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**SELECTED ISSUES FOR CONSIDERATION IN THE JOINT STUDY  
ON INTERNATIONAL INDUSTRIAL CO-OPERATION**

Note prepared by the UNIDO Secretariat

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Introduction.

1. The seventh special session of the General Assembly was held in September 1975 for the purpose of examining the political and other implications of the state of world development and international economic co-operation, expanding the dimensions and concepts of world economic and developmental co-operation and giving the goal of development its rightful place in the United Nations system and on the international stage.

2. In its deliberations at that session, the General Assembly endeavoured to focus on important issues on which practical agreements were possible. Among the broad topics identified for discussion was the subject of industrialization, and the General Assembly unequivocally endorsed the call for change that had been made in March 1975 when the Second General Conference of UNIDO, meeting in Peru, issued its Lima Declaration and Plan of Action. The document, which sets all the main principles of industrialization and defines the means by which the international community as a whole might take broad action to establish a new international economic order, constituted the basis of the discussion on industrialization. In its resolution 3262 (S-VII), the General Assembly requested all Governments to take individually and/or collectively the necessary measures and decisions required to implement effectively their undertakings in terms of the Lima Declaration and Plan of Action. In particular it requested that:

"A joint study should be undertaken by all Governments under the auspices of the United Nations Industrial Development Organization, in consultation with the Secretary-General of the United Nations Conference on Trade and Development, making full use of the knowledge, experience and capacity existing in the United Nations system of methods and mechanisms for diversified financial and technical co-operation which are geared to the special and changing requirements of international industrial co-operation, as well as of a general set of guidelines for bilateral industrial co-operation. A progress report on this study should be submitted to the General Assembly at its thirty-first session."

3. It is thus felt that the task incumbent upon the Executive Director would be greatly facilitated were the views of eminent personalities to be sought at an early juncture and opinions exchanged on those issues most pertinent to international industrial co-operation. On the basis of this exploration of ideas, a progress report could be submitted to the thirty-first session of the General Assembly which could then elaborate, if necessary, upon the issues Governments would deal with in the final study. It is estimated that the study itself could be completed within two years.

4. The meeting of eminent personalities now being convened constitutes the first important exchange of opinion described above, and an attempt has been made to identify some of the issues which, it is felt, should be focal points of the joint study. The co-operation of the UNCTAD secretariat is also sought, in accordance with the above mentioned resolution so that an account of the resolutions and decisions that have been adopted recently under the auspices of this organisation, notably the Nairobi Conference, on questions related to international industrial co-operation, could be made available to participants of the meeting. The note contributed by UNCTAD will be circulated as soon as it is available.

#### I. Global economic interdependence and industrialization

5. Considerable structural changes have taken place in the developed countries during the last three decades due to an unprecedented long-term rate of economic growth. This has been achieved in particular through a rapid growth of industry and, especially in countries in which availabilities of manpower are limited, through an extremely fast expansion of trade in manufactured products which indicates a deep and continuing trend towards specialization and interdependence among national economies. This led to a steadily expanding consumption of natural resources and, in many countries, to a rapidly growing dependence on imports of raw materials, especially fuels and minerals, from developing countries.

6. At the same time, many countries in the Third World achieved political independence and sovereignty over their territories and their national resources, so that they became able to take part in the shaping of world decisions. In view of the vital importance for developing countries of solving economic problems resulting from rapidly growing populations and low levels of income per capita, these countries were led to define strategies for their economic development and to propose new forms of co-operation with

