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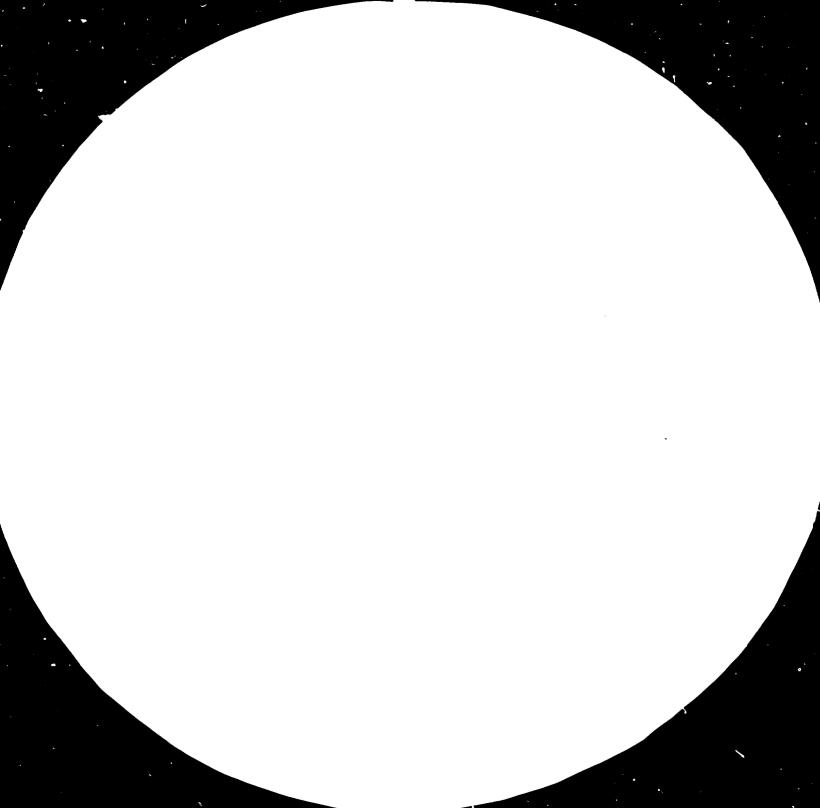
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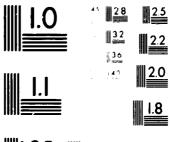
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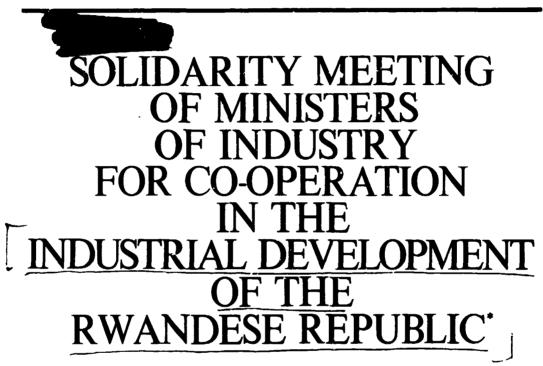
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UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION



Kigali, Rwanda, 5-8 June 1984

REPORT

*This document has been translated from an unedited original.



1984

Explanatory notes

The following abbreviations have been used in this publication:

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ACCT	-	Agency for Cultural and Technical Co-operation
ADB	-	African Development Bank
BRD	-	Rwandese Development Bunk
ECA	-	Economic Commission for Africa
CEPGL	-	Economic Community of the Great Lakes Countries
UAO	-	Organization of African Unity
UNDP	-	United Nations Development Programme

The project numbers refer to the projects listed in document UNIDO/PC.96, prepared for the meeting.

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INTRODUCTION

The Solidarity Meeting of Ministers of Industry for Co-operation in the Industrial Development of the Rwandese Republic, organized by the United Nations Industrial Development Organization (UNIDO) in co-operation with the Government of Rwanda, was held at Kigali from 5 to 8 June 1984.

This was the tenth in a series of solidarity meetings to promote the industrial development of the least developed countries, organized by UNIDO in co-operation with the Governments of the countries concerned, since 1979. The main purpose of the Meeting was to explore ways in which the participating countries could co-operate in promoting the industrial development of Rwanda. Several possibilities for such cooperation were identified. The participants closely examined the requirements of Rwanda that could be met through bilateral or multilateral co-operation within the framework of economic and technical co-operation among developing countries. To this end, they suggested forms that could be taken by co-operation between the host country and other developing countries.

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I. ORGANIZATION OF THE MEETING

The Meeting was attended by representatives of the following countries: Algeria, Brazil, China, the Democratic People's Republic of Korea, Egypt, Greece, Mexico, Romania, Rwanda, Sri Lanka, Yugoslavia.

The following United Nations bodies were represented:

The United Nations Industrial Development Organization (UNIDO);

The United Nations Development Programme (UNDP).

Representatives of the following bodies attended the meeting as observers:

The Agency for Cultural and Technical Co-operation (ACCT);

The African Development Bank (ADB);

The World Bank.

The annex contains the list of participants.

Election of officers

The participants in the meeting elected Mr. Mathieu Ngirira, Minister of Industry, Mining and Artisanry of the Rwandese Republic, as Chairman; and Mr. N. Denzil Fernando, Deputy Minister of Industry and Scientific Affairs of Sri Lanka, and Mr. S. Cavalcanti, Counsellor in the Ministry of Foreign Affairs of Brazil, as Vice-Chairmen.

Mr. M. Bencheikh, Ambassador of Algeria to Kenya, and Mr. A. Haggag, Ambassador of Egypt to Kenya, were elected as Rapporteurs.

