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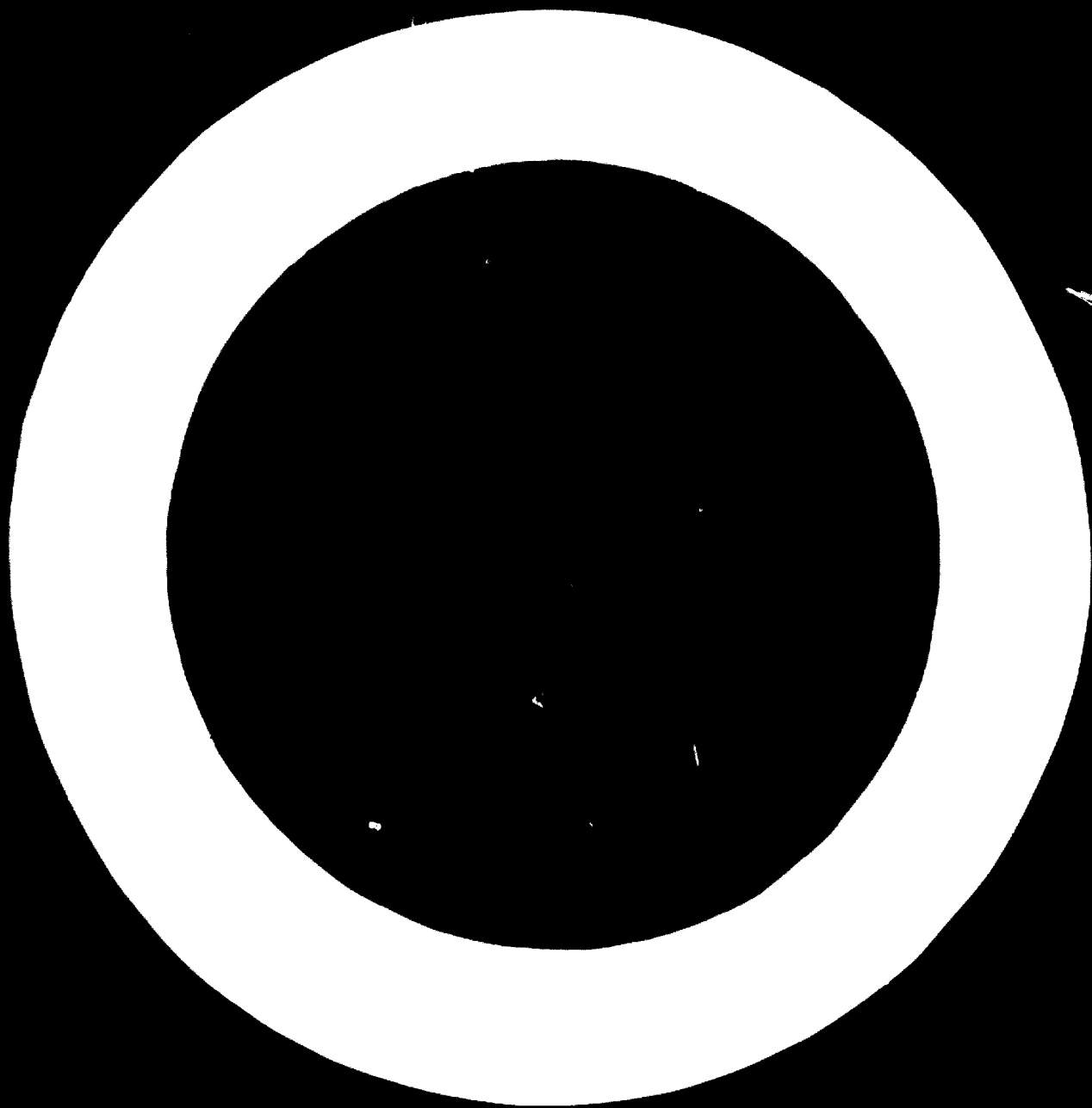
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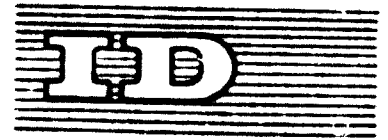
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United Nations Industrial Development Organization

Industrial Development Board

Fourth Session

Vienna, 20 - 30 April 1970

SUMMARY RECORD OF THE NINETY-NINTH MEETING

Held at the Neue Hofburg, Vienna,
on Friday, 24 April 1970, at 3.20 p.m.