developed countries. Thus, Resolutions 3301 (S-VI) and 3302 (S-VI) on the establishment of a new international economic order, adopted by the General Assembly at its sixth special session, stresses in particular the reality of interdependence of all the members of the world community and the necessary co-operation between nations on the basis of sovereign equality and the removal of the disequilibrium that exists between them. To this effect, considerable importance should be given to industrialization, and Resolution 3302 (S-VI), in its Chapter III, states that all efforts should be made by the international community to take measures to encourage the industrialization of the developing countries. The role of industrialization was further emphasized by the Lima Conference which determined that "the establishment of a new and just international economic order, based on the common interests and co-operation of all states, can only be achieved through the equitable participation of the developing countries in the production and exchange of goods and services,"<sup>1/</sup> and stressed the role of industry as a dynamic instrument of growth essential to rapid economic and social development.<sup>2/</sup> This implies a close interrelationship with all sectors of the economy, since the industrialization process cannot proceed effectively without growth in such fields as agriculture, transport, education, housing, health and general administration. Industrialization on the other hand will also constitute a major instrument in providing, directly and indirectly, employment to the growing urban and rural populations. At the same time, the recurrent food problems in many developing countries can be solved only, in the long run, through increased agricultural production with the help of improved production techniques, including essential industrial inputs (such as fertilizers and pesticides, tools and equipment) as well as improved infrastructure (transport, irrigation, storage facilities) and better facilities for industrial processing and distribution of agricultural products. The development of infrastructures, as well as the satisfaction of the basic needs of the populations for consumption also points to rapid industrialization.

7. It is certainly of considerable importance to determine the main avenues of co-operation for the achievement of the long-term target fixed by the Lima Declaration and Plan of Action, which specifies that at least 25 per cent of world industrial production should originate in developing countries by the year 2000 as against less than 7 per cent currently. This co-operation, as

<sup>1/</sup> Lima Declaration and Plan of Action, paragraph 20.

<sup>2/</sup> Lima Declaration, paragraph 23.

outlined above, should take fully into account the fact that, while developed countries are on the whole large net importers of many important basic materials, including energy, ores and metals, timber and its products, agricultural commodities, and at the same time tend to have a considerable need for immigrant workers, the situation is basically different in developing countries taken together, which benefit from ample supplies of mineral resources and agricultural raw materials, as well as large reserves of labour; but developing countries are generally short of capital resources and, even more important, know-how and technology which are in ample supply in most developed countries.

## II. Reshaping the world industrial structure

8. Governments in developed countries are certainly willing to pursue policies permitting high rates of economic growth similar to those achieved during the last two decades as soon as the difficulties resulting from inflationary pressures and other structural or shorter term problems, which were apparent in recent years, can be resolved. These prospects would indicate that more and more elaborate and sophisticated products would have to be produced in rapidly growing quantities as well as high quality diversified services, so that tensions on the labour market and a continuing need for specialization would continue to be a major feature of industrial expansion in many developed countries, including Japan and most European countries. Possible changes in the orientation of the economic growth, implying more emphasis on the quality of life and of the physical environment and more time devoted to cultural and social activities, may tend to make it even more imperative than in the past to select in each country the most appropriate lines of industrial production and to attach a growing attention to the location of industrial facilities, especially in densely populated regions and in areas such as those along the coasts for which competition among economic sectors is particularly acute for the occupation of land. Thus, in spite of the evolution experienced in the last two or three years, it may appear natural, if not necessary, to envisage in the long run a broad movement towards transferring progressively to developing countries those industrial activities, especially the production of intermediate materials and current consumer goods, for which the economic conditions in developing countries are already or potentially better.

9. Although the rapid rate of industrial growth in developing countries called for by the Lima target implies a considerable diversification of the industrial structure in these countries and in particular a fast expansion of metal using and chemical industries, while other industrial sectors, such as textiles, may grow more slowly, it would seem however, that, due to the substantial benefits which can be obtained through economies of scale and specialization, the industrialization effort of these countries would be made easier if developed countries could, as described above, adopt and promote policies "which would encourage their industries which are less competitive internationally to move progressively into more viable lines of production or into other sectors of the economy"<sup>1/</sup> for the common benefit of both developed and developing countries. It would seem that developing countries have, in many cases, a comparative advantage in industries processing indigenous raw materials, either of agricultural or mineral origin. Thus the Lima Declaration and Plan of Action calls upon developed countries to consider "their policies with respect to processed and semi-processed forms of raw materials, taking full account of the interests of the developing countries in increasing their capacities and industrial potentials for processing raw materials which they export,"<sup>2/</sup> and to adopt "trade measures designed to ensure increased exports of manufactured and semi-manufactured products including processed agricultural products from the developing to the developed countries."<sup>2/</sup>

