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REPORT ON THE FOURTH ROUND TABLE ON INDUSTRIAL CO-OPERATION
AMONG DEVELOPING COUNTRIES^{1/}

Zagreb, 13-17 September 1976

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Negotiations Section
Division of Policy Co-ordination

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I. INTRODUCTION

I was requested by Mr. A. Hacini, on 13 September 1976, to proceed to Zagreb, Yugoslavia, and to attend the Fourth Round Table on Industrial Co-operation among Developing Countries which was organised by the Institute for Developing Countries in Zagreb. In addition to the Institute, the following Yugoslav institutions and authorities sponsored the meeting:

- Federal Institute for International, Scientific, Educational, Cultural and Technical Co-operation
- Chamber of Economy of Yugoslavia, Belgrade
- Federal Committee for Energy and Industry, Belgrade
- Chamber of Economy of SR Croatia, Zagreb
- and the
- International Zagreb Fair, Zagreb.

Due to the fact that the Vienna/Zagreb flights were fully booked, it took me nine hours to reach Zagreb by train where I arrived at 1:15 on Wednesday morning, 15 September.

II. MEETING OF THE FOURTH ROUND TABLE

The Fourth Round Table was attended by the following country participants: Argentina, Egypt, Bangladesh, Bolivia, Burma, Cuba, Cyprus, Ethiopia, India, Iran, Kampuchea, Morocco, Mexico, Pakistan, Panama, Philippines, Somalia, Sri Lanka, Tunisia and Venezuela.

International and regional organizations were represented as follows:

- ANDEAN Pact
- East African Community (EAC)
- International Development Bank (IDB)
- International Labour Office (ILO)
- United Nations Development Programme (UNDP) and
- United Nations Industrial Development Organization (UNIDO).

There was full representation from Yugoslav industrial enterprises from all sectors of industrial activity such as industrial consultation firms, pharmaceutical industry, agricultural machinery, ship building, agro-industry, etc. For a complete list of all participants, please see Annex 1.

The meeting was held on a plenary session basis. The following themes were examined:

- (i) industrial co-operation and possibilities for its further promotion and implementation (Tuesday, 14 September);
- (ii) the role and importance of the various integrational schemes in particular sectors of industrial production (Wednesday, 15 September); and,
- (iii) re-allocation of industries towards developing countries and industrial policy; summary and conclusions (Thursday, 16 September). (Please see Annex 2 for the Programme of the meeting).

There were no working groups and this may have weakened the impact of the many contributions made at the meeting. The programme called for general discussions on industrial co-operation among developing countries. This was done through the submission of statements at the morning session by both country representatives and the Yugoslav participants. The country statements concerned the industrial co-operation that is being extended by one developing country, such as Pakistan, to another or general statements concerning the level of industrial development in the country as was the case with the Bangladesh statement. The statements by the Yugoslav authorities concerned the level of assistance which certain industrial enterprises can extend to developing countries in a particular sphere of activity with which they are concerned. I may recall the statement by the representative of the ANDEAN Pact concerning the problems of co-operation among the six countries of the Pact such as political constraints, differences in social outlook and economic development. On the other

hand he emphasized, along with the representatives of the East African Community (EAC), the benefits of regional co-operation which has led to considerable savings in investment costs. Of additional interest is the fact that several countries, including Morocco, emphasized that the transfer of technology is more a political matter than a commercial one and that it should, therefore, be met with political remedies.

UNIDO's contribution to the meeting was a statement on the UNIDO programme of technical co-operation among developing countries, its background and its present status, in terms of project proposals approved and in the pipeline. Specific examples were given in this connexion as an illustrative list of donor or host countries and the recipient developing countries. The UNIDO representative went on to describe the new industrial system of consultations which UNIDO has set up in accordance with the Lima Declaration and Plan of Action and the new international economic order. The proposed consultation meetings to be held in 1976/1977 were briefly described - i.e. the Iron and Steel and Fertilizer meetings as well as those scheduled for 1978/1979. For the full text of the statement, please see Annex 3.

Detailed discussions were held with many country representatives and all of them expressed a great deal of interest on the system of consultations and requested that specific information be forwarded to them. This was particularly the case of the representatives from Cuba, Bangladesh, the ANDEAN Pact, Venezuela and Morocco.

I participated in a discussion on the Zagreb television on the work of the Round Table and UNIDO's contribution to the programme of co-operation among developing countries as well as gave a brief description on the system of consultations. Furthermore, I gave a brief interview for the Belgrade television on the same subject.

The UNIDO representative chaired the concluding meeting of the Round Table on 16 September which adopted the final Summary and Conclusions - see Annex 4.