President: Mr. SEDIVÝ (Czechoslovakia)
Rapporteur: Mr. ARCHIBALD (Trinidad and Tobago)

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Special international conference
of the United Nations Industrial
Development Organisation

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SPECIAL INTERNATIONAL CONFERENCE OF THE UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION (ID/B/72 and Add.1 and 2)

1. The PRESIDENT drew the attention of representatives to General Assembly resolution 2578 (XXIV) and to the Executive Director's report (ID/B/72 and Add.1 and 2).
2. Mr. DAVILA (Mexico) introduced a draft resolution on the item on behalf of the Group of Twenty-Five. There were three considerations underlying the draft resolution: firstly, the General Assembly, in resolution 2578 (XXIV), had suggested that a special conference of UNIDO should be organized within the framework of the Second Development Decade; secondly, for reasons of economy, it was important that the proposed conference should be held at the headquarters of UNIDO; thirdly, the various governments and the secretariat should be given time to prepare for the conference.
3. Some countries which were not members of the Group of Twenty-Five had already expressed their agreement with the resolution in principle, and he hoped that the other delegations would also support it.
4. Mr. SZITA (Hungary) said that, together with the other countries belonging to Group D, he fully agreed with the idea of a special conference which should help to improve understanding between the member countries and strengthen co-operation directed towards the industrial development of the developing countries.
5. In view of the scope of the proposed conference, which would go well beyond the framework of UNIDO, it must be prepared with the greatest possible care. That task fell to the Board under operative paragraph 2 of General Assembly resolution 2578 (XXIV). However, if it was decided to hold the conference in 1971, as proposed in the draft resolution submitted by the Group of Twenty-Five, the Board would have to take the matter up immediately, and that was impossible in view of the fact that - in the same paragraph of the General Assembly resolution referred to - the Board was requested to "formulate (the conference's) provisional agenda and its basic objectives, including the longer-range orientation of the United Nations Industrial Development Organization, its organisational structure and the question of financing".

6. He therefore proposed the setting up of an ad hoc committee, open to all members, to study all those questions and to report to the next session of the Board. The committee would have a particularly valuable role to play because it would decide, among other things, at what level the conference should be held, and because UNIDO would have to act in co-operation with the other United Nations bodies. The question of co-ordination would have to be discussed by the conference.
7. A further point was that the documentation would have to be prepared with the greatest care and that all countries would have to have made their views known before the conference met. For all those reasons he proposed that the conference should take place in 1972.
8. Mr. ARKADIEV (Union of Soviet Socialist Republics) said that the proposal made by the delegations of a group of countries for the convening of a special conference of UNIDO reflected their striving to improve UNIDO's activities in the field of the promotion of industrial development. In view of that, the Soviet delegation supported the idea of convening such a conference and considered that if certain conditions were complied with such a conference could make it possible to improve the effectiveness of UNIDO's work and, in particular, help to strengthen the central role of UNIDO in the co-ordination of activities of the United Nations system in the field of assistance for industrial development.
9. The most important of those conditions was that the necessary preparatory work for the special conference of UNIDO must be carried out, and in view of that he supported the view expressed by the representative of Hungary, who had proposed the convening of an ad hoc committee, open to all members of the Board, to study and carefully prepare all questions connected with the holding of the conference. It was worth recalling that the first UNCTAD conference, for example, had only been convened after preparatory work which had taken a certain amount of time.
10. On the basis of the material specially prepared for it by the secretariat of UNIDO, the ad hoc committee could consider the agenda of the special conference, formulate the objectives and tasks of the conference, decide on its date and place, and submit all the conclusions arrived at to the fifth session of the Industrial Development Board for approval.

