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Industrial Development Board

Fifth Session

Vienna, 24 - 28 May 1971

SUMMARY RECORD OF THE ONE HUNDRED AND TWELFTH MEETING

Held at the Neue Hofburg, Vienna,
on Wednesday, 26 May 1971, at 3.15 p.m.

President: Mr. ASANTE (Ghana)
later Mr. ZEILINGER (Costa Rica)
Rapporteurs: Mr. HARS (Hungary)

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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.

FINANCIAL AND ORGANIZATION MATTERS (ID/B/81, ID/B/82, ID/B/84, ID/B/85, ID/B/93)

1. Mr. BECERRIL (Spain) said that his delegation supported the draft resolution on the Special Industrial Services programme which had been submitted by Brasil, Mali and Senegal, because of the great importance it attached to that programme.
2. Mr. PEREZ (Venezuela) felt that UNIDO should ensure that the geographical distribution of staff in the professional and higher categories was truly equitable; the competence of staff, however, important it might be, should not be the determining factor. Compared with other regions, Latin America was the most under-represented, particularly in relation to the rest of the American continent, which had four times as many of its nationals on the staff. The secretariat should endeavour to ensure a more equitable distribution between developed and developing countries. The latter had personnel with the necessary qualifications who could give the best service since they were particularly familiar with the problems facing Third World countries. Furthermore, too small a place was given to Latin American countries in UNIDO's Regular Programme of Technical Assistance. He trusted that the Board and the secretariat would take his observations into account when considering the two problems to which he had referred.
3. Mr. TARRANT (United States of America) was pleased to note a considerable improvement in the secretariat's work procedures over the previous year. Of course, there were still a number of areas which required greater attention, but serious efforts had been made to deal with the practical aspects of industrialization in various countries, and they should be encouraged.
4. Unfortunately, the secretariat had not taken due account of the conclusions and recommendations of the United Nations Administrative Management Service. No indication was given in the Executive Director's report (ID/B/85) of the way in which it was intended to put those recommendations into effect. The small amount of information given in paragraph 95 was insufficient. He therefore requested the secretariat to give the Board details of how it intended to follow up the report of the Administrative Management Section.
5. He particularly welcomed the progress made in electronic data processing with a view to assisting in the supervision and implementation of technical assistance projects, as well as the common services arrangements with IAEA. Such progress showed that the UNIDO secretariat was becoming increasingly aware of the vital need to coordinate its activities with those of the Agency in order to make the best use of its resources.

6. Lastly, he hoped the secretariat would draw up a list of the various categories of personnel working at headquarters, with details on personnel other than field experts, and specifically short-term staff, staff paid from the general expenses account, regional advisers, field advisers and other categories of staff, stating their grade, nationality and functions. Such a list would help the Board to evaluate the lines along which the secretariat was running UNIDO's activities.

7. Mr. SIAZON (Philippines) expressed satisfaction with the lucidity of the budget estimates for 1972 (ID/B/34). He wanted to know, however, whether the principle of equitable geographical distribution would be applied in respect of personnel remunerated from extra-budgetary resources in 1972 (Table 16-3) and also whether the breakdown of established posts by divisions or sections (Table 16-5) gave an accurate view of the current situation.

8. Referring to annex II of the report on administrative activities and organizational matters, he noted that Personnel Services comprised four separate sections and wished to know the difference between the secretariat Recruitment Section and the Special Services Section. With regard to the recruitment of professional staff (paragraph 6), he also wished to know whether any of the persons given long-term appointments were nationals of countries that had already exceeded their quota. He welcomed the progress made by UNIDO in recruitment of project staff and hoped that the secretariat would display greater efficiency in that respect. He was pleased to note the promotions awarded to General Service staff (paragraph 24) and thought it desirable that the secretariat should supply more detailed information on that category of staff. The secretariat should take measures to ensure that newly-recruited staff were duly familiarized with the way in which UNIDO worked, in order to avoid any misapprehensions on their part, of which there had already been a number of cases, and in order to obviate delay in the launching of projects.

