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Third Session

Vienna, 24 April - 15 May 1969

SUMMARY RECORD OF THE EIGHTY-EIGHTH MEETING

Held at the Neue Hofburg, Vienna,
on Wednesday, 14 May 1969, at 11.55 a.m.

President: Mr. ORTIZ de ROZAS (Argentina)

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.

ORGANIZATION OF WORK



1. Mr. BILLNER (Sweden), Rapporteur, said that as the session, was drawing to a close, and as the Board had not yet completed its deliberations on the various draft resolutions and recommendations, it might be difficult for him to complete the record of the discussions for approval by the Board as part of its report. He therefore asked to be allowed to proceed in the following manner: he would include in the draft report the texts of all the original draft resolutions and amendments which had been discussed and voted on, giving the results of each vote and the texts finally adopted. Those texts, which would be subject to editorial adjustments by the secretariat, would be distributed before the end of the session.
2. He would not attempt to summarize in the draft report the discussions on the various resolutions, as they would in any case be reflected in the summary records.
3. Mr. BITTENCOURT (Brazil) said that he had some reservations concerning the Rapporteur's suggestion. The summary records of the last few meetings of the Board had not yet been issued, so that no one could know whether they reflected the discussions satisfactorily, particularly those concerning resolutions which had not been put to a vote.
4. At its second session, the Board had not had sufficient time to adopt its report as a whole before the departure of delegations, and it had been left to the Rapporteur and his Friends to complete the report. He considered that necessity to have been unfortunate, and hoped that before the end of the present session the Board would have the opportunity of examining at least a summary draft of the final part of its report.
5. The PRESIDENT said that he considered the Rapporteur's suggestion to be pertinent under the circumstances. Nevertheless, he appreciated the preoccupation of the representative of Brazil. The Brazilian delegation had, at an earlier meeting, submitted a draft resolution which the Board had decided to transmit, with the comments made and a letter by the secretariat, to the member States of UNIDO.
6. The secretariat had already taken steps to implement that decision. The letter was being prepared, and the comments to which the Brazilian proposal had given rise would be included in the summary record shortly to be issued. Members of the Board

and wished to correct the statements attributed to them in that record would have the opportunity of doing so within the prescribed time-limit, after which their comments in connexion with the Brazilian proposal would be transmitted to member States in accordance with the decision of the Board.

7. Trusting that his explanation would satisfy the representative of Brazil, he proposed that the Board should follow the procedure suggested by the Rapporteur.

8. It was so decided.

PROVISIONAL AGENDA OF THE FOURTH SESSION (ID/B/L.47) (continued)

9. The PRESIDENT, recalling earlier discussions on the matter, said that items 7 and 8, as listed in document ID/B/L.47, had been amended to read:

"7. Financial implications

8. Organizational matters

(a) Decentralization

(b) Organization of the secretariat

(c) Geographical distribution of secretariat staff".

He suggested that the secretariat should be left to provide an annotated programme for the fourth session, taking account of comments made and resolutions adopted at the present Board session, and containing the secretariat's own comments and suggestions on new items.

10. The draft agenda contained in document ID/B/L.47, as amended, was approved.

CONSIDERATION OF DRAFT RESOLUTIONS AND RECOMMENDATIONS (continued)

Study of UNIDO's long-range programme, finance and organization (ID/B/L.66, ID/B/L.71)

Long-term programme of work of UNIDO (ID/B/L.61 and Add.1).

11. Mr. DIXIT (India) said that as a result of discussions in the Contact Group and informally, he had been authorized by the Group of Twenty-Five to announce the withdrawal of draft resolution ID/B/L.61, subject to the acceptance of certain recommendations and preconditions.

12. The degree of thought which had been given to the subject of UNIDO's long-term programme of work was revealed in the text of that resolution, to which amendments had been proposed by the delegation of Sweden (ID/B/L.71) and also by the socialist countries, as well as in draft resolution ID/B/L.66, also submitted by Sweden. He added that the amendment proposed by Sweden (ID/B/L.71) was generally acceptable, while the amendments mentioned by the socialist countries deserved careful consideration.

