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**Regional Meeting of Ministers of Industry
of Asia and the Pacific**

New Delhi, 19 - 20 October 1995

REPORT**

**Prepared by
the UNIDO Secretariat**

* Reissued for technical reasons
** This document has not been edited

This meeting was organized by the United Nations Industrial Development Organization in cooperation with the United Nations Economic and Social Commission for Asia and the Pacific and the Government of India.

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I. Introduction

The Meeting of Ministers of Industry of the Asia and Pacific region was convened in pursuance to decision GC.5/Res.14, adopted by the Fifth Session of the General Conference of UNIDO, which requested the Director-General to organize a regional meeting of Ministers of Industry from the countries of the Asia and Pacific region, with the cooperation of ESCAP and other interested organizations, in order to review the potential for activities that would promote regional cooperation in the industrial sector within the spirit and framework of the UNIDO Special Programme for the Industrial Development of the region. The meeting was designed so as to provide valuable inputs to the Sixth session of the General Conference of UNIDO, to be held in Vienna from 4-8 December 1995 as well as to the ESCAP meeting of Ministers of Industry and Technology, initially scheduled to be organized in 1997.

Under the theme "Accelerated Industrial Development and Competitiveness in the Asia and Pacific Region", the objective of the Meeting was to address and review a selected number of prominent issues related to the intense competition in an increasingly global world economy and to the repercussions of salient current trends on industry in the Asia-Pacific region. At the same time, the Meeting provided an opportunity to agree on possible solutions and the policy responses necessary to meet existing and newly emerging challenges.

The assessments were oriented towards five key subjects: (i) competitiveness challenges at macro level; (ii) competitiveness challenges at enterprise level; (iii) ecologically sustainable industrial development; (iv) special problems of the region's least developed countries; and (v) the UNIDO Regional Programme for Asia and the Pacific. A set of five conference papers was prepared by the Secretariats of UNIDO (items ii., iii. and v.) and ESCAP (items i. and iv.) and made available prior to, as well as at the beginning of, the Meeting.

II. Organization of the Ministerial Meeting

The Meeting was held at the Vigyan Bhawan Conference Centre, Maulana Azad Road, New Delhi, India, from 19 to 20 October 1995. It was jointly prepared by the Secretariats of UNIDO and ESCAP and enjoyed full logistical support from the Department of Industrial Policy and Promotion, Ministry of Industry, Government of India.

The Meeting was attended by some 90 representatives from the countries as well as from important institutions of the region. The Ministers, Deputy Ministers, Vice Ministers, Assistant Ministers, Secretaries-General of Industry and other senior representatives from the Islamic State of Afghanistan, Australia, Bangladesh, Brunei Darussalam, Cambodia, the People's Republic of China, the Democratic People's Republic of Korea, India, Indonesia, the Islamic Republic of Iran, Kiribati, the Lao People's Democratic Republic, Malaysia, Maldives, Mongolia, Myanmar, Nepal, Pakistan, the Philippines, the Republic of Korea, Singapore, Sri Lanka, Thailand and Viet Nam participated in the Meeting. Mr. Elliott, Director, Industry and Technology Division, represented ESCAP in the absence of its Executive Secretary, Mr. Mooy. A list of participants is attached as an annex to this report.

The Inaugural Session of the Meeting was honoured by the presence of His Excellency, Dr. Shankar Dayal Sharma, President of India. Following the opening ceremony, a welcome address was given by Dr. C. Silvera, Minister of State for Industry. Mr. Mauricio de Maria y

Campos, Director-General of UNIDO, provided opening remarks.¹ Major recent industrial development challenges in the Asia-Pacific region were sketched out in the Keynote Address by His Excellency, Shri K. Karunakaran, Minister of Industry. The President of India delivered the Inaugural Speech. The Vote of Thanks was proposed by the Minister of State for Industry, Shri M. Arunachalam.

The first Plenary Session commenced with the election of the Bureau of the Meeting (**agenda item 1**). His Excellency Shri K. Karunakaran, Minister of Industry of India, was elected Chairman of the Meeting by acclamation as were His Excellency Dhundi Raj Shastri, Minister of Industry of Nepal, and His Excellency Anusorn Wongwan, Deputy Minister of Industry of Thailand, as Vice-Chairmen. Mr. Ahmad Ahmadi of the Permanent Mission of the Islamic Republic of Iran, Vienna was chosen as Rapporteur of the Meeting.

Mr. Mauricio de Maria y Campos, Director-General of UNIDO, delivered his policy statement (**agenda item 2**) which was followed by messages of the United Nations Secretary-General and the Executive Secretary of ESCAP (**agenda item 3**), both read by the ESCAP representative.

Thereafter, the Meeting was opened to statements by various delegations.