Adoption of the agenda

The participants adopted the following agenda:

- 1. Opening statement, on behalf of the Government of the Rwandese Republic
- 2. Statement by the head of the UNIDO delegation
- 3. Election of chairman, vice-chairmen and rapporteurs
- 4. Adoption of the agenda
- 5. Statements by the heads of delegations
- 6. Bilateral discussions and group discussions on specific projects

7. Other business

 δ . Adoption of the report of the Meeting

9. Closing statements.

II. SUMMARY OF STATEMENTS MADE AT PLENARY MEETINGS

Opening speech

On behalf of His Excellency Major-General Juvénal Habyarimana, President of the Rwandese Republic and Founder President of the MRND (National Revolutionary Movement for Development) and on behalf of the Government and the people of Rwanda, Mr. Mathieu Ngirira, Minister of Industry, Mining and Artisanry, thanked the delegates for responding both to the solidarity message formulated by UNIDO and to the appeal for co-operation made by Rwanda. He also thanked UNIDO for taking a leading role in South-South co-operation by organizing solidarity meetings enabling developing countries to share their potential in technology, finance and raw materials, in order to bring about the collective self-sufficiency recommended by meetings in the framework of the non-aligned movement and the Group of 77. Rwanda was seeking a climate of mutual understanding and co-operation with all developing countries and had set up economic integration organizations with neighbouring countries, such as the Economic Community of the Great Lakes Countries, the Akagera Basin Development Organization and the Preferential Trade Area.

All Rwanda's political and administrative institutions were strongly development-oriented and the country's economic situation was marked by sustained growth and remarkable monetary stability. In recent years, furthermore, Rwanda had made great efforts to develop its administrative, social and economic infrastructure so as to attenuate the economic implications of the country's lack of access to the sea.

The aims of Ruanda's industrialization policy were to bring about the use of existing human, natural and energy resources, and to seek the finance required for the studies for, and implementation of, projects which could meet the basic needs of the population, create jobs, diversify the production apparatus, increase the manufacturing value added, achieve export-substitution, improve the balance of payments and contribute to the economic integration of the sub-region.

In the course of the meeting the Rwandese Government would like to find specific formulas for co-operation in the context of friendship and solidarity among developing countries and organizations working in that field.

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Speaking on behalf of the Executive Director of UNIDO, <u>Mr. S. Hable-Selassie</u> recalled the importance that UNIDO attached to the Solidarity Meeting, convened with a view to assisting the host country in its efforts in the industrial sector, within the framework of cooperation with other developing countries in the design and implementation of specific industrial projects.

The developing countries already had sufficient resources of manpower, capital, raw materials, energy and even technology to create new production capacities that could to a large extent ensure their development. In order to establish a new international economic order, these countries should both broaden and intensify co-operation based on collective self-sufficiency.

The project proposals had been designed in close co-operation with the Rwandese Government, in accordance with its priorities and development plan. With regard to co-operation mechanisms, the participating countries could decide to establish either bilateral or multilateral co-operation, affecting the public or the private sectors. Arrangements could involve two or more enterprises, from one or more countries.

He was convinced that the very fact that developing countries separated by large distances were represented was an undeniable demonstration of the third world's determination to unite to solve the problems hampering its economic and social development, and to create the conditions for a prosperous common future.

Statements made by heads of delegations

The representative of Algeria said that his delegation's attendance at the Solidarity Meeting, an important event, was an act of faith and an expression of political will, because Algeria believed in collective self-sufficiency in the context of diversified economic co-operation at the subregional, regional and continental levels in Africa, in line with the spirit and the letter of the Lima and Lagos Plans of Action, with the recommendations made by the Third General Conference of UNIDO at New Delhi, and with the Caracas Programme. The co-operation which Algeria extended to African countries had reached 1 per cent of the gross domestic product for 1982 and had increased considerably in 1983. For example, /lgeria

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had wholly financed the building of an agricultural and veterinary school in Rwanda and had also trained intermedia*e-level and senior cadres and participated in the building of a 250-bed hospital. Other projects were to be discussed towards the end of the year. A trade agreement had also recently been reached. Algeria's experience in training at all levels was placed at the disposal of its African sister countries. Within the limits of its resources, Algeria would continue to make its contribution to the development of the Rwandese Republic. He was co vinced that, given the state of the world economy, South-South co-operation had become a categorical necessity, which would be decisive for the future of Africa.

The representative of Brazil expressed his Government's willingness to assist in the implementation of the projects submitted by Rwinda. A number of enterprises in the public and private sectors having the required human and technical resources had been identified. Brazil's experience in the development of a sound industrial base - whose products were, furthermore, competitive on foreign markets - could be of considerable value to other developing countries. However, Brazil's desire to co-operate with other developing countries was handicapped by its shortage of financial resources. As a result, the Brazilian delegation felt that the full potential of co-operation among developing countries could not be realized without the help of f nancial institutions and the developed countries. Brazil had already established specific, fruitful co-operative links with Rwanda in July 1983; it was to be hoped that attendance at the Solidarity Meeting could help to strengthen existing links and - with assistance from international financial institutions - to foster industrial development in Rwanda.

The head of the delegation of the People's Republic of Chira expressed wholehearted support for the meeting and the hope that it would be crowned with full success. Strengthening South-South co-operation was the starting point of his country's foreign policy. The four principles for economic and technical co-operation between China and the African countries were equality and mutual advantage, efficiency, diversity of forms and common development. China would continue to help third world countries in so far as it could. Its assistance would essentially bear on the implementation of low investment, cost effective projects directly useful to the country's people. He also recalled that satisfactory results had been achieved by Sino-Rwandese economic and technical co-operation for more than 10 years. He concluded by saying that the Chinese Government was prepared to do everything possible to contribute to the success of the Meeting.

The head of the delegation of the Democratic People's Republic of Korea observed that South-South co-operation was incumbent on the non-aligned countries and on all other developing countries as a historic task in their struggle to build a new, prosperous society and a new, independent world. If the whole world was to attain sovereignty, the developing countries would have to engage in South-South co-operation and thus attain economic independence, as part of the struggle for the establishment of a new international economic order. The Government of his courtry had recently decided to expand and develop its activities in that field.