11. If such an approach were adopted, careful and well-considered preparations could be made for the special conference of UNIDO, which could still be convened in 1972.
12. He wished to draw attention to the fact that if another approach were adopted and efforts were made to hold a special conference of UNIDO in 1971, that would have unfavourable repercussions on the preparations for it: the secretariat of UNIDO would be placed in a difficult position, as it would have neither the necessary time, nor, still more important, the necessary clear instructions from the Board for the preparation of the necessary documentation, and the task of Governments would be made harder because they would not be able to consider in good time the whole complex of questions connected with the activities of the United Nations system in the field of assistance to industrial development. He wished to stress that haste and inadequate preparation would adversely affect the work, and above all the results, of the special conference.
13. In conclusion, he said that as the fate of UNIDO and its role in the activities of the United Nations system in the field of industrial development would depend on the results of the special conference, it was essential to make careful preparations for that conference through the ad hoc committee so that it could still be held in 1972.
14. Mr. SERRANO (Chile) asked whether the text of the draft resolution which had been distributed was official.
15. Mr. SYLLA (Secretary of the Board) replied that the official version published under reference ID/B/L.74 was in course of distribution in the four working languages.
16. Mr. KAMATH (India) asked that the meeting be suspended to enable representatives to study the final text of the draft.

The meeting was suspended at 4.10 p.m. and resumed at 4.25 p.m.

17. Mr. ENSOR (United Kingdom) said that his delegation had not yet been able to support the proposal to hold a special conference; he was doubtful whether such a conference could do any more than the Development Board and the General Assembly

could do between them. A study of the proposed provisional agenda for the conference had not dispelled the doubts felt by his delegation on that point. The agenda appeared to contain no item which was not within the Board's competence. The Board had not yet got to grips with some of the problems in question, and it might well find itself holding back in the discharge of its duties if it called an ad hoc conference to study questions which it had not yet attempted to examine itself.

18. It had been argued that some of the questions proposed for consideration related to problems which were the responsibility of other international organizations, but there was nothing to prevent the organizations concerned from sending observers who could participate in the Board's discussions when those questions were studied. The proposed gathering might produce results which bore little relationship to the expenditure involved, particularly if it took place in 1971 since, as several other delegations had pointed out, serious preparation would be needed.

19. To prepare such a conference at a time when so many other questions claimed its attention could cause difficulties for the secretariat and prejudice the organization of activities in the field. The United Kingdom Government certainly did not entirely rule out the idea of a more complex or larger meeting than an ordinary Board session, provided that it was held at a later date, when members had a clearer idea of the questions to be examined and had had time to make the necessary preparations. At all events, the United Kingdom delegation could not support the proposal to call a special conference in its present form; it would, however, examine the proposal and consider whether, with some modifications, it could be recommended to the United Kingdom Government for adoption. That would take some time, and his delegation would ask the Board not to take any decision on the draft resolution ID/B/L.74 before Tuesday of the following week.

20. Mr. PROBST (Switzerland) reminded the Board that, when the question of holding a special conference had been raised at the previous session, his delegation had shown little enthusiasm for it. However, since most of the developing countries wanted such a conference to be held, Switzerland had been unwilling to oppose the suggestion. In fact, it proposed to participate. From the opinions expressed at the meetings in the last few days, and even at the present meeting, it was evident

