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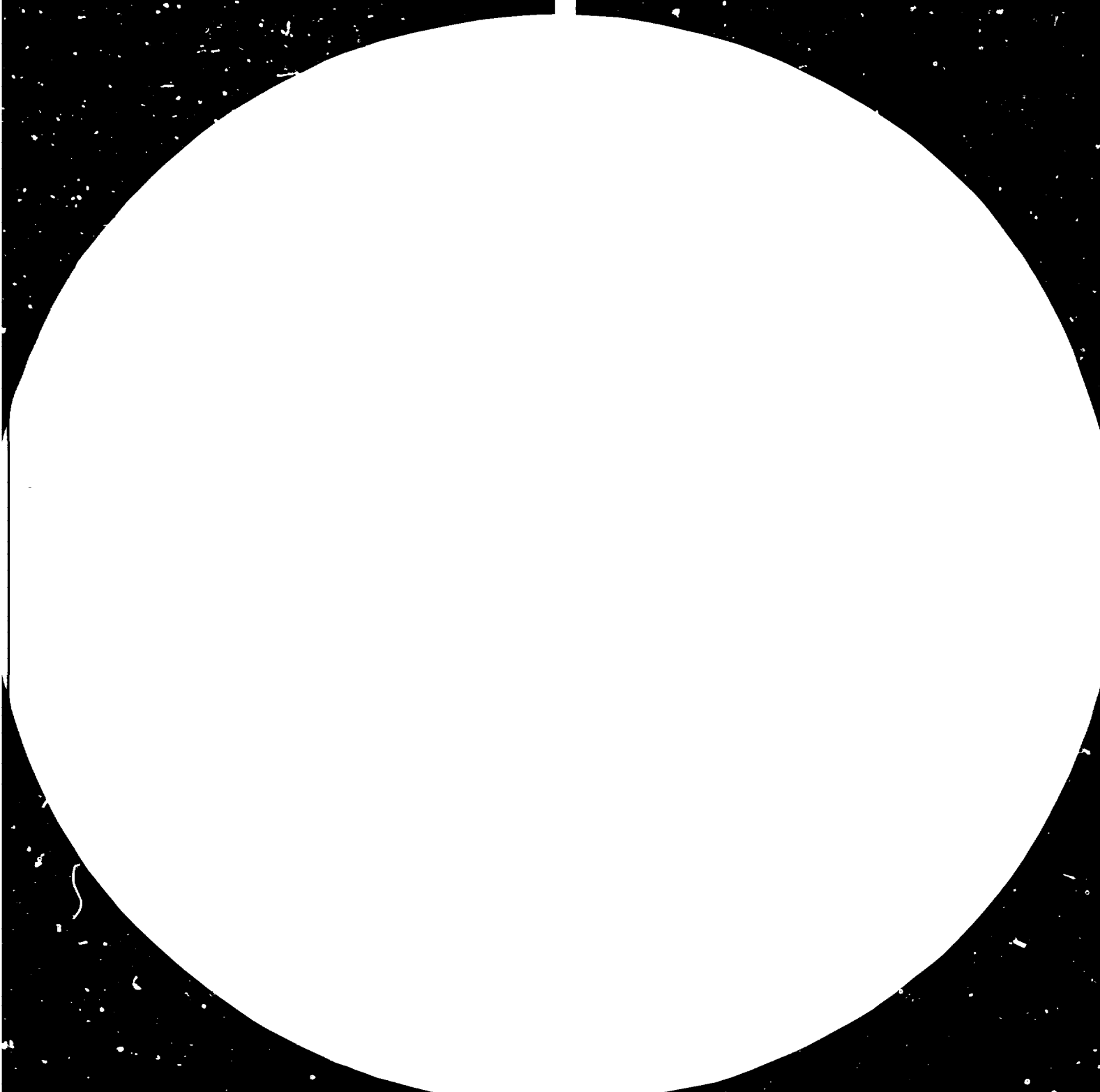
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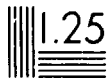
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UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

**SOLIDARITY
MINISTERIAL MEETING
FOR CO-OPERATION
IN THE
INDUSTRIAL DEVELOPMENT
OF THE SUDAN**

Khartoum, Sudan, 23 - 26 March 1981

REPORT

*Co-operation for
Industrial Development, Sudan)*

00111

Explanatory notes

References to dollars (\$) are to United States dollars, unless otherwise stated.

A slash between dates (e.g. 1969/70) indicates a financial year.

Use of a hyphen between dates (e.g. 1981-1982) indicates the full period involved, including the beginning and end years.

The following abbreviations of organizations are used in this publication:

EEC	European Economic Community
IDB	Islamic Development Bank
IPF	Indicative planning figure
IRCI	Industrial Research and Consultancy Institute (the Sudan)
OPEC	Organization of Petroleum Exporting Countries
TCDC	Technical co-operation among developing countries
UNDP	United Nations Development Programme

References to project numbers are to projects contained in the project portfolio prepared for the Meeting (UNIDO/EX.127/Rev.1).

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INTRODUCTION

The Solidarity Meeting of Ministers of Industry for Co-operation in the Industrial Development of the Democratic Republic of the Sudan, organized by the United Nations Industrial Development Organization (UNIDO) in co-operation with the Government of the Sudan, was held at Khartoum from 23 to 26 March 1981.

This Meeting was the fifth in the series of solidarity meetings to promote the industrial development of a least developed country organized by UNIDO since 1979 in co-operation with the Government of the country concerned. The main purpose of the Meeting was to explore ways in which the participating countries could co-operate in promoting the industrial development of the Sudan. Several possibilities for such co-operation were identified. The requirements of the Sudan that could be met through bilateral or multilateral co-operation within the framework of economic and technical collaboration among developing countries were thoroughly discussed. Means of co-operation between the host and the participating countries in meeting these requirements were suggested.

I. ORGANIZATION OF THE MEETING

The Meeting was attended by representatives of the following countries: Algeria, Argentina, Brazil, China, Greece, India, Iraq, Kenya, Kuwait, Malaysia, Morocco, Oman, Pakistan, Qatar, Republic of Korea, Romania, Saudi Arabia, Senegal, Sudan, Turkey, United Arab Emirates and Yugoslavia. Upper Volta sent an observer.

The following United Nations bodies were represented: UNIDO, the United Nations Development Programme (UNDP), the Food and Agriculture Organization (FAO) and the International Labour Organisation (ILO).

The representatives of the following organizations attended the Meeting as observers: Islamic Development Bank (IDB), the OPEC Fund for International Development, the Arab Authority for Agricultural Investment and Development (AAID), the Arab Organization of Agricultural Development and the Inter-Arab Investment Guarantee Corporation.

Opening addresses

In his inaugural address, Jaffar Mohamed Nimeiri, President of the Sudan, thanked the delegates for assembling at Khartoum to discuss important issues of co-operation among the developing countries, and especially for their co-operation with the Sudan to promote industrial development. He underlined the significance of co-operation among developing countries as the most efficient way to achieve the economic objectives of their development and to attain better terms in their dialogue with the industrialized countries.

The achievements of the Sudan in industrial development were based on developing agriculture along with other resources. Industrial development in the developing countries should be based on agricultural resources with a view to securing adequate supplies of food, an essential element of economic independence. Because of its size, geographical situation and internal diversity, the Sudan, through economic planning, had to ensure equitable balanced development and fair distribution of available resources within the country.

Economic and technical co-operation among developing countries was essential. In this respect the Sudan had played an active role in the various regional conferences of heads of State that had been held recently.

The Executive Director of UNIDO, Dr. Abd-El Rahman Khane, expressed appreciation for the significant efforts that the Government of the Sudan had made to industrialize, in spite of the numerous difficulties and constraints resulting mainly from the unfavourable trends in the world economy. The problems of industrial development faced by developing countries had been identified and the immediate need for effective co-operation to achieve collective self-reliance as a most powerful instrument for establishing the new international economic order were recognized. Co-operation among developing countries as an important means of accelerating their industrialization had been stressed in the Lima and New Delhi Declarations, the Buenos Aires Plan of Action and at many international forums on economic and industrial development. The United Nations General Assembly's proclamation of the Industrial Development Decade for Africa added special significance to this endeavour.

Co-operation among developing countries was particularly important in industrialization, not only because the needs and experience of developing countries were closely related, but also because

the level of industrial development achieved by some developing countries, in terms of technological skills and facilities, could effectively be shared with other developing countries.