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III. CONCLUSIONS

The Fourth Round Table has provided an excellent opportunity to promote the cause of co-operation among developing countries which has been recommended as one of the few continuing viable means for developing countries to achieve economic self-reliance. This potential has yet to be fully explored. There was a consensus, at the Round Table, for the need:

- of the transfer of technology and know-how among developing countries and for the co-ordination and harmonization of economic co-operation between developing countries on the basis of industrial complementarity;
- to give special attention to the development needs and problems of the LDCs;
- to strengthen co-operation among developing countries on a sub-regional, inter-regional and regional basis;
- to negotiate for the expansion of trade liberalization measures among developing countries;
- to accelerate debt relief measures (although this has already been raised in other fora in particular, for consultation between developing and developed countries);
- to promote direct trade among developing countries in order to increase participation in international trade of final products and to eliminate triangular commercial operations;
- to support the establishment of the Non-Aligned and Developing Countries Centre for Scientific, Technical and Technological Co-operation in Lima;

- to organise within developing countries consulting centres in important industrial fields; consulting services organizations from developing countries should enjoy preferential or priority treatment;

- to strengthen the international organizations' efforts in respect of industrial development and co-operation among developing countries.

LIST OF PARTICIPANTS

- 6 -

(September 13, 1976)

ANNEX 1

(Revised)

From developing countries:

ARGENTINA Mr. Jorge D. Avellaneda, Counsellor of the Embassy of Argentina in Yugoslavia

AR EGYPT Mr. Ahmed El Sayed Gaber, Under Secretary of State, Ministry of Commerce

BANGLADESH Major-General Mohammad Majid-Ul-Haq, Secretary, Ministry of Industries
H.E. M. Rashid Ahmad, Ambassador of Bangladesh in Yugoslavia

BOLIVIA H.E. Sidel Flores, Ambassador of Bolivia in Yugoslavia
Mr. Juan Alberto Vildoso, Head of Technical Assistance, Ministry of foreign Affairs

BURMA Mr. U Khin Maung Lay, Second Secretary of the Embassy of Burma in Yugoslavia

CUBA Mr. Hugo D'Acosta-Calheiros, Director, Ministry of Industrial Development

CYPRUS Mr. Antonios Vakis, Chargé d'Affaires of Republic of Cyprus in Yugoslavia

ETHIOPIA Mr. Kebede Temesgen, Head, Credit and Investment Department in the Ministry of Finance
Mr. Demeke Zewolde, Foreign Trade Dept. Head, Ministry of Commerce
Mr. Bisrat Habte Michael, Planning section Head, Ministry of Transport and Communications

INDIA Mr. Pai, Minister of Industry
Mr. Sampat, Vice Minister of Industry
H.E. Natarajan Krishnan, Ambassador of India in Yugoslavia

IRAN Mr. Hossein Razavi, Head of Multi-sectoral planning unit, Plan and Budget Organization
Mr. Massood Vajed Samii, Director of Input-Output Planning Unit, Plan and Budget Organization

KAMPUCHEA Mr. Mey Prang, President, Committee for Transport
Mr. Chey Suon, President, Committee for Agriculture
Mr. Cheng An, President, Committee for Industry
Mr. Prom Nhem, Committee for Trade
H.E. Pech Eun Ret, Ambassador

MOROCCO Mr. Boubker Jaidi, Director, Office for Industrial Development

MEXICO Mr. Emilio Lozoya, Under Director of Programming, Mexican Government
Mr. Victor M. Padilla, Analyst of Industrial Projects, Mexican Government

PAKISTAN H.E. Aftab Ahmad Khan, Ambassador of Pakistan in Yugoslavia
Mr. Naseem Malik, Manager, Pakistan Embassy

PANAMA H.E. Virgilio F. Brandford, Ambassador of Panama in Yugoslavia
Mrs. Ana Rodriguez, Secretary of the Embassy of Panama in Yugoslavia

PHILIPPINES H.E. Luis Moreno Salcedo, Ambassador of the Philippines to Yugoslavia
Mr. Serapio Martillano, Attache of the Embassy of the Philippines to Yugoslavia

SOMALIA Mr. Musse Ahmed Khaire, Industrial Economist, State Planning Commission

SRI LANKA Mr. Amarawansa Bandara Elkaduwe, Additional Secretary, Ministry of Industries and Scientific Affairs

TUNISIA Mr. Chadli Tnani, Director of the National Center for Industrial Studies
Mr. Ali Cheikh Khalfallah, Director-General for Industry in the Ministry of National Economy
Mr. Mohamed Chadli Kochbati, Counsellor of the Presidency of Government

VENEZUELA Mr. Bernardo Martinez A. Costa, Minister for Development of Natural Resources

From International Organizations:

ANDEAN PACT Mr. Pedro Antonio Echeverria, Head of the Department for Industrial Development

EAST AFRICAN COMMUNITY Mr. Kezekia Ekwaro, Research

IDB Mr. Hernan Lafourcade, Special Representative of IDB in Europe

UNDP Mr. Jaime Renart, Res. Representative for Yugoslavia

ILO Mr. B. Savic, U.N. Correspondent for Yugoslavia

UNIDO Mr. H.K. Rahim, Division of Policy Co-ordination, Negotiations Section

From Yugoslavia:

