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SUMMARY OF THE SECTORAL PRIORITIES OF THE LDCs UNDER THE UNIDO MEDIUM-TERM PLAN AND THE PROGRAMME OF ACTION OF THE SECOND UNITED NATIONS CONFERENCE ON THE LEAST DEVELOPED COUNTRIES*

Prepared by the UNIDO Secretariat

* This document has been translated from an unedited original.

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I. GENERAL BACKGROUND

The least developed countries (LDCs) remain backward in comparison to the rest of the developing world. The growth rates of their economies has often been lower than the rate of their population increase. The natural resources are often meagre and underexploited. And their national markets are very limited, with the cost of transport being exorbitant. There is lack of balanced industrial structures and their rates of development are highly dependent on international trade and fairly vulnerable to the fluctuations in the latter. This state of affairs calls for adequate measures with regard to the development of the sectoral priorities for their industrial development: human resources development, futherance of technological potential, industrial rehabilitation and the efficient use of the opportunities afforded by regional and subregional cooperation.

The principal objectives of the contribution by UNIDO to the least developed countries can be summed up as follows:

- Preparation of technical cooperation programmes at the national, subregional, regional and international level;
- Formulation and evaluation of projects to be implemented under those programmes;
- Lastly, search for the financial resources needed for the implementation of those projects.

What solutions are envisaged for these objectives?

More especially within the framework of its technical cooperation activities, UNIDO will upgrade the work it is doing to make an inventory of the specific problems and potentials of LDCs in the relevant areas of its competence. This activity will be combined with a careful follow-up of its cooperation programmes at the national, regional and subregional level.

At its third session, the General Conference of UNIDO recalled that there was need to continue according the highest priority to the LDCs under the technical cooperation programme. It was decided that action by UNIDO would deal with the following points: preparation of master plans for industrialization of the LDCs according to their sectoral priorities, implementation of market studies, preparation and evaluation of investment projects, rehabilitation of industrial enterprises when such is economically feasible, and the development of opportunities for training. UNIDO will broaden the scope of its action to ensure close coordination with the Programme of Action of the Second United Nations Conference on the Least Developed Countries.

Under the medium-term plan special attention will have to be given to financing the national contributions for the development projects as well as to covering renewable costs. This latter factor is of importance in cooperation activities relating to the maintenance and rehabilitation of industrial installations.

1. The least developed countries in the international context

The LDCs are on the fringe of international trade and the development process. Almost marginalized in the world economy, their share of the world exports, which was already insignificant in 1960 (1.4 per cent), dropped to an absurd level in 1988 - 0.3 per cent. Furthermore, their trade has not ceased to decline, with the index falling from 100 in 1980 to 94 in 1985, and to 84 in 1988. External support in the form of development aid has not taken shape. Official development assistance (ODA) ought to be 0.15 per cent of the GNP of the donor countries, but in 1988 it was only 0.09 per cent. Finally, the total foreign debt of the LDCs almost doubled between 1982 and 1988. The direct consequence has been the paltry results obtained for trade and growth and from the non-application of the programme's provisions relating to resource contribution. Thus certain unknowns in the international economic environment further complicate an already precarious situation in the development of the LDCs: trends in aspects of international competition; three fifths of the world trade is conducted between three large blocks: North America, Western Europe and Asia/Pacific (Central and Eastern Europe will shortly be coming back on to the scene). Practically all the important world-wide programmes in technology and direct foreign investments tend to be concentrated more than in the past on the recipient countries of the OECD as well as the most advanced developing countries. Hence there is risk of the marginalization of the LDCs becoming greater. The efforts made by those countries to remedy the situation will be limited, first, by the heavy burden of the debt service and the low domestic saving rates, and, second, by the constraints inherent in the market and in the infrastructure.