Izzeldin Hamid, Minister of Industry of the Sudan, stated that, since independence, the Sudan had made great efforts to industrialize. In 1969, comprehensive plans for economic and social development were drawn up. The industrial sector, primarily based on agricultural resources, occupied an important place in these plans. Consequently the Sudan established various industries, notably sugar, textile and weaving, edible oil, soap, leather, oil refinery, cement, building material and flour-mill industries.

However, these efforts met serious constraints because of international inflation, weak infrastructure, inadequate technical and managerial experience and a continuous brain drain. In spite of all these difficulties, the Sudan was determined to press on with its industrial development.

Mirghani Mohamed Ahmed, Minister of State for National Planning, stated that, in 1956, when the Sudan became independent, the share of industry in GNP was about 2 per cent. In 1969/70, it was 7 per cent; at the end of the present six-year development plan period it was envisaged that it would reach 14 per cent.

The abundance of agricultural resources in the Sudan had determined the direction of its industrial development. The priorities of industrialization in the present plan were, among others, the following:

Agro-industries, to utilize the Sudan's agricultural, animal and fish resources

Industrial activities complementary to agricultural production and the use of animal resources

Promotion and strengthening of traditional industries
Building material and construction industries
Electrical power, in particular, hydroelectrical power
production
Encouragement of private-sector investment in industry

To achieve these objectives, the Government issued in 1980 an Investment Promotion Act, which ensured security and privileges for new investment and encouraged activities in agriculture, industry, communications, tourism, rural development and any other specific areas that were approved by the interministerial committee. The main objectives of the New Investment Promotion Act were to increase national income and to expand and strengthen the base of the economy.

The New Investment Act promoted industrial activities that were based on the use of local raw materials, increased self-sufficiency, encouraged exports and created direct or indirect employment possibilities for the Sudanese. Among the top priorities of the Investment Act were improving the balance-of-payments situation, eliminating the obstacles to development and promoting the objectives of economic co-operation with other countries.

The South-South dialogue should take precedence over the South-North dialogue, since joining forces with other developing countries for collective self-reliance was the most effective means of accelerating the industrialization of developing countries.

Election of officers

The Meeting elected Izzeldin Hamid, Minister of Industry of the Sudan, as Chairman and Şahap Kocatopçu, Minister of Industry and Technology of Turkey, and Juan Manuel Figuerero, Ambassador of Argentina to Saudi Arabia, as Vice-Chairmen. F.I. Malik, Joint Secretary of the Government of Pakistan, was elected Rapporteur.

Adoption of the agenda

The Meeting adopted the following agenda:

Opening of the Meeting

Election of Chairman, Vice-Chairmen and Rapporteur

Adoption of agenda

Statements by the heads of delegations

Bilateral and group discussions on specific projects

Other business

Adoption of findings and recommendations

II. SUMMARY OF STATEMENTS DELIVERED AT THE PLENARY SESSIONS

Statements made by heads of delegations

The Parliamentary Secretary of the Ministry of Trade and Industry of Malaysia stated that Malaysia's participation in the Meeting reflected its commitment to the Lima Declaration and Plan of Action to achieve collective self-reliance. Malaysia believed that the potential of economic co-operation among developing countries to promote industrial development was tremendous. Exploitation of this potential should be the immediate objective of this Solidarity Meeting. Malaysia wished to share with the Sudan, the experience with industrial development it had gained in the past 20 years. Malaysia would like to offer training for Sudanese technical personnel at management and supervisory levels in Malaysian training and research institutions.

The Secretary General, Office of Industrial Development of Morocco, expressed the view that the Meeting was an excellent demonstration of the principle of co-operation among developing countries. Morocco had contributed towards promotion of collective self-reliance by providing scholarships for students from various developing countries, exchanging experts, entering into bilateral trade agreements with developing countries, establishing telecommunications and air and sea transportation facilities and creating specialized regional institutions.

Morocco was willing to make available to the Sudan its experience in investment promotion, the development of small and medium-scale industries and the creation of industrial estates.

The Minister of Industry and Technology of Turkey, referring to the widening gap between the developing and developed countries and the necessity of establishing a new international economic order, stated

that closer and more efficient co-operation among developing countries had become imperative if the goals stipulated in the New Delhi Declaration and Plan of Action were to be attained. He called for an increased flow of resources and technology from the industrialized countries to the developing countries and dismantling of protectionism by the developed countries. Emphasizing the need for economic co-operation among developing countries, he stated that economic interdependence did not compromise political independence. The Turkish Government was willing to make available its industrial capabilities to the Sudan. Within the framework of multilateral co-operation involving the contribution of international financial institutions, Turkey could undertake to provide consulting and managerial services and technical training facilities mainly in cement, lime, construction materials and foundry technology. Services for setting up cement and lime plants on a turnkey basis could also be provided. Turkey would also be interested in participating in joint ventures and assembly facilities in the Sudan to produce agricultural machinery and implements.

The Ambassador of China to the Sudan expressed the view that strengthening economic and technical co-operation among developing countries was an important means of promoting economic development and establishing a new international economic order. In addition to bilateral co-operation, China had progressively participated in multilateral economic and technical co-operation. China had undertaken a number of projects financed from its contribution to UNDP and the United Nations Industrial Development Fund. China had also earmarked part of its UNDP country indicative planning figure (IPF) for several regional projects, such as research and training centres for biogas, silkworm breeding and acupuncture. China was also prepared to appropriate a portion of its UNDP IPF allocation for the third cycle for supporting technical co-operation between China and other

developing countries. The economic and technical co-operation projects between China and the Sudan had been carried out smoothly. To promote the economic development of the Sudan, China was willing to make its modest contribution.

The Vice Minister of Industry and Energy of Greece highlighted the close ties that had always existed between the Sudan and Greece. He referred to Greece's entry into the European Economic Community (EEC), but recognized that his country was still far from the level of development already attained by other EEC members. Referring to Greece's experience in economic development, he indicated that on the basis of significant structural changes the industrial sector was increasingly contributing towards the achievement of national objectives.

Greece was strongly convinced of the need to enlarge and strengthen co-operation among countries of the Mediterranean region. In this connection he considered that the present Meeting offered opportunities for co-operation between his country and the Sudan.

The Under-Secretary of the Technical Committee for Energy and Industry of Yugoslavia was of the opinion that the present Meeting was a good introduction to the United Nations Conference on the Least Developed Countries to be held in Paris, 1-12 September 1981. In this connection he underlined the importance of self-reliance. He referred to the existing close and friendly political and economic co-operation between the Sudan and Yugoslavia. The Government of Yugoslavia was ready to grant Din 26 million (approximately \$900,000) to the Government of the Sudan to set up a pilot plant for production of bricks in Khartoum.

The Deputy Minister of Industry of the Government of India, after reviewing the achievements of the Indian economy, expressed support for the principle that the more advanced of the developing countries should provide assistance to the less advanced developing countries. India considered it an obligation to share with other developing countries the benefit of its experience and skills relevant to the needs of these countries. The bilateral relations between India and the Sudan had traditionally been very close, and the commercial relations between the two countries were among the largest between any African country and India. India's industrial experience could provide the basis for co-operation in the fields covered in the documentation prepared for the Meeting. India's assistance could cover such areas as training, provision of experts and preparation of feasibility studies for the various projects identified. This would be provided within a ceiling of about Rs 2 million. In addition, India could offer co-operation through technological back-up and supply of equipment.

The representative of the United Arab Emirates said that since independence, in 1971, it had been the policy of his country to participate in providing economic aid to Arab, Asian and African developing countries. The United Arab Emirates firmly believed in co-operation with the international community and spared no effort in implementing all United Nations decisions and endeavours to make available to third world countries financial resources through balance-of-payments support, the Abu Dhabi Fund for Arab Economic Development and other investment institutions. The United Arab Emirates was currently giving close to 25 per cent of its GNP in aid.

The Government wished to strengthen co-operation with the Sudan. The United Arab Emirates had previously participated in several vital economic projects in the Sudan, valued at 703 million UAE dirhams.

These projects included a textile mill, railways, the new Khartoum airport, balance-of-payment support and agricultural projects.

The United Arab Emirates was ready to participate in financing important projects that the Sudanese Government wished but for which it had not yet found the necessary financing. Participation would depend upon a detailed study of the projects to identify the best ways of using the assistance provided to achieve the objectives of the projects selected.