An informal working group under the chairmanship of Shri Shunglu, Secretary, Ministry of Industry, Government of India, was established to finalize the draft New Delhi Declaration on Accelerated Industrial Development and Competitiveness in the Asia and Pacific Region. The Declaration was adopted unanimously by the Ministers at the concluding session of their Meeting.

III. Main points of discussion

In response to the conference papers prepared by the Secretariats of UNIDO and ESCAP and to the statements made by the Director-General of UNIDO and the representative of ESCAP, the floor was taken by Ministers and senior officials from the countries attending the Meeting and by other participants. Grouped under the agreed agenda items, the deliberations can be summarized as follows:

Agenda item 4. Perspectives for competitive industrial development in Asia and the Pacific region in the context of evolving global developments

The Meeting, while deliberating on the prospects and challenges for promoting industrial and technological competitiveness in a fast changing world, noted with satisfaction that Asia and the Pacific region had emerged and sustained its dynamism and competitiveness. The phenomenal growth of manufacturing value-added in several developing economies of the region was achieved through structural change and building up of appropriate technological capabilities. It was pointed out that the new international arrangements and globalization of manufacturing production were likely to strengthen the region's capacity for sustaining this dynamic process.

¹ The full text of this and the below mentioned speeches/statements can be obtained on request from the UNIDO Secretariat, Director, Asia and the Pacific Programme, Country Strategy and Programme Development Division, P.O. Box 300, A-1400 Vienna, Austria

The meeting was also of the view that the outcome of the Uruguay Round was likely to have a positive impact on efforts aimed at improving industrial and technological competitiveness of the region. The various provisions such as the Trade-related Intellectual Property Rights Agreement (TRIPs) and the Trade-related Investment Measures Agreement (TRIMs) were expected to improve the global flows of trade, investment and technology. It was, however, pointed out that various national-level means, including reoriented policies and institutional arrangements, were required to be implemented in order to benefit from the global agreements of the Uruguay Round. Regional cooperation among countries was considered very necessary in this regard.

The Meeting was of the opinion that the capital surplus countries needed to intensify their efforts in promoting outflows of investment resources and further enhance technology transfer. These measures would not only result in overall improvement of competitiveness of the Asia-Pacific region, but would also result in relocation of industries and a balanced development of industrial activities with appropriate use of scarce resources.

The Meeting emphasized that UNIDO and ESCAP should strengthen their efforts to develop the institutional capability of the developing countries to utilize various provisions of the Uruguay Multilateral Agreements as well as regional and subregional arrangements to promote industrial competitiveness. As the developing countries begin to embark on policies and programmes to integrate their economies with global and regional flows of investments and technology, UNIDO and ESCAP could assist them in their efforts to create a new generation of public officials/experts, industrial managers, private sector investors and technology specialists so that their institutional capability can be enhanced in an increasingly globalized environment.

The Meeting also recommended that UNIDO and ESCAP strengthen their efforts to develop a vibrant private sector so that it can respond quickly and flexibly to internal and external challenges and opportunities. In this respect, the less dynamic countries and transitional economies of the region require significant assistance. Efforts could be increased to upgrade the entrepreneurial and managerial capability of the private sector through skills training, technology transfer and improving access to industrial finance.

As foreign direct investment (FDI) will continue to play a key role in promoting and sustaining industrial competitiveness, the Meeting recommended that UNIDO and ESCAP assist the countries of the region to benefit from those forms of FDI which exploit industrial complementarities through relocation and complementation, facilitate technology transfer and create employment opportunities. In this respect, provision of information and exchange of ideas and experiences among private sector entrepreneurs and policy makers through investment promotion meetings, sub-contracting exhibitions, research and studies could be of significant help to the countries of the region, particularly to the less dynamic and transitional economies.

Agenda item 5: Coping with the competitiveness challenge at enterprise level: innovation, new technologies and institutional support

The crucial role of technology for enterprises to meet the competitiveness challenge in an increasingly liberalized and globalized market context was highlighted by most delegates. The availability of cheap labour is no longer a sufficient prerequisite for international competitiveness, as many countries are experiencing that the factor advantage of cheap labour has been substantially eroded by increased automation and replacement of labour-intensive production processes.

In this context, the importance of building up core technological competencies in enterprises enabling them to generate new or improved products and services was widely recognized. This requires not only the development of specific technological skills and modern machinery, but equally importantly the build-up of management capability for technology acquisition, adaption and innovation.

A number of suggestions were made for improving technology access and the strengthening of core competencies as below:

- (i) promotion of foreign direct investment, thereby enabling private sector enterprises to acquire capital, skills and technologies;
- (ii) promotion of generic technologies, particularly information technologies, biotechnology and new materials, enabling enterprises to bring about a significant transformation in products as well as production and management functions;
- (iii) increased cooperation amongst the countries of the Asia and Pacific region for sharing of technology and exchange of expertise;
- (iv) increased attention to human resource development in defined technology areas, which may vary from country to country;
- (v) cooperation amongst enterprises and research and development (R&D) establishments of the region for joint development of technologies;
- (vi) strengthening of South-South cooperation;
- (vii) strengthening or rehabilitation of institutional support agencies in the technological field;
- (viii) maintenance of a databank by UNIDO on technologies available in the region.