The developing countries could develop their economies using their own means, without counting too heavily on assistance from developed countries. The Government of the Democratic People's Republic of Korea had already carried out economic projects in Rwanda within the framework of bilateral governmental co-operation, and had every intention of strengthening that co-operation in the future.

The head of the Egyptian delegation informed the Meeting that the three most important facts concerning industrial development noted by his country over the previous 30 years were as follows: industrialization must be an integral part of an economic plan; it must be complementary to other sectors, particularly agriculture; and it must be accompanied by intensive training. He invited a Rwandese delegation to visit his country in order to study Egypt's experience in the field of industrialization in detail.

With regard to the Solidarity Meeting, the following essential points should be considered: what the developing countries could offer; what the United Nations family could offer, in terms, too, of co-operation. In addition to studying the projects submitted, the Meeting should consider a regional approach to some of them so as to cut costs and ensure a larger market.

He informed the Meeting about the activities financed by the Egyptian Fund for Technical Co-operation in Africa, which provided experts in different fields to African countries. Rwanda had already benefited from

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the possibilities afforded by the Fund; the Egyptian Government was ready to consider training Rwandese cadres for new industries to be established in the future, in so far as similar industries existed in Egypt.

<u>The representative of Mexico</u> stressed the significance of the support of all kinds - given by his Government for industrialization and for co-operation among the developing countries, to the benefit of the least developed countries. The deterioration of the international economic order made a new, just and equitable trade policy necessary for the developing countries. Mexico was in the process of analysing the specific needs of the least developed countries so as to identify the possibilities for co-op ration with them. That could involve training, the provision of experts, the realization of joint ventures, etc.

He assured the Rwandese Government that the projects had been studied and expressed his conviction that the specific co-operation proposals in both the public and the private sectors - could be implemented in the near future, despite the difficulties engendered by the enormous distance between the two countries. He concluded by saying that his Government wished to extend every manner of special consideration, and also equitable trade terms, to the least developed countries.

<u>The representative of Romania</u> described his country's industrial development policy and experience, its participation in economic and technical co-operation, and its relations with the developing countries. He recalled that in a relatively short period of time Romania had been transformed from an agricultural country with a little-developed industrial sector into one with modern, rapidly expanding industry and agriculture. Industrial production was in fact 50 times greater than it had been 40 years earlier.

Socialist Romania, itself a developing country, attached particular importance to active, multilateral co-operation relations in militant solidarity with the African countries, and had established close links, based on equal rights and mutual advantage, with the emergent States. More than 50 trade and co-operation agreements had already been concluded; particular support was given in the training of specialists. A joint Romanian/Rwandese commission for economic, technical and cultural co-operation had been established. Experts from the two countries had

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identified specific possibilities for implementing co-operation projects in the economic, cultural, educational and other spheres of activity.

In closing, he expressed his country's desire to analyse, with the Rwandese authorities and the other participants in the Solidarity Meeting, the scope and modalities for Romanian participation in the implementation of certain development projects.

The representative of Sri Lanka began by recalling that the 1980s had been declared the Industrial Development Decade for Africa and that the Solidarity Meeting for Rwanda was thus particularly timely. The South had developed labour-intensive technologies, which made it possible to provide less costly and more appropriate assistance in the identification, implementation and operation of industrial projects. He then outlined the main features of the manufacturing industries in Sri Lanka, in particular those relating to the import-substitution policy and the development of technologies for the following sectors: food, textiles, leather, wood, paper, chemicals and ferrous and non-ferrous materials. Many of those industries were now technologically self-sufficient and could ensure their own expansion. With regard to the projects submitted to the Solidarity Meeting, he officiend his country's assistance in the sectors of hides and skins, paper and industrial zones and estates.

<u>The representative of Yugoslavia</u> recalled that global development could only occur if the principle of self-sufficiency was borne constantly in mind. Only through self-sufficiency would it be possible to increase production capacities and reduce inequalities. The fact that levels of technical and economic development varied from one developing country to another meant that there was a great potential for mutually beneficial co-operation. His Government hoped to see UNIDO's role in that area expanded and intensified. Measures needed to be taken to bring about a better understanding of factors of complementarity in technology, finance and production which could be used to strengthen South-South co-operation. On the basis of the information supplied by the host country, his Government would make specific proposals regarding scientific and technical co-operation with respect to a number of priority projects.

The representative of the World Bank began by recalling that, in spite of the difficulties caused by Rwanda's lack of access to the sea; the small size of its market and the shortage of capital and skilled manpower, the country had initiated the development of a large number of small enterprises since the beginning of the 1970s. That development had been propitiated by political stability and continuity, appropriate regulations, sound economic and monetary management and the remarkable growth of infrastructures.

He then outlined the objectives and components of the industrialization programme, in particular the reorganization of enterprises owned partly by the State, creation of jobs and diversification of exports through promotion of the processing and packaging of products. The World Bank's future action in connection with industrial development in Rwanda would concern small and medium-sized rural enterprises, agro-industries, agricultural production for the agro-industries, tea and mining. The World Bank was prepared, through financial institutions in the host country, to increase its assistance for the harmonious industrial development of Rwanda and, in particular, for the financing of studies and the follow-up to the Solidarity Meeting.

The representative of the African Development Bank recalled the projects that ADB had already financed and implemented in Rwanda. The country's level of economic development enabled it to meet the credit terms stipulated by ADB for financing cost-effective projects. A programme of ADB action in Rwanda could be drawn up on the basis of additional information on industrial policies and priorities, supplied by the country.