The Ambassador of Pakistan to the Sudan stressed that in view of the present difficulties and uncertainties in international economic relations and in the North-South dialogue, renewed efforts were needed to promote economic and technical co-operation among developing countries. Pakistan had always lent its support to the concept of national and collective self-reliance through concrete forms of co-operation among developing countries.

Pakistan had already developed considerable technical expertise as well as capabilities to manufacture machinery for various industries. It could offer assistance, training facilities and managerial know-how in textiles, leather, paper, cement, chemical fertilizers, machine tool industries, metalworking industries, electrical machinery, equipment and engineering industries. Pakistan was already providing technical training facilities to the Sudan and contributing technical and managerial know-how for the establishment of joint ventures.

New joint ventures with the Sudan could be arranged on a bilateral or multilateral basis, for which Pakistan's technical know-how, machinery, and intermediate goods could be made available; capital exporting countries could assist in the financing of specific projects.

The Assistant Minister of Industry of Kenya paid particular attention to the existing opportunities for complementarity between the developing countries, which could provide the basis for increasing trade relations and exchanging technological know-how and experience. Close co-operation had always existed between Kenya and the Sudan, which provided an excellent opportunity for the joint use of traditional and non-traditional domestic resources for industrial processes.

The head of the delegation of Romania briefly outlined the experience of his country in industrialization. Romania had always considered economic co-operation with other developing countries a very important objective. It had close links with the Sudan in respect of projects already executed and those under preparation in the public and private sectors. Romania had technical and equipment supply capabilities for the manufacture of building materials, telecommunications and transportation equipment as well as expertise in the textile and leather industry sectors.

The Chargé d'Affaires Ad Interim, Embassy of the Republic of Korea, referred to the fruitful co-operation already achieved between the Sudan and the Republic of Korea that paved the way for establishing more joint programmes of co-operation between the two countries.

The Republic of Korea recognized the great agricultural potential of the Sudan. His Government was interested in finding the means and fields of co-operation in the industrial development of Sudan. In response to the development priorities of the Government of the Sudan, it was particularly interested in industrial projects identified in the document jointly prepared by the Government of the Sudan and UNIDO such as building materials, food industry, leather and iron and steel industries.

The Ambassador of Argentina to Saudi Arabia emphasized the role that private enterprise was called on to play in making possible agreements of co-operation between and among developing countries. New approaches needed to be found and special mechanisms designed for sustaining co-operation among third world countries, since existing models and structures had so far not been successful. The stalemated North-South dialogue meant that South-South means of co-operation had to be found that in particular recognized the differing levels of economic development of third world countries. A comprehensive information system should be established under UNIDO auspices, to provide readily available information on indigenous resources and capabilities within the developing countries themselves. Financial resources available within some third world countries needed to be mobilized for the benefit of those developing countries at a lower level of development; if this proposal could receive the attention of those developing countries or financial institutions concerned with development in these countries, the developing countries as a group could begin to evolve long-term programmes based on common interest. The Government of Argentina had special interest in exploring possibilities of co-operation between Argentina and the Sudan in food, leather and edible oils.

The head of the Algerian delegation stressed Algeria's commitment to the economic development of the Sudan. Algeria was ready to provide technical assistance to the Sudan in the planning, execution and operation of the Khartoum central foundry. In addition, Algeria offered \$400,000 in convertible currency for purchasing equipment for the foundry. Details of such co-operation would be jointly examined by the two Governments in the very near future.

If in the view of the Government of the Sudan the foundry project could not be selected for implementation, project No. 31, Central workshop for manufacture of spare parts for textile industry, or project

No.33, Commercial and industrial exploitation of kaolin deposits, could be considered for co-operation.

Statements made by the representatives of United Nations bodies

The Director of the Special Unit for Technical Co-operation among Developing Countries, UNDP, New York, commented on the determination of all Governments attending the meeting to continue their efforts to achieve collective self-reliance. He reminded the delegates that the second session of the United Nations High-Level Committee on the Review of Technical Co-operation among Developing Countries would be held in New York from 1 to 8 June 1981. He assured participants that the results of the solidarity meetings for Bangladesh and the Sudan would be reported by the Governments and UNIDO to the High-level Committee.

The representative of the International Labour Organisation (ILO) referred to the long experience of ILO in the Sudan in human resources development. Building institutions was more effective than the "one-shot" type of assistance. Delegates would be well-advised to consider, among other things, twinning arrangements between institutions in their countries and similar ones in the Sudan, particularly those serving both private and public enterprises. ILO would look into all the fields of manpower and managerial development identified at the Meeting and would diversify present assistance to suit priority needs of the Sudan and its industry.

Statements made by the representatives of financial institutions

The Director of Operations and Projects Department of the Islamic Development Bank (IDB) stated that IDB was committed by its Articles of Agreement to accelerate industrial development in the member countries of the Bank, by providing financing to both the public and the private sectors. It engaged in the following types of operations:

Providing interest-free loans for infrastructure

Taking equity shares in industrial and agro-industrial projects

Leasing essential industrial equipment and ships

Profit sharing

Providing assistance for feasibility studies, design and supervision of projects

Participating in foreign trade financing operations to help member countries import commodities essential for their development efforts

So far IDB had provided \$23 million of project financing and \$159 million in foreign trade financing to the Sudan.

The Acting Director referred to IDB efforts to contribute further to Sudan's economic development and to the co-operation between the Government of Sudan and UNIDO in organizing the present Meeting. Only three weeks ago in the same hall the Board of Governors of IDB had passed a resolution ratifying the co-operation agreement recently signed between UNIDO and IDB.

Development institutions should consider the possibility of compensating the Sudan technically and financially for the loss sustained by its brain drain, since this loss, to the Sudan, had certainly been of benefit to several developing countries.

The Regional Director of the OPEC Fund for International Development stated that promoting solidarity among developing countries in general and between OPEC member countries and other third world countries was very much the raison d'être of the Fund. The projects prepared for the Meeting were very much in keeping with the realities of the Sudan and in harmony with the Fund's short-term assistance strategy for this country.

The difficulties the Sudan was experiencing in its present phase of economic development were due to a high current account deficit, caused by a deterioration in the country's terms of trade, a low level of foreign exchange reserves, and indebtedness. Thus an assistance strategy for the short-term was called for, which implied a quick disbursement of non-project aid. The projects prepared by UNIDO, because of their focus on rehabilitation and improvement of existing productive capacity through small incremental investments, were very much in harmony with these short-term assistance efforts of the Fund. Indeed, the removal of bottle-necks hampering the full use of existing industries was rightly given priority by the Government, whose efforts the Fund supported. In fact, the OPEC Fund had invited the Government of the Sudan to sign an interest-free balance-of-payments support loan of at least \$10 million. The loan would be used at the discretion of Government to finance goods and services such as those needed under the various projects prepared by UNIDO.

Statement made by the representative of the Sudan Industries Association

The representative of the Sudan Industries Association briefly outlined the private sector's participation in the economy as a whole and the role it had played in industrialization. The private sector in the Sudan had not only actively participated in the process of economic development, but also had increased its participation steadily

over the years. Because of its achievements, the private sector had been accorded, under the six-year plan, the responsibility for mobilizing LSd 1,100 million of investment, or 42 per cent of the total planned investment.

It was also through the vitality of the Sudanese private sector that the share of industry in GDP had been increasing at a remarkable rate. While the GDP had been growing at an average rate of (per cent) 4.2, 4.5 and 4.7 over the periods 1957-1960, 1960-1964 and 1965-1970, respectively, the rates of growth of manufacturing industry over these periods averaged (per cent) 6.1, 9.1 and 9.4, respectively.

In spite of these achievements and in spite of the laws enacted by the Government to encourage investment in industry, which culminated in the Consolidated Investment Act of 1980, the industrial sector, and, in particular, the private sector, faced serious handicaps. The private investor lacked the data necessary for making reasonably accurate feasibility studies. The ever-mounting cost of such studies very often had to be paid in foreign exchange. Furthermore, apart from the inadequate facilities offered by the Sudan Industrial Bank, there were no local Sudanese sources for financing fixed capital. The inadequacy of infrastructure was a fundamental obstacle - factories had to close down for months for lack of electricity and sometimes for lack of fuel, not to mention difficulties in transport, the shortage of foreign exchange and high turnover and emigration of labour, which resulted in scarcity of skilled manpower at all levels.

The private sector would like to ask to be involved more closely in discussions and decisions taken by international and regional organizations and would also like to be given access to facilities offered by international organizations such as UNIDO.

