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REPORT OF THE  
SYMPOSIUM ON THE INDUSTRIALIZATION  
OF THE LEAST DEVELOPED COUNTRIES \*

Vienna, Austria, 14-22 November 1991

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## INTRODUCTION

1. The Symposium on the Industrialization of the Least Developed Countries was held at Vienna, Austria from 14-22 November 1991. The Symposium was organized by the United Nations Industrial Development Organization (UNIDO) in conjunction with the Fourth General Conference of UNIDO.

2. The purpose of the Symposium was to allow the decision-makers (Directors) of UNIDO to present the technical assistance programme of their respective areas to the participants at the ministerial level from least developed countries; review and discuss the UNIDO's Medium-Term Plan 1992-1997 and establish industrial sector priorities for the assistance to LDCs; discuss and make proposals for adoption of an Industrial Action Programme for LDCs within the framework of the UNIDO Medium-term Plan 1992-1997, the Paris Declaration and the Programme of Action of the UNCLDC II; and discuss and adopt the Industrial Action Programme for the Industrialization of the LDCs in the 1990s.

### I. ATTENDANCE

3. The Symposium was attended by participants at the ministerial level from the following countries: Benin, Botswana, Burkina Faso, Burundi, Central African Republic, Chad, Comoros islands, Djibouti, Equatorial Guinea, Ethiopia, The Gambia, Guinea, Guinea Bissau, Lesotho, Liberia, Malawi, Mauritania, Mozambique, Niger, Rwanda, Sierra Leone, Somalia, Sudan, Togo, Uganda, United Republic of Tanzania, Yemen, Afghanistan, Bangladesh, Bhutan, Kiribati, Maldives, Myanmar, and Nepal. The list of participants is attached as Annex III.

### II. OPENING OF THE WORKSHOP

4. The Symposium was formally opened by the Director-General of UNIDO. In welcoming the participants he underlined the issue of facing industry today in the LDCs which is one of survival than development, highlighting well known external and internal factors contributing to the situation in the LDCs such as

poor policy choices, insufficient aid flows, inadequate human resources, weak infrastructure, depressed commodity prices and overwhelming debt burdens as well as having to battle with natural catastrophes as in the case of many LDCs, citing Bangladesh as an example.

5. He spoke about the main areas of cooperation of UNIDO in the LDCs mainly in the areas of industrial policies and strategic management, small- and medium-scale industries, in particular rural industries, capacity building and pre-investment activities, as well as support to specific subsectors such as the leather and chemical industries. He highlighted that as it has successfully and increasingly done in the past, UNIDO can play a catalytic role at key junctures throughout the development process. He cited specific LDC oriented activities such as organizing workshops on the development, monitoring and evaluation of technical cooperation projects so as to strengthen indigenous capabilities; introducing a seed programme to adapt and improve traditional technologies and know-how existing in the least developed countries; and developing regional programmes for this group of countries.

6. The Director-General expressed that if we fail, the continued marginalization and isolation of the LDCs are inevitable. He told that the action programme to be discussed attempts to avert that fate. By recalling the programme of action of the Second UN Conference on the LDCs held in Paris in September 1990, he stated that the Symposium is oriented towards the important goal of mutual understanding and maintenance of a continuous dialogue between the responsible at the country level and their counterparts in UNIDO and concluded that the Symposium offers an opportunity to exchange views and to reaffirm that principle and secure its full incorporation in the proposed Industrial Action Programme. In the end, the Director-General expressed that the active participation in the deliberation in the Symposium will also pave the way to a meaningful discussion on the relevant issues at the Fourth Session of the General Conference.

III. ELECTION OF OFFICERS, ADOPTION OF THE AGENDA AND ORGANIZATION OF WORK

7. H.E. Dr. Ousmane Sylla (Guinea) was elected Chairman, Mr. Abdullah H. Pasha (Bangladesh) to that of Vice-Chairman and H.E. Mr. Mokoroane Moletsane (Lesotho) to that of Rapporteur.

8. The following agenda was adopted:

AGENDA

- I. Opening of the Symposium.
- II. Election of Chairman, Vice-Chairman and Rapporteur of the Symposium.
- III. Outline of purpose and procedures of Symposium.
- IV. Introduction and discussion of UNIDO's technical assistance activities.
- V. Presentation and review of the Draft Industrial Action Programme.
- VI. Presentation and adoption of the Resolution on the Industrial Action Programme.
- VII. Adoption of the Report of the Symposium.
- VIII. Closure of the Symposium.

IV. OUTLINE OF PURPOSE AND PROCEDURES OF SYMPOSIUM

9. The basic approach of the Symposium aims at reviewing UNIDO assistance policy to the LDCs to prepare and adopt a new Industrial Action Programme for

LDCs within the framework of the UNIDO Medium-Term Plan 1992-1997 and the industrial priorities sector stated in the Programme of Action of the UNCLDC II. The various technical assistance divisions of UNIDO through the respective Directors and key staff members responsible in the implementation of the priority sectors as outlined in the draft Industrial Action Programme made a presentation of their respective programmes. The participants were given an insight to the type of technical assistance projects implemented and prospects of co-operation in the different areas within UNIDO's mandate as follow-up to the Programme of Action of the Second United Nations Conference on LDCs and in the implementation of a UNIDO Industrial Action Programme.

