



TOGETHER
for a sustainable future

OCCASION

This publication has been made available to the public on the occasion of the 50th anniversary of the United Nations Industrial Development Organisation.



TOGETHER
for a sustainable future

DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

FAIR USE POLICY

Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

CONTACT

Please contact publications@unido.org for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at www.unido.org

19796

Distr.
LIMITED

ODG.14(SPEC.)
25 May 1992

UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

ORIGINAL: ENGLISH

sl: 44p
- 2000

**EVALUATION OF
ECDC/TCDC ACTIVITIES
OF UNIDO***

Prepared by the
Evaluation Staff
Office of the Director-General

* This document has not been edited.

TABLE OF CONTENTS

ABBREVIATIONS	ii
SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS	iii
1. INTRODUCTION	1
1.1. Evaluation of UNIDO Headquarters activities	1
1.2. Purpose of the evaluation	1
1.3. Scope of the evaluation	2
1.4. Evaluation activities carried out	3
2. BACKGROUND TO ECDC AND TCDC	4
2.1. Legislative background	4
2.2. Definition of ECDC and TCDC	6
2.3. Factors affecting ECDC/TCDC	7
2.3.1. Economic factors	7
2.3.2. National policy factors	8
2.3.3. Attitudes	8
3. OVERVIEW AND EVALUATION OF ECDC/TCDC ACTIVITIES OF UNIDO	10
3.1. Scope of ECDC/TCDC activities	10
3.1.1. Resources	11
3.1.2. Organizational units of UNIDO	11
3.1.3. Organizations outside UNIDO	15
3.2. Promotional activities	17
3.2.1. Solidarity meetings	17
3.2.2. Subsector-specific or thematic meetings	21
3.2.3. Relation to other meetings	23
3.2.3.1. System of Consultations	23
3.2.3.2. Technical meetings	23
3.2.4. Information systems	24
3.3. Support to operational activities	26
3.3.1. Capacity building	26
3.3.2. Networking	26
3.3.3. Regional centres	27
3.4. Financing of ECDC/TCDC projects	27
3.5. General assessment of achievements	28
4. CONCLUSIONS AND RECOMMENDATIONS	31
4.1. Overall concept	31
4.2. Private-sector involvement	31
4.3. Definition of ECDC/TCDC	32
4.4. Attitudes	32
4.5. Policy directives and mandates	32
4.6. Design and reporting	33
4.7. Organizational units involved and their cooperation	33
4.8. Cooperation with other organizations	35
4.9. ECDC/TCDC focal points	35
4.10. Promotional activities	36
4.10.1. Meetings	36
4.10.2. Information systems	37
4.11. Support to operational activities	38
Annex 1: Synopsis of resolutions and decisions	39
Annex 2: The concept of cooperation	41
Annex 3: Summary of programme and budgets documents	47
Annex 4: Non-staff resources of the ECDC Section	49

ABBREVIATIONS

AGRIMACH	Agricultural machinery
AGRO	Agro-based industries
ASEAN	Association of South-East Asian Nations
BAPA	Buenos Aires Plan of Action
CAF	Andean Finance Corporation
CHEM	Chemical industries
CPA	Caracas Programme of Action
DFI	Development financing institute
DIO	Department of Industrial Operations
ECDC	Economic cooperation among developing countries
ECDC/TCDC	Economic and technical cooperation among developing countries
EDP	Electronic data-processing
ENG	Engineering industries
GA	General Assembly
GC	General Conference
ICDC	Industrial cooperation among developing countries
IDB	Industrial Development Board
IDDA	Industrial Development Decade for Africa
IDF	Industrial Development Fund
IHRD	Industrial Human Resource Development
IID	Industrial Investment Division
INRES-South (now TCDC-INRES)	Information Referral System for developing countries
INTIB	Industrial and Technological Information Bank
IO/T	Industrial Operations Technology Division
IO/HS	Industrial Institutions and Services Division
IPCT	Department for Industrial Promotion, Consultations and Technology
IPF	Indicative Planning Figure
JPO	Junior Professional Officer
LDC	Least developed country
MET	Metallurgical industries
MTP	Medium-term plan
NIC	Newly industrialized country
NIEO	New international economic order
ODG	Office of the Director-General
PBC	Programme and Budget Committee
P&B	Programme and budgets
PTA	Preferential Trade Area for Eastern and Southern African States
SADCC	Southern African Development Coordination Conference
SMI	Small and medium industries
TCDC	Technical cooperation among developing countries
TIES	Technological Information Exchange System
TNC	Trans-national corporations
UCD	UNIDO Country Director
UNCTAD	United Nations Conference on Trade and Development
UNDP/SU/TCDC	Special Unit for TCDC of the United Nations Development Programme
UNDP	United Nations Development Programme

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

The overall concept of ECDC/TCDC is commendable and remains valid. It hinges on the need for cooperation based on mutual benefits aimed at self-reliant development which has been further reinforced by global trends towards economic integration in recognition of global interdependency and need for cooperation at all levels and among all countries. While some progress has been made, ECDC/TCDC still requires a considerable amount of promotion and support by external agents such as UNIDO.

In view of global economic changes, i.e., *inter alia*, the increasing role and importance of the private sector, some aspects of ECDC/TCDC activities need reviewing and adjustment to institute a change in emphasis. The original concept of ECDC/TCDC was conceived as a mechanism for bringing together government officials to agree on cooperation at policy as well as enterprise level since productive entities were by and large state-owned. Political motivations tended to dominate over technical and financial considerations. While there is need for readjustment, it is rather difficult to transplant mechanisms used so far directly for the promotion of private-sector cooperation since private entrepreneurs do not consider ECDC/TCDC as a political issue. Their motivation is driven by other than political concerns and business deals are conducted whenever and wherever viable, independently of the country of residence of the partner. Therefore, projects promoted have to be financially viable and promotional activities should be governed by business-oriented concerns and handled by the organizational unit specialized to do so.

The working hypothesis and criteria presented in the evaluation for ECDC and TCDC indicate that attitudes of all parties involved in cooperation are very important to ensure success. The mutuality of interest should be a predominant factor, which, however, is not always the case. UNIDO in its role of a facilitator can at most emphasize that ECDC/TCDC principles should be adhered to.

The long tradition of North-South assistance has led to some prejudice against expertise, know-how, training, equipment, etc. that originate from the South, although preferences will vary from country to country. Attitudes seem related to, *inter alia*, the development level of the recipient country and the subsector in which cooperation takes place. The said attitudes and lack of awareness of potentials available from developing countries require improvement by means of information dissemination, or well planned/organized study tours for specialists from one developing country to visit production facilities and industrial institutions in selected developing countries.

Decisions and resolutions call for increased allocation of UNIDO resources to ECDC/TCDC activities. Since however reporting on their magnitude has not been comprehensive, it is recommended to await improved and more comprehensive reports by the Secretariat before assessing whether increased allocation to ECDC activities are required.

Due to the spread of activities and due to a lack of adequate reporting mechanisms, UNIDO's ECDC/TCDC activities cannot be captured in their totality. Reporting on ECDC/TCDC activities and projects carried out by substantive branches needs considerable improvement. It is, therefore, recommended that available UNIDO mainframe facilities, which have provisions for the inclusion of ECDC/TCDC indicators, should be systematically used for ECDC/TCDC data entries, storage and retrieval. Based on such a system, reporting to Member States will become more comprehensive and actual trends in allocation of resources to ECDC/TCDC activities and results achieved can be better monitored.

UNIDO's medium-term plan (MTP) (1990-1995 and revisions) qualifies ECDC as a common element to industrial development which permeates all activities and programmes of the

Organization. To design a distinct programme with a determined set of objectives, outputs and activities would limit ECDC/TCDC to the confines of that programme, hindering the full integration of ECDC/TCDC activities into other programmes. In view of a resultant dispersal of ECDC/TCDC activities throughout the Secretariat, the ECDC Section needs to focus on and specialize in issues in which the overriding factor is ECDC/TCDC-specific. The ECDC Section can alert other staff about ECDC/TCDC opportunities, however, the implementation of activities in specialized technical areas with ECDC/TCDC character should be carried out by relevant technical or substantive organizational units. The evaluation identified the following areas which should be dealt with by a section specialized in ECDC/TCDC:

- Analysis of mandates adopted by UNIDO policy-making organs on the subject matter to understand their implications and recommend to UNIDO management policy positions and ways and means of transforming these mandates into operational applications.
- Analysis of key issues pertaining to cooperation among developing countries such as:
 - ◆ What are key constraints to cooperation among developing countries and how can they be addressed;
 - ◆ How can it be ascertained that commonalities of interests and mutual benefit are secured in projects;
 - ◆ How effective are mechanisms used so far and what are their shortcomings and advantages;
 - ◆ How effective are networks and regional centre and what are their constraints.
- Compilation of findings resulting from above-mentioned analyses in guidelines, checklists, etc. for circulation within the Secretariat and organization of workshops on results of these analyses for UNIDO staff members, including UCDs and JPOs, as well as officials and entrepreneurs in developing countries.
- Provision of advisory services on the afore-mentioned key issues.
- Monitoring and analysis of UNIDO activities in the area of ECDC/TCDC, by utilizing mainframe facilities, to assess whether cooperation among developing countries is concentrated in certain areas, geographical or subsectoral, advise on expansion of activities in those areas which are not fully covered, and report to management and policy-making organs on the status of ECDC/TCDC activities of the Organization by drawing on information contained in an improved information system as specified in the evaluation.
- Contribute to activities undertaken by other organizational units such as:
 - ◆ System of Consultations through involvement of the ECDC Section in the preparation and conduct of consultation meetings to assess and prepare those aspects pertaining to the meeting which are of specific interest to developing countries and their cooperation, organizing and participating in those sessions during which consultations between developing countries take place, and follow-up to consultation meetings on issues which are not subsector- but ECDC/TCDC-specific;
 - ◆ Technical branches in establishing a comprehensive information system containing details on capacities and capabilities of developing countries by reviewing available information, identifying information gaps and consulting with responsible

officers on expansion of available information (see also chapter 4.10.2.).

- Cooperation and liaison with other organizations on ECDC/TCDC issues.

UNDP and UNIDO should discuss whether the organization of TCDC meetings should be left to UNDP, whereas UNIDO should only participate in the preparation and conduct of these meetings, and thereafter employ its resources in follow-up to resulting project proposals rather than financing and organizing meetings itself. This approach requires a formal agreement between the two organizations as well as the institutionalization of a relevant and appropriate mechanism, e.g. in form of an umbrella project which would enable UNIDO to pursue aforementioned follow-up activities. Furthermore, UNIDO could offer its services to UNDP in form of appraising the ECDC/TCDC potential of projects and providing information on where requisite capacities are available.

The effectiveness of industrial ECDC/TCDC activities depends on support and coordination by national authorities which, at times, could be improved. National arrangements fall within the responsibility of sovereign governments, therefore, no further recommendations are made on this issue by the evaluation. UNIDO, on its part, should promote cooperation by ensuring that both channels, ministries of industry and TCDC focal points, are used for disseminating information on its ECDC/TCDC activities.

The following conclusions and recommendations can be made in respect of promotional activities:

- ◆ Solidarity meetings are increasingly addressing investment promotion, therefore should be handled and named as such and should be serviced by the specialized division, i.e. the Industrial Investment Division. This will ensure that standards for investment promotion are met, i.e. adequate preparation, standardized project profiles and continued promotion of projects through UNIDO's Investment Promotion Service (IPS) network, which presently is not the case.
- ◆ The number of ECDC/TCDC projects promoted at solidarity meetings which are not investment-related has decreased over time. To regain justification for solidarity meetings, they should have a stronger focus on projects in which participating countries share experience, expertise, know-how, etc. through ECDC/TCDC arrangements and not investment. This will require, in addition to adequate project preparation, the pre-negotiation of agreements that participating parties are ready to channel voluntary contributions and share resources through a UNIDO solidarity meeting.
- ◆ Subsector-specific meetings organized by the ECDC Section emphasize ECDC/TCDC aspects more than technical issues. For UNIDO to fulfil its role as a technical agency, it should concentrate on technical content and relevance of its activities and promote ECDC/TCDC as a common element and viable option within the technical context of the meeting.
- ◆ Technical meetings with ECDC/TCDC character organized by relevant substantive branches tend to be more focused on technical issues, involve to a higher degree participants from industries and appear to have a greater impact. The evaluation recommends that technical meetings are conducted by substantive sections to ensure technical focus and relevance of such meetings, however, calls at the same time for technical branches to give greater attention to ECDC/TCDC opportunities.

TCDC-INRES is not specific to industry but covers a wide range of capacities and capabilities available from developing countries. While participation in such a system might have the advantage of accessing a world-wide network, provided this is eventually established and operationalized, ways have to be found to combine and coordinate INRES with other, industry-specific databases already in existence at UNIDO Headquarters. The need for such consolidation or harmonization is even more pressing in light of UNDP's intention to expand TCDC-INRES beyond its present frame, i.e. available expertise and training institutions, to cover technologies as well. On the latter, UNIDO maintains systems such as INTIB and TIES which should be drawn upon to avoid duplication of efforts. Detailed recommendations on the subject matter can, however, not be offered by this evaluation as INTIB and TIES are subject to a separate in-depth programme evaluation.

In case UNIDO officially takes the responsibility for industry-related institutions entries in TCDC-INRES, a number of issues in the evaluation need to be clarified and a mechanism should be established for screening, cross-checking and updating of data.

For in-house use and monitoring of ECDC/TCDC activities, the existing mainframe project monitoring system should be used more systematically, i.e. staff should be trained to review projects as to their ECDC/TCDC potentials and incentives should be given to input such information into the mainframe system. In this connection, the ECDC Section will be assisted by the inclusion of appropriate indicators on ECDC/TCDC characteristics in the project cycle database which should be ascertained from the outset of the project and particularly at the initial appraisal of the proposal. In the appraisal document for project proposals a section dealing with the actual or potential characteristics of the proposal should be included.

The majority of UNIDO large-scale projects aim at building or strengthening institutions, hence contribute to the development objective of capacity-building. In some cases, successful technical cooperation projects have been utilized as the basis for information dissemination to other developing countries or resulted in an institution which was utilized by other developing countries, either for drawing on its expertise or benefitting from training opportunities provided. National institutions developed and/or strengthened through technical cooperation projects are also used in regional networks. The above approaches have, however, not been employed systematically and across the board. Staff members should be encouraged to consider these possibilities and report on them once they have been operationalized through the reporting system recommended in the evaluation to enable the Secretariat to reflect the full extent of its ECDC/TCDC activities. The ECDC Section, by using the information system described in that paragraph, should monitor and ensure that these opportunities materialize.

At the level of regional cooperation, UNIDO assisted through projects with subregional organizations which were not necessarily carried out under the label of ECDC/TCDC but in form of regional projects. Networks and regional centres (or national centres with regional outreach) appear to be viable mechanisms for cooperation among developing countries.

1. INTRODUCTION

1.1. Evaluation of UNIDO Headquarters activities

1. The subject evaluation, as previous evaluations of Headquarters activities, is a process which seeks to determine, as systematically and objectively as possible, the relevance, effectiveness and impact of work in progress or work completed by measuring accomplishment against objectives and by revealing the reasons for any significant deviation. In evaluating whether and to what extent goals have been attained, evaluation exercises are also designed to be forward-looking, by focusing on lessons learned from past experience and transforming these into useful recommendations. By recommending changes which are meant to improve efficiency, effectiveness and impact of activities, evaluation can serve as an important management tool, *inter alia*, as a useful guide for the allocation of resources and tasks. In practice, it has been difficult to make a complete and thorough evaluation of past activities because of faulty design against which the evaluation should take place, because of the pervasive nature of some activities and the difficulty of analyzing impact when efforts are concentrated on inputs, activities and, at most, results.

2. This evaluation is the second of a series of five evaluations requested by the Industrial Development Board (IDB.5/Dec.12), the first one having been that of UNIDO's Industrial Investment Activities¹ which was completed in January 1991. Prior to that, the Evaluation Staff carried out the in-depth evaluation of the System of Consultations² as the first of its kind.

3. ECDC/TCDC enjoys support at all fora and is considered an important means for promoting industrialization and achieving collective self-reliance and self-sustaining development. Moreover, it has called for even greater attention in response to the current global economic trend towards regionalization and economic integration. During the evaluation the resolve of developing countries to take initiatives towards this end was noted as well as the potential benefits deriving from the pooling of resources.

1.2. Purpose of the evaluation

4. This evaluation reviews and assesses past and present activities of UNIDO to promote ECDC/TCDC. The purpose of the evaluation is to enable UNIDO's policy-making organs and management to take decisions on actions and resources required to optimize relevance, impact and effectiveness of its activities to promote and support ECDC/TCDC.

5. To this end, the evaluation aims at providing the following:

- (a) A clarification of ECDC/TCDC concepts and modalities, particularly how they are being practised in developing countries; the difference between this mode of cooperation and "normal" technical cooperation.
- (b) An assessment of whether the ECDC/TCDC activities carried out by UNIDO are relevant to the evolving social and economic setting.
- (c) An assessment of the overall achievements of ECDC/TCDC activities against set objectives and expected results indicated in programme and budgets documents.

¹ Evaluation of the Industrial Investment Activities of UNIDO, ODG.12(SPEC.), 21 January 1991.

² Evaluation of the System of Consultations, ODG.8(SPEC.), 12 June 1989.

- (d) The identification and assessment of factors that have contributed to or hindered the attainment of objectives pertaining to ECDC/TCDC activities.
- (e) An analysis of the extent to which results attained, as observed by the evaluation, were attributable to ECDC/TCDC activities and to determine which organizational units of UNIDO were responsible for these results.

1.3. Scope of the evaluation

6. The Evaluation Staff adopted the same approach employed in the evaluation of the Industrial Investment Activities of UNIDO and established parameters to help ensure an adequate breadth of coverage, while at the same time keeping the exercise manageable. Unlike the Industrial Investment Programme, ECDC/TCDC is not meant to be a programme although at various levels attempts have been made to design or reflect it as such. The evaluation team dealt with ECDC/TCDC as a set of activities, as it will be explained in chapter 3 of this report. The term subprogramme used in chapter 3.1. refers to programme and budgets documents' terminology which concentrates on organizational units and their work programme and budget allocations.

7. The coverage of this evaluation comprises activities of UNIDO corresponding to two broad categories:

- (a) Those flagged as ECDC/TCDC activities, such as those mostly managed by the ECDC Section under its subprogramme.
- (b) Those implemented outside the ECDC Section and mostly not reported as ECDC/TCDC activities.

8. In view of the dispersion of ECDC/TCDC activities throughout UNIDO, the evaluation endeavours to pinpoint the resulting overlaps and to propose ways to minimize duplication and better these activities.

9. In addition, the evaluation discusses the definitions of ECDC and TCDC and attempts to differentiate between this mode of cooperation from normal technical cooperation. Moreover, a review of the various mandates given to UNIDO by its policy-making organs is undertaken in chapter 2.1. to analyze policy guidance received by UNIDO and its reflection in ECDC/TCDC activities of the Organization.