Albus Zvonimir, "Ghetaldus" - Zagreb
Andrejić Negovan, "Radulaška"
Andrejić A. Radovan, "Mine1" - Beograd
Andrić Vlasta, Executive Council of National Assembly of
SR Croatia
Angster Stanislav, "Bratstvo" - Novi Travnik
Antonini Mario, "CIO" - Zagreb
Babić Dušan, Secretariat for Economy of AP Vojvodina
Banjeglav Boža, Secretariat for Economy of AP Vojvodina
Barišić Marijan, Federal Executive Council
Bertoncelj Vesna, "Delo" - Ljubljana
Blažičević Edgar, "Ferimport" - Zagreb
Bogdanović Srećko, "Valjaonica bakra i aluminijuma" - Titovo
Užice
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Božić Milorad, Faculty of Economy - Niš
Bročilo Luka, "Željezara" - Sisak
Bujan Branko, "Ferimport" - Zagreb
Bulbuk Slobodan, "ECO" de Yugoslavia
Bunjevac Franjo, "Geotehnika" - Zagreb
Bojadžiski Ognjen, Radio-TV-Skopje
Cizelj Boris, Center for the study of co-operation with
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Copić Ivo, "Zavod za produktivnost" - Zagreb
Čosić dr Bogdan, Faculty of Economy - Zagreb
Čamernik Janez, Federal Executive Council - Beograd
Čizmić Toma, "Jadranbrod" - Zagreb
Davidović Milan, "Tomo Vinković" - Bjelovar
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Co-operation of SR Croatia
Djordjević Dušan, RTB - Beograd
Frua Ranko, Institutes for Technical Co-operation of SR
Croatia - Zagreb
Gabrić-Mrgić Emilija, Institutes for Technical Co-operation
of SR Croatia - Zagreb
Gačić Dragan, PIK "Sljeme" - Zagreb
Gavrilović Djordje, Beograd
Geršković Marin, Zagreb
Grbić Petar, "Djuro Djaković" - Slavonski Brod
Grečić dr Vladimir, Institute for international politics and
economy - Beograd

Grgić Branko, Organization for agricultural machines
industry - Beograd

Grgić Mato, Faculty of Economy - Zagreb

Grubić Čedomir, "Astra-Mašinoimpeks" - Zagreb

Gunawardena Prasanna, Institutes for Technical Co-operation
of SR Croatia

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Iličić Ivan, Center of Yugoslav civil engineering - Beograd

Ivanov Ivan, "Ruen" - Kočani

Ivošević Nebojša, "Energoprojekt" - Beograd

Janković Simona, "Privredni pregled" - Beograd

Ĵapunčić Milan, "TEB" - Zagreb

Jelić Velimir, "Brodotehnika" - Beograd

Jovanović Mita, UNIDO - Beograd

Jovanović Djordje, Faculty of Economy - Beograd

Kačić Ante, Chamber of Economy - Split

Kesner Vjekoslav, Chamber of Economy - Zagreb

Kitanovski Naum, "Elektromontaža" - Ohrid

Kolombo Josip, "TEŽ" - Zagreb

Koman Andre, "Tekstil" - Zagreb

Kos Lucijan, Inst. for transport Sciences - Zagreb

Kosović Zarko, "Luka Bar" - Bar

Kralj Zdenko, International Students' Club of Friendship
- Zagreb

Krnjajić Aleksandar, Institute of Economy - Zagreb

Kulić Slavko, Institute of Economy - Zagreb

Kuveždić Bartol, INA-Naftaplin - Zagreb

Lautar Anton, "Rudis" - Trbovlje

Lipovac Veljko, Astra-Mašinoimpeks - Zagreb

Lovrenčić Milan, Center za gospodarsko svetovanje - Ljubljana

Madjarić Juraj, Zavod za produktivnost - Zagreb

Maloča Mladen, Politika - Zagreb

Marčec Ivan, "Ghetaldus" - Zagreb

Marinić Ivica, Institute for Technical Co-operation of SR
Croatia

Marković Ljubiša, Federal Secretariat of Foreign Affairs - Beograd

Marušić Mladen, Federal Direction for Transport - Beograd

Mihelić Eli, Združeno podjetje živilske industrije - Ljubljana

Milišić Ljubo, Dalmacija cement - Solin
Mišković Kuzman, "Potisje" - Ada
Mitrović Srdjan, Federal Institute for social planning - Beograd
Mladen Jerko, Tanjug - Zagreb
Mlikotin-Tomić Deša, "Merkur" - Zagreb
Mogin Pavle, HINS - Novi Sad
Muljević Vladimir, University of Zagreb
Murić Stevan, Fair of Novi Sad
Nenadić Dobrivoje, Valjaonica bakra i aluminijuma - Titovo
Užice
Nikolić Miodrag, Faculty of Economy - Niš
Novaković Radovan, 14 Oktobar - Kruševac
Omar Mohamed, University of Zagreb
Opačić Gordana, Tanjug - Zagreb
Oršanić Vladimir, Privredni vjesnik - Zagreb
Pamić Mirna, Center za gospodarsko svetovanje - Ljubljana
Panić Antun, INA - Kutina
Papo Iso, Energoinvest - Sarajevo
Pavićević Milan, Chamber of Economy of Yugoslavia
Pavičić Anđrija, Institute for Technical Co-operation - Zagreb
Peleš Momčilo, Federal Secretariat of Foreign Affairs - Beograd
Polojac Fjodor, Radio - Zagreb, Zagreb
Pop-Tasić Dobrivoje, "Pančevo" - Pančevo
Preradov Svetozar, Institute for Technical Co-operation
of Autonomous Province Vojvodina
- Novi Sad
Pulev Mitko, Chamber of Economy of SR Macedonia
Radić Zvonimir, Savez inženjera i tehničara Hrvatske - Zagreb
Radojičić Luka, Federal Executive Council - Beograd
Ratrović Petar, Institute for Technical Co-operation of
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Rostočil Zlatko, "Krka", Novo Mesto
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Ružić Jovan, Jugoslavijapublik - Beograd
Ružić Zdenko, "Prvomajska" - Zagreb
Safner Miro, TEB - Zagreb
Simić Trifun, Jugoslavijapublik - Beograd
Satler Srećko, Bank of Ljubljana
Sokolovska Spasoja, Federal Secretariat of Foreign Trade - Beograd