10. A member of the UNIDO Secretariat outlined the purpose of the Symposium which aims to refine and finalize the findings of the Workshop on Industrial Development in the Least Developed Countries which was held in Vienna from 19-23 August 1991 and prepare an Industrial Action Programme based on the complementarity of partnership between UNIDO and the LDCs as expressed in the four basic principles of the Programme of Action of the Second UN Conference on LDCs. In this connection, it has been necessary to define the role of UNIDO in its strategy of assistance to the LDCs and counter initiatives from the LDCs themselves. Concerning the role of the International Community the main reference of co-operation is the Paris Declaration and the recommendation of the UNCLDC II.

#### IV. INTRODUCTION AND DISCUSSION OF UNIDO'S TECHNICAL ASSISTANCE ACTIVITIES

11. The Deputy Director-General of UNIDO referred to the Second UN Conference on LDCs which was held in Paris in September 1990 which has provided the international community with a new sense of purpose for the urgent alleviation of the problems of the LDCs. He informed of UNIDO's active participation in the preparation for that Conference and the high level delegation from UNIDO who attended it. He referred to the implications of the Paris Programme for the industrial development in the LDCs which will be the main subject of deliberation during the Symposium and recalled the four basic principles underlined in the Paris Declaration and Programme of Action. He

described the major activities that UNIDO has undertaken as a follow-up to the Paris Conference in terms of industry such as the preparation of a set of studies on industrialization problems in the LDCs prepared within the framework of a workshop on "Industrial Development in the Least Developed countries: Towards an Industrial Action Plan". At this workshop, experts from LDCs reviewed the studies and discussed an Industrial Action Plan as a result of which a document was finalized which will be submitted to the General Conference of UNIDO for consideration as document GC.4/40. He added that this Industrial Action Plan would serve as a document for programming and policy formulation with respect to the industrialization of the LDCs. He concluded by speaking about the problems faced by LDCs and the capacity of UNIDO to assist them and expressing the hope that this Symposium will assist the LDCs and UNIDO to come closer to the targets of the Paris Plan of Action and offer a contribution to the Fourth General Conference of UNIDO.

12. The Director of the Area Programmes Division spoke about the programme and project development in the LDCs and the elaboration of these programmes in cooperation with UNDP. He highlighted the importance of industry in these concerned countries and cited the Lagos Plan of Action, the Lima Declaration, the Second IDDA as some of the examples. He stressed the very low share of industry in the gross national product (GNP) in the LDCs and highlighted the importance of giving a lot of effort to the development of the industrial sector. He referred to the country programmes of which 111 programmes have been proposed but only 9 have been approved which goes to show that the respective governments should accord more importance to these programmes. He quoted the various sources of financing like SIS, IDF and other programmes which could help the LDCs. He referred to the different resolutions concerning the industrialization of the LDCs and hoped that they would be implemented. He added that the Governments of LDCs should solemnly pledge their goodwill in investing in their industrial sector as a setting for their industrial capacities. He has cited the development banks, such as the African Development Bank, the World Bank and the Asian Development Bank. He has given the example of Sudan where the World Bank is developing a six million dollar project. He highlighted that priority should be given to the small-scale industries in LDCs and encouraged the LDCs to orient their production towards exportation. Lastly, he spoke about the different



missions undertaken by UNIDO in Africa and Asia.

13. The Director of the Industrial Policy and Perspectives Division spoke mainly on the LDC Experts Workshop held in August 1991 in Vienna. He provided detailed information on the Industrial Action Plan and highlighted the efforts deployed by the experts during the period of the workshop. He quoted the main elements of the workshop and spoke about an integrated global approach on the human resources development, the macro-economic factor, the industrial services, integration of women in the process of industrial development and, consequently, the implementation of the concerned programme. He presented the activities of his Division by quoting analysis and tendencies of the industry, the strategies of the industrialization in the LDCs, the industrial statistics and regional studies and different assistance in giving documentation.

14. The Director of the Industrial Operations Support Division spoke about the work of his Division, Feasibility Studies, where he highlighted the necessity of strengthening the existing investment firms, organizing seminars and helping the LDCs in the formulation of their industrial operations. He informed that during the last three years 70 studies have been prepared, four seminars have been organized and that UNIDO is offering COMFAR programmes which are available for the LDCs at their request. He underlined industrial protection and the recruitment of experts and consultants for the implementation of different programmes, citing that this year, 3000 experts have been recruited by UNIDO, mainly under short- and medium-term contracts. He also spoke about human resources development, the second IDDA and about the application of the new technologies, training of trainers, study tours, fellowships, for highlighting the necessity for the valorization of human resources. He announced that a resolution on human resources development is being submitted to the Fourth General Conference.

15. A representative of the Industrial Institutions and Services Division presented the different activities of his Division, sectoral analysis, subsectors, industrial strategy, small-scale industries, infrastructure, privatization etc. He spoke about the rehabilitation of industries in LDCs and the privatization strategy in these concerned countries. He spoke about the

necessity of creating small industries and institutions to supply assistance for the creation of small industrial enterprises. He emphasized the role of the private sector, which is more than predominant in the world. He invited the governments to give more attention to the rural industrial development and stressed on the principle of making a balance between the urban industrial development and the rural industrial development. He insisted in the quality control process for the products in the LDCs and spoke about the standardization and quality control which would make the LDCs products more competitive in the international market. He informed that a unit in UNIDO is involved in the work of privatization.

