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(R) REPORT ON UNIDO'S PARTICIPATION IN THE SEVENTH
EUROPEAN MANAGEMENT SYMPOSIUM. Paris,
27 JANUARY - 4 FEBRUARY 1977

COVERING LETTER

A. Preliminary information for delegations

SIDFAs should ensure that delegations are at least familiar with the aide-mémoire prepared by UNIDO.

B. Views of the Andean Group

The delegations of the Andean Group decided at a meeting to submit a favourable report to their respective Governments.

C. Project follow-up

The projects in category I will remain the responsibility of ICPO. Those in category II have been entrusted to the Industrial Operations Division for further evaluation and inclusion in the programme. The sections concerned are as follows:

Factory Establishment and Management Section

Feasibility Studies Section

Agro-Industries Section

Metallurgical Industries Section

Engineering Industries Section

Chemical Industries Section

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I. INTRODUCTION

Organized with the collaboration of UNIDO, the International Project Exchange was held at Davos, within the framework of the Seventh European Management Symposium. The theme of the Symposium was: "Competing successfully in a world of social and structural change".

Some 40 participants attended from West Africa, Central America, and the Andean Group and Chile, representing 13 countries (Bolivia, Cameroon, Chile, Colombia, Ecuador, El Salvador, Guatemala, Nicaragua, Nigeria, Peru, Senegal, Togo, Zaire), 4 regional organizations (CAF, Mano River Union, OMVS, SIECA) and 2 financial institutions (CABEI, IFC).

UNIDO was represented by Dr. Khane, Mr. Becker-Boost, Ms. Lorenzo, Mr. Pflucker, Mr. Davidson, Mr. Mdina and Ms. Orlowski.

Dr. Khane and three other speakers (Mr. J.A. Greenwald, Mr. J.H. Harvey Jones and Mr. Ichiro Kawasaki) led a discussion entitled "European Industry Day", on 2 February 1977.

On 31 January, Mr. Becker-Boost held a seminar entitled "Decision Making for Industrial Investments in Developing Countries and the Role of the International Project Exchange".

The Project Exchange gave the delegations of developing countries an opportunity to present 225 industrial projects, representing a total investment of over US\$9,000 million, to the Symposium participants; 100 of these projects are already at an advanced stage of development.

II. FUNCTIONING OF THE PROJECT EXCHANGE

A. Activities

The Project Exchange was based on the following activities:

1. Contact groups

Three contact groups held on Saturday, 29 January, from 4.30 to 7 p.m., enabled the delegations from West Africa, Central America, and the Andean Group and Chile to make preliminary contact with the Symposium participants. Other contacts were established subsequently at meetings organized for individual sectors and at a meeting between the Latin American delegations and a Swiss group consisting mainly of bankers.

2. Individual discussions

The 225 projects submitted by the delegations of the developing countries were the subject of individual discussions. These discussions were carried on throughout the Project Exchange in a room set aside for the purpose (the "Forum").

3. Presentation by delegations of their respective countries, regions, regional organizations and financial institutions

The delegations from West Africa, Central America, and the Andean Group and Chile gave an introductory account of their countries and organizations. Each presentation was followed by a discussion.

B. Facilities

1. Premises

In order to facilitate the individual discussions between delegations and Symposium participants, a room known as the "Forum", fitted out with a dozen cabins, was made available to delegations throughout the Symposium.

2. Documentation

(a) Investment project proposals and lists of projects

In order to assist the Governments of the developing countries in preparing the projects which they intended to submit during the Project Exchange, preparatory missions from UNIDO (ICPO) visited the following countries: Cameroon, Chile, Colombia, Peru and Togo.

The projects mentioned during these missions, together with those communicated to UNIDO direct by Governments, were submitted to participants in the form of "lists of projects":

List of category I projects (projects in advanced development stage);

List of category II projects (project titles);

List of projects by sector.

Some "project proposals" were also sent in.

(b) Industrial investment information

The ICPO Section also prepared, for each country and organization represented at Davos, a basic document entitled "Industrial Investment Information".

The information provided by this document covers industrial structure, legislation on foreign investment, production factors and services, incentives, etc.

(c) Documents submitted by delegations

Some delegations provided symposium participants with additional information on investment projects, the economic situation, the investment climate, etc. This was the case in particular with Peru, Chile and Ecuador.

3. Contact desk

A contact desk was provided to facilitate and arrange meetings between participants and delegates from the developing countries, at the request of one of the parties.

Through this contact desk some 500 contacts were established between delegations from the developing countries and symposium participants, not counting those made at official receptions.

4. Computer

A computer was to have been used to enable participants to obtain information on the investment project proposals submitted by the developing countries, the technology offered or required at the international level, etc.

5. Micro-film reader

A micro-film reader was to be used to inform delegations from the developing countries of the identity of participants who had expressed interest in the Project Exchange and of the kind of activities in which they were engaged.

III. DIFFICULTIES AND RECOMMENDATIONS

A. Delegations

1. Membership

The developing countries were very well represented by delegations in which a proper balance was struck with regard to the presence of high-ranking officials (ministers, deputy ministers, etc.). This balance should be maintained at the next Project Exchange, in the interest both of the Symposium and of UNIDO.

2. Arrival of delegations

Most delegations arrived on 27 January, whereas the Project Exchange was not due to begin until 31 January. In accordance with the wishes expressed by several representatives, consideration could be given to reducing delegations' stay by one or two days: this would in no way hamper the proceedings of the Project Exchange and would have the advantage of encouraging a high level of representation.

