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*for a sustainable future*

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United Nations Industrial Development Organization

Seventh Meeting on Co-operation among Industrial  
Development Financing Institutions

New Delhi, India

29 November - 2 December 1976

RECORD OF THE ANNUAL SESSION 1976

of the

MANAGEMENT COMMITTEE OF THE PROGRAMME FOR THE EXCHANGE OF  
INFORMATION AMONG DEVELOPMENT FINANCING INSTITUTIONS

14.77-3425

PROVISIONAL AGENDA

1. To note:

- a) The record of the Special Plenary Session in Venezuela held on 2 July 1975;
- b) The record of the Meeting of the Management Committee held in Venezuela on 3 July 1975;
- c) The record of the Meeting of the Executive Committee held in Vienna on 25-26 March 1976.

2. To receive and discuss the Report by the Treasurer on the "Project Information Fund" in order to:

- a) Assess the financial position in general and the financing of the 1977 and future activities in particular;
- b) Examine the subscription behaviour of participants;
- c) Search for possibilities to raise additional funds from non-IFI sources.

3. To receive and discuss reports by the President and UNIDO for the purpose of defining the future objectives of the programme and devising the related strategy:

- a) Activity report 1975/1976;
- b) Revised budget for 1976 and provisional budget for 1977;
- c) The President's report on the results of the survey to evaluate the usefulness of the information exchange programme.

4. To review:

- a) The membership of the Management Committee;
- b) Existing documentation related to the promotion and functions of the information exchange programme;
- c) The present organisational, administrative and procedural structure;

with a view to improving the efficiency of the programme.

5. To elect a President and a Treasurer for the years 1976/77 and 1977/78.

6. To agree to a Draft Report by the Management Committee for submission to a Plenary Session.

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**1.0 Opening of the session**

The Management Committee of the Information Exchange Programme (IEP) met in the Hotel Ashoka, New Delhi, India, at the eve of the Seventh Meeting on Co-operation among Industrial Development Financing Institutions.

1.1 The President opened and chaired the session. Present were: Mr. Leembruggen (President), General Manager, Malaysian Industrial Development Finance Berhad; Mr. Alcantara (representing Mr. Sagna), Deputy General Manager, Banque Nationale de Développement du Sénégal; Mr. Annab, General Manager, Development Bank of Jordan; Mr. Bellido (representing Messrs. Palma-Valderrama, Pastoriza, Copete and Rohrmoser-Garcia), Under-Secretary, Asociación Latinoamericana de Instituciones Financieras de Desarrollo (ALIDE); Mr. Clark, Vice President and Chief General Manager, Federal Business Development Bank, Canada; Mr. Engel, Director, Kreditanstalt für Wiederaufbau, Federal Republic of Germany; Mr. Kodock, Assistant Director of Operations, African Development Bank; Mr. Maaoui (representing Mr. Ghemim and in his own capacity as the treasurer of the IEP), Deputy General Manager, Société Tunisienne de Banque; Mr. Osha, Managing Director, Nigerian Industrial Development Bank.

1.2 Excused absent were: Mr. Aaberg, Managing Director, The Industrialization Fund for Developing Countries, Denmark; Mr. Diamandopol, President, Banque d'Investissement de Roumanie; and Mr. Kheradjou, Deputy Managing Director, Industrial and Mining Development Bank of Iran.

1.3 UNIDO was represented by Mr. Basak, Mr. Looser and Ms. Andorfer.

1.4 The resignation of the committee member Mr. Priamoro, Managing Director, Development Bank of Indonesia, was noted with much regret.

1.5 Mr. Osha informed the Management Committee that he had succeeded Mr. Daniyan as Managing Director of the Nigerian Industrial Development Bank and that Mr. Daniyan had left the bank and hence could not remain on the committee. The committee members extended a warm welcome to Mr. Osha as a new member.

**1.6 Adoption of the agenda**

The agenda was adopted.

**1.7 Adoption of the records of previous meetings**

The records were adopted without changes.

2.0 Discussion of the report by the treasurer and the financial situation

The treasurer reported on the status of the Project Information Fund (PIF) as at mid November 1976 and the flow of subscription payments since introduction of the co-operative financing arrangement.

2.1 In 1974, 19 development financing institutions (DFIs) paid subscriptions to the PIF totalling US\$ 24,000.--. In 1975, 26 DFIs subscribed to the Project Information Fund a total amount of US\$ 25,000.-- To the date of 15 November 1976, 33 DFIs had paid subscriptions totalling US\$ 37,000.-- and 6 DFIs had announced total subscriptions of US\$ 8,500.--. To provide funds for the promotion and administration of the IEP in 1975 and 1976, the sum of US\$ 25,000 (on 14 November 1975) and US\$ 15,000 (on 22 January 1976) were transferred from the PIF to UNIDO as the Secretariat of the IEP. Hence, a balance of US\$ 46,000 was in the PIF as at mid November 1976.