10. It may well appear however that a major difficulty for entrepreneurs in developed countries having the will and possibility to transfer industrial facilities to developing countries would be the ability of these countries to set up the corresponding institutions especially as regards managerial and technical personnel. In this connexion, it would seem particularly urgent and important, both for developed and developing countries, to deal with the problems associated with the establishment in developing countries of the scientific and technological infrastructures required for industrial expansion. This question is considered in greater detail in Section IV.

11. In any event, the industrial expansion envisaged by the Lima Declaration and Plan of Action will make it imperative for developing countries to promote very actively their co-operation among themselves. Even if trade in manufactures with developed countries grows at a sustained high rate, the

<sup>1/</sup> Lima Declaration and Plan of Action, paragraph 59(c).  
<sup>2/</sup> Lima Declaration and Plan of Action, paragraph 59(b) and (d)



necessary application of complementarity and specialization principles will require a vigorous expansion of trade and industrial co-operation among developing countries themselves. Thus, the Declaration emphasises "that developing countries should place a premium on self-reliance in their development effort for the realization of their full potential in terms of both human and natural resources and, to that end, adopt meaningful and concerted policies and pursue action directed towards greater technical and economic co-operation among themselves."<sup>1/</sup> To this effect, the Plan of Action calls upon the developing countries to increase their co-operation at the sub-regional, regional and inter-regional levels through a broad range of actions, in particular in the fields of trade, technology, economic and industrial co-operation, financial co-operation, technical co-operation, and maritime transport.<sup>2/</sup> One possible course of action might be trade arrangements among the developing countries to mutually offer their markets for selected manufactured products which meet international standards of earlier years free from unnecessary sophistication. It would seem that such arrangements would not be detrimental to the welfare of the masses of these countries whereas on the contrary it would give impetus to, and broaden the basis for, their emerging industries. They could also be seen as a decisive step towards alleviating the financial burden placed on the developing countries in the field of technology acquisition as well as a reasonable approach to the technology digestive problem. This approach might make it easier for these countries to concentrate their meagre resources on using more sophisticated techniques for developing the production of manufactures which can be exported to developed countries.

12. Solving the complex problems raised by industrial restructuring requires broad understanding of the interests involved so that co-operation between developed and developing countries can be established on sound foundations. For instance, while developed countries may be faced with temporary problems connected with possible unemployment difficulties in industries for which they are less competitive, developing countries may tend to adopt excessive substitution policies, detrimental to their long-term development, if they cannot increase as fully as desirable productions for which they can enjoy a

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<sup>1/</sup> Lima Declaration and Plan of Action, paragraph 49.

<sup>2/</sup> Lima Declaration and Plan of Action, paragraph 60.

competitive advantage. The joint study could consider the best ways of achieving these endeavours and examine how co-operation between developed and developing countries could facilitate the implementation of the corresponding policy measures in their common interest.

12. It would appear that long-term co-operation in the industrial sector would have to be reinforced and dovetailed by co-operation and concertation in other economic sectors such as agriculture, energy and raw materials, infra-structure development and trade. It might be considered useful in this connexion to consider the progressive elaboration of long-term national or regional economic projections which could facilitate international exchanges of information on long-term economic plans, programmes and policies especially in the field of industrial development. Such exchanges of information would provide Governments of developed as well as developing countries with an opportunity to adjust and harmonize their economic programmes and facilitate the necessary concertation to achieve long-term targets envisaged at a global level, such as the industrialization target determined by the Lima Conference.

