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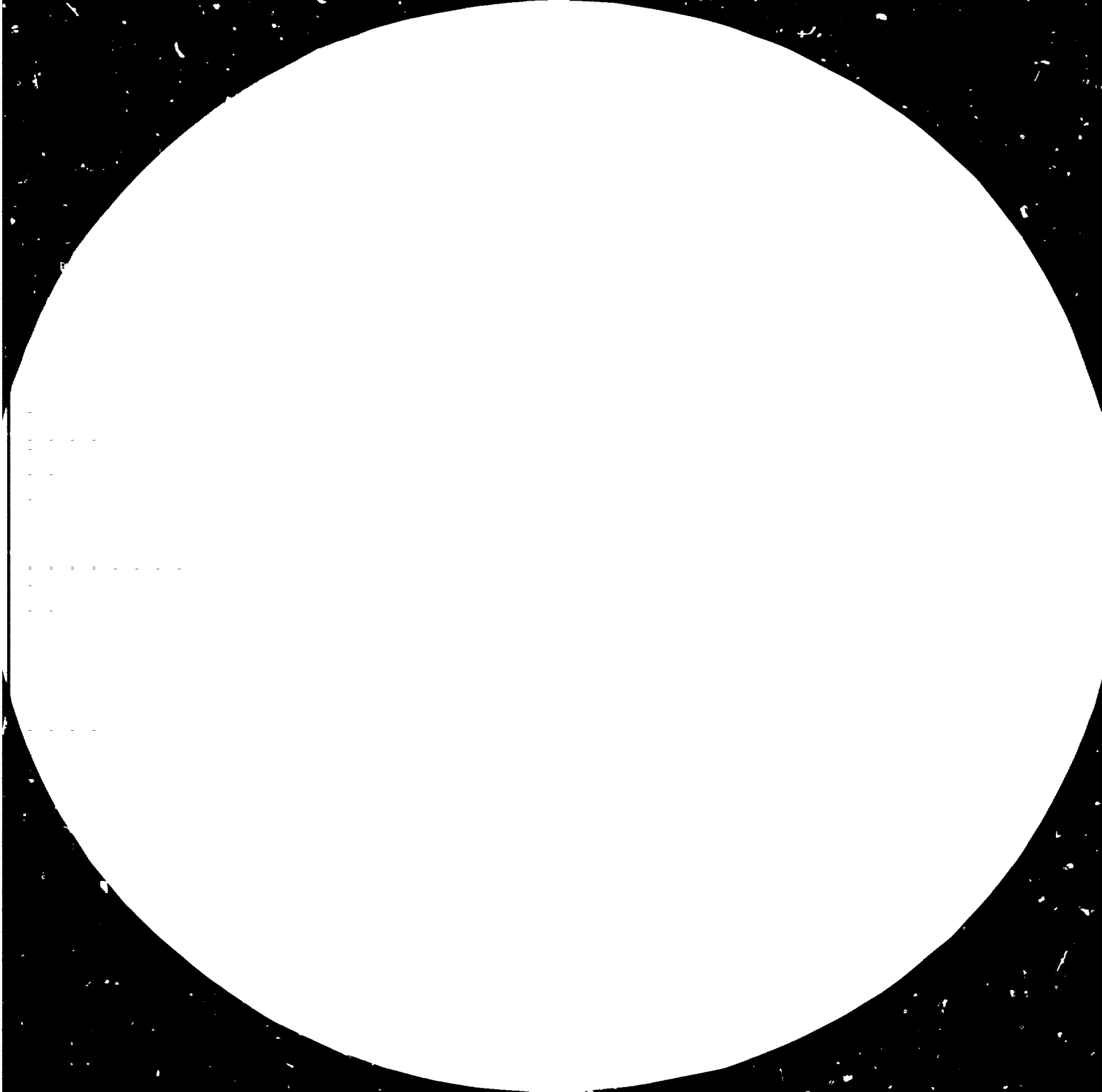
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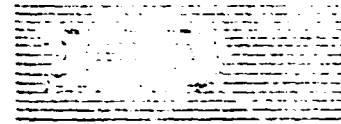