that there was a general feeling in the Board that the proposed conference should not be held without suitable preparation. Everyone realized that it would be a waste of the organizations's resources to convene a conference which produced no tangible and positive results for later operations. Without wishing to suggest any firm date, the Swiss delegation thought that 1971 would be rather too early and that preparation should be put in the hands of an ad hoc committee; alternatively, some quite different method should be adopted. At all events, the first step must be to make preparations for the conference and the second to fix the date, which might be 1972 for instance. With regard to operative paragraph 2 of resolution 2578 (XXIV) of the General Assembly, which requested the Board to "propose" the venue, date and duration of the special conference, he interpreted it as meaning that the Board should put forward suggestions on the subject, but had no power to take a decision. If that interpretation was correct, the Board would have to postpone preparatory work until the General Assembly had met in the following autumn and taken a definite decision. With regard to the provisional agenda of the proposed conference, it contained some very interesting ideas, but it would have to be revised in order to eliminate some items, or to include others. Lastly, as far as the financial aspects were concerned, it was essential to avoid spending money unnecessarily on the conference. The Swiss delegation could support a proposal that the conference should last a week and should be held in Vienna, before or after the session of the Board.

21. The PRESIDENT agreed with the representative of Switzerland that the choice of the venue and duration of the conference was a matter for the General Assembly and that the Board should merely put forward a proposal. However, the preparatory work, especially the drawing up of an agenda, was the Board's responsibility.

22. Mr. CASILLI (Italy) said he had only just received the text of the draft resolution and was therefore not yet able to express an opinion, still less to commit his government. Nevertheless, he wished to repeat his statement that Italy was very much in favour of the principle of holding a special conference. As the draft resolution submitted to the Board required discussion, he would ask the Board not to put it to the vote just yet. He again assured the Board that the Italian Government would be happy if the proposed meeting took place and produced useful results for the developing countries.

23. Mr. BRILLANTES (Philippines), referring to the remarks by the representative of Switzerland on the interpretation to be given to the word "propose" in operative paragraph 2 of resolution 2578 (XXIV) of the General Assembly, stated that in his opinion the Board was fully competent to take a decision on the holding of a special conference. The only limitation imposed by resolution 2578 (XXIV) was that the conference in question should not take place in the same year as the third session of UNCTAD. It would therefore have to be held before or after 1972. A study of the resolution establishing UNIDO showed that the Board was competent to take the necessary decisions. The Executive Director, who was present at the meetings of the General Assembly when it discussed the text of resolution 2578 (XXIV), could perhaps supply the Board with some further particulars. Nevertheless, in the opinion of the Philippines delegation, the Board had full authority to take a decision on the calling of the conference; the terms of the resolution were clear; a decision had been taken on the subject in the previous year when the Board had adopted resolution 22 (III), and that decision had been ratified by the General Assembly.

24. Mr. SURIYAVI (United States of America) said that members of the Board would no doubt recall that at the last session his delegation had expressed doubts as to the usefulness of and necessity for organizing a special conference, taking the view that the Board was in a position to accomplish itself whatever could be expected from such a conference. His delegation had, however, voted for the resolution requesting the Executive Director to consult Governments on the possibility of convening a special meeting at the highest level within the framework of the twenty-fifth session of the General Assembly. In response to the secretariat's questionnaire the United States had indicated that it was prepared to participate in such a meeting under certain conditions.

25. As the discussions at the last session of the General Assembly and the present session of the Board had progressed, it had become clear that the arrangements that the United States had envisaged, and upon which it had made its participation conditional, had not commended themselves to the majority. The Board now had before it the draft resolution submitted by the Group of Twenty-Five, but the text had only just been transmitted to Washington and he was not yet in a position to state his Government's views.

26. Some points would certainly call for explanations, especially the question of the implications of the proposal for the duration of the Board's regular session, if the conference was to coincide with a Board session. If it did so coincide, a general debate in the Board would not appear to be necessary, since delegations would have the opportunity to express their views on general policy problems concerning UNIDO's long-range orientation at the conference level. His delegation would therefore like the Group of Twenty-Five to indicate exactly what schedule of meetings might be proposed for a year when the Working Group, the Board and the conference itself would be meeting. Another matter to be cleared up was the provisional agenda. Delegations and governments should have ample time to consider it and might wish to make suggestions in connexion with it. In the draft resolution, the secretariat was requested to prepare the documentation needed for the conference. That documentation might be either extensive or limited, but his delegation would like to know exactly what was expected from the secretariat. With regard to the financial implications, his delegation would like to hear any observations which the secretariat might wish to make, and it would like some confirmation of the estimated cost of a one-week meeting at Vienna, as referred to in paragraph 6 of document ID/B/72.