14. It might also be useful to analyse further, in the context of the joint study, recent changes and future trends in industrial structure, the comparative advantages of various industries in connexion with their location, and examine, at the national and international levels, prevailing policies regarding major obstacles to structural adjustments.

### III. Financial co-operation

15. The fast industrial growth implied by the Lima target and the corresponding associated growth necessary in other economic sectors, indicate that investment representing well above 20 per cent of gross domestic product of developing countries are likely to be necessary as against investment of less than 15 per cent of gross domestic product at present. The increase required is clearly beyond the present capacity of developing countries and substantially larger financial flows will be necessary to achieve the Lima target.

16. It is difficult to isolate the problems of financing industrial development from the more general problems arising from the financing of the whole economic development. The question of the level of official development assistance from developed countries is being considered in various international fora. Official development assistance, however, is not likely

to be focused mainly on financing industrialization. Such assistance is traditionally earmarked to a large extent for the development of economic and social infrastructure as well as for rural development and the improvement of agricultural production, which will have to increase much faster than in the past. Even when official bilateral assistance will reach levels well above those obtaining in recent years, as agreed at the seventh special session of the General Assembly, when developed countries confirmed "their continued commitment in respect of the targets relating to the transfer of resources, in particular the official development assistance of 0.7 per cent of gross national product,"<sup>1/</sup> it would seem that private investment will remain an important or even crucial element in covering the investment needs of developing countries, especially in the industrial sector. The question of rescheduling of debt servicing appears also particularly important in the context of industrial development<sup>2/</sup> as well as the provision for additional financial resources for development in the context of international monetary reform.<sup>3/</sup> Although certain industrial projects may benefit substantially from official assistance, it would appear extremely appropriate to consider systematically the possibilities for diversified financial co-operation and in particular to determine to what extent appropriate incentives could be envisaged as a means of substantially increasing the flow of financial resources available to developing countries through various channels, including private enterprises.

17. In this connexion, it is necessary to keep in mind the provisions of the Charter of Economic Rights and Duties of States, in particular articles 1 and 2 of chapter II, as well as the Lima Declaration and Plan of Action, especially paragraph 59, items (g) and (h), which deal with the role of foreign enterprises, including transnational corporations, in promoting industrial production in developing countries. On the one hand developing countries would be interested in preserving their rights to ensure that foreign enterprises would operate within the framework of their development plans and programmes and in accordance with their laws and regulations, so that activities of these enterprises would be fully compatible with the social and economic objectives of the host countries, and that these enterprises fully observe the contracts under which they are operating so that the developing countries concerned would have assurances

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<sup>1/</sup> Resolution 2662 (S-VII) of the General Assembly, Section III, para. 2.

<sup>2/</sup> Lima Declaration and Plan of Action, paragraph 61(g).

<sup>3/</sup> Lima Declaration and Plan of Action, paragraph 61(i).

against misfunctions on the part of foreign enterprises. On the other hand, some kind of guarantees regarding investment and profits and assurances against non-commercial risks might be instrumental in furthering the participation of foreign enterprises in the industrialization process. Similarly, the question of national, and possibly international, arbitration mechanisms might be studied and solved through international co-operation. For instance, while it has been established by the Charter that the legal aspects of nationalization should be settled in accordance with the laws of the host country, it might appear useful to investigate the precise nature and the design of mechanisms and institutions permitting to minimize differences in solving such legal problems.

18. While enterprises both in developed and developing countries are primarily concerned by many aspects of industrial co-operation connected with investment, especially in respect of transfer of know-how and technology, arrangements for production (for instance joint ventures, sub-contracting, licensing, management arrangements), marketing agreements, it appears that Governments have generally the possibility to provide orientation and encouragement to enterprises through various forms of regulations and incentives. In developing countries, Governments can be active, inter alia, in the areas of trade regulations, insurances against commercial and non-commercial risks, adjustment measures, information on technology, and information on investment opportunities in the Third World. In developing countries as well, Governments may not only determine general industrial policies but also fix the conditions for the operations of national as well as foreign enterprises on their territory.