16. The Head of the Metallurgical Industries Branch spoke about the technical assistance in different industrial sectors, such as agro-industries, chemical industries, mechanical industries, and referred to a strategy of assessment adopted by his Division in its technical assistance to the LDCs. He spoke about the inventory of basic industries, such as mining and other sectors, forestry, transfer of technology and transport and communications. He emphasized the principle of promoting the sector of agro-industry and the necessity of increasing the production as well as the utilization of medicinal plants in the pharmaceutical sector and to create small- and medium-scale industries to establish linkages between the enterprises and the creation of employment. He quoted the dependency of LDCs on the agricultural tools imported. He spoke about the high cost of the imported spare parts for industries and suggested the creation of small units to help LDCs in the manufacturing of spare parts. He spoke about energy and utilization of local energy which is a priority for any industrial development.

17. The Director of the Industrial Co-operation and Funds Mobilization Division spoke about the industrial co-operation and the mobilization of funds and commented on the various sources of funding, such as UNDP, IPF, Trust Funds etc. He spoke about the special trust funds for the private and public enterprises which may be financed by the government and by the enterprises. As far as this special source of financing is concerned, He informed that Japan may be a very good donor for the small-scale industries and mentioned also Denmark and Norway as potential donors in this respect. Speaking about the different

sources of funding he also mentioned the loans granted by the World Bank and other sources of financing, more precisely in the area of industrial rehabilitation.

18. The Director of the Industrial Investment Division spoke about the industrial investment and the programme of assistance to LDCs, he commented on the climate of investment, which needs to be improved to attract investors. He informed about the investment guide, the creation of institutions for investment promotion, the integration of assistance programmes and insisted also on the informatic programme, and that computerization of a number of management systems in LDCs may help the countries to overcome certain number of management problems. He referred to some of the activities of his Division, like the organization of forums of investors, promotion of projects and referred to the nine IPS presently established in many countries. He spoke about the IPS, where many staff from LDCs may have a possibility to work for the investment promotion in their countries and quoted the IPS in Paris as an example. He stressed the importance of feasibility studies for investments, and said that UNIDO can assist the LDCs in the promotion of industry in this area in the agro-industry sector.

19. A representative of the System of Consultations Division commented on the mandate of the System of consultations, which is to promote industrial developing countries and increase their share in world industrial output through international co-operation. He told that the system provides the opportunity to bring together different actors, such as governments, public and private industries, labour co-operatives and non-governmental organizations to discuss specific problems of industrial development in developing countries and suggest appropriate measures to solve them. He spoke about the series of consultation meetings having mostly a duration of four to five days and are concluded through the presentation of a certain number of recommendations at the level of strategy and financial technical assistance. He commented on the forums North-South, but also South-South to allow the LDCs to prepare workshops and to exchange their own experience among themselves. He quoted that from 1986 to 1991 256 participants from LDCs participated in different consultations. However, he particularly stressed the necessity of making a very good selection of the participants to the consultations coming from LDCs, as there is need to send very competent

participants, who are well aware of the subject and the files to be discussed during such events. He advised that the selection of participants from LDCs should be considered as first priority. He concluded that the System of Consultations is an open dialogue between developed and developing countries, economic agencies from the North and the South, where problems are discussed from the policy, economic, financial and social point of view with the aim of promoting the industrialization of the developing countries, particularly the LDCs.

20. The Director of the Industrial Technology Promotion Division spoke about the promotion of industrial technologies and the circulation of industrial information. He informed that in LDCs most of the time the people who need information do not receive it and that the circulation of information is very important. He emphasized the necessity of discussing the forms of technologies that are appropriate for the LDCs and to learn how to apply them in line with the countries' needs. He spoke about the "clean technologies", which may save the energy in the framework of the transfer of technology, insisted on adapting the technologies to the conditions prevailing in the LDCs. Therefore, when negotiating the transfer of technology, decisions have to be made very carefully in order to be sure that what is selected will be in line with their needs. Speaking about new forms of business co-operation, he stressed that the Build-Operation and Transfer System is the fact that investors, who come in the country, is able to create, for instance, a hydroelectric dam with his own means, to exploit the dam with his own means and to sell energy with his own means and when all his investment has been repaid, to return the dam to the country. This is actually what Turkey is doing. He said that it is necessary to create linkages between the universities and industry for the industrial production. He also spoke about the protection of environment, therefore, it is necessary to develop the technique of environment protection. He pointed out the example of Japan and the U.S.A., as regards the development of technology and industrial technology. He spoke also about his own Division, the Industrial and Technical Information section, which collects, monitors, analyses and takes care of industrial statistics and industrial investment information and industrial technology information, spoke about the unit assisting technology acquisition and negotiation, advising on technology transfer trends and review the formulation

of transfer of technology policies and plans which are of highest importance to all countries and in particular to the LDCs. He referred to the promotion of environment and energy activities and in accordance with the recommendation of the recent Conference on Ecologically Sustainable Industrial Development (ESID). He concluded that it is necessary to encourage the participation of the young generation as well as to use the capacity of the human industrial development for the industrialization process in LDCs.