9. Turning next to the various UNIDO technical assistance programmes, he noted with satisfaction that 99 countries had been granted technical assistance under the UNIDO Regular Programme (ID/B/32). He specially approved of the procedure envisaged by the secretariat for the award of fellowships and urged it to intensify its efforts

in that sphere, with particular emphasis on improvement of fellowship programmes and measures to ensure that fellowship-holders were informed of the programmes in advance. His delegation unreservedly supported the measures advocated by the Executive Director concerning the programme for 1978 (paragraph 20), but he nevertheless found it wholly illogical that the Board should be attempting to obtain an increase in funds allocated to UNIDO for all the other programmes, while adhering in the present case to the figure of 1.5 million dollars, which did not take into account depreciation in the monetary value of the UNIDO regular budget. The sum should be raised to 2.5 million dollars.

10. With regard to the UNIDO General Trust Fund (ID/B/93), he wished to point out that the countries of South-east Asia had undertaken to contribute 50,000 dollars, to be used for that programme, and he regretted to see the extremely small number of countries that had benefited from it, namely, six African countries, four in Asia, three in Europe and the Middle East, and none in Latin America. That state of affairs must be put right and steps taken, with due concern for improved geographical distribution, to see that the most under-privileged developing countries - particularly the five South-east Asian countries - were enabled to take advantage of the programme.

11. In contrast, the programme of Special Industrial Services (ID/B/81) had proved extremely valuable to developing countries, on account of its special status and flexibility. His delegation would therefore like to see the annual planning level fixed at 3 million dollars, not 2 million, especially since the ceiling had been set at 4 million dollars. His delegation considered that countries not on the UNDP list were not eligible to benefit from the SIS programme, but document ID/B/80/Add.4 indicated that one such country had received SIS assistance. He would be grateful if the secretariat or the representative of UNDP could explain the reasons for that irregularity.

12. In conclusion, he supported the proposal by the representative of the United States concerning compilation of an annual list of the entire staff, excluding the field advisers, a list of whom would be submitted to the session of the Board.

13. Mr. Zeilinger (Costa Rica), Third Vice-President, took the chair.

14. Mr. CARLEVARI (Argentina) associated himself with the views expressed at the previous meeting by the representative of the United Arab Republic, as they were similar in many ways to those voiced by the Argentine delegation during the meetings of the Working Group. In view of the fact that field activities must be given top priority, both the budget estimates to be submitted by UNIDO to the General Assembly at its twenty-sixth session and the Board's recommendations relating to the programme of work should make provision for strengthening the financial and human resources of the Technical Co-operation Division and the Industrial Technology Division. The Technical Co-operation Division was responsible for co-ordination and implementation of the activities of UNIDO as an executing agency for UNDP, as well as for maintaining contact with the field advisers. In that respect, he wished to know the geographical distribution of the 38 Area Sections posts mentioned in Table 16-7 of the budget estimates for 1972 (ID/B/84). Similar comments could be made regarding the Industrial Technology Division, the primary function of which was to facilitate the transfer of technology to the developing countries and thus promote the establishment of new industries and the strengthening of existing ones.

15. While his delegation by and large supported the action taken by the secretariat in respect of the questions being discussed at present, it urged the secretariat to make every effort to obtain more resources from UNDP with a view to increasing the number of industrial field advisers, to whom his country attached particular importance.

16. As far as the proposed publication of a monthly magazine was concerned, he did not oppose the idea, but since the review would be intended for heads of enterprises and technicians in all member States, he hoped that it would not be published only in English.

17. Mr. AL-QALSI (Iraq) said that action to remedy the many delays which occurred in the recruitment of experts was urgently needed. In that connexion, he wished to make the following suggestions: first, that requests for the services of experts should be handled more rapidly; second, that long-term personnel should

be recruited so that they could carry their work through to a successful conclusion; third, that the necessary steps should be taken to recruit highly qualified experts in highly specialized fields, and finally, that a general inquiry should be undertaken at the national and regional levels with a view to determining the long-term requirements of the developing countries.

18. He thought that UNIDO could intensify its action in that respect by providing for wider representation of the organization at the country level and by promoting the establishment of industrial centres. Closer collaboration between UNESOB and IDCAS might well prove fruitful.

19. Mr. KAMATH (India), referring to the budget estimates for 1972 (ID/B/84), stressed the fact that in certain cases the secretariat had not implemented the decisions taken by the Board at its previous session and approved by the General Assembly. A case in point was that of the post of Chief of the Fertilizers, Pesticides and Petrochemicals Industries Section. Although that field was of vital importance for the industrial future of the developing countries and the post in question had been upgraded from P-5 to D-1, it still appeared in the P-5 category in table 16-8 of document ID/B/84.