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CO-OPERATION AMONG CONSULTING ORGANIZATIONS FROM DEVELOPING COUNTRIES AND
MEANS OF PROMOTING AND CARRYING OUT SUCH CO-OPERATION*

by

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This document aims at providing the Expert Group Meeting on the "Role of Industrial Consultancy in Developing Countries" with a background paper dealing with "Cooperation among Consulting Organisations from Developing Countries and Ways and Means of Promoting and Carrying out such Cooperation", with special reference to the possibilities of how the process of building up local industrial consultancy could be accelerated; how collective action should be conceived and realised and with what means and machinery; the role of governments, financial institutions and organisations engaged in the development and construction of industrial projects in that cooperation; and the role of United Nations, more specifically UNIDO, in promoting cooperation among developing countries in this field. Special attention will also be given to bilateral, regional and inter-regional cooperation, joint ventures &/or implementation of projects in developing countries.

Participants in the Meeting, drawing on their own experiences, will certainly be able to throw more light on the issues raised in this paper, and thus enhance one another's appreciation of these issues and treatment.

Stated thus, the subject matter is a wide-ranging one, and to attempt to cover it within the limits of the space permitted, must enhance the risk of unbalanced treatment in respect of many of its aspects. But by concentrating, in the process of analysis, on the salient features of the principal issues, it is hoped to minimise that risk and help illuminate the discussions, in the light of recent international experience of obvious

relevance to the purpose of the Ljubljana Meeting.

The paper is divided into the following sections:-

- I) Nature and significance of industrial consultancy in developing countries;
- II) Quest for Local Industrial Consultancy;
- III) Need for and Advantages of Promoting Local Industrial Consultancy;
- IV) Scope, Potentials and Handicaps;
- V) Machinery of Promotion and Cooperation;
- VI) Technical and Financial Assistance; and
- VII) Summary Conclusions.

I.- NATURE AND SIGNIFICANCE OF INDUSTRIAL CONSULTANCY

The phenomenal growth and widespread ramification of modern technology may well justify the use of the term: "the age of technology" to describe a contemporary world scene that may prove to be a major turning-point in the history of mankind. For technology, connoting, as it does, a repository of knowledge, experience and skill, has become a catch-word denoting an all-embracing progress.

There is, however, one area in which the advent of modern technology has heralded profound changes in the

life-style and welfare of many nations, and caused other peoples to gape at them with admiring or envious eyes. That area is "industrialisation". In it, the former group comprises the developed and the latter the developing countries.

Thanks to the availability and use of modern technology in industry, the masses in the developed countries now enjoy living standards, never before within the reach of their forefathers at any period in recorded history.

It is also a matter of simple observation that the industrial achievements of these countries in the last few decades have been associated with a fast-growing services sector - that of industrial consultancy. Such association cannot be purely accidental. It manifests too high a degree of correspondence, in time and place, to be so. Wherever modern technology has been applied, industrial consultancy flourishes, and the result is higher productivity and improved quality of the product. Inversely, the lack of it is accompanied by a retarded growth of industrial consultancy, a persistent lower productivity and an inferior quality of product. Surely, the obvious conclusion to be drawn from these premises is that the two phenomena - the application of modern industrial technology and the rise of industrial consultancy services - are closely inter-related. Indeed, the real fact of the matter is that technology has become the stock-in-trade of industrial consultancy.

The practical manifestation of this conclusion is illustrated once more by reference to the commonplace

categorisation of countries of the world into the developed and the developing, simply because the former possess and apply modern technology, whereas the latter do not. The circumstances and implications of such categorisation have not been lost on the developing countries themselves. They have become increasingly and painfully aware of the urgent need, not only to accelerate the introduction of an adapted modern technology into their industrial systems, but also to speed up the promotion of indigenous consulting services sectors, so as to make such introduction less costly, and yet more effective and lasting. There is no better proof of that awareness than the unequivocal expression of the relevant views of the developing countries as stated in the provisions of the Lima Declaration and Plan of Action.

