

UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

REPORT OF THE
INDUSTRIAL DEVELOPMENT BOARD
on the work
of its thirteenth session

GENERAL ASSEMBLY

OFFICIAL RECORDS: THIRTY-FOURTH SESSION

SUPPLEMENT No. 16 (A/34/16)



UNITED NATIONS

New York, 1979

NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

/22 June 1979/

CONTENTS

	<u>Paragraphs</u>	<u>Page</u>
ABBREVIATIONS		v
EXPLANATORY NOTE		v
INTRODUCTION		1
<u>Chapter</u>		
I. ORGANIZATION OF THE SESSION	1 - 13	2
II. GENERAL DEBATE	14 - 38	7
III. REPORTS OF THE PERMANENT COMMITTEE ON ITS ELEVENTH AND TWELFTH SESSIONS	39 - 43	12
IV. ORGANIZATIONAL AND FINANCIAL MATTERS	44 - 68	13
A. UNIDO regular programme of technical assistance: proposed allocations for 1980-1981 and revised figures for 1978-1979	45 - 48	13
B. United Nations Industrial Development Fund: programme for 1980 and plan for 1980-1981	49 - 53	14
C. Interim arrangements regarding greater autonomy for UNIDO	54 - 55	14
D. Industrial Development Field Advisers programme.	56 - 66	14
E. Proposed programme budget for UNIDO for the biennium 1980-1981	67 - 68	16
V. MONITORING THE ACTIONS TAKEN AND PROGRESS ACHIEVED BY GOVERNMENTS AND INTERNATIONAL ORGANIZATIONS TOWARDS THE IMPLEMENTATION OF THE LIMA DECLARATION AND PLAN OF ACTION	69 - 73	17
VI. SYSTEM OF CONSULTATIONS	74 - 84	18
VII. REDEPLOYMENT OF INDUSTRIES FROM DEVELOPED TO DEVELOPING COUNTRIES	85 - 107	22
VIII. PREPARATORY ARRANGEMENTS FOR THE THIRD GENERAL CONFERENCE OF UNIDO	108 - 121	26

CONTENTS (continued)

	<u>Paragraphs</u>	<u>Page</u>
IX. ROLE OF THE PUBLIC SECTOR IN INDUSTRIAL DEVELOPMENT. .	122 - 129	
X. INTEGRATION OF WOMEN IN DEVELOPMENT	130 - 141	
XI. INDUSTRIAL AND TECHNOLOGICAL INFORMATION BANK	142 - 154	
XII. MATTERS CONCERNING INTERGOVERNMENTAL AND INTERNATIONAL NON-GOVERNMENTAL ORGANIZATIONS	155 - 160	
A. Consideration of applications of intergovernmental organizations	156	
B. Consideration of applications of international non-governmental organizations	158 - 159	
C. Information papers	160	
XIII. INCLUSION OF SOLOMON ISLANDS IN LIST A AND DELETION OF THE HOLY SEE FROM LIST B OF THE ANNEX TO GENERAL ASSEMBLY RESOLUTION 2152 (XXI)	161 - 162	
XIV. PROVISIONAL AGENDA FOR THE THIRTEENTH SESSION OF THE PERMANENT COMMITTEE AND FOR THE FOURTEENTH SESSION OF THE INDUSTRIAL DEVELOPMENT BOARD	163	
XV. DATES AND PLACES OF THE THIRTEENTH SESSION OF THE PERMANENT COMMITTEE AND OF THE FOURTEENTH SESSION OF THE INDUSTRIAL DEVELOPMENT BOARD	164 - 167	
XVI. ADOPTION OF THE REPORT OF THE THIRTEENTH SESSION . . .	168 - 174	
XVII. CLOSURE OF THE THIRTEENTH SESSION	175	
<u>Annex.</u> Documents submitted to the Industrial Development Board at its thirteenth session		

ABBREVIATIONS

ECE	Economic Commission for Europe
EEC/ACP	European Economic Community/African, Caribbean and Pacific States
ESCAP	Economic and Social Commission for Asia and the Pacific
INTIB	Industrial and Technological Information Bank
JPO	Junior Professional Officer
OECD	Organisation for Economic Co-operation and Development
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNFPA	United Nations Fund for Population Activities
UNIDF	United Nations Industrial Development Fund
UNIDO	United Nations Industrial Development Organization

EXPLANATORY NOTE

In the present report, paragraphs that are underlined represent consensus conclusions adopted by the Industrial Development Board.

INTRODUCTION

The report of the Industrial Development Board of the United Nations Industrial Development Organization on its thirteenth session is herewith submitted to the General Assembly in accordance with Assembly resolution 2152 (XXI) of 17 November 1966.

The thirteenth session of the Board was held at the Neue Hofburg, Vienna, from 24 April to 4 May 1979. The report was adopted by the Board at its 263rd meeting, on 4 May 1979.

CHAPTER I

ORGANIZATION OF THE SESSION

1. The Board opened its thirteenth session at UNIDO headquarters, Vienna, on 24 April 1979.
2. The session was opened by Mr. C. Julius Hoffman (Federal Republic of Germany), President of the twelfth session, who acted as President of the thirteenth session pending the election of the new President.

A. Membership and attendance

3. The following members of the Board were represented at the thirteenth session:

Argentina	Netherlands
Australia	Nigeria
Austria	Norway
Belgium	Pakistan
Brazil	Panama
Bulgaria	Peru
China	Philippines
Democratic Yemen	Poland
Finland	Sierra Leone
France	Sudan
German Democratic Republic	Switzerland
Germany, Federal Republic of	Thailand
Guatemala	Togo
Hungary	Trinidad and Tobago
India	Tunisia
Iraq	Turkey
Italy	Union of Soviet Socialist Republics
Japan	United Kingdom of Great Britain and Northern Ireland
Kenya	United Republic of Tanzania
Malaysia	United States of America
Mexico	

4. The following States Members of the United Nations or members of specialized agencies or of the International Atomic Energy Agency sent observers:

Byelorussian Soviet Socialist Republic	Luxembourg
Canada	Mongolia
Chile	New Zealand
Colombia	Oman
Costa Rica	Portugal
Cuba	Qatar
Czechoslovakia	Republic of Korea
Denmark	Romania
Ecuador	Senegal
Egypt	Spain
Gabon	Sweden
Holy See	Ukrainian Soviet Socialist Republic
Indonesia	United Arab Emirates
Iran	United Republic of Cameroon
Ireland	Uruguay
Israel	Venezuela
Ivory Coast	Yugoslavia
Lebanon	Zaire
Libyan Arab Jamahiriya	

5. Observers from the following organizations and national liberation movements also attended the session:

Palestine Liberation Organization
African National Congress of South Africa
Pan Africanist Congress of Azania
Zimbabwe Patriotic Front

6. The following United Nations bodies were represented at the session:

United Nations Development Programme
United Nations Conference on Trade and Development
United Nations Environment Programme

7. The following specialized agency sent a representative:

International Labour Organisation

The contracting parties to the General Agreement on Tariffs and Trade were also represented.

8. Observers from the following intergovernmental organizations attended the session:

Arab Organization for Standardization and Metrology
Central African Customs and Economic Union
Council for Mutual Economic Assistance
European Economic Community
European Investment Bank
Organisation for Economic Co-operation and Development

9. Observers from the following international non-governmental organizations attended the session:

Afro-Asian Peoples' Solidarity Organization
International Association for Cereal Chemistry
International Centre for Industry and Environment
International Chamber of Commerce
International Christian Union of Business Executives
International Confederation of Free Trade Unions
International Co-operative Alliance
International Council of Societies of Industrial Design
International Federation of Pharmaceutical Manufacturers Associations
International Measurement Confederation
International Organization of Consumers Unions
International Organization of Employers
International Union of Independent Laboratories
Latin American Association of Finance Development Institutions
Society for Chemical Industry
Union of International Fairs
World Federation of Trade Unions
World Peace Council

B. Election of officers

10. At its 249th meeting, on 24 April, the Board, in accordance with rule 18 of its rules of procedure, elected its officers for the thirteenth session. The following officers were elected by acclamation:

President: Mr. Francisco José Pulit (Argentina)
Vice-Presidents: Mr. Ahmed Ghezel (Tunisia)
Mr. Alfat A. Shaikh (Pakistan)
Mr. Gerhard Thomas (German Democratic Republic)

Rapporteur: Mr. Johannes J. Manz (Switzerland)

After his election, the President of the thirteenth session addressed the Board. 1/

C. Credentials

11. In accordance with rule 17, paragraph 2, of the rules of procedure of the Industrial Development Board, the Bureau of the thirteenth session examined the credentials of the delegations attending the session. The Bureau found the credentials in order and so reported to the Board, which approved the report of the Bureau at its 261st meeting, on 3 May.

D. Agenda

12. At its 249th meeting, the Board considered its provisional agenda (ID/B/213). The Board adopted the following agenda (ID/B/213/Rev.1):

1. Opening of the session.
2. Election of officers.
3. Adoption of the agenda.
4. General debate.
5. Reports of the Permanent Committee.
6. Organizational and financial matters.
7. Follow-up of the decisions and recommendations of the Second General Conference of UNIDO, including review and appraisal of the progress achieved in the implementation of the Lima Declaration and Plan of Action; and follow-up of the decisions and recommendations of the seventh special session of the General Assembly relevant to industrial development.
8. System of consultations.
9. Redeployment of industries from developed to developing countries.
10. Preparatory arrangements for the Third General Conference of UNIDO.
11. Role of the public sector in industrial development.
12. Integration of women in development.
13. Industrial and Technological Information Bank; analysis of the pilot project.

1/ For the statement of the President, see ID/B/SR.249, paras. 10-17.

14. Matters concerning intergovernmental and international non-governmental organizations.
15. Provisional agenda for the fourteenth session of the Industrial Development Board and for the thirteenth and fourteenth sessions of the Permanent Committee.
16. Dates and places of the fourteenth session of the Industrial Development Board and of the thirteenth and fourteenth sessions of the Permanent Committee.
17. Adoption of the report of the thirteenth session.
18. Closure of the thirteenth session.

E. Statement by the Executive Director

13. At the 249th meeting, the Executive Director made a statement to the Board. 2/

2/ For the statement of the Executive Director, see ID/B/SR.249, paras. 19-22.

CHAPTER II

GENERAL DEBATE

14. The Board began the general debate, item 4 of its agenda, at its 249th meeting, on 24 April. Four meetings were devoted to the debate.

15. Since a detailed account of statements made during the general debate is given in the summary records (ID/B/SR.249-252), the following paragraphs are confined to the broad topics covered in the debate. 3/ The paragraphs are not to be taken as reflecting views adopted by the Board as a whole; in some cases, they reflect the views of only one delegation.

16. The view was expressed that the thirteenth session of the Board was being held at a particularly propitious moment in the life of UNIDO: the United Nations Conference on the Establishment of UNIDO as a Specialized Agency had but recently concluded its work, 4/ and preparations were well in hand for the Third General Conference of UNIDO, to be held at New Delhi in January 1980.

17. It was stated that the lengthy negotiations on the organization's conversion into an independent agency had happily met with success; the spirit of co-operation displayed in that process was proof of the political will that existed on all sides to find solutions to the major problems separating the developing from the industrialized countries; and the adoption of the Constitution was a substantial achievement in the implementation of the Lima Declaration and Plan of Action adopted at the Second General Conference of UNIDO, held at Lima in 1975 (see A/10112, annex, chap. IV). Indeed, finalization of the draft Constitution, it was said, marked the achievement of one of the targets set at Lima. In view of this, delegations would go to New Delhi heartened by the probability of agreement on the objectives of the Third General Conference, which had been fully endorsed by the General Assembly.