13. The complexity of the subject, and the lack of adequate time for consultations had made it impossible to prepare a text incorporating all the points contained in the documents to which he had referred. As the long-term programme of UNIDO was a subject which deserved recommendations capable of uniting the Board in unanimous approval, or at least of reflecting the broadest possible cross-section of members' opinions, the Group of Twenty-Five had considered that the most suitable course of action would be to withdraw draft resolution ID/B/L.61, subject to the following conditions: (a) that no other draft resolution on the subject of UNIDO's long-term programme of work would be submitted during the current session of the Board; (b) that there would be no mandatory reference to that subject in any other resolution adopted by the Board at its present session; (c) that draft resolution ID/B/L.66 would be incorporated in the body of the report of the third session of the Board; (d) that draft resolution ID/B/L.61 should be referred to the Board at its fourth session for study, together with the amendments proposed, and comments arising out of the resolution's withdrawal at the present session, so that they also might be taken into account by the Executive Director in preparing material for the fourth Board session.

14. He further wished to place on record that the Group of Twenty-Five appreciated Part Three of document ID/B/45 (Evolution of a long-term programme of work), and considered that it should also form part of the terms of reference for future planning and in the preparation of draft resolutions for the fourth session of the Board.

15. Mr. BILLNER (Sweden) supported the remarks made by the previous speaker. The amendment to draft resolution ID/B/L.61, proposed by the delegation of Sweden (ID/B/L.71), consisted of a rearrangement of paragraphs 2(c) and (d) of the former, with the addition of a reference to assistance from consultants and advisers as required.

16. Pointing out that draft resolutions ID/B/L.61 and ID/B/L.66 derived from the point of view that it was highly desirable to study ways and means in which the work and functions of UNIDO might be further strengthened to make it more responsive to the expanding needs of the developing countries, and emphasizing that the matter was believed to be very urgent, he expressed regret that the third session of the Board appeared unable to decide that such a study should be undertaken. The reasons had been explained by the representative of India, and the delegation of Sweden felt that the best that could be done under the circumstances was to set in motion the machinery by which such a study could be undertaken, through an invitation to the Executive Director to prepare appropriate material for consideration at the fourth session of the Board.

17. On the understanding that such material would be prepared, under the conditions outlined by the delegation of India, the delegation of Sweden proposed the withdrawal of draft resolution ID/B/L.66.

18. Mr. ARKADIEV (Union of Soviet Socialist Republics) recalled that the group of socialist countries had also prepared amendments to draft resolution ID/B/L.61. The withdrawal of that resolution made the presentation of those amendments superfluous, although he assumed that they would be included in the record.

19. The PRESIDENT took note of the observation by the representative of the USSR and invited the Board to take a decision concerning the conditions laid down by the representatives of India and Sweden for the withdrawal of draft resolutions ID/B/L.61 and ID/B/L.66.

20. Those conditions were approved.

Draft resolution on financial questions relating to the UNIDO regular programme of technical assistance (ID/B/L.46)

21. Mr. BEECROFT (Nigeria), speaking on behalf of the Group of Twenty-Five, explained that the draft resolution (ID/B/L.46) had been sponsored by all twenty-five countries in the group. It had also received the full support of the socialist countries. However, despite exhaustive discussion, no agreement had been reached on the four amendments proposed by Group B.

