



TOGETHER
for a sustainable future

OCCASION

This publication has been made available to the public on the occasion of the 50th anniversary of the United Nations Industrial Development Organisation.



TOGETHER
for a sustainable future

DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

FAIR USE POLICY

Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

CONTACT

Please contact publications@unido.org for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at www.unido.org

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.

07288

UNITED NATIONS INDUSTRIAL
DEVELOPMENT ORGANIZATION

Distr.
RESTRICTED
UNIDO/IOD.57
15 December 1976
ENGLISH

FINAL REPORT.

ADVISORY PANEL TO CHAMBERS OF COMMERCE AND
INDUSTRY OF SELECTED DEVELOPING COUNTRIES

organized by

The United Nations Industrial Development Organization (UNIDO)
in co-operation with
the Hungarian Chamber of Commerce

Budapest, 1-3 December 1976
VC/INT/76/041

id.76-7026

I. INTRODUCTION

The Advisory Panel to the Chambers of Commerce and Industry of Selected Developing Countries, which was sponsored by UNIDO in co-operation with the Hungarian Chamber of Commerce, held its meeting in Budapest from 1-3 December 1976. In attendance were participants from Afghanistan, Bangladesh, Nigeria, Yemen and the host country, Hungary.

The purpose of the Advisory Panel was to appraise the present activities of the Chambers of Commerce within the framework of national economic development programmes and to recommend ways and means whereby the Chambers of Commerce can play an active role in the task of industrial development of their countries, as well as promote co-operation among participating countries.

At the opening session Mr. Mohammad Abdul Huq from Bangladesh was unanimously elected the Chairman of the Panel and Mr. M.A. Oke of Nigeria as Rapporteur.

The Chairman of the Panel introduced the Agenda and Work Programme which was approved with minor changes. (Please see Annex II).

II. TOPIC OF DISCUSSION

The first topic of discussion was to analyse the economic structure and economic trends of participating countries and the role of the Chambers of Commerce in promoting rapid industrial development of the countries concerned.

The participants in their various contributions underlined the industrial sectors of first priority in their countries' development plans and the basic industrial problems facing these countries in the drive towards industrialization.

Furthermore, the participants explained the organization and operation system of the Chambers of Commerce and Industry of their countries and enumerated the activities currently undertaken by their respective Chambers.

The second topic of discussion was to identify new industrial services which the Chambers of Commerce could provide to their members and to recommend ways and means of putting such services into operation.

The participants discussed the experience of their Chambers in meeting the demands of the business community both at national and international levels. It was observed that the Chambers of Commerce of these countries have common objectives in promoting

commerce and industry. However, due to certain deficiencies in the operation of most of these Chambers, they have not been able to serve as an effective clearing house for business information and a dynamic consultative and advisory body for the promotion of rapid economic and industrial development of their countries. The Panel therefore stressed the urgent need to strengthen these Chambers of Commerce in order to effectively perform their function.

Furthermore, the Panel observed that in some developing countries specialized institutions have already been established to provide industry with the services that most enterprises need and do not have the capability of providing. However, a few additional services are needed that are not being provided by any of the specialized institutions. At the same time, industry is not always aware of the type, content and value of the services that such specialized institutions provide.

In other developing countries where the level of industrialization does not justify the establishment of specialized institutions and the resources to establish them are lacking, the basic industrial services are inadequate.

It was the view of the Panel that Chambers of Commerce and Industry and associations of industrialists can play an important role in industrial development by filling most or all of the gaps mentioned above.

III. RECOMMENDATIONS AND PLAN OF ACTION

Recommendations:

In light of the above, the Panel put forward the following Recommendations and Plan of Action:

In recognition of the important role which Chambers of Commerce play in the industrialization process of developing countries, it is recommended that the Chambers of Commerce should be strengthened to be able to function as promotional institutions and efficient consultative and advisory bodies to private and public sectors. To this end, it is required that the Chambers of Commerce develop a unit of "Industrial Promotion and Services" as the operating machinery.

More specifically, the function of the "Industrial Promotion and Services" Unit (IPS) would be:

- 1) Expose advancement of technology through:
 - disseminating information on technological development and how new techniques, as well as technologies

can be adapted to local conditions.