Stanešić Davorka, Tanjug - Zagreb
Steljić Marko, Jugobanka - Beograd
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Smajilbegović Smail, Faculty of Economy - Sarajevo
Saksida Beno - Združenje živil. ind. - Ljubljana
Svilar Ratko, Chamber of Economy of Yugoslavia - Beograd
Šabić Ahmed, Energoinvest - Sarajevo
Šešerinac Ljubica, Radio Beograd
Šmidt Josip, Slobodna Dalmacija - Split
Šutić Relja, Valjaonica bakra i aluminijuma - Titovo Užice
Tela Kusumanana Antoine, University of Zagreb
Tođorić Miloš, Panonijaproduct - Novi Sad
Tomašević Silvije, Vjesnik - Zagreb
Trlin Vladimir, Faculty of Economy - Zagreb
Tufegđić Svetozar, Zavod za produktivnost - Zagreb
Trifunović Veroslava, Poslovno udruženje tekstilne konfekcije
Jugoslavije - Beograd
Turčić Ivan, Institute of Economy - Zagreb
Vasiljeviš Stevan, Faculty of political sciences - Beograd
Vojnović Vojislav, Radio - Beograd
Vražić Ivo, Chamber of Economy - Zagreb
Vučinić Jovan, Jugobanka - Beograd
Vuger Ružica, Ekonomska politika - Beograd
Vujić Djordje, Chamber of Economy of Yugoslavia
Vukić Milan, Chamber of Economy of SR Bosnia and Hercegovina
- Sarajevo
Vulović Nemanja, Radio-televizija - Beograd
Ymeri Maliq, Federal Institute for social planning - Beograd
Zorić Božidar, INA-OKI, Zagreb
Zorkić Lazar, Teleoptik - Zemun
Zaydan Mohamed, University of Zagreb
Živanović Slobodan, Mašinogradnja
Ovuka Boro, RTB - Beograd

Guests:

- Dr. Ivo Perišin, the President of the National Assembly
of the SR Croatia
- Dr. Jakov Sirotković, the President of the Executive
Council of the National Assembly of
SR Croatia
- Stojan Andov, Member of the Federal Executive Council
- Emil Ludviger, Member of the Federal Executive Council
- Boris Bakrač, Member of the Presidency of SR Croatia
- Janko Smole, Member of the Federal Executive Council
- Milan Rukavina-Šain, President of the Chamber of Economy
of SR Croatia
- Ivan Mecanović, Member of the Executive Committee of the
Presidency of CK SKH
- Ivo Latin, Member of the Executive Committee of the Presidency
of CK SKH
- Dr. Dušan Čalić, Member of the Federal Council
- Ante Zelić, President of the Committee for international
relations
- Ljubo Majerić, Member of the Executive Council of the National
Assembly of SR Croatia
- Dr. Ivan Jurković, Member of the Executive Council of the
National Assembly of SR Croatia
- Dr. Vladimir Rajković, Member of the Executive Council of the
National Assembly of SR Croatia
- Mirko Bašić, Vice-President of the Chamber of Economy of the
SR Croatia
- Ljubo Reljić, Deputy Director of the Federal Institute for
International Scientific, Educational, Cultural
and Technical Co-operation
- Dr. Janez Tominec, Deputy Secretary of Federal Committee for
Energy and Industry
- Dr. Ivica Marinić, Director of the Institute for Technical
Co-operation of SR Croatia
- Dr. Ivo Miše, Vice-President of the Assembly of the City
of Zagreb
- Vlado Jurišić, Director General of the Zagreb Fair

Dunja Ferencić

PROGRAMME

Monday, 13th September, 1976

- 5 p.m. Inaugural Ceremony
- Opening address by Mr. Janko Smole, member of the Federal Executive Council of SFR of Yugoslavia
 - Opening and welcome addresses by other participants and honorable guests
- 7,30 p.m. Reception hosted by dr. Jakov Sirotković, President of the Executive Council of the Assembly of SR of Croatia

Tuesday, 14th September, 1976

- 9 a.m. - 1 p.m. Working Session
- Introductory papers by ing Ratko Svilar, Vice-President of the Federal Chamber of Commerce and Mr. Janez Tominc, deputy Federal Secretary for Energetics and Industry
- Theme I: Industrial Co-operation and possibilities of its further promotion and implementation
- written and oral communications
- 5 p.m. - 7 p.m. Working session continues
- 8 p.m. Reception hosted by Mr. Ivo Vrhovec, President of the Assembly of the City of Zagreb.