19. The Lima Declaration and Plan of Action requests the Governments of developed countries to encourage their enterprises to participate in investment projects in developing countries, who so desire, and to co-operate with Governments of developing countries in this connexion. It would thus seem extremely useful, in the context of the joint study, to explore the possibilities of inter-Governmental arrangements which might serve as a framework within which enterprises in both developed and developing countries would co-operate. Such arrangements could spell out the general conditions regulating industrial co-operation arrangements and contracts, including those entered into by enterprises of the countries concerned, taking full account of the assurances which should be given to all the parties involved in agreement with the Charter of Economic Rights and Duties of States and the provisions of the Lima Declaration and Plan of Action. The experience gained in industrial

co-operation between market economy countries and centrally planned countries might be a useful reference in this context, as well as other bilateral and multilateral arrangements which already exist.

20. Such inter-Governmental arrangements might also, as appropriate, refer to the elaboration of long-term perspectives and to exchanges of information on programmes and policies, as envisaged in section II of this note, which might help create a better climate for the participation of foreign enterprises in the industrialization of developing countries. It may also be mentioned that these arrangements might deal with the personal status of citizens of developed countries working in the Third World as well as with the personal status of workers from the Third World who have emigrated to developed countries.

#### IV. Technical co-operation

21. The Lima Declaration and Plan of Action provides that developing countries should lay emphasis, inter alia, on the formulation of long-term and clearly defined industrialization plans and strategies, the promotion of an integrated industrialization process, the establishment of basic industries that constitute an indispensable foundation, the establishment of mechanical engineering, electrical and chemical industries, the creation of manufacturing and processing industries to satisfy the needs of the population for consumer goods, the development of local production for the purpose of replacing imports and increasing exports.<sup>1/</sup>

22. To achieve industrialization on such a broad front, it will obviously be extremely important for developing countries to stimulate the process of applied and scientific research, technological adaptation and innovation, industrial information and standardization; and to elaborate policies and programmes of research and development adapted to the individual requirements of developing countries as well as national plans concerning science and technology.<sup>2/</sup> It would seem, however, that for the period of transition during which the technological base is reinforced in developing countries, the question of gathering information on existing technologies, choosing among the alternative processes available, and progressively adjusting them, will be of crucial importance.

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<sup>1/</sup> Lima Declaration and Plan of Action, paragraph 53.

<sup>2/</sup> Lima Declaration and Plan of Action, paragraph 58(1) and (m).

23. Among the topics which could be conducive to active co-operation between developed and developing countries, it may be useful to mention in particular the identification of means for the dissemination of industrial and technological information (including the possible establishment of an information bank), the review of international patents and trade marks, the formulation of an international code of conduct for the transfer of technology, the means of assuring that a growing share of the world's research expenditure be directed to the development of technologies of direct benefit to the Third World.<sup>1/</sup>
24. At the same time, developing countries may wish to examine the means of elaborating co-operative arrangements among themselves, for instance through technical intelligence mechanisms, with a view to sharing experience on technology, legislative economic machinery, technical and managerial skills. Exchange of information among developing countries may also be extremely useful in the field of prices and terms applying in transactions relating to the transfer of technology and equipment. Similarly, sharing experience in dealing with large foreign companies, including transnational corporations, might be conducive to harmonizing and co-ordinating policies.<sup>2/</sup>
25. In the context of the establishment of a new economic order, and in view of the importance of private enterprises in the transfer of know-how, Governments may wish to review the traditional forms of technical assistance programmes. It may appear that new forms of technical assistance might be provided, as envisaged in paragraph 52(f) of the Lima Declaration and Plan of Action, for instance through the increased use and involvement of existing national institutions, the sponsoring of more business contacts, the greater involvement of private enterprises in technical assistance projects, and the increased participation of nationals at the community level. At the same time, it may be advisable to consider development assistance in its entirety, combining technical assistance with investment and financial assistance.
26. Governments may also wish to review the training provisions contained in present technical assistance programmes. As pointed out in the Lima Declaration and Plan of Action, to carry out their industrialization plans, the developing countries should aim at having available a qualified work force not only for

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<sup>1/</sup> Lima Declaration and Plan of Action, paragraph 61(j) to (m) and (p).