27. With regard to the authority of the Board to convene an international conference, it should be made quite clear that resolution 22 (III) adopted by the Board the previous year contained no decision on that matter: it simply requested the Executive Director to consult governments participating in the work of UNIDO in order to study the possibility of convening a special meeting in conjunction with the General Assembly session in 1970. It should also be recalled that while General Assembly resolution 2578 (XXIV) requested the Board to "propose" the venue, date and duration of the conference, it did not follow that it delegated to the Board the authority to take a final decision on the subject. Nor was there anything in the fundamental resolution establishing UNIDO which gave it the authority to convene an international conference.

28. Mr. KAMATH (India) did not think it necessary to repeat that his delegation thought that the holding of a special conference was vital; the only matters open to question were the date and the necessary preparations. The first Development Decade had been a disappointment and it was essential that the Second should succeed,

for it was in that context that the question before the Board should be looked at. With regard to the date, as the representative of the Philippines had emphasized, it had to be either before or after 1972, and as 1973 was much too far away, 1971 should be chosen.

29. The representative of Hungary had been right to stress the need for careful preparation. No doubt the Executive Director would be able to say whether he thought the secretariat was in a position to carry out the necessary work within a year. At all events, the problems of preparation could not really be allowed to delay the proposed conference. One delegation had referred to the need to consult governments, but the draft agenda which had been circulated was sufficient to enable governments to study the proposal put before them. It should be assumed without more ado that the special conference would take place in 1971, and preparations should be made accordingly.

30. Mr. LEDUC (France) said that in response to the letter of enquiry sent out by the secretariat, the French Government had replied that it did not consider the convening of a special conference of UNIDO opportune. That did not mean for a moment that the French Government was not interested in UNIDO's activities; still less did it mean that it was not interested in the industrialization of the developing countries, which was the major problem of the present time; but it was questionable whether such a special conference could really help to speed up the industrialization of the developing countries. The holding of a conference was not an end in itself, if there were no certainty that it would produce results, and in view of the breadth and diversity of the agenda suggested by the Group of Twenty-Five in their draft resolution there were grounds for doubting whether the conference would succeed in giving its detailed attention to all the questions which would be put before it.

31. The Board did not have authority to convene a conference, and it must keep within the terms of the General Assembly resolution, at least as regards the financing and the date of the conference. It was hardly possible to see how the Board could request the secretariat to start the preparatory work and prepare the documentation until its proposal had been accepted by the General Assembly.

32. Mr. KRAKUE (Ghana) thought that the provisional agenda proposed by the Twenty-Five would not give rise to any difficulties because all members of the Board would be able to suggest the addition or deletion of items. With regard to the venue for the conference, no one would dispute that it should be held in Vienna. As far as the date was concerned, there might be advantages in convening the conference between the session of the Working Group and that of the Board, which would perhaps make it possible to eliminate the general debate in the Board and thus gain three days. If that were done, the total time allotted for the conference, the Board and the Working Group would not exceed the time normally allowed for the sessions of the Working Group and the Board. The special conference would certainly have to be held in 1971, for reasons which had already been explained by other delegations, and a period of twelve months would be quite adequate for the preparatory work and the preparation of the necessary documentation.

33. Mr. RWAMAKUBA (Rwanda) noted that there seemed to be general approval for the principle of holding a special conference of UNIDO. With regard to the date, the representatives of Hungary and the Soviet Union had rightly drawn attention to the need for very detailed preparation, but the secretariat, with the help of governments, would certainly be able to carry out that task in twelve months. A more important problem was that of the agenda, and the Group of Twenty-Five had suggested a provisional agenda which was merely intended to serve as a basis for discussion.