22. Mr. SAHLOOL (Sudan) recalled the policy established by the Secretary-General of the United Nations and UNIDO for facilitating decision-making, wherever appropriate, by UNIDO itself without continual reference to the United Nations in New York.
23. That policy had been confirmed in General Assembly resolution 2298 (XXII), which endorsed the recommendation by the Industrial Development Board that a separate section should be established for the regular programme of UNIDO in part V of the United Nations budget.
24. Draft resolution ID/B/L.46 sought to maintain the procedures established under that General Assembly resolution to which he had referred, and to reaffirm the autonomy accorded to UNIDO therein. That autonomy would enable the Industrial Development Board to formulate, approve and implement a regular programme of technical assistance. The recommendation of the UNDP Governing Council to the Economic and Social Council (E/4609, paragraph 181), referred to in ID/B/49 and Annex II, would appear to have the effect of depriving the Board and the secretariat of that autonomy - a step which he considered to be dangerous and retrograde and one which, in his opinion, the General Assembly had never intended to sanction.
25. The question of enabling UNIDO to have a separate section in the budget specially earmarked for industrial development, as well as the recommendation of a level of \$1.5 million, had been debated at length in Vienna and New York. The draft resolution before the Board was, he felt, self-explanatory and was designed to redress the situation and to make up for time lost previously on the matter.
26. Mr. STRIBRAVY (United States of America) regretted that attempts to reach a compromise in the wording of the draft resolution (ID/B/L.46) had failed. The consequence was that many delegations in Group B were finding it difficult to support the text since the views reflected in it did not entirely concord with the positions their Governments had adopted in the Governing Council of UNDP.
27. The PRESIDENT invited the Board to vote on the draft resolution submitted by Thailand and the Sudan.
28. The draft resolution was adopted by 21 votes to none, with 16 abstentions.

29. Mr. FROBST (Switzerland) and Mr. HOLZEL (Federal Republic of Germany) explaining their abstention from voting, said that as non-members of the United Nations they did not participate in the regular programme and were therefore not justified in approving or rejecting the resolution.

30. Mr. NURD (Pakistan) said that he hoped his abstention would not be construed as reflecting opposition to the proposals contained in the draft resolution. As one of the original sponsors, his delegation was in sympathy with the substance but could not support the wording of the draft.

Draft resolution on UNIDO and the Second Development Decade (ID/P/L.58)

31. The PRESIDENT invited the Board to discuss the draft resolution paragraph by paragraph.

First preambular paragraph

32. The first preambular paragraph was adopted.

Second preambular paragraph

33. The PRESIDENT drew attention to the proposal submitted by the group of socialist countries to delete the paragraph.

34. Mr. MIKULICH (Union of Soviet Socialist Republics) explained that his delegation objected to the paragraph in question because of its reference to the Preparatory Committee, the composition of which seemed to have been decided on arbitrary or purely political grounds. No socialist countries were serving on the Committee and it thus could not be considered a valid body for the elaboration of industrial strategy for developing countries.

35. The PRESIDENT invited the Board to vote on the amendment proposed by the group of socialist countries.

36. The amendment was rejected by 28 votes to 5, with 2 abstentions.

37. The second preambular paragraph was adopted.

Third preambular paragraph

38. The third preambular paragraph was adopted.

Fourth preambular paragraph

39. Mr. ARAKADIEV (Union of Soviet Socialist Republics) said that his delegation was neither in favour of nor opposed to the International Symposium on Industrial Development held in Athens in 1967. He therefore requested the President to put the paragraph to the vote so that his delegation's abstention might be recorded.

40. The PRESIDENT invited the Board to vote on the fourth preambular paragraph.

41. The fourth preambular paragraph was adopted by 33 votes to none, with 4 abstentions.

Fifth preambular paragraph

42. The PRESIDENT recalled that there was a proposal to delete the word "advanced" from the third line and substitute the phrase "developed and developing". He invited the Board to vote on that amendment.

43. The amendment was adopted by 26 votes to 6, with 3 abstentions.

44. The PRESIDENT invited the Board to vote on the fifth preambular paragraph as amended.

45. The fifth preambular paragraph, as amended, was adopted.

First operative paragraph (sixth preambular paragraph)

46. The PRESIDENT recalled two changes that had been proposed: first, that the first operative paragraph should become the sixth preambular paragraph and, secondly, that the words "the validity of" in the first line should be deleted.