Wednesday, 15th September, 1976

9 a.m. - 1 p.m. Working session

Theme II: The role and importance of the various integrational schemes in particular sectors of industrial production

- written and oral communications

2,30 p.m.

Visit to the Zagreb Fair

Reception hosted by Mr. Stojan Andov, President of the Federal Committee for Economic Relations with Developing Countries and Mr. Vladimir Juričić, Director General of the Zagreb Fair

Thursday, 16th September, 1976

9 a.m. - 1 p.m. Working session

Themes III and IV: Reallocation of industries towards developing countries and industrial policy
(Regional Planning of Industrial Development, Management of Public Enterprises, etc.)

- written and oral communications

5 p.m. - 7 p.m. Working session

Summary and Conclusions

Friday, 17th September, 1976

Special programme. The participants are kindly requested to inform the Secretariat of the Fourth Round Table about their interests. The organizer would try to satisfy their interests as much as possible.

TEXT OF UNIDO'S STATEMENT AT FOURTH ROUND TABLE ON INDUSTRIAL
CO-OPERATION AMONG DEVELOPING COUNTRIES, ZAGREB, YUGOSLAVIA

13 TO 17 SEPTEMBER 1976

Mr. Chairman,

On behalf of the Executive Director of UNIDO, I would like to express the appreciation of UNIDO for the invitation extended to it to participate in this vital phase of the Zagreb Round Table discussions which comes at a crucial time for developing countries when economic independence has still to catch up with political sovereignty. We hope that our participation, modest as it is, will contribute in a small way to pointing the way towards achieving the goal of economic self-reliance through the implementation of measures which have been institutionalized in resolutions passed in Lima in 1975 (during the Second General Conference of UNIDO) and in New York at the Sixth and Seventh Special Sessions of the General Assembly. Before I continue, Mr. Chairman, may I add our thanks to the organizers of the Fourth Round Table, the Institute for Developing Countries, the Direction of the Zagreb Fair, and the following sponsors: the Federal Administration for International, Scientific, Educational, Cultural and Technical Co-operation, Chamber of Economy of Yugoslavia, Federal Committee for Energy and Industry and Chamber of Economy of the Sovereign Republic of Croatia, for the warm hospitality extended to us.

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- 16 -

Mr. Chairman. As I have mentioned, economic self-reliance or independence has not kept pace with the achievement of political sovereignty. I shall briefly describe, for the benefit of the Fourth Round Table participants, two specific programmes or measures which UNIDO is putting into effect to assist developing countries in achieving their industrialization goals, as a step towards economic self-reliance. One is the programme for TCIC, which has been in operation since 1974. The second is the system of industrial consultations between developing and developed countries and among developing countries. This new undertaking for which UNIDO has received a mandate at Lima, has started at the beginning of 1976.

UNIDO Programme of Technical Co-operation among Developing Countries

There is no need, Mr. Chairman, to emphasize that industrial co-operation among developing countries, whether on a sub-regional, regional or inter-regional basis, is a vital and dynamic instrument which has still to be exploited to the fullest extent.

As early as May 1973, the Industrial Development Board, approved the establishment of a programme of action to promote co-operation among developing countries; this programme, in effect, started with a modest attempt in 1974 to define and list existing requirements and capabilities that the developing countries would be ready to submit for formulation of co-operative arrangements.

As of the end of August 1976, there are 30 CDC active proposals under consideration by governments. 172 CDC projects are in the "pipeline" of which 31% are in agro-industries sector (53 project proposals), 23% in industrial infrastructure (40 project proposals), and finally, 18% in chemical industries (31 project proposals). From January to August 1976, 49 CDC projects have been approved and are in the process of implementation.

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-17-

With the Lima Declaration and Plan of Action on Industrialization of developing countries, a new impetus has been given to the programme of co-operation among developing countries. I would like, Mr. Chairman if I may, list a few of the donor/recipient arrangements which have been initiated by UNIDO. In each case, UNIDO identifies and matches the offers of assistance from a developing country with the requirements of another developing country in a specific sector. UNIDO defrays in most cases, the cost of international travel.

AGRO-BASED INDUSTRIES

<u>Donor or host country/recipient</u>	<u>Activity</u>
1. Thailand/Zambia	Assistance for the establishment of an integrated paper mill
2. Brazil/Algeria	Training in standardization and quality control in food industry
3. Thailand/Afghanistan	Training in textiles
4. India/Bangladesh	Fruit processing industry

METAL-WORKING INDUSTRY

1. Iraq/Libya	Steel pipe manufacturing
2. Yugoslavia/Bangladesh	Establishment of design and development centres for metal working industries
3. Brazil/Ghana	Charcoal based production of iron and steel.