The expenditures met from the PIF in 1975 amounted to US\$ 25,000.--. The budgeted expenditures for 1976 were US\$ 15,000.-- but are likely to actually be in the range of US\$ 29,000.--.

2.2 The treasurer requested UNIDO to provide him with the accounts for the year 1976 as soon as feasible.

2.3 The treasurer's financial report was noted and as a result of the ensuing discussions the following proposals were considered:

- a) To introduce measures for improving and accelerating the collection of the yearly subscriptions from DFIs such as issue of initial invitations to subscribe, of a timely reminder prior to the deadline and setting an annual deadline for DFI payments to the PIF, further the issue of acknowledgements by the treasurer of receipt of the subscriptions.
- b) To facilitate DFI participation in the IEP throughout the world by agreeing to waive subscriptions for the initial period for DFIs under financial constraints;
- c) To request UNIDO to present a yearly budget to the Executive Committee for approval prior to a new calendar year;
- d) To request UNIDO to provide the treasurer by end January with certified financial statements as at financial year end, detailing the utilization of the funds provided to UNIDO from the PIF;
- e) To establish a system of periodic financial reporting between UNIDO and the treasurer during the financial year, and
- f) To introduce an investment policy for uncommitted money in the PIF.

The Executive Committee is to follow up on the implementation of any feasible proposals.

2.4 The treasurer's report also included the following proposals for strengthening the usefulness of the Programme:

- a) To include an exchange of information on suppliers of equipment and consulting services;
- b) To introduce a programme of technical co-operation including exchange of DFI personnel and expertise, staff training, organization of seminars, workshops and reunions on special aspects of industrial development financing;
- c) To provide advice on appropriate choice of equipment and manufacturing processes;
- d) To issue special publications for and directories of industrial development financing institutions.

The Executive Committee is to investigate the feasibility of implementing tasks of the suggested nature within the IEP.

2.5 At this point, the request was made that the Secretariat of the Information Exchange Programme take an inventory of all suggestions and ideas made in the past for improving the IEP and submit it to the Executive Committee for further consideration. The Executive Committee has been assigned the task of identifying which of the proposed activities could be included in the work programme of the IEP; also of exploring the extent to which UNIDO could contribute its services and to which the suggested activities could best be handled by the Regional Associations or a World Association of Development Financing Institutions.

2.6 The financial situation of the IEP was unanimously considered as having improved in the 1975/1976 period due to dynamic management bringing about an increase in subscribing participants. The co-operative financing arrangement meets the current financial needs, but an expansion and re-organization of the Programme will require fund inflows from additional sources. Therefore, the suggestion was made to explore ways and means for obtaining additional funds and come forward with proposals at the next session of the Management Committee.

### 3.0 Activity Report 1975/1976 by UNIDO

It was generally concluded that the activities carried out by UNIDO as the Secretariat of the IEP gave the Programme a new impetus and established it as a viable instrument for furthering the co-operation among DFIs.

At present, 120 DFIs participate in the IEP and are encouraged to use the facilities offered.

3.1 The Committee members expressed satisfaction about the way in which UNIDO had fulfilled its tasks. Mention was made here of the special promotional efforts undertaken in the report period, such as the issue of a pamphlet to attract the attention of prospective participants in the Programme, the preparation of an up to date list of participating DFIs and the introduction of a "Special Attention Page" in the periodically disseminated list of projects.

3.2 It was stressed that efforts should continue to implant an image of the IEP and maintain interest in the IEP among DFIs. In this context, the Management Committee reiterated its proposal to the Special Plenary Session of the Fifth Meeting on Co-operation among Industrial Development Financing Institutions held in Tunis in June 1974, to add to the IEP a Technical Co-operation Programme, and its adoption by the plenum, and urged the Executive Committee and the Secretariat to start implementation of this project.

3.3 The Management Committee also reaffirmed the value of the annual DFI meetings as a means for furthering DFI contacts and strengthening DFI co-operation towards achieving economic progress in the developing world.

3.4 It was the unanimous view of the committee members that the IEP Secretariat had succeeded in establishing the programme as a worth-while undertaking to further DFI co-operation for increasing the effectiveness of DFI activities throughout the world.

