



**TOGETHER**  
*for a sustainable future*

## OCCASION

This publication has been made available to the public on the occasion of the 50<sup>th</sup> 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](mailto:publications@unido.org) for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at [www.unido.org](http://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.



07655



Distr.  
LIMITED  
ID/WG.261/6  
10 October 1977  
ENGLISH

- United Nations Industrial Development Organization

- Expert Working Group Meeting on Co-operation  
among Development Financing Institutions  
Cairo, Egypt, 8 - 10 November 1977

RECORD OF THE MEETING OF THE EXECUTIVE COMMITTEE  
OF THE  
INFORMATION EXCHANGE PROGRAMME  
AMONG DEVELOPMENT FINANCING INSTITUTIONS

Vienna, Austria  
5 - 6 May 1977

id.77-7272

PROVISIONAL AGENDA

1. To note the record of the annual session 1976 of the Management Committee held on 28 November 1976 in New Delhi, India.
2. To receive and discuss:
  - a) The report by the President on his discussions at UNIDO headquarters on 16 March 1977,
  - b) The summary of recommendations made to date for strengthening the Information Exchange Programme,
  - c) The draft report on the results of the survey to evaluate the usefulness of the programme.
3. To review the membership of both committees.
4. To agree to:
  - a) The Year-end financial statement 1976 of the UNIDO account TF/INT/73/014,
  - b) The revised budget for 1977 for account TF/INT/73/014.
5. To investigate:
  - a) The subscriptions by individual development financing institutions, regional banks and multinational funds,
  - b) The feasibility of implementing the Management Committee's suggestions for improving and accelerating the collection of the annual subscriptions to the PIF,
  - c) The needs for improving the financial management and reporting.
6. To receive a report on the initial steps taken for implementation of the Technical Co-operation Programme.
7. To propose a venue and date for the next meeting of the Management Committee, and to discuss ways of its financing.
8. Other business:
  - a) To discuss progress in the preparations towards establishment of a World Association of development financing institutions,
  - b) To make suggestions to UNIDO on the preparations for the next Inter-Bank conference,
  - c) To receive information on a new UNIDO service, namely the issue of a directory of sources of finance for industrial projects in developing countries.

At the present time, the Executive Committee is comprised of three members, Mr. Willi F.L. Engel, Director, Kreditanstalt für Wiederaufbau, Federal Republic of Germany, Mr. M. Maaoui, Assistant General Manager, Société Tunisienne de Banque, Tunisia, and Mr. R. Palma Valderrama, Secretary General, Asociación Latinoamericana de Instituciones Financieras de Desarrollo (ALIDE), Peru.

Present at the meeting were: on the part of the Executive Committee Mr. Willi F.L. Engel (President), and Mr. Mohamed Moncef Maaoui (Treasurer), on the part of UNIDO Mr. U. Loeser and Ms. J. Andorfer, Investment Co-operative Programme Office which serves as the Secretariat of the Programme for the Exchange of Information among Development Financing Institutions.

Excused absent were: on the part of the committee, Mr. Ricardo Palma-Valderrama, (committee member); on the part of UNIDO, Mr. Erich Becker-Boost, Director, and Mr. Aroon K. Basak, Deputy Director of UNIDO's Investment Co-operative Programme Office.

The meeting followed the provisional agenda which is reproduced on page one of this document.

Agenda item 1.

The Committee approved the record of the annual session 1976 of the Management Committee held on 28 November 1976 in New Delhi, India. The Secretariat of the IEP<sup>1)</sup> was requested to have the document translated into French and Spanish and to distribute it to all DFIs<sup>1)</sup> participating in the programme.

Agenda item 2.

- (a) The President reported to the committee on his discussions at UNIDO/ICPO<sup>1)</sup> on 16 March 1977 as recorded in a "Note for the Record" distributed to the committee members.