In pursuance of the above, one delegate proposed a specific new initiative at regional level. UNIDO should initiate action to set up an Asian Fund for Technology which could provide financial support for enterprises with proposals to launch technology development programmes in cooperation with other enterprises located in different countries.

Agenda item 6: Ecologically sustainable industrial development: challenges and options for Asia and the Pacific

The rapid pace of industrial development in the Asia-Pacific region as a whole has created serious pressures on environmental resources. On current trends, the combination of industrial and economic growth, environmental degradation and population growth poses serious threats to sustainable development. The major environmental challenges facing the region are related to: atmospheric pollution and climate change, forest conservation, clean and adequate provision of water, clean and efficient energy development, biodiversity, marine and coastal pollution, and the management and disposal of solid wastes. The relevant question is how countries of the region, especially the least developed countries (LDCs) can meet these challenges.

Four identifiable constraints have limited the sustainable development of industry in the Asia-Pacific region. These are: policy distortions especially relating to unrealistic pricing of resources, notably water and energy; weak institutional capacities for monitoring of environmental impacts and enforcement of regulations; lack of cleaner and (energy) efficient technologies; and insufficient collaboration between government and private industry.

The Meeting recommended that the responses identified by UNIDO to deal with the above constraints should be adopted and implemented by industry, government and relevant international agencies. Undoubtedly these measures need to be tailored to meet the specific needs of respective countries even as the general thematic priorities were endorsed by most delegations. The main areas where the Meeting called upon UNIDO to assist countries of the region in supporting their ecologically sustainable industrial development (ESID) programmes include:

- the application of cleaner production techniques and technologies;
- energy conservation, efficiency and climate change;
- formulation and implementation of ESID strategies including the promotion of economic incentive policies for pollution prevention and the use of environmental management systems by industry;
- meeting increased ecolabelling requirements, especially through the establishment of certification centres and accreditation bodies; and,
- environmentally sound management of natural resources (especially water and energy) by industrial sectors.

Specific suggestions were made by several delegations (India, Iran, Indonesia, Pakistan, Sri Lanka, Thailand, the Philippines, Lao PDR, Cambodia, Nepal and Afghanistan) for continued assistance by UNIDO for ESID and the transfer of environmentally sound technology.

One delegate stressed the importance of UNIDO assistance to implement environmental management systems, establish waste minimization facilities, and for industrial and hazardous waste disposal. Another delegate gave its specific support to the response measures outlined in the UNIDO paper on "ESID: Challenges and options in Asia-Pacific" as areas where UNIDO assistance should be targeted. The statement made by the representative of the Asian Productivity Organization (APO) focused on the importance of combining pollution prevention with improved

productivity. In this context, the possibilities of co-operation between APO and UNIDO were discussed.

A specific proposal was made for UNIDO to initiate action to set up a regional Asian Fund for the development and appreciation of clean technologies in specific industries. Such a fund could be beneficial especially to the LDCs of the region.

Agenda item 7: Least developed countries in Asia and the Pacific region

The Meeting, while expressing its satisfaction with the overall performance of the industrial sector in developing countries of the region, emphasized that there was a need to improve the industrial situation in the least developed, land-locked and island developing countries, as well as economies in transition. A review of industrial progress in these countries as well as the current issues and challenges in industrialization did suggest that these disadvantaged groups of economies need to strengthen their domestic efforts in effectively implementing relevant institutional facilities, so that the private sector could play significant roles.

The sharp contrast of the pace in the economic growth of the developing countries in Asia and the Pacific in general and of the LDCs in particular was emphasized and special measures to address the needs of these countries were called for. Reference was made to the declaration of support to LDCs made by the meeting of the Foreign Ministers of the Non-aligned Movement, held in Bandung, Indonesia, and to the Expert Group Meeting on Sustainable Private Sector Development and Accelerated Growth of Industrial Enterprises in LDCs, organized by UNIDO in Kathmandu, Nepal, both in April 1995.

The Meeting was of the view that building of technological capabilities through appropriate development of industrial and technical skills and infrastructure should be a priority concern for the LDCs and the economies in transition. These countries needed to allocate increased resources for those purposes.

It was also stressed that while the disadvantaged group of countries needed to step up their national efforts for industrial and technological development, it was essential and urgent that the international community both at bilateral and multilateral levels, provides increased support and assistance to these countries. Assistance in building up national capabilities for skills development, technological innovation and assessment and overall technological transfer would be most beneficial and useful. In this connection, the proposed establishment of a Regional Fund for the introduction of clean technologies referred to above was understood to contain special provisions for the region's LDCs.