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II.- QUEST FOR LOCAL INDUSTRIAL CONSULTANCY

In the Lima Declaration - paragraph 60 (k), all developing countries are enjoined to cooperate at sub-regional, regional and inter-regional levels, with a view to the sharing of experience and technology by those who have acquired this "know-how", especially as such knowledge may be of greater relevance than that which is acquired from highly developed areas. In the same context, the Plan of Action recommends specific measures to be taken to that end. (I)

(I) Paras. 58 (c), 60 (k), 61 (k, l, m) and 65 (b).

They relate to:-

- (a) the establishment and strengthening of machinery and institutions to promote the transfer of technology including an industrial and technological data bank;
- (b) the review of international conventions on patents and trade-marks;
- (c) the call on UN bodies to become an appropriate instrument to assist the developing countries in the transfer and development of technology; and
- (d) the formulation of an international code of conduct for the transfer of technology corresponding to needs and conditions prevalent in developing countries by defining terms and conditions that enable such transactions to take place under the most advantageous terms for those countries.

In this connection, it must be recalled that UNIDO has been assigned a special role to play in the implementation of the Lima Declaration and Plan of Action, as well as in the implementation of the New International Economic Order, as adopted by the UN General Assembly. And UNIDO has been quite responsive. Witness the Meeting for whose consideration the present background paper is to be submitted.

It is not intended here to enumerate every action taken by UNIDO in this respect. There was, however, one pertinent exercise to which special reference must be made, since it has treated many problems and issues raised in this paper. Additionally, the conclusions it has reached may be helpful in illuminating the

forthcoming discussion at Ljubljana.

UNIDO was principal co-organiser of "The Industrial Promotion Assembly and International Consulting Forum between Arab and European Countries", held in Berlin on 25 September 1975. Subsequent meetings, for follow-up purposes, were held in Vienna (January 1976), Berlin (April 1976), Alexandria (November 1976), Berlin (September 1977).

Another exercise, conducted independently, has equally enriched our experience of transnational cooperation in the field of industrial consultancy. It was organised by the European Management Forum as the "First Arab-European business Cooperation Symposium", and held at Montreux in October 1976.

The experience gained from the deliberations at these exercises should enhance our awareness of the latest trends of thought and pre-occupations of professional industrial consultants from developing and developed countries, and those of major clients in an important developing region. These deliberations have been most illuminating and can be put to good use in devising an action-oriented programme to promote and strengthen cooperation among consulting organisations in developing countries in general, and between them and corresponding organisations in developed countries in particular.

III.- NEED FOR AND ADVANTAGES OF PROMOTING LOCAL INDUSTRIAL CONSULTANCY

The Lima Declaration expressly stated that the present 7% share of the developing countries in total world industrial production, should be so increased, through accelerated industrialisation, as to reach at least 25% of the total by the year 2000. Policy guidelines and qualitative recommendations were made with that end in view. Among these are measures to be taken by the developing countries themselves, individually and collectively, to promote and strengthen local industrial consultancy.

The close inter-relationship of industrialisation and industrial consultancy has already been analysed in earlier paragraphs of this paper. Little need be added here, except to underline the general recognition in the developing countries of the urgency to find a satisfactory solution to carry out these recommended measures. This urgency is consequential upon the practical realisation that the process of industrialisation itself is now the more demanding of redoubled local efforts and greater self-reliance. No wonder the governments of many developing countries have already included, as a high priority within the framework of their development programmes, "the urgent creation or strengthening of indigenous industrial consultancy, including economic, technological, engineering, financial and management services".⁽¹⁾

(1) Aide-memoire of the Ljubljana Meeting.