10. The analysis of ECDC/TCDC activities took into account those activities organized by the ECDC Section over the past ten years, approximately up to the end of 1991, although concentrating on more recent events, as well as considered a selected number of activities of other organizational units. Regarding policy and management documents, the evaluation concentrated on the period after UNIDO became a specialized agency in 1986.

11. Moreover, the evaluation team drew on lessons derived from the evaluation of technical cooperation projects with TCDC character or components and, in particular, Headquarters programme evaluations, i.e. those undertaken on the System of Consultations and UNIDO's Industrial Investment Activities, which have important ECDC considerations as explained under chapters 3.2.3.1. and 4.10.1.

1.4. Evaluation activities carried out

12. The in-depth evaluation took place from March 1991 to April 1992 in three main phases, namely a brief desk review, followed by data collection and assessment, supported through detailed and thorough analysis and, subsequently, report writing. The most significant activities of the in-depth evaluation were:

- Interviews with over 250 former participants in past ECDC/TCDC activities, such as workshops, seminars, training programmes, projects, etc., who are, *inter alia*, also potential/actual end users of ECDC/TCDC databases, such as TCDC-INRES, and are:
 - government officials of various ministries, 11 of them representing TCDC focal points;
 - employees/manager.. of private enterprises in developing countries;
 - employees of international organizations, such as APDF, ASEAN, ESCAP, FAO, Islamic Development Bank, SADCC, UNCTAD and UNDP.

The ECDC/TCDC activities in which the interviewed participants took part were backstopped by either the ECDC Section or technical backstopping branches.

- For the purpose of conducting these interviews, missions were carried out by the Evaluator Staff to Argentina, Botswana, Brazil, China, Gambia, Guinea, India, Indonesia, Morocco, Nigeria, Switzerland, Tanzania, Thailand, Turkey, Uruguay, USA, and Zimbabwe;
- Interviews with UNIDO staff members dealing with ECDC/TCDC activities;
- Attendance of one solidarity meeting and one sector-specific meeting organized by the ECDC Section;
- Development of a questionnaire which was sent to over 500 former participants (due to the low response rate of around 10%, questionnaires were not analyzed and responses aggregated as it is normally the case in in-depth Headquarters programme evaluations);
- Review and analysis of relevant background information, such as: publications/articles on ECDC/TCDC, policy and management documents of the Organization, preparatory and final reports to meetings, conceptual papers, documents on programmes and activities of other organizations, etc.;
- Review and analysis of project performance evaluation reports and in-depth evaluation reports of technical cooperation projects backstopped by technical branches.

13. The evaluation received full cooperation and assistance from the various organizational units of UNIDO involved directly or implicitly in UNIDO's ECDC/TCDC activities, particularly the Economic Cooperation among Developing Countries Section, the Area Programmes Division, the System of Consultations Division, the Coordination Unit for the IDDA, the LDC Coordinator etc. The evaluation team consisted of the following UNIDO Evaluation Staff members.

- Mr. Oscar Gonzalez-Hernandez, Chief;
- Mr. Hans H. Heep, Senior Evaluation Officer;
- Mr. David D. Tonmy, Evaluation Officer; and
- Ms. Caroline Heider, Associate Evaluation Officer.

No external consultants were employed in this evaluation.

2. BACKGROUND TO ECDC AND TCDC

2.1. *Legislative background*

14. Cooperation amongst a large number of countries now understood as developing countries has taken place since countries began trading with each other. Since the advent of industrialization and colonization, the direction of economic flow was mostly between the North and the South - a pattern which became almost exclusive. With independence, however, the developing countries as a group began to recognize the need for pooling their resources towards the attainment of collective self-reliant development. During the 1960's, the concept of ECDC/TCDC became increasingly highlighted at various international fora.

15. The UNIDO legislative background to ECDC/TCDC is contained in resolutions of the General Assembly (GA)³ and in the constitution of UNIDO as well as General Conference (GC) resolutions⁴ and Industrial Development Board (IDB) decisions⁵. The concept was further defined by high-level meetings, such as those resulting in the Buenos Aires Plan of Action (BAPA)⁶ adopted in 1978, which still retains its validity as reaffirmed by General Assembly resolution 44/222 of December 1989, and the Caracas Programme of Action (CPA) adopted in 1981. Regarding specific industrial aspects of cooperation among developing countries, the Lima Declaration and Plan of Action on Industrial Development and Cooperation and the New Delhi Declaration and Plan of Action on Industrialization of Developing Countries are instrumental.

16. According to afore-mentioned General Assembly resolutions, ECDC and TCDC are understood as a strategy towards attaining economic development as well as national and mutual self-reliance, with prime responsibility for its realization resting with developing countries themselves. It is defined in these resolutions as a means to consolidate developing countries' unity and solidarity, and is meant to strengthen a common position and negotiation ability vis-à-vis industrialized countries to promote the New International Economic Order (NIEO). The concept was and still is driven by the intention to make better use of resources, know-how, expertise, etc. available in developing countries rather than relying only on inputs from industrialized countries. In that sense, South-South cooperation is understood as a complement to North-South cooperation in an interdependent world economy.

17. As early as in GA resolution 3362 (S-VII) of September 1975, several UN organizations, among them UNIDO, were requested to make suitable organizational arrangements with respect to ECDC. These organizational arrangements were not further specified in any subsequent resolution until December 1978 (GA resolution 33/134) where reference was made to the Special Unit for TCDC of the United Nations Development Programme (UNDP/SU TCDC). For other UN agencies no further specifications were made as to their organizational arrangements to promote ECDC/TCDC activities and programmes. This call for adequate institutional

³ 3177(XXVIII); 3241(XXIX); 3362(S-VII); 3442(XXX); 31/119; 32/180; 33/134; 33/195; 34/117; 34/202; 35/202; 39/232; 42/179; 42/180; 43/199; 43/190; 44/211; 44/222; 45/196.

⁴ GC.2/Res.1; GC.3/Res.9; GC.4/Res.11 on ECDC, and GC.3/Res.17 on Regional Cooperation Programme for the Industrial Recovery of Latin America and the Caribbean, GC.2/Res.4 (v) and (vi) on Human Resource Development and GC.3/Res.7 on Transfer of Technology.

⁵ IDB.2/Dec.17; IDB.3/Dec.9; IDB.4/Dec.15; IDB.5/Dec.5; IDB.6/Dec.11; IDB.8/Dec.5 on ECDC, and IDB.5/Dec.26; IDB.6/Dec.2; IDB.7/Dec.2 on Special Programme for the Industrial Development of Arab Countries, IDB.7/Dec.3; IDB.8/Dec.7 on Special Programme for the Industrial Development of Asia and the Pacific, IDB.5/Dec.25; IDB.6/Dec.4; IDB.8/Dec.6 on Regional Cooperation Programme for the Industrial Recovery of Latin America and the Caribbean, IDB.8/Dec.8 on Human Resource Development, IDB.6/Dec.5 on the System of Consultations.

⁶ Report on the United Nations Conference on Technical Cooperation among Developing Countries, Buenos Aires, 30 August-12 September 1978, (UN publication E.78.II.A.11).

arrangements did not, however, constitute a request for separating ECDC/TCDC activities from main programmes and projects. In fact, GA resolution 34/117 called for intensification of efforts by UN agencies and organizations to ensure that TCDC is an integral part of their activities for international cooperation for development.

18. The General Assembly urged the UN and its agencies to support measures of ECDC, including the continued provision of secretariat support services and other suitable arrangements, to facilitate the holding of meetings by developing countries in pursuance of the objectives of economic cooperation among developing countries⁷.

19. In practical terms, the CPA saw ECDC as an option for promoting industrialization by means of cooperation in various subsectors through joint efforts, cooperation in development of human resources for industrialization and collaboration in dissemination of information. The CPA, which is extensive and encompasses not only the industrial sector, foresaw within the framework of ECDC/TCDC activities, *inter alia*, the strengthening of national, subregional and regional institutions, operation of networks, exchange of technologies and know-how, etc.

20. Annex 1 contains a synopsis of resolutions and decisions made by UNIDO's policy-making organs on the topic of ECDC/TCDC broken down according to major themes. Decisions and resolutions included in the table cover the period October 1986 (IDB.2) until July 1991 (IDB.8) and concern specifically ECDC issues. Those decisions which touch upon ECDC/TCDC but are not labelled as such have not been included in the table, although they have been considered during the evaluation (see footnotes 4 and 5, 14). The analysis reveals that the policy-making organs continuously emphasized the importance and relevance of ECDC/TCDC as a means to efficiently and rationally employ resources available in developing countries. The General Conference and the Industrial Development Board called up to October 1988 (IDB.4) at each of their sessions for strengthening of ECDC activities or programmes, whereas thereafter this call has been less frequent. While these decisions and resolutions refer explicitly to ECDC/TCDC activities and programmes, policy-making organs did not explicitly call for strengthening of organizational units dealing with the subject matter, implicitly recognizing thereby the spread of ECDC/TCDC activities carried out by various parts of UNIDO. Two other relatively frequent calls are the invitation and encouragement addressed at donors to increase their contributions to ECDC/TCDC activities as well as the request to the Director-General to increase procurement of services and goods from developing countries. Other themes dealt with in these decisions and resolutions encompass, *inter alia*, capacity building, information exchange, opportunity identification and inter-agency cooperation.

21. Taking both general UN resolutions, BAPA and CPA and UNIDO-specific decisions into account, UNIDO was to direct its ECDC/TCDC activities towards assisting developing countries:

- to foster self-reliance through strengthening their capacity to identify and analyze the main issues of their industrial development;
- to increase the quantity and enhance the quality of their international industrial cooperation;
- to strengthen and enhance their industrial capacities;
- to increase and improve communications among them;
- to improve their capacity for absorption and adaptation of technology and skills;
- to respond to the special needs of the least developed countries (LDCs).

⁷ First mentioned in GA.31/Res.119 and repeated thereafter in several resolutions with the same wording.

2.2. *Definition of ECDC and TCDC*

22. Terminology used to describe or define ECDC and TCDC has been employed by national authorities, regional organizations and the UN system in a rather indiscriminate and interchangeable fashion. No consensus seems to exist as to the delineation of ECDC and TCDC. The resultant lack of a clear benchmark against which to identify ECDC/TCDC activities and to measure attainments posed difficulties to the evaluation. Therefore, the evaluation team analyzed the various existing definitions, which led to a working hypothesis for each of the terms, as presented under this chapter. In addition, Annex 2 contains a discourse on the concept of cooperation which provides the broader framework from which the ECDC/TCDC working hypothesis derives.

23. The evaluation extracted from legislative background materials five basic elements common to both ECDC and TCDC which are:

- There should be mutual benefits derived from the cooperation.
- The cooperation is voluntary and therefore depends on the expression of goodwill.
- The sole responsibility for the cooperation rests with the developing countries or their enterprises/institutions.
- The role of the UN system or any external agent is that of a facilitator or catalyst.
- ECDC/TCDC is not an end in itself and does not substitute for cooperation between developed and developing countries.

24. ECDC is the broader term which encompasses cooperation at the macro level and addresses mostly policy and related issues.

ECDC

The voluntary cooperation of developing countries in their economic development through agreed and mutually beneficial policies, strategies and programmes, often supported, monitored or implemented by regional authorities (such as the PTA), while utilizing, whenever necessary, advice and/or financial support from external sources including organizations of the United Nations system.

25. For TCDC the evaluation followed the interpretation agreed by the Group of Governmental Experts⁸:

⁸ Report of the meeting of the Group of Governmental Experts on the rules, regulations and procedures of the organizations of the United Nations development system concerning technical cooperation among developing countries, Governing Council of the UNDP, DP/1990/77, 11 May 1990.

TCDC

The implementation and management of development activities, projects and programmes by institutions/enterprises (public and private) of developing countries in which they share one another's experience and technical and financial capacities and utilize, whenever necessary, advice and/or financial support from external sources, including organizations of the United Nations system. In this regard, TCDC should be seen as an integral part of country, regional and interregional programming of international technical cooperation, as a modality of technical cooperation, a cost-effective instrument for enhancing technical cooperation to developing countries. This may take place in form of pooling of resources, e.g. in regional centres, or sharing of expertise and experience through networks as well as building national capacities with the utilization of expertise and experience from other developing countries.

26. While differentiating between the two, ECDC and TCDC appear on a continuum of forms of cooperation and share the five common ideas indicated above (paragraph 23). Hence, one may lead into the other and both cannot be entirely separated. Investment projects, e.g. have both economic and technical implications, as much as some policy measures (ECDC) may be directed at technical issues (TCDC).

27. The fundamental difference between TCDC and "normal" technical cooperation is that TCDC is based on mutual benefit, voluntary sharing and contributions from all parties involved in the cooperation, whereas technical cooperation constitutes a flow in one direction.

28. In a number of ECDC/TCDC arrangements, cooperating parties share common interests and concerns and face development problems of the same kind, hence seem to have a common understanding and joint interests, even if they are at different development levels. These arrangements constitute mutual exchanges of experience and expertise. In other cases, however, more advanced developing countries attempt to engage the concept of ECDC/TCDC to promote their exports and/or economic influence. This type of arrangements does not necessarily fall under the above working hypothesis and understanding of ECDC/TCDC.

2.3. Factors affecting ECDC/TCDC

29. Inter-country cooperation, carried out in whichever direction, is a difficult endeavour. However, in the case of ECDC/TCDC, cooperation is often more difficult because of factors, such as lack of information, development level of cooperating countries, limitations in capacities and capabilities, financial and other problems such as communication difficulties, etc. The need to overcome these factors is the fundamental justification of the need for external support and facilitation aimed at promoting cooperation among developing countries. The following provides an overview of some of the factors affecting ECDC/TCDC.

2.3.1. Economic factors

30. Global economic conditions strongly influence inter-country cooperation. Their impact on ECDC/TCDC is suspected to have two conflicting effects. On the one hand, it is said that under the existing difficult economic conditions, the concept of ECDC/TCDC becomes even more

valid than ever⁹ since economic recession limits industrialized countries' contributions to the development process of developing countries. On the other hand, interviews in developing countries revealed that financing of cooperation among developing countries was felt difficult to be afforded by them in view of the scarcity of resources resulting from adverse economic conditions.

31. The changing role of public and private sector in the industrial sector is another factor which influences the effectiveness of activities to promote ECDC/TCDC as currently conceived. Two diverse positions exist on how the increasing importance of the private sector will affect ECDC/TCDC activities. Originally, cooperation agreements were reached between governments and through them with state-owned enterprises, hence, inter-governmental agreements could be transformed into practice. Assuming that political motivations are one of the main driving forces, ECDC/TCDC might be anticipated to decrease with the expanding role of the private sector as political decisions will not affect the private sector in the same manner. On the other hand, the greater involvement of the private sector may as well result in a shift of emphasis of cooperation from political to more commercial orientation, hence introduce a new dimension to ECDC/TCDC.

32. Political declarations, such as the Buenos Aires Plan of Action, express that harmonious joint development is one of the underlying factors for solidarity and mutual cooperation. While there is scope for joint development, assistance and mutual exchanges, competitive aspects also affect ECDC/TCDC activities, particularly in the field of industries. Competitive thinking does not always support the idea of cooperation - on the contrary, traditionally competitive situations prevented enterprises and countries from working together. However, competitive advantages are often gained through mutually supportive cooperative arrangements and economic alliances. This aspect needs to be taken into consideration when promoting ECDC/TCDC.

2.3.2. National policy factors

33. Governments need to ensure that national policies promote and support ECDC/TCDC. These policies, however, may conflict with short-term national interests which may need to be compromised in order to reach regional cooperation agreements. Moreover, inter-country negotiations towards economic integration are rather sophisticated and may require strengthening of national capacities and capabilities to respond to an increased demand for economic cooperation. For instance, an economic integration treaty may collapse if it is not negotiated properly to be of mutual benefit to member countries in the treaty.

2.3.3. Attitudes

34. Advanced developing countries may perceive attainments of other developing countries and their capacities and capabilities as not yet significant enough to contribute to the industrialization process of other developing countries. The attitude that ECDC/TCDC might result in receiving only second best options neglects that mutually beneficial results can be attained through ECDC/TCDC. Moreover, limited awareness that technology, expertise and know-how from developing countries can equal standards of industrialized countries overlooks factors such as proximity and appropriateness of technology to existing conditions for which some technologies of industrialized countries may not be fit.

⁹ This position has been expressed in various invitation materials issued by UNIDO for ECDC/TCDC meetings.

GRANT-BASED ASSISTANCE

Cooperation requires knowledge of opportunities, initiative, responsibility and active participation of cooperating parties. Grant-based assistance or cooperation has created expectations and attitudes towards external institutions which are somewhat contrary to requisite involvement of cooperating parties in ECDC/TCDC arrangements, particularly if proposals have been promoted through UNIDO.

35. Least developed countries appear more appreciative, though not fully knowledgeable, of technologies, expertise and know-how offered by other developing countries and often consider them more appropriate to local conditions than technologies from industrialized countries. The lack of information on developing countries' degree of industrialization, their capacities and offers compound a situation of limited awareness.

3. OVERVIEW AND EVALUATION OF ECDC/TCDC ACTIVITIES OF UNIDO

36. The following chapter aims at providing an overview of ECDC/TCDC activities as defined in relevant policy and management documents, reviewing those organizational units of UNIDO directly or indirectly involved in activities with ECDC/TCDC character and external organizations with whom UNIDO maintains contacts on the subject matter. Chapter 3.1. summarizes the scope of ECDC/TCDC activities which then are reviewed, analyzed and presented under chapters 3.2. and 3.3. Conclusions and recommendations which are based on the analysis in chapter 3 are presented in chapter 4.

3.1. *Scope of ECDC/TCDC activities*

37. ECDC/TCDC activities have been dealt in various documents in different ways. Sometimes the subject is treated as a subprogramme¹⁰, whereas sometimes it is termed a common element to industrial development¹¹ or to the five priority areas defined in the medium-term plan (MTP). The difference between the two ideas is that the term subprogramme defines the ECDC Section's work programme and budget, whereas ECDC as a common element addresses the subject at the conceptual level. To consider ECDC as a common element is justified by the fact that forms of cooperation are an intrinsic part of organization-wide activities. Along the same lines, the MTP provides an organization-wide vision for ECDC activities without confining them to one particular subprogramme, i.e. organizational unit, and resulting activities are implemented by various substantive units. The subsequent spread of ECDC/TCDC activities ensures that they remain within the sphere of technically specialized organizational units and thereby maintain their technical focus. The afore-mentioned, however, does not rule out the need for a strong and viable mechanism for coordination that should constitute the focal point.

38. An analysis of programme and budgets documents (a tabulated summary of programme and budgets documents covering the period 1986-1993 is contained in Annex 3) shows that, in broad terms, ECDC/TCDC objectives and strategies aim at increased cooperation to enhance capacities to meet development requirements, whereas problems to be addressed by the specific subprogramme, as defined in programme and budgets documents, focus mostly on information needs and resource requirements.