Nearly all delegations emphasized the important role of ECDC/TCDC in the region in general and as a vehicle for assisting the group of LDCs in particular. A number of countries also offered to provide services and assistance in such initiatives.

UNIDO and ESCAP were called upon to promote programmes in support of LDCs and to utilize the potential for ECDC/TCDC in the region. Special programmes need to be developed for the rehabilitation and reconstruction of industries in war-torn countries such as Afghanistan.

Agenda item 8: UNIDO regional programme for Asia and the Pacific: achievements and perspectives

The Meeting referred to the document describing the UNIDO Programme for Asia and the Pacific: achievements and perspectives. The Meeting expressed appreciation for the services provided at country, subregional and regional levels and stressed continued and even increasing relevance of UNIDO's services in Asia-Pacific. It discussed various measures which UNIDO and ESCAP, singly or jointly, could undertake to promote the industrial development of the countries in the region. The Meeting noted with concern the decline of the delivery of technical cooperation services to the region in recent years which, it agreed, was due to reasons beyond UNIDO's control. The Meeting expressed the hope that efforts will be made by UNIDO to mobilize alternative resources.

Agenda item 9: Report on the Government of India/UNIDO Forum on Industry

Participants were briefed by UNIDO on the objectives, major lines of discussion and results of the New Delhi Global Forum on Industry which had been held from 16 to 18 October 1995, just prior to the Ministerial Meeting. Focusing on the role, salient trends and prospects of world industry at the turn of the century, discussions at the Forum had been oriented towards the future of world industry, liberalized trade and investment, the crucial role of technology, environmental challenges and opportunities, employment and social aspects, globalization and industrial partnerships, and international cooperation.

Some salient findings of the Forum were highlighted as follows:

- i) The Forum underlined the importance of industrial growth, diversification and dispersal as the principal means for creating new jobs and incomes in less developed regions. The process of industrialization requires that the transition phase from low to high technology be properly programmed in order to avoid increasing unemployment and widening income gaps.
- ii) The acceleration of the pace of industrialization in developing countries should take place in a framework of private sector development and increased export orientation. Market-friendly interventions in the form of incentives will be necessary to correct market failures and shortcomings. Such intervention and support functions must be provided at the local, state and international levels.
- iii) The future growth of the world economy, and of manufacturing and services, will be largely skill-based. To reduce their initial handicaps, developing countries will need to concentrate on the development of human resources and on new technological skills and innovative capability.
- iv) The Forum highlighted technology as a core competence in competitiveness. It must be based on integrated development efforts and capabilities which can be used in different market conditions. Such competitiveness in internal and external markets are two sides of the same coin.

IV. Agreed conclusions and recommendations

The deliberations and discussions among the Ministers of Industry and the senior Government representatives resulted in a unanimous adoption of the New Delhi Declaration on Accelerated Industrial Development and Competitiveness in the Asia and Pacific region which is reproduced in the immediately following section V. While the Meeting attached equal importance to all parts of the New Delhi Declaration, it considered paragraph 8 of that document to provide a blueprint for UNIDO and ESCAP to strengthen and/or develop appropriate services for the accelerated industrialization of the developing countries of the Asia and Pacific region.

V. The New Delhi Declaration on Accelerated Industrial Development and Competitiveness in the Asia and Pacific Region

We, the Ministers for Industry of the nations of the Asia and Pacific region and our senior representatives, meeting at New Delhi, India, from 19 to 20 October 1995,

Recalling the decisions adopted at previous ministerial meetings at global and regional levels in the field of industry, in particular, the Yaoundé Declaration adopted at the fifth session of the General Conference of the United Nations Industrial Development Organization (UNIDO) in 1993, and the 1992 Tehran Declaration on Strengthening Regional Cooperation for Technology-led Industrialization in Asia and the Pacific,

Having considered the challenges and opportunities arising from the recent changes in the world economic situation and their impact on industrial development in the region,

Emphasizing that industrialization has been and will remain an essential component of the efforts of all countries, including ours, to achieve sustainable development based on optimum use of human and other resources available in the countries and that the role of industry and its accelerated promotion remains essential for economic, social and human advancement, employment generation and poverty elimination,

Supporting fully the position of the Group of 77 and the Non-Aligned Movement that United Nations organizations that promote and enhance international economic cooperation for sustained economic growth and sustainable development on a global basis, including the United Nations Conference on Trade and Development (UNCTAD) and UNIDO, should be strengthened,

Bearing in mind that the Asia and Pacific region has experienced considerable rates of growth despite highly competitive global economic conditions, due to the determined efforts of the countries of the region to pursue open, market-oriented policies aimed at strengthening regional and subregional economic cooperation and integration with the global economy,

Believing that sustainable development requires effective and supportive government actions and policies as well as a conducive external environment, including a fair and free trading system, access to technology and finance, and development assistance,

Recognizing that industrialization in our region faces great challenges and opportunities, including intraregional imbalances in industrial development, those related to environmental protection, better and efficient use of non-renewable resources, the new trading system, meeting

standards of quality and poverty elimination. At the same time, our region has considerable resources of skilled manpower, technology and finance, on which stronger international, regional and subregional cooperation can be developed taking also into account the active involvement of regional and subregional organizations in the region.

