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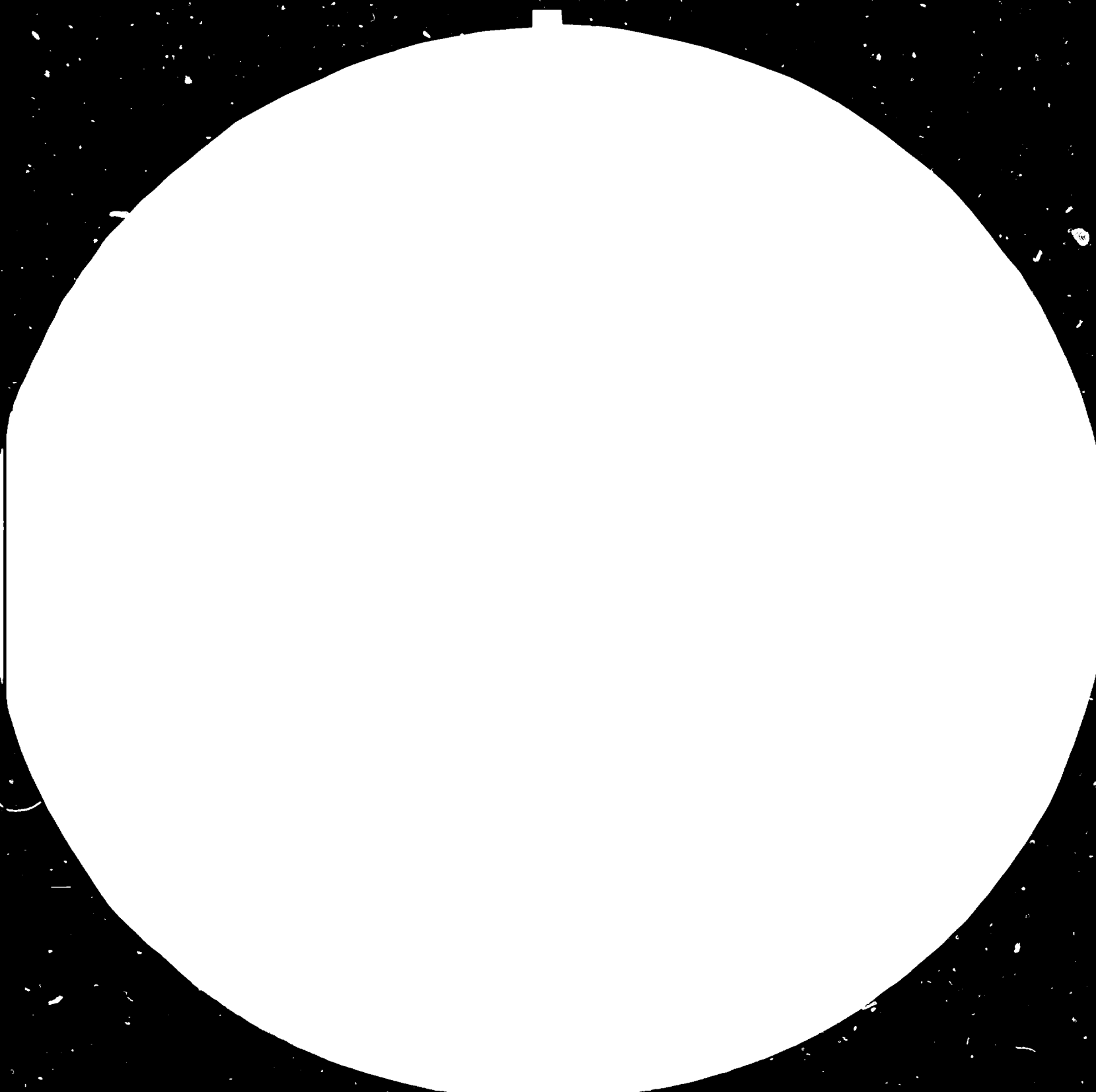
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"The Tenth Round Table of Developing Countries
Industrial Development and Co-operation among
Developing Countries from Small-Scale Industry
to the Transnational Corporations"

Zagreb, Yugoslavia, 15-17 September 1982

UNCTAD/ECDC Programme on Multinational Enterprises *
1982-84

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** IDC: Institute for Developing Countries

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There is a long-term programme that UNCTAD has prepared and is implementing in the matters of support measures for the establishment of joint ventures or multinational enterprises in developing countries (DCs). The long-term objectives of this Programme is to continue the support and strengthening of the DCs for self-sustaining growth and collective self-reliance. In undertaking this arrangement the UNCTAD feels obliged to take particularly into consideration the DCs' regional and strategic importance. This is a very comprehensive programme, involving not only UNCTAD, but also a close collaboration with the UNIDO, FAO, UNCTC, as well as the regional commissions.

During the first phase of the programme which covers the following two years, six basic areas have been already selected for research. The aim of the Programme is, however, not only to produce research work, but to facilitate the process of discussion and negotiation among the interested parties for the establishment of joint ventures.

The first area of UNCTAD programme of work refers primarily to the identification of multinational investment projects in DCs. The first one is the identification of on-going projects or prospective projects through the process of

close consultations with the planning boards and appropriate bodies in DCs. There are some arrangements have been already made in small regions (i.e. Central America) by which the regional development banks will provide technical assistance to governments for filling in the adequate questionnaires.

The second exercise in the updating of regional studies that UNCTAD already prepared 5 years ago. The basic idea of preparing case studies in the conceptual criteria for the establishment of multinational investment projects or guidelines in regard to the modalities and contractual arrangements, according to the factorial experience.

The third exercise is a more academic one, by which the UNCTAD is providing a close examination of the trade flows in the last ten years between the developed and developing countries, as well as among the developing countries themselves. Taking as the basis of this study the research work made by UNCTAD in the last 3 years, the main purpose is to select those products' categories which have shown a greater rate of growth in that period (both North-South and South-South). This will be supplemented by incorporating other criteria concerning economies of scale, and complementarities of resources. It seems that in a period of 6 months the UNCTAD will be able to provide a global panorama of the juridical possibilities for industrial specialisation of economies of scale and complementarities among DCs. Further work of UNCTAD organization will be less oriented on the preparation of pre-investment studies, but rather on mobilizing the DCs efforts in undertaking and preparing such projects. Also, UNCTAD will be ready to continue the assistance

upon specific request, in the preparation of the feasibility studies in DCs.

The fourth exercise is the preparation of what might be called global sectoral studies in certain specific areas, i.e. fertilizer, pulp and paper and rubber products, etc. Such information would facilitate the move to the next stage which is the preparation of the establishment of a specific clearing house, or a centre for collection, processing and dissemination of information, at national, regional and/or inter-regional levels.

The fifth activity refers to the direct investment flows from the developing technology-exporting countries to other DCs. The basic purpose of this study will be to collect information on the tendency of this flow, concentration of this flows, characteristics and modalities of the direct investment, whether this investment has been addressed mainly to take-over or whether new enterprises have been formed with other DCs and what are the main characteristics. At the same time, the UNCTAD officers are also being engaged in the examining of the financial possibilities for mutual co-operation among the sub-regional and regional banks for the provision of equity and medium and long-term financing. Taking into consideration the present and the probable future prospects of the international economy, it seems that the tripartite modality of co-operation involving two or more countries with the support of international community would be the most suitable modality, so the adequate examinations would be provided.