<u>A member of the UNIDO Secretariat</u> recalled the objectives of the Industrial Development Decade for Africa, whose implementation had been entrusted to the secretariats of UNIDO, OAU and ECA. A programme had already been prepared; it comprised a preparatory phase (1982-1984) and an implementation phase (1985-1990). The African countries should evaluate their natural resources and potentials with a view to harmonizing their industrial development; they should, furthermore, give priority to the establishment of several key enterprises. The success of the Decade would essentially depend on action taken by the African countries tnemselves, with financial and technical support from the international community within the framework of South-South co-operation.

After the statements made by the representatives of countries and organizations, a general debate took place concerning policies and strategies with regard to technology transfer, the sizes of markets and training.

III. BILATERAL DISCUSSIONS ON PROJECT PROPOSALS

Discussions between Rwanda and Algeria

The two delegations met to discuss <u>project No. 15</u> (<u>urea production</u>). First of all, the Algerian delegation pointed out that it had no mandate to make a commitment on any of the projects submitted to the Solidarity Meeting, that Algeria was involved with a number of current projects with the Government of Rwanda and that there was an Algeria-Rwanda joint commission which met regularly to monitor the implementation of the agreements reached between the two countries.

However, in view of Algeria's experience in urea production, the Algerian delegation was prepared to discuss and examine the project in greater detail. It pointed out that the urea production project vas closely linked with the integrated project for exploiting the Lake Kivu methane gas, and that no decision could be taken by the Algerian authorities until a feasibility study of the overall project was available.

The Rwandese side also expressed the hope that consideration might be given to in-plant training in Algeria for Rwandese gas and fertilizer technicians, in preparation for various projects. The Algerian delegation said that the Algerian Government might give favourable consideration to such a programme if the Rwandese authorities requested it within the framework of the Algeria-Rwanda joint commission.

The Algerian delegation also discussed project No. 4 (hides and skins industry) and projects No. 8 (integrated textile industry) and No. 9 (ramie spinning). With respect to project No. 4, the representative of Algeria mentioned that his country had a large leather industry. The Algerian delegation asked for further details of the project, in particular concerning existing production facilities. The delegation of Rwanda undertook to supply the Algerian authorities with all the available documentation on the existing plant. The Algerian delegation stressed that priority should be given to solutions in which future activities could be self-financing; for example, implementing the project in phases. Finally, the representative of Algeria suggested that the project might be submitted to the Algeria-Rwanda joint commission for more detailed discussion. He also stated that some priority should be assigned to the question of training.

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On the subject of projects No. 8 and No. 9, the delegation of Algeria asked for further information. It also stressed the importance of examining the range of products used by consumers, as well as the opportunities for substituting ramic for imported raw materials and the possible volumes of substitution. The representative of Algeria said that his country had some experience of the textile industry and he suggested that the project might also be submitted for consideration by the Algeria-Rwanda joint commission. Here again, training aspects should be emphasized. The Rwandese side asked whether Algeria would take charge of the feasibility study. The Algerian delegation said that the question could be put to the joint commission, but mentioned that other developing countries were in a better position to carry out the study.

Discussions between Rwanda and Brazil

The Brazilian delegation informed the Kwandese delegation that Brazil had experience in all the areas concerned by the projects submitted and was prepared to share it with Rwanda. The Brazilian National Bank for Economic and Social Development had identified suitable Brazilian enterprises that might take part in implementation of the projects.

The Brazilian delegation spoke of the current economic situation, which made it hard for the developing countries to provide financial resources for horizontal (South-South) co-operation. It said that the financing for the projects would have to be sought from international financial institutions.

The Rwandese delegation suggested that the data sheets for the various projects should be sent to interested Brazilian enterprises for opinion and comment.

The Brazilian delegation undertook to submit detailed information on the capability of the Brazilian enterprises concerned to implement the projects. The information would include comments and opinions from the firms contacted, regarding the specific implementation for each of the projects.

The Brazilian delegation mentioned that there were Brazilian consultancy firms which could carry out feasibility studies for the projects submitted by Rwanda. The Government of Brazil would be prepared to consider the possibility of contributing part of the cost of these studies in Brazilian currency.

Discussions between Rwanda and the People's Republic of China

The Chinese, Rwandese and UNIDO delegations introduced themselves.

The Chinese delegation informed the Rwandese delegation that China was interested in project No. 17 (manufacture of bags for cement) and wished to receive information on a number of points, which would be given in the course of the discussions.

The Chinese delegation first remarked that nine projects were currently at the discussion or the implementation stage with the Government of Rwanda, and that, to China, the first priority was completion of the projects already started.

After the exchanges of views and information, agreement was reached by the two sides on the following points:

- The Chinese delegation was interested in project No. 17 (manufacture of bags for cement);
- As a first stage, the Chinese side would undertake the prefeasibility and feasibility studies within the framework of the joint venture cement factory, currently being discussed and finalized by the Governments of Rwanda and China;
- The two sides agreed that the studies for the project for the manufacture of bags for cement would be carried out by the Chinese experts in collaboration with the Ministry of Industry, Mining and Artisanry, within the framework of the joint venture cement factory.

In answer to a question from the Rwandese delegation, as to whether the Chinese delegation would be interested in other projects, the Chinese delegation replied that, as it had stated at the start of the meeting, China was already committed to many projects in Rwanda and wished to complete those before accepting further commitments.

Discussions between Rwanda and the Democratic People's Republic of Korea

The discussions between the delegation of the Democratic People's Reputlic of Korea and the delegation of Rwanda centred mainly on projects No. 10 and No. 20.

The representatives of the Democratic People's Republic of Korea were interested in project No. 10 (agro-industrial complex for silkworm breeding)

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because the country already had experience in the area concerned. Information about the cultivation of mulberry trees and the introduction of silkworm breeding to Rwanda was requested. The delegation of the Democratic People's Republic of Korea said that the country's authorities would consider the project in greater detail; they would examine and forward to the Rwandese authorities any concrete proposals for assistance with mulberry tree cultivation and silkworm breeding. Bilateral discussions could then take place in the Rwanda-Democratic People's Republic of Korea joint commission on the precise modalities for that assistance.