18. Whereas it was considered encouraging to note that the Constitution had already been signed by 22 Governments, the Governments of all States were urged to sign and to ratify the new Constitution as soon as it was administratively and constitutionally possible, in order that an independent UNIDO might better fulfil its mandates with respect to the developing countries. Ratification, however, it was stated, should be matched by political commitment to the spirit and letter of the primary objective of the new agency: greater and more rapid industrial development of the developing countries with a view to the establishment of a new international economic order.

19. It was pointed out that the expansion of mutually beneficial co-operation in the field of industry, which was a statutory objective of UNIDO, would contribute to the strengthening of peaceful relations among States, to international security,

3/ Views expressed during the general debate on topics that were the subject of separate agenda items are to be found under chapters dealing with the relevant items.

4/ For the Final Act of the Conference, see A/CONF.90/20.

and to the restructuring of international economic relations on a democratic basis, in line with the Lima Declaration and Plan of Action, the Charter of Economic Rights and Duties of States, and the decisions of the sixth and seventh special sessions of the General Assembly.

20. The United Nations Conference on the Establishment of UNIDO as a Specialized Agency had, it was said, reaffirmed the special characteristics of the organization, namely, its central co-ordinating role in the industrial sector and its vocation of promoting international industrial co-operation, providing technical assistance and acting as a forum for discussions among all parties concerned with questions of industrial development; the importance of that mandate could not be over-emphasized. It was pointed out that the administrative independence that UNIDO would acquire when its new Constitution entered into force, however, would give the secretariat new responsibilities. It was felt that closer contacts should be maintained between the secretariat and member countries in connection with work programmes, budget proposals, organizational matters and other important issues; the intergovernmental policy-making organs could assist the secretariat in its work by analysing those matters in depth. With respect to management and personnel matters, it was stated that the secretariat would have to follow established practices, and pay more attention to ensuring equitable geographical distribution, recognizing that, in the deployment of senior secretariat and field staff (P-5 and above) all member States should be treated on the basis of equality; it could not be disputed that the majority of posts in specific divisions of the secretariat, in particular the Administrative Services Division, were occupied by nationals of a certain group of countries. The quality of the management thus far provided in the administration of UNIDO was appreciated. The role of the Industrial Development Board in the control of secretariat structural transformation and reassignment of senior staff was underlined.

21. It was also stated that the secretariat should adhere to the various guidelines contained in recent General Assembly resolutions calling for greater representation from developing countries in the secretariat.

22. The observation was made that the thirteenth session of the Board, for the reasons cited, was also an appropriate forum wherein to reflect on progress made towards the new international economic order since the Second General Conference of UNIDO, some four years ago. In that space of time, many developing countries, it was stated, had achieved gratifying success in the development of their national industries; some had brought about a marked expansion in their economies, raised the level of their industrialization, science and technology, and diversified their exports.

23. It was said that, nevertheless, in the light of the actual experience since the adoption of the Lima Declaration and Plan of Action, it was clear that attainment of the objectives of Lima would require a process of unusually rapid change in global industrial structures, under the influence of both national and international factors; the social consequences of such rapid change should be borne in mind. Despite the proclamation in 1974 of the international community's determination to work for the establishment of a new economic order, it was noted that the imbalance between developed and developing countries had become more pronounced: the developing countries' share of the world population had increased, but their share of the world's income had decreased; currently, they accounted for only 12 per cent of world industrial output. The international

community, it was stated, had thus failed so far to make any substantial progress towards the target figure of 25 per cent by the end of the century, set at Lima; moreover, the foreign indebtedness of the developing countries was increasing rapidly, simultaneously with inflation.

24. The opinion was expressed that substantial change in the position of developing countries required the liquidation of the last vestiges of colonialism and the policy of neo-colonialism, which were the principal causes for economic backwardness, and the rooting out of national and racial discrimination within the shortest possible time.

25. Reference was made to a continuing shortage of indigenous industrial entrepreneurial and managerial skills in the developing countries, and the need for foreign investment to act as a catalyst for resources accumulated in the developing countries in the drive towards industrialization. It was noted that it was always possible, however, to strike a fair balance between the interests of investors from the developed countries and the aspirations of the developing countries. The view was expressed that tariff and other import restrictions prevented manufacturers in developing countries from entering the markets of developed market economy countries at competitive prices; as a result, generous incentives had to be offered to investors, so that it was sometimes doubtful whether investments actually benefited the developing countries. Another cause of concern was the transnational monopolies, certain of which used their power to exploit the resources of the developing countries and to create new kinds of dependence, particularly in the field of technology.

26. It was stated that it had become obvious that, to achieve the goals of the new international economic order and the targets set at Lima, a fundamental review of the existing industrial strategies of many developing countries must be made, new methods of economic co-operation between the industrialized and the developing countries instituted, and more equitable forms of the international division of labour established. It was felt, however, that the problems experienced in the past in promoting economic co-operation between those two groups of countries need not be a cause of despair; the climate for international co-operation appeared to be more favourable than it had been in the past. The observation was made that a number of developed countries had shown willingness to expand co-operation with developing countries on the basis of equality and mutual benefit; some of them had taken practical steps to reduce or cancel the debts of the developing countries, and others had announced their intention to give greater assistance to those countries in future; nevertheless, the industrialized countries could make additional efforts to help the developing countries to increase their share of world industrial output through a variety of supportive measures, including measures aimed at helping in "unpackaging" technology elements, financing and management.

27. The Lima Declaration, it was pointed out, had stressed the importance of economic and technical co-operation among the developing countries themselves, some of which had accumulated considerable expertise in industrialization and were willing to share it with other developing countries. It was also said that in recent years, significant attention had been paid to this concept by the developing countries; various regional and subregional organizations for economic co-operation had been set up, and a number of associations of raw material producers were being consolidated and expanded; federations of producers were also taking shape. Such co-operation, it was stated, could be a dynamic instrument in developing

the national industries of the developing countries, and was an expression of their spirit of collective self-reliance.

28. Stress was laid on the fact that, no matter what form of action was taken, the industrial development problems of the developing countries could be solved only if political wills were joined in a sincere endeavour to achieve the objectives set by common agreement. There was a dynamic trend at work in international life, it was said, which was evident in the field of economic co-operation, and those who failed to understand it ran the risk of coming into conflict with it; legitimate aspirations whose realization was delayed would eventually come to the surface with greater force and persistence. The opinion was voiced that the contribution of UNIDO to the realization of those aspirations might remain minimal if the level of resources placed at its disposal were not substantially increased.

29. The view was expressed that a new pattern of international economic and industrial co-operation was undoubtedly needed. It was felt that, in that respect, too, it was important to maintain peace and international security and to promote the relaxation of international tension. One reason for the economic difficulties currently being experienced throughout the world was, it was said, the large sums of money being spent on armament production; disarmament could make available considerable financial resources for the industrial development of the developing countries. It was stressed that the arms race threatened the survival of mankind and hindered the solution of acute problems and economic and social development: that essential consideration was reflected in the preamble of the new UNIDO Constitution.

30. Satisfaction was expressed at the re-election of the Executive Director for a further term of office, a step that would ensure continuity in the leadership and policies of the Organization at a crucial time in its existence. The Executive Director and his staff were commended on the timeliness, quality and format of the documents prepared for the Board, in line with the guidelines laid down by the Permanent Committee at its eleventh session.

31. It was pointed out that the main criterion for assessing the work done by UNIDO in the past four years was the extent to which it had contributed to the implementation of the Lima Declaration and Plan of Action, and that, in general, the organization's work had been developing along the right lines. It was noted with gratification, that, in that period, in terms of implementation, UNIDO had achieved third place among the executing agencies of the United Nations Development Programme, and increased its technical assistance delivery in real terms by over 50 per cent, of which 17 per cent was in 1978 alone.

32. It was stated, however, that the figure for training under the regular programme of technical assistance was low; it was to be hoped that more training could be provided from other funds and under bilateral programmes, and it was reassuring to note that greater emphasis was being placed on the use of training facilities in the developing countries themselves.

33. It was also stated that the promotion of the agro-industries of the developing countries should be given higher priority than hitherto among the operational activities of UNIDO, in view of those industries' decisive contribution to the economies of the developing countries, particularly through the use of natural resources and the creation of jobs.

34. Concern was expressed regarding the establishment and activity of UNIDO investment promotion offices in developed countries.

35. The view was expressed that the UNIDO programme with regard to the development and transfer of technology and its adaptation to the needs of the developing countries was an important one that would help those countries to industrialize, using technology their nationals could usefully employ. The work being carried out by the organization was commendable, and the activities of the Secretariat in assisting developing countries to identify appropriate policies in that area were welcomed, but it was thought that those activities should be further strengthened, in accordance with General Assembly resolution 33/78.

36. As recommended by the International Forum on Appropriate Industrial Technology, held in India in November 1978, it was suggested that United Nations bodies should expand their programmes for the development of appropriate technology, and that UNIDO and UNCTAD should work more closely together on matters related to the transfer and development of technology, as joint efforts were clearly needed for the technological transformation of the developing countries.

37. It was observed that, despite the rationalization and restructuring efforts under way in the United Nations system, there was still a tendency for different bodies to discuss the same or similar problems; there were often good reasons for that: industrial development issues, for instance, needed to be situated in the more general framework of an over-all development strategy. Furthermore, it was said, consideration of the same matters by different bodies highlighted the interdependence of problems and of national economies.

38. Nevertheless, the view was advanced that it was essential for each body to assert itself in its own particular field of competence so that the various elements in the United Nations system could make their contribution to the effectiveness of the whole. The particular asset of UNIDO resided in its capacity to consider the industrial development scene as a whole, to secure the involvement of all the parties concerned, and to temper the risk of over-generalization inherent in political debates by constant attention to technical detail.

CHAPTER III

REPORTS OF THE PERMANENT COMMITTEE ON ITS ELEVENTH AND TWELFTH SESSIONS

39. At its 256th meeting, on 27 April, the Board began its consideration of agenda item. 5/ In its deliberations on the item, the Board had before it the reports of the Permanent Committee on the work of its eleventh (ID/B/215) and twelfth (ID/B/229) sessions.

40. At its 256th meeting, on 27 April 1979, the Board adopted the reports of the Permanent Committee on the work of its eleventh and twelfth sessions (ID/B/215 and (ID/B/229)).

41. The delegation of the United States of America commended the secretariat on the high quality and punctual distribution of the documents submitted to the Board at its thirteenth session and to the Permanent Committee at its twelfth session, in accordance with the guidelines for the preparation and distribution of documents as set out in annex I to document ID/B/215. The delegation pointed out that the position of its Government on assistance to the Palestinian people, as reflected in paragraphs 253 to 257 of the report of the Permanent Committee on the work of its twelfth session (ID/B/229), remained unchanged and was unaffected by its consenting to the Board's adoption of that report by consensus.

42. The delegation of Peru, speaking on behalf of the Group of 77, concurred with the above sentiments concerning documentation, and also congratulated the secretariat on its preparation of the report of the Permanent Committee on the work of its eleventh session (ID/B/215). The delegation expressed the full approval of the Group of 77 of the report of the Permanent Committee on the work of its twelfth session (ID/B/229).