III. BILATERAL DISCUSSIONS ON PROJECT PROPOSALS

Informal discussions were held between the representatives of the host country, the Sudan, and the representatives of participating countries. Representatives of UNIDO and other United Nations bodies also participated in these discussions. The record of these discussions follows.

Discussions between the Sudan and Algeria

The Algerian delegation expressed its readiness to assist in the execution of project No. 28, Modernization of Khartoum central foundry. The contribution of Algeria to this project would encompass the provision of technical assistance in the planning, execution and operation of the foundry. The details of such co-operation would be jointly examined by the two Governments in the very near future. In addition, Algeria would provide \$400,000 in convertible currency for purchasing equipment for the plant. In connection with this project the Algerian Ministry for Heavy Industries would favourably consider establishing commercial relations with the foundry, once in operation.

If in the view of the Government of the Sudan project No. 28 could not be selected for implementation, the Sudan was invited to consider project No. 31, Central workshop for manufacture of spare parts for textile industry; or project No. 33, Commercial and industrial exploitation of kaolin deposits. The Algerian financial contribution under this bilateral co-operation agreement would not exceed \$400,000 in convertible currency.

Discussions between the Sudan and Argentina

The delegation of Argentina expressed the willingness of its Government to co-operate with the Sudan in the following sectors: food industries, edible oil, textile and leather industries. In all these fields Argentina had developed an industrial base and was ready to share its experience with the Sudan. Although these were private-sector industries in Argentina, the Government was keen to encourage the private sector to become involved in such co-operation activities.

In examining the projects presented by the Government of the Sudan in the above-mentioned four sectors, the Argentine delegation stated that Argentina was not in a position to make a financial contribution. However, it would be most willing to promote co-operation in the form of joint ventures. It was agreed that the first step in such co-operation would be to send a team of Sudanese experts to Argentina to consult with various firms and choose the most suitable partner. The Argentine delegation suggested that for each project a short memorandum be prepared indicating the specifications and terms of reference for the visit of the Sudanese counterparts. On the basis of this information the Argentine delegation would request its Government to contact the private sector and subsequently present a list of potential partners to the corporations concerned in the Sudan.

It was agreed that financial institutions would be approached to provide loans to initiate joint ventures of this kind. The Argentine delegation suggested that the African Development Bank might be interested in financing some of the proposed co-operation projects.

Discussions between the Sudan and Brazil

The Brazilian delegation identified the following priority areas for co-operation: construction material, edible oil, leather, sugar and textile industries.

Owing to the extensive Brazilian experience in the sugar industry the delegation expressed interest in co-operating with the Sudan in all sugar industry projects (except project No. 18) and stated that Brazil had the technology, machinery and experience required to assist in these projects. The delegation requested that the available information be passed to Brazil via UNIDO or before the end of the Meeting. With regard to training requirements, the Delegation offered to contact the institutions related to the sugar industry in Brazil to see whether they could cover some of the expenses. The Sudan Sugar Corporation would have to arrange for the travel cost and specify its training requirements.

The edible oil industries presented a great possibility for co-operation, since Brazil was able to provide the required assistance in this field.

The representative of the Leather Industry Corporation suggested the possibility of establishing a joint venture for project No. 20, including help in updating feasibility studies. The Brazilian delegation took note of the proposal and promised to pass it on to the leather industry in Brazil. Project No. 22 was also considered to be of interest; however, both projects required prefeasibility studies to determine the real needs. As for the food industries, it was agreed that Brazil could co-operate in projects Nos. 6, 7 and 22.

Two textile projects were considered: the Brazilian delegation required further information on project No. 24, since the kenaf fibre was not known and the necessary technology had to be determined. For project No. 25, however, the Brazilian industries had the capability to co-operate. As for the projects for the Southern Region discussed during the Meeting, the delegation requested that studies on these projects be provided for further analysis.

With regard to all projects discussed, the Brazilian delegation stated that Brazil could not grant loans or offer financing on concessional terms. This question would have to be discussed with financial institutions or other possible sources. As a follow-up to the Meeting it was proposed that all further necessary information be exchanged through UNIDO. The delegation agreed to recommend to the proper authorities in Brazil that a team of experts on the above-mentioned industries be sent to the Sudan. This team would be responsible for preparing the detailed specifications of the requirements of the various projects and carrying out any other work that had to be done before a project was implemented.

Discussions between the Sudan and China

The Chinese delegation informed the Sudan of its Government's decision to earmark \$100,000 from its UNDP IPF allocation for the third cycle for financing projects of co-operation in the Sudan. This resource could be used for the Khartoum ready-made clothes factory for the following specific purposes:

(a) Procurement of three sets of eyelet button-hole machines and two sets of bar tackers which are necessary for the Khartoum ready-made clothes factory and had to be imported from Japan and the United States of America. Estimated cost - \$30,000;

(b) For the living expenses of Chinese experts to be sent to the Sudan to provide assistance at the factory, using the remaining balance of \$70,000.

The Sudanese side expressed its appreciation of the offer made by the Chinese Government and agreed to the above suggestion.

The Sudanese side expressed the wish to receive further assistance for the following projects:

(a) Projects listed in portfolio:

<u>Project No.</u>	<u>Title</u>
25.	Textile training centre
28.	Modernization of Khartoum central foundry
29.	Laboratory equipment and technical assistance to Khartoum central foundry
31.	Central workshop for manufacture of spare parts for textile industry

(b) Additional projects discussed during Meeting:

Technical assistance for biogas (applied research project IRCI)

Quality control centre for textiles

On the basis of this request the Chinese side agreed to contact the departments concerned for the consideration of these projects, for which the required financial resources were to be secured by the Sudanese. The Chinese side was to inform the Sudanese Government through the Ministry of Industry about the results.

Subject to the securing of the required financial resources, either from the Sudanese Government or a third party, the Chinese

delegation expressed its readiness to undertake the following projects:

<u>Project No.</u>	<u>Title</u>
1.	Factory for production of building components
12.	Rice hulling and polishing factory buildings and storage facilities
13.	Rehabilitation of Sudan oil mill
33.	Commercial and industrial exploitation of kaolin deposits

The Sudanese side expressed its wish that, subject to the securing of suitable financial resources, China would co-operate in undertaking the above-mentioned projects.

In respect to project No. 4, Gypsum processing plant, the Chinese side confirmed its willingness to supply the required materials, equipment and technical know-how once the financial resources had been secured by the Sudanese side.

Discussions between the Sudan and Greece

The representative of the Textile Corporation in the Sudan and the representative of the private sector presented project No. 31, Central workshop for manufacture of spare parts for textile industry, for which the feasibility study had been completed. The purpose of the project was to produce the necessary spare parts for textile mills in both the public and private sectors.

Project No. 24, Improvement of productivity of Abu-Na'ama kenaf bag project, was discussed. Possibilities and means of Sudanese-Greek co-operation in carrying out this project were considered.

Project No. 21, Cold storage for leather in process, was presented by the chairman of the Leather Industries Corporation. A project concerning the rehabilitation of the Ratak cement factory and provision of training for the staff of the factory was also discussed.

The representative of the Regional Development Corporation in the southern region of Sudan introduced the following projects for discussion:

- Plastic and steel pipes project
- Rehabilitation of edible oil mill project in the southern region of the Sudan
- Soft drinks project

The following conclusions were reached:

(a) Greece was willing to consider ways of co-operating with the Sudan, particularly in the textile sector on the basis of projects No. 24 and No. 31 as presented in the discussions. The proposed co-operation would be between the private sector in Greece and the Sudan. The Government of Greece would facilitate contacts;

(b) Greece would also consider the other projects in other sectors presented during the discussion after further exchange of information on details;

(c) A Sudanese mission should visit Athens for exchange of views with the parties concerned in Greece to identify the necessary steps for the desired co-operation in the textile sector. The mission might include representatives of other sectors who presented specific projects for consideration by Greece;

(d) The Government of Greece would intervene to arrange that the private sector undertook to cover some of the costs of the proposed mission;

(d) UNIDO would be requested to provide, within its limited financial resources, the necessary support for the mission and the required follow-up.