- 2) Advise and assist the Government in planning realistic macro- and micro industrial programmes and offer guidance on policy matters with respect to licensing of new projects, import regulations, investment promotion and business incentives.
- 3) Prepare pre-investment surveys, studies and information to attract entrepreneurs to fully explore industrial opportunities in accordance with the national economic strategies.
- 4) Co-operate with the Government bureaus and institutions concerned with investment promotion.
- 5) Participate in certain activities relevant to industrial development such as:
 - industrial development surveys in the country;
 - industrial estates development;
 - selection and utilization of local intermediates and raw materials; and
 - marketing of intermediates and finished products.
- 6) Offer technical advice in the form of **answers to inquiries** and requests for information on new products, machinery, quality control, technical management, expansion and development programmes, tenders, contractors, etc.
- 7) Identify problems facing certain industries and when possible prepare a plan to remedy any shortfalls.
- 8) Establish a system of information network with other Chambers of Commerce.
- 9) Advise and assist government and enterprises as participants at international fairs and exhibitions.
- 10) Arrange training programmes for the staff of the existing industries with the help of local agencies and with the assistance of international agencies such as UNIDO, etc.

Other services may be rendered by the unit in the long run once the department is well established and its staff becomes larger and well trained. Such services may include feasibility studies, productivity studies, etc.

For better and more efficient functioning, the IPS unit should

- be well familiar with the industrial environment and development trends in the country, particularly in relation to Government policies, local resources, infrastructure and industrial activities.
- have direct contact with individual industrial concerns and be familiar with methods of production, sources of raw material, the existing market for its products, major problems encountered, prospect for development, degree of utilization, etc.
- have a close knowledge of current literature on technical matters relevant to the private sector industries, and
- rely on the technical co-operation of specialized state organizations and international organizations and agencies such as UNIDO for assistance.

For better functioning the "Industrial Promotion and Services" units have to develop its services in accordance with available resources, in a well-defined programme with appropriate sections to carry out their own specific assignments. The unit should have the following major sections: Economic, Technical Documentation and Administration.

Plan of Action:

The following technical assistance will be required for setting up the "Industrial Promotion and Services" units:

- one expert for one year to be assigned to the Chamber of Commerce in the country concerned in order to bring the unit into operation and co-ordinate the activities of consultants and experts in the unit;
- consultants in different branches of industries, considering the local needs and requirements;
- training substantive staff of the Chamber.

As a first step towards the realization of the above, the Hungarian Chamber of Commerce agreed to set up a section to function as Industrial Promotion Unit. The Unit will in addition to its own responsibility at national level serve as a clearing house between Hungary and the participating countries. In this connexion a network of information will be established and a basis provided for regular business

contacts among these countries.

Also it was agreed in principle to set up similar systems for exchange of information among participating developing countries.

In following up the recommendations of the Panel, UNIDO's technical assistance was sought to complement the efforts of participating countries in the setting up of Industrial Promotion Units within their Chambers of Commerce.

IV. CONCLUSION

The Panel was encouraged by the positive reaction of the Hungarian Chamber of Commerce to its recommendations and urged other participating countries to take necessary steps to ensure the prompt implementation of its recommendations so that their Chamber of Commerce can effectively meet the growing demands of the business communities and the development needs of their countries. It will also be desirable to encourage Chambers of Commerce in other developing countries to adopt the new mode of operation as soon as possible.

UNIDO was requested to put forward for discussion and consideration, the Panel's recommendations to the forthcoming Forum of Afro-Asian Chambers of Commerce and Industry to be held in September 1977 in Budapest.

The Panel placed on record its appreciation to the Hungarian Chamber of Commerce for the co-operation and assistance extended to the Panel and also commended the initiative and useful contribution of UNIDO's representative.

ANNEX I

LIST OF PARTICIPANTS

Afghanistan

Mohammad Ishaq Eltojaye, Director
Liaison Chambers of Commerce and Industries
Address: Daralaman Walt
Kabul
Telephone: 41 145

Bangladesh

Mohammad Abdul Huq, Senior Vice-President
The Dacca Chamber of Commerce and Industry
Address: 65-66, Motijheel C/A
Dacca-2
Telephone: 25 25 05
25 65 70

Nigeria

M.A. Oke, Assistant Director
Lagos Chamber of Commerce and Industry
Address: 131 Broad St., P.O.B. 109
Lagos
Telephone: 21 910
Telex: 21368 Chacom Nig

Yemen

Abdulla Salim Al-Khader, Director
Ministry for Trade Supply and Ministry's
Adviser for Chamber of Commerce and Industry
Address: P.O.B. 4110
Aden
Telephone: 51 104
52 333
Cable address: TIGARAH

Hungary

Péter Gábor, Senior Officer
Hungarian Chamber of Commerce
Address: P.O.B. 106
H-1389 Budapest

Attila Györi, Head of Section
Hungarian Chamber of Commerce

János Kende, Senior Officer
Hungarian Chamber of Commerce

Ferenc Siklós, Deputy Director General
Hungarian Chamber of Commerce

Dr. Tamás Sömjén, Deputy Head of Department
Council of Ministers Committee of
International Economic Connections
Address: Budapest, V. Kossuth Lajos tér. 2
Telephone: 328-952

Dr. Antal Szentfűlöpí, Head of Section
Hungarian Chamber of Commerce

UNIDO

A.A. Farinpour
Senior Officer

ANNEX II

AGENDA AND WORK PROGRAMME

Wednesday, December 1

10:00 a.m.