21. The Director of the Industrial Technology Development Division spoke about the research and development of industrial technologies and the system of communications. As such, he quoted telecommunications, informatics and the biotechnology, mainly in the area of food security. He told that a seminar will be organized in Ibadan, Nigeria, in the area of agro-industry, food security, mainly for the technology of gari processing, which is part of cassava. He stressed the importance of new and renewable energies and solar energy and referred to the biotechnology with positive consequences as regards environment protection.

22. The Director of the Special Measures and Activities Division spoke about the Ecologically Sustainable Industrial Development Conference (ESID). He told that ESID comprise and build up an area elaborated on the UNIDO environment protection programme with the broad categories of advisory services to developing countries, the clean technologies and industrial rehabilitation. He informed that LDCs participants are certainly in urgent need of assistance. He told that as actually outlined from various conclusions and recommendations emanating from the ESID Conference the governments of LDCs and UNIDO itself in the context of international co-operation should struggle together for a cleaner environment strategy. He told that for a long time UNIDO has assisted the countries in selecting the proper technologies required for their industrialization. Today that means introducing cleaner production. He announced that the principles of ESID will be developed together with the Environment Programme, to further integrate environmental consideration into UNIDO's activities. Energy conservation and the development of new and renewable sources of energy are of particular importance, both are closely linked to environmental issues. He spoke about human resources development, the role of the consolidated technical

assistance policy, about the industrial rehabilitation and the qualitative and quantitative appraisal of the programme of rehabilitation before starting any huge privatization and rehabilitation programmes.

23. A representative of the Strategy, Policy and Planning Office oriented his presentation on the scope of the UNIDO Medium-Term Plan. He informed that the UNIDO Medium-Term Plan serves as basic policy framework for the organization's contribution to the solution of problems within its mandates. He informed that his office provides policy advice and assistance in the formulation of long- and medium-term strategies and options for inclusion in the Medium-Term Plans. They also assist in establishing programme priorities and resource allocations as part of the preparation of biennial programmes and budgets. From that point of view he co-ordinates the design of inputs into the programme and budget taking into consideration long- and medium-term strategy programme priorities and requirements of the policy-making organs. From that point of view he explained the Medium-Term Plan, which is the basic orientation of UNIDO technical assistance to the developing countries, particularly to the LDCs. He told that it is a very flexible programme, which is being revised every year, taking into account the priorities of each country. He launched an appeal to the LDCs to review very carefully their programme as the concerned programmes would serve as a base for the calculation of the budget of UNIDO and stressed that the LDCs should help UNIDO to clearly define their needs in well formulated suggestions. Speaking about the organizational and staff structure, with reference to the Director-General, this new orientation would help to sharpen the policy dimensions of the organization and for more subsectoral and thematic focus. In specific terms, he told that the Director-General proposes to move the organization towards the strengthening of the country focus from which also the LDCs would benefit and that a new structure may provide an enhanced capability for the needed identification of competent candidates for more operational technical and thematic skills assistance to the LDCs. He spoke about the necessity of strengthening the activity of technical assistance to the LDCs as a whole to the developing countries.

24. The Chief of the Entrepreneurship and Privatization Strategies Programme spoke about certain parameters, such as the ongoing arrangements with UNDP and

the conception of the national execution proposed by UNDP in the framework of its fifth cycle. He spoke about the necessity of strengthening the national capacity for the implementation of a certain number of programmes. He concluded his presentation in referring to the national executions proposed by UNDP and presently being discussed between UNDP and the agencies. He was called for a presentation on the subject of privatization. He described the beginning of this programme in 1989 and UNIDO's decision to give more attention to privatization and to help the LDCs to prepare the programmes of privatization mainly in the industrial sector. He spoke about the transparence at the preliminary stage of the privatization and that its figures need to be clear. He informed that when the intention of the government to privatize is strong, the process should be sustained when it is engaged. He told that privatization is a long process which should end with a transfer of an enterprise from the public sector to the private sector, and therefore the process needs a global strategy which he called "overall framework for the privatization to be undertaken and successfully achieved". He spoke about the transfer of properties, that before undertaking such process, it is necessary to make evaluation studies, followed by feasibility studies. The evaluation studies may be undertaken by UNIDO or with the co-operation of UNIDO as well as for the feasibility studies. He insisted on the necessity of creating employment, as in the course of privatization a certain number of people have to leave the public sectors. Therefore, it is necessary to take care of social dimensions of privatization. He distributed background information to all participants for a better understanding regarding privatization in LDCs. The paper was prepared by the Programme for Privatization Strategies and Development of Entrepreneurship for the International Workshop on Privatization Strategies for Development. It was decided to create a special chapter of "Privatization" in the Industrial Action Programme for the LDCs.

25. The statements were followed by discussions of participants. Referring to the above interventions, the Chairman called for comments on different parts of the statements made by the decision-makers at Headquarters. The participants spoke about a possibility of co-operation between World Bank and UNIDO in the framework of privatization and requested the staff member to explain a little more on the case of Sudan. A country also referred to privatization and the necessity to make an in-depth presentation on such activities from UNIDO, while

another delegate spoke about feasibility studies, the recruitment of competent and motivated experts. A delegate inquired about the position of UNIDO vis-à-vis the Eastern European countries presently soliciting the assistance of UNIDO. The problem of mobilization of financial resources was expressed by many participants. They spoke about the provision of additional support for the identification of industrial projects, undertaking of feasibility studies and detailed preparation of investment projects as well as projects relating to the industrial strategy. The case was also mentioned of financial support for job-creating activities at community level, including support of local small-scale, labour intensive, rural industrial projects and for non-governmental organizations involved in industrial development of the LDCs.