The call for greater and more active indigenous consultancy services, complementary or even in preference to readily available imported services, is not wholly inspired by patriotic aspiration or by nationalistic urge. True, the expansion in the industrialised countries of consultancy services is enormous and can be readily enlisted to meet the requirements of developing countries inasmuch as they are ready to supply them with industrial equipment and technology. And yet, there are great advantages in creating or strengthening local consultancy services. Among these advantages should be included the following:-

- 1) Industrial consultancy services are great national assets more capable of meeting local requirements than those rendered by outsiders who are not so familiar with the local environment.
- 2) Another great advantage is that adequate local services are likely to engender greater self-reliance and to encourage purposeful involvement in economic development planning.
- 3) Local consultancy may be relied upon to ensure more suitable designs of industrial projects, more careful construction and, above all, the continued good maintenance of the installations.
- 4) Viable local consultancy, by reducing dependency on outside sources, diminishes the opportunities for exploitation and sharp practices by unscrupulous agents.

- 5) Undoubtedly, the saving in cost, especially in the form of scarce foreign exchange resources, is a major gain.
- 6) Local consultancy is indispensable to the promotion and growth of small-scale, and perhaps also the medium-size industries, that are unable to make use of international foreign consultants.
- 7) The creation of local consultancy services will also contribute to the prevention or reduction of that unfortunate phenomenon, described as "brain-drain" or exodus of qualified personnel from developing to developed countries.
- b) Perhaps the greatest advantage of all is that consultancy, being the principal means of applying technology, will also be the right channel for acquiring and re-adapting modern technology from original sources. Additionally, local consultants, being qualified counterparts to deal with foreign consultants in any negotiation for the transfer of technology, will also be the right parties to establishing mutually beneficial cooperation with developed countries in this field.

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IV.- SCOPE, POTENTIALS AND HANDICAPS

Evidently, the contribution of local consultancy to accelerated industrial development is a function of the requirements of such development. Broadly speaking, these requirements are:-

- 1) Introduction of radical changes into existing methods, if not complete new systems of production;
- 2) Availability of:
 - a) modern technology as can be adapted to local circumstances and conditions;
 - b) experienced and trained work force;
 - c) experienced management.
- 3) Adequacy of:
 - a) services sectors including engineering, transportation, distribution, planning, marketing, banking, etc., and
 - b) infra-structure services such as those concerned with communications, energy, water supply, roads, ports, industrial estates, free zones, vocational training, etc.;
- 4) Development of foreign and local markets.

Needless to say that consultancy, as a service, is itself a function of the quality of the consultant who practises it and of his relationship with his own clients. Accordingly, to qualify properly a sufficient number of consultants in any society, is tantamount to creating for it the profession of consultancy it asks for. But, it is

the quality of the consultant - technically and ethically - that conditions the consultancy it gets.

Understandably, a casual observer of the conditions now obtaining in many a developing country might be appalled to note a severely retarded growth in indigenous industrial consultancy despite the number of industrial projects initiated and already completed there, as well as others in progress. This, however, does not mean that such a country is completely devoid of any potential or that it represents the most prevalent pattern in developing countries. There are many others which boast of considerable progress in that field. Even where severe shortage of independent indigenous consultants is experienced, a potential is there for recruitment, once a favourable climate and a reasonable opportunity occur or are deliberately induced.

True, the making of a consultant is neither a simple task, nor is there a short-cut leading to it. Knowledge, experience and skill are the technical qualifications of a consultant. They take time to acquire and an opportunity to practise.

Equally true will be the statement that most developing countries now possess, in varying degrees, potential sources of recruitment to a recognised indigenous profession. These sources are:

- universities, research institutes and polytechnics;
- staff members of trade schools and vocational training institutes;
- public sector industries;
- technical departments of the government;
- liberal professions such as engineers, lawyers, accountants, surveyors, etc., and

- the émigrés working abroad.

be that as it may, the widespread shortage is real enough. Its causes may be traced to a variety of historical factors and other socio-economic circumstances affecting developing countries. It may be worthwhile mentioning a few of those factors and circumstances in order to show where and what to look for in any attempt to redress existing short-comings and handicaps. Broadly speaking, these general causes are:-