3.5 Mr. Basak, Deputy Director of the UNIDO/Investment Co-operative Programme Office, expressed the appreciation of UNIDO for the Management Committee's efforts in support of the UNIDO programmes for DFIs in general and the IEP in particular.

### 3.6 The IEP budget for 1976

The revised budget for 1976, as approved by the Executive Committee, foreseeing expenditures of US\$ 15,000.-, was noted. Paragraph 2.1, last sentence, also refers.



3.7 The treasurer is to report to the Management Committee at its next meeting on the actual expenditures and the utilization of the monies from the PIF disbursed in 1976.

3.8 Review of the IEP budget for 1977

The provisional budget for 1977 was referred to the Executive Committee for revision in consultation with UNIDO as the IEP Secretariat, according to the planned programme activities, and for subsequent approval. The Management Committee stressed that care should be exercised in the utilization of the limited funds.

3.9 Report by the President on the results of the evaluation survey

Following the decision of the Management Committee, a survey was conducted by the IEP Secretariat in September 1976, to obtain data for assessing the usefulness of the IEP and for consequential redefinition of its objectives and activities.

3.10 The DFI responses to the survey questionnaire have been analyzed in a draft report made available to the members of the Management Committee at the time of the session. Since the committee members did not have sufficient time to study the draft report and the subject warranting careful examination, it was unanimously agreed to refer the report to the Executive Committee for evaluation and drawing up of proposals for further appropriate action.

3.11 The President invited all committee members to send comments and proposals which they may wish to make in relation to the draft analysis of the survey, to the IEP Secretariat in the course of the next four months.

3.12 The Committee concluded that the IEP is a useful form of co-operation among DFIs and for it to continue to be effective its activities should be designed to match DFI needs. Special attention should be given to the requirements of DFIs in the least developed countries.

The President invited committee members to submit ideas and suggestions towards this objective to the IEP Secretariat for inclusion in summary of recommendations which will be taken and submitted to the Executive Committee prior to its next meeting.

#### 4.0 Membership of the Management Committee

Recalling the established policy, i.e. membership in the Management Committee is open to officials in managerial position from any DFI subscribing to the IEP, providing the DFI official is ready to take a share in the Committee's functions and work programme, the Committee welcomed Mr. H. Osha, Managing Director of the Nigerian Industrial Development Bank, as a new member to the Committee. The Committee regretfully took note of the resignation of Messrs. P. Priamoro and H.F.G. Lombruggen and decided to refrain from seeking additional committee members for the time being. The Committee reaffirmed that the number of members should not be fixed, but should not be less than ten or more than twenty to enable effective team-work and decision-making by the Management Committee.

#### 4.1 Existing documentation

Item 3.1 refers.

#### 4.2 Organizational structure

It was agreed to maintain the present organizational set-up, i.e. Management Committee, Executive Committee and Secretariat (provided by UNIDO). The Executive Committee was asked to review the existing administrative and procedural arrangements at its next meeting and recommend on any re-arrangements if necessary.

4.3 In reply to a committee member's query, the UNIDO re-organization and its effects on the IEP Secretariat were outlined. As a result of the new organizational structure of UNIDO effective 1 January 1976, the administrative support for the IEP is provided by the UNIDO/Investment Co-operative Programme Office. The mandate of that office is to promote industrial investment in developing countries, that is to assist developing countries in obtaining external finance for industrial projects.

#### 5.0 Election of a president and a treasurer for the years 1976/1977 and 1977/1978

According to the policy established by the Management Committee, the president is elected for a two-year term of office. Re-election is possible. The treasurer is to be elected so that his term of service coincides with the president's. Re-election is possible.

5.1 At the annual session 1975 of the Management Committee, Mr. H.F.G. Leembruggen was re-elected president and he accepted to remain in office with the special request to hand-over after a one year term. Hence, Mr. Leembruggen announced that after having served as a president of the two committees for more than three years he would at this time have to resign and offer the chair for new election.

5.2 The Management Committee unanimously elected Mr. Willi F.L. Engel, Director, Kreditanstalt für Wiederaufbau, Federal Republic of Germany, to be president of the Management Committee for the next two years. The first president coming from Africa, the second from Asia, it is now Europe which provides the third president. Mr. Engel will also take over as Chairman of the Executive Committee.

5.3 The Management Committee also unanimously re-elected Mr. Moncef N. Maoui, Deputy General Manager, Société Tunisienne de Banque, to continue as treasurer of the IEP.