<u>Project No. 20</u> (Shipbuilding on Lake Kivu) was also discussed; however the Government of the Democratic People's Republic of Korea had decided not to participate in the project because of the doubts about its long-term viability. The delegation of the Democratic People's Republic of Korea also stated that the Government was willing to consider sending a mission of experts to Rwanda to establish industrial joint ventures, associated in particular with the following: manufacture of metal articles; repair and maintenance plant for agricultural machinery; manufacture of water pumps for irrigation; manufacture of plastic articles; industrial oxygen production (for cutting and welding); manufacture of electrical motors; and manufacture of gear wheels. The Rwandese delegation expressed its agreement regarding all the projects and the expert mission.

Lastly, the delegation of the Democratic People's Republic of Korea reaffirmed its Government's concern to strengthen and diversify South-South co-operation, in the private sector also, by the establishment of semi-public companies.

Discussions between Rwanda and Egypt

The two sides discussed the following projects:

Project No. 8 - Integrated textile industry

Project No. 17 - Manufacture of hags for cement

Rwanda gave the Egyptian delegation information about the objectives of project No. 8 and about the assistance requested. Although Egypt had no experience of ramie spinning, the Egyptian representatives said that a study of the textile project might be undertaken by an $Eg_{y,r}$ tian expert provided that a Rwandese ramie expert were to accompany the mission. The Rwandese

delegation mentioned that the project did not exclude the possibility of using other raw materials, such as cotton. The two sides agreed on the following procedure: the Government of Rwanda should submit an official request for assistance through the UNDP office, to procure the services of an Egyptian expert to carry out the study on the specification and evaluation of the project (duration, date and terms of reference to be specified) with a view to UNDP or UNIDO financing. The Government of Egypt would share in the financing of the study to the extent of the costs in Egyptian currency (experts' salaries).

With regard to possibilites for training Rwandese technicians in Egypt, the two delegations agreed that the arrangements should be discussed and decided on when the results of the study had been published and the project was under way.

The Rwandese delegation also mentioned the subject of joint ventures between Rwandese promoters and Egyptian private enterprises. The Egyptian delegation expressed some doubt about the appeal such ventures would hold for Egyptian private entrepreneurs, who had no knowledge of ramie spinning; however, negotiations on that particular aspect might take place once the overall project had been specified.

With respect to project No. 17, the Egyptian delegation offered to send an expert to Rwanda to train technicians when the factory had been established. Egypt would pay the expert's salary, Rwanda his expenses in Rwanda and international organizations such as UNIDO his travel expenses.

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Discussions between Rwanda and Greece

The representative of Greece explained that Greece would not be able to make any specific commitments because of the current negotiations between the Governments of Greece and Rwanda concerning a framework agreement on co-operation between the two countries. He did state, however, that Greece was especially interested in Rwanda's problems with lake development and tourism and, in particular, in <u>project No. 20</u> (Shipbuilding on Lake Kivu). The Rwandese and Greek delegations agreed to hold regular bilateral discussions within the framework of future co-operation between their countries. Lastly, the Government of Rwanda said that it would willingly supply the Greek authorities with any further information they might require.

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Discussions between Rwanda and Mexico

<u>The delegate of Mexico</u> first expressed his Government's wish to lay the foundation for co-operation with Rwanda, within the framework of South-South dialogue.

<u>The representative of Mexico</u> said that the Mexican Government and Mexican private enterprises were carefully examining all the projects submitted by Rwanda, and particularly <u>projects Nos. 1-8</u>, <u>12</u>, <u>14-16</u> and <u>19</u>, for which Mexico would be in a position to provide assistance. That assistance might take a number of forms; for example, technical assistance, a joint venture agreement between Mexican private and/or public enterprises and Rwandese enterprises, and a possible share in the financing of certain projects, in Mexican currency. The delegate of Mexico also confirmed that his Government would soon be contacting the Government of Rwanda with concrete proposals for co-operation.

The following points should be noted in connection with projects Nos. $\frac{1}{4}$, 5, 12 and 19:

<u>Project No. 4</u> - <u>Hides and skins industry</u>: Assistance with the production technology for leather articles for domestic markets and for export was offered.

<u>Project No. 5</u> - <u>Tobacco-growing in Rwanda</u>: Assistance with tobacco production was possible.

<u>Froject No. 12</u> - <u>Pharmaceutical products</u>: Assistance with pharmaceutical research was possible. The delegate of Mexico also mentioned the possibility of visits to Mexico by Rwandese representatives, to study the existing structures of the pharmaceutical industry in Mexico, and to Rwanda by a group of Mexican experts to study the production requirements for pharmaceutical products.

<u>Project No. 19</u> - <u>Industrial zones and industrial estates</u>: Mexico would be willing to allow Rwanda the benefit of its experience in the area of industrial decentralization (consulting, technical assistance), but the practical arrangements would be proposed at a later date.

The Mexican delegate said that his Government might be able to finance the living and travel costs of Rwandese technicians within Mexico. In the case of Mexican experts visiting Rwanda, Mexico would pay the subsistence costs (salaries, etc.) and Rwanda the local expenses (accommodation, travel within Rwanda, etc.). The source of financing for international travel had yet to be determined.

Discussions between Rwanda and Romania

The delegate of Romania confirmed that his Government was interested in some of the industrial development projects in the documents submitted to the Conference. It was prepared to analyse with the appropriate Rwandese authorities, and with other interested countries and international organizations, the scope and terms for Romanian participation in those projects, and in particular the following:

<u>Project No. 4</u> - <u>Hides and skins industry</u>: Noting that the project might perhaps be extended to include shoe manufacturing, Romania might consider carrying out the feasibility study. Romania would also be in a position to supply the technology and training of cadres at all levels.