Declare as follows:

1. Affirm the central and vital role of UNIDO in the United Nations system in the field of industrial development, and that it has made very commendable progress in implementing unprecedented reforms designed to make it a more efficient and effective instrument and vehicle for industrial development, with a more clearly defined role, keeping in view the changes in the global economy and the increasing needs of the developing countries for more specialized technical cooperation in the field of industry. We therefore consider that in any agenda for development adopted by the United Nations, the importance of sustainable industrial development and the specialized role of UNIDO should be fully taken into account and further strengthened:
2. Express our concern, especially in view of the above, that certain suggestions have been made that promotion of industrial development should be left entirely to market forces and that international organizations such as UNIDO have no longer any role to play in this process. On the contrary, we consider that the role of UNIDO has assumed an even greater importance and that it is an essential and vital component of the activities of the United Nations system:
3. Call upon all Member States of UNIDO to continue to fully support the Organization in carrying out its approved programmes and activities. We support all measures to alleviate the cash flow problems of the Organization caused by uncertainty in the payment of assessed contributions:
4. Consider that technical cooperation services rendered by UNIDO to our region have made a significant impact in stimulating sustained industrial growth. We encourage UNIDO to further develop its regional programmes for the region, and to strengthen cooperation with the Economic and Social Commission for Asia and the Pacific (ESCAP), the Asian Development Bank and other regional and subregional organizations in working out joint cooperation programmes for the region taking into consideration the recommendations set out in the Tehran Declaration as well as new programmes that will be developed in line with the new priorities of the Organization:
5. Urge that, in view of the growing and important role of the private sector in industrial development in most countries of the region, concerned international and regional organizations particularly UNIDO and ESCAP, should strengthen their cooperation with this sector, *inter alia*, through closer interaction with business and industry associations on a demand-driven basis and dissemination of information on their services at major industry-related conferences and meetings:
6. Recognize that our region faces growing problems in the area of environment protection and optimum use of non-renewable resources, particularly energy. In many countries, there is the need to direct industrial development towards the goal of poverty elimination. The small- and medium-scale industries sector is faced with the challenge of coping with global integration and competing on an international level. Technology upgrading and improving competitiveness are key areas of concern. There is an important role for UNIDO in all these areas including, *inter alia*, implementation of projects related to environmental conventions and treaties, particularly through regional and subregional programmes which could benefit many countries. Promoting

economic and technical cooperation among developing countries (ECDC/TCDC) activities (especially those related to capacity-building and transfer of technology negotiations), human resources development, special programmes for least developed countries (LDCs) and integration of women in industry are of particular importance for our region:

7. Take note with keen interest of the results of the Global Forum on Industry: Perspectives for 2000 and Beyond, held at New Delhi, India, from 16 to 18 October 1995, and consider that the Forum has made a very important contribution to charting a programme of action for industrial development on a global level for the next decade. We commend the conclusions of the Forum and look forward to a full discussion of them during the sixth session of the UNIDO General Conference in Vienna in December 1995:

8. Recommend the following actions to be taken by UNIDO, ESCAP or through joint endeavours, as specified below, in order to effectively address major industrial development issues associated with increased competitiveness:

(a) With regard to persisting and newly-emerging challenges and opportunities in the trade and investment environment at the international level, UNIDO is invited:

(i) To launch a programme of integrated advisory services for industrial policy formulation and competitiveness strategies. In this endeavour, due account is to be taken of the explicit integration of policy- and enterprise-level decisions to ensure a faster convergence between, and a greater efficiency of, strategic moves by both Governments and industrial enterprises, with a focus on the private sector;

(ii) To elaborate adequate measures of assistance following the conclusion of the Uruguay Round Agreements with a view to facilitating necessary adjustments as well as to deriving maximum benefits for the countries in the region;

(iii) To explore together with ESCAP possibilities to further support and foster recent moves of industrial cooperation at the subregional level, ranging from analytical work to policy advice and institution-building. Relevant activities may include, but need not be limited, to subregional groupings and other forms of cross-border collaboration such as the Association of South-East Asian Nations (ASEAN), the Economic Cooperation Organization, the South Asian Association for Regional Cooperation, the ASEAN Free Trade Area, the South Asian Preferential Trade Agreement, the programme for the Tumen River Economic Development Area in northeast Asia and various economic triangles, especially in East and Southeast Asia;

(iv) To step up, in view of the constraints witnessed with regard to the extension of the physical infrastructure in the region, existing activities in the field of build-operation-transfer schemes:

(b) Bearing in mind the ever-increasing role that the mastering of technology plays in achieving and maintaining industrial competitiveness at the enterprise level, Ministers call upon UNIDO and ESCAP, when appropriate on a cooperative basis:

(i) To establish mechanisms of enhanced cooperation between enterprises and R and D establishments and institutions of the region for the joint development of technologies;

- (ii) To strengthen regional programmes for increased cooperation among the countries of the Asia and Pacific region for sharing of technology and exchange of expertise;
- (iii) To promote the use of generic technologies, particularly information technologies, biotechnology and new materials that enable enterprises to bring about a significant transformation in products as well as production and management functions;
- (iv) To enhance human resource development efforts in defined technology areas;
- (v) To strengthen, rehabilitate or establish new institutional support agencies in the field of technology; this may include the creation of relevant high-tech centres at the regional level;
- (vi) To initiate where necessary and to strengthen programmes of South-South cooperation, with a focus on specific technical and managerial training.

UNIDO is specifically requested to initiate action to set up an Asia and Pacific Fund for Technology with a view to launching technology development programmes in cooperation with and among enterprises located in different countries:

- (c) Reflecting an increasing awareness in the region of the potential benefits to be derived from pursuing future industrial development on the basis of ecological sustainability, Ministers request UNIDO to enhance its activities pertaining to the support of ecologically sustainable industrial development (ESID) programmes at country and (sub)regional levels. These include:
 - (i) Assistance in the formulation and implementation of ESID strategies, including the elaboration of national Agenda 21 programmes, the promotion of economic incentive policies for pollution prevention and the use of environmental management systems by industry;
 - (ii) The application of cleaner production techniques and technologies. In this context, efforts should be stepped up to increase the number of UNIDO cleaner production centres currently operating in the region as demonstration, information and training facilities;
 - (iii) Measures geared to energy conservation, enhanced energy efficiency and to problems associated with climate change;
 - (iv) Assistance in enabling the countries of the region to meet increasing ecolabelling requirements, especially through the establishment of certification centres and accreditation bodies;
 - (v) The introduction of environmentally sound management of natural resources (especially water and energy) by industrial subsectors;
 - (vi) Continued assistance regarding the transfer of environmentally sound technology;
 - (vii) Enhanced support for the implementation of environmental management systems, with particular emphasis on the establishment of waste minimization facilities and on hazardous waste disposal.

Ministers especially request UNIDO to initiate action to set up a regional Asia and Pacific Fund for the development and application of clean technologies in selected key industries, with a special window for the LDCs in the region.

(d) In order to step up efforts to address the specific industrial development including the mobilization of necessary funds, needs of the least developed and other disadvantaged countries in the region. Ministers recommend action by UNIDO:

(i) To maintain the momentum gained in the programming and implementation of the Special Programme for the Industrial Development of Asia and the Pacific, focusing on agro-related metalworking and food-processing industries in least developed countries, and to initiate the formulation of similar programmes in two additional subsectors, including the mobilization of necessary funds;

(ii) To supplement the Special Programme by making additional specific efforts in the provision of services to the group of LDCs geared to establish viable indigenous industries, to facilitate their integration into the regional and global economy and to narrow down the development gap *vis à vis* the more advanced countries of the region. Appropriate measures would include subregional and country-specific initiatives in vital areas such as creating and developing an enabling environment for small- and medium-scale industries; ecologically sustainable industries encompassing the establishment of a clean technology fund (see (c) above); the mobilization of financial resources as well as the development of human resources for the management and application of technology;

(iii) To intensify the promotion and utilization of economic and technical cooperation among developing countries in the provision of services to least developed countries as described above, to the extent possible in cooperation with ESCAP;

(e) With regard to the overall significance of the activities of UNIDO in the Asia and Pacific region and in view of the decline of the funding potential from traditional sources, Ministers call upon UNIDO to step up its efforts to mobilize funding from all alternative sources;

9. Urge that the recommendations in the preceding paragraph be followed up further by incorporating specific technical cooperation activities in programmes of UNIDO for the Asia and Pacific region;

10. Request the Director-General of UNIDO to organize, in cooperation with ESCAP and other interested organizations and taking into account respective high-level meetings of each organization, the next Meeting of Industry Ministers of the region to be held at an appropriate time before the seventh session of the General Conference of UNIDO;

11. Thank the Government of India for the warm welcome and hospitality and excellent facilities provided for the meeting, which have helped greatly in achieving successful results.