But the strengthening of the links of interdependence at international level make both possible and necessary a concerted effort to reverse the trend towards a slow-down in economic and social development which several LDCs have suffered during the 1980s. The least developed countries are encountering structural problems of a particular nature and intensity. Hence they deserve to benefit from special international support in their activities directed to social and economic development.

II. AFRICAN LDCs

The efforts of UNIDO in the LDCs of Sub-Saharan Africa will be geared especially to the preparation of interdependent programmes that should help to attain the objectives set by the LDCs of the region. In this respect UNIDO will mainly seek to develop the skills, institutions and production resources, to consolidate its assistance and focus it on industrial sectors/branches, more especially the agricultural and related industries. UNIDO will accord priority to policies, strategies and its plan of support for industry, the development of the smaller industries associated with agriculture, the development of human resources for industry, the promotion of industrial investment and the strengthening of industrial institutions providing support and services for industry. The prospects for development in that region seem gloomier than ever, inter alia as a result of bad harvests and the penetration towards the South by the Sahelian-Sudanese dry belt, together with a high population growth. These countries would gain from special attention, especially those that are land-locked. Indeed, their situation in a land-locked aree is marked by considerable variations in rainfall, the

richness of the soil and the biomass, and the water resources are limited and uncertain; and there is a growing decline in the resources as a result of overexploitation resulting from bad cultivation practices and demographic pressure: these are the difficult conditions that have impeded their development. Hence the bulk of the development effort has been financed from foreign sources. Rural development, as a whole, is in constant decline: self-sufficiency and food security are becoming a matter of urgency. Hence the promotion of the agro-industries becomes a top priority.

Cape Verde, Comoros and Sao Tomé and Principe

These three countries, like other LDCs that are islands, have specific problems related to the interinsular transport services and the telecommunica-tions system.

The sectoral priorities have several features in common. The strategy of expanding production is geared to the manufacturing industries, including the subcontracting and broad-scale training of skilled manpower. The need for middle level managers for agro-industrial development remains unsatisfied.

In Cape Verde, in the production sectors, leaving aside the sectoral priorities in favour of the export industry (fisheries, industry, services, etc.) and the domestic market, priority is normally given to the establishment of conditions favouring the activities of the national and foreign private industrial sector rather than to direct public investment in the manufacturing industry.

In Sao Tomé and Principe efforts will be based on the processing of agro-food produce (fruit, vegetables, fish and meat); the production of construction materials (lime and homemade cement) and expansion of the processing of timber.

In Comoros, in order to promote the creation of jobs and to diversify the country's production base, priority is given to industries geared to export, especially in the case of three types of project: projects with high manpower intensity; projects based on local raw materials on account of their contribution to national value added, and, lastly, projects geared to export or substitution products.

Burundi, Central Africa, Equatorial Guinea and Rwanda

In the case of Burundi, Central Africa and Rwanda, consideration should also be given, when planning their industrial development, to the inherent needs of development and maintenance of their inter-State transit systems. In these countries one of the sectoral priorities is to help to open up the regions and the countries, which means building more roads and improving the existing network in order to promote trade between the regions of the countries and also in the subregion and the improvement of transit conditions, especially by construction of the warehouses needed to promote inter-State commerce. Hence the development of the transport and communications infrastructure remains a matter of priority. As far as industrial development is concerned, priority is given to creating jobs and to exporting; primary sector industries, agro-industries, processing and import substitution industries. To promote trade in the subregion, Rwanda will undertake an improvement of the transit conditions, more especially by the construction of warehouses.

Burundi is initiating economic integration and opening-up projects within the framework of the Organization for the Improvement of the Akagera River Basin and the Economic Community of the Great Lakes Countries by encouraging agreements regulating the free movement of persons and property and the right of establishment.

To promote private initiative, Central Africa has set up a centre for aid to small- and medium-scale enterprise and the cottage industry in order to provide them with help in the form of training, technical assistance, access to credit and so forth. Since transport is a vital facet of economic integration and the opening up of the country in the region, the rehabilitation, maintenance and expansion of the road network is one of the country's sectoral priorities.