26. Two delegations through the statements of the Ministers referred to the presentation of the staff member on privatization which highlighted that a key feature in pursuing industrialization of LDCs through the encouragement of entrepreneurial development and private investment is that priorities for industries are determined primarily by the private sector. For this reason, the participants unanimously requested the inclusion of a special chapter entitled "Privatization in the Industrial Action Programme".

#### V. PRESENTATION AND REVIEW OF THE DRAFT Industrial Action Programme

27. The LDC Co-ordinator introduced the Draft Industrial Action Programme which is being discussed by the participants to the Symposium. In starting, he drew the Symposium's attention to the four basic principles of the Programme of Action of the Second UN Conference on LDCs, namely: Success depends on a shared responsibility and strengthened partnership for the growth and development of LDCs; the LDCs have the primary responsibility for the formulation and effective implementation of appropriate policies and priorities for their growth and development; a strengthened partnership for development necessitates adequate external support from the LDC development partners; the commitment undertaken should be miserable and subsequently transparent to enable monitoring and assessment for the Programme of Action for the 1990s.



28. The LDC Co-ordinator underlined the necessity of finalizing the proposed Industrial Programme of Action for approval of the Symposium and recommendation to the General Conference for adoption. He spoke about the international solidarity for the industrial development of the LDCs and referred to the main priorities stated in the Programme of Action which are generally in line with the recommendations of the Second UN Conference on the LDCs held in Paris in September 1990. He went further to explain the linkage between UNIDO and the LDCs and stressed the need to define the role of UNIDO and the measures to be taken by the LDCs themselves in their strategy of cooperation. He stated that the Industrial Action Programme will certainly allow UNIDO, the LDCs and the international community adjust their industrial policies for socio-economic growth in the 1990s. In concluding, he drew the Symposium's attention to the main areas of priorities contained in the Industrial Action Programme as follows:

- I. Human Resources Development for the Industrialization of the Least Developed Countries;
- II. Rural Industrial Development;
- III. Macro-Economic Conditions and Mobilization of Financial Resources for Industrial Development;
- IV. Development of Industrial Service, Scientific and Technological Base,
  1. Industrial Rehabilitation
  2. Privatization
  3. Small- and medium-scale industries
  4. Transfer of technology
  5. Transport and communications
  6. Environment and energy
- V. Integration of Women in Industrial Development
- VI. The System of Consultations

VII. International Economic Co-operation

VIII. Arrangements for Implementation, Follow-up, Monitoring and Review

IX. Cooperation with the International Community: see Annex  
PARIS DECLARATION

29. Following the presentation of the LDC Co-ordinator, the Chairman opened the Symposium for discussion on the draft Industrial Action Programme. Various changes were recommended by the participants.

30. These comments and changes as shown below have been taken into consideration and incorporated in the final document of the Industrial Action Programme for the Least Developed Countries.

31. Human Resources Development

A member of the UNIDO Secretariat introduced the topic by making a short summary of the Industrial Action Plan for Human Resources Development and highlighted the importance of linkages between universities and actual needs of industry. He underlined the technological gap between the developed countries and the LDCs and regretted that in many developing countries, particularly in LDCs, computer systems are not included in the education programmes.

Following comments and suggestions were made by the participants:

- Para. 8 of page 4 be split into two separating the transfer and adaptation of technology from purely scientific Research and Development.
- In a general comment on the HRD, a delegate inquired about the ways and means available to UNIDO to reconcile the Industrial Action Programme and the objectives expressed in the document. The concern about the brain drain from the public to the private sector was expressed.
- It was requested that para. 9 of page 4 be amended as follows:

"encourage the establishment of ..." instead of "establish information system". With reference to this suggestion it was concluded that the principle of adding to "Action by UNIDO" the term of "at request of the country" was not retained as all technical co-operation activities to the LDCs are undertaken at the request of the countries concerned.

- The French translation of the word "indigenous" was contested. Meanwhile, the word "local" instead of "otochtone" was considered the most relevant translation. Consequently, the word "national" or "local" should be used throughout the French version.
- It was suggested to include short, medium and long-term plan priorities for the implementation of the activities of the Industrial Action Programme but the suggestion was not retained by the participants to the Symposium as the stages of the development varies from one country to another.
- It was requested that the participants may have one night for reading and to discuss the programme Friday. The participants to the Symposium did prefer to pursue the discussion of the Industrial Action Programme as due.
- It was stressed to send experts to LDCs who are well prepared to assist, but not those who come with perceived ideas. The selection of the experts for the LDCs should be more screened. The secretariat agreed with the delegate but added that in many cases UNIDO's prime objective is to train local consultants to be able to carry out the required activities in the future.
- Inquiry was put up on how to follow-up on the activities of educational training and how to gear it to the needs of the industries, which cannot be fulfilled since the majority of the trainees are trained overseas. The Secretariat reacted in highlighting the principle of the adaptability of the skilled personnel to the local needs. The second para. of page 5 has been redrafted at the joint request of some delegates as follows:

Monitor and assess national training research institutes to upgrade them and to fulfil the needs of industry including university linkages.