- 1) Late accession to independence from total subjugation, and continued search for national identity amidst conflicting loyalties.
- 2) Lack of appropriate education and training opportunities.
- 3) Brain-drain and exodus of skilled and unskilled able-bodied workers.
- 4) Inability of foreign consultants to train local counterparts.
- 5) Failure of local governments receiving foreign aid to provide counterparts who can acquire knowledge and skill as well as experience through working with the foreign experts and consultants.
- 6) Failure to ensure that, in the selection of the foreign expert, due attention is given to his ability to impart his technical know-how to his local counterpart, it being remembered that the high qualification of a consultant may not be balanced in the same person with a correspondingly high ability to impart his knowledge and experience to others.

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V.- MACHINERY OF PROMOTION AND COOPERATION

Organisationally and operationally, the machinery needed for promoting and strengthening cooperation among industrial consulting organisations in developing countries and between them and those in the developed nations, is, on the face of it, a three-tier structure. There is, at the base, the national organisation, i.e. a professional association or union of consultants. The second tier is a formation by a limited group of national consulting organisations, drawn together for reasons of geographical proximity or other affinities. The top tier is an inter-regional confederation which also serves the cause of cooperation between developed and developing "consultancies".

A.- NATIONAL CONSULTANCY ORGANISATION

The mounting concern of governments in developing countries with finding ways and means of accelerating the promotion of local consultancy services as an integral part of economic development strategies and programmes provides, at once, an opportunity and a challenge to already practising and potential local consultants. Both challenge and opportunity require these consultants, not only to establish much needed practices, but also to organise themselves into a recognised profession. Now, to establish a practice is usually an exercise open to nationals possessed of the necessary qualifications. It may simply involve registration with the competent local department or authority.

The case is different when a sufficient number of consultants, motivated, as they may well be, by self-interest and advancement, or obliged by law, wish to organise themselves into a recognised profession. Such

an arrangement may commence, and continue to exist and flourish, as an entirely voluntary exercise; or it may have, at one stage or another, been brought under state control; or is subjected to special legislation in the interest of the general public. In some cases, the authorities may also act for the double purpose of protecting the public interest, whilst endowing the professional organisation in question with special powers to regulate the profession itself, or to prevent abuses and impose sanctions against malpractices by any of its members.

In any case, governments of developing countries, in their desire to promote local industrial consultancy in the context of their economic development strategy, will no doubt be more than well disposed to encourage and assist in the setting up of a national consultancy organisation that could become a most effective promotional instrument. The usual procedure of making preparation for the establishment of such an organisation is for a few public-spirited consultants to draw up a set of general objectives, discuss them with colleagues of a similar disposition, and when a consensus is reached, a general founding meeting is convened. Included in the preparation, should be a draft of the proposed statute and bye-laws, and preferably also, a work programme for submission to the founding meeting for the purpose of discussion and approval.

It goes without saying that the competent government department concerned with such a meeting should be kept informed of the intention and progress of the preparatory efforts. This is a usual practice in most developing countries in similar circumstances, a

practice that reinforces the official good-will and moral support, and renders official assistance the more forthcoming and substantial. Official understanding may prove crucial in a sensitive area, that of determining the legal status of the union of consultants and its freedom from extraneous interference that may impair the independent judgement and integrity of its members.

An additional argument in favour of maintaining the independent status of the national organisation as a non-governmental institution is the protection of the interest of the government itself, which is a major client and, as such, needs the judgement of independent consultancy.

However, in drawing up the Statute and Bye-Laws, the objectives of the organisation should be as flexible as possible so as not to be too restrictive. The following general formulation of the objectives does not depart too widely from the usual pattern. Basically, it seeks to promote and protect the interests of members, especially through:-

- 1) redressing difficulties and removing handicaps or disabilities militating against the growth of indigenous consultancy services;
- 2) extending assistance to new entrants into the profession so as to enable them to improve their knowledge, widen their practical experience and enlarge their expertise;
- 3) improving the conditions of work;
- 4) organising training and refresher courses;

- 5) drawing up model service agreements or contracts embodying fair terms for both the consultant and the client;
- 6) instituting a code of professional conduct and ensuring its observance.