Equatorial Guinea will be developing, in the decade to come, the processing industries geared to domestic consumption and/or export. After thorough rehabilitation on the tinancial, administrative and legai plane, a programme will be launched for the privatization of enterprises in the sector covering trade, maritime transport and cocao.

Botswana, Lesotho, Malawi and Namibia

Outside Botswana, which may well leave the group of LDCs fairly soon, the sectoral priorities in industry are hardly any different in terms of their basic content, namely, encouragement of the private sector in the establishment of small- and medium-scale enterprises, development of the mining industries (Botswana) and the manufacturing industry, and the growth of the export of manufactured articles and the establishment of small industries utilizing local resources: leather, wool, fruit and vegetables, etc. (Lesotho).

In Lesotho a UNIDO special fund will be largely applied to pre-investment studies aimed at identifying new opportunities. The human resource sector remains a top priority since the manpower planning system suffers from lack of qualified personnel with technical experience in the field.

In Malawi, the yield from industrial diversification to support the replacement imports and encourage the export industries is a high sectoral priority for industrial development. This country has been hit by a dearth of managerial staff in both the private and public sectors.

Namibia, most of whose basic food is not locally processed, would like to develop the processing industries. Rich in mining products, Namibia bases great hopes on the diversification of the mining sector. This country also has need of technical assistance for the training of entrepreneurial personnel and in the export sector.

Ethiopia, Mozambique, Uganda and Tanzania

Having found its way back to peace, Mozambique should now get to grips on a priority basis with rehabilitation, restructuring and modernizing of

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existing industrial capacities. The priority industries are construction materials and processing of local products in the small- and medium-scale enterprises (corn flower, cooking oil and soap). A study underway foresees the restructuring of various key enterprises, if necessary with foreign capital to enable them to operate on a sound commercial basis. One of Mozambique's priorities is the modernization of its road and rail network. The possibility of developing coastal and river transport has been studied. The idea is that 30 per cent of the domestic transport could be made in that way. In industrial development, Mozambique's priority is the training of trainers in the production sectors and in management both at the middle and senior levels.

In Ethiopia, the diversification of the industrial base figures among the higher development priorities for the 1990s. The country hopes to increase the number of persons trained in specific branches of science and technology, and to improve the grade of existing personnel as well as to step up the number and level of the managers. Training in industrial management and development of science and technology figure among the four priorities in human resources.

Uganda intends to set up an independent, integrated and autonomous economy in the 1990s. For this purpose the priorities are creation of genuine industries efficiently replacing imports; development of the agro-industry, establishment of an industrial base sector with national production capacity for capital goods and, finally, the introduction of technology relevant to and compatible with that development strategy.

Towards the end of the 1980s Tanzania was witness to an increase in its industrial production in real terms from 4.2 per cent to 5.4 per cent in 1988. This performance suggests that the objectives of 6 per cent in the first half of this decade may be attained if the momentum is maintained. The industries to be encouraged will be the industries using local raw material and/or producing for purposes of export, and the small enterprises which are developing and providing the industrial sector with the capabilities that it needs and that will improve its efficiency.

Bukina Faso, Mali, Mauritania, Niger and Chad

These countries which are confronted with problems of food security have, in the case of each one, devised industrial policies as part of the structural adjustments in order to ensure security of food supplies: they have the development of agro-industrial small- and medium-scale enterprises as their priority. The promotion of a private and dynamic industrial sector is underway in all countries: the effort relates to the encouragement of small enterprises, the rehabilitation or privatization of public enterprises and the use of local raw materials. For certain countries like Mauritania, Niger and Chad, reactivation or rehabilitation programmes will be started up for their mining industries.

In view of the low level of the workforce and the lack of middle-level managers, policies have been worked out for technical and vocational training. In Niger, for example, they have gone as far as operating schemes for the promotion of training through private investment and socio-professional partnership for the establishment of vocational training units.