43. The delegation of Hungary, speaking on behalf of Group D, said that the Group approved the conclusions in paragraph 85 of document ID/B/229, as they stood.

5/ The deliberations of the Board on agenda item 5 are reflected in ID/B/SR.256, paras. 18-22, and ID/B/SR.262, para. 46.

CHAPTER IV

ORGANIZATIONAL AND FINANCIAL MATTERS

44. At its 260th meeting, on 2 May, the Board began its consideration of agenda item. 6/ In its deliberations on the item the Board had before it a report by the Executive Director entitled "UNIDO regular programme of technical assistance: proposed allocations for 1980-1981 and revised figures for 1978-1979" (ID/B/224 and Corr.1); proposals by the Executive Director entitled "United Nations Industrial Development Fund: plan for 1980-1981 and programme for 1980" (ID/B/227); a report by the Executive Director on interim arrangements regarding greater autonomy for UNIDO (ID/B/217); a note by the Executive Director on strengthening the effectiveness of the Industrial Development Field Advisers programme (ID/B/228), annexed to which was an appraisal of the programme by Sir Robert Jackson; and a note by the Executive Director on the proposed programme budget for UNIDO for the biennium 1980-1981 (ID/B/230/Rev.1).

A. UNIDO regular programme of technical assistance: proposed allocations for 1980-1981 and revised figures for 1978-1979

45. While general satisfaction was expressed with the priorities established, it was noted with concern that the allocations requested for the biennium 1980-1981 had been frozen at the level of the revised allocations for 1979, which would actually result in a decline in the delivery of technical assistance.

46. Regarding the programme for 1980, satisfaction was expressed at the substantial increase in the allocation for the establishment and strengthening of training facilities in developing countries, but efforts in that field should be intensified.

47. The view was expressed that a greater part of the programme's resources should be used for technical assistance to the least developed countries. It was noted that when inflation and other negative factors were taken into account, technical assistance under the programme was actually decreasing.

48. At its 263rd meeting, on 4 May 1979, the Board approved the Executive Director's proposals as contained in document ID/B/224 and Corr.1 for the utilization of the UNIDO regular programme of technical assistance in 1980, and approved provisionally those proposals pertaining to the year 1981. In the implementation of the regular programme for 1980, the Board requested the Executive Director to take into consideration the comments and suggestions expressed by delegations during the deliberations on the agenda subitem.

6/ The deliberations of the Board on agenda item 6 are reflected in ID/B/SR.249, paras. 42-44; ID/B/SR.250, paras. 4-7, 13 and 14; ID/B/SR.251, paras. 6, 13, 20, 33, 58, 61, 62, 68-70, 76, 85 and 86; ID/B/SR.252, paras. 10, 20, 28-30, 37, 40, 42-43, 52-55, 61-63 and 79; ID/B/SR.253, paras. 6, 8-10, 13 and 15-19; ID/B/SR.254, para. 1; ID/B/SR.260, paras. 11-24; and ID/B/SR.261, paras. 5-108.

**B. United Nations Industrial Development Fund:
programme for 1980 and plan for 1980-1981**

49. Disappointment was expressed that pledges to UNIDF continued to fall far short of the desirable annual funding level of \$50 million which had been adopted by the Board and endorsed by the General Assembly. The hope was expressed that more funds would be forthcoming in the form of convertible currencies.

50. The view was expressed that care should be taken to avoid hoarding funds which could otherwise be used to provide technical assistance to developing countries. It was pointed out that the payment of pledged contributions in good time, as well as the speedy formulation of projects and improvement of project implementation schedules by the UNIDO secretariat would ensure the best possible use of the Fund.

51. The programme guidelines for 1980 were considered generally satisfactory, but it was stated that, when approving projects for financing under UNIDF, special attention should be focused on measures in favour of the least developed countries.

52. It was proposed that UNIDO introduce a new annual budget system along the lines of the UNDP and UNFPA budgets: a rolling annual budget that would replace the current fully budgeted projects, and which would allow resources to be fully utilized even in the case of a delay in the implementation of approved projects.

53. At its 263rd meeting, on 4 May 1979, the Board approved the proposed programme for 1980 and the plan for 1980-1981, as contained in document ID/B/227, and delegated further authority to the Executive Director to approve projects for financing under UNIDF in 1980, within the programme as approved by the Board at its thirteenth session. In the implementation of the programme, the Board requested the Executive Director to take into consideration the views expressed by delegations during the deliberations on the agenda subitem.

C. Interim arrangements regarding greater autonomy for UNIDO

54. Satisfaction was expressed at the measures taken thus far by the secretariat towards greater autonomy for UNIDO pending conversion of the organization into a specialized agency, and a number of questions were raised in that respect.

55. At its 263rd meeting, on 4 May 1979, the Board took note of the report by the Executive Director on interim arrangements regarding greater autonomy for UNIDO (ID/B/217) and recommended that the Executive Director should explore with the Secretary-General of the United Nations the possibility of extending the measures for giving UNIDO greater autonomy in administrative matters.

D. Industrial Development Field Advisers programme

56. The Board expressed its appreciation of the appraisal of the Industrial Development Field Advisers programme carried out by Sir Robert Jackson, and generally endorsed the recommendations contained therein. It was agreed that whereas 60 might be the minimum number of field advisers desirable, a target figure of 50 should be aimed for within the biennium 1979-1980. The view was

expressed that those 50 field advisers should be financed by UNDP until such time as an autonomous UNIDO was able to shoulder the financial burden itself. Another view expressed was that field advisers should be financed from voluntary contributions. On the other hand, the position that they should be financed from the regular budget was taken by some. The existing Memorandum of Agreement between UNIDO and UNDP, it was suggested, should be reconsidered at an early date.

57. Strong support was voiced for the recommendation that each field adviser should cover one country. Alternative measures should be taken to provide appropriate field services to countries where, for one reason or another, the appointment of a field adviser on a permanent basis was not advisable. It was suggested that field advisers should first be sent to the countries that had the greatest need of their services, and later on, provided that necessary resources and candidates were available, to two or three neighbouring countries where economic and geographic conditions were similar.

58. With regard to the recruitment of field advisers, it was felt that paramount importance should be attached to the quality of the field adviser; that the professional qualifications and experience of the field adviser must be entirely suitable to the tasks to be faced; and that the principle of equitable geographical distribution as well as the desirability of recruiting more field advisers from developing countries must also be taken seriously into account, as such field officers would be better able to assess the needs of the countries concerned. The opinion was voiced that greater consideration should be given to the recruitment of women candidates for field adviser posts.

59. Support was voiced for the Junior Professional Officers (JPO) programme, which was seen to provide valuable back-up to the activities of the field advisers.

60. The Board decided that a statement made by Sir Robert Jackson in reply to questions raised should be reproduced as an official document of the thirteenth session. 7/

61. The Industrial Development Board, at its thirteenth session, in compliance with Economic and Social Council resolution 1978/65, reviewed document ID/B/228 on strengthening the effectiveness of the Industrial Development Field Advisers programme and its annex entitled "The reinforcement of the Senior Industrial Development Field Advisers programme", which had been prepared by Sir Robert Jackson.

62. At its 263rd meeting, on 4 May 1979, the Board unanimously expressed its appreciation to Sir Robert Jackson for the efforts made in the preparation of the report and for its high quality, and requested the Executive Director to take into consideration the recommendations contained in the report and the comments expressed by the Board concerning it.

63. The Board endorsed the views expressed in the report that the Senior Industrial Development Field Advisers programme required to be strengthened.

7/ The statement was subsequently circulated as document ID/B/231 and Corr.1.

64. The Board requested the Executive Director to inform the Administrator of UNDP of its views, in particular with regard to the recommendation contained in Sir Robert Jackson's report that the costs of up to a maximum of 50 industrial development field advisers by the end of 1980 should be underwritten by UNDP, and invited him to bring those views to the attention of the Governing Council of UNDP at its next session, when it considered sectoral support and budgetary arrangements for 1980-1981. That would in no way prejudice decision III (VII) of the Board, 8/ subsequently endorsed in General Assembly resolution 32/165, that the number of industrial development field advisers should be increased to 60.

65. The Board further requested the Executive Director to report to the Board at its fourteenth session on the decisions taken by the UNDP Governing Council.

66. The Board decided to continue the consideration of document ID/B/228 at the thirteenth session of the Permanent Committee.

E. Proposed programme budget for UNIDO for the biennium 1980-1981

67. During the Board's deliberations on the proposed programme budget for UNIDO for 1980-1981 (ID/B/230/Rev.1), the statement was made that the document set out the problems which the developing countries must expect to face in respect of budgetary allocations to come. The view was expressed that those nations would have to see to it that other international bodies at meetings were apprised of the need for UNIDO to receive the financial support which would enable it to carry out the mandate it received from decision-making bodies such as the Board, the members of which were also members of the United Nations; having regard to the Board's decisions, and mindful of the cogent arguments of the developing countries, the Secretary-General would be in a better position to respond to requests from UNIDO.

68. The Industrial Development Board examined the report of the twelfth session of the Permanent Committee and its conclusions on the proposed programme budget for UNIDO for the biennium 1980-1981 (ID/B/229, paras. 86-125). The Board affirmed that the activities of UNIDO could not be effectively sustained and expanded without appropriate financial resources. The Board therefore:

(a) Requested the Executive Director to convey to the Secretary-General of the United Nations the views of the Board on the programme budget;

(b) Recommended to the General Assembly, through the Economic and Social Council, that, when approving the programme budget, it should take into consideration the comments made and conclusions reached during the thirteenth session of the Board, especially in respect of the UNIDO technical assistance programme, the Senior Industrial Development Field Advisers programme, the Industrial and Technological Information Bank and the system of consultations.

8/ Official Records of the General Assembly, Twenty-eighth Session, Supplement No. 16 (A/9016), annex II.

CHAPTER V

MONITORING THE ACTIONS TAKEN AND PROGRESS ACHIEVED BY GOVERNMENTS AND INTERNATIONAL ORGANIZATIONS TOWARDS THE IMPLEMENTATION OF THE LIMA DECLARATION AND PLAN OF ACTION

69. At its 257th meeting, on 30 April, the Board began its consideration of agenda item 7. 9/ In its deliberations on the item, the Board had before it a note by the secretariat on monitoring the actions taken and progress achieved by Governments and international organizations towards the implementation of the Lima Declaration and Plan of Action (ID/B/216).

70. The general design of the questionnaires circulated by the secretariat in connexion with the monitoring exercise was appreciated. Thus far, 86 Governments had responded to the most recent questionnaire. It was hoped that more replies would be forthcoming, however, as those would constitute the basic input for an analytical report being prepared by the secretariat for submission to the Third General Conference of UNIDO.

71. It was considered essential that that report should be as exhaustive and precise as possible, since only through a profound and objective analysis of data would it be possible to determine whether the Lima Declaration and Plan of Action was sufficiently realistic and whether its continued monitoring served any useful purpose.

72. The view was expressed that although UNIDO had devoted considerable attention to global, regional and national research many problems evoked in that connexion in the Lima Declaration and Plan of Action remained unsolved, and that at New Delhi all the decisions adopted at Lima should be followed up and given more concrete expression.

73. At its 262nd meeting, on 4 May 1979, the Board took note of the secretariat's document on monitoring the actions taken and progress achieved by Governments and international organizations towards implementing the Lima Declaration and Plan of Action (ID/B/216) and requested the Secretariat to take into due account in its work in that area the comments and suggestions made by delegations during the Board's deliberations on the subject.