20. He shared the view that efforts should be concentrated more and more on seeking to recruit experts from the developing countries themselves. In all cases involving technology adapted to the developing countries, it was only right and proper to seek out the specialists best acquainted with conditions in those countries and therefore capable of giving the best service.

21. Mr. Asante (Ghana) resumed the chair.

22. Mr. SAN SEBASTIÁN (Spain) agreed with the representatives of the United States and the Philippines that a complete list of officials at headquarters and in the field and of technical assistant experts, with details of their nationality, professional qualifications and the reasons for their recruitment and promotion should be made available to the members of the Board and, indeed, all the members of the organization. That list should be regularly updated.

23. He also concurred with the representative of India, who had stressed the desirability of recruiting experts, whenever possible, from the developing countries. It was obvious that experts from countries which had recently had to deal with difficult problems similar to those being encountered, in their turn, by other developing countries were in a particularly good position to give those countries the benefit of their experience.

24. Lastly, he wholeheartedly endorsed the remarks by the representative of Argentina concerning the new magazine proposed to the Board. He himself had asked at a meeting of the representatives of the Group B countries whether that magazine would be published in the various official languages of the organization or whether each issue would contain articles in several languages, and, if so, what share would be assigned to Spanish. He had then been assured that there would be a fair proportion of articles in Spanish. However, the pilot issue was almost entirely in English, with the exception of the appendix, which contained abstracts in Spanish. If the secretariat continued with that policy, he could unhesitatingly affirm that the magazine would be of absolutely no use to the Latin American countries. The publication should be designed to suit the public for which it was intended, in other words, not diplomats or high officials, but promoters and engineers. Furthermore, Spanish was a working language of the United Nations, and the policy followed for the pilot issue ran counter to the principles applied by the United Nations.

25. Mr. MIRZA (Pakistan) deplored the fact that the working documents had been distributed only the day before.

26. Document ID/B/82, which was devoted to the Regular Programme of Technical Assistance to Industrial Development, reviewed the activities undertaken by UNIDO in 1970 and outlined the draft programme for 1972. He noted with satisfaction that, in 1970, UNIDO had supplied the services of 32 field experts, had sent 20 advisory missions and had granted more than 150 fellowships for specialization in various subjects.

27. The programme in question did, then, include extremely important activities. He therefore regretted that its budget had remained fixed at 1.5 million dollars for several years. That figure should be doubled for the 1972 programme. With that reservation, he endorsed the draft programme for 1972.

28. The programme of Special Industrial Services, which was dealt with in document ID/B/81, played an important part in the operational activities of UNIDO. Experience had shown that it was a highly effective instrument for solving the urgent problems raised by the industrialization of the developing countries. It was desirable that that programme should continue to be focussed primarily on pre-investment and feasibility studies. There, too, the resources made available to UNIDO were inadequate, and he hoped that the UNDP Governing Council would make a sum of 3 million dollars available to UNIDO for the SIS programme.

29. He noted that the budget estimates (ID/B/84) were not definitive, for paragraph 16.4 provided that they might be revised before being presented to the General Assembly in order to take into account the recommendations of the Board and the financial implications of any recommendations adopted by the Special International Conference. Since the Board would not have time to make the necessary corrections, the secretariat would have to make them.

30. The value of supporting activities, which were designed "to enrich the operational programme" was mentioned in paragraph 16.6. While not denying the importance of such activities, he hoped that the programme of supporting activities would not develop at the expense of the operational programme. It was indispensable to accentuate to a still greater extent the strictly operational aspect of the latter programme. For example, UNIDO should make more technical services available to public or private enterprises in the developing countries. Subject to those observations, he endorsed the budget estimates for 1972.

31. Mr. MÜLLER (Austria) informed the Board that the Austrian Government had recently taken decisions, jointly with the Municipality of Vienna, concerning the construction of the future permanent headquarters of UNIDO. In 1966, the United Nations had estimated its staff requirements at a total of 1,500 persons. Two years later, the Austrian authorities had in turn prepared estimates and arrived at a substantially different figure: according to them, the United Nations could be expected to need to employ a staff of 1,730 persons at Vienna. The rapid development of UNIDO's activities had confirmed the accuracy of that forecast. In 1971, the Austrian authorities had prepared a new estimate, which they hoped was realistic; on the basis of those new calculations, they had decided to start constructing for the future permanent headquarters of UNIDO a building capable of accommodating 2,266 persons. The Executive Director of UNIDO had been informed of that decision on 24 May 1971 by a personal letter, containing a number of technical and administrative details, from the Minister of Foreign Affairs. It was desirable that UNIDO should provide the Austrian authorities with an estimate of its requirements without delay, so that construction of the future building could be undertaken as promptly as possible.