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-18-

ENGINEERING INDUSTRY

<u>Donor or host country/recipient</u>	<u>Activity</u>
1. India/Ecuador	Manufacturing of agricultural machinery
2. Egypt/Upper Volta	Survey of possibilities to develop mechanical industries

CHEMICAL INDUSTRIES

1. Yugoslavia/Lesotho	Training in paint manufacturing techniques
2. Yugoslavia/Togo	Training in synthetic detergent products manufacturing.

Now, Mr. Chairman, I shall turn to the -

2. UNIDO System of Consultations

The Lima Declaration and Plan of Action and the 7th Special Session of U.N. General Assembly Resolution 3362 (S-VII) requested UNIDO to establish a system of consultations between developing and developed countries and among developing countries themselves. In addition, UNIDO was called upon to serve as a forum for negotiation of agreements in the field of industry between developing and developed countries and among developing countries themselves.

The main objective of these consultations is to bring about a re-distribution of certain industrial capacities, and the creation of new industrial facilities in developing countries thus helping them to achieve the 25% target mentioned in Lima. The consultations would relate mainly to priority industries identified in the Lima Declaration, in particular, processing those raw materials exported by developing countries or those which consume vast quantities of energy.

According to a recent decision of the Industrial Development Board, these consultations will be carried out on a sectoral basis, and sub-

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- 19 -

sequently on a regional basis. The Executive Director of UNIDO has announced at the UNCTAD IV Conference, last May, that consultation meetings in the following sectors will be carried out during 1976/1977:

Iron and Steel: 7 - 11 December 1976

Fertilizers: 17 - 21 January 1977

In addition, consultation meetings in agro-based industry and leather industry are foreseen for the remainder of 1977.

How are these industrial consultation meetings prepared? Mainly through the preparation of a world-wide study of the sector concerned carried out by the UNIDO International Centre for Industrial Studies; and secondly, by convening of a preparatory meeting (prior to the consultation meeting) at which the advice and views of 25-30 experts from developing and developed countries will be sought on the world-wide sectoral study, and in particular on the selection of the main issues to be submitted to the consultation meeting itself. As an example, Mr. Chairman, I would like to mention the possible issues which may be raised at the Consultation Meeting on Fertilizers:

1. Adoption of a target for fertilizer production in the year 2000
2. The future geographical distribution of world fertilizer production
3. Utilization of capacity of plants built in developing countries
4. Managerial and other manpower training
5. Investment cost of plants set up in developing countries
6. New forms of contracts for plant construction
7. Provision of the infrastructure required for fertilizer plants
8. Financing required for new fertilizer plants
9. Energy and raw materials required for fertilizer plants
10. Technology appropriate for countries with different energy and raw material requirements.

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The consultation meeting will be inter-governmental and governments will be invited to include representatives of labour and industry in their delegations.

This is a new, dynamic and continuing effort. We expect that that the sectoral consultations will not be a static undertaking. They will be followed-up by further consultation meetings every two years in which the progress achieved in the implementation of proposals are examined and monitored. These follow-up consultations may lead to examining issues which may be raised in a specific sub-sector.

In conclusion, Mr. Chairman, a word should be said about the financial crisis confronting not only the United Nations Development Programme but other organizations in the United Nations system as well: with our own financial limitations, our most effective contribution will be to act as a catalyst, such as in the programme of TCDC, and the system of consultations, which I have briefly outlined. The main "actors" so to speak, would be the developing countries themselves, whose economic policies and programmes would have to be mobilized and harmonized for the common goal to achieve economic self-reliance.

SUMMARY AND CONCLUSIONS

One of the most important aims of the Fourth Round Table was to consider informally a number of relevant issues in connection with industrial co-operation among developing countries, as well as to recommend common practical actions.

This meeting of representatives of political, economic, scientific and business institutions offered as well the opportunity to organize other meetings and establish contacts which were directed to strengthening bilateral and multilateral industrial co-operation among developing countries.

The existing international economic relations characterized by the monopolies and domination of the industrially developed countries hinder the development of industry in developing countries. It has been stressed that the existing international economic order thwarts development through technological, organizational, financial, legal, political and social obstacles.

It has been stated that efforts towards the realization of the new international economic order should be concentrated on the strengthening of the productive, i.e., industrial and technological potential of developing countries.

The interdependence of all countries is more and more evident throughout the world, which makes developing countries employ greater efforts and means in promoting co-operation among themselves in order to increase their negotiation power.

The Fourth Round Table meeting represents an effort to stimulate and develop such co-operation in the field of industry through the exchange of experiences and ideas.

While most of the countries present at the Fourth Round Table meeting share the common characteristics of economic underdevelopment, their specific experiences with regard to the ways and means of industrialization are quite different.