47. The amendments were adopted.

48. The paragraph, as amended, was adopted.

Second operative paragraph (now first operative paragraph)

49. The PRESIDENT drew attention to the proposal to replace the words "the highest" in the third line by the word "high".

50. The amendment was adopted.

51. The paragraph, as amended, was adopted.

52. Mr. LEDUC (France) observed that in many instances the French text did not correspond exactly to the English version.

53. The PRESIDENT assured the members of the Board that all translations of the draft would be carefully revised and amended to accord with the final English version.

Third operative paragraph (new second operative paragraph)

Introduction

54. The PRESIDENT drew attention to two amendments: first, that the words "programme of action for" in the first line should be replaced by "contribution to" and, secondly, that the phrase "the concepts that" should be added after the words "inter alia on" in the second line.

55. The amendments were adopted.

Sub-paragraph A

56. Sub-paragraph A was adopted.

Sub-paragraph B

57. The PRESIDENT drew attention to two proposals submitted: first, that the words "the two partners" should be changed to "both partners" and, secondly, that the full stop after the word "basis" should become a comma, followed by the phrase "with a substantial increase ...".

58. The amendments were adopted.

59. Mr. BRILLANTES (Philippines) announced that the sponsors wished to propose a third amendment, namely, that the phrase "particularly the developing countries ... trade" be replaced by "so as to enable the developing countries to secure a larger share of world production and trade in industrial products".

60. Mr. BEACROFT (Nigeria) supported the Philippines amendment but proposed that the words "in industrial products" should be omitted.

61. Mr. BRILLANTES (Philippines) said that, as a sponsor, his delegation could accept the proposal made by the representative of Nigeria.

62. Mr. WILFE (Ghana) suggested the deletion of "to a level" at the end of the phrase in the fourth line so that the two parts of the sentence would connect thus: "to secure a larger share of world production and trade that would provide ...".

63. Mr. BRILLANTES (Philippines) said that the sponsors had no objection to that change.

64. Mr. SERRANO (Chile) said that his delegation, which was a sponsor of the draft resolution, could not agree to the amendment proposed by the representative of Nigeria because UNIDO was an industrial organization and the mention of industrial products was therefore quite in order.

65. Mr. LENCROFT (Nigeria) explained that he had suggested the omission of the reference to industrial products because it belonged more properly to the first part of the sentence. The second part really related to the concept of Gross National Product.

66. The PRESIDENT invited the Board to decide whether the phrase "so as to enable the developing countries to secure a larger share of world production and trade" should replace the original wording of the sub-paragraph.

67. The amendment was adopted by 19 votes to none, with 13 abstentions.

68. Sub-paragraph B, as amended, was adopted.

Sub-paragraph C

69. The PRESIDENT drew attention to the three amendments submitted. The representative of the USSR had proposed, first of all, that the opening phrase of the sub-paragraph should be expanded to read "It is desirable to give assistance to industrial development and that such assistance should be accompanied by adoption and ..."; secondly, it had proposed that the last sentence of the sub-paragraph should be modified to read "This will require the co-ordination of efforts both of developing and of developed countries"; it was also proposed that in the second line the words "and developing" should be inserted after "developed".

70. The amendments were adopted.

71. Mr. BEECROFT (Nigeria) proposed that the phrase "which will increase substantially the level" should be amended to read "which will provide the opportunity for a substantial increase in the level".

72. The amendment was adopted.

73. Sub-paragraph C, as amended, was adopted.

Sub-paragraph D

74. The PRESIDENT drew attention to a proposal to delete the whole of operative sub-paragraph D.

75. Mr. BRILLANTES (Philippines) said that the sponsors could not accept such a proposal and would like a vote to be taken.