- Referring to the fourth para. on page 5 of the English version, it was recommended to readjust it as follows: "Training of trainers in all sectors of industrial development" deleting the term "training for training managers".
- A delegate preferred the use of the expression "Measures proposed to the LDCs" instead of "Action by LDCs", which she considers as directives imposed on the governments.
- It was recommended to put more emphasis on training more technicians to reduce the dependency on the foreign technical assistance for any minor maintenance problem, in addition to emphasis on management institutions.
- It was requested to synchronize and provide linkages between the proposed actions to be taken by UNIDO and the LDCs. Many activities proposed to be taken by LDCs will have major cost implications.
- The character of the Industrial Action Programme as a framework document was emphasized. With reference to para 3 of actions by LDCs on page 5.

### 32. Rural Industrial Development

- A staff member of the UNIDO secretariat introduced the item.
- It was suggested that para 2 related to industrial development be moved to Chapter IV on macro-economic conditions, and that para 7 on technology transfer to Chapter IV.3 on transfer of technology.
- It was suggested to change the title of the chapter of the French version to "Développement des Industries Rurales" instead of "Développement industriel rural". It was further recommended to encourage rural industries rather than create merely equal opportunities with urban

industries as stated in para 7 of the proposed actions by LDCs.

The new dimensions of rural industrialization presented in the Industrial Action Programme which will facilitate the efforts of the governments to prepare specific national action plans citing a successful recent example between UNIDO and his country was welcomed.

33. Macro-economic conditions and mobilization of financial resources for industrial development

A staff member of UNIDO secretariat introduced the item.

The topic was found particularly relevant as it reflects the programmes of structural adjustment in a number of LDCs. He encouraged LDCs to take measures to create an environment conducive to foreign and domestic investment.

It was pointed out that present protectionist tendencies are adversely affecting the attempts of LDCs to diversify and promote their exports.

34. Development of Industrial Service, Scientific and Technological Base

A staff member of the UNIDO secretariat introduced the item.

A number of participants requested that in addition to diagnostic studies of enterprises UNIDO should also address the question of behavior and industrial in the LDCs.

It was suggested that reference to LDC government request be made each time under "Action by UNIDO". It was also suggested to include a reference to the need for consultations with regional organizations whenever UNIDO activities take place in the region. It was supported to expand the suggested "consultations" to NGOS.

35. Transfer of Technology

The need for the provision of patents and technology on a concessional basis was raised and requested that UNIDO provide assistance in this process. It was added that UNIDO should assist the LDCs to have better access to technological innovations and patents.

36. Privatization

The delegates requested to include a separate subchapter on privatization in the framework of industrial rehabilitation in the Action Programme. A working group was nominated to work with the competent representative of the UNIDO secretariat. They submitted a draft text for this purpose which was accepted by the Symposium under the headline "Privatization".

37. Small-scale industries

A member of the UNIDO secretariat introduced the item. No comments were made by the delegates.

38. Transport and communication

Two representatives of the UNIDO secretariat introduced the item. The regional approach suggested by UNIDO was welcomed by the participants and emphasized that such project as transport and communication has to be clearly defined to maximize the potential of co-operation between UNIDO and the LDCs in the respective regions.

It was advised that LDCs should consider carefully the advantages and disadvantages of the formation of joint shipping companies and/or merchant fleets. The intense competition in the shipping sector was underlined.

39. Environment and energy

The responsible member of the UNIDO secretariat introduced the item.

The need for encouraging industries using renewable sources of energy was

emphasized.

A request was made to include in the document a reference to the importance of the environmental protection of forests and water.

40. Women in industrial development

A member of the UNIDO Secretariat introduced the item.

It was requested to modify para 1 of proposed LDC actions to reflect the differences between the countries with regard to their laws and ratification of related UN conventions. Another suggestion was to highlight the title of the convention by inverted commas.

41. The System of Consultations

A member of the UNIDO secretariat introduced the item. UNIDO's particular concern is that LDCs delegate experts in areas discussed by Consultation meetings. It was requested that this be reciprocated by UNIDO secretariat when organizing meeting in the field. It was also added that national and regional consultants should be increasingly used for various field-related activities of UNIDO.

42. International Economic Co-operation

It was requested to amend para 2 of proposed LDC action to refer to "relevant ministries" instead of listing some by name.

It was proposed to add a separate paragraph on land-locked and island LDCs. The meeting agreed on this.

VI. PRESENTATION, REVIEW AND ADOPTION OF THE RESOLUTION ON THE INDUSTRIAL ACTION PROGRAMME FOR THE LEAST DEVELOPED COUNTRIES

43. The Chairman of the Symposium presented the draft resolution for item 15. Industrialization of the LDCs which was unanimously adopted by the Symposium taking into consideration the proposed changes. Consequently the Chairman was invited to submit the resolution to the Contact Group for consideration. However, owing to lack of time, it was not considered by the Contact Group and was referred to the Conference as a basis for discussion.

#### VII. ADOPTION OF THE REPORT OF THE SYMPOSIUM

44. The Rapporteur presented the Introductory Report on the Industrial Action Programme of the Symposium which summarized the discussions held and the modifications suggested to the Industrial Action Programme. The Introductory Draft Report was approved as submitted.

#### VIII. CLOSURE OF THE SYMPOSIUM

45. The Symposium was then closed by the Deputy Director-General of UNIDO. He expressed his appreciation to the Chairman, Vice-Chairman, Rapporteur and participants for their work and expressed the satisfaction that, as a result of the efforts of the Symposium, UNIDO will now present the Industrial Action Programme to the Fourth General Conference.