The last item on the list is of paramount importance. The basic principles which the code should embody must stipulate:-

- that the consultant should be properly qualified for the job in hand;
- that his personal integrity and independence of judgement is assured;
- that his professional secrecy is thoroughly protected;

and

- that his duties and obligations are well-defined in regard to:
 - the client;
 - the supplier or manufacturer;
 - the contractor;
 - the profession.

But the above-mentioned formulation of objectives concerns only activities within the country. It will be recalled that one of the principal considerations for wishing to accelerate the development of local industrial consultancy was the use of national organisations as most effective instruments of sectoral cooperation among developing countries. It will be necessary, therefore,

to include in the objectives of these organisations a provision to establish liaison and cooperation with organisations of fellow consultants who practice in neighbouring countries, as well as in the whole region. The express purpose of such relationship is to foster business collaboration between their respective members in the following fields:-

- undertaking complementary tasks;
- exchanging information and experience;
- setting up partnerships in one another's country as joint ventures;
- helping expedite the processes of acquiring and applying modern technology as adapted to local conditions and circumstances.

B.- SUB-REGIONAL AND REGIONAL STRUCTURE

In the preceding section, the scope and subject matter of cooperation among national consulting organisations at sub-regional or regional levels, have been analysed. The machinery for promoting and strengthening such cooperation obviously involves some suitable institutional arrangements which usually take the form of a transnational association. It is not too difficult an undertaking to draw up the objectives and functions of that type of association in the context of the conditions obtaining in a particular region. But, the capabilities of the association must depend, in the last analysis, on the ability and ready responsiveness of member organisations.

There is no doubt that most developing regions share favourable factors conducive to growing cooperation among them (and in parenthesis, with international foreign

consultants), in the field of industrial consultancy. Briefly stated, these factors are:-

- a) Potential of a much wider market, greater opportunities for business activities, and growing possibilities of mutual assistance.
- b) Due to proximity, it will obviously be much easier for personal contacts to be established, maintained and strengthened.
- c) Since governments in member countries are also interested in their cooperation, individual national organisations will doubtless be encouraged, in turn, to stimulate and assist their own members in initiating and extending direct business collaboration.
- d) There is strong expectation that investment flows from new sources into developing countries will greatly increase in the near future. For instance, the Secretary-General of the League of Arab States has very recently declared that total Arab pledges of aid have exceeded U.S.\$ 2 billion. This total is likely to stimulate substantially new Arab private investment in African countries. Simultaneously, an OREC spokesman said that the assistance fund of that Organisation, destined for aid to developing countries, has now reached U.S.\$ 10 billion.

The combined effect of all these factors will doubtless favour the growth of national consulting organisations, enhance their will and expand their opportunities for mutually beneficial cooperation. It will also widen the scope of their cooperation with corresponding consultancy services in developed countries. Additionally, it will greatly facilitate

and encourage the setting up of joint practices by consultants for purposes of collaboration in the implementation of industrial joint projects.

Against these favourable factors, one must observe that there are difficulties and problems which militate against them. For instance, newly founded national organisations are likely to be too greatly pre-occupied with their own establishment problems to play an effective role in regional consultancy cooperation for some time. They lack both resources and experience in this field. They are likely to need help before they are able to help themselves or to render it unto others.

At any rate, there should be no unsurmountable difficulty in the way to setting up a number of regional associations in the developing regions of the world. To start with, there is no immediate urgency for an elaborate structure to embody all and each national organisation before they are ready. A selected membership could make a good beginning and could pioneer a movement towards a full regional grouping.

Again, it is possible, in the initial stage or for reasons of expediency, to entrust the functions of the sub-regional or regional association to a regional commission within the framework of a central body as that proposed in the next section.