34. Mr. TEJEDOR (Spain) recalled that at the third session his delegation had spoken in favour of resolution 20 (III), and it now approved the draft resolution submitted by the Group of Twenty-Five calling for the holding of a special international conference in 1971. Organizational problems would arise, to be sure, but the members of the Board and the secretariat could be relied upon to solve them. The Board might perhaps set up an ad hoc committee for that purpose, as the representative of Hungary had proposed.

35. Mr. NICUPIN (Ivory Coast) said that the big countries, after some initial hesitation, had finally come round to the principle of a special conference, if only to meet the wishes of the developing countries.

36. In his report (ID/B/72) the Executive Director had put forward three alternatives. The third of those would, it seemed, have to be ruled out because it would be prohibitively expensive. The first alternative, to hold a conference of fairly short duration at Vienna in conjunction with one of the sessions of the Board, would have the advantage of not being too costly, while the second alternative provided that the conference should also be held in Vienna in conjunction with one of the sessions of the Board, but should have a fuller agenda and last longer. According to the report, the secretariat considered that it could carry out the essential preparatory work with the help of the countries participating in the activities of UNIDO. Therefore, the Board merely had to make a choice between the first two alternatives, and there seemed no point in taking an extra year to think the matter over. It would, of course, be a special conference, but the Ivory Coast Government would be satisfied if modest but practical results were achieved, and it considered that the first and least costly alternative was the best means of achieving the desired objective.

37. Mr. SERRANO (Chile) said that he had no particular liking for ad hoc committees, because in his experience such bodies were content to put off decisions indefinitely. There was therefore, he felt, no point in giving further consideration to the establishment of an ad hoc committee, without which the preparatory work could perfectly well be completed in 12 months. The special conference could not be held in 1972, because UNCTAD was to hold its third session that year, and the governments of some distant countries would be reluctant, on grounds of expense, to send top-level representatives, i.e., ministers, to two conferences of equal importance.

38. He was sure that the representatives of the advanced countries would heed the appeal made by the Indian delegation and would understand that the developing countries were eagerly looking forward to the holding of the special conference which should help them to solve their problems of industrialization; moreover, it should be borne in mind that all the specialized agencies and the International Atomic Energy Agency held regular general assemblies or general conferences.

39. Mr. SCHEJBAL (Czechoslovakia) said he did not share the view of the representative of Chile. A conference required preparation, and it was therefore only natural that an ad hoc committee should be set up, as the representative of Hungary had proposed.

40. Mr. LOPEZ MUIÑO (Cuba) recalled that during the general debate at the third session of the Board he had spoken in favour of convening a special conference because he felt, as did most of the developing countries, that UNIDO was not in a position to live up fully to those countries' expectations. The secretariat, on account of its very limited resources, was clearly in no position to provide a solution to those problems.
41. The fact that the delegations sent by one and the same country to the various international organizations did not always adopt the same attitude made the need for a special top-level conference quite obvious: such a conference would enable the countries' most senior representatives, the ministers, to make known their Governments' official position. Furthermore, the normal Board sessions were too short to permit detailed examination of the essential problems facing the Organization, whether they be structural problems such as the question of collegiate-type management or the establishment of standing committees, or other fundamental questions such as the financing of industrial development and the mobilization of resources. How could the Board, in the short time at its disposal, draw up a strategy for industrialization and define a long-term policy for UNIDO? The proposal he had made during the general debate that a discussion be held on the indicative world programme for industrialization had provoked very little reaction.
42. He agreed with the representatives of Hungary and the Soviet Union that the conference would require very careful preparation, but the Board should not be too perfectionist in its approach: it should aim at finding generally acceptable solutions when dealing with questions such as the establishment of an ad hoc committee and the place and date of the conference.
43. Mr. MIRZA (Pakistan) said that he agreed with other delegations that the conference must be carefully prepared. The only question was whether there was sufficient time to enable it to be held in 1971. With regard to the preparation of documentation, he noted that the provisional agenda was made up entirely of matters which the secretariat had to deal with every day and at every Board session; he therefore saw no reason why it could not issue excellent documentation in a year's time. That period should be long enough for the governments, too. Perhaps the Executive Director could say whether he thought that the secretariat would be able to acquit itself of such a task in the allotted time.