Discussions between the Sudan and India

Technical assistance

Within the framework of co-operation between the Sudan and India, and in recognition of the importance of technical assistance, including training of personnel of the Sudan, the Indian delegation offered a comprehensive proposal covering the following fields:

<u>Project No.</u>	<u>Title</u>
18.	Technical assistance in determining best use of excess bagasse
19.	Assistance to sugar industries training centre
23.	Training of tanneries staff
25.	Textile training centre (one expert)
35.	Technical co-operation with the Industrial Research and Consultancy Institute
Additional project	Textile quality control centre (one expert)

The Indian delegation also expressed its willingness to invite Sudanese experts in the processing and manufacturing of kenaf, a fibre similar to jute, to visit India and acquaint themselves with the Indian experience in the jute industry.

In connection with these proposals, the Indian delegation indicated that the Indian contribution would, apart from the preparation of feasibility reports, cover the cost of training in India, including board and lodging, but not the cost of international travel. The total grant available for the purpose was Rs 2 million (approximately \$250,000). For project No. 23, the estimated expenditure was \$125,000.

Projects for implementation

Several projects for bilateral co-operation were identified, projects that could be undertaken for implementation by India on the basis of its experience and technological and industrial capabilities. These projects are listed below.

<u>Project No.</u>	<u>Title</u>	<u>Re-estimated cost</u> (thousand dollars)	
		<u>Foreign component</u>	<u>Total</u>
7.	Rehabilitation of Wau canning factory	1,100	1,500
10.	Expansion of Kariema canning factory	425	1,095
12.	Rice hulling and polishing factory buildings and storage facilities (to be executed on a turn-key basis)	1,660	3,111
13.	Rehabilitation of Sudan oil mill	3,050	4,060
16.	Ethyl alcohol (fuel) from excess final molasses at New Halfa sugar factory	660	1,285
22.	Edible gelatine and glue factory	526	1,056
26.	Ready-made clothes workshop	340	851
28.	Modernization of Khartoum central foundry	2,000	3,000
29.	Laboratory equipment and technical assistance for Khartoum central foundry	140	200
30.	Training of staff of Khartoum central foundry	160	160
31.	Central workshop for manufacture of spare parts for textile industry	12,690	15,590

Additional projects

	Re-estimated cost (thousand dollars)	
	<u>Foreign component</u>	<u>Total</u>
Development of sugar-mills at Sennar, Assalaya, Guneid and New Halfa	92,800	99,400
Plastic and steel pipes project	733	1,840
Agricultural tools and implements project	369	3,500

The Sudanese side sought India's co-operation in implementing these projects. The Indian side assured technical back-up and also supply of other inputs, including the equipment needed for these projects. Part of the equipment could be acquired under the credit extended by the Industrial Development Bank of India (IDBI). With regard to the total investment needed for implementation, it was agreed that the possibility of financing through IDB or the World Bank might be pursued, and tripartite meetings (of India, Sudan and the agency or country concerned) might be held for the purpose.

Regarding projects Nos. 29 and 30, the Indian side suggested that part of the cost might be covered by a grant, provided that these projects were linked with the implementation of project No. 28.

With regard to project No. 26, Ready-made clothes workshop, it was agreed that this project could be implemented as a joint venture.

Discussions between the Sudan and Iraq

The Iraqi delegation expressed a wish to survey the industrial needs of Sudan to identify priorities. Iraq's policy was to extend assistance to other Arab countries through direct country-to-country

contacts rather than through international or regional organizations.

Projects Nos. 20, 21 and 22 were presented by the Sudan to the Iraqi delegation, which indicated that the wishes of the Sudanese Government would be brought before the highest authorities in Iraq for study. Subsequently, direct contact would be made with the Sudanese Government through joint committees established by bilateral agreements.

Discussions between the Sudan and Kenya

Agricultural tools and implements project (Southern Region)

The two sides agreed to examine the possibility of co-ordinating their production plans for agricultural tools, taking into consideration similar needs in the Southern Region of the Sudan and those in Kenya. It was the intention of the parties to work out a joint marketing study for the production of agricultural tools considering the specific requirements related to the design of agricultural tools, which are similar in Kenya and in the Southern Region of the Sudan.

Both Governments requested UNIDO to render assistance in carrying out the proposed joint marketing study.

Within 30 days the Government of the Sudan was to present for the consideration of Kenya and UNIDO a feasibility study prepared in 1978 for the production of agricultural tools and implements. In this connection the Government of Kenya would submit to the Sudan and UNIDO, also within 30 days, a market survey prepared in 1979. The study and the survey mentioned above would be taken into consideration when the terms of reference for the joint marketing study were drafted.

Project No. 35 - Technical Co-operation with the Industrial Research and Consultancy Institute

It was proposed that the Kenyan Industrial Research and Development

Institute and the Industrial Research and Consultancy Institute in Khartoum sign a twinning agreement for technical co-operation. UNIDO was requested to assist in drafting such an agreement.

Discussions between the Sudan and Malaysia

The Malaysian delegation and the representatives of the Sudan considered the training facilities required by the Sudan for the following industries: textiles, plastic and steel pipes, sugar, agricultural tools, edible oil processing (sesame), and building materials, specifically cement. The Sudanese representatives also raised the possibility of Malaysia's supplying equipment and spare parts for some of the above-mentioned industries.

Textile industry

The Sudan was in the process of setting up a training centre and a quality control centre for its textile industry. The Sudan was interested in having training provided for the personnel of the proposed centres.

The Malaysian delegation indicated that Malaysia would be glad to share its experience in formulating standards.

Plastic and steel pipe project and Yirol oil mill

The Sudan needed technical assistance - provision of know-how, machinery and training.

The Malaysian delegation explained that some of the simple machinery that could be used in these projects was being fabricated in Malaysia. Malaysia would examine the request of the Sudan for supplies of machinery and equipment fabricated in Malaysia.

Agricultural tools

Since Malaysia had some experience in the manufacture of simple agricultural tools and implements, Malaysia would examine the possibility of providing information on how to set up a simple agricultural tools plant.

Cement industry

In view of the Sudan's need to upgrade technical skills in the production of cement, the Sudanese requested training for their engineers and skilled workers in Malaysia. The Malaysian delegation agreed to look into the possibility of providing such training.

Discussions between the Sudan and Morocco

The Moroccan delegation stated that Morocco's co-operation was confined to technical assistance and principally training. Morocco was also prepared to provide the services of experts. As regards financing of local costs and international travel for Sudanese personnel, he could not commit Morocco, but he would report the matter to his Government for its consideration; otherwise, funds would have to come from a third party (preferably UNIDO). The trainees would include operators, foremen and engineers. Both sides identified the fields in which the Sudan was seeking training assistance. The period of training would be determined later, depending on the field and the level of trainees.

The Sudan would like to receive training assistance as follows:

	<u>Number of trainees</u>
Cement industry	
Management, production and finance	5
Operators and foremen	20

It was suggested that a Sudanese specialist in the textile industry visit Morocco for 10 days to discuss a long-term training programme for the industry. It was proposed that UNIDO bear the cost of this study tour.

UNIDO, it was stated, was not yet in a position to commit any financial assistance; however, the matter would be considered upon receiving an official request from the Sudan.

The Sudan leather industry wished to receive an expert from Morocco in the leather industry to undertake a feasibility study in connection with project No. 20, Leather board processing facility. Funds for the cost of the expert were requested from a third party, preferably UNIDO.

Discussions between the Sudan and Oman

The Oman delegation expressed interest in equity participation in one of the sugar-mill projects; the project would help to satisfy Oman's demand for sugar. The Sudanese side stated that a copy of the relevant feasibility study would be given to the Oman delegation for approval and final decision within five months.

The Oman delegation also expressed interest in contributing \$30,000 towards the cost of a feasibility study for a paper project in the Sudan. The study would be undertaken by the Industrial Research and Consultancy Institute in Khartoum.

With regard to project No. 21, Cold storage for leather in process, the delegate of Oman agreed to seek approval of the competent authorities in Oman for a grant of \$190,000 to cover the foreign exchange component of the project's cost.

Discussions between the Sudan and Pakistan

The Pakistan delegation stated that Pakistan had developed technical expertise in many areas under consideration such as textiles, sugar, edible oil, leather, paper, light engineering and machine tools and was therefore in a position to assist the Sudan in setting up new projects and modernizing existing industrial units. Such assistance could include provision of technical and managerial know-how, in-plant or institutional training, and consulting services for carrying out feasibility studies. Pakistan was also in a position to supply machinery for sugar, textiles (weaving and winding), and edible oil refining and hydrogenation on the basis of joint ventures. Since Pakistan was not a capital-rich country, however, a triangular arrangement, particularly for projects requiring substantial investment, with a capital-exporting country or international financing institution would be required. For small projects, in spite of financial constraints, Pakistan was willing to consider extending short-term credit, on mutually acceptable terms, under its export finance credit scheme for supply of machinery.