32. The PRESIDENT, speaking on behalf of the Board, thanked the representative of Austria for the information he had given and asked him to thank the Austrian Government and the City of Vienna.

33. Mr. BIRCHHEAD (Director, Division of Administration, Conference and General Services) said he would first reply to the general comments made on documents ID/B/84 and ID/B/85.

34. Firstly, he observed that although, in accordance with operative paragraph 5 (b) of resolution 9 (II) of the Industrial Development Board, the Executive Director submitted the budget estimates to the Board, the budget was drawn up by the Secretary-General of the United Nations.

35. The preparation and consideration of the budget estimates submitted by the Secretary-General were governed by rules established by the United Nations General Assembly. The Secretary-General submitted his budget estimates to the Advisory Committee on Administrative and Budgetary Questions. The Advisory Committee had very recently had a meeting in Vienna with representatives of the UNIDO secretariat.

The Advisory Committee prepared a report which it submitted to the Fifth Committee, and the Advisory Committee and the Fifth Committee examined in detail the budget estimates submitted by the Secretary-General. These rules applied to all budget estimates, including budget estimates for UNIDO.

36. With regard to the proposals for the periodical issue of a list of UNIDO staff, he wished to point out that every year the United Nations Secretariat prepared for the General Assembly a complete list giving the name, nationality and grade of every staff member employed by the United Nations, including the staff of UNIDO.

37. Some speakers might have given the impression that the report of the Administrative Management Service had been distributed to Member States. The relevant General Assembly resolution did not, however, stipulate that the report should be transmitted to Governments. It was designed to help the Executive Director of UNIDO to improve the efficiency of the organization. The secretariat had, in fact, already carried out many of the recommendations contained in the report. In addition, the Secretary-General used the report in connexion with the preparation of his budget estimates, as did the Fifth Committee in considering them.

38. Many representatives had shown interest in the criteria applied by the Executive Director when recruiting UNIDO staff. He wished to point out that the Chief of Personnel Services frequently visited the Governments of Member States with a view to the continual improvement of the geographical distribution of secretariat posts and the ratio of high-level staff members in relation to the staff as a whole. He had taken note of the very useful suggestions put forward by representatives and would transmit them to the Secretary-General.

39. He further noted that the budget estimates contained in document ID/B/84 might subsequently be revised in the light of the Board's observations on the Programme of Work (ID/B/80), which might have implications for the budget estimates submitted to the General Assembly, as well as in the light of the financial implications of any recommendations which the Special International Conference might adopt.

40. The publication of the new magazine, a preview copy of which had been distributed to members of the Board, was a pilot project which had been undertaken too late to be included in the programme of work for 1972. He had taken due note of the comments which it had prompted.

41. With regard to the difference between the figures given for the number of staff in documents ID/B/84 and ID/B/85, the figures in the first document were based on budgetary estimates, whereas those in the latter document, which had been prepared to assess accommodation requirements, took account not only of permanent staff but also of temporary staff, consultants and certain auxiliary services. The growth forecasts made for these purposes had been prepared in the light, inter alia, of the growth in the organization's programmes in recent years. Those forecasts were higher than those prepared by the Austrian departments. The UNIDO secretariat, while most grateful to the Austrian authorities for their generosity, nevertheless wished to point out that, if the numbers forecast by the Austrian departments were used, the future building, which was expected to be ready for occupancy in 1976, might already be too small in 1981.

42. Mr. BARBOSA (Chief, Financial Services) observed that several representatives had expressed surprise at the discrepancy between the level of resources allocated to the UNIDO and the Organization's commitments. As stated in paragraph 127 of document ID/B/80, it was expected that the rate of programme delivery in 1971 would correspond to 64 per cent of the resources available. A delivery rate of 66 per cent had been assumed in preparing the programme of work for 1972. Clearly, it would be desirable for all resources to be used. However, the resources allocated to UNIDO by UNDP were tied to specific projects, and if they were not used to finance the execution of the project to which they corresponded, they could not be transferred to another project, for they were not like funds which could be transferred from one section to another of a regular budget.