---

1) For purposes of this document, the following abbreviations are used:

- IEP Programme for the Exchange of Information among Development Financing Institutions  
DFIs Development Financing Institutions  
PIF Project Information Fund  
ICPO Investment Co-operative Programme Office  
UNIDO United Nations Industrial Development Organization

(b) The committee members discussed the summary of recommendations made to date for strengthening the IEP and concluded that:

- i) The efforts to enlist world-wide DFI participation in the programme, and more particularly those of increasing DFI utilisation of the facilities offered, should be strengthened by new promotional approaches.
- ii) The Secretariat should prepare fund raising letters for signature by the President, individually designed for regular subscribers to the Project Information Fund, for DFIs participating in the programme but not subscribing to the PIP<sup>1)</sup> and for DFIs represented on the two committees and which did not subscribe in the past. Further, that the committee members and UNIDO should try to obtain additional finance for the planned expansion of programme activities.
- iii) The financial management and reporting between the Treasurer and UNIDO should be facilitated by a more frequent exchange of data. Please also refer to agenda item 4 (Report by the Treasurer).
- iv) A revision of the promotional leaflet should be prepared by the Secretariat taking into account recent changes and suggestions for inclusion; further, that a suitable promotion media for disseminating knowledge among DFIs on how to utilise the IEP should be issued.
- v) All viable suggestions related to improving the periodic lists of projects should be re-submitted to the Management Committee at its annual session 1977 for consideration.
- vi) Subject to available resources special promotional and educational measures for the DFI Liaison Officers should be undertaken, such as regional and inter-regional meetings presenting case studies on how to benefit from an exchange of information and experience among the development financing institutions.
- vii) The Secretariat should prepare a report on the launching of the Technical Co-operation Programme, for discussion by the Management Committee at its next session.

It was agreed to implement these recommendations in a joint effort between the committee members and the Secretariat.

- (c) The committee members took note of the report by the former president Mr. H.F.G. Loembruggen on the results of the survey undertaken in September/October 1976 to evaluate the usefulness of the IEP. The committee members deplored the low rate of participation in this survey and highlighted the importance of the survey report as a guide document for programme-orientation. It was agreed to re-submit this report to the Management Committee at its next annual review session to complement the committee's decision on future programme orientation.

Agenda item 3.

In reviewing the membership of the Executive Committee, it was concluded that the Management Committee at its next session shall elect one DFI<sup>1)</sup> official to join the Executive Committee.

Agenda item 4.

- (a) The President and the Treasurer agreed to the Year-end financial statement 1976 of the UNIDO trust fund account TF/INT/73/014.
- (b) The Secretariat was requested to submit to the Executive Committee as soon as possible the amended budget for 1977 based on the activities to be undertaken as a result of the annual session 1976 of the Management Committee, the discussion of the President at UNIDO/ICPO in March 1977 and the meeting of the Executive Committee in May 1977. Further, the Secretariat was requested to submit a budget forecast for the first half of 1978.

Report by the Treasurer

The Treasurer presented a cumulative financial statement for the period 1973-1976.

During 1973 and 1974, partly also in 1975, the expenditures for the administrative and the promotional activities were financed from special purpose trust funds made available by the Government of the Federal Republic of Germany to UNIDO as the executing agency and secretariat of the programme. Since 1975, the programme implementation is financed partly from annual subscriptions by DFIs to the co-operative Project Information Fund and partly from UNIDO budgetary resources.

Following is a summarized statement of income and expenditures (in US\$):

	<u>Income</u> 1972-1976	<u>Expenditures</u> 1972-1976
Special-purpose trust funds contributed by the Government of the Federal Republic of Germany from 1972 to 1974	97,287	
Annual subscriptions paid by DFIs in 1974, 1975 and 1976	86,020	
Cumulative expenditures 1973-1975		97,529
Expenditures 1976 including overhead charges		20,125

The expenditures 1977 including overhead charges have been forecasted at US\$ 30,000. It is hoped that the DFI subscriptions for 1977 will yield a good result. It is also hoped that funds from additional sources can be mobilized to finance the planned programme expansion.

The Treasurer remarked that an investment policy for non-committed monies in the Project Information Fund is not feasible at the moment since the amounts involved are too small to justify a placement in the capital market.

The Treasurer will present a consolidated financial report on the PIF to the Management Committee at its next session.

Agenda item 5.

- (a) Please refer to agenda item 2. (b) i).
- (b) Please refer to item 2. (b) ii).
- (c) Please refer to item 2. (b) iii) and item 4. (Report by the Treasurer).

It was agreed to include the issue of annual subscriptions to the PIF<sup>1)</sup> in the agenda for the next session of the Management Committee.

Agenda item 6.

The committee members received a report by UNIDO/ICPO on the initial steps taken for implementation of the Technical Co-operation Programme.

Two main issues arose in the ensuing discussion: i) The contents and format of the documentation, and ii) The mode of implementation.