Taking up specific proposals, the Sudanese side requested training for personnel in the sugar, edible oil and textile industries. The Pakistan delegation agreed to provide it, suggesting that UNDP could be approached to make financing arrangements for the trainees under technical co-operation among developing countries or other similar programmes of technical assistance.

The Sudanese side requested Pakistan's assistance for a study on the best use of excess bagasse. The Pakistan delegation recalled the experience of the Industrial Advisory Centre of Pakistan in technical assistance that would qualify it for work in the Sudan and suggested giving this assignment to it; UNIDO would be requested to arrange financing.

The Sudanese side showed particular interest in setting up the textile training centre for which UNIDO had already completed the study and had prepared a detailed project report. The Pakistan delegation agreed to provide technical and managerial assistance when UNIDO and the Sudanese Government had secured the financing. The Sudanese also wanted assistance in creating manufacturing facilities for producing spare parts for the textile industry. The Pakistan delegation gave information about the Textile Machinery Corporation of Pakistan and agreed to consider sending an expert if finances could be made available.

The Sudanese delegation then took up project No. 14, Rehabilitation of African oil mill, oil hardening plant. The Pakistan delegation responded that there was no problem in providing technical know-how, but the question of supplying credit to the hydrogenation plant would need further examination.

The Sudanese side also presented two additional proposals: PVC and steel pipes plant and galvanized iron sheets plant. It desired Pakistan's participation on an equity basis at least to the extent of 10 per cent. The Pakistan delegation stated that equity participation as direct investment was not possible, although some machinery to be supplied by Pakistan and technical know-how could take the form of equity. Moreover, the projects required financing by some international institution and time was required to find a Pakistani party with the necessary know-how who would be willing to set up these projects.

Discussions between the Sudan and Qatar

After discussing studies related to several projects in the building materials industries sector, the Qatar delegation expressed interest in project No. 2, Quick and hydrated lime plant. Studies

relating to the project were handed over to the Qatar delegation, which indicated interest in offering a grant for purchasing equipment in the amount shown in the study and training in Qatar after satisfactory review of the relevant studies and approval by the Government of Qatar.

The Qatar delegation also indicated interest in financing leather and oil projects provided that feasibility studies had been completed.

Discussions between the Sudan and the Republic of Korea

The delegation of the Republic of Korea indicated to representatives of the Sudanese public and private sectors its interest in supplying equipment, machinery, technical assistance and training for each of the projects submitted for the bilateral discussions, provided that another party or parties (country or financial institutions) would render the necessary financial assistance.

The conclusions reached regarding specific projects are given below.

Project No. 1 - Factory for production of building components

A company in the Republic of Korea would be interested in supplying two turnkey plants and render the necessary technical assistance for their operation for a short period, provided that the Sudan would identify an interested financier with the help of UNIDO.

Project No. 20 - Leather board processing facility

Project No. 21 - Cold storage for leather in process

Project No. 23 - Training of tanneries staff

An industrial company in the Republic of Korea would be willing to consider projects Nos. 20, 21 and 23. This firm would propose the following alternatives for undertaking the projects:

- (a) It would export equipment and provide technical know-how provided that the Sudan would find a source of financing;
- (b) A joint venture could be set up on the following basis:
 - (i) The firm in the Republic of Korea would participate in the equity provided that financing was secured from another partner;
 - (ii) UNIDO would assist in identifying a source of financing after an agreement on the project had been reached;
 - (iii) If the Republic of Korea supplied the equipment, it would render technical assistance and training for all these projects.

Project No. 28 - Modernization of Khartoum central foundry

Project No. 29 - Laboratory equipment and technical assistance for Khartoum central foundry

Project No. 30 - Training of staff of Khartoum central foundry

The Republic of Korea would consider projects Nos. 28 - 30 as one project. An industrialist of the Republic of Korea would be interested in project No. 28. The Republic of Korea would not finance the project but would offer technical assistance, training and know-how provided that it supplied the machinery.

The representative of the Regional Government in the South presented the following projects for which feasibility studies had been prepared:

Plastic and steel pipes project

Agricultural tools and implements project

Mineral exploitation in specified areas of Southern Sudan

He indicated that the Islamic Development Bank was interested in principle in considering the plastic and steel pipes project.

The delegation of the Republic of Korea expressed willingness to study these three projects and to present its views in due course through the appropriate channels.

Discussions between the Sudan and Romania

The projects for which Romania expressed willingness to co-operate, if the projects were financed by the Sudanese Government or by a third party (financial institutions etc.) are listed below.

Public sector

<u>Project No.</u>	<u>Title</u>
1.	Factory for production of building components
2.	Quick and hydrated lime plant
6.	Expansion of Kassala onion dehydrating plant and addition of a tomato paste line
12.	Rice hulling and polishing factory buildings and storage facilities
20.	Leather board processing facility
21.	Cold storage for leather in process
25.	Textile training centre
26.	Ready-made clothes workshop
31.	Central workshop for manufacture of spare parts for textile industry

Private sector

Textile industry

Lime production

Lime-silicate brickmaking
Cables and wire making
Food canning
Tannery
Cold storage
Production of spare parts for textile machines

Co-operation would take the form of:

Carrying out studies
Transferring technology
Providing equipment and spare parts
Trading
Sending experts

In connection with the leather board processing facility, the general manager of the Sudanese Leather Industries Corporation proposed to take into consideration the payment possibilities for any line of credit to be granted out of export earnings based on the Investment Promotion Act.

The head of the Romanian delegation recommended that the Government of the Sudan consider the establishment of assembly lines for agricultural tractors and trucks. Financing of the projects by a third party would be necessary.

Discussions between the Sudan and Saudi Arabia

Although the delegate of Saudi Arabia indicated that the Saudi Fund for Development was interested mainly in physical infrastructure projects, he discussed several projects on which he would report to the Fund in Riyadh.

Discussions between the Sudan and Senegal

The two parties agreed that a long-term co-operation programme between the Sudan and Senegal should be set up.

The Senegal representative stated that his country would be willing to provide training opportunities for Sudanese personnel in various fields.

The Sudanese side requested Senegal to provide detailed information on the International Planning Institution of Dakar. The representative of Senegal promised to send such information as soon as he returned home.

Both sides discussed possible means of co-operation between the food research institutes in the two countries, since these two institutes were carrying on similar research. Experts and trainees might also be exchanged.

It was agreed that the directors of the two institutes would exchange visits to acquaint themselves with the nature of the work in each institution and to prepare a comprehensive plan of co-operation. To implement this exchange of visits, UNIDO was requested to finance the cost of the visits.

Discussions between the Sudan and Turkey

The Turkish delegation expressed interest in co-operating in the establishment of industrial plants, specifically, cement, lime and gypsum factories. Turkey would provide this assistance on a turnkey basis if the financing could be secured from a financial institution. Both parties stressed that the realization of the dehydrated lime

project was worth considering, especially in view of the small investment required and its short gestation period. Turkey offered to make the prefeasibility study for the lime project free of charge. It was agreed to sound out the financial institutions present at the Meeting to see whether they would be interested in financing this project, in which case the implementation could start immediately. The Turkish delegation stated that the Turkish cement industries, in co-operation with UNIDO, had already agreed to organize a training programme for 20 Sudanese fellows. This programme was expected to be implemented already this year. In addition, Turkey would be willing to send a group of cement experts for in-plant training in the Sudan; two to three cement experts could be sent to the Sudan for two to three months if their travel and living expenses could be covered by UNIDO.

With regard to project No. 5, Turkey could not supply the equipment required for the research laboratories. However, it would be willing to offer the facilities of its research centre to experts from IRCI to carry out research work in Turkish laboratories. UNIDO assistance in covering the expenses of the Sudanese experts was requested.

In the field of sugar industries, Turkey offered a training programme for four persons free of charge, provided that the cost of international travel could be met by UNIDO or another international organization. This programme could start immediately and be completed by the end of August 1981.

The Turkish delegation expressed interest in co-operating in the rehabilitation of the Khartoum central foundry. Turkey could provide equipment, machinery and the required technical know-how, with financing by a third party. The Turkish delegation invited the general manager of the foundry to visit foundries in Turkey and to prepare for the implementation of this project, if UNIDO was prepared to meet the cost of travel for the manager. Group training facilities were also

offered with the understanding that financial assistance could be secured for the cost of living and international travel of the trainees.