43. Furthermore, it would not be realistic to expect the resources allocated to a particular budget to be utilized in toto. It was possible only to improve the rate of utilization of resources. With experience, UNIDO was learning to utilize more effectively the resources placed at its disposal, but there would always be certain difficulties which were beyond the Organization's control and which might lead to delays in project implementation.

44. Mr. HOLMES (Chief, Personnel Services), replying to a question by the representative of the Union of Soviet Socialist Republics who had expressed surprise at the discrepancy between the two figures for UNIDO staffing given in document ID/B/85, said that the first figure, which appeared in table 2 on page 15 of the report,

indicated usable space and occupancy in temporary headquarters buildings as of 31 December 1970. The total figure for occupancy was 1,024, which was considerably higher than the figure of 224 staff members appearing in paragraph 4 of annex I on the geographical distribution of the professional staff of UNIDO. The occupancy figure of 1,024 included not only the professional staff subject to the principle of geographical distribution, but also consultants, temporary staff, IAEA personnel, and the staff of commercial affiliates (Bank, Wagons-Lits/Cook, etc.). In addition, there were the general service and M + O staff.

45. The representative of Japan had conceded that the geographical distribution of secretariat posts gave rise to many delicate problems. The secretariat was making every effort to increase the number of countries represented, to establish equitable distribution of posts among the various regions of the world, and to ensure rotation of professional staff. The number of countries represented had increased from 11 in August 1967 to 18 in May 1971 for Africa, from 4 in 1967 to 9 in May 1971 for Asia and the Far East, and from 51 in 1967 to 61 in 1969 and 73 in 1971 for all countries taken together.

46. Furthermore, it should be borne in mind that the policy followed in respect of the geographical distribution of posts within UNIDO was governed by that followed in the secretariat of the United Nations.

47. Mr. GUIJANO-CABALLERO (Director, Technical Co-operation Division), supplementing the explanation given by Mr. Barbosa concerning the rate of utilization of allocated resources, said that the balance achieved in the regular programme between allocated resources and actual expenditure was due to the carrying over of resources from one financial year to another. That method was not applicable to all programmes, and that was the reason for the discrepancy which sometimes existed between the figure for allocated resources and that for actual expenditure. Consequently, a true picture of the resources placed at the disposal of the organization could not be obtained from the figure for actual expenditure.

48. The representative of the United Arab Republic had expressed surprise at the delay in nominating fellows. The main reason for that delay was the slowness of the procedures currently in use for selecting fellows, and the difficulty of placing candidates in enterprises. The secretariat was doing its best to speed up the

administrative formalities and was also endeavouring to overcome the resistance in industrial quarters. Heads of enterprises sometimes hesitated to accept fellows if that meant expense for them. But there, too, the situation was improving. He wished to point out to the representative of the United Arab Republic that many of the difficulties arose because developing countries were requesting more and more fellowships and were also asking that their fellows should receive extremely complicated training, which limited the placement possibilities. In all cases, the secretariat made every effort to ensure that fellows were placed as rapidly and satisfactorily as possible.

49. The representative of the United Arab Republic had asked for further details regarding paragraph 19 of document ID/B/82, where it was stated that "UNIDO is also studying the possibilities of establishing composite UNIDO teams of experts for consultations with Governments and industry in order to survey problems and needs for specific industries". UNIDO was, in fact, contemplating starting an entirely new type of activity. It wanted to send out, to countries requesting them, very high level experts to help those countries work out their development projects in the field of industry.

50. The representative of India had asked for details about the difficulties encountered in carrying out SIS projects. It often happened that the secretariat was slow in sending back requests accompanied by final approval to the countries that had submitted them. That did not mean that the projects were left in abeyance. It simply meant that formalities for approval took a long time. In actual fact, the secretariat showed a good deal of flexibility. It was true that at the financial and administrative level, final approval required only a signature. However, preparatory work such as identifying the project, defining its scope and purpose, and determining the methods to be used for carrying it out, was undertaken well before the request was finally approved and the secretariat committed the necessary funds by entering into an agreement with firms of consultants.

51. Lastly, the country to which the representative of the Philippines referred had been since 1963 on the list of countries receiving assistance from UNDP. According to UNDP criteria, any member State of the United Nations was entitled to technical

assistance. What varied according to the resources of the requesting countries was the size of the contribution which UNDP asked them to make for financing the execution of the project. Many countries contributed quite extensively to the cost of execution, some even assumed responsibility for the entire overhead expenses.