C.- INTER-REGIONAL STRUCTURE

In the light of the above considerations, it will be readily appreciated that promoting and strengthening cooperation among national consulting organisations in developing countries require a suitable machinery of the

usual pattern - a Third World Confederation. Such a confederation will be expected to undertake much the same functions as those already defined in the context of regional cooperation, with the added responsibility of acting as an international professional representative of consulting organisations in developing countries. It will participate in international meetings and partake in other functions which will serve the interests of its members.

The responsibility of the new body must also be assumed to include the promotion of purposeful cooperation with consulting organisations in the developed countries. There should not be any real conflict of interest between the local and the international foreign consultants. Especially in the selection of technology, their cooperation is likely to be, at once, indispensable and beneficial.

Again, in the formulation of the objectives and other provisions of the Articles of Association of the inter-regional confederation, the same underlying principles are similar to those suggested in the preceding section. It will, therefore, be redundant to repeat or elaborate them here. It will be enough, however, to draw attention to certain essential characteristics which specially distinguish the inter-regional body, and therefore must be reflected in the provisions of its statute and in its administrative procedure. They relate to the vital role which this body is expected to play as:-

- a) provider of information;
- b) instrument of coordination;
- c) means of promoting self-reliance; and
- d) stimulator of mutual assistance.

Great attention must also be paid to the problems arising from the vast geographical area which the developing countries cover. There are formidable difficulties of communication and contact. Operationally, therefore, the inter-regional body must have an administrative centre. This may initially prove too costly and inefficient, unless its activities are well measured and kept commensurate with its means and capabilities.

And in order to mitigate the impact of these difficulties, the following suggestions are presented for discussion:-

- a) assignment to the regional associations or commissions, as the case may be, greater share in the promotional activities;
- b) reduction of the work-load on the centre through the creation of three centres, or one principal and two branches, at continental levels;
- c) active solicitation of technical and financial assistance from interested international and regional agencies during the early stages of establishment and operation.

All these suggestions are only tentative. Their acceptance is conditional upon the outcome of further enquiries.

VI.- TECHNICAL AND FINANCIAL ASSISTANCE

Consulting organisations are professional bodies and, as such, their legal status may manifest certain variations in accordance with the national legislation to which they are subjected. It is noted that, at the national level, national laws and regulations are fully enforceable. The case is different where a transnational association of national organisations is located. It may require certain safeguards to avoid misunderstanding with the national government where it is located, and with other national governments where it operates.

But apart from the question of independence or avoidance of extraneous interference in professional activities, the location and scope of activities of the consulting organisation, be it national or transnational, must condition the type of assistance it may seek and receive.

It goes without saying that national, regional and international organisations concerned with industrialisation in developing countries are, mutatis mutandis, interested in the rise and growth of industrial consultancy services in these countries. Such interest becomes positively effective only when translated into assistance - technical or financial. It follows that the assistance to be sought and expected must be a function of the general or particular interest of the donor. The relevance of this inference to the roles of national governments and institutions, UNIDO, and other international and regional agencies is quite obvious. An attempt will be made in the following sections to elaborate this point within the limits of the space permitted.

A.- NATIONAL GOVERNMENTS AND INSTITUTIONS

The interest of national governments in promoting and strengthening local industrial consultancy services stems from recognition of the advantages identified in Section III above. (1) There is a particular area in which, however, the national governments and the consultancy organisations must have special relations. This area is the application of modern technology to the industrial development of the country concerned. Indeed, the consulting organisation could, at the national level, become the professional arm of the official strategy.

It has already been stated that technology is the stock-in-trade of industrial consultancy. In the case of developing countries, the task involves essentially the acquisition of foreign technology, its adaptation to local conditions and, in the process, introducing improvements wherever possible. Although it is not possible, in the present analysis, to go into detailed examination of all the problems involved in this task and their treatment, it will be readily accepted that the national government, with the help of the national consulting organisation, can play a vital three-fold role which may at once result in the practical involvement of that organisation in industrial development, and in enabling it to develop and advance its own cause. This role consists of:-

(1) See pp. 7-9

- a) monitoring the area of industrialisation in which the introduction of modern technology is imperative;
- b) identifying the sources wherefrom the desired technology can be obtained; and
- c) placing information so obtained at the disposal of local entrepreneurs and enterprises.