<sup>2/</sup> Lima Declaration and Plan of Action, paragraph 60(k).

the production of goods and services but also for management skills. This would appear necessary to establish structures capable of absorbing and adjusting modern technology.<sup>1/</sup> In this connexion, it might be desirable to explore new possibilities for training programmes, including for instance the involvement of enterprises in the formulation of training courses and possibly in their financing. It should also be kept in mind that the gradual integration of women in training programmes may contribute significantly to a country's labour force and to the community's involvement in the development process.<sup>2/</sup>

27. The various interrelated issues mentioned above, in the areas of technological co-operation and of technical assistance, could be examined in the context of the joint study.

#### V. Problem of the least developed countries

28. An issue to be examined is the ways in which the problem of the least developed countries can be given special attention in international industrial co-operation. The Lima Declaration, as well as resolution 3362 (S-VII) adopted by the General Assembly at its seventh special session, urge that special measures be undertaken by other countries and international organizations to assist least developed countries.<sup>3/</sup>

29. The record of growth over the last one and a half decades shows a relative worsening of the position of these countries. During this period, the average annual rate of growth of per capita real income of countries with per capita income levels below \$200 was hardly 1.5 per cent, as against a rate of around 3.5 per cent for other developing countries.<sup>4/</sup> This slow growth was associated not only with low income levels but also with scant overall resource transfers from outside although the official development assistance proper tended to

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1/ Lima Declaration and Plan of Action, paragraphs 31, 54 and 55

2/ Lima Declaration and Plan of Action, paragraph 30.

3/ Resolution 3361 (S-VII), Section I, paragraph 11 and Section II, paragraphs 12 and 13; Lima Declaration and Plan of Action, paragraph 62.

4/ Committee for Development Planning, Report on the Twelfth Session, 29 March - 7 April 1976.

increase relatively for these countries. These countries have, in general, also been especially vulnerable to declines in export prices and increases in import prices.

30. While a situation such as this persisting in the least developed countries calls for an intensification of the national efforts themselves for development, such as an adequate mobilization of domestic resources, it also warrants a more than ever concerted and effective attention from the international community. Consideration may be given to what can be done by the developed countries proper as well as by the more developed of the developing countries that can also provide effective assistance to alleviate the special difficulties faced by least developed countries.

31. Formulation of a definite action plan to assist the least developed countries may be considered. It would seem that special aid and assistance, including balance of payments support and debt service relief, would be instrumental in providing the means of improving infrastructure, especially transport, of exploring and exploiting natural resources, of facilitating regional arrangements with a view to enlarging the size of markets and promoting the setting up of joint enterprises, and of increasing agricultural production. If such programmes are pursued actively, it would seem that the special problems faced by least developed countries could be progressively solved.

#### VI. Scope for consultations and negotiations on interrelated issues

32. In the light of the issues discussed above regarding the global economic interdependence among nations, the role of industrialization in the overall development process of developing countries, the need for restructuring world industry, the need for closer co-operation among developing countries, the involvement of Governments as well as enterprises and labour in industrial co-operation, the durable importance of the participation of foreign enterprises in financing industrialization in developing countries as well as in the process of transfer of technology and possibly technical assistance, all elements which can benefit foreign enterprises operating in developing countries, it is clear that consultations on a broad front of interrelated issues could be instrumental in developing an appropriate climate of co-operation conducive to broad and mutually advantageous consultations and as appropriate



negotiations between developed and developing countries in the field of industrialization, as envisaged in the Lima Declaration and Plan of Action<sup>1/</sup> as well as in Resolution 3362 (S-VII) of the General Assembly.<sup>2/</sup>