76. The PRESIDENT invited the Board to vote on the proposal to delete sub-paragraph D.

77. The amendment was rejected by 25 votes to 5, with 6 abstentions.

78. Sub-paragraph D was adopted.

Sub-paragraph E

79. The PRESIDENT drew attention to the amendment proposed by the USSR delegation to replace the paragraph by a new sentence, reading: "The contribution of UNIDO to the Decade must be developed within its terms of reference and co-ordinated with the UNCTAD proposals on the Decade".

80. Mr. BRILLANTES (Philippines) said that the Soviet amendment was acceptable to the sponsors. However, they would suggest that the words "and contributions" should be inserted in the new sentence after "UNCTAD proposals".

81. Mr. ARKADIEV (Union of Soviet Socialist Republics) said that his delegation had no objections to the modification proposed by the delegation of the Philippines.

82. The PRESIDENT invited the Board to vote on the Soviet amendment as modified by the Philippine sub-amendment.

83. The amendment, as amended, was adopted by 19 votes to 2, with 13 abstentions.

84. Sub-paragraph E, as amended, was adopted.

85. The third (now second) operative paragraph, as amended, was adopted.

Fourth operative paragraph (new third operative paragraph)

86. The PRESIDENT drew attention to the proposal to replace "programme of action" in the second line by "contribution tax".
87. The amendment was adopted.
88. The paragraph, as amended, was adopted.

Fifth operative paragraph (new fourth operative paragraph)

89. The PRESIDENT invited the Board to take a decision on the proposal by the Soviet delegation to replace the existing paragraph by the following new wording: "Requests the Executive Director to report to the Economic and Social Council the preliminary programme of action of UNIDO for the Decade on the lines indicated in this resolution and in the report of its third session".
90. The Soviet amendment was rejected by 25 votes to 5, with 5 abstentions.
91. The PRESIDENT recalled a proposal that the phrase "programme of action of UNIDO for" in the second line should be replaced by "contributions of UNIDO to".
92. The amendment was adopted.
93. Mr. AMRADIYEV (Union of Soviet Socialist Republics) said that his delegation objected to the paragraph as amended and would like it to be put to the vote.
94. The PRESIDENT invited the Board to vote on the paragraph as amended.
95. The paragraph, as amended, was adopted by 29 votes to 4, with 1 abstention.
96. The PRESIDENT invited the Board to vote on the draft resolution as a whole, as amended.
97. The draft resolution as a whole, as amended, was adopted by 30 votes to none, with 4 abstentions.
98. Mr. SAHLOOL (Sudan) explained that although his delegation was a sponsor of the draft resolution, it had refrained from expressing support for those paragraphs in which mention was made of the Preparatory Committee. On that subject the Sudanese delegation's position was consistent with the views of the Group of Seventy-Seven, which objected to the rigid positions adopted by a number of other countries. His vote was in no way intended to reflect any hostility on the part of the Sudanese Government towards any other Government.


99. Mr. ARKADIEV (Union of Soviet Socialist Republics) said that while his delegation approved of a number of individual paragraphs relating to the work of the Executive Director, it had abstained from voting on the draft resolution as a whole because of the references in certain paragraphs to the Preparatory Committee, the composition of which was quite unacceptable. It was illegal for the Federal Republic of Germany, which was not a Member of the United Nations, to serve on a United Nations committee; and even if that consideration were to be overlooked, the situation could only be permitted if the German Democratic Republic were also to be a member.