<u>Project No. 5</u> - <u>Tobacco-growing in Rwanda</u> and <u>project No. 8</u> - <u>Integrated</u> <u>textile industry</u>: Consideration might be given to preparation of the feasibility studies.

<u>Project No. 10</u> - <u>Agro-industrial complex for silkworm breeding</u>: The Romanian representative stated that the Romanian authorities had been asked to provide more information concerning possible assistance with the project.

<u>Project No. 12</u> - <u>Pharmaceutical products</u>, <u>project No. 20</u> - <u>Shipbuilding on</u> <u>Lake Kivu</u> and <u>project No. 21</u> - <u>Manufacture of electrical pylons</u>: In the case of these three projects, Romania was able to provide the technical assistance required for preparation of the studies and for the training. Romania could also provide the technology and the equipment.

<u>Project No. 2</u> - <u>Dairy at Kigali</u> and <u>project No. 3</u> - <u>Brewery</u>: A Romanian delegation would be arriving at the same time as the Romanian members of the Rwanda-Romania joint commission for the meeting in September 1984, and would discuss the projects with the Rwandese authorities.

<u>Project No. 13</u> - <u>Chemical complex for the production of calcium carbide and</u> <u>calcium cyanamide</u>, <u>project No. 14</u> - <u>Pesticides and insecticides</u> and <u>project</u> <u>No. 15</u> - <u>Urea production</u>: The Romanian delegation expressed an interest in the above projects. They would be considered within the framework of the next joint commission meeting, in September 1984, at the proposal of the Government of Rwanda.

In summary, the Romanian side was prepared to consider contributing to a number of projects by supplying tools, equipment and materials manufactured in Romania; performing construction and installation work; providing technical assistance for the technical and economic feasibility studies; helping to attain the project objectives; maintaining the facilities; and training cadres at all levels. The representative of Romania also pointed out that a meeting of the Rwanda-Romania joint commission was to be held in September 1984, for the two sides to discuss the details of Romanian assistance to Rwanda and the means of financing it.

Discussions between Rwanda and Sri Lanka

The two sides discussed projects Nos. 4, 16 and 19, which were of interest to both countries.

In the discussion on <u>project No. 19</u> - <u>Industrial zones and industrial</u> <u>estates</u>, the representative of Sri Lanka referred to his country's wide experience in the establishment of industrial zones and estates. He said that Sri Lanka was prepared to supply an expert to perform the requisite feasibility study, and that Sri Lanka would meet the local currency expenses (salaries); the Rwandese delegation stated that domestic transport expenses could be met by Rwanda. A third party would have to be sought to finance the foreign currency component of the project. Sri Lanka could also propose training courses in this field, on the same terms. With regard to industrial zones, the representative of Sri Lanka suggested that the Rwandese Government request further information on the project through the Sri Lankan Embassy in Kenya.

For project No. 4 - Hides and skins industry, Sri Lanka could also provide training for Rwandese technicians, on the same terms as above. The representative of Sri Lanka said that the possibility of establishing joint ventures could also be considered and that the Government of Rwanda could contact the Government of Sri Lanka on the subject.

Additional information on project No. 16 - Paper mill was supplied by the delegation of Rwanda, after which the delegation of Sri Lanka stated that the technology his country could provide was not appropriate for the project. During the discussion, the delegation of Rwanda asked about the possibility of training <u>tea industry</u> technicians in Sri Lanka. The delegation of Sri Lanka said that, from the technical point of view, such training would be possible. With regard to financing, the delegation of Rwanda requested that Sri Lanka pay the trainees' local expenses; the international organizations would be asked to finance the international travel costs. The representative of Sri Lanka agreed to submit the request to his Government.

Discussions between Rwanda and Yugoslavia

The Yugoslav delegate stated his Government's willingness to provide assistance with the implementation of some of the projects proposed in the project proposal document (UNIDO/PC.96). He expressed particular interest in <u>project No. 19 - Industrial zones and industrial estates</u>. The assistance might consist of preinvestment research and the preparation of feasibility studies on industrial zones and estates.

The two sides also discussed the following projects:

Project No. 3 - Brewery;

Project No. 16 - Paper mill;

Project No. 20 - Shipbuilding on Lake Kivu.

The following points relating to the implementation of the above projects were agreed upon: the Rwandese delegation would provide all the information available on the projects before the Yugoslav representative's departure, to enable him to assess their viability and the cost of the assistance to be provided free. The Yugoslav side would inform the Rwandere side of its final decision after receiving and examining the information requested by the competent Yugoslav authorities. The Rwandese department dealing with the above projects was the Ministry of Industry, Mining and Artisanry.

With regard to the financing of the projects, the Yugoslav side would supply the assistance to be financed exclusively in Yugoslav dinars. It was agreed that the foreign currency share of the financing would be sought from a third party, for example the international organizations and financing institutions such as the World Bank, the African Development Bank and UNIDO.

During the discussion, the Yugoslav delegation handed the Rwandese delegation a copy of a document entitled "Plan of action for the period 1984-1985", which had been prepared on the basis of an existing agreement

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on scientific and technical co-operation between the Socialist Federal Republic of Yugoslavia and the Rwandese Republic. The Yugoslav side might consider the possibility of providing assistance for the four projects mentioned above within the framework of that agreement.

Discussions between Rwanda and financial institutions (ACCT, ADB and the World Bank)

Each of the projects was reviewed in turn, as requested by the financial institutions. The following points were established in the exchange of views between the Government of Rwanda and the representatives of ADB and the World Bank:

<u>Project No. 1</u> - <u>Protein-enriched foods</u>: Both banks were interested. The World Bank would be willing to consider the possibility of financing a detailed market survey for the new products and also product acceptance tests. ADB would be willing to consider financing the implementation of the project after the survey report and production test results had been submitted.

<u>Project No. 2</u> ~ <u>Dairy at Kigali</u>: ADB and the World Bank both expressed interest. The World Bank might consider financing the sectoral study on the dairy industry within the framework of the "study fund" project. ADB was prepared to examine the financing of the project.