Since industrial development is limited by the weakness of the home market, these countries will be implementing policies for promotion of exports to neighbouring countries.

In the land-locked Sahelian LDCs the long-term objectives of rural development will tend to be the search for self-sufficiency and food security. To that effect in Burkina Faso, Mali, Chad or Niger, measures to combat drought have been incorporated into agricultural projects, programmes for reforestation and soil conservation have been started up, and industrialization through the development of small- and medium-scale enterprises which provide the rural sector with the means of production and utilize agricultural products will be an important factor in improving the income of the rural world and the processing of national resources.

For those least developed countries which are both vast and land-locked, transport and communications represent a key element in their long-term economic and industrial progress. Rehabilitation and maintenance programmes for the rail and road networks will be put into effect, more especially by organizing and structuring transport activity and streamlining their management. The objective is to support the development of interregional trade within the country as well as between different countries.

Gambia, Liberia and Sierra Leone

In Gambia a global plan of action will be drawn up to promote the exploitation at full capacity of the industrial area of Kanifing. Gambia plans to develop training and refresher course programmes, more especially in vocational training at the medium-level. Integration of women will continue in the small rural enterprises (for conservation or processing).

The promotion and development of small- and medium-scale enterprises producing from local resources commodities intended both for domestic consumption and for export apply primarily to Sierra Leone. Also, efforts at modernization of the mining industry sector will continue and projects for mini-hydroelectric power plants are in view.

In Liberia, UNIDO is supporting the programme for diversification, expansion of the industrial base and the building of small- and medium-scale enterprises.

Guinea is continuing its industrial rehabilitation strategy - the restoration of power stations and power distribution networks and the start-up of projects for hydro-electric dams; development of export agro-industries, human resources and improvement of management and planning capabilities in key sectors.

In Guinea-Bissau the second National Development Plan (1989-1992) will give priority to the following objectives:

- Import substitution industries by encouraging the processing industries. This plan will cover the privatization of a certain

number of industrial units and the liquidation of units considered non-viable on the economic and financial plane. For the integration of women it is planned to set up rural enterprises.

In Togo, the industrial policy is aimed at continuing to reform the public enterprises, disengagement from the State, improvement of the output of public enterprises, promotion of the private sector, promotion of exports and establishment of free industrial zones. The integration of women into the development process will be focused particularly on more consideration for the concerns of women in all development projects, the promotion of the employment of women, and the material and financial support needed for the development of their economic activities.

In Benin, particular attention will be given to the cottage industry, whose economic importance is brought out by virtue of its role as a "safety valve" for the social climate. Emphasis will also be placed on greater integration of industrial units, first, among themselves and, second, between industry and cottage industry, together with other sectors of the economy, for the purpose of creating an industrial fabric in the country in a genuine and progressive manner. There will also be an appeal to the private sector to permit this relaunching, more especially through the development of small- and medium-scale enterprises. Furthermore, with the implementation of the public works programmes with a high manpower intensity, Benin hopes that it can partially resolve the tricky problem of employment.

III. LDCs IN ASIA AND THE PACIFIC

In addition to the technical cooperation activities underway, the UNIDO medium-term plan will devote special effort to the small enterprises and to the metalworking and fish processing industries. At the regional level there will be a policy facilitating the incorporation of the LDCs into the existing subregional cooperation mechanisms such as ANASC, SAARC and the SOUTH PACIFIC FORUM.

Technical and technological know-how acquired by the newly industrialized countries of South-East Asia will be put to work in the form of expert services and equipment in technical cooperation projects in order to benefit the least developed countries.

Afghanistan

One of the sectoral priorities of the economic development of Afghanistan is industrial rehabilitation, i.e., the restoration and reconstruction of enterprises damaged by the war and the restoration of their production capacity both in the private and public sectors. Priority is given to flour mills, cotton gins, vegetable oil plants, textile factories and cement works and sugar mills.