52. Mr. SYLLA (Secretary of the Board) referring to the new publication, explained that the copy that had been distributed was only a sample; the publication could later be issued in other languages so far as financial possibilities allowed.

53. The PRESIDENT said that if there were no objections, he would assume that the Board approved the UNIDO regular programme of technical assistance and its annex (ID/B/82), on the understanding that the comments of delegations would be given in its report, and that the Board recommended that the General Assembly should allocate the sum of 1.5 million dollars for the programme.

54. The UNIDO regular programme of technical assistance was approved.

55. The PRESIDENT observed that the Board had now concluded its discussion of item 6 of its agenda, except for the draft resolution on the programme of Special Industrial Services presented by Brazil, Mali and Senegal (document ID/B/L.96). He proposed to put off consideration of that draft resolution until its sponsors, to whom should now be added Algeria, had received the comments of the other delegations and, if necessary, revised their draft.

56. It was so decided.

MATTERS CONCERNING INTERGOVERNMENTAL AND NON-GOVERNMENTAL ORGANIZATIONS
(ID/B/86 and Ann.3-5)

57. Mr. MULLER (Council for Mutual Economic Assistance) thanked the Board for having conferred consultative status on his organization. As a consequence of the scientific and technical revolution, international co-operation and exchange of experience had assumed great importance, and it was therefore natural that CMEA should take an interest in the activities of UNIDO. The granting of economic aid was of great importance to these developing countries with sparse resources and small populations, which must undertake joint efforts in order to establish industries requiring the mobilization of considerable resources. For that reason,

regular exchanges of information between UNIDO and CMEA were most necessary. The members of CMEA were industrialized countries which accounted for 10 per cent of the world population but manufactured 31 per cent of world production, as compared to 15 per cent before the war. The objective of CMEA was to raise the living standards of the workers by co-ordination of national economic plans designed to avoid duplication and characterized by collaboration in all spheres. CMEA had twenty years of experience in economic, scientific and technical co-operation, and was thus well-placed to aid developing countries in drawing up plans aimed at sound economic integration and specialization in the interests of all concerned. CMEA's efforts since its twenty-third and twenty-fourth sessions had been directed towards improving long-term programming and co-operation between its members, and the organization was now in a position to intensify its co-operation with all countries, especially those in the process of development. CMEA gave technical and economic assistance to over sixty such countries and of the more than two thousand industrial projects which it had promoted, at least one thousand were already in operation, mainly in the heavy industry sector. Thanks to those projects, the developing countries were destined to assume a larger share of world production. In addition, CMEA trained nationals of developing countries to be skilled workers and specialists. In conclusion, he wished to mention that he could furnish those interested with literature containing all required information on his organization.

PROVISIONAL AGENDA OF THE SIXTH SESSION (ID/B/L.95)

58. The PRESIDENT recalled that he had before him a proposal to insert after item 4 of the provisional agenda of the sixth session of the Board a new item: "Matters arising from the conclusions of the Special International Conference of UNIDO". If there were no objections, he would assume that the Board approved the provisional agenda of the sixth session as thus amended.

59. The provisional agenda of the sixth session of the Board, as amended, was approved.

DATE AND PLACE OF THE SIXTH SESSION

60. The PRESIDENT noted that UNCTAD would be holding its third session from 11 April to 10 May 1972, i.e., at a time of the year when the Board itself usually met. Some delegations felt it desirable to ensure that the two sessions did not

coincide. In answer to a question raised by the representative of India, he explained that one of the reasons why it would be difficult for the Board to meet before UNCTAD was that it would be impossible to send the necessary documentation to member States six weeks in advance in accordance with the usual practice. If, on the other hand, the Board met after UNCTAD, it would not be able to submit its report to the Economic and Social Council in time.

61. Mr. BERNSTEIN (Chief, Conference Services) pointed out that if the Board met before UNCTAD, the documentation would have to be prepared by 20 January: in other words, so far in advance that it would inevitably be out of date.

62. Mr. KRISTEN (Austria) pointed out that the Hofburg authorities had a very heavy timetable of meetings; they would prefer the dates of the Board's sessions to be fixed, since that would greatly assist them in planning other conferences and congresses. Moreover, in 1973 the authorities would be able to place the Hofburg facilities at UNIDO's disposal only during April and the first week in May.

63. Mr. WOOD (Kenya), noting the difficulties which the Board might encounter in 1973 if it met in Vienna, proposed, subject to confirmation of his offer by his Government, that the Board should meet in Kenya. He would inform the secretariat of his Government's final reply as soon as possible.