Project No. 3 - Brewery: No interest was expressed.

<u>Project No. 4</u> - <u>Hides and skins industry</u>: Here too, the World Bank was prepared to consider financing the feasibility study, which was to include the market and marketing aspects, within the framework of the "study fund" project, and ADB might, on the basis of the study, consider financing implementation of the project.

Project No. 5 - Tobacco-growing in Rwanda: No interest was expressed.

<u>Project No. 6</u> - <u>Fibreboard panels</u>: ADB would be interested in this project; the Government of Rwanda promised to provide the UNIDO consultant's report on the subject.

<u>Project No. 7</u> - <u>Sisal bags and cloth</u>: ADB expressed reservations about intensive cultivation of sisal, which caused a considerable depletion of soil fertility. It was recommended that bags should be produced initially with imported raw materials. If that were done, the World Bank might be interested in the project, through the Rwandese Development Bank (BRD). ADB was also interested. <u>Project No. 8</u> - <u>Integrated textile industry</u>, and <u>project No. 9</u> - <u>Ramie spinning</u>: ADB expressed interest in project No. 9, provided that Rwanda found a partner for the technical side. On project No. 8, the World Bank said that it would be desirable to separate ramie production from fabric production. ADB agreed with that view and asked to receive the study reports. If the projects involved were small, they might be financed through the credit line with PRD.

Project No. 10 - Agro-industrial complex for silkworm breeding: No interest was expressed.

<u>Project No. 11</u> - <u>Banana fibre production</u>: ADB thought the project was a good one. It was a pity, however, that it was not possible to produce both banana fibre and bananas at the same time.

<u>Project No. 12</u> - <u>Pharmaceutical products</u>: ADB considered that, if the cost of the project after the study stage did not exceed US\$1.5 million, consideration could be given to financing it through BRD. However, a technical partner would have to be identified.

<u>Project No. 13</u> - <u>Chemical complex for the production of calcium carbide and</u> <u>calcium cyanamide</u>: There was still too much uncertainty about the possible implementation of the project, and so neither ADB nor the World Bank expressed interest.

<u>Project No. 14</u> - <u>Pesticides and insecticides</u>: ADB considered the project vital and the representative of the World Bank said that, if studies were to be made, they could be considered for financing through BRD because the project was a very good one.

<u>Project No. 15</u> - <u>Urea production</u>: ADB expressed interest if it was to be a Community project, that is, if the members of CEPGL were to share in its financing.

<u>Project No. 16</u> - <u>Paper mill</u>: ADB would be interested in receiving information about completed or planned studies.

<u>Project No. 17</u> - <u>Manufacture of bags for cement</u>: A good project; ADP might consider financing the equipment through BRD.

<u>Project No. 18</u> - <u>Compost from urban waste</u>: The representative of the World Bank said that his project might be considered within the framework of the "study funu". He also said that, for the projects that could be considered in connection with the "study fund", the Government of Rwanda would have to draw up a list of priorities.

<u>Project No. 19</u> - <u>Industrial zones and industrial estates</u>: The World Bank mentioned that a study on the Kigali region was under way. ADB thought the project was a good one and was willing to consider financing the work for establishing the zones and estates.

Project No. 20 - Shipbuildi, g on Lake Kivu: No interest was expressed. Project No. 21 - Manufacture of electric pylons: ADB expressed an interest in seeing the studies and might consider financing the project provided it were a Community project.

<u>Project No. 22</u> - <u>Ceiling insulation tiles</u>: As the amount of investment for the project did not seem very high, ADB suggested that it should be financed through BRD.

The ACCT representative made a statement about the modalities for action by his organization. In addition to its three regular two-year assistance programmes, ACCT had a special development programme which was broken down into three services, namely, technical assistance, further training and engineering design. Under the special programme, ACCT responded to specific requests by States. The ACCT representative confirmed his organization's intention to continue to promote the industrial development of Rwanda. In relation to specific projects, ACCT was prepared to consider requests from the Government of Rwanda, within the scope of its mandate.

IV. SUMMARY OF STATEMENTS MADE AT THE CLOSING MEETING

First, the head of the UNIDO delegation informed the Meeting of the contents of a telex from the Indian Embassy at Kampala, Uganda.

The Indian authorities assured the Meeting of their full support. Events beyond their control had prevented participation by a high-level delegation, which had already been appointed. The Government of India reaffirmed its interest in the Meeting and would be willing to accept concrete commitments to the extent of its limited means and within the framework of international co-operation, particularly with the international financing institutions. In his closing address, the head of the UNIDO delegation said, on behalf of his delegation and on his own behalf, that the intensive discussions which had taken place had borne particularly encouraging results. In practical terms, the discussions on each project had led to decisions concerning follow-up action required for implementation and to determination of the ways and means for carrying it out. His delegation had been particularly encouraged by the advice and offers of assistance from the firancial institutions.

He reminded the Meeting that statements of intent were only a starting point; follow-up was essential, and in that area UNIDO was prepared, if asked, to provide advice and assistance to the Covernment of Rwanda so that the objectives of the Meeting might be fully achieved.

He addressed special thanks to the Chairman of the Meeting for the skill with which he had guided the discussions so that the objectives of the Meeting might be achieved in a spirit of co-operation and mutual understanding.

Through the Minister, he conveyed his appreciation of the competence displayed by the government officials and experts. He also thanked the secretariat of the Meeting and the team of interpreters.

Lastly, he expressed his appreciation of the hospitality of the Rwandese Government and people, and of the Government's efforts to promote industrial development in the interests of the Rwandese people.

In his closing address, <u>the Minister</u> emphasized that the Meeting had been a concrete and positive demonstration of the solidarity between the participating countries. He was glad to note that tangible commitments had been entered into.