Annex: List of participants**I. GOVERNMENT REPRESENTATIVES****Afghanistan**

- 1) Dr. Ahmad Mushahed, Acting Minister, Ministry of Light Industry
- 2) Mr. Abdul Rahim, Counsellor, Embassy of Afghanistan, Beijing

Australia

- 1) Mr. D.P. Gribble, High Commissioner, High Commission of Australia, New Delhi

Bangladesh

- 1) Mr. C.M. Shafi Sami, High Commissioner, High Commission of Bangladesh, New Delhi
- 2) Mr. Athar Islam Khan, Minister (Commerce), High Commission of Bangladesh, New Delhi
- 3) Md. Sufiur Rahman, Second Secretary, High Commission of Bangladesh, New Delhi

Brunei Darussalam

- 1) H.E. Mr. Pehin Dato Haji Abdul Rahman Taib, Minister of Industry and Primary Resources
- 2) H.E. Mr. Dato Paduka Haji Mohd. Adnan Bin Buntar, High Commissioner, Embassy of Brunei Darussalam, New Delhi
- 3) Mr. Haji Zulzalani Haji Osman
- 4) Mr. Haji Abd Rahman Bin Haji Chuchu, Head of Promotion Section, Ministry of Industry and Primary Resources
- 5) Mr. Haji Abd Wahab Bin Juned, Director of Industry Unit, Ministry of Industry and Primary Resources
- 6) Mr. Haji Razali Bin Mchd. Yusof, Head of Policy and Planning Section, Ministry of Industry and Primary Resources

Cambodia

- 1) H.E. Mr. Hul Lim, Under-Secretary of State of Industry, Mines and Energy
- 2) Mr. Keo Chhea, First Secretary, Royal Embassy of Cambodia, New Delhi

China

- 1) H.E. Mr. Pei Yuanying, Ambassador, Embassy of the People's Republic of China, New Delhi
- 2) Mr. Sun Yongfu, Deputy Director, Programme and Planning Division (CICETE)
- 3) Mr. Wang Huijong, Vice-President, Academic Committee, Development Research Centre of the Chinese State Council

Democratic People's Republic of Korea

- 1) H.E. Mr. Cha Bong Ju, Ambassador, Embassy of DPR of Korea, New Delhi
- 2) Mr. Pak Chun II, First Secretary, Embassy of DPR of Korea, New Delhi

India

- 1) Mr. K. Karunakaran, Minister of Industry, Government of India
- 2) Mr. V.K. Shunglu, Secretary, Department of Industrial Policy & Promotion, Ministry of Industry
- 3) Mr. E.A.S. Sarma, Additional Secretary, Ministry of Industry
- 4) Mr. Pratibha Karan, Joint Secretary, Ministry of Industry
- 5) Mr. Ashok Kumar, Joint Secretary, Ministry of Industry
- 6) Mr. Ashok Jha, Joint Secretary, Ministry of Commerce
- 7) Mr. Nirmal Andres, Joint Secretary, Ministry of Environment and Forests
- 8) Mr. Ranjit Rae, Director, Ministry of External Affairs
- 9) Mr. N.N. Prasad, Director, Ministry of Industry
- 10) Mr. Raghav Chandra, Deputy Secretary, Ministry of Commerce

Indonesia

- 1) Mr. A. Fuad Rivai, Secretary General, Ministry of Industry
- 2) Toto Sudarmasto, Head of the Bureau of Planning, Ministry of Industry
- 3) Mr. Hidayat Suwandi, Industrial Attaché, Permanent Mission of Indonesia, Vienna
- 4) Mr. Hamdani Djafar, Senior Official, Ministry of Foreign Affairs, Jakarta
- 5) Mr. I.G. Ngurah Ardiyasa, Second Secretary, Embassy of Indonesia, New Delhi

Iran

- 1) H.E. Mr. Ahmad Doust Housseini, Deputy Minister of Industries for Industrial Development
- 2) Mr Ahmad Ahmadi, Alternate Permanent Representative, Permanent Mission of Iran, Vienna
- 3) Mr. Morteza Damanpak-Jami, Third Secretary, Permanent Mission of Iran, Vienna

Kiribati

- 1) Hon. Tim Taekiti, Minister of Commerce, Industry and Tourism
- 2) Mr. Baraniko Mikaere, Secretary, Ministry of Commerce, Industry and Tourism

Lao People's Democratic Republic

- 1) H.E. Mr. Khammone Phonekeo, Vice-Minister, Ministry of Industry and Handicrafts

Malaysia

- 1) Mr. Wan Hussain Mustapha, High Commissioner, High Commission of Malaysia, New Delhi
- 2) Mr. Kamilan Maksom, Counsellor, High Commission of Malaysia, New Delhi

Maldives

- 1) Mr. Ahmed Naseem, Director, Foreign Investments, Ministry of Trade and Industries

Mongolia

- 1) H.E. Mr. T. Chimiddorj, Ambassador, Embassy of Mongolia, New Delhi
- 2) Mr. O. Ochirjav, Counsellor, Embassy of Mongolia, New Delhi