At the regional and international levels, the role of national governments in promoting and strengthening cooperation among consulting organisations is more indirect and circumscribed. Nevertheless, it can be of great help especially in cases where inter-governmental joint ventures are undertaken. In return, regional and inter-regional consulting organisations could be helpful to governments of developing countries in matters discussed at international meetings, in which case they themselves earn the good-will and support of these governments.

B.- UNIDO

The role of UNIDO is obviously crucial. It is mandatory in the context of the Lima Declaration and Plan of Action, as has already been explained. Subject to the rules and regulations under which UNIDO functions, it can immensely help in the establishment and development of indigenous consultancy services, and subsequently, in the setting up of national, regional and inter-regional consulting organisations in developing countries, through offering technical assistance in the following fields:-

- a) training through the provision of graduate fellowship internship and specialised studies;

- b) assisting the consultancy services attached to industrial development banks, investment corporations, industrial research institutes and small-scale industry centres;
- c) dissemination of up-to-date information and data on the development of technology and the supply of industrial equipment;
- d) technical assistance to management and productivity institutes.

At the organisational level, UNIDO can render an invaluable service to the cause of indigenous industrial consultancy services in developing countries by continuing the momentum created by the Ljubljana meeting. Whilst it is admitted that the immediate purpose of this meeting is to contribute to the deliberations of the Buenos Aires Conference, it will be a great pity if UNIDO's effort stops there. The Ljubljana meeting should not become terminal. It needs a follow-up programme especially if the consensus at the meeting favours the establishment of an inter-regional confederation of consulting organisations in developing countries along the lines indicated in an earlier section.⁽¹⁾ UNIDO could well maintain that momentum by offering to initiate or co-sponsor a founding meeting with the help of interested international and regional aid agencies. It would then be responsible for the discussion papers required.

(1) See pp. 19-21

C.- FINANCIAL AND INDUSTRIAL INSTITUTIONS

At the national level, the institutions most interested in the promotion and strengthening of industrial consultancy services are: development banks, industrial investment companies, and the federation of Chambers of Industry. At the regional level, the interested institutions are: the regional financial aid institutions and funds. Even where they have their own consultants, a professional consulting organisation will help greatly their business through promoting cooperation among national organisations. At all events, the sponsorship and support of those institutions, if sought imaginatively, will be most rewarding.

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VII.- SUMMARY CONCLUSIONS

The conclusions arrived at here are based on the analysis attempted in the preceding sections. In no way do they anticipate those to be reached at the Expert Group Meeting, after full discussion of the subject matter. Hopefully, however, they are put forward as possible premises for recommendations. They are summarised thus:-

- 1) It is highly probable that a close inter-relationship exists between the acceleration of industrialisation in developing countries - the user of modern technology, and the rise and growth of indigenous industrial consultancy - a favoured dealer in that technology.

- 2) It follows that the urgency of stimulating the rise and growth of consultancy services must correspond to that of accelerating industrialisation.
- 3) There exist in developing countries many favourable factors and circumstances conducive to rapid growth of industrial consultancy.
- 4) A national consulting organisation constitutes a powerful aid to the building up of a viable consultancy profession at home and a strong stimulant to collaboration with similar bodies abroad particularly in neighbouring countries.
- 5) Inter-regional cooperation of consulting organisations may present problems arising largely from the size of the area covered by the developing countries and the attendant difficulties of contact and communication. These problems are not insoluble. The establishment of a Third world Consulting Confederation is a compelling necessity.
- 6) Aid from outside the profession is likely to be forthcoming from national governments, UNIDO and other international aid agencies and institutions.
- 7) An overall responsibility for industrialisation in developing countries requires UNIDO to use its best endeavours to promote cooperation among consulting organisations in developing countries, as well as between them and international foreign consultants, in the context of the Lima Declaration and Plan of Action.

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