33. On the one hand, the Lima Declaration provides "that developing countries should use effective means of strengthening their bargaining power individually and collectively to obtain favourable terms for the acquisition of technology, expertise, licences and equipment, fair and remunerative prices for their primary commodities and improved and substantially liberalised access to the developed countries for their manufactures." On the other hand, it might be useful to study the possibilities of devising appropriate mechanisms permitting foreign enterprises to participate as fully as desirable in the industrialization process of developing countries. It would seem that such mechanisms might be related, inter alia, to the questions of investment guarantees as well as arbitration and conciliation procedures.

34. It might be useful, in the framework of the joint study requested by the General Assembly, to explore the possibilities of extending the scope of industrial co-operation between developing and developed countries through systematic consultations and eventually negotiations on such interrelated issues. UNIDO, on its part, is preparing itself, as requested by the Lima Declaration and Plan of Action, not only to conduct continuous consultations at the global, regional, interregional and sectoral levels, but also "to serve as a forum for negotiations of agreements in the field of industry between developed and developing countries and among developing countries themselves at the request of the countries concerned."<sup>4/</sup>

35. Governments may wish to examine further, through the joint study, the role which could be played by UNIDO in this field, in co-operation with other organizations of the United Nations family, and the corresponding institutional arrangements which would be appropriate, taking account of the action already undertaken with a view to converting UNIDO into a specialized agency. A close co-operation between UNIDO and UNCTAD, including as appropriate joint activities

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1/ Lima Declaration and Plan of Action, paragraphs 61(d) and 66.

2/ Resolution 3362 (S-VII), chapter IV, paragraphs 3 and 4.

3/ The Industrial Development Board of UNIDO, while continuing to examine the question of a system of consultations at the global, regional and sectoral levels, has already requested the Executive Director to start preparations for sectoral consultations. Such consultations will take place in 1976 for the iron and steel industry and the fertilizer industry.

4/ Lima Declaration and Plan of Action, paragraph 66.

and studies, would seem particularly relevant. Moreover, the joint study, if finished sufficiently in advance, would constitute an important element in the preparation of the Third General Conference of UNIDO which may be convened in 1979 as envisaged at Lima.<sup>1/</sup>

### Conclusions


36. Among the main topics which could be examined in the joint study, the following ones, outlined in the foregoing analysis, would seem to be particularly relevant:

- (i) Considering the possible ways of mutually beneficial co-operation in resolving the complex problems raised by industrial restructuring (section II).
- (ii) Considering possible arrangements for diversified financial co-operation, facilitating the participation of foreign enterprises in the process of industrialization, including inter-Governmental arrangements which might serve as a framework for co-operation between enterprises (section III).
- (iii) Discussing the possibilities opened to new ways of co-operation, both in the area of technology and in the area of technical assistance programmes (section IV).
- (iv) Envisaging the special measures which could be taken at the international level in favour of least developed countries in connexion with their industrial development (section V).
- (v) Considering the scope for multilateral consultations and eventually negotiations on interrelated issues raised by the complex problems of industrial development.
- (vi) Examining the role which could be played by UNIDO, in co-operation with other organizations of the United Nations family, especially UNCTAD, in promoting co-operation in the field of industrialization (section VI).