Training programmes were proposed for the above-mentioned sectors, i.e., cement, sugar and foundry operations. The hope was expressed that one of the financial institutions represented at the Meeting would provide a lump sum under an umbrella project for co-operation between the Sudan and Turkey in providing training.

The Turkish delegation indicated that the regional project for the production of agricultural tools and implements could be taken up by the Turkish public-sector corporation for agricultural machinery and implements, subject to the securing of financial resources from financial institutions. It was agreed to present a feasibility study for this project to the above-mentioned Turkish corporation for further study and that UNIDO assistance could be requested for ensuring initial contacts among the government agencies concerned.

Several private-sector projects were examined in detail. In connection with the project for the production of agricultural implements, the delegation of Turkey indicated that both public and private enterprises in Turkey had the necessary expertise and industrial capabilities. It was recommended that a delegation from the Sudan undertake a study tour to Turkey to examine and decide which of the two sectors would be more appropriate for this project. The representative of the Sudanese private sector indicated that a formal request would be submitted through the official channels to UNDP in Khartoum so that a programme that would include visits to several factories in Turkey could be organized in order to select the most appropriate counterpart.

The Turkish delegation stated that the project on insecticides production would be of interest to several firms in Turkey.

The Turkish delegation expressed its willingness to co-operate in providing technical assistance to private-sector projects in the Sudan and expressed the wish that Sudanese industrialists would get in touch with the relevant Turkish firms.

The fields of co-operation to be examined by the two parties could include:

Textile industry
Manufacture of agricultural tractors and implements
Lime production
Gypsum production
Wire and cable factory
Cosmetics and toiletry

Discussions between the Sudan and the United Arab Emirates

The delegation of the United Arab Emirates stated that its Government was prepared to examine a list of projects that did not interest other delegations attending the Meeting and to select from it those projects that would be of special interest to the United Arab Emirates.

Discussions between the Sudan and Yugoslavia

The Yugoslav delegation reported that the Government of Yugoslavia had agreed to grant Din 26 million (equivalent to approximately \$900,000) to assist in the implementation of project No. 3, Pilot plant for production of bricks. On the basis of this contribution, the following equipment, f.o.b. Rijeka, was to be supplied by Yugoslavian organizations:

Equipment for exploiting clay
Equipment for preparing clay, including electrical equipment
Equipment for shaping and transporting bricks, including electrical equipment
Kiln
Spare parts for two years
Diesel set for the kiln
Tipper (10 tons)
Fork-lift (3 tons)

The Sudanese Government would be responsible for carrying out laboratory tests of the new materials and feasibility studies and for constructing buildings and infrastructure. In addition, Sudan agreed to finance the cost of transportation from Rjeka to Khartoum with the understanding that the work on site was not included in the offer of assistance of the Yugoslav Government.

At the request of the Sudanese Government, the Yugoslav delegation agreed to forward for the consideration of its Government under the Sudanese-Yugoslav scientific and technical co-operation programme, the following projects:

<u>Project No.</u>	<u>Title</u>
6.	Expansion of Kassala onion dehydrating plant and addition of a tomato paste line
8.	Diversification of operations of dehydration plant in Babanousa
20.	Leather board processing facility (feasibility study)
22.	Edible gelatine and glue factory

The representative of the Corporation of Leather Industries also described problems related to the supply of spare parts for existing tanneries and proposed that Kostoj (manufacturer), Invest-Import

(exporter), and Centrotextile (a customer of the Corporation) enter into an agreement to guarantee a smooth and orderly flow of spare parts through buy-back arrangements for the leather products.

Discussions between the Sudan and the Islamic Development Bank (IDB)

Several priority projects of considerable interest to the Government of Sudan were examined in close detail. It was pointed out that project proposals submitted to the Islamic Development Bank had to be channelled through the authorized ministry of the Sudanese Government.

The IDB representative stated that IDB could explore the possibility of participating through equity in the following projects in the Southern Region of the Sudan:

Manufacture of plastic and steel pipes
Rehabilitation of Yirol oil mills
Soft drinks bottling unit

IDB could also consider providing technical assistance in preparing and updating feasibility studies for these projects.

In addition, IDB would examine the possibility of providing technical assistance for a mineral survey in selected areas of the Southern Region.

The representative of the Sudanese Government explained that the Sudanese textile industry was one of the largest in the country and provided good potential for exports. IDB was requested to study the possibility of financing four important projects:

Manufacture of spare parts
Quality control centre
Training centre
Kenaf processing for sack manufacture

The first three of these projects would benefit the private as well as the public sector considerably. Detailed feasibility studies for these projects had been prepared with the assistance of UNIDO.

The IDB representative indicated that his institution had already received copies of the feasibility studies for the manufacture of spare parts. IDB was requested to undertake a feasibility study for kenaf processing, if the existing documentation and technical studies proved to be insufficient.

Several other projects were discussed, some of which deserved further consideration. It was agreed that the expected benefits and financial opportunities for each of these projects would be prepared by the sponsor corporations and forwarded to IDB for its consideration. They included the following:

<u>Project No.</u>	<u>Title</u>
6.	Expansion of Kessala onion dehydrating plant and addition of a tomato paste line
13.	Rehabilitation of Sudan oil mill, oil hardening plant
14.	Rehabilitation of African oil mill

Regarding the rehabilitation of four sugar-mills, IDB wished to receive a copy of the World Bank studies, now being prepared, when they were completed.

IDB expressed interest in studying the pesticide formulation plant specially needed in the Sudan. The Sudanese agency concerned (Gezira Board) would submit an economic and technical feasibility study to IDB through the Ministry of Planning.

The rehabilitation of the Rabak cement factory was also discussed with representatives of IDB, who indicated that IDB would give due consideration to concrete proposals submitted through the Ministry of National Planning. IDB would also give due consideration to the proposal that it finance the laboratory equipment needed to strengthen the capabilities of the Building Materials and Refractories Department of IRCI, project No. 5.

IV. CONCLUSIONS

The Meeting noted that the Government of the Sudan and the Governments of the participating countries, with the support of UNDP and UNIDO, would implement the agreements reached at the Meeting as rapidly and effectively as possible. The Ministry of Industry of the Sudan would examine the possibility of establishing a unit under its own authority entrusted with follow-up and monitoring activities to ensure the best use of the assistance offered by the participating countries and by the financial institutions represented at the Meeting.

The Meeting felt that each of the co-operation projects identified at the Meeting should be carefully studied with respect to:

- Its contribution to any given industrial sector
- Its financial implications
- The most appropriate programme for implementation

The Meeting noted that the execution of some priority projects identified in the portfolio still required additional financial resources. In this connection, it was felt that the international institutions represented at the Meeting had an important role to play in examining specific projects. It invited the United Nations bodies, particularly UNDP and UNIDO, to provide complementary financial and technical support through the use of

- National and regional IPF funds
- TCDC programme reserve
- United Nations Industrial Development Fund

for the follow-up activities and the implementation of decisions.

In this connection the Meeting noted that many of the projects contained in the Project Portfolio were of a priority nature and in line with the development strategy and industrial objectives of the Sudan.

Concrete offers of assistance from participating countries included providing grants, extending export credits for purchase of machinery, promoting joint industrial ventures, participating in equity financing, undertaking feasibility studies, organizing training programmes, supplying equipment and offering other types of assistance.

With respect to organizational matters (follow-up activities), the Meeting endorsed the initiative taken by the Government of the Sudan and UNIDO to create a follow-up mechanism whose initial task was to prepare a detailed analysis of the projects of co-operation identified at the Meeting, and on the basis of this analysis to ascertain for each country or project the:

Specific field of activity

Form or mechanism of co-operation proposed

Financial implications for the participating country and for the Sudan

Type of follow-up action required, including the division of functions and responsibilities among the countries or institutions concerned

Schedule for implementing each project

National implementing agency and the backstopping unit from UNIDO

On the basis of this analysis the Government of Sudan would select several priority projects for implementation in 1981-1982. Meetings would be held either at Khartoum or at Vienna to review the progress of implementation of specific projects. In this connection the UNIDO senior industrial development field advisers located in all the countries concerned could play an important role.

The Meeting was of the opinion that the private sector in the Sudan would be called upon to play an important role in the industrial development of the country and in particular in implementing some of the agreements reached at the Meeting.