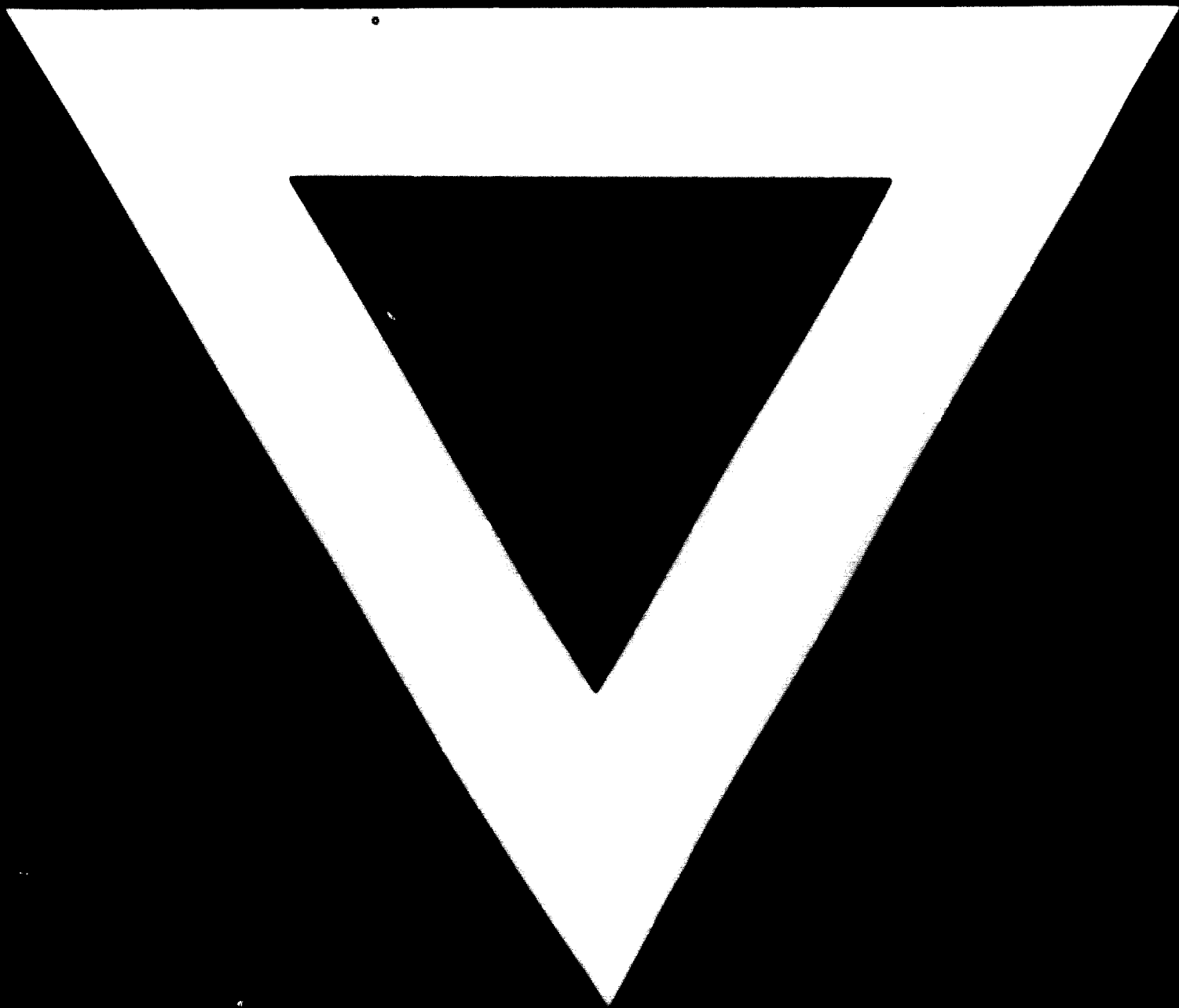
100. He also recalled the views expressed by his delegation on the compulsory and mandatory content of the Second Development Decade and on UNIDO's contribution to that scheme.

101. Mr. MAJCHER (Poland) associated his delegation with the views expressed by the Soviet delegation.

102. Mr. FUJIMOTO (Japan) explained that his delegation had abstained from voting on the draft resolution as a whole because sub-paragraph D of the new second operative paragraph had not been deleted. His delegation supported UNIDO's contribution to the Second Development Decade but felt that the provisions of that sub-paragraph went far beyond the terms of reference of the Board.

The meeting rose at 2.30 p.m.





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