COMMON ELEMENT

Because of ECDC's and TCDC's character as a "common element" to industrial development ECDC/TCDC activities are not confined to a particular subprogramme and do not constitute a programme in a formal sense. Its principals should and do, to greater or lesser extent, permeate a broad range of UNIDO's activities and are to be applied whenever appropriate. ECDC/TCDC should therefore be seen as an option for promoting industrialization.

39. Over the last three bienniums, i.e. 1986-1987, 1988-1989 and 1990-1991, outputs under the ECDC/TCDC subprogramme were generally grouped into three broad categories (programme elements), i.e. project development, mechanism/services and coordination/monitoring. The first

¹⁰ Medium-term plan 1984-1989, ID/B/C.3/107, Annex, p. 21.

¹¹ Medium-term plan 1990-1995, GC.3/17, p.7.

two categories concentrated mainly on organizing meetings of different kinds and on collection and dissemination of information in form of databases or inventories on available capacities and capabilities. A quarterly TCDC newsletter was foreseen in the same programme and budgets documents. Coordination and monitoring functions include reporting to policy-making organs and other high-level meetings, to some extent participation in programming activities related to technical cooperation projects (P&B 1988-1989, while the ECDC Section was located under Special Programmes and Activities), and coordination with other organizations such as UNDP and UNCTAD.

40. The present programme and budgets (1992-1993) does not follow the same pattern, i.e. it does not group foreseen outputs according to afore-mentioned categories but lists various activities such as identification of technical and financial resources, policy and strategy formulation, organization of various meetings and workshops, etc. In addition, the ECDC subprogramme includes coordination and monitoring of those ECDC activities carried out by various parts of the Organization.

3.1.1. Resources

41. Policy-making organs repeatedly called for increased allocations to ECDC/TCDC activities of the Organization (see also paragraph 20). However, since ECDC/TCDC activities are spread throughout the Secretariat and are not always labelled as such, it is difficult to determine precisely the full amount of resources in terms of staff time and overhead costs spent on them. Whenever ECDC/TCDC activities form an integral part of substantive work programmes of technical branches, it is not reasonable to separate resources involved, whereas staff cost and other expenses can be calculated for those directly related to the ECDC subprogramme.

42. The ECDC Section has been manned by on average six professional staff members per year over the past 10 years¹². In the present programme and budgets, the ECDC Section has 5 professional and 4 general service staff posts. Over 50% of its non-staff resources (regular budget and extra-budgetary resources) were spent on the organization of meetings, while 30% were used for consultants (to provide inputs mainly for the preparation of meetings) and roughly 17% were spent on staff travel.

3.1.2. Organizational units of UNIDO

43. While the majority of ECDC/TCDC activities clearly identified as such are carried out by the ECDC Section, other organizational units are implicitly or explicitly involved in ECDC/TCDC activities (see also paragraph 37). The following paragraphs focus primarily on the ECDC Section, therefore, it has been singled out from its present departmental context (DPPD) but thereafter provide also an overview of a number of other organizational units and their involvement in ECDC/TCDC activities to demonstrate how they extend beyond the scope of the designated subprogramme.

ECDC Section

44. The functions of the ECDC Section are set out in DG/B.26 of April 1986 on the Re-organization of the Secretariat which describes its coordinating and operational functions and can be summarized as follows:

¹² 1980-1989, figures provided by the ECDC Section, in US\$ value of same year in real terms (see in Annex 4).

- Identify and develop new ideas, concepts and approaches to promote ECDC;
- Preparation, organization and follow-up to solidarity meetings; development of subsector-specific programmes; follow-up to recommendations by the System of Consultations;
- Arrange for studies and analyses and prepare policy and programme proposals; assist in developing specific plans and methods for ECDC;
- Prepare project proposals for financing from UNIDO-administered ECDC funds;
- Liaison and coordination with focal points involved in ECDC outside UNIDO.

45. Information contained in programme and budgets documents describe the activities of the ECDC Section to be centred mostly around preparation and organization of a variety of meetings and implementation of a number of technical cooperation projects as follow-up to these meetings (see also paras. 39 and 40). In addition, the compilation and dissemination of data in form of inventories and databases were envisaged as of 1988.

46. According to the same programme and budgets documents, the ECDC Section is responsible for reporting to policy-making organs and the High-Level Committee on TCDC on UNIDO's progress in implementing ECDC/TCDC activities.

47. Technical cooperation projects handled by the ECDC Section deal mostly with the organization of solidarity or subsector-specific meetings or some follow-up thereto which entail study tours and expert exchanges, preparatory assistance to establishing a regional association and preparation of feasibility studies or cooperation programmes. The ECDC Section assumes responsibility for design and implementation of most of these projects, and only in a few cases they are implemented in cooperation with technical branches.

48. The function of liaison and coordination given to the ECDC Section according to DG/B.26 relates only to outside organizations and does not concern in-house coordination. Only in the latest programme and budgets document (1992-1993) is the issue of internal coordination mentioned, referring to a number of sections with which cooperation should be attained.

Department for Programme and Project Development

49. **Area Programmes Division.** Programme and budgets documents specify that programming and monitoring of regional and subregional projects, which bear ECDC/TCDC potentials, and promotion of ECDC¹³ fall within the mandate of the Area Programmes Division, which is in conformity with IDB decisions on regional cooperation programmes not placed explicitly under the ECDC umbrella¹⁴. There are, therefore, parallel responsibilities between the Division and the ECDC Section, which actually is part of the Division, connected to programming and designing of projects. Those earmarked as ECDC/TCDC are within the authority of the ECDC Section, whereas the remainder as the larger bulk falls within the responsibility of the Area Programmes Division. The overlap is apparent and creates some conflict of interest, especially for those projects not explicitly labelled ECDC/TCDC but which have such potentials.

¹³ Programme and budgets 1990-1991, promotion of ECDC in Latin American countries.

¹⁴ IDB.5/Dec.26, IDB.6/Dec.2, IDB.7/Dec.2 on Special Programme for the Industrial Development of Arab Countries, IDB.7/Dec.3, IDB.8/Dec.7 on Special Programme for the Industrial Development of Asia and the Pacific, IDB.5/Dec.25, IDB.6/Dec.4, IDB.8/Dec.6 on Regional Cooperation Programme for the Industrial Recovery of Latin America and the Caribbean.

50. **LDC Coordinator.** Programme and budgets documents do not indicate any correlation or cooperation between the LDC Coordinator and the ECDC Section, although solidarity meetings concentrate on the promotion of cooperation with least developed countries, which appears as an overlap of responsibilities.

51. **IDDA Coordination Unit.** The programme and budgets for the Industrial Development Decade for Africa indicates explicit cooperation with the ECDC Section in participating in consultative meetings in support of government decisions regarding ECDC/TCDC¹⁵. In addition, the programme has ECDC/TCDC character in so far as questions of interregional and intra-African cooperation are addressed.

52. **Industrial Cooperation Branch.** Programmes of this organizational unit target the promotion of cooperation between entrepreneurs, *inter alia*, from developing countries, which implies ECDC/TCDC aspects.

Department of Industrial Operations

53. **Technical Branches.** Information in the programmes and budgets of technical branches by and large do not pinpoint promotion of ECDC/TCDC as being among their activities, except for the Chemical Industries Branch which includes in its work plan in the 1992-1993 programme and budgets the promotion of TCDC in its work plan. Apart from implementing projects which establish or strengthen institutions with TCDC potential, technical branches also backstop regional, subregional and interregional projects which have an implicit ECDC/TCDC aspect, especially if institutional networking is involved. Technical workshops organized and backstopped by technical branches in cooperation with developing countries have, similar to those backstopped by the ECDC Section, TCDC character. Hence, they should be recorded as ECDC/TCDC activity although they are primarily governed by technical considerations.

54. **Infrastructure Branch.** Under the umbrella of the Infrastructure Branch, programme and budgets indicate a considerable number of activities with ECDC/TCDC potential, such as regional policy measures, integration and networking among national institutions, economic integration, sub-contracting and enterprise-to-enterprise cooperation.

55. **Industrial Human Resource Development Branch.** Programme and budgets documents pertaining to IHRD do not explicitly mention ECDC/TCDC, however, contain provisions for the establishment and strengthening of centres of excellence which could serve as a basis for cooperation among developing countries. In addition, group training programmes are planned and conducted under this subprogramme, some of them being hosted in developing countries for the benefit of other developing countries.

Department for Industrial Promotion, Consultations and Technology

56. **System of Consultations.** The 1990-1991 and 1992-1993 programme and budgets for the System of Consultations explicitly refer to the promotion of ECDC as "*as an integral part*" of their programmes. *De facto*, consultations among developing countries take place during meetings among participants from developing countries, and, as mentioned in paragraph 44, the ECDC Section is supposed to follow up on ECDC-related recommendations of the System of Consultations.

57. **Technology Policy, Acquisition and Negotiation Unit.** ECDC/TCDC is included in programme and budgets of this Section as the promotion of cooperation among developing countries in the areas of research and development, technology development in the area of small-

¹⁵ Programme and budgets 1990-1991, GC.3/10, September 1989

and medium-scale industries, information exchanges, as well as the preparation of a technical publication on South-South experience in the area of transfer of technology was foreseen. Activities related to UNIDO's Technological Information Exchange System (TIES) belong to this programme and include the systematic exchange of developing countries' experience in technology, transfer from the North and its adaptation to local conditions and needs.

58. **Industrial Investment Division.** Although programme and budgets do not mention explicitly the promotion of investment projects among entrepreneurs from developing countries, developed and developing countries have participated in investment promotion activities.

In-house coordination and cooperation

59. As outlined in preceding paragraphs, overlaps of activities exist between the various sections, however, a cooperation mechanism and responsibilities of the different sections are not specified. No provision was made in DG/B.26 for in-house cooperation and coordination functions of the ECDC Section, but coordination and liaison were foreseen with outside organizations only. In the same bulletin, none of the above organizational units explains its relationship to and cooperation with the ECDC Section. In the chapter on the System of Consultations, where consultative processes among developing countries and follow-up thereto are explicitly included in the functions of the section dealing with consultations, no reference is made to the ECDC Section which is mandated to follow-up on ECDC/TCDC-specific recommendations of consultation meetings.

COORDINATION FUNCTION

The spread of ECDC/TCDC activities throughout UNIDO stresses the importance of having a central coordination, monitoring and reporting function, concentrated in one organizational unit.

60. The ECDC Regulatory Framework prepared by UNIDO at the request of Member States¹⁶ was adopted at the fourth session of the General Conference¹⁷. It is rather ambitious and presents a concept which extends beyond the mandates of the ECDC Section and concerns the overall Organization. It defines 12 broad organization-wide ECDC/TCDC objectives but it needs now clarification how policy decisions and medium-term plan objectives are to be transformed into operational activities. Meanwhile, the ECDC Section prepared an update to the medium-term plan. It also creates tasks which overlap with functions of the Area Programmes Division and substantive backstopping branches, without clarifying whether and how individual organizational units will cooperate (in particular paragraph 14 of the Regulatory Framework which describes the functions of the ECDC Section as encompassing, *inter alia*, project design and implementation). The coordination and monitoring function of the ECDC Section is mentioned, though without detailed specification of what this will entail.

61. In-house coordination of ECDC/TCDC activities, as exemplified by the above, is limited and unstructured. Cooperation between the ECDC Section and various other sections was confined to occasional participation in meetings, either to represent a technical branch in an ECDC-flagged meeting or to represent the ECDC Section in a technical meeting, inputs being the presentation of a speech on UNIDO's work in the area of specialization of the speaker. An

¹⁶ GC.3/Res.9 of November 1989.

¹⁷ GC.4/7, IDB.8/13, 14 June 1991, adopted by GC.4/Res.11.

information flow, e.g. on technical cooperation projects which successfully established national capacities which could further be engaged in TCDC projects as a source of know-how, expertise and experience (from backstopping branches to ECDC Section), or the provision of information on available expertise and capacities from developing countries (from ECDC Section to backstopping branches), has not been observed by the evaluation.

NATIONAL CAPACITIES

UNIDO assisted in the establishment of a machine tool engineering centre in Trinidad and Tobago which successfully strengthened national capacities and capabilities. The centre comprises, *inter alia*, training facilities which are already used by trainees from the region. The initial technical cooperation project led to opportunities for TCDC. While the responsible technical branch helped to establish the centre, the promotion of TCDC possibilities should now be promoted by the ECDC Section to optimize the centre's TCDC potential.

62. The monitoring and coordination function of the ECDC Section has been marginalized and, as indicated in paras. 39, 40 and 45, activities have focused much on the preparation and conduct of meetings and some related projects. Staff of the Section has not participated in UNIDO programming missions for the identification of future projects and programmes, therefore, provision of ECDC/TCDC-related inputs and information to the design of technical cooperation projects has been limited. Equally, monitoring of and reporting on ongoing projects concentrated mostly on those projects backstopped by the Section itself.

3.1.3. Organizations outside UNIDO

63. **TCDC focal points**¹⁸ at the national level handle TCDC matters in the country. They are mostly UNDP partners. While often being located in a ministry which is not sector-specific, the focal points are to coordinate with other ministries on sector-specific issues. Interviews revealed that, while these focal points are involved in UNDP TCDC programmes and are often in charge of multi- and bilateral programmes, they are often not familiar or involved with UNIDO's ECDC/TCDC activities.

64. **Ministries of Industry** being the traditional focal point for UNIDO programmes, also handle most or all of UNIDO's ECDC/TCDC activities either directly or through national TCDC focal points, whereas the latter is rather seldom the case. UNIDO activities are often recognized for their technical orientation, i.e. with a focus on their substantive content, and only to a lesser extent they are to be seen as ECDC/TCDC-related.

65. It appears that cooperation between ministries of industry and TCDC focal points needs strengthening in a number of countries. The harmonization of bilateral and UNDP TCDC programmes with UNIDO-sponsored activities, which is required for mobilizing requisite resources and inputs of participating developing countries, might be hindered if no coordinated structural arrangements are in place.

¹⁸ According to the report on the meeting of the Group of Governmental Experts, Governing Council of the United Nations Development Programme, DP/1990/77, May 1990, TCDC focal points are not as effective as desired.

66. UNDP/UNIDO field offices serve as regular communication channel for UNIDO ECDC/TCDC activities. Their substantive involvement, however, is limited as it is the case in many Headquarters-based programmes due to their preoccupation with country-based technical cooperation activities. Similar as with national authorities, UNDP and UNIDO ECDC/TCDC activities are mostly handled by different staff and are not seen as components in an overall ECDC/TCDC framework.

Other UN organizations

67. The lead within the UN system in connection with ECDC is accorded by GA resolution 45/203 to UNCTAD whose work on ECDC is broadly complementary with that of UNIDO. UNCTAD is traditionally active in developing ECDC policies at an intergovernmental level, including modalities for collaboration at the subregional, regional and interregional level, as well as on research and analysis of ECDC issues, whereas the TCDC element in the strict sense is not a main activity.

68. Where technical assistance overrides economic issues, UNDP is accorded the leadership role for TCDC and carries out TCDC programming exercises which comprise the identification of needs of and offers from developing countries, compilation of this information in compendia and, eventually, organization of meetings to match partners. These programmes were not analyzed during this evaluation as they are a UNDP and not a UNIDO operation. Nonetheless, UNIDO participated in a few such TCDC programming exercises and attempted to follow up on them through an umbrella project which was supposed to allow the implementation of industrial projects resulting from the TCDC programming exercise. This type of umbrella project was tested in the case of at least one such exercise where regrettably, resources were not utilized since no firm agreement had been reached on projects to be pursued, and communications subsequent to the meeting were not conclusive. The other main area of cooperation between UNDP and UNIDO is that of information systems, i.e. TCDC-INRES, as discussed in chapter 3.2.4.

69. Besides UNDP and UNCTAD, regional commissions are one of the actors in the field of ECDC/TCDC with programmes differentiating between operational and promotional activities, emphasis being on the latter.

70. ECDC/TCDC, as an option for implementation, is a subject that touches on the mandates of all agencies. In recognition of that, ECDC/TCDC is discussed under the separate heading "*Special consideration*" in the project document format used by UNDP, UNIDO and other UN agencies.

Inter-agency cooperation

71. The shortages in resources available for ECDC/TCDC activities and the multi-sectoral nature of the subject make inter-agency cooperation a necessity. Promotional aspects appear to be more common and conducive to inter-agency cooperation on broad terms, while more specific technical activities depend on areas of specialization and are, therefore, more agency-specific.

Summary

72. In the forgoing analysis, it has been explained that ECDC/TCDC activities cannot be exclusively allocated to one organizational unit or one subprogramme. However, it has proven difficult to undertake an analysis of all UNIDO activities which have ECDC/TCDC character in view of the magnitude and spread of activities carried out. A sample of around 150 projects was reviewed during this in-depth programme evaluation which contained projects handled by the ECDC Section and others backstopped by substantive branches. The sample was identified by using UNIDO's EDP mainframe facilities, which eased the collection of information. However, it appears that not all projects with ECDC/TCDC character have been adequately earmarked. The

sample is, nonetheless, representative and resulting findings were further substantiated by information collected over years by the Evaluation Staff during its regular evaluations of technical cooperation activities.

73. The analysis shows that ECDC/TCDC activities can be grouped into two major categories, i.e. promotional and operational activities, the latter being the actual cooperation between developing countries. Chapter 3.2. concentrates on the analysis of promotional activities, i.e. meetings and information systems mainly undertaken by the ECDC Section and their relation to similar efforts undertaken by other parts of the Organization. Under chapter 3.3. an attempt is made to describe and analyze those technical cooperation activities which are carried out by the Organization in support of operational ECDC/TCDC and concentrates on three main mechanisms in which ECDC/TCDC solutions are employed, i.e. capacity-building, networking and regional centres.

3.2. *Promotional activities*

74. Two distinct types of promotional activities are analyzed under the following chapter, i.e. meetings and information systems. Within the category "meetings", four different groups have been singled out, namely

- o solidarity meetings organized by the ECDC Section;
- o subsector-specific meetings also organized by the ECDC Section;
- o meetings organized by the System of Consultations; and
- o technical meetings organized by technical branches.

This differentiation and separate analysis were required in view of different approaches taken for each group. Relevant conclusions and recommendations are provided under chapter 4 10.

3.2.1. *Solidarity meetings*

75. The declared objective of solidarity meetings is the promotion of cooperation as well as the identification of ways and means through which cooperating parties could provide financial and technical assistance to the benefit of the host country¹⁹. Cooperation agreements may take any form, i.e. anything between grant to joint venture, depending on agreements between cooperating parties. The lack of specificity in terms of subsectors and type of cooperation promoted leads to a rather wide focus of the meetings which is somewhat counterproductive when it comes to develop and materialize cooperation projects.

76. During the period 1980-1991, fourteen solidarity meetings were organized, mostly in African least developed countries, with the exception of three, of which two were held in Asia and one in the Arab region. Up to 1984, two or three meetings were organized per year, whereas from 1985 onwards one meeting per annum took place, except for 1983 and 1987, where none was organized. The following analysis is based on the sample of the last five Solidarity Meetings²⁰, which is considered a sufficiently representative sample.