In conclusion, on behalf of the Rwandese Government and on his own behalf, he thanked the participants and those responsible for the substantive and administrative work. He said that UNIDO had played a particularly effective role both during the preparation of the Meeting and during the Meeting itself.

V. CONCLUSIONS

The participants considered that the promotion of solidarity between the developing countries and the establishment of collective self-sufficiency were means of achieving the new international economic order.

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They emphasized that the potential and opportunities for technical and economic co-operation among developing countries were enormous. There were many opportunities for making greater and more effective use of that potential.

It was reaffirmed that the Solidarity Meetings gave scope for a pragmatic approach to promoting co-operation among developing countries; the participants expressed the hope that a greater number of mutual co-operation projects would be established as a result of the Kigali Meeting.

The participants noted that the experience and capacity of their respective countries in the field of industrial development could be of great use and value to Rwanda. They accordingly reaffirmed that they were willing to share their experience with Rwanda and offered to make their technical knowledge and institutional capacity available to the Rwandese Government if it so desired.

All the projects had been carefully and constructively examined by the participants.

The offers of technical and economic co-operation (listed in chapter III of the report) took a number of forms.

The participants stressed the importance of close, systematic follow-up for the co-operation projects agreed on during the Meeting. They noted that the existing government departments of the host country would make the requisite arrangements at each stage in the implementation of the co-operation projects. They also recommended that the participating countries, the financing institutions and UNIDO should make every effort to facilitate the implementation of co-operation projects on which agreement had been reached.

The participants expressed their conviction that the implementation of the co-operation projects could make a significant contribution both to the industrial development of the Rwandese Republic and to the implementation of the Industrial Development Decade for Africa.

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ANNEX

LIST OF PARTICIPANTS

<u>Algeria</u> Mourad Bencheikh, Ambassador of Algeria to Kenya

Brazil

Sérgio Cavalcanti, Counsellor, Ministry of Foreign Affairs José Antonio Gomes Piras, Second Secretary, Ministry of Foreign Affairs

China

Zhao Jin, Ambassador of China to Rwanda Yang Yuheng, Economic Adviser, Chinese Embassy in Rwanda Sun Zhirong, Second Secretary, Chinese Embassy in Rwanda

Democratic People's Republic of Korea

Ryeum Oun Ok, Ambassador of the Democratic People's Republic of Korea to Rwanda

Kim Son Il, Third Secretary, Embassy of the Democratic People's Republic of Korea in Rwanda

Egypt

Ahmed Haggag, Ambassador of Egypt to Kenya Gamal Ibrahim Ezzat, Ambassador of Egypt to Rwanda Shawki El-Nahhas, Director of Industrial Planning, General Organization for Industrialization (GOFI)

Greece

Emile Paquot, Honorary Consul of Greece in Rwanda, Director-General of the Banque Commerciale de Rwanda

Mexico

Arturo Jessel, Head of Bilateral Negotiations Department, Secretariat of Trade for Industrial Development

Romania

Mircea Andrei, Ambassador of Romania to Zaire

Rwanda

Mathieu Ngirira, Minister of Industry, Mining and Artisanry
Photidas Musangamfura, Director-General for Industry, Ministry of Industry, Mining and Artisanry
Charles Nyamwigendaho, Director, Industrial Promotion Branch, Ministry of Industry, Mining and Artisanry
Pontien Niyibizi, Director, Ministry of Industry, Mining and Artisanry
Emmanuel Twagirumukiza, Director, Agro-Industry Branch, Ministry of Industry, Mining and Artisanry
Callixte Kamanzi, Head of Division, Ministry of Industry, Mining and Artisanry
Veroule Gatera, Official, Ministry of Industry, Mining and Artisanry
Justin Nsengimana, Director, Project Preparation and Evaluation Branch, Ministry of Planning
Fernand Nkunduwera, Head of Division (Project Preparation and Evaluation), Ministry of Planning Salvator Toyi, Head of Division (Macro-economic Planning), Ministry of Planning

Gratien Gasana, Director, Legislation Branch, Ministry of Finance and Economy Augustin Maharangali, Director, External Trade Branch, Ministry of Finance and Economy

Felicien Senyoni, Head of Division (Exports), Ministry of Finance and Economy Denis Kanywabahizi, Head of Division, Ministry of Agriculture, Livestock and Forestry

Jean-Bosco Nezehose, Head of Division (Industrial Farming), Ministry of Agriculture, Livestock and Forestry

Denis Hategekimana, Government Officer, Ministry of Agriculture, Livestock and Forestry

Joseph Nizeyimana, Head of Division (Bilateral Co-operation - Asia), Ministry of Foreign Affairs and Co-operation

Raphael Musengimana, Government Officer, Ministry of Foreign Affairs and Co-operation

Aloys Nkulikiyinka, Government Officer, Ministry of Foreign Affairs and Co-operation

Célestin Harelimana, Official, Office of the President

Faustin Musanganya, Official, Office of the President

Protais Nsababera, Project Identification Department, Rwandese Development Bank Mathias Seruganda, Senior Finance Officer, Chamber of Commerce and Industry Apollinaire Ntondo, Training and Legislation Department, Chamber of Commerce and Industry

Jean Sublingwene, Official, Chamber of Commerce and Industry

Sri Lanka

N. Denzil Fernando, Deputy Minister of Industry and Scientific Affairs

Yugoslavia

Slavomir Milovanovic, Special Adviser, Federal Committee for Industry and Energy

Agency for Cultural and Technical Co-operation (ACCT)

Joseph Ntakabanyura, Deputy Director-General of the Special Development Programme

African Development Bank (ADB) Mustapha El Ghali, Senior Financial Analyst

World Bank Jean H. Doyen, Resident Representative, Kigali

United Nations Development Programme (UNDP) Michel P. Gautier, Resident Representative (acting), Kigali Frank P. Schwarzbeck, Deputy Administrator, Kigali