Having in mind the results achieved in industrial co-operation among developing countries and the conclusions of a number of international conferences, and particularly the Economic Declaration and Programme of

Actions adapted by the Fifth Conference of Non-Aligned Countries in Colombo, the Declaration and Programme of Actions adopted by the Third Ministerial Meeting of the Group of 77 in Manila, the Lima Declaration and Plan of Action, the participants in the Fourth Round Table have considered a wide complex of industrial co-operation among developing countries. The Fourth Round Table discussions can be summarized as follows:

1. During the consideration of the possibilities of industrial co-operation among developing countries the importance of external factors influencing the development of such co-operation and linked to relations with developed countries, such as market, capital, technology, etc., has been stressed.
2. Co-operation in the development of industrial production among developing countries has been widely considered including essential and practical organizational questions.
3. The experience in planning and directing industrial development on a national and regional level have been presented. The necessity to harmonize the plans with industrial development policies through regular consultations of planning institutions at the regional, sub-regional and inter-regional level has been stressed.
4. The necessity to harmonize and co-ordinate economic policies, particularly in the field of industry, in order to achieve broader industrial complementarity taking into account the degree of development and specialization has been emphasized. This complementarity should be based on the potentials and requirements of each country, and on the establishment and strengthening of consultation mechanisms at the regional level.
5. The necessity to revise the national legislative in order to facilitate industrial co-operation among developing countries has been underlined.
6. Measures meant to co-ordinate the legislative steps taken at the national and regional level concerning foreign capital and the activity of transnational companies, have been pointed out.

Developing countries should take appropriate steps for gradually increasing the level of processing of the natural resources which are now exploited by transnational corporations.

7. The need for the promotion of direct trade among developing countries in order to increase participation in international trade of final products, and in order to eliminate unfavorable triangular commercial operations, has been pointed out. In this respect the necessity to establish adequate mechanisms has been discussed.
8. One of the basic principles of strengthening co-operation among developing countries is the materialization of the preferential treatment system. For industrial co-operation this means the establishment of limited margins of mutual preferentials in selecting consulting services technology, equipment imports, product marketing, etc. The system should include special measures in favour of the less developed developing countries, land-locked countries, insular countries and countries most seriously affected by the international economic crisis.
9. The need to eliminate the non-tariff barriers and other measures of economic policy which could have a negative impact upon the intensifying of industrial co-operation among developing countries, has been emphasized.
10. The necessity to develop new forms of industrial co-operation among developing countries and particularly the so called higher forms of industrial co-operation, such as transfer of industrial property and know-how, technical co-operation in long-term production, etc., has been stressed.
11. Examples of multilateral and bilateral industrial co-operation, and a survey of positive and negative experiences emphasizing the efforts of regional and sub-regional organizations in this field, and integration arrangements in particular, have been brought out in discussion.

12. The establishment of multinational developing country companies in the key sectors of economic activity which demand large investments, modern technology and a broader market, has been recommended.
13. It has been stressed that the existing and future associations of producers of raw materials are a suitable framework in the establishment of enterprises for the development of higher phases of the raw materials processing.
14. In considering industrial co-operation the role of technical co-operation among developing countries (bilateral and through the UN mechanisms) and the role of mutual transfer of technology, has been emphasized.
15. It has been stated that developing countries should intensify their co-operation in the field of joint scientific research, development and application of technology, manpower training, exchange of consulting services and of technological information, etc.
16. The necessity to revise the international patent system in order to make it more responsive to the requirements of developing countries by modifying the existing structure, which is the instrument of dependence and which suits transnational companies, has been expressed. The adoption of a code of conduct for the transfer of technology has also been considered as very important.
17. The other important step is the elimination of the "turn-key" type contracts in project realization. This should be replaced by special negotiations and by contracting technological packages.
18. The role of high education institutions and universities in developing countries in industrial development has been pointed out. Universities and research centers should be concerned more with applied than with purely academic research.
19. The need to elaborate a more adequate model for the successful transfer of know-how and technology in the field of industrial co-operation has been brought up.
20. The need for mutual consultations and co-ordination in order to improve conditions in the acquisition of technology has been emphasized.

21. It has been reiterated that the establishment of the Non-Aligned and Developing Countries' Center for Scientific, Technical and Technological Co-operation and Development in Lima should get the support of all developing countries. This would enable the joint action of developing countries in this field (with respect to third partners), the creation of mechanisms for the improvement of co-operation among developing countries, the promotion of joint technical, technological and research projects, manpower training, choice of technology, etc.

22. Consulting and engineering services are, according to the opinion of the participants in the Round Table, very important for introduction of new technologies and the improvement of the existing ones, for the follow-up of the technological progress, the application of the results of technological research and the advancement of management. Consulting and engineering organizations in developing countries are insufficiently developed and the establishment of connections among them, on a bilateral and multilateral basis, for the strengthening of their capacity, exchange of experiences, co-ordination of methodologies on project evaluation, standardization, equipment and services, consultations on institutional status and other matters.

In the course of discussions it has been recommended that the developing countries should organize consulting centers in the important industrial fields. It has been also proposed that the consulting services offered by the organizations from developing countries should enjoy preferential or priority treatment. The governments of developing countries should contribute to the strengthening of their consulting and engineering capacities by their economic policy and stimulative measures.

23. The significance of the protection of the physical and human environment in the process of the industrial development of developing countries in order to avoid the negative experience of developed countries has been mentioned.

