVAUX (Belgium), explaining his delegation's vote, said that as some of the UNCTAD principles referred to in the new second preambular paragraph had not been adopted by his Government, he had been obliged to abstain from voting although he fully supported the substance of the resolution.
52. Mr. LUDUC (France) said that the reasons underlying his vote against the draft resolution were the same as those given by the previous speaker.
53. Miss RICHARDS (United Kingdom) stated that although her delegation had voted for the draft resolution the United Kingdom's attitude to the UNCTAD principles concerning international trade relations remained unchanged, and she could not but regret the inclusion in the text of the resolution of the somewhat vague reference to those principles.
54. Mr. SU (Switzerland) and Mrs. SAILER (Austria) associated themselves with the remarks made by the representative of the United Kingdom.
55. Mr. STEDFELD (Federal Republic of Germany) said that the reasons for his delegation's abstention were the same as those given by the representative of Belgium; nevertheless, his Government was in full agreement with the substance of the resolution and would actively support its implementation.

The meeting rose at 12.20 p.m.





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