9/ The deliberations of the Board on agenda item 7 are reflected in ID/B/SR.249, para. 34; ID/B/SR.251, paras. 1, 17, 24, 41, 51, 59 and 67; ID/B/SR.252, paras. 3, 4, 7, 39, 47, 52, 56 and 60; ID/B/SR.257, paras. 12-43 and 78; and ID/B/SR.259, para. 1.

CHAPTER VI

SYSTEM OF CONSULTATIONS

74. At its 255th meeting, on 27 April, the Board began its consideration of agenda item 8. 10/ In its deliberations on the item the Board had before it a report by the Executive Director on the system of consultations and the progress made between April 1978 and March 1979 (ID/B/223 and Corr.1).

75. While general support was voiced for the system of consultations, a divergence of views on the nature and number of sectors to be tackled, as proposed in the Executive Director's report, as well as on other issues concerning the system was clearly apparent. 11/

76. The view was widely held that the system should be established on a permanent basis and that rules of procedure should be drafted for consideration by the Permanent Committee at its next session, for subsequent approval by the Third General Conference; the flexible approach that had marked the activities of the system in the past could be reflected in those rules. It was emphasized that participants in consultation meetings should include representatives of Governments, industries, trade unions and consumer groups, so that all those parties could effectively contribute to achieving concrete results. It was suggested that further consultations should be held on the six sectors covered so far and that the system should tackle the three additional sectors for which preparations had already been authorized by the Board. In addition, it was said, consultations on the training of industrial manpower and on industrial financing should be organized as soon as possible; the latter was of vital importance to the developing countries as commercial banks' lendings to developing countries had increased considerably, whereas direct foreign investment in industrial projects had stagnated over the past few years. Given the current well-known fragility of the international financial system, it was stated that a sharp reduction of those loans in the future would have, in the first and immediate instance, a serious negative impact on the industrialization of the developing countries. It was felt that a discussion of industrial finances on a multilateral basis, even limited to specific questions, would be preferable to the bilateral discussions held up till now. It was recalled that whereas to date the system had been acting only at the sectoral level, the Lima Declaration and Plan of Action had called for consultations at the global, regional and interregional levels, and that had been endorsed by the General Assembly. It was emphasized that the regular budget of UNIDO should finance participation of 50 representatives from the least developed countries in consultation meetings during the biennium 1980-1981.

10/ The deliberations of the Board on agenda item 8 are reflected in ID/B/SR.249, paras. 31 and 37; ID/B/SR.250, paras. 4 and 11; ID/B/SR.251, paras. 4, 6, 11, 18, 24, 31, 37, 40, 58, 64, 71 and 79; ID/B/SR.252, paras. 8, 16, 27, 40, 48, 57, 64 and 30; ID/B/SR.253, para. 1; and ID/B/SR.256, paras. 23-82.

11/ In view of the extensive discussions that took place on these topics at the twelfth session of the Permanent Committee (ID/B/229) as well as during the general debate of the current session of the Board (SR.249-252), and also of the decision to establish a working group on the subject (ID/B/SR.256, para. 81), the following paragraphs aim only to provide a very brief outline of the issues at stake.

77. Another quarter, while acknowledging the importance of the system of consultations as an activity of UNIDO which lent itself particularly well to the industrial development of the developing countries, pointed out the need for restraint: for instance, it was felt that while the need to provide for participation by the least developed countries was a matter of preoccupation, the necessary financing should be sought from voluntary sources; that the effectiveness of the system should not be diminished by extending it to too wide a range of subjects; that in view of the limited resources available, future meetings should focus on those activities seen to be of greatest benefit to the developing countries; and that the 11 consultation meetings suggested in the secretariat document for the biennium 1980-1981 were excessive. The view was expressed that the proposal for a meeting on industrial manpower training bore merit; however, the wisdom of holding a meeting on industrial financing was questioned, since that subject would in any case be discussed in June 1979 at the Joint World Bank/UNIDO Symposium on Development Banking in the 1980s; it was also stated that every effort should be made to avoid overlapping with the spheres of competence of other organizations; that the system was a particularly appropriate tool for expanding the North-South dialogue, but care must be taken not to overstrain it by putting it on a permanent basis too early or jeopardizing its flexibility through rules of procedure; and that the character of the system of consultations, as it had developed to date, must be maintained.

78. The need for restraint in developing the system was also voiced. It was said that the growth in expenditure on the system had been excessive and that, moreover, it would be premature to make the system permanent or to endow it with rules of procedure. It was also stated that it had been demonstrated that the consultations provided a useful forum for the exchange of information on investment conditions and the supply and demand for industrial production, but care must be taken lest they became yet another series of international meetings which did not produce tangible results. The opinion was expressed that the experience gained in the consultations held thus far should be analysed in order to assess the practical benefits obtained by the developing countries which had taken part in them. It was felt that additional expenditure on the participation of the least developed countries could be supported, provided expenditure on other elements of the system was reduced accordingly.

79. At its 256th meeting, the Board set up an open-ended working group which - bearing in mind the decisions adopted by the Board at its eleventh and twelfth sessions, the conclusions reached by the Permanent Committee at its twelfth session, and the views expressed at the current session - would report back to it on the following points: evaluation of the results obtained in the sectoral consultations held thus far; the holding of further consultations on those sectors; the holding of consultations on other industrial sectors, including consultations at the regional and interregional levels; global consultations on common topics; arrangements for the holding of future consultations; the formulation of rules of procedure; and measures required to ensure the participation of the least developed countries.

80. The open-ended working group submitted its report to the Board at its 263rd meeting, on 4 May. On the basis of that report, the Board adopted the following conclusions:

81. The system of consultations offered member countries a valuable and unique framework for identifying problems associated with the industrialization of the developing countries, for considering ways and means to accelerate their industrialization, and for contributing to closer industrial co-operation among member countries, in accordance with the Lima Declaration and Plan of Action.

82. The system of consultations had become an important and established activity of UNIDO; it should be continued as an ongoing activity of the organization and strengthened so as to provide the greatest possible benefit to the developing countries.

83. The approach adopted so far in the system of consultations should be continued. In that respect, the Board reaffirmed the consensus reached at its tenth, eleventh and twelfth sessions, in particular, that the consultations were among member countries and that the participants of each member country might include officials of Governments as well as representatives of industry, labour, consumer groups, etc., as deemed appropriate by each Government. The Board reaffirmed, furthermore, the consensus reached at its eleventh session that final reports of the meetings should include such conclusions and recommendations as agreed upon by consensus among the participants and should also include other significant views expressed during the discussions.

84. Bearing in mind the request of the Second General Conference of UNIDO for urgent consultations, the decisions of the General Assembly at its seventh special session and the proposals for the further development of the system of consultations submitted by the Executive Director to the Board at its current session (documents ID/B/C.3/83 and ID/B/223 and Corr.1), the Board decided that:

- (a) Draft rules of procedure according to which the system of consultations would operate should be prepared by the Executive Director for consideration by the Board at its November 1979 session, and if necessary by the Third General Conference of UNIDO; the draft should be prepared on the basis of the decisions taken by the Board concerning the system of consultations and taking into account comments made during the twelfth session of the Permanent Committee and the thirteenth session of the Board;
- (b) Regional and interregional consultation meetings should be convened, subject to consideration by the Board;
- (c) For the biennium 1980-1981, consultations should receive high priority and should be convened, subject to completion of the essential preparatory arrangements, on the following:

1980

Second consultation meeting on the leather and leather products industry;

First consultation meeting on the food-processing industry;

First consultation meeting on the pharmaceutical industry;

Third consultation meeting on the fertilizer industry;

Second consultation meeting on the petrochemical industry;

Second consultation meeting on the vegetable oils and fats industry;

First consultation meeting on the capital goods industry;

First consultation meeting on the training of industrial manpower;

- (d) Preparations should continue for the convening of the third consultation meeting on the iron and steel industry, and the second consultation meeting on the agricultural machinery industry and the first consultation meeting on industrial financing to be held during the biennium 1982-1983;
- (e) The Executive Director should submit for consideration by the Board at its fourteenth session a report on the stage of preparation and related matters concerning the consultation meetings to be held during the biennium 1980-1981 and thereafter, in the light of the 1980-1981 budget as adopted by the General Assembly;
- (f) In order to ensure a larger participation of least developed countries in future consultation meetings, the participation of 50 representatives from least developed countries in the consultations to be held in 1980-1981 should be financed from sources to be determined by the General Assembly;
- (g) All documents should be circulated well in advance of the consultation meetings in order to facilitate preparation for those meetings;
- (h) The Executive Director should prepare for consideration by the Third General Conference of UNIDO an updated report containing an in-depth evaluation of the experience gained so far regarding the system of consultations, in accordance with the conclusions of the twelfth session of the Permanent Committee and the thirteenth session of the Board.

CHAPTER VII

REDEPLOYMENT OF INDUSTRIES FROM DEVELOPED TO DEVELOPING COUNTRIES

85. At its 258th meeting, on 30 April, the Board began its consideration of agenda item 9. ^{12/} In its deliberations on the item, the Board had before it a report by the Executive Director on studies undertaken by UNIDO (ID/B/222).
86. The studies made by the secretariat were said to be useful in that they contributed to a better understanding of the problems involved in redeployment. It was felt that the general approach taken by the secretariat to identify redeployment trends and to provide Governments and enterprises with additional information with a view to facilitating redeployment, including investment, was satisfactory.
87. The opinion was voiced, however, that the secretariat appeared to have interpreted the concept of redeployment rather narrowly, limiting it to the physical transfer of existing capacity from developed to developing countries. It was said that redeployment should be seen as a relocation of resources whereby productive capacities were established in developing countries. It was stressed that conclusions should not be drawn without adequate research. Redeployment and innovation, it was said, should be facilitated in developed and developing countries; changes in world demand and the costs of input required the attention of industrialists in the developing countries as well. It was felt that a balanced presentation should include recognition of the importance of independent business decisions for the process of redeployment; moreover, consideration should be given to the constraints prevalent in developing countries, such as lack of skilled manpower, capital material inputs, and technical and social infrastructure, as well as to the measures which developed and developing countries could take to overcome those constraints; in addition, the role of rural development should also be taken into account.
88. The view was expressed that redeployment should help to effect an equitable international division of labour at a rate and in a manner consistent with the social and economic aims of all parties involved, particularly the developing countries, but that those countries should not, however, be treated as a homogeneous aggregate, since to do so was to ignore their enormous diversity. With regard to constraints on redeployment, it was pointed out that not all developing countries were at the same level of development and their markets were not necessarily small since large economic groups already existed in the developing world, and that one of those groups, the EEC/ACP Agreement provided a forum for negotiations on redeployment issues.
89. It was stressed that the redeployment process should be viewed as part of international co-operation under international control and should not be associated with the expansion of multinational corporations in the developing countries.

^{12/} The deliberations of the Board on agenda item 9 are reflected in ID/B/SR.249, paras. 27 and 37; ID/B/SR.251, paras. 6, 72 and 80; ID/B/SR.252, paras. 4, 17, 41 and 80; ID/B/SR.253, para. 2; ID/B/SR.257, paras. 44-80; ID/B/SR.258, paras. 1-89; and ID/B/SR.259, paras. 2-8.