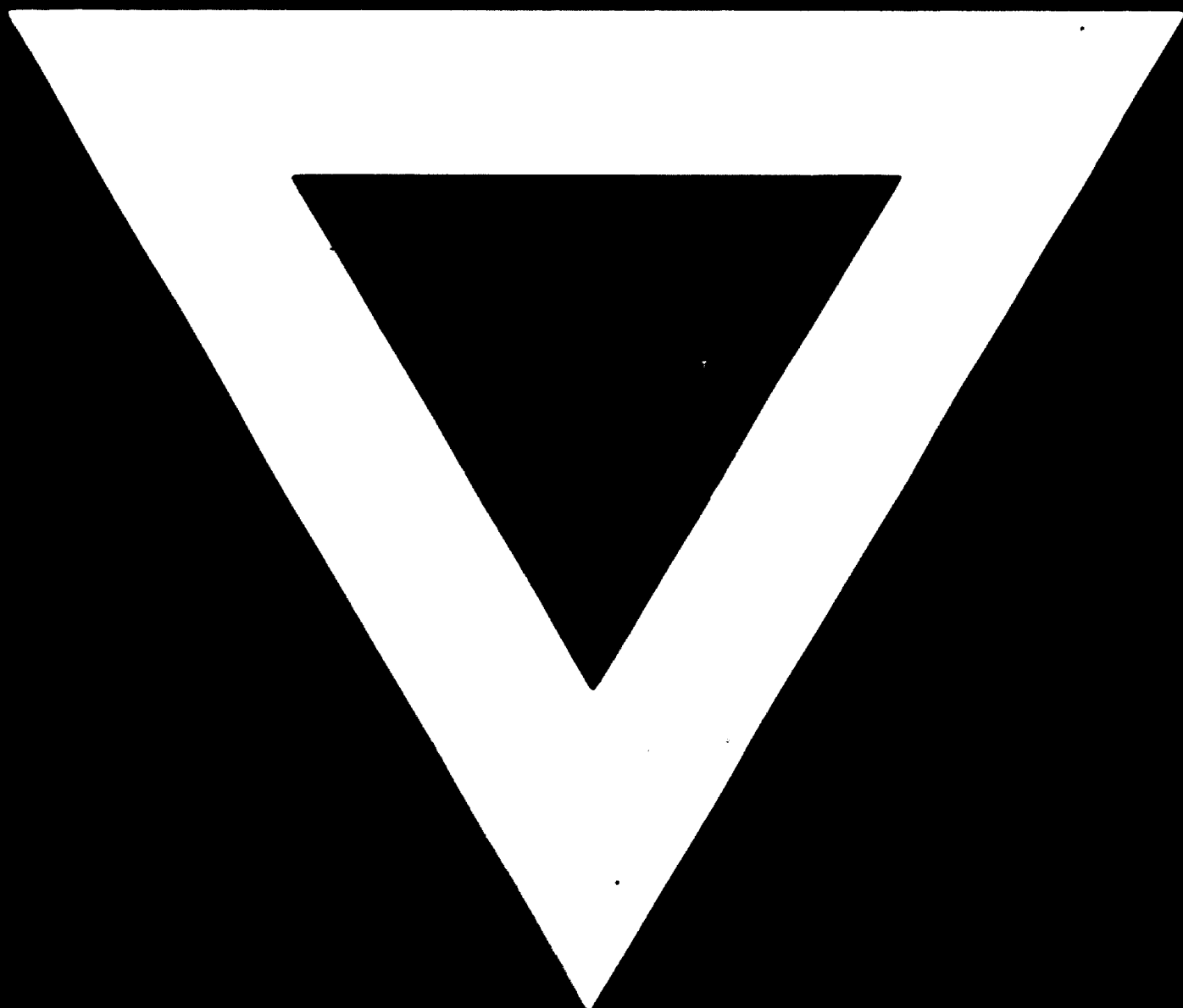
5.4 The Management Committee heartily thanked Mr. Leembruggen, the departing president, for his excellent and dynamic direction of the IEP, and extended best wishes to the new president and the re-elected treasurer for success in their terms of office.

6.0 Report by the Management Committee for the Special Plenary Session and closing of the session

The Management Committee concluded its meeting by requesting the president to submit a report on the programme objectives and achievements to a Special Plenary Session of the Seventh Meeting on Co-operation among  
... Industrial Development Financing Institutions. A copy of the report is annexed to this document. The IEP Secretariat was requested to prepare and circulate the minutes of the annual session 1976 of the Management Committee, and after approval distribute the document to all IEP participants.

6.1 The session closed at 6:00 p.m.. The new President was requested to convene a meeting of the Executive Committee members as soon as feasible but prior to June 1977, at a mutually acceptable venue.

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