3. Comments by delegations

The Ambassador of Honduras at Geneva made a vigorous protest at the disappearance of the "CABEI" and "Central America" sign boards indicating the presence in the "Forum" of participants in the Project Exchange. It has not been possible to discover how these items came to disappear.

B. Activities of the Project Exchange

1. Contact groups

(a) The receptions arranged in honour of the developing countries were held in various hotels. These receptions would have satisfied participants' expectations better if, as initially recommended by UNIDO, they had taken place either at the same hotel at different times or simultaneously in different rooms.

(b) The lunch arranged between Latin American representatives and Swiss businessmen left a very favourable impression. It might, however, be advisable for EMF and UNIDO to observe a certain degree of protocol in issuing invitations, in order to avoid offending any of the groups represented.

2. Presentation by delegations of their countries, regions, regional organizations and financial institutions

The presentations made simultaneously for countries of the same geographical group met with certain difficulties. The discussions to which these presentations were intended to lead were often reduced to the simplest terms.

3. Individual discussions

According to delegations, the time allotted daily to individual discussions was too short for proper negotiations. Thus consideration might be given to allocating three hours a day for this purpose, divided between morning and afternoon.

C. Facilities

1. Documentation

(a) Owing to the delay with which a large number of projects were received, UNIDO had difficulty in completing the necessary studies and translations. The translation problem was particularly acute because the translators were required for the preparation of other meetings which were due to take place at the same time (consultations in the field of metallurgy, fertilizers, etc.).

(b) At Davos the boxes containing the UNIDO documents were initially stored in an area with very limited space where there was no possibility of preparing and distributing them.

(c) In order to avoid contradictory decisions by EMF in regard to the different delegations, it would be advisable to specify well in advance the rules and procedures relating to the distribution of documents prepared by UNIDO or submitted by delegations themselves.

2. Computer

It is regrettable that the computer, which represented an enormous advance over the previous year, did not function. This break-down meant that the individual discussions took considerably longer to get under way.

3. Secretarial services

Since most delegations come to the Project Exchange with various documents to be typed (new projects, lists of corrections to projects, etc.), UNIDO should consider making a secretary available to them for the entire duration of the Project Exchange.

4. Administrative matters

In the interests of EMF and UNIDO, there might be short sessions each morning to monitor the progress of the programme.

D. Preparations for the next Project Exchange

1. UNIDO participation

(a) In view of the time that has to be allowed for obtaining information from developing countries, UNIDO should begin preparations for the next Project Exchange immediately.

(b) If the UNIDO officials concerned reached Davos at least two days before the Symposium opened, they would be completely free to assist delegations, who need every possible kind of help, when the latter arrived. The intervening period could be used to settle a number of points with the EMF organizers.

2. Information to be given to Symposium participants and delegations

In order to help developing countries prepare for the Project Exchange, they should be supplied well in advance with a list of firms wishing to meet them and with particulars of those firms' activities. In that connexion, the questionnaires which EMF sends its participants would be more useful if they were more specific about participants' investment interests.

Similarly, Symposium participants should receive project lists early enough to enable them to give detailed information about their interests.

3. Administrative matters

In order to avoid any misunderstanding, there should be an agreement in writing on all administrative and budgetary questions.

4. Scale of the Project Exchange

It might be desirable to reduce the scale of the Project Exchange, making it shorter and limiting the number of countries represented to eight and the number of representatives to 20.

IV. PUBLICITY

The Project Exchange aroused the interest of the media. Swiss television, for example, devoted three minutes of a news broadcast exclusively to the Project Exchange and Austrian television covered the programme of the Symposium as a whole, including the Project Exchange.

V. CONCLUSIONS

A. Contacts made by delegations

While it is difficult to assess the impact of a meeting of this kind at the present stage, some of the contacts established during the Project Exchange are extremely promising. For instance, two projects submitted by Nicaragua and Guatemala, representing investments of US\$22 million and 40 million respectively, have reached an advanced stage of negotiation. Following the Davos Project Exchange, the Chilean delegation submitted two projects valued at US\$18 million to the UNIDO Investment Promotion and Transfer of Technology Office in Brussels; this step seems likely to produce tangible results.

The Project Exchange also gave developing-country delegations opportunities for co-operation outside the sphere of particular projects:

Mr. Cyril Bright, President of the Mano River Union, was invited to visit a factory;

Credit lines were discussed between representatives of developing countries and a group of Swiss bankers, and personal links were established between the Union Bank of Switzerland (UBS) and CABEL.

At the same time, several Symposium participants began talks aimed at promoting projects in developing countries:

A construction equipment enterprise established contacts with the Chilean, Bolivian and Peruvian delegations;

Representatives of the pharmaceutical and telecommunications sectors were among those who contacted OMVS;

The Coca-Cola company began talks with the Ecuadorian delegation about the extension of a sugar plant.

B. Project follow-up

Although outside the competence of UNIDO, a number of infrastructural projects were presented at Davos. At the instigation of OMVS, for instance, UNIDO encouraged the discussion of projects capable, directly or indirectly, of promoting the industrialization of the members of that organization. These projects will be communicated to IBRD and the competent United Nations agency.

The projects presented at the Project Exchange have been communicated to the Investment Promotion Office in Brussels and submitted to IBRD, IFC, OPIC and the Inter-American Development Bank.



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