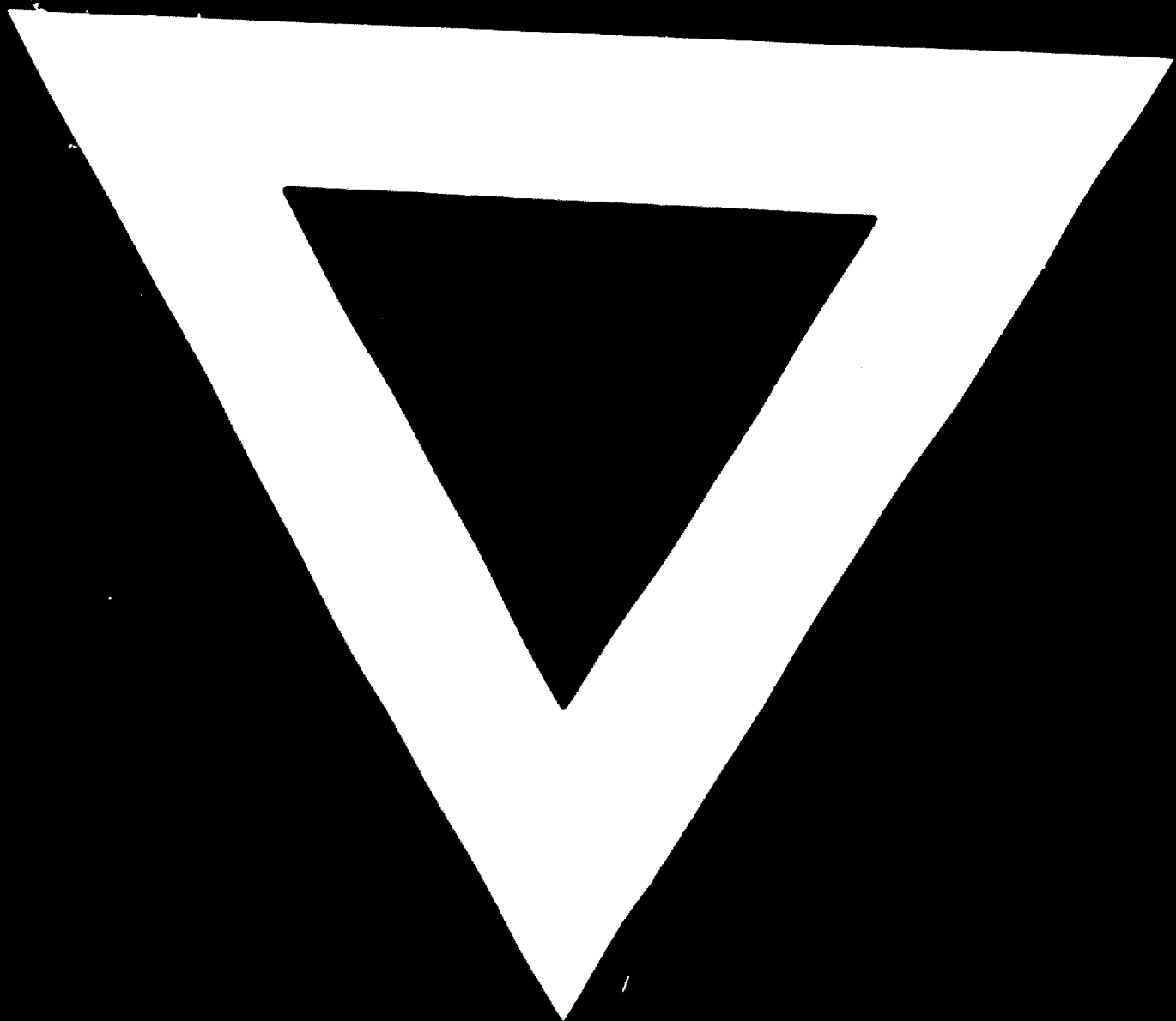
44. If it was to be possible to convene the conference in 1971, however, it was essential that the Board should quickly agree on the agenda proposed in the draft resolution; otherwise, the secretariat and, for that matter, governments too might not have sufficient time to take the necessary action.
45. Mr. WALRAVEN (Netherlands) said that his delegation had voted in favour of General Assembly resolution 2578 (XXIV); it approved the proposed special conference of UNIDO and thought that that conference should take place as early as possible in the Second Development Decade, that careful preparations should be made for it, and that its agenda should be so fixed as to ensure its success.
46. The Netherlands Government would strive to contribute in every possible way to its success.
47. Mr. ARCHIBALD (Trinidad and Tobago) thought that, now that UNIDO's first years of existence had been completed, the time had come to take stock of the Organization's activities at a special conference in which country representatives at the highest level would take part; moreover, coming as it would at the beginning of the Second Development Decade, the special conference would make it possible to define UNIDO's role in that Decade. It should also be noted that the Geneva negotiations on a general system of preferences were an opportunity for developing countries to make known that they would be unable to take advantage of the new possibilities thereby opened up to them if they did not manufacture commodities which were well adapted to be sold on the markets of the advanced countries.
48. Some delegations had questioned whether the Board was competent to convene a special conference. In his opinion, if the Board unanimously adopted a resolution and transmitted it to the General Assembly, the latter could hardly fail to act on it.
49. Mr. ARKADIEV (Union of Soviet Socialist Republics), returning to the question of setting up an ad hoc committee, pointed out that the secretariat could not undertake to prepare all the necessary documentation alone without running the risk of having to sacrifice the work devolving upon it in connexion with operational activities. Furthermore, while it was entirely understandable that India and the other developing countries should wish the conference to be held as soon as possible, in the present circumstances haste would be most inadvisable. The problem was to strike a happy medium, and if April 1972 appeared too remote, the end of 1971 might be very acceptable.