64. The PRESIDENT took note of the offer made by the representative of Kenya and of the suggestions made by the representative of Austria regarding the adoption of a firm date for the Board's session.

65. Mr. THOÛÉ (Mexico) observed that since UNCTAD's forthcoming session at Santiago de Chile promised to be very important, it would be useful for the Board to have before it, when it met, the resolutions adopted by UNCTAD.

66. Mr. BRILLANTES (Philippines) pointed out that although the third session of UNCTAD was scheduled to last for five weeks, it might be necessary, in view of its heavy agenda, to extend the session for a week. He therefore felt that it would be preferable for the Board to meet before UNCTAD. Regarding the question of documentation he felt that the secretariat could be asked to make an effort to distribute as many documents as possible, even if only a week before the Board met, and that that would leave enough time for them to be taken up at the session. As far the argument that the documents might not be up-to-date, he felt that it was up to the secretariat to make a special effort to respond to the Board's requirements.

67. Mr. SYLLA (Secretary of the Board) confirmed that the secretariat would do everything it possibly could to give the Board all the material it needed to take its decisions, and it would ensure that the documents were as complete and up-to-date as possible.

68. Mr. ARKADIEV (Union of Soviet Socialist Republics) felt that the most important thing was to determine whether the Board could work more effectively if it met before the UNCTAD session or after it. The items on UNCTAD's agenda were of interest to UNIDO. If the Board met in March it would be unable to take UNCTAD's decisions into account, even though they might be of great importance to the developing countries.

69. The PRESIDENT suggested that the Board might wish to settle the question of the date of the sixth session by deciding to meet either between 9 March and 30 March 1972 or between 15 May and 5 June 1972. In the former case, the exact date would be set by the Executive Director and communicated by him to Governments, and the rule under which the documents for the session must be distributed to member States six weeks in advance would have to be waived. In the latter case, the Executive Director would be requested to transmit to the Economic and Social Council the Industrial Development Board's apologies for the delay in submitting its report. In order to avoid a prolonged discussion at the present stage, he proposed to give members the opportunity for informal contacts and then, if agreement could not be reached in that way, the question would be put to the vote at a later meeting.

70. It was so decided.

OTHER BUSINESS

71. Mr. SYLLA (Secretary of the Board) drew attention to an error in the title of document ID/B/L.93 and proposed that the word "Composition" should be replaced by "rotation".

72. It was so decided.

73. The PRESIDENT drew attention to the decision in paragraph 2 of resolution 2637 (XXV) adopted by the General Assembly at its twenty-fifth session that Fiji should be included in list A of the annex to General Assembly resolution 2152 (XXI). He proposed that the Board should take note of that decision.

74. It was so decided.

75. Mr. CASTEL (Algeria) said that his country had intended to suggest that the form of the Working Group's report should be modified in such a way as to make the document more effective and to enable more guidelines for the secretariat to be incorporated in it. However, there was now a possibility that the Board might meet again after the Special International Conference in order to examine the desirability of taking certain decisions arising from the results of the Conference. His delegation therefore preferred to wait until the Board had taken a decision on that question before making its proposal to modify the form of the Working Group's report.

76. The PRESIDENT stated, with regard to the question of a resumption of the work of the Board after the Conference, that consultations were taking place among delegations and that if an agreement had not been reached by Friday, the Board would have to open a discussion in order to settle the matter.

77. Mr. LERICHE (Legal Liaison Officer, UNIDO) informed the Board that if any points in document ID/B/9A regarding headquarters regulations required explanation, he was ready to assist.