The Meeting felt that the concept of collective self-reliance through new means of economic and technical co-operation among developing countries represented a concrete step towards evolving a new international economic order.

The Meeting placed on record its warm appreciation of the support given to the Meeting by the President of the Sudan and the Minister of Industry.

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Annex

LIST OF PARTICIPANTS

Participants

Algeria

Hamdadou Mohamed El Hadi, Ambassador of Algeria to the Sudan
Rachi Abdelkader, First Secretary, Embassy of Algeria to the Sudan

Argentina

Juan Manuel Figuerero, Ambassador of Argentina to Saudi Arabia

Brazil

Marcos A.S. Coimbra, Ambassador of Brazil to the Sudan
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Song Hanyi, Ambassador of China to the Sudan
Yu Shuguang, Economic Counsellor, Embassy of China to the Sudan
Yang Zhenlum, Deputy Division Chief, Ministry of Economic Relations
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Ho Xiankai, Attaché(Economic), Embassy of China to the Sudan

Greece

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Panayotis Varvaressos, Director, Ministry of Industry and
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Spyridon Adamopoulos, Ambassador, Director, Ministry of Foreign Affairs

India

P.A. Sangma, Deputy Minister of Industry
S.M.S. Chadha, Ambassador of India to the Sudan
M.C. Gupta, Joint Secretary, Ministry of Industry
S.K. Arora, Joint Secretary, Ministry of External Affairs

P.C. Jayaraman, Joint Secretary, Ministry of Commerce
M.P. Isaac, Personal Secretary to Deputy Minister of Industry
M.P.E. Wair, Commercial Secretary, Embassy of India to the
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S.M. Trehan, Attaché, Embassy of India to the Sudan
A.K. Anand, Attaché, Embassy of India to the Sudan

Iraq

Ahnaf Muhie Eldeen Kumait, President, State Organization of
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Badr Ghailan Waham, Head of Research, Committee on Foreign Economic
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C.O. Kamidi, Planning Officer, Ministry of Industry

Kuwait

Khalifa Hussein El Musallam, Ambassador of Kuwait to the Sudan

Malaysia

Abdul Rahim Bin Datuk Tamby Chik, Parliamentary Secretary, Ministry of
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Abdul Hamid Ismail, Deputy Director, Ministry of Trade and Industry
Kong Yuet Peng, Deputy Director, Malaysian Industrial Development
Authority
Ruslan Bin Khatib, Malaysian National Productive Centre
Abd. Rahman Bin Jaafar, Assistant Secretary, Ministry of Primary Industries

Morocco

Abderazzak El-Mossadeq, Secretary General, Office of Industrial
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Ben Khadra Mohamed Redouane, Commercial Attaché, Embassy of Morocco to
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Oman

Barakat Allamkf, Director-General (Under Secretary), Ministry
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Eissa Ahmed Ali, Ambassador of Oman to the Sudan

Pakistan

M.S. Korejo, Ambassador of Pakistan to the Sudan

F.I. Malik, Joint Secretary, Ministry of Industry

Qatar

Said El-Gaber, Chargé d'Affaires, Embassy of Qatar to the Sudan

Ismail El-Ghandour, Head of Light and Medium Industry, Industrial
Development Technical Centre

Republic of Korea

Wang Hee Kim, Chargé d'Affaires Ad Interim, Embassy of the Republic of
Korea to the Sudan

Hi Bock Kang, Director, Division of Trade Policy Co-ordination,
Ministry of Commerce and Industry

Romania

Dumitru Ristea, Ambassador of Romania to the Sudan

Nicolae Neagoe, First Secretary, Embassy of Romania to the Sudan

Gheorghe Gulin, Head, Economic Agency of Romania in Sudan

Saudi Arabia

Yussuf Biyari, Adviser to the Vice-Chairman, Saudi Fund for Development

Senegal

Sidy Lamine Ba, Director of Industry, Ministry of Industrial Development

Sudan

Izzeldin Hamid, Minister of Industry

Mirghani Mohamed Ahmed, Minister of State, Ministry of National Planning

Abdel Latif Widatalla, Under Secretary, Ministry of Industry

Osman Mustafa, Acting Under-Secretary, Ministry of National Planning

Mhasin Khider, Assistant Under-Secretary, Ministry of National Planning
Saeed Saad Mahgoub, Head, Economic Department, Ministry of Foreign Affairs
Mohamed El Ghali Suleiman, Managing Director, Food Industries Corporation
Ali Abdel Hamid, Managing Director, Leather Industries Corporation
Bukhari Mohmoud Bukhari, Managing Director, Edible Oils Industries Corporation
Ibrahim Mudawi, Managing Director, Edible Oils Industries Corporation
Ibrahim Madawi, Managing Director, Mining Corporation
Abdel-Gadir Suleiman, Director of Industrial Control, Ministry of Industry
Ahmed El Dawi, Acting Director of Projects, Ministry of Industry
Osman Ahmed Tamam, Director Efficiency Improvement Unit, Ministry of Industry
Omer Y. Birido, Sudan Permanent Representative to UNIDO
Guor Deng Mareng, Director, Regional Ministry of Industry, Juba
Mohamed Salih Mohamed Abdalla, Acting General Manager, Spinning and Weaving Corporation
Mubashar Mohamed El Nassan, Acting General Manager, Sugar Industries Corporation
Babiker Mirghani, Deputy Managing Director, Food Industries Corporation
Abdel Rahman Abdel Halim, General Manager, Khartoum Tannery, Leather Industries Corporation
Farouk El Tayeb, Acting Director, Industrial Research and Consultancy Institute
Abdel Rauf Abdel Atti, Managing Director, Khartoum Central Foundry
Waheeb Miltias Shanauda, Industrial Operations Manager, Edible Oils Industries Corporation
Ahmed Hassan, Head Planning and Follow-up Department, Cement Industries Corporation
Mohamed Elmekawi Mustafa, Deputy Chairman, Sudanese Industries Association
Ahmed Izz el Arab Yousif, Secretary General, Sudanese Industries Association

Turkey

Sahap Kocatopcu, Minister of Industry and Technology
Selen Orsan, Director, International Relations Department, Ministry of Industry and Technology

Sedat Yıldız, General Director, Turkish Cement Industry

Faruk Yağız, Director, Planning Department of the Turkish Cement Industries Incorporated

Murat Yenen, General Director of "Kutlutas"

Ilkin Erkutun, Assistant General Director of the Turkish Tractor Factories

Ibrahim Kazım Turgay, Chairman of CIMMAS and CIMHOL

United Arab Emirates

Jaffar Ebrahim Alfardan, Assistant Under Secretary, Ministry of Finance and Industry

Malik Alsmın Ibrahim, Economic Researcher, Ministry of Finance and Industry

Raafat Al Megharbel, Economist

Labib Al-Sadoon, Head in Charge of Industrial Affairs

Upper Volta

Abdoul Diallo, Couseiller des Affaires Economiques

Yugoslavia

Stevan Gojsina, Under Secretary, Federal Committee for Energy and Industry

S. Milovanović, Counsellor, Federal Committee for Energy and Industry

Lj. Nikolić, Interpreter

United Nations

United Nations Development Programme (UNDP)

Garth Ap Rees, Resident Representative, Khartoum, Sudan

Hussein Raffay Idris, Director, Technical Co-operation Among Developing Countries, New York

Dragoslav Zdravković, Deputy Resident Representative, Khartoum, Sudan

Whitney P. Foster, Deputy Resident Representative, Juba, Sudan

Peter Quennell, Assistant Resident Representative, Khartoum, Sudan

Specialized agencies

Food and Agriculture Organization of the United Nations (FAO)

N. Arne L. Lexander, Acting Representative

International Labour Organisation (ILO)

Stelios Theocharides, CTA Management Development Project

Other organizations

Arab Authority for Agricultural Investment and Development (AAID)

Adly Osman Badran, President and Chairman of the Board

Arab Organization for Agricultural Development (AOAD)

Hasan Fahmi Goumah, Director General

Inter-Arab Investment Guarantee Corporation (IAIGC)

Mohamed Chakib Mhedhebi, Manager

Mohamed Chouari, Senior Officer

Islamic Development Bank (IDB)

Abdul Rehman Yousef, Director of Operations and Projects
Department

Salahdin Irshad Imam, Project Officer

OPEC Fund for International Development

Abderrouf Benbrahim, Regional Director of the African Region