24. The efforts of international organizations within the UN system in respect to strengthening of industrial development and co-operation among developing countries have been emphasized, in particular - the new system of consultations now being put on an operational footing by UNIDO.
25. In the field of financing of industrial development it has been noticed that even when the various international sources, multilateral or bilateral, of external financial means for purchasing of capital goods exist, there is a lack of financing of the revolving capital and joint stock capital. Some interesting experiences in creation of the special funds in the existing sources, which enable financing of such necessities, indispensable for industrial development, have been exposed here.

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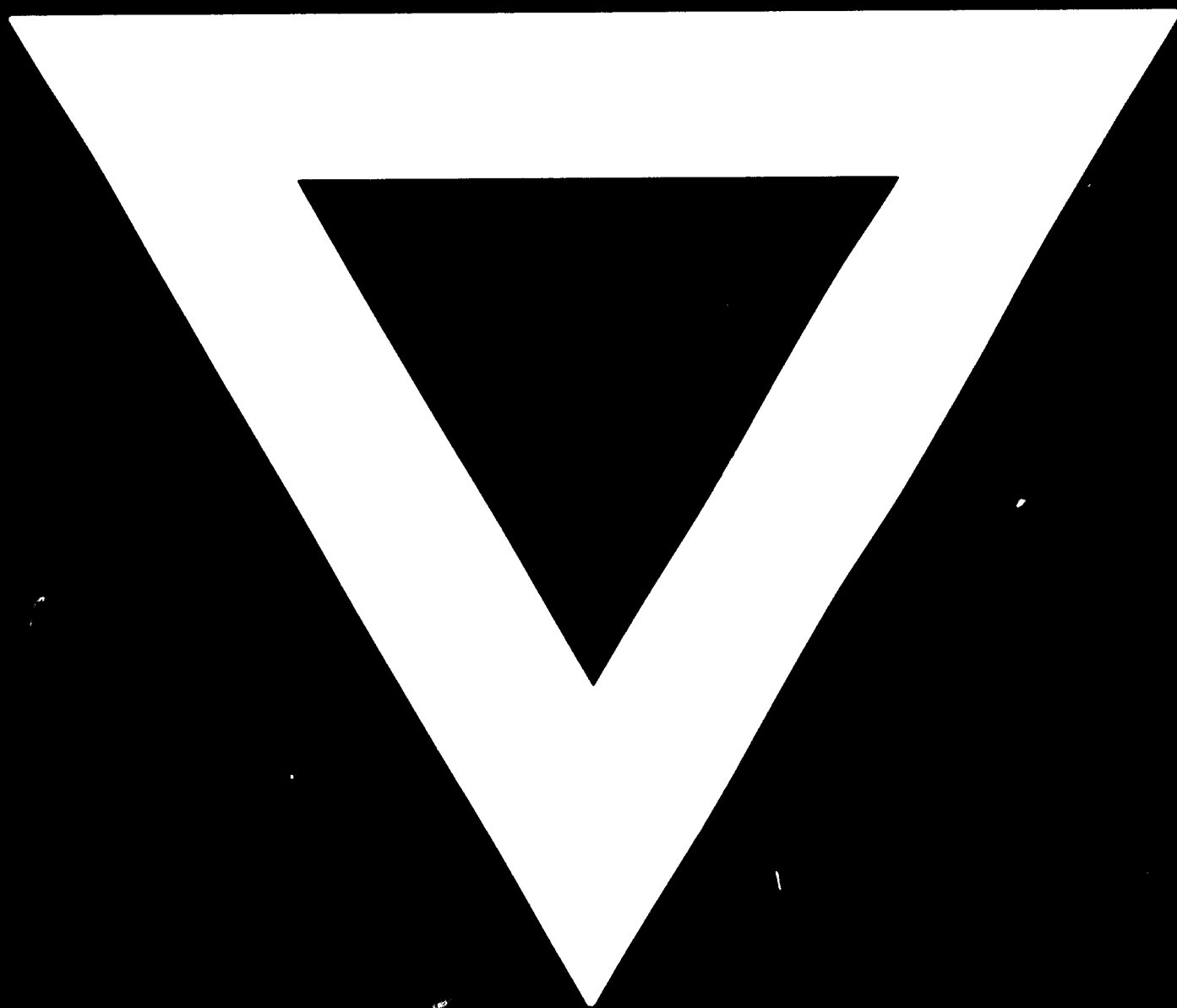
Considering the need that developing countries should rely upon their own resources in developing their industry, the participants in the Round Table are agreed in their belief that the exchange of experience about the ways, means and prospects of industrial development in the developing countries represents one of the most important tools in the materialization of this long-term strategy of the developing countries. It has also been stressed that the presentation of the different experiences acquired by developing countries in the process of their industrial development should help to prevent the repetition of very costly errors and problems which have occurred in the development of individual developing countries and simultaneously reduce the time required for achieving a higher degree of industrialization.

In order to translate this solidary effort into concrete action a conference of developing countries has been suggested, which would study the problems facing the developing countries in order to adopt minimal programmes of action and co-operation.

All participants in discussion have expressed their gratitude to the governments of the Socialist Federative Republic of Yugoslavia and the Socialist Republic of Croatia and to the sponsors and organizers of the Fourth Round Table Conference, for the excellent organization and hospitality, expressed throughout the Conference, which have also contributed to a successful discussion.



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