In the mineral product sector, production levels will have to be raised to what they were before the war.

In the longer term there will be need to increase the number of industries and encouragement for setting up new industries operating on national resources.

The demand for technical and highly professional knowledge in various sectors of the economy greatly outweighs the supply. Hence Afghanistan is to put into effect a programme for increasing the studert body in technical and vocational schools in order to deal with the lack of skilled workers, more especially in agriculture and the management of small scale industries and handicrafts; this will be intended to meet the basic needs of the rural population by their participation in the recovery and reconstruction of the rural infrastructures, namely roads, schools, health centres, rural factories and the cottage industry.

<u>Bangladesh</u>

High priority is accorded to the human resource development as an essential development strategy. Efforts will cover technical and vocational training in order to make up for the lack of skilled technical personnel and also to increase the skilled manpower; this training will be introduced, both in the private and public sectors, into primary elementary education so as to improve the chances of productive employment in the industrial sector. Bearing in mind the country's technological needs, the Government will organize training and refresher courses covering different technical and technological areas, for example, industrial services such as engineering, electricity, agricultural machinery, metallurgical industries, industrial design, foundry work, maintenance, etc. Along these lines there will be a programme for the vocational training of women so that they can pursue an independent trade, with provision for production activities at home, credit facilities and other benefits.

The industrial sector is marked by the fact that there has not been any technological adaptation, more especially in the smaller industries and family enterprises. Preparation of a master plan for industry will soon be initiated with the assistance of UNIDO. The industrial strategy of the present decade will emphasize, above all, the rural agro-industries used for purposes of support and processing, which will be set up around the growth centres already in possession of material and other infrastructures. Priority is accorded to the export industries and will be aimed at diversification of production and the setting up of substitution industries to replace imports, using local production in the areas where Bangladesh has a relative advantage. Except for a few strategic and heavy industries, all the industrial sectors are open to local and foreign private investment.

Priority will also be given to small- and medium-scale enterprises and to the cottage industry, in particular silk-worm breeding and weaving. To back up industrial development there will be global promotion programmes for the transfer of technology with particular stress being given to the Centre for Industrial Research in order to upgrade the research and development activities and the marketing of technologies.

Bhutan

In its Sixth Development Plan the Government has defined four industrial zones: Phuntsholing, Gaylegphug Gedu and Pasakha. On the basis of the prefeasibility and feasibility studies already made, the Ministry of Trade and Industry has identified a certain number of spheres in which it can offer opportunities for industrial development during the 1990s. These are, inter alia:

- Industries for processing mining and quarrying products, such as cement, coal, graphite and gypsum;

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- The conversion of calcium carbide into industrial products;
- The forestry industries (plyboard and wood-core plywood);
- The agro-industries (food industry or distilleries).

Efforts will be made to establish enterprises in these sectors with the assistance of donors. The private sector will be encouraged to take part in the country's industrial development through privatization and the acquisition of holdings in public enterprises.

Lao People's Democratic Republic

The Lao industrial sector is at a very low level of development and consists of small enterprises which mainly process agricultural produce, wood, tin and gypsum. But the introduction in 1985 of the New System of Economic Management (NSEM) means that the industrial sector, which also covers energy and construction, should experience a considerable upsurge in this decade, since Laos has gone from being a centralized and planned economy to a free market economy. The sectoral priorities of Lao industrial development are centred on the establishment of small manufacturing units and additional assembly units, as well as agro-industries geared to both the domestic and export markets. The development programme in the hydroelectric power sector (one of the first items in the country's industry) consists of three types of activity: rehabilitation of small power plants, installation of additional power plants of small size and the preparation of pre-investment studies for large power generating units and their construction.

Lack of skilled labour at all levels has forced the UNDP and the Government of Laos to declare human resource development as the main priority for the country's programme. The accent will be put on vocational and technical training.