46. In reply, the Chairman after reviewing the overall situation of the LDCs, expressed the hope that the future activities of UNIDO be oriented in the effective implementation of the Industrial Action Programme focussing on the quality of technical assistance. He thanked UNIDO for its effort in holding the Symposium and drawing up the Industrial Action Programme. He concluded by thanking all the participants, the Director-General of UNIDO, and the Secretariat staff involved in the preparation of the Symposium.

The meeting was then closed.



ANNEX I

J293Z

GC.4/Res.9 POLICIES FOR THE INDUSTRIALIZATION OF THE LEAST DEVELOPED COUNTRIES

The General Conference.

Recalling its resolution GC.3/Res.11 and Industrial Development Board decision IDB.7/Dec.15,

Noting with concern the lack of progress in the industrialization of the least developed countries during the 1980s and the risks to the prospects of industrialization in the 1990s,

Noting further that the least developed countries are particularly constrained in the development of their national economies and in ensuring an adequate standard of living for their population,

Emphasizing that increased UNIDO technical assistance to the least developed countries, especially in developing, expanding and modernizing the economic base, will contribute to improving the development of the industrial, scientific and technological base,

Recalling the Paris Declaration and Programme of Action of the Second United Nations Conference on the Least Developed Countries held in Paris from 3 to 14 September 1990,

1. Takes note of the proposals for an industrial action plan for least developed countries contained in document GC.4/40;

2. Takes note of the progress report by the Director-General on the industrialization of the least developed countries (GC.4/38);

3. Calls upon the Director-General to continue to accord highest priority to the least developed countries in programmes of the Organization including, in particular, the use of funds from the Special Industrial Services programme, the Industrial Development Fund and other resources available to UNIDO in order to assist in the implementation of the Paris Declaration and the Programme of Action of the Second United Nations Conference on the Least Developed Countries;

4. Requests the Director-General to develop and strengthen in consultation with the Governments of the least developed countries, as well as relevant international organizations, including the United Nations Development Programme, key priority sectors in the medium-term plan of UNIDO, within the context of the overall implementation of the Paris Declaration and Programme of Action of the Second United Nations Conference on the Least Developed Countries;

5. Expresses appreciation to one Member State for its specific contribution to the Industrial Development Fund for the implementation of the industrial action plan for the 1990s and urges donor countries to increase their financial contributions, inter alia, to that Fund for that purpose;

6. Appeals to the international community, especially the developed countries, multilateral financing institutions and direct private investors, to increase their financial and technological support to the least developed countries for the implementation of the Programme of Action of the Second United Nations Conference on the Least Developed Countries;

7. Requests the Director-General to report on the implementation of the present resolution to the General Conference at its fifth session.

11th plenary meeting  
22 November 1991

GC.4/Res.10 INDUSTRIAL ACTION PROGRAMME FOR THE LEAST DEVELOPED COUNTRIES

The General Conference.

Recalling its resolution GC.3/Res.11 that called for the development of a special strategy for the industrialization of the least developed countries in the 1990s,

Recalling also the Paris Declaration and the Programme of Action for the Least Developed Countries for the 1990s adopted by the Second United Nations Conference on the Least Developed Countries held in Paris in September 1990 and endorsed by the United Nations General Assembly in its resolution 45/206.

Having considered Industrial Development Board decision IDB.7/Dec.15 that requested the Director-General to review and analyse, in consultation with the Governments of the least developed countries, as well as with relevant international organizations, including the United Nations Development Programme, key industrial development issues for the industrialization of least developed countries and prepare recommendations for national and international action as well as a work programme in the areas of UNIDO competence, for the least developed countries for the decade of the 1990s.

1. Takes note with appreciation of the progress report of the Director-General on industrialization of the least developed countries (GC.4/38), in particular concerning UNIDO's preparatory work for the Second United Nations Conference on the Least Developed Countries held in Paris as well as its contribution and follow-up to the Conference;

2. Expresses its gratitude to one Member State for its generous financial support to UNIDO's efforts in the formulation of an action plan and programme for the industrial development of the least developed countries;

3. Considers the industrial action plan for the least developed countries recommended by the experts' Workshop on Industrial Development in the Least Developed Countries held in Vienna, from 19 to 23 August 1991 (GC.4/40) as appropriate guidance to the least developed countries in the formulation of their industrial action programmes and to the international community in formulating cooperation programmes with the least developed countries;

4. Stresses that, without significant increase to the least developed countries of real resources, no development programme aimed at accelerating their industrialization would have a chance of being implemented:

5. Adopts the industrial action programme for the least developed countries approved by the ministerial Symposium on the Industrialization of the Least Developed Countries held in Vienna on 15 November 1991 (ID/WG.521/3/Rev.1(SPEC.)) as the basis for development and implementation of technical cooperation projects and programmes between UNIDO and the least developed countries in the 1990s to be carried out within the programme and budgets and medium-term plan adopted by the General Conference and within the financial resources made available to UNIDO, as well as in close cooperation with other relevant organizations and institutions both inside and outside the United Nations system.