The suggestion was made that resource transfer did not necessarily have to be provided by an operating industrial enterprise in a developed country but could be provided by a government department or an engineering contractor. Redeployment, it was stated, should be carried out in accordance with the over-all national objectives, priorities and aspirations of the developing countries; unemployment in and trade restrictions introduced by the developed market economy countries hampered the process of redeployment. It was further stated that the significance of the public sector could not be overlooked in the redeployment process and that the success of redeployment depended on the step-by-step introduction of bilateral co-operative measures, supplemented by multilateral action.

90. Redeployment, it was said, should be seen as part of a process designed to promote the transfer of technology to developing countries; it should not be used as a pretext for obtaining access to abundant and cheap manpower, for transferring obsolete technologies and polluting industries or for exploiting the natural resources of the developing countries. Environment protection measures, it was stated, must be included in redeployment plans; redeployment should promote the industrial development of the developing countries, but not at their expense, and it must not be accompanied by protectionism.

91. Although the physical transfer of machinery and equipment should not be excluded as a possibility in certain cases, redeployment, it was stated, should generally be synonymous with new equipment and with technology geared to the requirements of new enterprises. The objective necessity to create, in developing countries, key industries which would use to the maximum extent, the natural and human resources present in those countries and help to solve the urgent problems facing them was stressed. The view was expressed that the first objective of redeployment should be import substitution in the developing countries concerned, but a final goal might be exportation of the goods produced.

92. The Governments of the developed countries, it was held, must show the political will to help create a new international economic order and not leave it to trade unions, large firms and interest groups. The opinion was expressed that if market mechanisms alone were allowed to govern redeployment, the developing countries would find themselves possessors of industries, technologies and capacities that had been rejected by developed countries; redeployment that was governed solely by a free market would be incompatible with the objectives of certain developing countries which needed to develop strategic industries such as iron and steel or chemicals in order to become more self-reliant.

93. It was stated that, while Governments of developed market economy countries could not make decisions on behalf of their private companies, they could affect the decision-making of those companies through labour, monetary and trade policies; Governments in developed countries should recognize that certain goods could no longer be produced at competitive prices in their own countries and assist the redeployment process by lifting protective measures for such goods, creating funds for the relocation of their production in developing countries, and providing incentives for investment in competitive sectors at home as well as redeployment of industries to developing countries.

94. The opinion was voiced that technical assistance associated with redeployment should help to resolve the difficulties experienced by the developing countries in providing training, so as to make proper use of the industries and make the recipient a competent partner rather than a poor one; training should be provided

by the sources of the industries redeployed, which should maintain the same conditions of profitability and quality as in their countries of origin. The developing countries, it was said, lacked the expertise needed to purchase equipment properly; expertise should also, therefore, be regarded as an essential part of redeployment, which should itself be closely linked to the industrial and economic development priorities of individual countries.

95. In many countries, it was pointed out, Governments could not take the initiative in the redeployment of industries; measures of structural adjustment were essentially a matter for the private entrepreneur, whose business it was to cope with market forces inside and outside the country. It was felt that, as decisions were made by the private sector, based on its own judgements in response to market conditions, such redeployment ought to be a matter of evolution of economies in response to market forces rather than a question of international policy or negotiations. The view was expressed that there seemed to be little practical value in the suggestion in the secretariat report that an anticipatory adjustment policy should be pursued systematically by the developed market economy countries, and that a public fund should be set up in those countries for equity investment in the developing countries. One opinion was that the introduction of bilateral mechanisms to improve access to markets might seem to be counter-productive, and UNIDO should not concern itself with trade and trade preferences. It was stated that experience had shown that it was difficult, if not impossible, for centralized Governments to take anticipatory decisions on such matters as redeployment - the main responsibility for anticipatory action should lie with industry; Governments could provide support in the form of information and broader policy instruments.

96. The opinion was voiced that UNIDO, in the course of its activities in the field of redeployment, could provide more advice on the conclusion and technical conditions of contracts; the countries involved would not then need to discuss or negotiate those terms, although some might require improved interpretation. It was felt that there was also room for redeployment between developing countries, for which UNIDO should make appropriate studies.

97. UNIDO, it was said, had an important role to play in redeployment, which it was already fulfilling through its investment promotion activities, the system of consultations, INTIB, and its technical support to Governments in making decisions. The system of consultations was an invaluable forum for the purpose - its flexibility ensured that all the factors involved would be taken into account. Nevertheless, it was stated, in view of the breadth and complexity of the subject, UNIDO should not attempt to deal with it alone.

98. It was stressed that the UNIDO secretariat, in continuing its research on redeployment, should bear in mind that the process of redeployment should help the developing countries to achieve economic independence; it should not lead to a speedy exhaustion of natural resources, but should be accompanied by environmental protection measures; neither should it become a channel for obsolete equipment and technology. Some measures, it was said, should also be taken to restrict the negative consequences of the activities of transnational corporations.

99. It was also suggested that the secretariat should give due consideration to the organizing of a symposium on redeployment of industries from developed to developing countries.

100. It was pointed out that many of the aspects of international economic co-operation involved in the idea of redeployment - questions that were among the most fundamental ones within the ongoing North-South dialogue - were discussed in forums other than UNIDO, and that UNIDO should make its recommendations known to other bodies in the United Nations system dealing with redeployment and provide an input to the development strategy in the third development decade.

101. It was further stated that UNIDO should be careful, however, to respect the areas of competence of other international organizations, and to avoid duplication of work already undertaken by those organizations in the field of redeployment.

102. The view was expressed that redeployment was among the subjects which lent themselves most effectively to collaboration between UNCTAD and UNIDO; because of the growing protectionism in developed countries, UNCTAD was redoubling its efforts to create the international trade environment conducive to industrial growth in developing countries, a task which was clearly complementary to that of UNIDO, and the fifth session of UNCTAD, scheduled to meet at Manila in May 1979, would be discussing ways and means of improving the trade environment, and thus helping industrial readjustment on a world scale. It was suggested that UNIDO studies on the subject should be co-ordinated with studies being undertaken by the regional commissions, and particularly those of ECE on structural change in European industries. It was stated that the forum suggested in the secretariat document for international consultations on protectionism would be superfluous, as such forums already existed. It was also said that adjustment policies had been discussed in OECD, and the findings of that organization should be considered in drafting proposals for the Third General Conference.

103. Redeployment, it was stated, had been limited so far either to the relocation of production by transnational corporations or to the redeployment of industries to export-processing zones, which could be detrimental to the long-term interests of the developing countries; UNIDO should supplement research on those zones by examining the redeployment efforts of transnational corporations from the point of view of the developing countries, in consultation with the United Nations Centre on Transnational Corporations.

104. At its 263rd meeting, on 4 May 1979, the Board took note of the document on the redeployment of industry from developed to developing countries (ID/B/222).

105. Recognizing the complexity and long-term nature of the research programme being undertaken by the secretariat in that field, the Board appreciated the work undertaken so far and endorsed the general concept and approach adopted by the secretariat. The Board decided that the secretariat should continue its research programme along the same lines, taking due account of the relevant comments and suggestions made during the thirteenth session of the Board both in regard to the final documentation being prepared for submission to the Third General Conference of UNIDO, and to the ongoing research programme.

106. The Board decided to submit the report in document ID/B/222, together with the comments and suggestions by member countries, to the General Assembly at its thirty-fourth session in compliance with Assembly resolution 33/78.

107. The Executive Director was requested to report to the Board at its fourteenth session on progress in the field.

CHAPTER VIII

PREPARATORY ARRANGEMENTS FOR THE THIRD GENERAL CONFERENCE OF UNIDO

108. At its 252nd meeting, on 26 April, the Board, in its capacity as Intergovernmental Preparatory Committee for the Third General Conference of UNIDO, pursuant to General Assembly resolution 31/164, began its consideration of agenda item 10. 13/ In its deliberations on the subject the Board had before it the fifth progress report by the secretariat on preparatory arrangements for the Third General Conference (ID/B/225 and Add.1).

109. The Board expressed its appreciation to the Government of India, which was providing host facilities for the Conference at New Delhi, and noted with satisfaction the progress being made in preparatory work, as reported by the representative of the host Government.

110. It was hoped that the political will and understanding that had led to the successful conclusion of the United Nations Conference on the Establishment of the United Nations Industrial Development Organization as a Specialized Agency would be reflected in the deliberations at New Delhi, leading to agreement on specific measures for international co-operation to accelerate progress in the implementation of the Lima Declaration and Plan of Action. The opinion was expressed that the New Delhi Conference, which would be the last major conference of the United Nations before the special session of the General Assembly on the new international economic order should evaluate progress made over the past four years towards the establishment of that new order, give fresh impetus to the struggle for its achievement and formulate new guidelines for UNIDO so as to ensure that the objectives laid down at Lima were achieved. It was stated that, in preparation for the special session of the Assembly, the Conference would have to define the place of those objectives within general development goals, as contained in the decisions of the Second General Conference of UNIDO and the sixth and seventh special sessions of the Assembly and in other international forums, and propose concrete ways of attaining them; a major task of the Conference would be to work out recommendations for accelerating the industrialization of the developing countries in the light of the struggle for world peace and international détente, the implementation of progressive social and economic changes, and the development of mutually advantageous economic co-operation among all countries, regardless of their social or economic systems or level of development, and in that way to contribute to the establishment of the new international economic order.

111. It was pointed out that the Board, which had a clear mandate to act as an intergovernmental preparatory committee for the Conference, had thus far not dealt with the substantive issues of the Conference in an adequate way; it was important to have an exchange of views on the issues in order to ensure a common

13/ The deliberations of the Board on agenda item 10 are reflected in ID/B/SR.249, paras. 33 and 40; ID/B/SR.250, paras. 8 and 14; ID/B/SR.251, paras. 5, 12, 17, 34, 38, 44-46, 63, 73 and 81; ID/B/SR.252, paras. 5, 10, 19, 26, 40, 49, 58, 79 and 93-99; ID/B/SR.253, paras. 5, 7, 12, 14 and 20-38; ID/B/SR.254, paras. 2-56; ID/B/SR.255, paras. 1-6; and ID/B/SR.262, para. 43.

understanding of them. The suggestion was made that, in place of the thirteenth session of the Permanent Committee, a session of the Industrial Development Board, in its capacity as preparatory committee for the Conference, should be held; that would allow the Board an opportunity to discuss substantive issues, documentation, and procedural matters concerning the Conference, with a view to focusing the attention of the Conference on the most crucial points of interest to both developing and developed countries. For that purpose, it was proposed that the secretariat should prepare a document, for the consideration of the Board, setting forth the secretariat's definition of the leading issues for consideration of the Conference as it perceived them, based on its work in preparing the Industrial Development Survey and the Joint Study on International Industrial Co-operation.

112. General satisfaction was expressed with respect to the preparatory work undertaken at the regional level. It was stated that the four areas indicated by the ESCAP Ad Hoc Group of Ministers of Industry as representing the most important concerns of the developing countries would be of particular importance to the Conference, namely: strengthening linkages between industry and agriculture; orientation of industry to satisfy the basic needs of the poor; dispersal and location of industries away from metropolitan areas; and development of small-scale industries. It was suggested that the secretariat should continue to assist in the full preparations at the regional level, especially in Africa, since two regional meetings would be held in that region.

113. While progress made by the secretariat in preparing for the Conference was considered generally satisfactory, it was recommended that urgent attention should be given to the need to distribute the documents several months in advance of the Conference, in order that member States might have sufficient time to study them carefully; the secretariat should ensure that the documents were work-oriented, concise, balanced and analytical, offering a clear statement of findings and recommendations for action, and the Executive Director should consult the member States unofficially, through the missions, on the content of the documents, and hold meetings with the representatives of the regional groups on the matter.