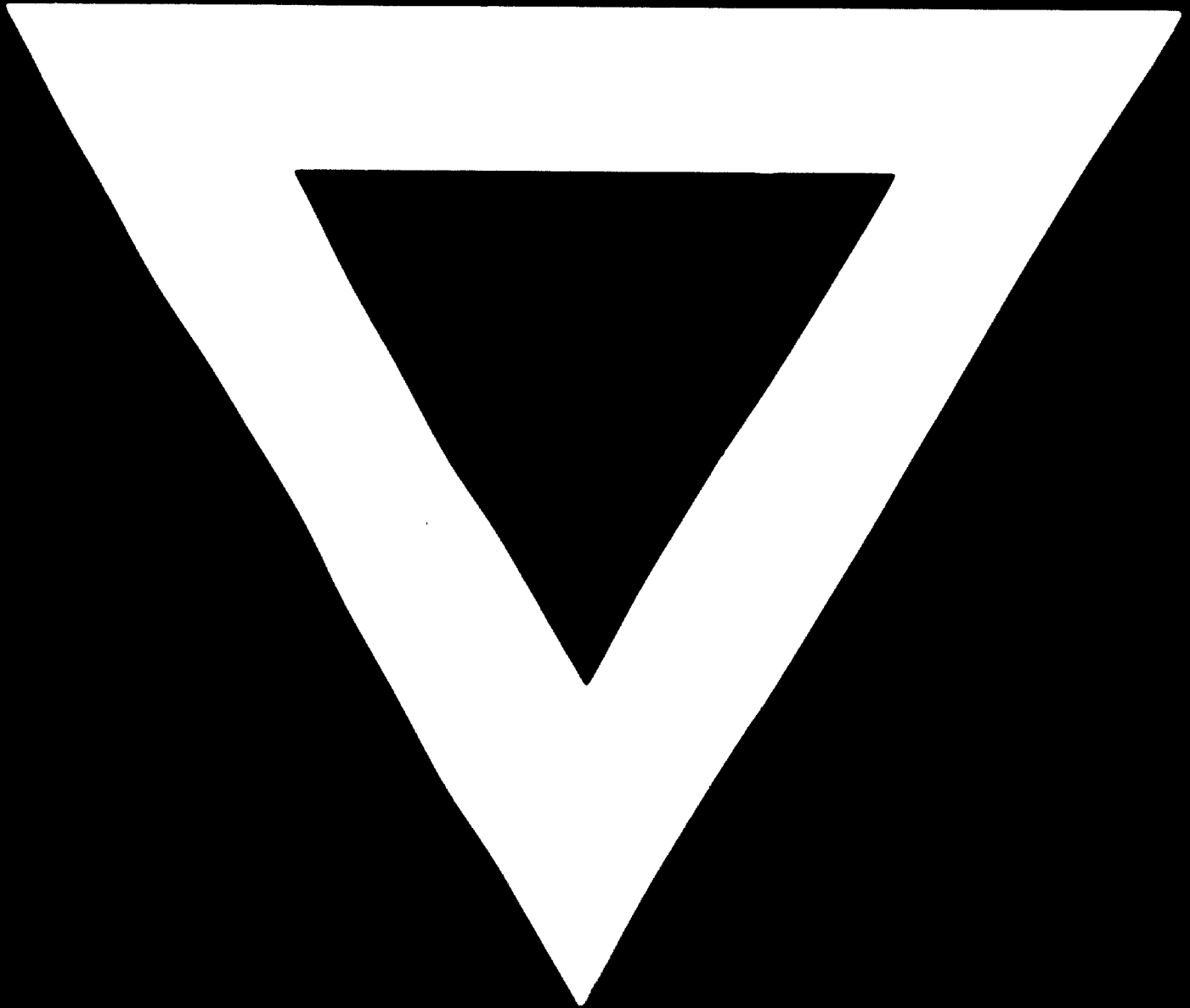
37. It may be expected that the conclusions reached by Governments during their consideration of the main issues included in the joint study, complemented by technical studies which could be undertaken by the specialized bodies of the United Nations or commissioned to independent experts, would also lead, as envisaged in resolution 3362 (S-VII) of the General Assembly, to the definition of a set of general guidelines for bilateral industrial co-operation which would take account of the special and changing requirements of such co-operation.

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<sup>1/</sup> Lima Declaration and Plan of Action, paragraph 70.



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