11th plenary meeting  
22 November 1991

ANNEX II

LIST OF PARTICIPANTS / LISTE DES PARTICIPANTS

AFRICA AND ARAB STATES/AFRIQUE ET PAYS ARABES

- |  |     |  |
|--|-----|--|
| BENIN  | 1.  | S.E. Rigobert D. LADIKPO<br>Ministre de l'Industrie  |
|  | 2.  | M. Cyprien D. LOKOSSOU<br>Directeur Adjoint<br>Cabinet Ministère Industrie   |
| BOTSWANA   | 3.  | Mr. Felix MOGATUSI<br>Commercial Attaché, Ministry of Commerce and Industry<br>Embassy of Botswana in Bruxelles    |
| BURKINA FASO   | 4.  | M. Bénirné-Urbain SOMDA<br>Conseiller Technique<br>Ministère de l'Industrie, du Commerce et des Mines              |
| BURUNDI  | 5.  | S.E. Aster GIRUKWIGOMBA<br>Ministre du Commerce et de l'Industrie  |
|  | 6.  | M. Didace NZOBAMBONA<br>Conseiller du Commerce et de l'Industrie   |
| CENTRAL AFRICAN<br>REPUBLIC/REPUBLIQUE<br>CENTRAFRICAINE | 7.  | S.E. Jean-Marie MBIOKA<br>Secrétaire d'Etat aux Finances   |
| CHAD/TCHAD   | 8.  | M. Yamtebaye NADJITANGAR<br>Directeur de l'industrie et des cooperatives   |
| COMOROS/COMORES  | 9.  | M. Ja'd Ali CHAHARANE,<br>Directeur du Cabinet, Ministère du Plan  |
| DJIBOUTI   | 10. | S.E. Salem Abdo YAHYA<br>Ministre de l'Industrie   |
| EQUATORIAL GUINEA/<br>GUINEE EQUATORIALE                 | 11. | Hon. Severino OBIANG-EFONG BENGONO<br>Ministro de Industria, Energia y<br>Promotion de Pequeña y Medianas Empresas |
| ETHIOPIA/ETHIOPIE  | 12. | H.E. Bekele TADESSE<br>Minister of Industry  |

13. Mr. Demissachew ASSEFA, Head, Planning and Programming Dept., MOI
14. Ms. Rahel TSIGE, National Project Officer, Ministry of Industry
15. Mr. Kiros JIDANIE, Ministry of Industry
- GAMBIA, THE/GAMBIE 16. Mr. Manga SANYANG  
Senior Ind. Economist  
Ministry of Trade and Industry
- GUINEA/GUINEE 17. S.E. Dr. Ousmane SYLLA  
Ministre de l'industrie, du commerce, de l'artisanat,  
MICA
- GUINEA BISSAU/  
GUINEE BISSAU 18. M. Anastasio Furtado  
Directeur Général de l'Industrie
- LESOTHO 19. H.E. Mokoroane MOLETSANE  
Minister of Trade and Industry
20. Mr. John B. MAIEANE, Commissioner of Industry
- MA AWI 21. Mr. Richard J.M. CHILINGULO  
Chief Ind. Development Officer  
Ministry of Trade and Industry
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MAURITANIE 22. M. Mohamed Mahmoud OULD MAATOUG  
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Ministère de l'Industrie et des Mines
- MOZAMBIQUE 23. Dr. Teophilo CHICOGO-SENZANI  
National Director of Metallurgical Industry
- NIGER 24. Mme. Brigitte DIA  
Directrice de l'industrie et de la  
promotion des investissements privés
- RWANDA 25. S.E. Joseph NZIRORERA  
Ministre de l'Industrie et de l'Artisanat
26. M. J.M. Vianney NYALIHAMA  
Directeur Général de l'Industrie

- SIERRA LEONE 27. Mr. A. T. MORGAN, Director of Industries  
Min. of Trade, Industry and State Enterprises
- SUDAN/SOUDAN 28. Mr. Mohamed Ahmed EL TAHIR  
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Ministry of Industry
- TOGO 29. M. Kossi KONOU  
Conseiller, Ministère de l'Industrie
- UGANDA/UGANDA 30. Ms. Elizabeth MUKIIBI  
Principal Economist, Ministry of Industry
- UNITED REPUBLIC 31. H.E. Ambassador A. H. JAMAL  
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UNIE DE TANZANIE Embassy in Geneva
32. Mr. Khamis K. SONGORO  
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Industries and Marketing, Zanzibar
33. Mr. Msuya MANGACHI  
First Counsellor, Tanzania Mission, Geneva
34. Mrs. Edine E. MANGESHO, Senior Economist  
Min. of Trade and Industry, Dar es Salaam
- YEMEN 35. Dr. Saeed Sharaf BADR  
Ambassador of Yemen and Permanent Representative in  
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ASIA AND THE PACIFIC + LATIN AMERICA/ASIE ET PACIFIQUE + AMERIQUE LATINE

- AFGHANISTAN 36. H.E. Dr. Mohammad Anwar DOST  
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37. Counsellor Abdul Habib MAJID  
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Additional Secretary, Ministry of Industries
- BHUTAN/BHOUTAN 39. Mr. Sangay KHANDU  
Director, Ministry of Trade and Industry
40. Mr. Tobgyel SONAM, Manager Tech. Services

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Acting Sec. of Foreign Affairs and Int. Trade
- MALDIVES            42. Mr. Mohamed Ismail MANIKU  
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- MYANMAR            43. U Win Zaw NYUNT  
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Additional Secretary, Min. of Industry

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