114. It was suggested that the secretariat should also prepare for the Conference a summary statement of the decisions of particular relevance to UNIDO taken at the fifth session of UNCTAD, the World Conference on Agrarian Reform and Rural Development and the United Nations Conference on Science and Technology for Development.

115. Note was taken of the Executive Director's pledge that the secretariat would do its best to meet the schedule established for the preparation of documents and to distribute all Conference documents, except the special report of the Executive Director to the Conference, in final form and in all languages no later than early November. It was also noted that, pending distribution of the final Conference documents, the secretariat would make every effort to distribute to member States in June advance copies of the English versions of the Industrial Development Survey and the Joint Study.

116. At its 262nd meeting, on 4 May 1979, the Board, in its capacity as Intergovernmental Preparatory Committee for the Third General Conference of UNIDO, noted with appreciation the progress made in preparation for the Conference on the part of the Government of India, as well as the preparatory action taken at the regional level.

117. The Board also took note of the preparatory work of the secretariat, particularly with respect to the documentation proposed for agenda items and subitems and urged that every effort be made to distribute all documents to member States well in advance of the Conference.

118. Having considered the organizational aspects of the Conference, the Board decided to recommend the following action to be taken by the Third General Conference:

- (a) In addition to the plenary, two main committees should be established to negotiate the main issues of the Conference;
- (b) A credentials committee and a drafting committee should also be established;
- (c) The Conference should apply the rules of procedure of the Industrial Development Board, with the exception of rule 17, paragraph 2;
- (d) The credentials committee should be established in accordance with the rules of procedure of the Second General Conference of UNIDO and should be composed of representatives of the nine States which are members of the Credentials Committee of the General Assembly at its thirty-fourth session;
- (e) For procedural questions not regulated by the rules of procedure of the Industrial Development Board, the rules of procedure of the General Assembly should apply to the proceedings of the plenary and its committees, unless those bodies decide otherwise;
- (f) For the plenary and other committees, the Bureau should consist of a president, three vice-presidents and a rapporteur.

119. The Board further recommended that there should be an informal meeting of heads of delegations on the morning of the opening day of the Conference to settle as many as possible of the outstanding organizational, administrative and procedural matters of the Conference, subject to final decision of the Conference itself.

120. In view of the generally expressed need for further consideration of the substantive issues for the Conference prior to the Conference itself, the Board decided:

- (a) To hold a special session of the Industrial Development Board in its capacity as Intergovernmental Preparatory Committee for the Third General Conference of UNIDO in place of the thirteenth session of the Permanent Committee;
- (b) To recommend that, in order to continue the preparatory work for the Conference and pending the convening of another session of the Intergovernmental Preparatory Committee for the Third General Conference, the permanent missions in Vienna should establish a steering group to maintain close contact with the UNIDO secretariat as regards its conference preparations.

121. At the same meeting, the Board decided it would hold its first special session in Vienna from 12 to 16 November 1979 when it would convene once again in its capacity as Intergovernmental Preparatory Committee for the Third General Conference of UNIDO (see para. 120 (a) above). The following provisional agenda was adopted:

1. Opening of the session.
2. Adoption of the agenda.
3. Preparatory arrangements for the Third General Conference of UNIDO.
4. Rules of procedure for the system of consultations.
5. Adoption of the report of the first special session.
6. Closure of the first special session.

CHAPTER IX

ROLE OF THE PUBLIC SECTOR IN INDUSTRIAL DEVELOPMENT

122. At its 259th meeting, on 2 May, the Board began its consideration of agenda item 11. ^{14/} In its deliberations on the item, the Board had before it a report by the Executive Director on the activities of UNIDO related to the public sector (ID/B/221).

123. The opinion was voiced that great importance was to be attached to the role of the public sector in industrial development; the experience of many developing countries had proved the need for increasing the role of that sector, and examples could be mentioned of cases in developing countries where operations by the public sector supported Government efforts in implementing priority development goals. It was felt that the expansion of the public sector was necessary to strengthen the position of developing countries in the international arena as well as to strengthen the internal development of those countries. It was stated that a complex approach should be adopted to the universal role of the public sector in agriculture; radical reform in rural areas was essential: UNIDO should expand its activities in that area.

124. The building of infrastructure, it was stated, was important to the developing countries in their endeavour to attain economic and industrial self-reliance; in that connexion, four factors could not be over-emphasized: the organizational structure of public sector enterprises; the relationship between public sector enterprises and Governments; the inability of the private sector alone to fulfil the objectives of industrial development; and the concentration of accumulated power by the private sector, which could be a serious threat to the proper functioning of government machinery. The view was expressed that the public sector encouraged decentralization away from metropolitan to rural areas; that, in turn, created better employment opportunities.

125. Nevertheless, it was pointed out that it would be a disservice to developing countries to suggest that only the public sector could fill certain development gaps or provide the necessary economic stimulus for development; any in-depth study carried out by UNIDO on the effect of the establishment and operation of public industrial enterprises in developing countries should include case studies and an analysis of public sector enterprises which had both succeeded and failed in their objectives. The technical assistance activities of UNIDO relating to the public industrial sector in the eight projects described in document ID/B/221 were commended: the assistance had been centred on improving efficiency; such assistance should be continued and expanded to include more countries.

126. The view was expressed that the report containing the UNIDO contribution to the Secretary-General's progress report on the implementation of General Assembly resolution 32/179 should be made available; it was understood, however, that that

^{14/} The deliberations of the Board on agenda item 11 are reflected in ID/B/SR.251, paras. 6, 75 and 82; ID/B/SR.252, paras. 17, 33 and 36; ID/B/SR.253, para. 3; ID/B/SR.259, paras. 9-64; and ID/B/SR.260, paras. 1-4.

report was based on the Industrial Development Survey and that most of the information it contained had already been included in ID/B/221. It was suggested that a more detailed report complying with the provisions of paragraph 3 of Board resolution 48 (XII) 15/ should be submitted to the Board at its fourteenth session, in 1980.

127. It was hoped that the chapter on the role of the public sector in the Industrial Development Survey would reflect a realistic picture. The opinion was voiced that, in that context, the statistics used in the study before the Board were not quite adequate: the necessary statistics existed, but they needed to be collected and analysed in the subsequent in-depth studies. The suggestion was made that the Survey should contain concrete strategies for the long-term development of the public sector, as such strategies were a prerequisite for the development of that sector in developing countries.

128. It was stated that the expert group meeting to be held in Yugoslavia, in May 1979, in co-operation with the International Centre for Public Enterprises in Developing Countries, would review many of the issues of concern to the Board, in particular inter-linkages between public sector policy and national industrial strategies, organizational and institutional arrangements, management performance and evaluation. It was hoped that the report of the meeting, which would also provide guidelines for UNIDO research and operational activities in that field would be made available as soon as possible.

129. At its 259th meeting, on 2 May 1979, the Board took note of the report by the Executive Director contained in document ID/B/221; took note also of the proposal to hold an expert group meeting later in the month which would review the issues in depth and advise on further research and operational activities; looked forward to a more detailed presentation of the role of the public sector at the Third General Conference of UNIDO, as provided for in paragraph 1 (d) of its resolution 48 (XII); and requested the Executive Director to circulate the draft mentioned under paragraph 3 (b) of that resolution among member countries for subsequent comments. It further requested the Executive Director to submit a more detailed report complying with the provisions of paragraph 3 of the same resolution to the Board at its fourteenth session, to make greater efforts in UNIDO research and other related activities and to attach due attention to technical assistance in order to assist developing countries upon their request in matters related to ways and means of ensuring an adequate role of the public sector in promoting the economic and social development of developing countries.

CHAPTER X

INTEGRATION OF WOMEN IN DEVELOPMENT

130. At its 261st meeting, on 3 May, the Board began its consideration of agenda item 12. 16/ In its deliberations on the item, the Board had before it a report by the Executive Director on UNIDO activities in 1978 designed to secure greater involvement of women in industrial development (ID/B/219).

131. The Board expressed its appreciation of the report before it, but noted with regret that, as was clear from the report, little progress had yet been made in following up Industrial Development Board resolution 44 (IX). 17/ Integration of women in the industrialization process was far from being realized; that was the case in industrialized as well as in developing countries. The suggestion was made that the Secretariat should establish a special unit to deal with the subject of women in industrialization and that funds should be set aside for that purpose. UNIDO, it was stated, should become the co-ordinator of efforts to integrate women in industrialization and to co-operate with organizations on the regional and subregional levels, as well as with other United Nations organizations, in order to achieve the goals set out in resolution 44 (IX).

132. The suggestion was also made that certain trainee posts in the secretariat should be reserved for young female professionals from developing countries. In the same vein, the hope was expressed that before long women would be playing an active part in the higher echelons of the leadership of UNIDO.

133. The repeated postponement of the seminar on UNIDO operations, in which wide participation by women was to have been encouraged, was also a cause of disappointment. It was stated that the secretariat should take steps to remedy that situation.

134. The preparatory meeting on the role of women in industrialization in the developing countries, organized by UNIDO at Vienna in November 1978, was greeted as a step in the right direction. It was hoped, however, that the recommendations of that meeting would be acted upon. The question was raised as to the steps that were being taken to organize a larger, policy-technical meeting on the subject as a follow-up.

135. Regret was expressed that the percentage of women participating in UNIDO-sponsored training programmes had remained virtually static.

16/ The deliberations of the Board on agenda item 12 are reflected in ID/B/SR.249, para. 30; ID/B/SR.251, para. 83; ID/B/SR.252, paras. 17, 25, 33, 43, 58 and 81; ID/B/SR.253, para. 4; ID/B/SR.261, paras. 25-51; and ID/B/SR.262, paras. 1-38.

17/ Official Records of the General Assembly, Thirtieth Session, Supplement No. 16 (A/10016), annex I.

136. Emphasis was placed on the fact that the role of women in rural development deserved special consideration, as in many developing countries the majority of women lived in those areas. Interest was expressed in supporting projects in that field through the use of special-purpose contributions to UNIDF. It was pointed out that mechanization in agriculture and the mechanization of small-scale hand-technology industries had often displaced or marginalized women's participation in terms of productivity and, consequently, the possibilities for women to advance in those areas were rather poor; training programmes should be planned that would take that factor into consideration. It was also suggested that UNIDO should develop an information base on the current participation of women in industry. In that context, it was felt that it would be appropriate, in order to develop as relevant and useful an information base as possible, for UNIDO to devote special research attention to small-scale firms, working with very simple technology. Such a level of detail, it was stated, would be essential to drawing up an accurate picture of the industries in which rural women currently participated.

137. At its 263rd meeting, on 4 May 1979, the Board, having examined document ID/B/219 on UNIDO activities in 1978 designed to secure greater involvement of women in industrial development, and bearing in mind Board resolution 44 (IX) on the integration of women in development, as well as General Assembly resolution 33/200 on the effective mobilization and integration of women in development, requested the Executive Director to increase efforts to implement those resolutions, inter alia, by developing concrete programmes of action aimed at integrating women in the industrialization process of the developing countries. The Board also requested the Executive Director to undertake the studies mentioned under recommendations (4) and (8) in paragraph 4 of the report of the Preparatory Meeting on the Role of Women in the Industrialization of Developing Countries (ID/WG.283/23), and to submit the preliminary results of those studies to the Third General Conference of UNIDO under subitems 5 (b), 5 (d) and 5 (f) of its provisional agenda.