77. Since solidarity meetings are specifically meant to assist least developed countries, this factor forms the primary selection criterion for deciding on the host country. Other selection criteria used are the equitable subregional and language distribution within Africa as the main area of concentration as mentioned above. Other ongoing or past UNIDO activities (ECDC/TCDC

¹⁹ See aide-memoires to solidarity meetings.

²⁰ Mali (1986), Cape Verde (1988), Guinea (1989), Ethiopia (1990), Botswana (1991).

and technical cooperation) in the country are apparently not taken into account when considering host countries, and, as a consequence, solidarity meetings take place in isolation of remaining industrial development programmes of the host country, and even of UNIDO.

78. Originally, this type of meetings was called solidarity **ministerial** meeting, which was understood to be that they were hosted and co-organized by a counterpart at the minister level, i.e. mostly the minister of industry. Over time, organization of and participation in meetings has been handed over to operational levels. Moreover, in recognition of the increasing importance of the private sector, attempts have been made to involve the private sector in organizing solidarity meetings. While a standard agreement is signed with each host country, which specifies responsibilities and inputs to be provided by each party, actual support varies from country to country.

Preparatory activities

79. In preparation for solidarity meetings a country paper and project profiles are prepared by a consultant. While the consultant's service agreement indicates the "*elaboration of a general background paper*" without further specification, all reports follow a similar pattern and provide information on economic indicators, the host country's relation to other countries and details considered important to participants. Such information mostly centers around investment laws and practices, which, *inter alia*, indicates an investment promotion character of these meetings. Country papers are rather lengthy and appear in form of detailed country studies but do not serve as promotional papers or brochures. The purpose of these country reports and their intended readers are not clearly defined as the type of report and its presentation does not match with information needs of its eventual end users, i.e. participants in the solidarity meeting. The document containing project profiles again gives an introduction to the country and its economic situation, which is an apparent duplication. Moreover, in the case of at least two Solidarity Meetings²¹, country studies were prepared by the Regional and Country Studies Branch on the same countries in the same year without cooperation between the ECDC Section and the Regional and Country Studies Branch. A broader country study could have been prepared by the Regional and Country Studies Branch to be used as the basis for preparing promotional materials for solidarity meetings. This requires harmonization of timing and content of reports.

80. Project profiles follow a standard pattern in which general information is provided on project sponsor and intended projects. The part on "*Cooperation Sought*" is rather weak, and different forms of cooperation are only broadly indicated. Categories of cooperation sought comprise:

- Joint venture
- Leasing
- Consultancy
- Training
- Technical assistance
- Equipment delivery
- Installation and maintenance of equipment
- Technology acquisition and know-how

without demanding from the person who completes the form to give specifics on e.g. what type of training or consultancy is needed. While the majority of projects concentrate anyhow on joint ventures, which is another indicator of a strong investment promotion orientation, project profiles are not prepared according to UNIDO (the Industrial Investment Division's) standards for investment projects and contain much less information. It is interesting to note that, apart from

²¹ The sample contains five Solidarity Meetings which took place over the last six years, as stated in paragraph 76. The countries for which studies were prepared both by the Regional Studies Branch and the ECDC Section are Mali (1986) and Ethiopia (1990)

joint ventures and investment, other forms of cooperation are mostly sought in conjunction with investment and not in isolation. Based on the information provided on solidarity meetings and the nature of preparatory activities, it is observed that most participants and also host countries perceive solidarity meetings as investment fora.

81. Problems have been observed in so far as UNIDO consultants did not always consult with or assist local sponsors on the preparation of their projects and profiles. In one particular case, sponsors were invited to submit their proposals to the Ministry of Industry and attended a general briefing given by the consultant during his mission. However, sponsors did not have an opportunity to discuss their project proposals directly with the expert, whereas profiles presented would have required refinement. Furthermore, screening of project profiles is not undertaken by the ECDC Section.

82. The country paper and project profiles are sent to invitees together with a two-page invitation letter which contains a summary of the aide-memoire and emphasizes the importance of ECDC/TCDC. Some of its formulations are somewhat misleading in so far as it e.g. suggests "... you may wish to take advantage of mechanism for cooperation suggested ...", which could be read as if financial means are made available although invitees are expected to "... offer assistance ...". Aide-memoires, however, clarify that financial requirements need to be provided by cooperating partners. The lack of finance is stipulated by national and foreign participants as the major bottleneck which hinders agreement on and implementation of projects, and foreign participants are disappointed when they realize that financing for projects is not automatically provided by a third party but often expected from them as an ECDC/TCDC contribution.

Participants

83. The target group of foreign participants are representatives from ministries and possibly technical advisers. Consequently, the majority of them are government representatives as to be seen from the table hereunder and which is in conformity with the original governmental orientation of the meetings as mentioned in paragraph 78.

Number of invited/participating countries in solidarity meetings

	Mali 1986	Cape Verde 1988	Guinea 1989	Ethiopia 1990	Botswana 1991
Number of invited countries	27	27	21	20	14
Number of participating countries	13	17	15	12	8
Number of foreign participants from government	21	28	24	32	12
Number of foreign participants from private sector	2	1	5	9	1
Number of foreign participants from DFIs	5	0	3	0	0
Number of agreements signed	56	94	99	118	51
Number of projects materialized - according to the ECDC Section	2	4	4	5	not yet established

84. At least at the solidarity meeting attended during the evaluation, foreign government representatives did not have previous discussions on project proposals with industry representatives of their country. Therefore, their knowledge about and ability to discuss project details were limited. A number of representatives claimed that time was not sufficient to circulate project profiles to industries concerned and to obtain feedback from them. Consequently, discussions remained at a general level.

85. Depending on the host country, local participants from government, public and private sector attend solidarity meetings. Concluding from interviews carried out, many local private entrepreneurs did not appear versed in international business, and consequently foreign participants had the impression that they were not dealing with experienced entrepreneurs of the host country.

86. Apart from local and foreign government and private sector participants, representatives of international development financing institutes (DFIs) are invited to attend solidarity meetings. Their actual participation, however, has been rather limited and, in terms of numbers, differs widely from meeting to meeting. Drawing on the experience of the in-depth evaluation of UNIDO's Industrial Investment Activities, one may say that they are likely to be traceable to, *inter alia*, DFIs' interests and existing programmes in the host country and the quality of project proposals and profiles presented at the meeting. During the solidarity meeting under evaluation, a representative of a project development facility attended who was given the opportunity to address the meeting only at its closing session. The effectiveness of his/her presence could have been increased by scheduling an introductory presentation at the beginning so that local entrepreneurs could have been made aware of the facility and its functions. Active and systematic involvement of DFIs, however, requires not only organization by UNIDO and the host government, but needs to rely on actual presence of DFI representatives of whom commitment should be sought and their presentation discussed in advance.

Servicing and follow-up

87. On average²² six UNIDO staff members participate in solidarity meetings, most of them being either from the ECDC Section and the Area Programmes Division although, at times, staff from other departments may be involved. Only three staff effectively serviced the meeting attended during the evaluation. The remaining staff members pursued other UNIDO business in the country.

88. The above table indicates the number of projects "*concluded*", i.e. those for which agreements in form of letters of intent or memoranda of understanding have been reached. However, it does not indicate the number of projects which materialized. Solidarity meetings seem, similar to investment promotion meetings, to be more suitable for making first contacts, exchanging information and enjoying foreign exposure without coming to concrete project conclusions²³. Moreover, since the pursuance of cooperation is largely left to the cooperating parties, UNIDO is often not involved in the follow-up, therefore, is only occasionally informed of the implementation of agreements signed during solidarity meetings.

89. Follow-up to meetings has been weak and not systematic as in most cases preparations for other forthcoming meetings demand staff time and attention so that past meetings are little serviced. Hence, UNIDO is involved in a few operational TCDC projects only. Nonetheless, the evaluation analyzed some of such projects as case studies and found that implementation took a considerable amount of time and the know-how exchanged did not always have a significant impact.

²² Botswana: 5; Ethiopia: 5; Guinea: 8; Cape Verde: 5; Mali: 6 (professionals and general service staff).

²³ See also Evaluation of the Industrial Investment Activities of UNIDO, ODG.12(SPEC.), 21 January 1991.

3.2.2. Subsector-specific or thematic meetings

90. Other meetings organized by the ECDC Section cover a wide range of subsectors, such as chemical industries, agricultural machinery, agro-industries, etc. and topics such as multi-nationals, integration of women in development, industrial cooperation, and so on. During the period 1980-1991 51 meetings were organized under the ECDC/TCDC banner (see also table on page 22). Some concentration can be observed in areas like industrial cooperation in general, agricultural machinery, agro-industries and machine tools. A clear strategy in selected topics and periodicity of meetings is not apparent. In some instances, series of meetings build on each other starting with e.g. a meeting on a subsector in general followed by later events on specific aspects/technologies of that subsector. This approach has, however, not been consistently applied²⁴.

91. The afore-mentioned group of 51 meetings comprises seminars, workshops, general meetings, round tables, expert group meetings, symposia, and congress, with a clear quantitative emphasis on general meetings (25), followed by workshops (11) and expert group meetings (8). While different types of meetings can be conceptually defined²⁵, in organizing and planning meetings these terms have been used interchangeably with a tendency, particularly in recent years, to use more generic terms such as "meeting", "cooperation meeting", etc. Resultantly, the majority of meetings remained at a rather general level, whereas expectations in, contributions to and results of gatherings with specific objectives, such as workshops or expert group meetings, are better organized, focused, and participants are often better equipped to participate. The tendency to use generic terms indicates rather general aims pertaining to the organization of these meetings.

92. The review of a selected but representative number of aide-memoires reveals that the objectives of these meetings concentrate on the following three categories: information exchange, appreciation of technologies developed/presented by the host country and agreement on concrete cooperation projects. Their objectives, however, should differ to a greater extent as e.g. seminars are more training-oriented, whereas workshops and expert group meetings are oriented towards (mutual) exchange of (detailed) information, experience and expertise, and general meetings serve as a first opportunity to establish contacts with professionals and to obtain preliminary information. In addition, none of the aide-memoires reviewed in the sample are specific as to the type of cooperation that should result from the meeting.

93. Subsector-specific meetings are organized in cooperation with host country institutions who contribute in terms of administrative and logistic support as well as technical inputs. Contributions, however, vary from country to country. Those meetings where the host country has technology, expertise and know-how to offer seem more successful than those meetings where the host country provides logistics and facilities only.

94. Preparatory activities for cooperation meetings vary more than those for solidarity meetings and entail, *inter alia*, the engagement of consultants for the preparation of specific studies and sometimes the preparation of project profiles. For some of these meetings foreign participants are requested to prepare country reports detailing the situation of their industries in the subsector concerned. Participants and organizers who were interviewed found that these country papers contain interesting information which provides good insight in the sector-specific development level of participating countries. It has, however, been observed that no particular format is prescribed leaving much liberty to the preparer at the risk that papers vary in their

²⁴ Particularly in the case of meetings on information exchange among developing countries, participants who took part in two subsequent meetings complained about repetitiveness.

²⁵ Congress = formal meeting for discussion; expert group meeting = meeting among selected group of experts, assemblance of experts for a specific purpose; round table = meeting of a selected group of people; seminar = small study group; symposium = large meeting on a particular subject; workshop = meeting for concerted action or discussion.

quality and content. Moreover, these papers are not screened before the meeting, some being submitted only at the meeting and not beforehand.

95. Invitations for expert group meetings are directed at a selected group of specialists which ensures to a greater extent the participation of qualified professionals. For other meetings, it has been observed that invitation materials are forwarded through the "official channel" sometimes leading to the nomination of less qualified or differently specialized participants who cannot benefit from nor contribute to the meeting. The ratio between government, public and private industries representatives is reflected in the table hereunder. The sample shown is taken from 50% of all meetings organized by the ECDC Section during the period 1980-1991 under each group (subsector, etc.).

Participants in the sample subsector-specific meetings²⁶

	COOPERATIVE ARRANGEMENTS	OTHERS	SUBSECTOR					TOTAL
			AGRIMACH	AGRO	CHEM	ENG	MET	
Number of meetings	4	6	4	3	4	2	2	25
Number of participants ^a from government + related institutions	83	133	67	82	58	37	22	487
Number of participants ^a from private sector	5	56	14	2	9	10	6	102
Total number of participants ^a	88	189	81	84	67	47	28	584

^a Excluding participants of host countries.

96. Participants have argued for and against the organization of meetings with simultaneous participation of government, para tatal and private sector. While experts and technical specialists benefit much from technical meetings organized for professionals from the same professional groups and of similar level of experience, it was felt that meetings for participants from public and private sector are useful for promoting a dialogue between government and private sector. While both arguments have their merits, it is important to clearly define the objective of each specific meeting and, based thereon, determine which type of participants are more suitable. Are policy discussions envisaged, a mixed group seems appropriate as policy makers may benefit from technical know-how contributed by technical experts, whereas pure technical workshops which serve more the training of technical experts and the upgrading of their knowledge without immediate policy implications may remain reserved for technical participants.

97. The number of UNIDO staff servicing this type of meetings varies widely, therefore, an average figure is not representative or meaningful. It may be said that on a number of occasions technical staff from branches concerned have participated in meetings organized by the ECDC

²⁶ AGRIMACH = agricultural machinery; AGRO = agro-based industries; CHEM = chemical industries; ENG = engineering industries; MET = metallurgical industries.

Section. The contribution of the technical staff was found to be rather limited, more administrative and organizational in nature and little on the technical side.

98. Outputs planned as the result of meetings are often not clearly defined in relevant aide-memoires. In practice, similar to solidarity meetings, meetings are often used and appreciated as a grounds to exchange information and establish first contacts with colleagues from other countries. Concrete cooperation projects are not always envisaged as an outcome of meetings and do not materialize, even if foreseen, as meetings provide for first contacts only. To expect that projects may materialize on these grounds is too ambitious and unrealistic. Other, less tangible outputs are awareness creation, information exchange and, to some extent, training of participants.

99. Follow-up to meetings in terms of application and dissemination of experience and information acquired is beyond UNIDO's responsibility but should be done by the individual participant. This part is considered to be weak and is even more difficult to attain in cases of participants with inadequate background who consequently did not know how to utilize the contents of the meeting, or those who are tied into major government bureaucracies without motivation or intention to put acquired knowledge into full use. Follow-up on the part of UNIDO, which should focus on projects agreed at meetings, is rather weak as again staff members are mostly tied up with the preparation, organization and attendance of other meetings.

3.2.3. Relation to other meetings not organized by the ECDC Section

3.2.3.1. System of Consultations

100. Nine projects of the sample referred to in paragraph 72 are backstopped by the System of Consultations, two of which entailed the organization of meetings. Consultation meetings regularly provide the ground for South-South consultations, mostly on ECDC matters, which might lead to cooperation among developing countries. Topics and subsectors chosen for meetings by the System of Consultations and those of ECDC meetings are not coordinated. On some topics and/or subsectors, meetings are organized by both sections in parallel and take place within a relatively short time frame without relating to each other, however, with the same target group in mind.

101. Final reports of consultation meetings cover under the heading "International Cooperation" the issue of South-South cooperation, mostly emphasizing the need for better, closer cooperation and communication. In some instances, areas of cooperation are highlighted which should receive particular attention by developing countries in their efforts for working together. These issues, while often being broad and indicative only, as criticized in the in-depth programme evaluation of the System of Consultations²⁷, could, nevertheless, form a basis on which to develop and pursue ECDC/TCDC activities. This, however, is hardly done, although the ECDC Section is mandated in its terms of reference to follow up on ECDC/TCDC-specific recommendations of consultation meetings (see paragraph 44).

3.2.3.2. Technical meetings

102. The small sample of technical meetings or workshops considered during this evaluation shows that the ratio of technical participants is higher, which resulted in more technically-oriented contents of meetings. The majority of interviewed participants, appeared interested in subjects covered, had disseminated information through formal and/or informal discussions with colleagues of professional associations and found ways of applying acquired knowledge.

²⁷ A detailed analysis of this programme can be found in the In-depth Programme Evaluation of the System of Consultations. ODG 8(SPEC), June 1989

103. In view of the magnitude and wide range of technical meetings and workshops with ECDC/TCDC character organized outside the ECDC Section, a detailed analysis of their entirety has not been undertaken. Therefore, no assessment can be made as to whether a structured systematic approach is adopted in selecting and organizing technical meetings with ECDC/TCDC character nor whether correlation with subsector-specific meetings organized by the ECDC Section exists. It appears, however, that in some cases successful national or regional technical cooperation projects were used as a basis for holding workshops as an effective means for wider dissemination of information on know-how and experience transferred or developed by means of technical cooperation projects. It is not apparent whether this has been developed to a standard approach/policy throughout the various technical branches.

3.2.4. Information systems

104. It has been emphasized by several fora²⁸ that the shortage of information is one of the main impediments to realizing cooperation among developing countries. The majority of officials interviewed during missions carried out under the evaluation were not aware of or did not appreciate capacities and capabilities of other developing countries, mostly due to a lack of information and limited or no access to information sources. Sources may include regular newsletters, inventories and automated databases, the latter being the most powerful means, provided data is of certain quality and kept updated.

105. While programme and budgets indicate plans for a regular (quarterly) newsletter on ECDC/TCDC (see paragraph 39), this has never been issued. The UNIDO Newsletter has a column on industrial opportunities, some of them being from developing countries (resources sought and offered), which to some extent could be used for the purpose of promoting ECDC/TCDC, although so far the Newsletter has not been specifically used for this purpose.

106. The preparation of inventories of industrial capabilities of selected countries belongs to the Section's work programme since 1988²⁹. Four such inventories have been prepared, of which three are officially published, whereas one is still to be printed, covering selected industrial sectors in Brazil, Egypt, Turkey and Romania. The effectiveness of this approach, however, might be impeded as directories tend to become quickly out of date and wide dissemination is costly.

107. In response to the need to have an institutional ECDC/TCDC information system, the Information Referral System for developing countries (INRES-South) was created under the administration of UNDP. Its name has now been changed to TCDC-INRES. Considering UNDP's responsibility for TCDC-INRES and bearing in mind that a review of the system has been undertaken by UNDP during 1991, the present evaluation will cover TCDC-INRES only to the extent to which it concerns UNIDO's TCDC activities.

108. UNDP and UNIDO have an informal agreement on the agency's involvement and responsibilities for the system, which indicates that the ECDC Section is accepted by UNDP/SU/TCDC as the TCDC-INRES focal point on industrial matters. While the informal work arrangement is appreciated, a number of issues require clarification, such as:

- (a) How will this "informal" working relationship be affected by the successor arrangements valid as of 1992?

²⁸ *Inter alia* General Assembly, Economic and Social Council, A/46/455, E/1991/141, September 1991, and Report of the meeting of the Group of Governmental Experts, Governing Council of the United Nations Development Programme, DP/1990/77, May 1990.

²⁹ Programme and budgets, 1988-1989, GC.2/10.