Analysing economic activities of the participating countries and the role of Chambers of Commerce

Thursday, December 2

10:00 a.m.

To identify new industrial services which the Chambers could provide to their members and to introduce ways and means of putting such new services into practice

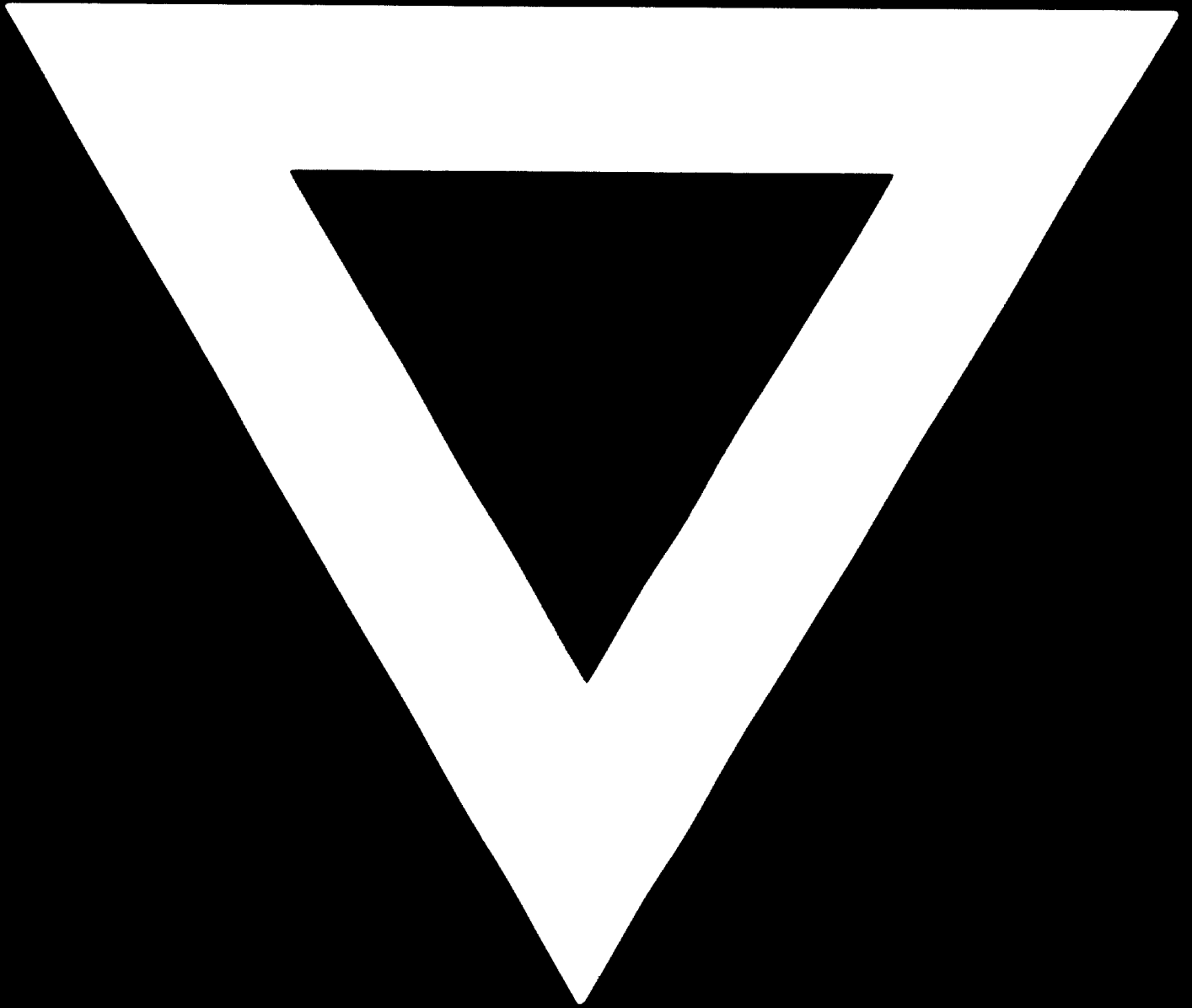
Friday, December 3

10:00 a.m.

Discussion on report which includes suggested proposals and plan of action from participants



B - 332



77. 09 . 26