138. The Board further requested the Executive Director to set up within the secretariat, utilizing existing staff, appropriate machinery, such as a working group, to deal with and co-ordinate activities related to the integration of women in development, and to take the necessary measures to facilitate the duties of that working group. The network of industrial development field advisers should be used to support Headquarters efforts in that area.

139. The Board also requested the Executive Director to organize as soon as possible the policy-technical meeting envisaged as a follow-up to the Preparatory Meeting on the Role of Women in Industrialization.

140. The Board considered it essential that UNIDO, in its reports, assessments, and evaluations, examine the impact of its activities on the status of women and the role that women could play in the realization of UNIDO objectives.

141. The Board further requested the Executive Director to take appropriate measures to ensure that the activities mentioned above were kept under constant review and included in the work programme of the organization, and to report to the Board at its fourteenth session on the progress made.

CHAPTER XI

INDUSTRIAL AND TECHNOLOGICAL INFORMATION BANK

142. At its 254th meeting, on 26 April, the Board began its consideration of agenda item 13. ^{18/} In its deliberations on the item, the Board had before it a report by the Executive Director (ID/B/226) which provided an analysis of the activities of the Industrial and Technological Information Bank as a pilot project and invited the Board, as requested in General Assembly resolution 33/78, to decide on further action to be taken with respect to the continuation of INTIB as an ongoing activity of UNIDO and, in the event of a positive decision, on the future scope of its activities and the resources to be made available to it. The report of an expert group meeting on analysis of the experience gained by the pilot activities of INTIB (ID/WG.294/3/Rev.2) was also made available to the Board.

143. The Board expressed its appreciation of the report contained in document ID/B/226 as a clear, action-oriented report which highlighted the impressive improvement in the quality of the documentation before the Board at its current session.

144. It was generally agreed that despite the limited human and financial resources that had been allotted to the pilot phase of the project, INTIB had proved successful in the short time since its establishment, and that the recommendation of the Expert Group that INTIB should be a continuing operation of UNIDO should be supported. The importance placed by developing countries on technological development and the acquisition of know-how could not be over-emphasized. The market for proprietary technology, it was stated, was one-sided: any effort, therefore, to enhance awareness of technology alternatives would help to strengthen the negotiating capacities of developing countries and provide a basis for their indigenous technological development. For those reasons, it was felt that INTIB should be viewed as an ongoing activity of UNIDO, as part of its technology programme, and as a service which might make an effective contribution to all aspects of the work of the organization; and that the Technological Information Exchange System, which was seen as an important component of INTIB, should likewise be continued, and its services extended to all interested developing countries.

145. The view was expressed that INTIB had a leading role to play in the effective transfer of technology to developing countries: it was capable of bridging the information gap between developing and developed countries and of playing a catalytic, user-oriented and dynamic role in technology transfer; it should become the nucleus of an information system providing access to information on advanced industrial technology for national organizations and institutions in both developing

^{18/} The deliberations of the Board on agenda item 13 are reflected in ID/B/SR.250, para. 11; ID/B/SR.251, paras. 6, 74 and 84; ID/B/SR.252, paras. 11, 18, 41 and 65; ID/B/SR.254, paras. 57-63; ID/B/SR.255, paras. 7-62; ID/B/SR.256, paras. 1-17; and ID/B/SR.257, paras. 1-11.

and developed countries; and it should also contribute to the United Nations Conference on Science and Technology for Development.

146. The view of the Expert Group that INTIB should not become involved in decision-making or general project implementation was supported. It was also felt that its activities should not be extended to confidential aspects of technology contracting.

147. The opinion was advanced that, as INTIB was essentially user-oriented, an international and regional network should be established to ensure a proper flow of information from and to designated agencies in the user countries. Stress was laid on the need for network arrangements with international technology development and information centres in developed and, developing countries, as well as with other information systems within the United Nations: the developing countries' need for technological information could best be addressed by linking up existing sources of information such as the United Nations information network. The secretariat's assurance that INTIB activities had aimed at drawing on such sources and avoiding duplication of information material was welcomed. Nevertheless, it was said, the place of INTIB within the network of United Nations information systems needed to be clarified; as far as industrial and technological information was concerned, INTIB should play a very clear-cut, well-defined and leading role. It was felt that the links forged with the World Intellectual Property Organization constituted a timely step towards interagency collaboration within the United Nations system.

148. With respect to the sectors to be covered by INTIB, it was suggested that currently activities should be confined to gaining experience and consolidating work in areas accorded priority during the pilot phase of the project.

149. The view was widely shared, however, that when INTIB eventually expanded its sphere of activities, it would be appropriate to extend its coverage to the sectors covered by the system of consultations; co-ordination between INTIB and the system of consultations would avoid duplication of effort and wastage of resources. Inputs from INTIB, it was said, had already contributed substantially to the success of the consultation meetings. It was felt that in the selection of sectors, the importance attached by developing countries to small-scale industries should be borne in mind. Other sectors suggested for coverage by INTIB, at a later stage, included construction and building materials, non-conventional sources of energy, and electronics, as well as the sectors selected at the International Forum on Appropriate Industrial Technology at New Delhi.

150. The view was expressed that INTIB should remain flexible in its activities, as the needs of each sector in each developing country varied to a large extent. It was also said that, in consideration of the different development and structural levels of individual developing countries, attention must be paid to the differentiation of technological information. In addition to channelling technological information, it was suggested, INTIB should develop guidelines for the evaluation of available information on equipment, and on the specifications, costs, terms and conditions of contracts; INTIB could also provide information on the possibilities of external markets for the technologies of developing countries.

151. The resources suggested for INTIB in document ID/B/226 were generally supported as being reasonable and modest; however, those funds would not be

sufficient to allow for any expansion. It was pointed out that, when the activities of the Bank were extended to cover more industrial sectors, adequate financial and manpower resources would have to be provided in order to obtain optimum results; both the Plan of Action adopted by the International Forum on Appropriate Industrial Technology and General Assembly resolution 33/78 had recommended that the activities of INTIB should be promoted and, for that purpose, it was essential that adequate funds be made available. Considering the fact that INTIB was but one element of the existing UNIDO services aimed at providing information on various aspects of technology transfer, it was felt that it was essential to co-ordinate the activities of those services more efficiently in order to avoid duplication of work and the wasteful use of funds and other resources.

152. At its 263rd meeting, on 4 May 1979, the Board took note with appreciation of the Executive Director's report on the Industrial and Technological Information Bank (ID/B/226) as well as the report of the Expert Group Meeting on the Analysis of the Experience Gained from the Pilot Activities of the Industrial and Technological Information Bank (ID/WG.294/3/Rev.2).

153. The Board, having considered the positive experience gained from the pilot activities of INTIB, recommended that:

- (a) INTIB should be continued as an ongoing activity of UNIDO;
- (b) The work of INTIB should be undertaken in accordance with the suggestions of the Expert Group as contained in paragraphs 14 to 21 of the Group's report (ID/WG.294/3/Rev.2), and in the report of the Executive Director (ID/B/226, paras. 35-36);
- (c) INTIB activities should include the sectors and topics covered by the UNIDO system of consultations as well as the sectors chosen at the International Forum on Appropriate Industrial Technology;
- (d) Appropriate staff and financial resources should be assured.

154. The Board requested the Executive Director to take into account the views and suggestions expressed in the discussions on INTIB, and to submit a report on further activities undertaken and the progress achieved by INTIB to the Board at its fourteenth session.

CHAPTER XII

MATTERS CONCERNING INTERGOVERNMENTAL AND INTERNATIONAL NON-GOVERNMENTAL ORGANIZATIONS

155. At its 261st meeting, on 3 May, the Board began its consideration of agenda item 14. ^{19/} In its deliberations on the item, the Board had before it a note by the Executive Director containing applications from intergovernmental organizations and international non-governmental organizations (ID/B/218 and Corr.1 and Add.1) as well as information papers on co-operation between UNIDO and international non-governmental organizations having consultative status with UNIDO (ID/B/INF.61) and on the status of working relationships between UNIDO and intergovernmental organizations (ID/B/INF.62).

A. Consideration of applications of intergovernmental organizations

156. The Board first examined the application of an intergovernmental organization, the Commonwealth Secretariat, for association with the activities of UNIDO.

157. At its 261st meeting, on 3 May 1979, the Board agreed to grant to the Commonwealth Secretariat the status provided for in rule 75 of the rules of procedure.

B. Consideration of applications of international non-governmental organizations

158. An ad hoc committee, composed of the Bureau of the Board and representatives of the Executive Director, met on 3 May 1979 and examined the applications of three non-governmental organizations for consultative status with UNIDO (ID/B/218 and Corr.1 and Add.1). The Ad Hoc Committee recommended that the Board, in accordance with the procedure for granting consultative status to international non-governmental organizations concerned with the promotion of industrial development, ^{20/} should grant consultative status to the following non-governmental organizations:

Association of African Development Finance Institutions
European Federation of National Engineering Associations
Latin American Pharmaceutical Industry Federation

159. At its 261st meeting, on 3 May 1979, the Board approved the recommendation of the Ad Hoc Committee.

^{19/} The deliberations of the Board on agenda item 14 are reflected in ID/B/SR.261, paras. 4-9.

^{20/} Official Records of the General Assembly, Twenty-third Session, Supplement No. 15 (A/7215), annex IV.

C. Information papers

160. At its 261st meeting, on 3 May 1979, the Board took note of the two information papers submitted by the Executive Director on co-operation between UNIDO and international non-governmental organizations having consultative status with UNIDO (ID/B/INF.61) and on the status of working relationships between UNIDO and intergovernmental organizations (ID/B/INF.62).

CHAPTER XIII

INCLUSION OF SOLOMON ISLANDS IN LIST A AND DELETION OF THE HOLY SEE FROM LIST B OF THE ANNEX TO GENERAL ASSEMBLY RESOLUTION 2152 (XXI)

161. At its thirty-third session, the General Assembly, in resolution 33/79 of 15 December 1978, decided to include Solomon Islands in list A and to delete the Holy See from list B of the annex to resolution 2152 (XXI) of 17 November 1966.

162. At its 261st meeting, on 3 May 1979, the Board, in conformity with the last sentence of section II, paragraph 4, of General Assembly resolution 2152 (XXI) establishing UNIDO, took note of the decisions of the Assembly contained in resolution 33/79 of 15 December 1978.

CHAPTER XIV

PROVISIONAL AGENDA FOR THE THIRTEENTH SESSION OF THE PERMANENT COMMITTEE AND FOR THE FOURTEENTH SESSION OF THE INDUSTRIAL DEVELOPMENT BOARD

163. At its 262nd meeting, on 4 May 1979, the Board considered agenda item 15 21/ and adopted the provisional agenda for the thirteenth session of the Permanent Committee and for the fourteenth session of the Industrial Development Board as follows:

- A. Provisional agenda for the thirteenth session of the Permanent Committee
 - 1. Opening of the session.
 - 2. Election of officers.
 - 3. Adoption of the agenda.
 - 4. Activities of UNIDO in 1979:
 - (a) Annual report of the Executive Director;
 - (b) Technical assistance to the Namibian people;
 - (c) Technical assistance to the Palestinian people.
 - 5. Organizational and financial matters:
 - (a) Regular programme of technical assistance;
 - (b) United Nations Industrial Development Fund;
 - (c) Industrial Development Field Adviser programme.
 - 6. Evaluation.
 - 7. Adoption of the report of the thirteenth session.
 - 8. Closure of the thirteenth session.