- (b) Does "responsibility for industry-related entries" entail: data collection, assurance of data quality, promotion of TCDC-INRES among developing countries, etc.?
- (c) If UNIDO is to assume responsibility for industry-related data, does the system foresee that information is channelled through and cleared by UNIDO? Who is responsible in cases where an industrial institution is registered but not *cleared* by UNIDO?
- (d) How and by whom are borderline cases handled, i.e. those areas which fall within the responsibility of two or more agencies?
- (e) UNDP and UNIDO are mostly dealing with two different sets of focal points (see chapter 3.1.3.) which may lead to overlap and duplication of TCDC-INRES nodes and interfere with UNDP's operations through their network of TCDC focal points³⁰.

109. It has been observed in the countries visited that UNDP TCDC focal points were aware of TCDC-INRES, however, had not used it and were not always aware of entries from their country. This is partly due to the lack of hardware and software, which makes the system less accessible to them. None of the interviewed claimed to have used the system in terms of making inquiries, which defeats the purpose of a referral system. With assistance from UNIDO, some ministries of industry are to receive access to TCDC-INRES (soft- and hardware) under IPF/IDF-financed technical cooperation projects.

110. From the technical point of view, the system appears to be user-friendly and data can be easily accessed. Instructions appear on the screen, and guide the user through a structured inquiry process. It contains identifying data on institutions, such as name, address, annual budget, year of establishment, language of registration, type of organization, etc., which offer training and/or expert services. Some problems occur in updating entries which is not done on a continuous basis but more or less sporadically, sometimes under the engagement of consultants hired by UNDP. Hence, there is no institutionalized data collection system which guarantees quality and currentness of data. The way the system operated at present neglects the dynamics of information which require a continuous process of reviewing and updating. UNIDO's involvement in data collection has so far been marginal, although plans exist to utilize ECDC/TCDC inventories (see paragraph 106) for entries into TCDC-INRES.

111. Entries are neither screened nor verified by UNDP or UNIDO. The ECDC Section delegates responsibility for the quality of data entries to institutions providing details and states that registered institutions should not be understood as sponsored or recommended by UNDP or UNIDO. External users, however, will consider information as *sanctioned* by those who disseminate it, i.e. those under whose name the system is operating. Experience with institutions registered in TCDC-INRES will form their opinion of the system's credibility - an asset which should not be lost to low quality of data entries.

112. UNDP intends to expand TCDC-INRES to cover "Technology" in addition to presently available entries on expertise and training institutions. This will require close cooperation and coordination with INTIB and TIES as these UNIDO databases cover technologies.

³⁰ The Group of Experts (DP/1990/77) indicates, however, that TCDC focal points lack access to INRES-South, which was confirmed by field missions carried out during the evaluation.

3.3. Support to operational activities through technical cooperation

113. Operational ECDC/TCDC activities are actual cooperation projects carried out between developing countries under bilateral arrangements in which UNIDO might take a facilitating and supporting role. While promotional activities serve the purpose of bringing potential partners together, support activities aim at facilitating actual cooperation arrangements at national, regional or interregional level and are implemented in form of technical cooperation projects. The following chapters will provide a brief analysis of three types of support activities which are most commonly found to be backstopped by relevant technical branches. The Evaluation Staff drew, in addition to analyses carried out during the ECDC evaluation, on its experience particularly in the sphere of capacity-building projects. It is, nonetheless, recognized that concepts like networking and regional centres would deserve a separate study.

3.3.1. *Capacity building*

114. The Buenos Aires Plan of Action as well as other declarations emphasized the importance of building capacities and capabilities in developing countries as a basis for ECDC/TCDC. These capacities may be established or strengthened through technical cooperation projects, for which inputs can be procured from either developed or developing countries. The evaluation does not consider technical cooperation projects for which inputs are acquired from developing countries as TCDC projects as they lack mutually beneficial exchanges in which cooperating parties share experience, expertise and cost. At that level, inputs from developed and developing countries should be treated equally, although in some cases inputs from developing countries may have comparative advantages and therefore be of better use. These projects, nonetheless, obtain an ECDC/TCDC character in so far as opportunities for cooperation among developing countries are created either by establishing or strengthening technical capacities and capabilities which can be used for inter-country exchanges or by introducing a regional focus into national administrations to assess e.g. policy implications at regional level as a first step towards regional integration.

115. Furthermore, technical cooperation projects may be implemented under utilization of ECDC/TCDC modalities, i.e. when in the process of capacity-building projects one developing country draws on the experience and expertise of other developing countries. This approach includes e.g. study tours to developing countries with relevant experience and expertise as well as exchanges of experts between developing countries which are strengthening their capacities and capabilities in similar fields, drawing, *inter alia*, also on capacities of regional centres (see chapter 3.3.3.). In that sense, ECDC/TCDC is considered as an implementation modality for technical cooperation projects. To optimize this opinion, it requires project planners and implementing agents to analyze and assess whether and when projects and counterparts could benefit from experience and know-how of other countries. These initial contacts made between developing countries at the capacity building or strengthening stage may over time lead to regular exchanges or networking arrangements.

3.3.2. *Networking*

116. Based on existing national capacities and capabilities, developing countries may cooperate through their involvement in networks. Their functioning depends on, *inter alia*, the strengths of individual national institutions participating in the network as well as the subsector and type of cooperation pursued. Some subsectors and/or areas of concern lend themselves to close cooperation among several developing countries, which may vary from information exchange to joint research and development or production agreements, whereas others will be constrained by technical possibilities or commercial interests. Furthermore, networking may be constrained by inadequate communication facilities or limited contributions by participating countries in case mutual benefits cannot be ensured.

117. While developing countries have to operate networks by themselves, UNIDO is called upon to assist in the setting up and strengthening of networks. This is mostly attained through regional technical cooperation projects financed by UNDP or other donors through which participating countries are provided with expertise, training and equipment of similar nature. In addition, participating institutions are linked with each other through exchange programmes (mutual visits and information exchanges), meetings and workshops and publications issued by the network's secretariat. Such networks have been assisted, *inter alia*, in the fields of agricultural machinery, microelectronics, pesticides, computer-aided maintenance systems, leather industries, sub-contracting, etc. Their sustainability depends on whether participating institutions can generate sufficient income (either through their services or through government subsidies) to cover their own expenses as well as to contribute to operating the network by e.g. covering the cost of their tickets when attending meetings, contributing to the cost of publishing network gazettes, etc.

3.3.3. Regional centres

118. The Lagos Declaration of August 1980, *inter alia*, urges cooperation among developing countries in establishing and utilizing specialized regional, subregional and interregional training and research institutions for training nationals in specialized skill areas or providing specialized services. The advantage of such regional centres is the cost-effective provision of adequate training, appropriate expertise as well as technologies that have been tested and proven in similar operating environments. They are particularly viable in fields where the demand for training and expertise does not justify individual national centres due to market size. Moreover, these institutions may assist in efforts towards regional integration.

119. Arrangements governing regional centres mostly foresee that Member Countries contribute to their up-keeping, which, however, at times creates difficulties in case benefits and contributions appear to be unbalanced and concentrated in the host country. In this respect, the evaluation differentiates between regional centres and national centres with regional outreach, the latter being a nationally managed and financed institution which offers services (training and expertise) to other countries.

120. Similar to networks, regional centres have to be managed and operated by developing countries, whereas UNIDO is called upon to assist in strengthening such centres. Assistance is provided in form of national and/or regional technical cooperation projects which entail similar activities as employed for capacity-building projects (see chapter 3.3.1. above). While in the case of national capacity-building projects emphasis is placed on those capacities and capabilities needed in the country, projects strengthening regional centres concentrate on those aspects which are of interest and importance to the region. In addition, support could be provided to marketing regional and national centres services through UNIDO information channels.

3.4. Financing of ECDC/TCDC projects

121. Figures on resources used for above ECDC/TCDC activities have been submitted by the ECDC Section to management and policy-making organs. The evaluation team, however, faced difficulties in establishing a conclusive list of all ECDC/TCDC activities and projects, hence cannot specify their magnitude in terms of dollar value and impact. It can, nonetheless, be said that, in view of the wide spread of related activities and projects throughout the Secretariat and due to yet insufficient reporting mechanisms, the entirety of UNIDO's ECDC/TCDC activities has not been adequately captured and reported to Member States. Under such circumstances, it appears more appropriate to develop a coherent system for data collection, compilation and aggregation rather than presenting figures which only partially capture resources used for UNIDO's ECDC/TCDC activities.

122. While the exact amount of resources spent on ECDC/TCDC activities cannot be determined, it can be said that a multitude of funds is drawn upon including UNDP Indicative Planning Figure (IPF) funds, UNIDO donor contributions and regular programmes, IDDA funds, etc. Decisions and resolutions by policy-making organs on ECDC repeatedly called upon donor countries to increase extra-budgetary contributions towards ECDC/TCDC activities, however, a separate review of projects financed from the Industrial Development Fund (IDF) which covered the period January 1986 to June 1991 revealed that **only 77 of 1525 projects, i.e. around five percent, were recorded as ECDC/TCDC-related**. It should, however, be noted that only one IDF indicator, which is covering IDF priorities, is assigned to each project, therefore, ECDC/TCDC considerations at a secondary level may not have been captured. According to the same review, none of the major contributors to the IDF cites ECDC or TCDC as one of their priorities, whereas UNIDO places emphasis on the subject in accordance with the Organization's MTP priorities.

3.5. General assessment of achievements

123. The preceding chapters provide an analysis of UNIDO ECDC/TCDC activities which, as exemplified above, permeate throughout the Secretariat. This spread of activities ensures not only that the same technical competence is utilized in handling these projects as for other "regular" projects, but also corresponds to calls of, *inter alia*, the General Assembly to ensure that TCDC becomes an integral part of the activities of UN agencies³¹. Activities officially reported to policy-making organs as ECDC/TCDC, however, are essentially those handled by the ECDC Section which constitute only a fragment of the entirety of all UNIDO ECDC/TCDC activities. A comprehensive inventory of all ECDC/TCDC activities of UNIDO could not be obtained by the evaluation since not all such activities are flagged as such. In order to overcome this situation, three essential categories of ECDC/TCDC activities, which are mostly dealt with outside the ECDC Section, were identified, analyzed and reported on in an aggregate fashion under chapter 3.3.

124. The evaluation provides in the following an overview and analysis of effectiveness, i.e. of the achievements of results attained by the ECDC Section in comparison with the programme and budgets for 1990-1991. Particular attention has been paid to the activities of the ECDC Section during the evaluation in view of its special mandate and responsibility for ECDC/TCDC matters of UNIDO. It is apparent that major concentration was placed on the organization of meetings, whereas other planned outputs were not always produced. An analysis of the effectiveness of other organizational units in producing "ECDC/TCDC outputs" cannot be undertaken because technical branches do not single out separate ECDC/TCDC outputs but use ECDC/TCDC as an implementation modality and thereby integrate ECDC/TCDC in ongoing activities. It has been observed that technical officers make use of ECDC/TCDC opportunities in the implementation of technical cooperation projects whenever it is technically justified and whenever it is acceptable to the counterpart.

Status of achievements of results

	Programme and Budgets 1990-1991	Status
Programme Element E.2.7.01 Development of programmes and projects for cooperation among developing countries		
1	2 Solidarity Meetings with 25 projects agreed during each meeting (one in 1990, one in 1991)	ETH (1990) - 118 project agreements, BOT (1991) - 51 project agreements

³¹ GA resolution 34/117 - see also chapter 2.1 above.

ii	1 sub-sector-specific interregional meeting on enterprise-to-enterprise cooperation with 50 preliminary ECDC - ECDC - ECDC project agreements reached (1990)	IND (1992) machine tools industries (postponed due to the Gulf war)
iii	2 regional-subregional programmes for promotion of industrial joint ventures with some 30 cooperative projects yielded at each meeting (one in Asia in 1990, one for less developed Islamic countries in 1991)	PAK (1991) - 104 projects discussed, 28 memoranda of understanding signed
iv	Programme on co-operative arrangements among enterprises in selected engineering industries in Latin America to promote some 30 projects (1990)	CGI (1991) - engineering industries
v	6 Technical workshops to (three in 1990, three in 1991) to identify approximately 100 preliminary technical cooperation projects to promote ECDC	1990: YUG - info systems; CPR - med. plants. 1991: TUR - agro-industries, MOR - machine tools, EGY Petro-chemicals; CPR - agricultural machinery
vi	30 technical cooperation projects as follow-up to agreements reached at UNIDO meetings and other UN ECDC programming exercises	8 technical cooperation projects (not related to the organization of meetings)
vii	participation in IDDA consultative meetings (1990 and 1991)	done
Programme Element E.2.7.02 Development of mechanism and services for industrial cooperation among developing countries		
i	Joint UNIDO institutions programmes promoting cooperation between institutions and industrial organizations in Latin America with African counterparts	not done
ii	establishment/maintenance of ECDC - ECDC - ECDC databases in cooperation with in-house and outside systems to match industrial and technological capacities and needs in developing countries	maintenance done
iii	2 inventories of national industrial capacities in selected sectors (1990, 1991)	TUR (1990), EGY (1991)
iv	report on regional intergovernmental and non-governmental organizations and constraints on regional subregional cooperation in the field of capital goods	not available (unless one wants to count a report on the meeting under Programme Element E.2.7.01 iv)
v	technical publication: a methodology for collecting and disseminating information on available technologies in the field of SME, report to national governments on its application (1990)	not available
vi	report on cooperation among developing countries in the compilation and exchange of information on their capacities and capabilities for the processing of raw materials (1990)	not available
vii	report on the establishment of multinational production enterprises to assess experience and consider concrete projects previously identified and to approve final guidelines (1991)	expert report available, however, not issued. No guidelines
Programme Element E.2.7.03 Coordination, monitoring and promotion of activities for economic and industrial cooperation among developing countries		
i	progress report on UNIDO activities related to industrial cooperation among developing countries to PMOs	done (however with shortcomings regarding reporting on the full magnitude of UNIDO ECDC - ECDC activities)
ii	periodic ECDC newsletter (up to 4 issues annually) and brochures with info on UNIDO's ECDC programme	none

iii	monitoring and follow-up to ECDC/TCDC activities with organizations of the UN development system and with intergovernmental and non-governmental groupings and organizations	done
-----	--	------

125. In addition, the following meetings were organized although they had not been foreseen in the programme and budgets document:

- ◆ Project assessment meeting for the promotion of joint ventures, Turkey 1990;
- ◆ Meeting for the promotion of industrial cooperation in Cameroon, Cameroon 1990;
- ◆ Meeting on industrial cooperation among member countries of the Arab Maghreb Union, Tunisia 1990;
- ◆ Consultative meeting on the establishment of the African Iron and Steel Association, Algeria 1991.

126. The creation of awareness for ECDC/TCDC possibilities and opportunities which might be an effect of activities, in particular meetings, analyzed in this report can hardly be measured as "awareness" is an intangible and the level of awareness prior to UNIDO activities cannot be determined retro-actively. Moreover, increased awareness does not automatically lead to increased number of ECDC/TCDC projects due to external factors, as shortly elaborated under chapter 2.3.

127. An analysis of impact cannot be undertaken since the programme and budgets 1990-1991 have no specific objective for ECDC/TCDC, except to say that one of the aims of the Area Programmes Division is to expand activities in priority areas such as ECDC. The assessment of impact of activities and outputs would require an analysis of actual developmental changes resulting from the above and earlier activities. This has proven impossible to undertake as the targeted developmental change has not been defined in the afore-referenced programme and budgets document, and, moreover, the base line or starting point, i.e. the situation before activities were carried out, had not been determined.

4. CONCLUSIONS AND RECOMMENDATIONS

128. The following conclusions and recommendations are directed at providing a summary assessment of UNIDO's ECDC/TCDC activities and at contributing constructive suggestions on how to improve overall operations and activities. Numerous recommendations were based on suggestions received from UNIDO Headquarters and field staff and interviewed officials as well as on initiatives already taken in implementing ECDC/TCDC activities. One of the core problems is that many of these initiatives are taken on individual basis and need to be crystallized, structured and institutionalized by management and applied.

4.1. Overall concept

129. The overall concept of ECDC/TCDC is commendable and remains valid. It hinges on the need for cooperation based on mutual benefits aimed at self-reliant development which has been further reinforced by global trends towards economic integration in recognition global interdependency and need for cooperation at all levels and among all countries. While some progress has been made, ECDC/TCDC still requires a considerable amount of promotion and support by external agents such as UNIDO.

130. ECDC/TCDC is based on advantages resulting from commonalities in development interests and similarities of problems encountered. Moreover, appropriateness of training, skills, expertise, etc. may give ECDC/TCDC arrangements a competitive advantage whenever adaptation to a particular environment is required. In the case of some industries, such as plant-based medicines, processing of tropical produce, etc., some of the initial knowledge originates in developing countries, hence they may be more appropriately equipped to provide services and expertise.

131. ECDC/TCDC activities remain inadequate in relation to the enormous potential for such cooperation, despite the recognized fact that developing countries have built up a big potential for sharing expertise in a wide range of fields. There is a particular need to analyze and monitor constraints to ECDC/TCDC, assess mechanism used so far and devise activities in a manner that they contribute to further alleviate identified constraints. The analysis of problems to be addressed by ECDC/TCDC activities falls within the sphere of specialization of the ECDC Section, whereas the actual implementation of these activities should be within the competence and responsibility of other organizational units (see also chapter 4.2.).

4.2. Private-sector involvement

132. In view of global economic changes, i.e., *inter alia*, the increasing role and importance of the private sector, some aspects of ECDC/TCDC activities need reviewing and adjustment to institute a change in emphasis. The original concept of ECDC/TCDC was conceived as a mechanism for bringing together government officials to agree on cooperation at policy as well as enterprise level since productive entities were by and large state-owned. Political motivations tended to dominate over technical and financial considerations. While there is need for readjustment, it is rather difficult to transplant mechanisms used so far directly for the promotion of private-sector cooperation since private entrepreneurs do not consider ECDC/TCDC as a political issue. Their motivation is driven by other than political concerns and business deals are conducted whenever and wherever viable, independently of the country of residence of the partner. Therefore, projects promoted have to be financially viable and promotional activities should be governed by business-oriented concerns and handled by the organizational unit specialized to do so, i.e. the Industrial Investment Division.

133. In spite of the increasing role of the private sector, it is the governments' responsibility to ensure that national policy measures support and promote ECDC/TCDC. Government may call on UNIDO to advise on such policies either through direct support projects or technical cooperation aimed at strengthening policy-making capacities of e.g. ministries of industry.

4.3. Definition of ECDC/TCDC

134. One of the problems posed to ECDC/TCDC activities are rather vague definitions which, in addition, are used interchangeably and employed for varying purposes. They do not constitute a solid basis on which purposeful activities may be designed and implemented. The need for clarification is apparent. However, several attempts to redefine terminology resulted only in an expansion of the number of definitions available.

135. The evaluation presented a working hypothesis for ECDC and TCDC which was used as a benchmark for this evaluation (see chapter 2.2.). In doing so, the evaluation concluded that UNIDO's ECDC activities focus on consultations, advice on regional economic and industrial policy implications and harmonization of the same. Solidarity meetings which were conceived as measures to promote ECDC have, with the increasing importance and involvement of the private sector, become more oriented towards investment promotion activities which the evaluation considers to fall to greater extent under the realm of TCDC. The overall scope for TCDC activities is wider than that of ECDC and entails promotional activities and support to operational activities through technical cooperation projects in all industrial subsectors.