The Maldives

The Government of the Maldives, which recognizes the fact that there is no lasting development without industrial progress, is about to launch upon a vast industrialization programme for the 1990s. It will be geared to sectoral priorities for the industries intended for exports, and it is the intention to set up three industrial promotion zones for this purpose. The Maldives, however, need technical assistance for formulating industrial policies and a plan for an industrial infrastructure. It is also planned to diversify the fishing industry and, further, new techniques will be introduced to step up the production of fish. Measures to promote initiatives in industrial investment and foreign investments have been adopted in order to foster the export-oriented industries.

In terms of human resources, this country is confronted by a lack of skilled and semi-skilled workers. What is worse, there is a lack of

availability of workers in the high-productivity industrial sector. To remedy this situation a technical and cocational training programme has been worked out at the vocational training centre (VTC) at Male, which trains welder/ mechanics, among others, in the areas of the repair and maintenance of diesel engines. Five other training centres have been set up in the country.

Myanmar

The long-term objective of the industrialization policy of Myanmar is to transform the economy, which is essentially agricultural, into an industrial economy based on agriculture. Among the other objectives are the development of export industries using local raw materials and the establishment of light and heavy industries to meet domestic demands as well as for export. This is expected to help the development of the small- and medium-scale enterprises, in particular, through initiatives to attract foreign investments. Myanmar is also going to expand and develop the mining industries (oil, tin, tungsten, copper concentrates, natural gas etc.).

With regard to the skilled labour requirement, the emphasis will be on technical and vocational instruction and training resources will be developed for that purpose. The level of technology employed in the private cooperatives in the industrial sector is usually the middle level. The Yangon Institute of Technology, by way of its research and development activities, is helping to improve the level of the technology applied in industry.

<u>Nepal</u>

In Nepal's Eighth Plan (1990-1995) improvement in the results of the industrial sector is a high priority. For this purpose reforms have been applied in the trade, industry and finance sectors in order to stimulate industrial development. Private investments will be encouraged for the establishment of the textile and footwear industries. To promote the smalland medium-scale enterprises emphasis will be given to the improvement of the capabilities of private and public institutions responsible for the development of those small- and medium-scale industries, especially in rural areas.

To counteract the lack of technical personnel and training capacity, Nepal plans, among other things, technical and professional training at centres in various fields: electrical installation, machine repair, welding and, finally, the establishment of a national vocational training centre. But in the country there is a strong concentration of competent personnel in the Kathmandu valley.

Kiribati, Samoa, Tuvalu and Vanuatu

These four islands of the Pacific, which are least developed countries, all experience the same problems of industrial development. The domestic resources available for industrial development are extremely limited.

The concentration of activity on a limited production base relates only to two products: in the case of Kiribati it is fish and copra and for Tuvalu it is coconut and textiles. These islands also suffer from the low level of their subsistence technology and capabilities. As long as the problems of transport and communication and other infrastructures arise, the potential for economic growth will be greatly reduced. Another handicap, and not one of the least, is the lack of manpower and technically and professionally qualified personnel. The industrial sector investments are geared towards the exploitation of natural resources, notably those of the sea and the forests.

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In Kiribati the stress is placed on the expansion of the small-scale industries with a view to developing the export industries and replacing imports and expanding exports in the private sector.

In Samoa, there is the same thrust in the industrial strategy: to promote exports by establishing export-oriented industries, to reduce the import level by encouraging industries to produce more for the home market, and to develop the processing of local raw materials.

In Tuvalu, the industrial sector is composed of downstream activity associated with coconut growing, together with the production of soap and cooking oil; a shirt making enterprise for export, a brick works, a furniture factory for the local market and four private construction enterprises, whose workyards are mainly financed by foreign aid.

In Vanuatu a small number of Vanuatans have set up small-scale enterprises and it is believed that the tendency will become more marked, but except for the sawn wood sector there has been hardly any progress in the manufacture of products for replacing imports or intended for export.