21/ The deliberations of the Board on this agenda item are reflected in ID/B/SR.262, paras. 44 and 45.

B. Provisional agenda for the fourteenth session of the Industrial Development Board

1. Opening of the session.
2. Election of officers.
3. Adoption of the agenda.
4. General debate.
5. Adoption of the report of the Permanent Committee.
6. Follow-up of the decisions and recommendations of the Third General Conference of UNIDO.
7. Development and transfer of technology.
8. Industrial and Technological Information Bank.
9. Redeployment of industries from developed to developing countries.
10. Role of the public sector in industrial development.
11. Integration of women in development.
12. System of consultations.
13. Matters concerning intergovernmental and international non-governmental organizations.
14. Provisional agenda for the fifteenth session of the Industrial Development Board and for the fourteenth and fifteenth sessions of the Permanent Committee.
15. Dates and places of the fifteenth session of the Industrial Development Board and of the fourteenth and fifteenth sessions of the Permanent Committee.
16. Adoption of the report of the fourteenth session.
17. Closure of the fourteenth session.

CHAPTER XV

DATES AND PLACES OF THE THIRTEENTH SESSION OF THE PERMANENT COMMITTEE AND OF THE FOURTEENTH SESSION OF THE INDUSTRIAL DEVELOPMENT BOARD

164. At its 262nd meeting, the Board considered agenda item 16. 22/

165. At its 262nd meeting, on 4 May 1979, the Board unanimously adopted the following decision:

"The Industrial Development Board,

Recalling General Assembly resolution 31/164 of 21 December 1976,

Considering the exceptional circumstances that prevail in 1979, and without establishing a precedent,

1. Decides, in pursuance of rule 5 of its rules of procedure, to hold a special session of the Industrial Development Board in its capacity as Intergovernmental Preparatory Committee for the Third General Conference of UNIDO at Vienna from 12 to 16 November 1979;

2. Decides that the regular 1979 autumn session of the Permanent Committee shall not be held;

3. Decides consequently that the application of resolution 32 (VI) of the Board will be suspended until the commencement of the regular 1980 spring session of the Permanent Committee."

166. The Rapporteur pointed out that the decision of the Board not to hold a session of the Permanent Committee in the autumn of 1979, would have a bearing on a decision taken by the Permanent Committee at its twelfth session to discuss evaluation review at its fourteenth session (ID/B/229, para. 228). It was clear from the discussion that had taken place at the twelfth session that it had been envisaged that the evaluation review would be discussed at the spring 1980 session of the Permanent Committee. Therefore, as the spring 1980 session would now become the thirteenth rather than the fourteenth session of the Committee, that question should be discussed under the agenda item entitled "Evaluation" at the thirteenth session.

167. At its 262nd meeting, the Board decided to hold the thirteenth session of the Permanent Committee at Vienna from 5 to 8 May 1980. It also decided that the fourteenth session of the Industrial Development Board would be held at Vienna from 9 to 19 May 1980.

22/ The deliberations of the Board on this agenda item are reflected in ID/B/SR.262, paras. 39-42, 44 and 45.

CHAPTER XVI

ADOPTION OF THE REPORT OF THE THIRTEENTH SESSION

168. At its 262nd meeting, on 4 May, the Board began its consideration of the adoption of the report on the work of its thirteenth session. 23/

169. At its 263rd meeting, also on 4 May, during the consideration of the report and after the adoption of the conclusions on the system of consultations (paras. 81-84 above), one delegation, speaking on behalf of Group D, said that in the interests of reaching a consensus on the system of consultations, Group D had accepted the draft conclusions as a whole. It wished, however, to reiterate, with regard to paragraph 84 (f) of the conclusions, that the participation of representatives of the least developed countries in consultation meetings should be financed from voluntary contributions. A delegation expressed regret that the Board had been unable to reach a decision on providing assistance to those countries. Another delegation recalled that the position of the Group of 77 was that the participation in consultation meetings of representatives from the least developed countries should be financed from the regular budget; for the purpose of reaching agreement on the conclusions, however, the Group of 77 had agreed that the matter should be referred to the General Assembly. Yet another delegation expressed disappointment that the Board had not been able to reach agreement on that issue; for the sake of consensus, however, it too had agreed that the final decision should be taken by the General Assembly.

170. At the same meeting, a delegation speaking on behalf of Group D, and addressing itself to the conclusions on the Industrial Development Field Advisers programme (paras. 61-66 above), said that that Group's position on the programme was contained in the statement made by the socialist countries when General Assembly resolution 32/165 of 19 December 1977 had been adopted.

171. While the Board was still considering its report, and after it had adopted the conclusions on the proposed programme budget for UNIDO for the biennium 1980-1981 (para. 68 above), one delegation, speaking on behalf of Group B, referred to documents ID/B/C.3/85/Add.1 and ID/B/230/Rev.1 and said that it was the understanding of the countries of that Group that discussions were still in progress between Headquarters in New York and the secretariat of UNIDO regarding the final form of the proposed programme budget, pending its submission to the General Assembly as part of the United Nations budget as a whole. The delegation recalled the Secretary-General's instructions that the average growth rate for the United Nations budget be as close to zero as possible. The Board's conclusions, the delegation noted, could not prejudice the decisions which the Assembly had to take on the United Nations budget as a whole and on its priority areas, and in that context on the budget for UNIDO. Accordingly, the preparations for, and implementation of, consultation meetings would have to take place within the

23/ The deliberations of the Board on agenda item 17 are reflected in ID/B/SR.262, paras. 47-74; ID/B/SR.263, paras. 1-45.

budgetary limits for the biennium 1980-1981 to be fixed for UNIDO by the Assembly at its thirty-fourth session, and with due regard to the priorities defined for UNIDO activities.

172. On the question of the Industrial Development Field Advisers programme, the delegation said that the countries of Group B recalled the respective positions adopted by their Governments regarding General Assembly resolution 32/165 on the strengthening of operational activities in the field of industrial development.

173. Another delegation, speaking on behalf of the countries of the Group of 77, and requesting that its intervention be reproduced verbatim, stated:

"The 77 nations are hopeful that the Secretary-General of the United Nations will take into consideration the necessities and aspirations of the developing nations expressed during the general debate of the Permanent Committee and in the present Industrial Development Board so as to have the best considerations to these aspirations."

174. At its 263rd meeting, on 4 May 1979, the Board unanimously adopted the report on the work of its thirteenth session as a whole.

CHAPTER XVII

CLOSURE OF THE THIRTEENTH SESSION

175. After statements by the President and the Rapporteur of the thirteenth session, by representatives of various geographical groups and by the Executive Director, the Board concluded its thirteenth session on 4 May 1979.

ANNEX

Documents submitted to the Industrial Development Board
at its thirteenth session

ID/B/213/Rev.1	Agenda
ID/B/214	Annotated provisional agenda
ID/B/215	Report of the Permanent Committee on the work of its eleventh session
ID/B/216	Follow-up of the decisions and recommendations of the Second General Conference of UNIDO, including review and appraisal of the progress achieved in the implementation of the Lima Declaration and Plan of Action; and follow-up of the decisions and recommendations of the seventh special session of the General Assembly relevant to industrial development: monitoring the actions taken and progress achieved by Governments and international organizations towards implementing the Lima Declaration and Plan of Action
ID/B/217	Organizational and financial matters; interim arrangements regarding greater autonomy for UNIDO
ID/B/218 and Corr.1 and Add.1	Matters concerning intergovernmental and international non-governmental organizations: applications from intergovernmental organizations and international non-governmental organizations
ID/B/219	Integration of women in development: UNIDO activities in 1978 designed to secure greater involvement of women in industrial development
ID/B/220	Annual report of the Executive Director, 1978
ID/B/220/Add.1 and Corr.1	Annual report of the Executive Director, 1978 - Profile of UNIDO technical co-operation activities: country sheets
ID/B/220/Add.2	Annual report of the Executive Director, 1978: updated statistical annex
ID/B/221	Role of the public sector in industrial development: activities of UNIDO related to the public sector
ID/B/222	Redeployment of industries from developed to developing countries: studies undertaken by UNIDO

ID/B/223 and Corr.1 (English, Spanish and Russian only)	System of consultations: progress made between April 1978 and March 1979
ID/B/224 and Corr.1 (English only)	Organizational and financial matters - UNIDO regular programme of technical assistance: proposed allocations for 1980-1981 and revised figures for 1978-1979
ID/B/225 and Add.1	Preparatory arrangements for the Third General Conference of UNIDO: fifth progress report
ID/B/226	Industrial and technological information bank: analysis of the pilot project
ID/B/227	Organizational and financial matters - United Nations Industrial Development Fund: plan for 1980-1981 and programme for 1980
ID/B/228	Organizational and financial matters: strengthening the effectiveness of the Industrial Development Field Advisers programme
ID/B/229	Report of the Permanent Committee on the work of its twelfth session
ID/B/230/Rev.1	Organizational and financial matters: proposed programme budget for UNIDO for the biennium 1980-1981
ID/B/231 and Corr.1	Statement by Sir Robert Jackson at the thirteenth session of the Industrial Development Board
* * *	
ID/B/INF.61	Matters concerning intergovernmental and international non-governmental organizations: co-operation between UNIDO and international non-governmental organizations having consultative status with UNIDO
ID/B/INF.62	Matters concerning intergovernmental and international non-governmental organizations: status of working relationships between UNIDO and intergovernmental organizations
ID/B/INF.63	Advance information for participants
ID/B/INF.64	Technical assistance: support costs
ID/B/INF.65/Rev.1	List of participants

كيفية الحصول على منشورات الأمم المتحدة

يمكن الحصول على منشورات الأمم المتحدة من المكتبات ودور التوزيع في جميع أنحاء العالم. استعلم عنها من المكتبة التي تتعامل معها أو اكتب إلى : الأمم المتحدة ، قسم البيع في نيويورك أو في جنيف .

如何购取联合国出版物

联合国出版物在全世界各地的书店和经售处均有发售。请向书店询问或写信到纽约或日内瓦的联合国销售组。

HOW TO OBTAIN UNITED NATIONS PUBLICATIONS

United Nations publications may be obtained from bookstores and distributors throughout the world. Consult your bookstore or write to: United Nations, Sales Section, New York or Geneva.

COMMENT SE PROCURER LES PUBLICATIONS DES NATIONS UNIES

Les publications des Nations Unies sont en vente dans les librairies et les agences dépositaires du monde entier. Informez-vous auprès de votre libraire ou adressez-vous à : Nations Unies, Section des ventes, New York ou Genève.

КАК ПОЛУЧИТЬ ИЗДАНИЯ ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ

Издания Организации Объединенных Наций можно купить в книжных магазинах и агентствах во всех районах мира. Наводите справки об изданиях в вашем книжном магазине или пишите по адресу: Организация Объединенных Наций, Секция по продаже изданий, Нью-Йорк или Женева.

COMO CONSEGUIR PUBLICACIONES DE LAS NACIONES UNIDAS

Las publicaciones de las Naciones Unidas están en venta en librerías y casas distribuidoras en todas partes del mundo. Consulte a su librero o diríjase a: Naciones Unidas, Sección de Ventas, Nueva York o Ginebra.