50. Dr. ARCEL-RASCIAU (Executive Director), replying to questions raised by delegations during the discussion concerning the text of General Assembly resolution 257^a (XXIV) said that the secretariat was not qualified to give an authoritative interpretation of the resolution, but he would go through the summary records of the discussions in the Second Committee of the General Assembly which had preceded adoption of the resolution in order to seek passages which might help clarify the matter and, after considering them carefully, he would inform the Board of the results of his research. In his opinion, special importance should at all events be attached to operative paragraph 1 of the resolution in question, which began with the word "Suggests". The General Assembly had thus made a suggestion that a special conference should be held at an appropriate time. A suggestion was less than a decision, but it was more than the mere referral of a matter to the Board. In paragraph 2, the General Assembly requested the Board to consider its suggestion and to propose the venue, date and duration of the conference without, however, specifying to whom those proposals should be submitted. Lastly, the General Assembly requested the Board to formulate a "provisional" agenda, but of course such an agenda remained provisional in any case until it was officially adopted.

51. The secretariat had also been asked whether it thought itself capable of carrying out the necessary work. In reply, he confirmed the remarks made in paragraphs 4 to 7 of his report (document ID/B/77) and especially in paragraph 5, which assumed a conference of short duration held in Vienna at the same time as, or immediately preceding, one of the forthcoming sessions of the Board, in which event the documentation and preliminary consultations with governments would require little preparatory work by the secretariat. The cost of such a conference would be relatively small. Paragraph 6 envisaged the possibility of a longer, but more costly, conference. In either case, he thought that the necessary work could be accomplished if the Board so desired.

The meeting rose at 6.45 p.m.





28.3.74