IV. THE LEAST DEVELOPED ARAB COUNTRIES: DJIBOUTI, SOMALIA, SUDAN AND YEMEN

In the least developed Arab countries, which covers three African and one Asiatic country, the sectoral priorities follow another important criterion. Since these countries differ from each other in terms of their size and economic structure, they are far from having the same opportunities for industrialization. Hence UNIDO will give preference here to human resource development and to food security by the establishment of small agro-industrial enterprises to lower the cost of imports and on account of the cramped nature of their domestic markets; the industrial policy tends to favour the search for foreign outlets, more especially in the region. UNIDO will also strengthen its cooperation with subregional bodies such as the Arab Industrial Development Organization (AIDO).

For their food security all these countries have programmes coming under their industrialization strategy - in Somalia the creation of industrial fisheries is in process of study. A general strategy will aim at improving agricultural techniques and stepping up productivity and planning private investment, more especially for the smaller farmers (coventures and cooperatives). This country is also planning to modernize its vocational training establishments. Like Sudan and Yemen, apprenticeship, in-house training and on-the-job instruction will be developed.

Yemen gives more priority in its industrialization policy to industries depending on raw materials and local production factors. The manufacturing industry subsectors, the mining industries (oil) and the water supply, construction and public works. There are also projects for establishing small- and medium-scale enterprises in the fishing industry.

With regard to the integration of women, Yemen will be promoting programmes in non-traditional sectors (other than agriculture and handicrafts).

To ensure its food security, Sudan will be focusing its efforts on mechanized agriculture with a view to producing for local consumption and for export. Within the industrial rehabilitation policy the priority is to relaunch industries by better use of local raw materials, employing simple and viable technologies, mainly for the rehabilitation of the sugar, textile and tanning industries. And to increase industrial production, Sudan will foster the participation of scientific and technical research centres, universities and institutes in the efforts made by enterprises. There will also be development of vocational and technical training, rather than just general education, so as to train medium-level managerial staff and improve the qualifications of students entering an active life and available to meet the needs for the country's economic growth. To improve and increase the involvement of women in the process of development growth, Sudan seeks to extend technical and vocational training to women and to give women access to credit and other services entailed in economic activity.

The summary of the sectoral priorities of the LDCs given in this document indicates a concurrence of views on the priority options established, first, by the LDCs themselves and, second, by the Programme of Action of the Second United Nations Conference on the Least Developed Countries and the UNIDO Medium-Term Plan, 1992-1997. In the analysis of the sectoral priorities the all-important options are those of agro-industrial development, food security, mobilization and development of human resources, technology transfer, energy, small- and medium-scale enterprise promotion, rehabilitation of industrial units, rural development, integration of women into industrial development, transport and communications and so forth. These priorities are part of the prospect for improvement of the industrial productivity of the LDCs during the 1990s. It is essential to point out that the same priority options are to be found in the 42 least developed countries, and that this applies to Africa as much as to Asia and the Pacific, the Arab countries, Haiti and Latin America. In this sense the applicability of the UNIDO Medium-Term Plan is reinforced in line with the Programme of Action of the Second United Nations Conference on the Least Developed Countries.

Thus, there emerges the basis of a strategy for the industrial development of the LDCs that UNIDO will have to define and implement in the 1990s by means of an industrial plan of action suited to the genuine needs of the least developed countries.



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Corrigendum

Page 3, lines 6 and 7

<u>Delete</u> with the index falling from 100 in 1980 to 94 in 1985, and to 84 in 1988.

Page 5, first paragraph

For the existing text substitute

To promote trade in the subregion, Rwanda will direct its efforts towards improving transit conditions, more especially by the construction of warehouses.

Page 12, second paragraph, lines 2 and 3

<u>Substitute</u> industries with a view to developing the export industries to reduce imports.