Myanmar

- 1) Major General Kyaw Than, Minister, Ministry of No. 2 Industry
- 2) Mr. U Myint Thein Lwin, Managing Director, Ministry of Industry
- 3) Mr. Aung Hlaing, Director, Defence Industry
- 4) Mr. U Than Htut, General Manager, Heavy Industry
- 5) Capt. Naing Naing Oo, Personal Assistant to the Minister
- 6) Mr. U Than Tun, Charge d'Affairs a.i., Embassy of Myanmar, New Delhi
- 7) Mr. U Kyaw Win, Secretary, Embassy of Myanmar, New Delhi

Nepal

- 1) H.E. Mr. Dhundi Raj Shastri, Minister of Industry
- 2) Mr. Bimal Prasad Koirala, Joint Secretary, Ministry of Industry

Pakistan

- 1) H.E. Dr. Masuma Hasan, Ambassador, Embassy of Pakistan, Vienna
- 2) Mr. Sameen Asghar, Commercial Counsellor, High Commission of Pakistan, New Delhi

Philippines

- 1) H.E. Mr. Juanito P. Jarasa, Ambassador, Embassy of the Philippines, New Delhi
- 2) Dr. Veneranda B. Eclar, Director III, Planning Service, Department of Science and Technology
- 3) Ms. Lolita R. Pamatpat, Director, Board of Investment, Department of Trade and Industry
- 4) Ms. Victoria S. Bataclan, Minister-Counsellor, Permanent Mission of the Philippines, Vienna

Republic of Korea

- 1) Dr. Chung-Duk Kim, Assistant Minister for R&D Policy and Coordination, Ministry of Science and Technology
- 2) Mr. Kie-Cheon Lee, Counsellor, Permanent Mission of the Republic of Korea, Vienna
- 3) Mr. Dae-Hyun Kang, First Secretary, Embassy of the Republic of Korea, New Delhi
- 4) Mr. Hong-Taek Yong, Assistant Director, Research and Planning Division, Ministry of Science and Technology

Singapore

- 1) Mr. Nigel Yeung, Counsellor (Commercial), High Commission of Singapore, New Delhi

Sri Lanka

- 1) H.E. Mr. C.V. Gooneratne, Hon. Minister of Industrial Development
- 2) Mr. W.H.S. Wijeratne, Advisor to the Minister of Industrial Development
- 3) Mr. M. Jayasinghe, Security Officer, Ministry of Industrial Development

Thailand

- 1) H.E. Mr. Anusorn Wongwan, Deputy Minister of Industry
- 2) H.E. Mr. Vichai Vannasin, Ambassador, Royal Thai Embassy, New Delhi
- 3) Mr. Vijarn Sakultub, Deputy Permanent Secretary, Ministry of Industry
- 4) Mr. Santi Pongpandecha, Advisor to the Deputy Minister of Industry
- 5) Mr. Somboon Wanchaitanawong, Assistant Secretary to the Minister of Industry
- 6) Mr. Narong Witayapaisarn, Advisor to the Deputy Minister of Industry
- 7) Mr. Prayudh Kengluetchaibutr, Advisor to the Deputy Minister of Industry
- 8) Mr. Soodsakorn Putho, Minister-Counsellor (Industry), Royal Thai Embassy, Vienna
- 9) Mr. Charmroon Malairong, Director, Policy Planning Division, Ministry of Industry

- 10) Ms. Sutanya Yeesam, Chief, UNIDO Section, Foreign Relations Division, Ministry of Industry
- 11) Mr. Paitoon Songkaeo, Second Secretary, Royal Thai Embassy, Vienna

Viet Nam

- 1) H.E. Mr. Nguyen Xuan Chuan, Vice-Minister, Ministry of Heavy Industry
- 2) Mr. Nguyen Van Dung, Specialist, Ministry of Light Industry

II. INTERNATIONAL ORGANIZATIONS

United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)

- 1) Mr. J.F. Elliott, Director, Industry and Technology Division
- 2) Mr. B.P. Dhungana, Chief Secretary, Industry and Technology Division

United Nations Industrial Development Organization (UNIDO)

- 1) Mr. Mauricio de Maria y Campos, Director-General
- 2) Ms. Olubanké Y. King-Akérélé, Managing Director, Country Strategy and Programme Development Division
- 3) Mr. Hayat Mehdi, Director, Asia and the Pacific Programme
- 4) Mr. Tuhin Verma, Senior Administrative Officer, Country Strategy and Programme Development Division
- 5) Mr. Jürgen Reinhardt, Area Programme Officer, Asia and the Pacific Programme

United Nations Economic Commission for Africa (UNECA)

- 1) Mr. Bobrov Valery, Officer-in-Charge, Industry Division

Asian and Pacific Centre for Transfer of Technology (APCTT)

- 1) Mr. Jürgen Bischoff, Director

Asian Productivity Organization (APO)

- 1) Mr. Ramesh Chander Monga, Research and Planning Officer