4.4. Attitudes

136. The working hypothesis and criteria for ECDC and TCDC indicate that attitudes of all parties involved in cooperation are very important to ensure success. The mutuality of interest should be a predominant factor, which, however, is not always the case. UNIDO in its role of a facilitator can at most emphasize that ECDC/TCDC principles should be adhered to.

137. The long tradition of North-South assistance has led to some prejudice against expertise, know-how, training, equipment, etc. that originate from the South, although preferences will vary from country to country. Attitudes seem related to, *inter alia*, the development level of the recipient country and the subsector in which cooperation takes place. The said attitudes and lack of awareness of potentials available from developing countries require improvement by means of information dissemination, or well planned/organized study tours for specialists from one developing country to visit production facilities and industrial institutions in selected developing countries.

138. In ECDC/TCDC activities which are supported by the UN, in this case by UNIDO, recipient countries tend to anticipate that inputs will be provided "free-of-charge". However, the spirit of ECDC/TCDC requires inputs to be provided by developing countries for the implementation of ECDC/TCDC projects. Greater involvement and commitment of cooperating parties will increase their responsibility for contribution to and interest in cooperation agreements.

4.5. Policy directives and mandates

139. ECDC/TCDC is covered in resolutions and decisions by the PMOs under both a special heading on the subject matter as well as under other themes, such as decisions on regional programmes, human resource development, etc. This supports the need for and actual integration of ECDC/TCDC activities in other programmes of UNIDO along the lines of ECDC as a common

element to industrial development. Contrary to that, however, decisions and resolutions on ECDC itself do not dwell on integration and/or relation of ECDC to other programmes of UNIDO.

140. Policy-making organs repeatedly called for increased utilization of inputs from developing countries in the implementation of technical cooperation projects. It has been explained in paragraph 114 that these projects are not considered as TCDC because of their lack of mutual sharing of expertise, experience and cost. While the plea for increased utilization of inputs from developing countries may be justified, reaching such a target does not depend on UNIDO alone. Moreover, the issue does not fall within the frame of ECDC/TCDC and, therefore should be dealt with elsewhere.

141. Decisions and resolutions call for increased allocation of resources to the ECDC activities. Since however reporting on their magnitude has not been comprehensive (see chapters 3 and 4), it is recommended to await improved and more comprehensive reports by the Secretariat before assessing whether increased allocation to ECDC activities are required (see also paras. 144, 145 and 159).

4.6. Design and reporting

142. UNIDO's MTP (1990-1995 and revisions) qualifies ECDC as a common element to industrial development which permeates all activities and programmes of the Organization. To design a distinct programme with a determined set of objectives, outputs and activities would limit ECDC/TCDC to the confines of that programme, hindering the full integration of ECDC/TCDC activities into other programmes.

143. Some confusion results partially from the varied usage of the term "programme". The evaluation recommends that in the context of ECDC/TCDC one refrains from using the term "programme" but instead perceives ECDC/TCDC as a common element to industrial development and integrates adequate activities in subsector-specific and horizontal programmes. To attain that the concept permeates all of UNIDO's activities and is considered as an equal implementation option, activities such as awareness creation and information dissemination to staff members about opportunities available in developing countries is required.

144. Due to the spread of activities and due to a lack of adequate reporting mechanisms, UNIDO's ECDC/TCDC activities cannot be captured in their totality. Reporting on ECDC/TCDC activities and projects carried out by substantive branches needs considerable improvement. It is, therefore, recommended that available UNIDO mainframe facilities, which have provisions for the inclusion of ECDC/TCDC indicators, should be systematically used for ECDC/TCDC data entries, storage and retrieval. This requires the development of data entry sheets and staff training in adequate appraisal of project documents as to their ECDC/TCDC potential. Such an improved reporting system will result in better monitoring of ongoing projects and activities and help identifying subjects not covered so far, such as negotiating external debt servicing, privatization, structural adjustment, strategic management, and other topics on which developing countries may want to exchange information and experience. In addition, based on such a system, reporting to Member States will become more comprehensive and actual trends in allocation of resources to ECDC/TCDC activities and results achieved can be better monitored.

4.7. Organizational units involved and their cooperation

145. In view of ECDC/TCDC being a common element which is and should be pursued by various parts of the Secretariat, the ECDC Section needs to focus on and specialize in issues in which the overriding factor is ECDC/TCDC-specific. The ECDC Section can alert other staff about ECDC/TCDC opportunities, however, the implementation of activities in specialized technical areas with ECDC/TCDC character should be carried out by relevant technical or

substantive organizational units. The evaluation identified the following areas which should be dealt with by a section specialized in ECDC/TCDC. Tasks spelt out hereunder should be carried out by staff members of the ECDC Section to ensure that respective professional capacities are developed in these areas so that they can be drawn upon and be utilized by other organizational units of the Secretariat.

- Analysis of mandates adopted by UNIDO policy-making organs on the subject matter to understand their implications and recommend to UNIDO management policy positions and ways and means of transforming these mandates into operational applications.
- Analysis of key issues pertaining to cooperation among developing countries such as:
 - ◆ What are key constraints to cooperation among developing countries and how can they be addressed;
 - ◆ How can it be ascertained that commonalities of interests and mutual benefit are secured in projects;
 - ◆ How effective are mechanisms used so far and what are their shortcomings and advantages;
 - ◆ How effective are networks and regional centre and what are their constraints.
- Compilation of findings resulting from above-mentioned analyses in guidelines, checklists, etc. for circulation within the Secretariat and organization of workshops on results of these analyses for UNIDO staff members, including UCDs and JPOs, as well as officials and entrepreneurs in developing countries.
- Provision of advisory services on the afore-mentioned key issues.
- Monitoring and analysis of UNIDO activities in the area of ECDC/TCDC, by utilizing mainframe facilities as mentioned in paragraph 159, to assess whether cooperation among developing countries is concentrated in certain areas, geographical or subsectoral, advise on expansion of activities in those areas which are not fully covered, and report to management and policy-making organs on the status of ECDC/TCDC activities of the Organization by drawing on information contained in an improved information system as specified in paragraph 159.
- Contribute to activities undertaken by other organizational units such as:
 - ◆ System of Consultations through involvement of the ECDC Section in the preparation and conduct of consultation meetings to assess and prepare those aspects pertaining to the meeting which are of specific interest to developing countries and their cooperation, organizing and participating in those sessions during which consultations between developing countries take place, and follow-up to consultation meetings on issues which are not subsector- but ECDC/TCDC-specific;
 - ◆ Technical branches in establishing a comprehensive information system containing details on capacities and capabilities of developing countries by reviewing available information, identifying information gaps and consulting with responsible officers on expansion of available information (see also chapter 4.10.2.).
- Cooperation and liaison with other organizations on ECDC/TCDC issues.

146. Other organizational units, such as branches of IO/T and IO/IIIS, the Industrial Investment Division, etc., have undertaken ECDC/TCDC activities, however, there is need for expansion, in particular through increased inclusion of ECDC/TCDC aspects into regular technical cooperation projects. Since ECDC concentrates mostly on economic and policy matters, projects to strengthen policy-making institutions in developing countries, e.g. ministries of industry, or industry associations and chambers of commerce and industry, should include training and sensitization of counterpart staff on regional implications of policy decisions, possibilities for and advantages of regional cooperation. For TCDC, the option of cooperation among developing countries should be considered regularly by project designers and implementors, i.e. consideration should be given to whether the recipient may benefit from cooperating with a similar institution in another developing country through networking or the like (see also chapter 3.3.). Finally, all operational organizational units should participate in an organization-wide and comprehensive information system by contributing data on capacities and capabilities of developing countries (see also chapter 4.10.2.).

4.8. Cooperation with other organizations

147. UNDP's TCDC programming exercises, discussed in paragraph 68, are similar in nature to meetings organized by UNIDO for the promotion of ECDC/TCDC. UNDP and UNIDO should discuss whether the organization of TCDC meetings should be left to UNDP, whereas UNIDO should only participate in the preparation and conduct of these meetings, and thereafter employ its resources in follow-up to resulting project proposals rather than financing and organizing meetings itself. This approach requires a formal agreement between the two organizations as well as the institutionalization of a relevant and appropriate mechanism, e.g. in form of an umbrella project which would enable UNIDO to pursue afore-mentioned follow-up activities.

148. UNDP has made TCDC one of the priority areas for its forthcoming country programme cycle which requires identification and integration of TCDC capacities and requirements in technical cooperation programmes. Provided an improved information system can be established at UNIDO, as recommended under chapter 4.10.2. of this evaluation report, UNIDO could offer its services to UNDP in form of appraising the ECDC/TCDC potential of projects and providing information on where requisite capacities are available.

149. Cooperation with UNDP on TCDC-INRES is covered under chapter 4.10.2.

150. As to cooperation with UNCTAD, a memorandum of understanding exists which dates back to 1979. During discussions between UNCTAD and UNIDO in September 1991 it was agreed that a revised and refined memorandum of understanding was needed. In general, it can be said that activities of the organizations are complementary, although only limited cooperation has occurred, whereby UNCTAD tends to focus rather on policy-level ECDC, while UNIDO's concentration is on promotional aspects and production-oriented enterprise-to-enterprise cooperation, training and information. Collaboration seems desirable in areas of analyses indicated in paragraph 145 above since UNCTAD undertakes policy and analytical work.

4.9. ECDC/TCDC focal points

151. At the national level, it has been observed that a dual channel for industrial ECDC/TCDC exists as ministries of industry are the main counterpart for industrial matters, whereas TCDC focal points are dealing with matters of cooperation among developing countries and are located in e.g. ministries of foreign affairs, planning commissions, etc. Relations between these ministerial bodies influence coordination and impact of industrial ECDC/TCDC, and the need for active support by national authorities cannot be over-emphasized in view of the fact that developing countries should take the main responsibility for cooperation among themselves.

Resultantly, the effectiveness of industrial ECDC/TCDC activities depends on support and coordination by national authorities which, at times, could be improved. National arrangements fall within the responsibility of sovereign governments, therefore, no further recommendations are made on this issue by the evaluation³². UNIDO, on its part, should promote cooperation by ensuring that both channels, ministries of industry and TCDC focal points, are used for disseminating information on its ECDC/TCDC activities.

4.10. *Promotional activities*

4.10.1. *Meetings*

152. Meetings are viable promotional tools, although they tend to facilitate first contacts and the exchange of information rather than lead to the conclusion of cooperation agreements which result in operational projects. In chapter 3.2. the various types of meetings organized by different organizational units were analyzed, based on which the evaluation concludes:

- ◆ Solidarity meetings are increasingly addressing investment promotion, therefore should be handled and named as such and should be serviced by the specialized division, i.e. the Industrial Investment Division. This will ensure that standards for investment promotion are met, i.e. adequate preparation, standardized project profiles and continued promotion of projects through UNIDO's Investment Promotion Service (IPS) network, which presently is not the case.
- ◆ The number of ECDC/TCDC projects promoted at solidarity meetings which are not investment-related has decreased over time. To regain justification for solidarity meetings, they should have a stronger focus on projects in which participating countries share experience, expertise, know-how, etc. through ECDC/TCDC arrangements and not investment. This will require, in addition to adequate project preparation, the pre-negotiation of agreements that participating parties are ready to channel voluntary contributions and share resources through a UNIDO solidarity meeting.
- ◆ Subsector-specific meetings organized by the ECDC Section emphasize ECDC/TCDC aspects more than technical issues. For UNIDO to fulfil its role as a technical agency, it should concentrate on technical content and relevance of its activities and promote ECDC/TCDC as a common element and viable option within the technical context of the meeting.
- ◆ Technical meetings with ECDC/TCDC character organized by relevant substantive branches tend to be more focused on technical issues, involve to a higher degree participants from industries and appear to have a greater impact. The evaluation recommends that technical meetings are conducted by substantive sections to ensure technical focus and relevance of such meetings, however, calls at the same time for technical branches to give greater attention to ECDC/TCDC opportunities. This will be ensured through activities of the ECDC Section, described in paragraph 145, which aim at increasing staff awareness of ECDC/TCDC possibilities.

³² Terms of reference of focal points may include: national coordination, catalysts for contact with other developing countries, monitoring and confirmation of government commitment, initiating and coordinating follow-up to meetings, mobilization of local information and resources, liaising between the private sector and the government(s), etc

153. Resultantly, the ECDC Section should concentrate on tasks defined under chapter 4.7., whereas promotional activities and support to operational activities (see chapter 4.11.) should be handled by technical or substantive branches. The only exception would be solidarity meetings if they focus on non-investment projects, whereby interest of developing countries in such meetings needs to be assured as their demand has lately concentrated on investment promotion activities rather than ECDC/TCDC.

154. Participants purely interested in trade should not take part in ECDC/TCDC meetings but rather in trade and commercial fora. Export and commercial interests cannot be effectively satisfied at an occasion that is designed to serve the purpose of promoting ECDC/TCDC since voluntary contributions are expected from participants. Equally, expectations of participants from the host country are not met. Therefore, stricter screening by UNIDO and better understanding of (prospective) participants from developing countries is required to attain a clear differentiation and separation of the two concepts.

4.10.2. Information systems

External information systems

155. One of the catalytic roles of UNIDO's ECDC/TCDC activities is the provision of useful information that facilitates the consideration of ECDC/TCDC as an "appropriate option for implementation". Information on capacities and capabilities of developing countries which is available in various information systems is not comprehensive. It is necessary to improve existing databases and expand/improve data contained therein. An ideal and integrated information exchange system should consist of national information "centres" based in developing countries, possibly attached to chambers of commerce and business associations. They should be long-term UNIDO counterparts and fulfil the function of data collection, verification and dissemination as well as access the information system on behalf of national inquirers³³. UNDP attempted to establish and maintain such a system, TCDC-INRES, however, it has not been fully institutionalized as information is collected sporadically through consultants, whereas TCDC-INRES focal points are not involved in the data collection.

156. TCDC-INRES is not specific to industry but covers a wide range of capacities and capabilities available from developing countries. While participation in such a system might have the advantage of accessing a world-wide network, provided this is eventually established and operationalized, ways have to be found to combine and coordinate INRES with other, industry-specific databases already in existence at UNIDO Headquarters. The need for such consolidation or harmonization is even more pressing in light of UNDP's intention to expand TCDC-INRES beyond its present frame, i.e. available expertise and training institutions, to cover technologies as well. On the latter, UNIDO maintains systems such as INTIB and TIES which should be drawn upon to avoid duplication of efforts. Detailed recommendations on the subject matter can, however, not be offered by this evaluation as INTIB and TIES are subject to a separate in-depth programme evaluation³⁴.

157. UNIDO has been involved in promoting TCDC-INRES on basis of an informal agreement with UNDP. Problems have been observed in terms of lack of a systematic mechanism to identify companies and institutions, missing screening mechanisms for data entries which are fed into the database without review or verification, and insufficient training of staff who is cataloguing

³³ The in-depth evaluation of Industrial Investment Activities of UNIDO recommended an information system through which up-to-date information on investment opportunities could be channelled. This evaluation is of the opinion that ECDC/TCDC opportunities as well as other information should be part of an integrated system.

³⁴ In-depth evaluation of development and transfer of technology activities.

information. This results in lack of consistency and reliability of data entries. In case UNIDO officially takes the responsibility for industry-related institutions, issues raised in paragraph 108 above need to be clarified and a mechanism should be established for screening, cross-checking and updating of data.

158. The above computerized information systems could be complemented by systematically utilizing the UNIDO Newsletter for the promotion of ECDC/TCDC.

Internal reporting systems

159. The existing mainframe project monitoring system should be used more systematically for in-house monitoring of ECDC/TCDC activities. Staff should be trained to review projects as to their ECDC/TCDC potentials and incentives should be given to input such information into the mainframe system (see also paragraph 144 above). In this connection, the ECDC Section will be assisted by the inclusion of appropriate indicators on ECDC/TCDC characteristics in the project cycle database which should be ascertained from the outset of the project and particularly at the initial appraisal of the proposal. In the appraisal document for project proposals a section dealing with the actual or potential characteristics of the proposal should be included.

4.11. Support to operational activities - technical cooperation projects

160. The majority of UNIDO large-scale projects aim at building or strengthening institutions, hence contribute to the development objective of capacity-building. In some cases, successful technical cooperation projects have been utilized as the basis for information dissemination to other developing countries or resulted in an institution which was utilized by other developing countries, either for drawing on its expertise or benefitting from training opportunities provided. National institutions developed and/or strengthened through technical cooperation projects are also used in regional networks. The above approaches have, however, not been employed systematically and across the board. Staff members should be encouraged to consider these possibilities and report on them once they have been operationalized through the reporting system recommended under chapter 4.6., para. 144 to enable the Secretariat to reflect the full extent of its ECDC/TCDC activities. The ECDC Section, by using the information system described in that paragraph, should monitor and ensure that these opportunities materialize (see also paragraph 145).

161. In terms of project design, ECDC/TCDC is dealt with under a section entitled "Special Considerations" which in practice is often discussed as an after-thought rather than seriously attempting to analyze actual potentials and possibilities. The issue should be better considered and discussed under the section "Alternative Strategies" for implementation.

162. At the level of regional cooperation, UNIDO assisted through projects with subregional organizations such as Andean Group, ASEAN, CAF, PTA, and SADCC which were not necessarily carried out under the label of ECDC/TCDC but in form of regional projects. They mostly concentrated on developing or strengthening regional capacities in fields of technical specialization. Only little guidance has recently been provided on requirements of the industrial component of regional economic integration which, however, should be considered as one possible area of specialization of UNIDO in light of increased global trends towards integration.

163. Networks and regional centres (or national centres with regional outreach) appear to be viable mechanisms for cooperation among developing countries. As mentioned under chapter 3.3., the evaluation recommends that a detailed study be carried out to assess their efficiency, effectiveness and impact, as well as to analyze factors influencing their performance, ways and means to finance their operations, etc.