78. The PRESIDENT invited the Board to approve the "Headquarters Regulations."

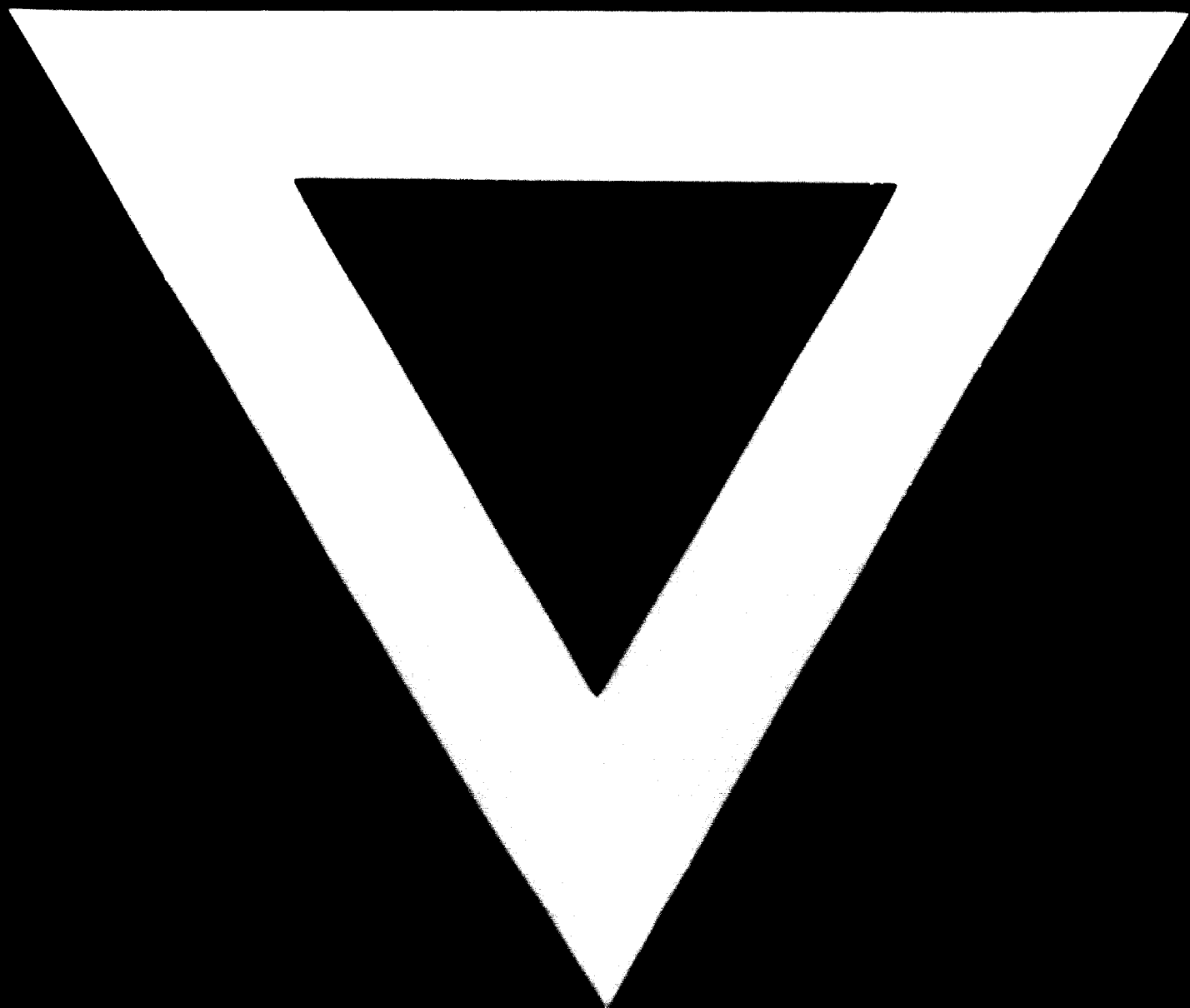
79. It was so decided.

80. Mr. MORRIS (United States of America) said that his delegation much appreciated the high quality of the report of the Joint Inspection Unit (ID/B/87), which had proved very useful in other United Nations organizations for programme evaluation. It was understandable that at the present meeting of the Board that document should be discussed under item 11 of the agenda (Other Business), since the activities of the Joint Inspection Unit had little to do with those of UNIDO, but those reports were so important that it would be worth while in future to devote an agenda item to them. The United States delegation approved of the resolution of the Economic and Social Council whereby the organizations of the United Nations system were invited to give an important place to the reports of the Joint Inspection Unit and to ensure that appropriate follow-up action was taken, and it hoped that UNIDO would make more use of those reports. It considered that the working groups should draw inspiration from the reports containing suggestions regarding the programme of

work of UNIDO. With regard to the suggestion about relations between UNIDO and ECLA, to the effect that ECLA should act as regional agent for UNIDO in Latin America, the United States delegation considered that such a procedure would cause confusion, since the terms of reference of UNIDO were very different from those of ECLA. Before considering a suggestion of that kind, therefore, it would be well to obtain more information.

The meeting rose at 6.25 p.m.





22.7.74