Ad i) Following requests by the Management Committee and the Executive Committee, the Technical Co-operation Programme is intended to be implemented by the use of two tools, i.e. the Technical Co-operation Questionnaire with explanatory letter and the Technical Co-operation List. The first is to serve the purpose of identifying the technical assistance requirements of development financing institutions, the second is intended for disseminating the requirements to development financing institutions to attract co-operation offers from programme participants.

At the meeting, the committee members had before them two alternative versions of these documents. Version one had been prepared some time ago as a joint effort by the members of the Executive Committee. Version two had been drafted by the Secretariat of the IEP<sup>1)</sup> taking into consideration UNIDO's experience with questionnaires as a means of obtaining sufficient information.

The committee members were reluctant to agree to the version two of the questionnaire and did not concur with the re-draft of the explanatory letter suggested by UNIDO. The UNIDO/ICPO representatives reiterated their opinion that a short questionnaire would serve the intentions of the programme better than a six-pages long version.

It was thus agreed to entrust the choice of the most efficient questionnaire to the Management Committee at its annual session 1977. The Treasurer offered to contribute a third alternative version of questionnaire and proposed that the three variations of the Technical Co-operation Questionnaire be sent to all members of the Management Committee by the beginning of September 1977 to enable their studying the questionnaire, their consulting with colleagues and staff members and their decision about their preferred choice. The issue will be put to vote at the committee's annual session 1977 and the format agreed by the majority will be the one to use.

Ad ii) Recalling previous agreements between the Management Committee and UNIDO, in particular the one recorded in the report of the meeting of the Management Committee on 29 June 1975, the President requested firstly that the Technical Co-operation List be given a circulation as wide as possible to maximise the

response to the technical co-operation requests from DFIs, and secondly that the co-operation of other institutions be sought for obtaining the technical assistance required. To this item, the UNIDO representatives made the point that implementation of the request to identify technical assistance suppliers for DFIs outside the group of development financing institutions participating in the co-operative programme would go beyond the mandate of ICPO. It would come within the competence of other UNIDO sections and they would have to be consulted before commitments can be made. The Committee took note of this statement and the President asked the ICPO representatives to explore possibilities for implementing the Technical Co-operation Programme and to report to the Management Committee at its next session accordingly.

Agenda item 7.

- (a) The committee members discussed with the UNIDO representatives various alternative ways for the financing of the annual session 1977 of the Management Committee. As a meeting of recognized experts in the field of development financing, it might qualify for UNIDO assistance under two alternatives:

- i) Financing from the UNIDO regular budget. It would offer the possibility of free choice of the meeting place. However, in view of UNIDO's budgetary constraints, this possibility is doubtful.
- ii) Financing from surplus currencies in the UNIDO General Trust Fund. If this means of financing were to be accepted, the meeting would have to be held in the donor country of the respective currency.

The Secretariat will investigate the financing possibilities and advise the committee members of the final outcome.

- (b) The meeting has been scheduled to take place on two to three days in the week commencing 7 November 1977. The Secretariat will, already now, inform all members of the Management Committee to that effect so that they can include the dates in their tentative travel schedule.
- (c) A preliminary agenda drafted by the Executive Committee and the Secretariat in the course of this meeting is enclosed hereto.

....

Agenda item 8.

(a) The committee members reported that in view of the early stages of establishment of the Asian and African Associations of DFIs, action towards establishment of the "World Grouping" of development financing institutions should be viewed cautiously. The action group is expected to arrange a next meeting when considered opportune.

(b) Mr. Loeser informed the committee members that the Eighth Meeting on Co-operation among Industrial Development Financing Institutions is planned to be organized in the second half of April 1978. Alternative venues are still under consideration. More information is expected to be available at the time of the annual session of the Management Committee.

The principal feature of the conference programme will again be the individual confidential business discussions between participants, which have proven a main attraction. There will be plenary opening and closing sessions. The remaining time of participants could be filled with innovative programme issues, such as a workshop on specific topics of industrial development, audio-visual demonstration of industrial estate or free zone establishments, seminars or panel discussions on new forms of industrial co-operation, and other subjects. The members of the Management Committee are welcome to contribute proposals to the Secretariat if they wish to do so.

(c) Mr. Loeser informed the committee members about a new UNIDO service, i.e. a directory providing information on sources of finance for industrial projects in developing countries. The service will be financed by UNIDO. Development financing institutions will be invited by way of a questionnaire to describe their activities, organizational and financial structure and other relevant information for inclusion in the directory which will be available as a UNIDO publication to interested parties throughout the world.



**C-671**



**78. 11. 09**