IOB.2 October 1987	IOB.3 June/July 1987	GC.2 November 1987	IOB.4 October 1988	IOB.5
Importance and relevance of ECDC/TCDC concept				
		<p><u>Res.1</u> Emphasizing the increasing relevance of ECDC/TCDC as an instrument for promoting the rational and efficient use of human, material, financial and technological resources available in the DCs for their individual and collective welfare, with a view to strengthening their self-reliance, Emphasizing further that in the present international economic situation, ECDC/TCDC acquires even greater importance and supplements North-South coop., Recognizing the importance of promoting initiatives in order to strengthen to coop. among DCs, such as the establishment of the "Manuel Pérez Guerrero" Trust Fund for South-South Coop., set up under the Caracas Programme of Action; 1. Reiterates the high priority that should be accorded to ECDC/TCDC in the activities and programmes of UNIDO.</p>		
Strengthening of UNIDO's ECDC activities				
<p><u>Dec.17</u> (c) Decided that UNIDO should continue and increase its activities in the field of industrial coop. among DCs taking into account the comments made by the members of the Board at its second session;</p>	<p><u>Dec.9</u> (b) Decided that UNIDO should continue and increase its activities in the field of industrial coop. among DCs, taking into account the comments made by the members of the Board at its third session;</p>	<p><u>Res.1</u> 2. Reiterates further the need to intensify the activities of UNIDO for the promotion of ind. coop. among DCs through greater support for the coop. efforts undertaken by the DCs at sub-, inter- and regional level; 3. Emphasizes the necessity to strengthen the programmes for coop. among DCs in the areas listed in paras 4 & 5 of GC.4/Res.7 of UNIDO, with special stress on the sectors relating to the TD & TT, dev. + training of human resources + the mobilization of financ. resources for promoting the ind. growth of the DCs;</p>	<p><u>Dec.15</u> (e) Requested the DG to strengthen the programme of ECDC by further redeploying, to the extent possible, resources to it and by giving greater emphasis to the co-ordination of all activities for ECDC/TCDC carried out by UNIDO, reporting accordingly to GC.3.</p>	
IDF and extra-budgetary contributions				
		<p><u>Res.1</u> 6. Invites the developed countries to undertake measures in support of ECDC/TCDC through, inter alia, increased voluntary contributions to the IDF;</p>	<p><u>Dec.15</u> (c) Invited donor Governments and urged interested organizations to provide additional support to UNIDO activities in the field of industrial coop. among DCs;</p>	<p><u>Dec.5</u> (d) Encouraged relevant institutions and organizations to provide support to UNIDO activities in the field of industrial coop. among DCs; (e) Appeal to donor countries, institutions and organizations to lend their support to UNIDO activities in the field of industrial coop. among DCs; (f) Invite donor countries, institutions and organizations to increase support to UNIDO activities in the field of industrial coop. among DCs; (g) Invite donor countries, institutions and organizations to increase support to UNIDO activities in the field of industrial coop. among DCs; (h) Invite donor countries, institutions and organizations to increase support to UNIDO activities in the field of industrial coop. among DCs; (i) Invite donor countries, institutions and organizations to increase support to UNIDO activities in the field of industrial coop. among DCs; (j) Invite donor countries, institutions and organizations to increase support to UNIDO activities in the field of industrial coop. among DCs;</p>

1988	IDB.5	July 1989	GC.3	November 1989	IDB.6	June 1990	IDB.8	July 1990
Importance and relevance of ECDC/TCDC concept								
			Res.9 Recalling GC.2/Res.1, which underlines the growing importance of ECDC/TCDC and the Buenos Aires Plan of Action for Promoting and Implementing TCDC adopted by the Conference on TCDC. Further recalling IDB.4/Dec.15 of the IDB, particularly its paras (c) and (e). Fully aware of the key role played by ECDC/TCDC in the overall framework of technical coop. activities of the system, as underlined in para 9 of GA res. 43/199, and following very closely the current triennial policy review of operational activities for dev., particularly the section on TCDC of the report annexed to the General's note (A/44/324/Add.3).					
Strengthening of UNIDO's ECDC activities								
of ag. ving o- les by gly			Res.9 1. Takes note with appreciation of document GC.3/24 and the measures being undertaken by UNIDO to strengthen its ECDC/TCDC activities; 3. Also requests the DG to substantially increase funds for the ECDC/TCDC components of UNIDO programmes;				Dec.5 (d) Noted with concern that the funds allocated for ECDC/TCDC had diminished; (e) Requested the DG (i) To increase substantially, both in percentage and real terms, the funds allocated for ECDC/TCDC activities in the operational budget; (ii) To enhance the efforts along the lines of action mentioned in paras 13 to 23 of chapter IV of Annual Report 1990, so as to strengthen UNIDO ECDC/TCDC activities.	
IDF and extra-budgetary contributions								
ents DO F ;	Dec.5 (d) Encouraged Gov. of DCs and relevant sub- and regional institutions and economic groupings to allocate, to the extent possible, add.resources for the promotion of South-South coop. in the ind. field; (e) Appealed to donor countries, financial institutions and relevant international organizations to lend their full support to DCs, sub- and regional institutions and econ. groupings with a view to facilitating ECDC/TCDC arrangements in the ind. field; (f) Invited donor countries and funding agencies to increase their financial support to the ECDC/TCDC activities of UNIDO, incl. the org. of ministerial solidarity and round-table meetings;		Res.9 5. invites donor countries to increase the financial support to the ECDC/TCDC components of UNIDO programmes through extra-budgetary contributions;		Dec.11 (d) Called upon Member States to increase their contributions to extra-budgetary resources for financing projects aimed at integration of ECDC;		Dec.5 Requested the DG (e) (v) In this connection to seek from contributors additional extra-budgetary resources through IDF and other voluntary contributions;	

IDB.2	October 1987	IDB.3	June/July 1987	GC.2	November 1987	IDB.4	October 1988	IDB.5
Information exchange								
				<u>Res.1</u> 5. <u>Recommends</u> that UNIDO strengthen the exchange of info among DCs on their need for and offer of economic and technical coop. with a view to intensifying their mutual coop. in the industrial sphere;				
Utilization of inputs from developing countries								
				<u>Res.4</u> 4. Requests the DG: (iv) To make greater efforts to seek the assistance of experts from DCs for the technical coop. programmes of the Organization;		<u>Dec.15</u> (d) Requested the DG to have recourse to the greatest extent possible to experts, services and equipment from DCs in technical coop. projects of UNIDO in order to substantially increase - to a minimum of 25% - the share of the total contract value and equipment purchased by the Organization from those countries, in the shortest possible time;		<u>Dec.5</u> (h) Further req to increase the experts, service equipment from technical coop. UNIDO and to exp implementation that the share of total contracts equipment purch Organization sh less than 25%;
Specific topics								
				<u>Res.1 Capacity building</u> 4. Requests that UNIDO assist DCs, at their request, in establishing and strengthening their capacity to identify sectoral priorities, including inter-sectoral integration, with a view to promoting ECDC/TCDC.				<u>Dec.5 Opportuni identification</u> (g) Requested t identify opport ind. coop. among with regard to of factor input: spare parts, co accessories, as facilities and exist in the DC coop., especial of rehabilitati small- and medic dev. and transfe technology and

ABBREVIATIONS

SECTION 1

DCs	developing countries
coop.	cooperation
para	paragraph
dev.	development
info	information
ind.	industrial
gov.	government
add.	additional
econ.	economic
incl.	including
org.	organization
implemen.	implementation
esp.	especially
TD & TT	technology development and transfer

1988	IDB.5	July 1989	GC.3	November 1989	IDB.6	June 1990	IDB.8	July 1991
Information exchange								
			<u>Res.9</u> 4. Urges the DG to continue to strengthen coop. with UNDP in order to ensure that a better flow of info on programmes for upgrading ind. capability, based on the services of the TCDC Info Referral System (INRES) of UNDP, is available to DCs;		<u>Dec.11</u> (e) Urged the DG to continue to ensure a better flow of info on programmes for upgrading industrial capabilities in the DCs through the full and effective operation of the TCDC Info Referral System of UNDP (INRES) South database in UNIDO;		<u>Dec.5</u> Requested the DG (e)(iii) To ensure fuller coverage in the TCDC Information Referral System of UNDP (INRES/South) database of the institutional capabilities in training and expertise;	
Utilization of inputs from developing countries								
	<u>Dec.5</u> (h) Further requested the DG to increase the use of experts, services and equipment from DCs in the technical coop. projects of UNIDO and to expedite the implementation of IDB.4/Dec.15 that the share of DCs in the total contracts value and equipment purchases by the Organization should not be less than 25%;		<u>Res.9</u> 6. Requests the DG to increase the use of experts, services and equipment from DCs in the technical coop. projects of UNIDO and to expedite the implemen. of IDB.4/Dec.15 that the share of DCs in the total contracts value and equipment purchases by the Org. should not be less than 25%; <u>Realizing that the Lima Declaration and Plan of Action target of the DCs contributing 25% of total world industrial output is far from reached,</u>		<u>Dec.11</u> (c) Requested the UNIDO Secretariat to continue its efforts to identify opportunities for industrial coop. among DCs and to increase the use of experts, services and equipment from DCs in the technical coop. projects of UNIDO with the aim of meeting the goal expressed in IDB.4/Dec.15 that the share of DCs in total contracts value and equipment purchases by the Organization should not be less than 25%;		<u>Dec.5</u> (c) Further recalled the need to increase the use of experts, services and equipment from DCs in technical coop. projects of UNIDO so as to enhance the value of the contracts and purchases of equipment by the Organization to at least 25% as decided by IDB.4/Dec.15, para (d);	
Specific topics								
	<u>Dec.5 Opportunity identification</u> (g) Requested the DG to identify opportunities for ind. coop. among DCs, esp. with regard to the production of factor inputs, including spare parts, components and accessories, as well as facilities and capacities that exist in the DCs for ind. coop., especially in the areas of rehabilitation, training, small- and medium-scale ind., dev. and transfer of technology and ind. financing;						<u>Dec.5 Interagency co-operation</u> Requests the DG (e)(iv) To continue to strengthen coop. with the regional commissions in the implementation of IDB.6/Dec.11;	

SECTION 2

Annex 2: THE CONCEPT OF COOPERATION

164. Cooperation as a term stands for "working together for the same end"³⁵ which, in the context of this in-depth programme evaluation, can be translated into "developing countries working together for the aim of mutual development and industrialization". This spirit has been expressed in the Buenos Aires Plan of Action and relevant resolutions of the General Assembly of the United Nations.

165. This Annex was inspired by the fact that resolutions, decisions, programme documents, etc. refer to forms of, means to promote and areas of cooperation, without clearly distinguishing between the three. Such a differentiation is, however, required as e.g. different types of cooperation call for different means by which they can be promoted without specifying the types of cooperation targeted, the choice of means to facilitate promotion cannot be optimized. Similarly, in different subsector-specific or horizontal areas distinct forms and means of cooperation may be more suitable than in others. For this purpose, this Annex attempts to delineate systematically forms, means to promote and areas of cooperation at the conceptual level based on the following definitions:

- (a) **Forms** of cooperation are arrangements between cooperating parties and are what third parties, such as international organizations, aim to support by
- (b) **Means** to promote cooperation as vehicles employed either by cooperating parties or by third parties to attain cooperation arrangements in
- (c) **Areas** of cooperation, such as subsector-specific or horizontal issues in which cooperation is sought.

166. Mandates as well as programme and budgets documents most often indicate areas in which cooperation should be brought about and, at second ranking, reflect to some extent on means to be employed to promote cooperation. Mandates continuously call for UNIDO to develop innovative forms of cooperation, whereas present descriptions of types of cooperation are yet rather broad and focus mostly on promotional activities and only vaguely on some operational activities. Prior to developing "innovative" forms, existing concepts need analysis and stock-taking of those areas in which innovation could be brought about.

A. Forms of cooperation - typology

167. This chapter distinguishes between cooperation at country level which corresponds to ECDC and cooperation at enterprise level which relates more to TCDC. The spectrum of cooperation between countries may span from consultations of *ad hoc* nature up to economic integration as the most complex form of cooperation as it requires cooperating countries to adjust national preferences to the requirements of the entire group of countries. At the enterprise level, again the intensity of cooperation is taken as the benchmark by which three different groups have been formed. Intervention by UNIDO may come in at any of these forms by using means to promote cooperation as described under B.

A.1. *Country level*

168. **Consultation.** Several countries may consult *ad hoc* or over time on certain issues to come to joint positions and agreements on actions at national, regional or global level. The consultation

³⁵ The Concise Oxford Dictionary, Eighth Edition 1990.

process may be a first step in a sequence of cooperation activities and constitutes an important process of information exchange and negotiation.

169. **Harmonization.** Harmonization of legislation and regulations requires decisions and action, primarily at the national level, nonetheless, this forms a basis for practical cooperation among countries. Harmonization decisions may derive from afore-said consultation processes.

170. **Sector programming.** The issue of production specialization is discussed in various documents on cooperation among developing countries and envisages basically agreements between developing countries to specialize in certain, complementary areas and, thereby, pool resources and capacities.

171. **Regional groupings.** A more continuous and wide ranging cooperation among countries can be attained through forming regional groupings in which participating countries agree on various issues, such as incentives, tariffs, standards, etc., depending on its focus and specialization. Examples are the ANDEAN Group, ASEAN and PTA.

172. **Economic integration.** Regional groupings may lead to economic integration of their member countries. It is the highest form of cooperation at the inter-country level and entails a high degree of compromises by each country at the national level.

A.2. Project or enterprise level

173. Individual types of cooperation at the project or enterprise level can be further categorized according to the criteria of duration or intensity and of how cooperating parties relate to each other. On the time dimension, one may distinguish between long-term or continuous and short-term or *ad hoc* cooperation. In relational terms, a differentiation can be made depending on the degree of benefits of and contribution by cooperating parties and may range between (i) "donor-beneficiary" relations or pure acquisition of expertise, know-how, training, etc. in which the ratio of contributing and receiving is not balanced, (ii) mutual exchanges in which both parties benefit equally and (iii) the pooling of resources. These relational types may take both short- or long-term forms of cooperation. The table and the following text may exemplify the said differentiation.

	short-term, ad hoc	long-term, continuous	
Acquisition of Inputs	Provision of Inputs		
	Transfer of Technology		
Mutual Exchange	Information Exchange		
	Consultations		
	Expert Exchanges		
			Institutional Information Exchange
			Professional Associations
Pooling of Resources and Needs	Sub-contracting		
		Twinning Arrangements	
		Joint Ventures	
		Multinational Companies	

Acquisition of inputs

174. **Provision of information, services and goods.** One enterprise provides information services (expertise and/or training), goods and/or development capital to another enterprise. The cooperative aspect of this type of arrangement is minute in the case of direct procurement without any continued or follow-up interaction³⁶. Arrangements under this category may be triangular as it is the case of technical cooperation where financial and technical contributions originate from different sources. At least conceptually, this type of interaction is of short-term nature as after the provision of information, expertise, training and goods, the recipient should have developed a self-sustained entity.

175. **Transfer of technology arrangements**³⁷. A supplier provides a prototype piece of equipment and possibly a licence for production as well as expertise to advise and train the recipient on how to produce the said equipment. While the recipient benefits by obtaining technology and production know-how, the supplier gains from promoting its technology as well as from providing production inputs at least during the initial production phase. Therefore, a higher degree of mutual exchange exists in comparison to the mere provision of inputs. Contacts tend to last longer under this form of cooperation.

Mutual exchanges

176. **Ad hoc information exchange.** Individual professionals, institutions, entrepreneurs, etc. exchange information on a particular topic, issue or technology, e.g. at the event of a meeting, conference or seminar. All parties benefit, provided availability and quality of information is even.

177. **Exchange of expertise.** Enterprises or industrial service institutions may exchange expertise, possibly by extending visits to each others facilities or by working together in common facilities. The exchange can take place either in the same field, i.e. experts with similar qualifications work jointly on similar subjects, on or in associated areas, i.e. experts with different qualifications cooperate in complementing each other's knowledge and experience.

178. **Institutional information exchange.** Regular information exchanges can take place through regular meetings or conferences, whereby this form has a kind of *ad hoc* character, but constitute more of a continuum in form of information networks, i.e. in form of written periodicals to automated database systems.

179. **Professional associations.** Similar to consultations, professional associations serve the purpose of coming to joint positions on certain issues and finding common approaches with the difference that associations tend to have a more continuous perspective and constitute a more organized form of consultation. The advantage of this type of cooperation lays in subsequent harmonization of policies, procedures, standards, as well as in jointly having a stronger position to lobby for or defend the interests of the group.

³⁶ A sense of 'working together', i.e. cooperation, may evolve based on ties developed during e.g. the provision of training during which trainee(s) are acquainted with certain technologies resulting in later acquisition of expertise and/or technology (hardware) by the recipient leading to some longer-term relation.

³⁷ The evaluation does not define transfer of technology in this term but uses the definition to describe a type of cooperation. In this context, technology might be mistaken with equipment, which should be avoided. A definition of transfer of technology will be presented in the forthcoming evaluation of the relevant programme.

Pooling of resources and needs

180. **Sub-contracting.** A central or major company might sub-contract certain tasks or the production of components and parts to outside companies thereby taking advantage of more specialized expertise of sub-contracting firms, of a better cost-benefit ratio, etc. Sub-contractors profit from contracts in terms of earnings and international contacts which gives them partial access to the international market through the sub-contracting firm.

181. **Twinning arrangements.** A continuous exchange of expertise and/or technology may result in joint research, joint production programmes, etc., whereby cooperation is not necessarily bound to take place in the same premises. It may comprise the exchange of results in research and application as well as the division of labour in research programmes, tests and trials, production, etc. in which cooperating institutions or enterprises have complementing advantages.

182. **Joint venture.** A partnership involving two or more companies in an enterprise in which each party contributes assets, owns the entity to some degree, and shares the risk. A joint venture may be formed because of legislative requirements, e.g. when a 100% foreign investment is prohibited, or because for reasons of complementing each other's strengths or for sharing risks³⁸.

B. Means to promote cooperation

183. A differentiation between "means to cooperate" and "means to promote cooperation" is needed for the clear understanding of which contributions are expected and provided by cooperating parties themselves and which are furnished by an intermediate party. The earlier can be understood as resources and/or inputs required to actually carry out cooperation between parties concerned, whereas the latter constitutes activities, e.g. by a third party like UNIDO, to promote or support cooperation arrangements. The following will describe means to promote or support cooperation.

B.1. Promotional activities

184. **Identification of cooperation opportunities.** Information collection and dissemination is one of the most powerful and needed promotional measures as it forms the basis for deliberate decisions to cooperate with (foreign) partners. One form of information collection and dissemination is through the preparation of studies and surveys (needs and capacities assessment, inventories, etc.) and their subsequent distribution to end users, another being the identification of cooperation projects. Assistance is provided by collecting, compiling and analyzing data and preparing the afore-mentioned documentation either at country level (studies and surveys) or at project level (project profiles, opportunity studies, etc.).

185. **Meetings, conferences, workshops, symposia.** These form a stage for exchanging information, increasing awareness and acquainting people of the same or similar professional categories from different countries with each other and the subject matter of the meeting. Other forms of promotion are study tours for a selected group of country representatives who either promote the country as a whole or specific projects. Support is provided by preparing and organizing meetings or promotional tours.

186. **Brochures, magazines.** Promotional work is carried out through publication of promotional materials such as advertisements, brochures, etc., support being provided on presentation, layout and content of the same.

³⁸ Handbook of International Business and Management, S. J. Gray, M. C. McDermott and E. J. Walsh, Basil Blackwell, 1990

187. **Advice and guidance.** Those seeking information on technologies, know-how, expertise, etc. may as well need advice and guidance as to the best and most appropriate source of the aforementioned resources.

188. **Negotiation process.** In coming to cooperation agreements of either kind, either party might be in need for advice on the actual agreement to be signed. Negotiation processes can be facilitated by direct intervention with the third party in an advisory role or by improving negotiation skills and increasing knowledge of background information on the subject under negotiation. While the earlier may take place in the course of negotiations, the latter is an advance measure to take place in form of capacity-building through training seminars, information distribution, etc.

B.2. Support to operational activities

189. **Capacity building.** The foundation for cooperation in terms of mutual exchange is the availability of local capacities which can participate in such cooperation. Establishing or strengthening such capacities and capabilities through, e.g. technical cooperation projects, is a facilitating measure.

190. **Networking.** Networks are institutional frameworks which facilitate continuous cooperation between several parties. Creating networks is similar to capacity-building projects in terms of establishing and maintaining an organized structure for a certain purpose. Assistance may be needed to introduce cooperating institutions to each other, define joint programmes, facilitate cooperation, etc.

191. **Regional centres.** Centres servicing industry needs on a regional basis, whereby facilities are based in one country while other participating countries share operating cost and might appoint staff to the centre. National centres with regional outreach, i.e. facilities servicing more than the host country on fee basis, are an alternative to the traditional concept of regional centres.

C. Areas of cooperation

C.1. Subsector specific

192. Cooperation among developing countries does not differ in form from cooperation in other directions, hence arrangements can be envisaged in almost any subsector or area, the only difference being the attained and desired level of advancement which determines whether resources, know-how, expertise and experience are sought from North and/or South. Specific mention should be made of those subsectors where the South has an advantage over the North as e.g. in the case of some specific technologies which may originate from and are furthered there, such as plant based pharmaceuticals, agro-industries related to tropical produce, small-scale processing of agro-based products, etc.

C.2. Horizontal issues

193. Horizontal issues may cover a wide range of fields. The following is meant to provide a few examples without being exhaustive.

194. **Human resource development.** In the area of human resource development cooperation among developing countries takes place in form of training opportunities offered by developing countries for participants from developing countries either under special (group) training programmes or in individual courses where foreign participants join regular courses. UNIDO-

sponsored programmes may include support to group training programmes or providing assistance to strengthen training institutions (regional centres of excellence).

195. **Development and transfer of technology.** An increasing number of developing countries possess capacities to develop and/or adapt technologies, hence serve as a source of technologies often experienced as more appropriate to local conditions of other developing countries. The latter, however, has to be differentiated as not all developing countries operate under same or similar conditions.

196. **Standardization and metrology.** The scope for cooperation among developing countries is rather large starting with agreement on common standards up to establishing and maintaining regional standardization offices and quality control centres which can serve industry needs on a regional basis.

ECDC Programme Evaluation Summary of Programme and Budgets Documents			
	1986-1987	1988-1989	1990-1991
Strategy	<ul style="list-style-type: none"> ■ identify opport. for techno-economic co-op. among DCs ■ establish functional links between UNIDO and countries with formal programmes ■ ascertain areas where such co-op. is required ■ multi-prod. enterpr. program to become operational on global basis with aim of more rational utilization of resources, etc. ■ SHMs to continue with increased number of meetings 	<ul style="list-style-type: none"> ■ integration of TCDC in main programming project activities ■ increase of volume of TC projects through SHM and RT sectoral enterpr.-enterpr. and multinationals programme ■ increased involvement of NGOs and enterpr. associations ■ STF as innovative form of cooperation 	<ul style="list-style-type: none"> ■ no particular info on ECDC ■ aim of AREA to expand activities ■ priority problem areas such as ECDC
Problems addressed	<ul style="list-style-type: none"> • weakness of institutional and financial mechanism • lack of information on capacities and needs of DCs 	<ul style="list-style-type: none"> • increased need for multilateral resources of technical cooperation • industrial involvement required 	
Objectives	<p><u>general intergovernmental</u> enhance mutual co-op. to increase capacities to meet development needs</p> <p><u>subsidiary intergovernmental</u> reinforce collective self-reliance through mutual technical co-op.</p> <p><u>general secretariat</u> promote increase in degree of ECDC/TCDC for purpose of industrialization</p>	<p><u>general intergovernmental</u> strengthen cooperation/increase capability to meet ind. development needs through mutual TC</p> <p><u>general secretariat</u> promote, direct, mobilize flow of resources to DCs</p>	
Resource Requirements	<p><u>ECDC</u></p> <p>RB US\$ 326,600 (2.6% of prog. total)</p> <p>OB US\$ 607,000 (13.8% prog. total), of which US\$ 114,300 for programme activities/staff travel</p>	<p><u>Special progr. and activities</u></p> <p>RB US\$ 2,046,900 (9.5%)</p> <p>OB US\$ 1,873,300 (17.9%), of which US\$ 383,700 for programme act./ staff travel (for ECDC only)</p>	<p><u>Area Programmes Division</u></p> <p>RB US\$ 11,616,700 (38.3%)</p> <p>OB US\$ 2,297,600 (23.6%), of which US\$ 193,500 for programme act./ staff travel (for ECDC only)</p>
Outputs	<p><u>project development</u></p> <ul style="list-style-type: none"> * 5 SHMs in 5 LDCs with 150 agreed cooperation projects * 2 sub-sector specific RT with 160 potential projects * 4 technical WS/SEM, 12 techn. co-op. projects encompassing study tours, advisory services and training (OB) 	<p><u>project development</u></p> <ul style="list-style-type: none"> * 2 SHMs in 2 LDCs with 50 agreed cooperation projects * 1 subsector-specific RT with 80 potential projects * 5 techn. WS/SEM, 30 TC projects * 10 ECDC/TCDC techn. projects utilizing IPF * 2 interregional meetings * donors' conference - follow-up 	<p><u>programme/project development</u></p> <ul style="list-style-type: none"> * 2 SHMs in 2 LDCs with 50 agreed cooperation projects * 1 interregional meeting on enterpr.-to-enterpr. cooperation agreements reached * 2 regional joint venture meetings * LAC eng. ind. progr. to promote cooperative projects * a tech. workshop to identify approx. 100 preliminary TC projects * 30 TC projects in follow-up to earlier meetings * partic. in consult. meetings on subreg./reg. cooperation (IDDA)
	<p><u>new forms/instit. machinery</u></p> <ul style="list-style-type: none"> * preparation of/reporting to an intergovt. meeting on multinational enterprises organized jointly with UNCTAD (1986) (OB) * prep. of/reporting to intergovt. meeting on promotion of enterprise-to-enterprise co-op. on sectoral basis (1987) (OB) * substantive servicing of 2 EGMs preparatory to above meetings (1986, 1987) (OB) 	<p><u>new forms/instit. machinery</u></p> <ul style="list-style-type: none"> * enterpr.-to-enterpr. cooperation meeting in Asia * WG on cooperative arrangements for establishing of multinationals * inventory on industrial capabilities of 2 selected DCs 	<p><u>mechanism/services</u></p> <ul style="list-style-type: none"> * joint programmes to promote cooperation between LAC and AFR * establish/maintain databases * 2 inventories on capacities available in 2 DCs * report on reg./subreg. cooperation in capital goods production, procurement and export marketing dev. plan of action to overcome constraints * methodology for collection/ dissemination of info on SMI technologies * report on cooperation in compiling/exchanging info on capacities/capabilities for raw material processing * report on multinationals - experience assessment and final guidelines
	<p><u>coordination/monitoring</u></p> <ul style="list-style-type: none"> * reports to IDB (OB) * report to High Level Committee on the Review of TCDC (1987) (OB) 	<p><u>coordination/monitoring</u></p> <ul style="list-style-type: none"> * participation in all stages of programming activities * reports to IDB * report to HLC of TCDC * reports to other intergovt. meetings (ad hoc) * quarterly newsletter on ECDC/TCDC * monitoring relations and coordinating activities with UNDP/SU/TCDC and UNCTAD 	<p><u>coordination/monitoring/promotion</u></p> <ul style="list-style-type: none"> * progress report to PMOs * quarterly ECDC newsletter and brochures * monitoring and follow-up with organizations
In-house			

ECDC Programme Evaluation
Summary of Programme and Budgets Documents

	1985-1989	1990-1991	1992-1993
between al Co-op. to basis lization ased	<ul style="list-style-type: none"> ■ integration of TCDC in main programming project activities ■ increase of volume of TC projects through SHM and RT sectoral enterpr. - enterpr. and multinationals programme ■ increased involvement of NGOs and enterpr. associations ■ STF as innovative form of cooperation 	<ul style="list-style-type: none"> ■ no particular info on ECDC ■ aim of AREA to expand activities in priority problem areas such as ECDC 	
nd cities	<ul style="list-style-type: none"> • increased need for multilateral resources of technical cooperation • industrial involvement required 		<ul style="list-style-type: none"> • provide viable alternatives to traditional sources of inputs • lack of information on needs and capacities of DCs, and problems in information flows
ance activities	<p><u>general intergovernmental</u> strengthen cooperation/increase capability to meet ind. development needs through mutual TC</p>		<ul style="list-style-type: none"> ▶ consolidate efforts of DCs/UNIDO to utilize ECDC/TCDC as major tool for industrial development ▶ increase awareness of needs/opportunities for ECDC/TCDC at level of major actors
ance p. increase pose of	<p><u>general secretariat</u> promote, direct, mobilize flow at resources to DCs</p>		
total) al), ramme	<p><u>Special progr. and activities</u> RB US\$ 2,046,900 (9.5%) OB US\$ 1,873,300 (17.9%), of which US\$ 383,700 for programme act./ staff travel (for ECDC only)</p>	<p><u>Area Programmes Division</u> RB US\$ 11,616,700 (38.3%) OB US\$ 2,297,400 (23.6%), of which US\$ 193,500 for programme act./ staff travel (for ECDC only)</p>	<p><u>ECDC</u> RB US\$ 867,400 (8.2%) OB US\$ 490,800 (15.8%), of which US\$ 143,400 for programme act./ staff travel</p>
agreed th 160 n. co- dy training	<p><u>project development</u></p> <ul style="list-style-type: none"> * 2 SHMs in 2 LDCs with 50 agreed cooperation projects * 1 subsector-specific RT with 80 potential projects * 5 techn. WS/SEM, 30 TC projects * 10 ECDC/TCDC techn. projects utilizing IPF * 2 interregional meetings * donors' conference - follow-up 	<p><u>programmes/project development</u></p> <ul style="list-style-type: none"> * 2 SHMs in 2 LDCs with 50 agreed cooperation projects * 1 interregional meeting on enterpr.-to-enterpr. cooperation w/50 agreements reached * 2 regional joint venture meetings * LAC eng. ind. progr. to promote 30 cooperative projects * a tech. workshop to identify approx. 100 preliminary TC projects * 30 TC projects in follow-up to earlier meetings * partic. in consult. meetings on subreg./reg. cooperation (IDDA) 	<ul style="list-style-type: none"> * identify technical/financial resources * formulate policies, strategies and programmes at national/regional/subregional level * monitor UNIDO overall programme in view of integrating ECDC/TCDC in ongoing activities * (unspecified) new mechanism will be developed * information system (INTIB and INRES) * develop 4 specialized networks and databases * convene 2 regional WSs on collection/dissem. of ECDC/TCDC information * 1 meeting on cooperation among sectoral industrial associations * issue periodic ECDC newsletter * 2 inventories of national industrial TCDC capacities in selected sectors * promote cooperation with and between subregional groupings through global meeting * strengthen ECDC/TCDC focal points * identify sources of technologies and expertise for TCDC * mobile catalogue exhibitions for industrial promotion * 2 SHMs in African LDCs provided extrabudgetary resources are made available * 5 WSs leading to enterprise-to-enterprise cooperation
an tional with govt. prise- ral EGMs (1986,	<p><u>new forms/instit. machinery</u></p> <ul style="list-style-type: none"> * enterpr.-to-enterpr. cooperation meeting in Asia * WG on cooperative arrangements for establishing of multinationals * inventory on industrial capabilities of 2 selected DCs 	<p><u>mechanism/services</u></p> <ul style="list-style-type: none"> * joint programmes to promote cooperation between LAC and AFR * establish/maintain databases * 2 inventories on capacities available in 2 DCs * report on reg./subreg. cooperation in capital goods production, procurement and export marketing and dev. plan of action to overcome constraints * methodology for collection/dissem. of info on SHI technologies * report on cooperation in compiling/exchanging info on capacities/capabilities for raw material processing * report on multinationals - experience assessment and final guidelines 	
see on	<p><u>coordination/monitoring</u></p> <ul style="list-style-type: none"> * participation in all stages of programming activities * reports to IDB * report to HLC of TCDC * reports to other intergovt. meetings (<i>ad hoc</i>) * quarterly newsletter on ECDC/TCDC * monitoring relations and coordinating activities with UNDP/SU/TCDC and UNCTAD 	<p><u>coordination/monitoring/promotion</u></p> <ul style="list-style-type: none"> * progress report to PHOs * quarterly ECDC newsletter and info brochures * monitoring and follow-up with other organizations 	

	<ul style="list-style-type: none"> * preparation of/reporting to an intergovt. meeting on multinational enterprises organized jointly with UNCTAD (1986) (08) * prep. of/reporting to intergovt. meeting on promotion of enterprise-enterprise co-op. on sectoral basis (1987) (08) * substantive servicing of 2 EGMs preparatory to above meetings (1986, 1987) (08) 	<ul style="list-style-type: none"> * enterpr.-to-enterpr. cooperation meeting in Asia * WG on cooperative arrangements for establishing of multinationals * inventory on industrial capabilities of 2 selected DCs 	<ul style="list-style-type: none"> * joint programme to promote cooperation between LAC and AFR * establish/maintain databases * 2 inventories on capacities available in 2 DCs * report on reg./subreg. cooper. in capital goods production, procurement and export marketing dev. plan of action to overcome constraints * methodology for collection/ of info on SMI technologies * report on cooperation in compiling/exchanging info on capacities/capabilities for raw material processing * report on multinationals - experience assessment and final guidelines
	<p><u>coordination/monitoring</u></p> <ul style="list-style-type: none"> * reports to IDB (08) * report to High Level Committee on the Review of TCDC (1987) (08) 	<p><u>coordination/monitoring</u></p> <ul style="list-style-type: none"> * participation in all stages of programming activities * reports to IDB * report to HLC of TCDC * reports to other intergovt. meetings (<i>ad hoc</i>) * quarterly newsletter on ECDC/TCDC * monitoring relations and coordinating activities with UNDP/SU/TCDC and UNCTAD 	<p><u>coordination/monitoring/promotion</u></p> <ul style="list-style-type: none"> * progress report to PMOs * quarterly ICDC newsletter and brochures * monitoring and follow-up with organizations
In-house coordination			
Remarks		<p>PBC 88-89 does not differentiate resource requirements, strategies, problems addressed and objectives per programme element which resulted in an amalgamation of above statement on all subjects under the Special Programmes and Activities Division, the ECDC Section being one of them.</p> <p>Particularly resource requirements cannot be compared as figures on the subprogramme cannot be singled out. Also, percentages given do not refer to that of ECDC in comparison to the major programme.</p>	<p>PBC 90-91 amalgamates ECDC with Programmes Division so that resource requirements, strategies, problems addressed, and activities cannot be entirely singled out for ECDC.</p>

The presentation in this table does not follow any restructuring and reallocation of organizational units within the Secretariat but

SECTION 3

<p>ional with vt. ise- l PHs 1986,</p>	<p>meeting in Asia * WG on cooperative arrangements for establishing of multinationals * inventory on industrial capabilities of 2 selected DCs</p>	<p>cooperation between LAC and AFR * establish/maintain databases * 2 inventories on capacities available in 2 DCs * report on reg./subreg. cooperation in capital goods production, procurement and export marketing and dev. plan of action to overcome constraints * methodology for collection/ dissem. of info on SMI technologies * report on cooperation in compiling/exchanging info on capacities/capabilities for raw material processing * report on multinationals - experience assessment and final guidelines</p>	<p>ectorat. industrial associations * issue periodic ECDC newsletter * 2 inventories of national industrial TCDC capacities in selected sectors * promote cooperation with and between subregional groupings through global meeting * strengthen ECDC/TCDC focal points * identify sources of technologies and expertise for TCDC * mobile catalogue exhibitions for industrial promotion * 2 SMI in African LDCs provided extrabudgetary resources are made available * 5 WSs leading to enterprise-to-enterprise cooperation</p>
<p>on</p>	<p><u>coordination/monitoring</u> * participation in all stages of programming activities * reports to IDB * report to HLC of TCDC * reports to other intergovt. meetings (ad hoc) * quarterly newsletter on ECDC/TCDC * monitoring relations and coordinating activities with UNDP/SU/TCDC and UNCTAD</p>	<p><u>coordination/monitoring/promotion</u> * progress report to PMOs * quarterly ICDC newsletter and info brochures * monitoring and follow-up with other organizations</p>	
			<ul style="list-style-type: none"> • AREA • DIO • System of Consultations • IID/IPS • IDDA and LDCs • INTIB • HRD • UNDP/UNCTAD/reg. commissions
	<p>PBC 88-89 does not differentiate resource requirements, strategies, problems addressed and objectives per programme element which resulted in an amalgamation of above statement on all subjects under the Special Programmes and Activities Division, the ECDC Section being one of them.</p>	<p>PBC 90-91 amalgamates ECDC with Area Programmes Division so that resource requirements, strategies, problems addressed, and activities cannot be entirely singled out for ECDC.</p>	
	<p>Particularly resource requirements cannot be compared as figures on the ECDC subprogramme cannot be singled out. Also, percentages given do not relate to that of ECDC in comparison to the major programme.</p>		

restructuring and reallocation of organizational units within the Secretariat but considers units by their function.

SECTION 4

Annex 4: NON-STAFF RESOURCES OF THE ECDC SECTION

Year	Consultants		Meetings		Staff Travel		Total
	US\$	%	US\$	%	US\$	%	US\$
1980	\$56,961.50	47.0%	\$43,470.89	35.9%	\$20,757.32	17.1%	\$121,189.71
1981	\$20,363.50	6.7%	\$236,880.18	77.7%	\$47,789.84	15.7%	\$305,033.52
1982	\$34,788.03	12.2%	\$177,474.17	62.1%	\$73,322.34	25.7%	\$285,584.54
1983	\$3,926.01	2.4%	\$129,908.72	78.6%	\$31,427.98	19.0%	\$165,262.71
1984	\$35,756.71	28.3%	\$31,367.39	24.8%	\$59,416.43	47.0%	\$126,540.53
1985	\$75,546.10	25.1%	\$185,548.39	61.7%	\$39,692.81	13.2%	\$300,787.30
1986	\$163,229.69	29.9%	\$293,716.39	53.9%	\$88,242.73	16.2%	\$545,188.81
1987	\$172,737.69	44.4%	\$166,564.26	42.8%	\$49,790.92	12.8%	\$389,092.87
1988	\$298,884.82	50.1%	\$241,777.20	40.5%	\$56,289.21	9.4%	\$596,951.23
1989	\$56,255.28	20.4%	\$163,413.70	59.4%	\$55,581.89	20.2%	\$275,250.87
Total	\$918,449.33	29.5%	\$1,670,121.29	53.7%	\$522,311.47	16.8%	\$3,110,882.09